

**Law No. (25) of 2009**  
**Concerning**  
**The Dubai International Airport Free Zone<sup>1</sup>**

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

After perusal of Law No. (2) of 1996 Establishing the Dubai International Airport Free Zone and its amendments,

Law No. (11) of 2006 Establishing the Investment Corporation of Dubai and its amendments,

Law No. (3) of 2007 Establishing the Financial Audit Department and its amendments,

Law No. (7) of 2008 Concerning the Public Debt Procedure,

Law No. (3) of 2009 Concerning the Transfer of Ownership of Dubai International Airport Free Zone to the Investment Corporation of Dubai,

Law No. (8) of 2009 Concerning the Accountability of the Heads and Directors of the Government Entities Attached to the Government of Dubai,

Decree No. (2) of 1993 Forming a Special Tribunal for the Settlement of Disputes between Landlords and Tenants and its amendments,

Decree No. (8) of 2007 Authorising the Chairman of the Executive Council to Grant Permission to Government Departments, Entities and Agencies to Open Bank Accounts,

**do hereby issue the following Law:**

**Title of the Law**  
**Article (1)**

This Law shall be cited as “**Law No. (25) of 2009 Concerning the Dubai International Airport Free Zone**”.

**Definitions**  
**Article (2)**

The following words and expressions, whenever mentioned in this Law, shall have the meaning indicated opposite each of them unless the context otherwise implies:

State:	The United Arab Emirates.
Ruler:	His Highness the Ruler of Dubai.
Emirate:	The Emirate of Dubai.
Government:	The Government of Dubai.
Free Zone:	The Dubai International Airport Free Zone.
Authority:	The Free Zone Authority.
Chairman:	Chairman of the Authority.
Director General:	Director General of the Authority.

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1. Every effort has been made to produce an accurate and complete English version of this Law. 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 shall prevail.

Goods:	All movable assets including tools and equipment required for light industries.
Company:	A company licensed to operate in the Free Zone in accordance with the provisions of this Law.
Establishment:	An establishment registered with the Free Zone in accordance with the provisions of this Law.
Persons:	Natural persons licensed to conduct business in the Free Zone in accordance with the provisions of this Law.
Workers:	All workers employed by the Companies, Establishments and Persons based in the Free Zone.

### **Scope of the Law**

#### **Article (3)**

The provisions of this Law shall apply to the Free Zone established in the Dubai International Airport pursuant to Law No. (2) of 1996 and its amendments, whose boundaries and area are outlined in the plan annexed hereto, which is attached to the Investment Corporation of Dubai by virtue of Law No. (3) of 2009 Concerning the Transfer of Ownership of Dubai International Airport Free Zone to the Investment Corporation of Dubai.

### **Objectives, Duties and Powers of the Authority**

#### **Article (4)**

The Free Zone aims at attracting capital flows and encouraging all forms of investment within the Free Zone. To achieve this purpose, the Authority shall undertake the following duties and powers:

1. To set up Establishments and Companies as sole proprietor or in partnership with others, or invest in the Establishments and Companies engaged in the same or similar business activities;
2. To secure funding for its projects and for the projects of its Companies and Establishments, whether by obtaining loans or issuing debt instruments in accordance with the above mentioned Law No. (7) of 2008;
3. To prescribe and impose fees for the registration and licensing of Establishments, Companies and Persons and any other fees including fees for the services rendered by the Free Zone;
4. To conduct all operations and activities which are related to the nature of the business of the Free Zone and required for achieving its objectives, including the conduct of commercial and industrial business in coordination with other local and federal government entities;
5. To import and store Goods for re-export purposes, or for importing them to the customs zone in the Emirate;
6. To establish light industries and high-technology industries in order to export the products outside the Emirate or supply them to the customs zone in the Emirate;
7. To provide various commercial and financial services within the Free Zone, including banking services, insurance services, air freight services, etc.;

8. To conclude contracts and agreements and obtain licences as may be required to achieve its objectives;
9. To regulate businesses and activities authorised in the Free Zone and carried out by the Establishments, Companies and Persons, and to lay down the rules, conditions, requirements and procedures for registration and licensing of such businesses and activities;
10. To regulate business relations among Establishments, Companies, Persons and other entities operating in the Free Zone;
11. To purchase, lease and own movable and immovable assets as may be required to achieve its objectives, and invest and dispose of such assets by all legal means of disposal including sale and lease.
12. To conclude lease agreements for the land and buildings located in the Free Zone with any Establishment, Company or Person to enable them to conduct business in accordance with the terms of such agreements;
13. To provide, develop and maintain the infrastructure, buildings, administration services and any other services required to achieve its objectives;
14. To monitor and conduct inspections of the activities of Establishments, Companies and Persons operating in the Free Zone to ensure their compliance with the provisions of this Law and the by-laws and regulations in force in the Free Zone;
15. To establish investment funds for the purpose of achieving the objectives of the Free Zone and secure funding for the projects of its Establishments, Companies and Persons, and for investing the funds of the Authority in any manner deemed appropriate by the Chairman. Investors shall be allowed to contribute to such funds in accordance with the Free Zone instructions and by-laws;
16. To establish offices and appoint agents within and outside the Emirate to promote the Free Zone;
17. Any other duties deemed necessary for the achievement of its objectives.

