



# PERU

A rising regional power in the  
**Latin American region**

## Guest Article



**H.E. Marco Antonio  
Santiv  ez Pimentel**  
Consul General of Peru in Dubai



**Ravishanker V**  
Senior Manager - Taxation  
Kreston Menon Chartered Accountants

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Senior Partner  
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**SMB Awards 2024  
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## EDITOR'S NOTE



**RAJU MENON**

Dubai and the United Arab Emirates are consistently ranked high in the global indexes on infrastructure development, innovation, ease of doing business, health, security and stability. The top rankings in global competitive indicators are a result of the country's comprehensive development strategies, reformative approach of the governmental agencies and the conducive environment for global investors.

The recently announced Dubai Quality of Life Strategy 2033, launched under the directive of H.H. Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the United Arab Emirates, the Ruler of Dubai and spearheaded by H.H. Sheikh Hamdan bin Mohammed Al Maktoum, Crown Prince of Dubai, Chairman of The Executive Council of Dubai, aims to transform Dubai into the world's best city to live in. The strategy comprises of more than 200 projects and initiatives focused on enhancing the wellbeing of all community segments and demographic categories

including women, seniors, nationals, people of determination, children, youth and the workforce.

H.H. Sheikh Hamdan bin Mohammed Al Maktoum emphasised that the approval of the Dubai Quality of Life Strategy 2033 is part of Dubai's efforts to raise the global standing in the economy as well as in the areas of innovation and well-being. According to him, the vibrancy and cultural diversity of the nation are key to the unmatched development journey.

In this edition of Kreston News, Pushpakaran Parambath, Senior Partner, Kreston Menon Corporate Services talks about the progress of Operation 300bn which encourages sustainable development that will lead to the Fourth Industrial Revolution which encapsulates an overall game changer to the UAE economy and its competitiveness.

In the guest article, H.E. Marco Antonio Santiv  ez Pimentel, Consul General of Peru in Dubai writes about Peru's rising importance in Latin America and on the surge of bilateral trade between the UAE and Peru. Peru offers boundless opportunities to businesses based in the UAE, to invest and grow in a stable market, with guarantees of equal treatment between national and foreign investors, as well as with great potential. In this informative chapter of his series on Corporate Tax in the UAE, Ravishanker Vengathattil talks about the Global Minimum Tax (GMT), envisaged in Pillar Two of the Framework - Global Anti-Base Erosion Model.

I also take this opportunity to congratulate Shibu Abraham, Director – Human Resources of Kreston Menon on his new global role as Chair of the Leadership Team for the HR & People Network of Kreston Global.



### Congratulations

**Shibu Abraham**

Director - Human Resources & Administration

on his new role as

**Chair of the Leadership Team for the HR & People Network of Kreston Global.**

The HR & People Network provides a platform for HR leaders of Kreston member firms across the globe to address global HR challenges, share best practices and encourage conversations on talent, policies, culture, employer branding and innovation.

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Award**



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# PERU

## A rising regional power in the Latin American region



**H.E. Marco Antonio  
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When talking about the Latin American region, images appear in the minds of many people of territories rich in natural resources, with emerging, homogeneous nations, with Spanish as the dominant language and with a rich football tradition. The reality is that today Latin American countries diverge significantly in size, history, development model and future projections, among many other differentiating characteristics.

In the case of Peru, we are talking about a country located in a central area of the Latin American region with more than 3,000 kilometres of coastline on the Pacific Ocean and with the South American seaport with the largest volume of cargo, elements that ensure optimal conditions for its projection towards the rest of the world. The development model of open economy that Peru has followed during the last three decades, allowed it to attract important investments in mining, agriculture, fishery, energy, services and other sectors, generating sustained growth rates, thanks to its solid macroeconomic fundamentals and general and specific competitive advantages. Its economy, which is developed in a varied territory of 1,285,216 square kilometres of great biodiversity and a population of more than 33 million inhabitants, has been characterized in recent years by having had the most stable currency and the lowest inflation in the region.

An aspect that deserves to be highlighted in Peruvian

foreign policy has been its vocation for peace and integration, expressed in the creation of the Andean Community of Nations (CAN) in 1969, formed by Colombia, Bolivia, Ecuador and Peru, whose headquarters are in Lima. Subsequently, 13 years ago, Peru founded the Pacific Alliance, together with Chile, Colombia and Mexico, which belong to the group of the largest Latin American economies, after Brazil and Argentina, with the purpose of facilitating the transit of goods, people and capitals. Likewise, Peru has been committed for decades to its projection into the Pacific basin, expressed with its entry in 1998 to the important multilateral forum "Asia Pacific Economic Cooperation (APEC)", to which the largest world powers such as the United States, Russia and China belong, among others, Lima having hosted the APEC Leaders' Summits in 2008 and 2016, and will host it again for the third time this year in November.

