

**Law No. (16) of 2016**  
**Amending Law No. (23) of 2009**  
**Concerning the Mohammed bin Rashid Establishment for**  
**Small and Medium-sized Enterprises Development<sup>1</sup>**

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**We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,**

After perusal of:

Law No. (25) of 2008 Concerning the Department of Economic Development; and

Law No. (23) of 2009 Concerning the Mohammed bin Rashid Establishment for Small and Medium-sized Enterprises Development and its amendments (the "**Original Law**"),

**Do hereby issue this Law.**

**Amended Articles**  
**Article (1)**

Articles (7), (10), and (12) of the Original Law are hereby superseded by the following:

**Article (7)**

For the purpose of achieving its objectives, the MBR SME will have the duties and powers to:

1. develop the policies and strategic plans related to entrepreneurship and to the establishment of SMEs; and provide the programmes and initiatives related to the support, implementation, and regular development of SMEs;
2. determine the standards required for the classification of SMEs;
3. determine the main support areas of SMEs, as well as develop and implement relevant initiatives;

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*<sup>1</sup>Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict, the Arabic text will prevail.*

4. create a favourable environment conducive to the creation of investment opportunities for SMEs in the public and private sectors;
5. launch and develop projects and initiatives, including business incubators, that contribute to the achievement of the strategic objectives of the MBR SME;
6. review the status of existing SMEs, identify the main obstacles to their growth, and develop appropriate solutions for these obstacles;
7. develop and implement awareness programmes to encourage setting up and developing SMEs;
8. coordinate with banks and financial institutions to enable Members to avail themselves of suitable financing solutions, and coordinate with external suppliers to provide consultancy and support services to Members;
9. establish the requirements and standards for licensing business incubators in accordance with the needs of entrepreneurs and as required for supporting the creative and innovative efforts of the Emirate;
10. provide UAE national or other entrepreneurs with consultancy, development, and training services and with business incubators in accordance with the relevant conditions and criteria adopted by the DED;
11. establish or hold shares in companies, and own and take lease of real property and movables; and
12. perform any other duties required for the achievement of the objectives of the MBR SME .

#### **Article (10)**

- a. The MBR SME will be responsible for licensing Members as per the conditions and requirements approved by it in this regard, taking the following into consideration:
  1. For the first three (3) years after the date on which the licence is issued to the Member, he will pay an annual fee of one thousand Dirhams (AED 1,000.00). For the fourth and fifth years, he will pay an annual fee of two thousand Dirhams (AED 2,000.00).
  2. During the first five (5) years of the licence period, no fees will be charged except those stated in sub-paragraph (a)(1) of this Article.
- b. Entrepreneurs who are nationals of the Gulf Cooperation Council States will be treated as UAE nationals and will be licensed as Members in accordance with the relevant conditions and requirements approved by the MBR SME.

## **Article (12)**

All Government entities and the corporations and companies owned by the Government of Dubai or in which the Government of Dubai holds more than twenty-five percent (25%) of the share capital must:

1. exempt UAE national Members from the fees prescribed for registration in the registers of suppliers they maintain;
2. obtain at least ten percent (10%) of their purchases from UAE national Members;
3. allocate to Members five percent (5%) of the leasable area at the commercial centres owned by them, in accordance with the relevant selection and pre-qualification standards prescribed by the MBR SME;
4. give priority to tender and auction bids submitted by Members, where the difference between these bids and the best submitted bids does not exceed five percent (5%);
5. discount the rent payable by Members by no less than twenty percent (20%) for the first three (3) years of the lease agreement period; and
6. notify the MBR SME of any support provided to Members.

## **Repeals Article (2)**

Any provision in any other legislation will be repealed to the extent that it contradicts the provisions of this Law.

## **Publication and Commencement Article (3)**

This Law will be published in the Official Gazette and will come into force on the day on which it is published.

**Mohammed bin Rashid Al Maktoum  
Ruler of Dubai**

Issued in Dubai on 1 November 2016  
Corresponding to 1 Safar 1438 A.H.