

Annex I

Summary of Measures (Onshore UAE)

State Support	
UAE	The UAE Federal Government's "Targeted Economic Support Scheme" aims to provide temporary relief from the payments of principal and interest in respect of outstanding loans for all private sector companies, and includes an AED 50 billion fund distributed through 0% interest collateralised loans for banks operating in the UAE. In addition, AED 50 billion has been freed up from banks' capital buffers to encourage further lending to private sector businesses in need of credit during this time.
Abu Dhabi	An AED 3 billion to the SME credit guarantee scheme managed by the Abu Dhabi Investment Office in order is designed to stimulate financing by local banks. Bid bonds have been suspended and an exemption introduced for start-ups from performance guarantees for projects of up to AED 50 million.
	Allocation of an AED 1 billion to establish a market maker fund to enhance liquidity and maintain the balance between supply and demand for stocks.
Rate Reliefs	
Dubai	Freezing the 2.5% market fees for all facilities operating in Dubai for three months.
	Cancellation of the 25% down payment required for requesting instalment-based payment of government fees for obtaining or renewing licences.
	Permission to renew commercial licences without mandatory renewal of lease contracts.
	Exemption of companies from permits for new sales and offers.
	10% reduction of water and electricity bills, including residential and commercial bills, for 3 months.
	A refund of 20% of the customs fee imposed on imported products sold in Dubai.
	A 90% reduction of fees imposed on submission of customs documents.
	Reduction of "municipality fees" imposed on sales at hotels from 7% to 3.5%.
	A freeze on "fees" charged for the sale of tickets, issuance of permits and other government fees related to entertainment and business events.
	Refund of bank guarantees or cash required to be paid by existing customs clearance companies.
	Cancellation of the AED 50,000 bank guarantee or cash requirement in order to undertake customs clearance activities.
	Cancellation of bank guarantees required to be submitted before resolution of customs-related grievances.
	Exemptions from fees charged to companies for postponement and cancellation of tourism and sports events scheduled for 2020.
Freeze on the fees for classification/rating of hotels.	
Abu Dhabi	Suspension of individual or commercial real estate registration fees.

	Abu Dhabi Commercial Bank is offering to defer loan instalments and waive interest for up to 6 months for individuals or business owners, subject to approval.
	Reduction of industrial land leasing fees by 25% on new contracts.
	Waiver of certain commercial and industrial penalties.
	Suspension of tourism and municipality fees for the tourism and entertainment sectors until the end of 2020.
	Rebate of up to 20% on rental values for restaurants, tourism and entertainment sectors.
	Exemption for commercial vehicles from annual registration fees until the end of 2020.
	Exemption for all vehicles from road toll tariffs until the end of 2020.
	Exempting all commercial and industrial activities from Tawtheeq fees during 2020.
Property Costs	
Dubai and Abu Dhabi	Tenants struggling to pay their rent during the COVID-19 pandemic are exempt from eviction. There is also a temporary suspension of all eviction judgments related to residential and commercial facilities during March and April. All "imprisonment judgments" linked to rental disputes have been suspended, save in the case of abandoned homes.
Abu Dhabi	Allocation of AED 5 billion in water and electricity subsidies. Reduction in electricity connection fees for start-ups until the end of 2020.
Dubai	A reduction in water and electricity bills by 10%. Reduction in deposits paid for water and electricity connections by 10%.
Employment	
UAE	No enhanced rights for employers to lay off, suspend payment to or force leave on employees although note that MOHRE has introduced formal measures for agreeing pay reductions with non-Emirati employees. Similarly, no additional support for employee costs, such as recovering for sick pay or salaries. There have been some protections introduced for Emirati nationals.
Directors' Duties	
UAE	No change as at the date of this alert.
Insolvency	
UAE	No change as at the date of this alert.

Summary of Measures (Offshore – Free Zones)

Rate Reliefs and Other Measures	
ADGM	100% waiver on Commercial Licence renewal fees (with the exception of SPVs and foundations licences) until 25 March 2021.
	100% waiver on Business Activity renewal fees until 25 March 2021.
	100% waiver on Data Protection renewal fees until 25 March 2021.
	100% waiver on new Temporary Work Permit issuances, renewal and late application fees until 25 March 2021.