Moving on to a more specific level, I wish to refer to the evolution of the positive relations of friendship and cooperation that unite Peru and the United Arab Emirates, since I assumed duties as Consul General of Peru in Dubai in 2019. That year we signed agreements of mutual visa exemption for all types of passports, which came into force in November 2020. We have also held meetings of the bilateral political consultation mechanisms between our Foreign Ministries, very useful to promote the agenda of common interest for both countries. The priority that Peru assigns to the UAE was made evident through the consistent Peruvian participation at EXPO 2020 Dubai, with a pavilion that won the gold trophy for the best interior design among the medium-sized pavilions, awarded by "Bureau Internationaux des Expositions (BIE)", based in Paris. After EXPO DUBAI, we witnessed the opening of more than a dozen restaurants offering Peruvian cuisine in

Dubai, which also corresponds to the boom our gastronomy experience in many other countries.

Over the last few years, we have had numerous visits from Peru from high authorities, members of the Parliament, businessmen, academicians and other personalities, who have participated in high-level international events and meetings, some of them having been honoured with recognition in the UAE.

This year in February, our Minister of Foreign Trade and Tourism visited in UAE and held an important meeting with the Minister of State for Foreign Trade, Dr. Thani Al Zeyoudi. At the end of the meeting, it was announced the beginning of bilateral negotiations to a "Comprehensive Economic Partnership Agreement - CEPA" between UAE and Peru. This is an important step that will contribute to enrich the legal framework of our relations, as well as to promote the commercial exchange, new investments and the tourism, which had already been reinforced last year with the signing of a bilateral "Air Services Agreement (ASA)".

On the other hand, the Peruvian Foreign Ministry has recently announced the opening of our Embassy in Abu Dhabi, which will certainly expand our bilateral relations to a higher level. In the dynamic and fast-paced world that we live in, Peru certainly offers great opportunities to companies based in the UAE, to invest and grow in a stable market, with guarantees of equal treatment between national and foreign investors, as well as with great potential. Peruvian exports to the UAE, which are around one billion US dollars, consisting of gold, fruits, food and other products, will surely increase, due to Dubai's positioning as a port and airport hub.

In order to illustrate the opportunities that can be taken advantage of in the Peruvian economy, I would like to mention just some of the projects that are being carried out in my country, such as the prompt completion of the new air terminal and new runway at the "Jorge Chávez International Airport" located in the capital, operated by Lima Airport Partners (Fraport AG from Frankfurt, Germany); the second line of the Lima underground metro that will cross the capital from east to west and will finally reach the mentioned international airport; the new Cuzco international airport, located in Chinchero; the new multipurpose maritime mega-port of Chancay, located north of Lima; the modernization and expansion of the South Dock of the port of Callao, operated by DP World, which now can receive ships of 400 meters in length and up to 21,000 TEUs; the commuter trains to the north and south of Lima; the Autopista del Sol, which will reduce the journey between the cities of Trujillo and Sullana on the north coast by two hours; the new Talara oil refinery, which will produce fuels of high environmental quality; the new Central Highway and new peripheral road ring in the city of Lima; the new infrastructure for the 2027 Pan American Games; the irrigation of Majes Siguas II and Chavimochic III, which will allow an expansion of the agricultural surface by more than 100,000 hectares; all of which contributes competitiveness and efficiency to the Peruvian economy.

I would like to conclude this message by thanking "Kreston Menon" for the opportunity to address its clients through this medium, congratulate them for the reputation they enjoy due to the quality of their services, as well as invite those businessmen who are interested in exploring new businesses in Peru to contact the Consulate General of Peru in Dubai, which will always have its doors open to provide accurate and timely information.■



Sudhir Kumar, Senior Partner & Head-Corporate Communications at Kreston Menon and Director-Kreston Global Board & Pushpakaran Parambath, Senior Partner at Kreston Menon, had a discussion with H.E. Marco Antonio Santivanez-Consul General of Peru in Dubai at the Consulate of Peru in Dubai on how Peruvian business targets can be achieved in Dubai, U.A.E., and how Kreston Menon can impart local business knowledge to the Peruvian businesses.