**Administration of the Free Zone Authority  
Article (5)**

The Free Zone Authority shall consist of:

- A. Chairman;
- B. Director General;
- C. Executive organ.

**Duties and Powers of the Chairman  
Article (6)**

- A. The Chairman shall be appointed by a decision of the Ruler and shall supervise the Authority. He shall undertake the following duties and powers:
  1. To approve, adopt and supervise the implementation of the strategic plans and general policy of the Authority, and to approve development plans;
  2. To approve the regulatory, administrative and financial by-laws;
  3. To issue the regulations concerning the human resources of the Authority;

4. To approve the services, operations and activities of the Authority;
  5. To approve the draft general budget and the closing account of the Authority;
  6. To ensure compliance of the Authority with the applicable laws, regulations and by-laws when conducting business;
  7. Any other duties deemed necessary for the effective management of the Authority.
- B. The Chairman may delegate to the Director General any of the powers set out in Clause (A) of this Article provided that such delegation of power is clearly stated in writing.

### **Duties and Powers of the Director General** **Article (7)**

- A. The Director General shall be appointed by a decision issued by the Chairman and shall report to him. The Director General shall undertake the following duties and powers:
1. To propose the general policy and strategic and development plans of the Authority;
  2. To supervise the executive organ of the Authority, monitor its administrative, technical and financial performance, and to prepare and submit the relevant reports to the Chairman;
  3. To follow up the implementation of the operations, projects and activities undertaken by the Authority;
  4. To propose the regulations and by-laws necessary for achieving the objectives of the Authority;
  5. To prepare the draft general budget and the closing account of the Authority;
  6. To propose the organisation structure of the Authority and the Companies and Establishments owned by the Authority;
  7. To appoint the internal financial auditor of the Authority and seek assistance of experienced and qualified consultants to study the operations and projects of the Authority, and prepare the budgets of these operations and projects, and supervise their implementation;
  8. To represent the Authority before third parties and enter into contracts and agreements in its name;
  9. To establish and register the Companies and Establishments of the Authority.
- B. In the absence of the Chairman or his inability to perform his duties and powers, the Director General shall act as Chairman and shall assume the duties and powers of the Chairman.

**Goods Allowed in the Free Zone**  
**Article (8)**

- A. Both foreign and national Goods shall be allowed in the Free Zone.
- B. As exemption from the provisions of Clause (A) of this Article, it is prohibited to bring the following Goods into the Free Zone:
  - 1. Expired Goods;
  - 2. Goods imported in violation of commercial, industrial, literary, artistic and intellectual property laws;
  - 3. Boycotted goods or Goods in respect of which the State or Government imposes boycotts;
  - 4. Goods bearing inscriptions, drawings, carvings, marks or figures that conflict with religious beliefs, teachings and doctrines of revealed religions;
  - 5. Raw or processed opium, coca leaves, Indian cannabis, hashish or resin concocted from Indian cannabis or hempseed, qat, and the like.
  - 6. Military Goods and ammunition, except those imported under licence from the competent authorities of the Emirate.

**Customs and Tax Exemptions**  
**Article (9)**

- A. Goods imported in the Free Zone shall be exempt from customs duties and taxes.
- B. The Establishments, Companies, Persons and Workers shall be exempt from all taxes, including income tax, in relation to their operations within the Free Zone. Such exemption shall apply for a period of fifty (50) years from the date on which such Establishments, Companies, Persons or Workers commence work in the Free Zone. The exemption period may be extended for similar periods by a decision of the Ruler.

**Exemption from Certain Laws**  
**Article (10)**

- 1. With respect to their operations in the Free Zone, the Authority, Establishments, Companies or Persons shall not be bound by the laws and regulations of Dubai Municipality - except for the legislation related to public hygiene, public safety and the environment - of the Department of Economic Development, or by the authorities and powers of both departments.
- 2. The relations of the Authority with third parties in respect of lease agreements shall not be subject to the jurisdiction of the Special Tribunal for Settlement of Disputes between Landlords and Tenants formed by virtue of the above mentioned Decree No. (2) of 1993.

**Products Exported to the Customs Zone**  
**Article (11)**

Products exported from the Free Zone to the customs zone in the Emirate shall be deemed as initially imported from abroad and shall be subject to customs duties in accordance with the provisions of the customs tariff in force.

**Immunity against Nationalisation and Limitations of Ownership**  
**Article (12)**

The funds and activities of Establishments, Companies or Persons shall not be subject to any nationalisation or limitation of private ownership procedures during their operation in the Free Zone.