	100% waiver on annual Funds fees until 31 December 2020.
	100% refund of annual Funds fees already paid by FSRA-regulated entities for 2020.
	50% refund of Supervision fees already paid by FSRA-regulated entities for 2020.
	50% waiver on any new FSRA Supervision fees to be collected until 31 December 2020.
	Deferral of rental payments and service charges for office tenants at ADGM Square on Al Maryah Island for 2020.
	Amendment to Commercial Licensing Regulations to add the schedule of fees to the regulations and cover the possible reduction or waiver of fees by the Registrar as deemed necessary due to exceptional circumstances.
	Amendment to Data Protection Regulations to cover the reduction or waiver of fees by the Registrar wherever deemed necessary as a result of exceptional circumstances.
DIFC	The DIFC has waived annual licence fees for new companies until the end of Q2 2020, and given a 10% discount on renewal fees for existing licences during the same period. Furthermore, companies will enjoy the postponement of payment plans for all commercial properties owned by DIFC Investments for a period of 6 months. DIFC will reduce its ownership transfer fees from 5% to 4% for any property sale that occurs within a 3-month period, if ownership transfers are registered at the DIFC within 30 days after the end of the 3-month period.
DMCC	The DMCC has reduced its registration fees by 50% for new companies, while current companies will receive 30% discounts on renewal and amendment fees.
JAFZA	JAFZA has announced it will waive fines on expired trade licences, and waive the first year licence fees for any new companies.
All Dubai Free Zones	The Dubai Free Zones Council has launched an economic stimulus package which includes five key elements: (a) postponement of rent payments for a period of 6 months; (b) facilitating installments for payments; (c) refunding security deposits and guarantees; (d) cancellation of fines for both companies and individuals; and (e) permitting temporary contracts that allow the free movement of labour between companies operating in the free zones for the rest of the year. Each free zone has participated, in accordance to their own specific policies.
Employment	
DIFC	<p>During the “Emergency Period” (which extends until 31 July 2020), an employer may lawfully implement the following “Emergency Measures”:</p> <ul style="list-style-type: none"> • impose reduced working hours; • impose vacation leave; • impose unpaid leave; • reduce remuneration on a temporary basis; • restrict workplace access; and • impose remote working conditions and requirements including imposing means of measuring an employee’s engagement and productivity during remote working, <p>without the consent of the employee. An employer is required to notify any affected employees in writing at least 5 days in advance of imposing any of the above; and</p>

	<p>During the Emergency Period, employers will be required to maintain a list of (i) any employee terminating during the period from 1 March 2020 to the end of the Emergency Period; and (ii) any employees that are surplus to its current requirements. This information will be provided to the Government Services Office who (with the employee's consent) shall create and maintain a virtual labour market during the Emergency Period known as the "DIFC Available Employee Database".</p>
	<p>Any sick leave taken by an employee during the Emergency Period as a consequence of either (i) having contracted COVID-19; or (ii) being placed in quarantine, shall not count towards any sick leave entitlement that an employee is entitled to under the DIFC Employment Law.</p>
	<p>Employees will be entitled to full pay during any COVID-19 sick leave period and may not be subjected to any Emergency Measure provided for under this directive (such as a pay reduction) that did not apply to them prior to any such sick leave period.</p>
	<p>The Directive further provides that it will not be permissible to terminate the services of an employee who has taken more than the maximum aggregate 60 working days of annual sick leave entitlement under the DIFC Employment Law due to COVID-19 related sick leave.</p>
	<p>The Directive ensures that any end of service gratuity payments will not be effected by the implementation of any Emergency Measures where the employee's basic salary has been reduced after 1 March 2020.</p>
	<p>Employers are not permitted reference a salary which has been reduced after 1 March 2020 when looking to transfer any end of service gratuity which an employee has accrued prior to 1 February 2020 into a DIFC employee workplace savings scheme.</p>
	<p>Under the Directive it will be permissible for employers to defer the cancellation of any terminated employees' residency visas and/or sponsorship beyond the 30 days' statutory limitation period.</p>
	<p>Employers in the retail, service or hospitality industry who provide employees with accommodation as part of their employment contract are required to continue to provide accommodation to those employees until the cancellation of their residency visa.</p>

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