# Global Minimum Tax (GMT) and UAE Corporate Tax: Navigating Pillar Two

Global Minimum Tax (GMT) or Global Anti-Base Erosion Model (Pillar Two)



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## Background

The Organisation for Economic Cooperation and Development (OECD) has explained Base Erosion and Profit Shifting (BEPS) as 'tax planning strategies used by multinational enterprises that exploit gaps and mismatches in tax rules to avoid paying tax'. The phenomenon was discussed in detail in the OECD publication 'Addressing Base Erosion and Profit Shifting' in February 2013, identifying existing opportunities and practices and broad action areas to address the associated concerns. An action plan was published on 19 July 2013 - 'Action Plan on Base Erosion and Profit Shifting' - which laid down fifteen action plans and prescribed the methodology for the same.

Tax Challenges Arising from Digitalisation were rightly identified as a key action item – Action 1. Various forums questioned the relevance of global taxation principles, developed in a brick-and-mortar environment, in this changing technological landscape. The advent of technology and digitalisation has resulted in three phenomena in the world of business – 'scale without mass, reliance on intangible assets and the centrality of data.' Reforms to address concerns and meet the challenges posed by the changing business models were seen as the need of the hour.

With a series of reports, publications and public consultations starting as early as October 2015, the Action 1 has evolved to what we now know as the 'Two-Pillar Approach to Address the Tax Challenges Arising from the Digitalisation of the Economy'. Pillar One focuses on nexus and profit allocation, while Pillar Two focuses on a global minimum tax.

In February 2016, the proposed architecture of the Inclusive Framework on BEPS ("the Inclusive Framework") was endorsed by G20 Finance Ministers. Today, over 140 countries and jurisdictions work together in the Inclusive Framework to tackle Base Erosion, enhance transparency, and improve coherence of international tax rules.

## Overview

The Global Minimum Tax (GMT), envisaged in Pillar Two

of the Framework, strives to tax large Multinational Enterprises (MNEs), with annual consolidated revenue of above EUR 750 million and having presence in more than one jurisdiction, at a minimum tax of fifteen percentage (15%) on their global profits. Pursuant to the approval received from the Inclusive Framework, the GloBE Model Rules were published in December 2021. The Rules require the MNEs to calculate the incomes and taxes on a jurisdictional basis. A Top-up Tax is levied if the Effective Tax Rate (ETR) for a jurisdiction is less than the GMT Rate i.e 15% to bring the total amount of tax in that low-tax jurisdiction up to the 15% rate. The top-up tax is computed on the income after applying a Substance-Based Income Exclusion (SBIE) - a carve-out based on payroll and tangible assets.

## Collection of Top-up Tax

The Top-up Tax is collected either by the low-tax jurisdiction itself by imposing a Qualified Domestic Minimum Top-up Tax (QDMTT), or by another jurisdiction through two interlocking rules of Top-up tax charge – (i) Income Inclusion Rule (IIR) and (ii) Under Taxed Profits Rule (UTPR).

- Lower-tax jurisdiction can retain their right to tax by imposing a QDMTT which allows such jurisdiction to impose an additional tax on the Constituent Entities in order to bring the ETR of the jurisdiction to the Global Minimum Tax Rate i.e. 15%.

- The IIR follows a 'top-down' approach wherein the Rule is applied by the Ultimate or Intermediary Parent Entity(ies) imposes a Top-Up Tax on the GloBE Income of Low Taxed Constituent Entities whose ETR is less than the Global Minimum Tax Rate i.e 15%. As the name suggests, such Income is included in the Income of the identified parent entity charging top-up tax under this Rule.

- The UTPR works as a backstop to the IIR where the residual Top-up Tax is charged by the jurisdictions of the Component Entities distributed in an appropriate weighted ratio of tangible assets and employees. The UTPR may be operated either by denying certain deductions (which otherwise would have been admissible) or by levying an additional charge.

## UAE and Global Minimum Tax

### Introduction of UAE Corporate Tax Law

While the UAE Corporate Tax Law was introduced and applies to all financial years beginning on or after 1 June 2023, the UAE Ministry of Finance (MoF) also provided the following information with respect to Pillar Two:

- Underscoring UAE's commitment to 'addressing the challenges faced by tax jurisdictions internationally' and its membership to the Inclusive Framework, the introduction of Corporate Tax also paved way to provide the appropriate framework for the adoption of Pillar Two Rules.
- Clarification that the Pillar Two Rules would not apply in the UAE in 2024 and that a public consultation would be initiated in the first quarter of 2024 to seek relevant inputs from the stakeholders with regard to the timing and design of the Pillar Two Rules.
- Intention to facilitate submission of Global Information Return (GIR) via the UAE authorities.