**Exemption from Limitations**  
**Article (13)**

Establishments, Companies, Persons and Workers shall be exempt for a period fifty (50) years from any limitations relating to the transfer of share capital, profits or wages in any currency to any other entity outside the Free Zone. The said period shall be effective as of the commencement date of the operation of these Establishments, Companies, Persons and Workers in the Free Zone. The said period may be extended for similar periods by a decision of the Ruler.

**Hire and Employment**  
**Article (14)**

1. Upon their request, the Authority shall provide Establishments, Companies and Persons with technicians, professionals, executives and others as required by the nature of work in the Free Zone and in accordance with the terms and conditions agreed between the Authority and the requesting entity.
2. Establishments, Companies and Persons may, at their own discretion, hire or employ any Person for performing their activities in the Free Zone, provided that the said Person is not a national of any country politically or economically boycotted by the State.

**Exemption of the Government from Liability**  
**Article (15)**

The Government shall not be held liable towards third parties for any debts or obligations claimed from the Authority or its affiliated entities. However, the Authority shall be solely liable for such debts and obligations.

**Establishing Legal Entities**  
**Article (16)**

Limited liability Establishments and Companies which have legal entity owned by a single natural or legal Person may be established in the Free Zone. These Establishments and Companies shall have a distinct legal entity and an independent financial liability, and the liability of their owner shall be limited to the paid up share capital.

**Article (17)**

1. The Chairman or acting chairman shall have the power to authorise the establishment and registration of Establishments and Companies as set out in the previous Article, and to regulate all related procedures and issues.
2. The Chairman may issue by-laws required for this purpose including imposing establishment and registration fees, issuing rules of deregistration, liquidation and other necessary procedures to control and monitor them.

**Article (18)**

1. Beside the name of the Establishment or Company established in accordance with this Law, a statement that they are established in the Free Zone by virtue of this Law and that they are a limited liability company in addition to the initials (FZE) must appear in all their activities, contracts, advertisements, invoices, correspondence and printed material.
2. If the owner or owners of the Establishment or Company fail to comply with Clause (1) of this Article he/they will be liable for all the obligations of the Establishment or Company.

**Exceptions to this Law**  
**Article (19)**

The following shall be excepted from the provisions of this Law:

1. The products of national plants established in the Free Zone which are owned totally by UAE or GCC nationals, or in which they own no less than fifty percent (51%) shall be deemed as national, not imported products. No duties shall be payable on these products when imported from the Free Zone, provided that these plants are licensed by the competent entities in the State.
2. The laws and by-laws applicable to plants established outside the Free Zone shall apply to the national plants mentioned in the previous Clause. In addition, the provisions of this Law shall not apply to these national plants and their products.

**Assignment of Licence**  
**Article (20)**

The licence issued by the Authority to any party or entity may not be assigned to any other party without obtaining the prior written approval of the competent organ in the Authority.

**Financial Resources of the Authority**  
**Article (21)**

The financial resources of the Authority shall consist of the following:

1. Movable and immovable assets allocated by the Government to the Authority;
2. Proceeds from services and facilities rendered by the Authority;
3. Proceeds from the sale or lease of real estate property of the Authority;
4. Profits and returns on investment by the Authority and on projects implemented by the Authority directly or indirectly through Establishments and Companies totally or partly owned by the Authority;
5. Any other resources approved by the Chairman which are not inconsistent with the Authority's objectives and the legislation in force.

**Budget and Accounts of the Authority**  
**Article (22)**

1. The Authority shall have an independent budget that reflects its actual financial position.
2. In regulating its accounts and records, the Authority shall apply the principles and rules of commercial accountancy in accordance with the recognised international standards.
3. The financial year of the Authority shall commence on 1 January and end on 31 December of each year.

**Financial Audit**  
**Article (23)**

The accounts of the Authority shall be audited by the Financial Audit Department.

**Support of the Government Departments to the Authority**  
**Article (24)**

All the Government departments and public corporations and authorities in the Emirate must fully support the Authority in order to enable it to achieve its objectives.



**Penalties**  
**Article (25)**

The Chairman shall issue a by-law setting out the administrative penalties for any violation of any of the provisions of this Law and the by-laws issued in pursuance thereof, or of any of the terms of the licence issued by the Authority. The by-law shall also specify the entity authorised to impose and enforce these penalties.

**Repeals**  
**Article (26)**

1. Law No. (2) of 1996 Establishing the Dubai International Airport Free Zone and its amendments shall be repealed. Any other provision in any other legislation shall be repealed to the extent that it contradicts of this Law.
2. The enactments issued by the above mention law under Law No. (2) of 1996 and its amendments shall continue to apply to the extent that they do not contradict the provisions of this Law until the issuing of enactments replacing them.

**Applicable Law**  
**Article (27)**

This Law shall be published in the Official Gazette and shall come into force from the date it is published.

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

Issued in Dubai on 13 July 2009  
Corresponding to 20 Rajab 1430 AH