### Amendment to the UAE Corporate Tax Law

In October 2023, Federal Decree-Law No. 60 of 2023 was released amending certain provisions of the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (UAE Corporate Tax Law). The amendment contained the following aspects:

- Introduction and definition of the terms 'Top-up Tax' and 'Multinational Enterprise' to the UAE Corporate Tax Law.
- The charging provision of the UAE Corporate Tax Law, Article 3, was amended to include the charging authority to impose Top-up Tax, based on a separate decision to be issued by the Cabinet.
- Article 65 of the UAE Corporate Tax Law was amended to establish and state that such Top-up tax collected shall be shared between the Federal and Local Governments, based on the relevant separate legislation in this regard.
- The provisions of the Top-up Tax shall come into effect at a date to be specified in a separate decision to be issued by the Cabinet.

### Public Consultation

In March 2024, the MoF released a Public Consultation document, consisting of a Consultation Questionnaire and a Guidance Paper, seeking to gather views from the stakeholders on the policy design options for implementation of Pillar Two Rules. The document contained certain critical elements providing valuable insights to the stakeholders from the perspective of the authorities, though the document does not represent the financial policy position of the UAE.

- The OECD statement issued on 8 October 2021 allows jurisdictions to extend the applicability of the Rules to smaller MNE groups headquartered in their jurisdiction. If the UAE were to adopt the GloBE rules, the UAE does not intend to extend the applicability of the Rules to smaller UAE headquartered MNE groups.

- While the GloBE Rules allow for the revenue thresholds to be established in local currency, UAE considers it beneficial to maintaining the thresholds in Euro to promote coordination among jurisdictions.

- While a Substance-Based Income Exclusion (SBIE) is not mandatory, the UAE MoF proposes for the SBIE to be consistent with the outcomes of the GloBE Rules.

Active comments were sought from the stakeholders on the following aspects:

- Inputs and views on the preferred charge mechanism i.e IIR, UTPR or QDMTT.
- A potential increase in the UAE Corporate Tax Rate from 9% to 15%, thereby increasing the ETR for MNEs.
- Methodology to be adopted if UTPR was to be the charge mechanism – denial of deduction or a separate charge.
- Exclusion of Joint Ventures (JVs) / JV subsidiaries / Minority Owned Constituent Entities (MOCEs) from a probable UAE QDMTT and interplay with Safe Harbour status.
- Considerations for Stateless Flowthrough Constituent Entities and Permanent Establishments in the design of UAE QDMTT.
- Semantics of QDMTT liability allocation.
- Adoption of International Financial Reporting Standards (IFRS) for the purpose of QDMTT.
- Potential Income-based or Expenditure-based tax incentives.

### Way forward for UAE

The UAE's proactive approach to implementing Pillar Two rules demonstrates its commitment to international tax standards and combating tax avoidance. By engaging stakeholders through public consultation, the UAE aims to ensure that its tax policies strike a balance between compliance requirements and the needs of businesses operating within its jurisdiction.

Key considerations for the UAE include selecting the appropriate charge mechanism under GloBE rules, potentially increasing the corporate tax rate to align with the GMT, and providing clarity on various aspects such as denial of deductions and treatment of joint ventures. This decision would also be critical, considering that the UAE has a relatively low Corporate Tax of 9% and a 0% tax rate for Qualifying Free Zone Persons, seemingly reducing the ETR for in-scope MNEs.

As the UAE progresses towards adopting the GMT framework, stakeholders anticipate a seamless transition that maintains the country's attractiveness for businesses while upholding global tax integrity standards. By effectively implementing Pillar Two, the UAE can strengthen its position as a responsible global citizen and a preferred destination for multinational investment.

## CHAIRMAN'S ADDRESS



**Rich Howard**  
Chairman - Kreston Board

## KEYNOTE ADDRESS



**Liza Robbins**  
Chief Executive - Kreston Global

## Special Keynote Address



**H.E. Marco Santivañez**  
Consul General of Peru in the UAE

## OPENING ADDRESS



**Sudhir Kumar**  
Senior Partner - Kreston Menon, UAE  
Director - Kreston Global Board  
Chair - Kreston Middle East



**Francisco Bracamonte**  
Partner - Kreston BSG, Mexico  
Director - Kreston Global Board  
Regional Chair - Latin America

## Special Keynote Address



**H.E. Luis Alfonso de Alba**  
Ambassador of Mexico in the UAE

The first ever Kreston Middle East - Latin America Conference 2024 was held online on 8 May 2024 and the event provided a platform for Kreston firms from Middle East and Latin America to interact, gain actionable insights and devise game changing strategies for mutual collaboration. The conference also was successful in formulating structured plans on how to leverage the strengths of the firms in the two emerging regions to facilitate bilateral investments and provide exceptional support to the expansion plans of their clients.

## SPEAKERS

### LATIN AMERICA



**Ricardo Gameroff**  
Managing Partner  
Kreston BA Argentina



**Cesar Ramos**  
Partner and Founder -  
International Relations  
Kreston Partnership - Brazil



**Eduardo Medina**  
Partner - Audit Leader  
Kreston ATC Chile



**Natalia Mora**  
Partner  
Kreston Colombia



**Enrique Pastor**  
Managing Partner  
Kreston FLS - Mexico



**Daniela Portal**  
General Manager  
Kreston Peru

### MIDDLE EAST



**Derrick D'Costa**  
Partner  
Kreston Bahrain



**Mohamed Mamdouh**  
Partner  
Kreston Egypt



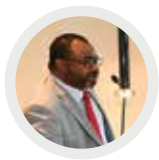
**Abdullatif Johar**  
Managing Partner  
Kreston Kuwait



**Sheji Valiyakath**  
Managing Partner  
Kreston SVP - Qatar



**Nefal Barrak**  
Managing Partner  
Kreston NBB Saudi - Saudi Arabia



**Mohamed Ismail**  
Partner/Director of Quality Management  
Sindi & Batterjee Kreston - Saudi Arabia



**Eyad Farsakh**  
Managing Partner  
Kreston Awni Farsakh - UAE



**Sudhir Kumar**  
Senior Partner  
Kreston Menon - UAE



**Mohamed Al-Hashimi**  
Founder & Managing Partner  
Mohamed Taha Hamood & Co. - Yemen

## Kreston Global Groups Conference 2024 - Brussels, Belgium



The Kreston Global Groups Conference 2024, the annual event which focuses on collaboration within service lines and between global groups: Audit, Corporate Finance and Tax, was held in Brussels from 22 - 24 May 2024. Sudhir Kumar, Senior Partner & Head-Corporate Communications - Kreston Menon, Director - Kreston Global Board, Chair - Kreston Middle East and Saju Augustine, Senior Partner - Kreston Menon Chartered Accountants, Regional Director Middle East - Kreston Global Audit Group actively participated in this global event.

## Kreston Connected Leadership Programme 2024 - London



The Connected Leadership 2024 Programme, held on the 16 - 17 May 2024, underscored Kreston Global's ideologies. Led by Joanna Keeling, the event was an eye-opener for all participants, encouraging them to find the leader within themselves and break away from traditional definitions of leadership. It was a truly cohesive bonding experience for everyone involved.

Ravishanker Vengathattil, Senior Manager - Taxation, and Aravind Menon, Operations Manager of Kreston Menon, attended the Connected Leadership Programme 2024 which aims to support the career development of new firm leaders by focusing on relationship and leadership skills, team building, and sustainable thinking for their firms, people, and communities.



## UAE's Fourth Industrial Revolution – Operation 300 billion



**Pushpakaran Parambath**

Senior Partner

Kreston Menon Corporate Services

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UAE's industrial sector witnessed a remarkable growth and transformation in 2023 by encompassing and synergizing the strong partnership between the Ministry of Industry and Advanced Technology (MoIAT) and the private sector. The strategy is aligned with national goals and international commitments relating to advancing sustainable economic growth, deploying clean energy solutions, driving industrial innovation, and promoting responsible consumption and production.

The project operation 300bn aims and encourages sustainable development and leads to the Fourth Industrial Revolution which encapsulates an overall gamechanger to the UAE economy and its competitiveness. It aims to raise the industrial sector's contribution to the GDP from the current AED 133 billion to AED 300 billion by 2031.

### MoIAT Strategy

MoIAT's Operation 300bn strategy is a comprehensive plan for developing the UAE's industrial sector and improving its role in stimulating the national economy and abridged to:

- develop the UAE's industrial sector, both macro and micro level.
- increase its in-country value (ICV) program.
- establish the country as a preferred global hub for industries.
- build the reputation of the UAE's industrial products through the promotion of exports to global markets.
- create quality job opportunities in the industrial sector.

The ministry seeks to increase the efficiency and sustainability of the production cycles and supply chains by driving research and development (R&D), establishing a comprehensive system of specifications and standards to create an integrated quality infrastructure for the industrial sector, as well as implementing sustainable industrial policies that reduce resource consumption, and support climate action and carbon neutrality efforts.

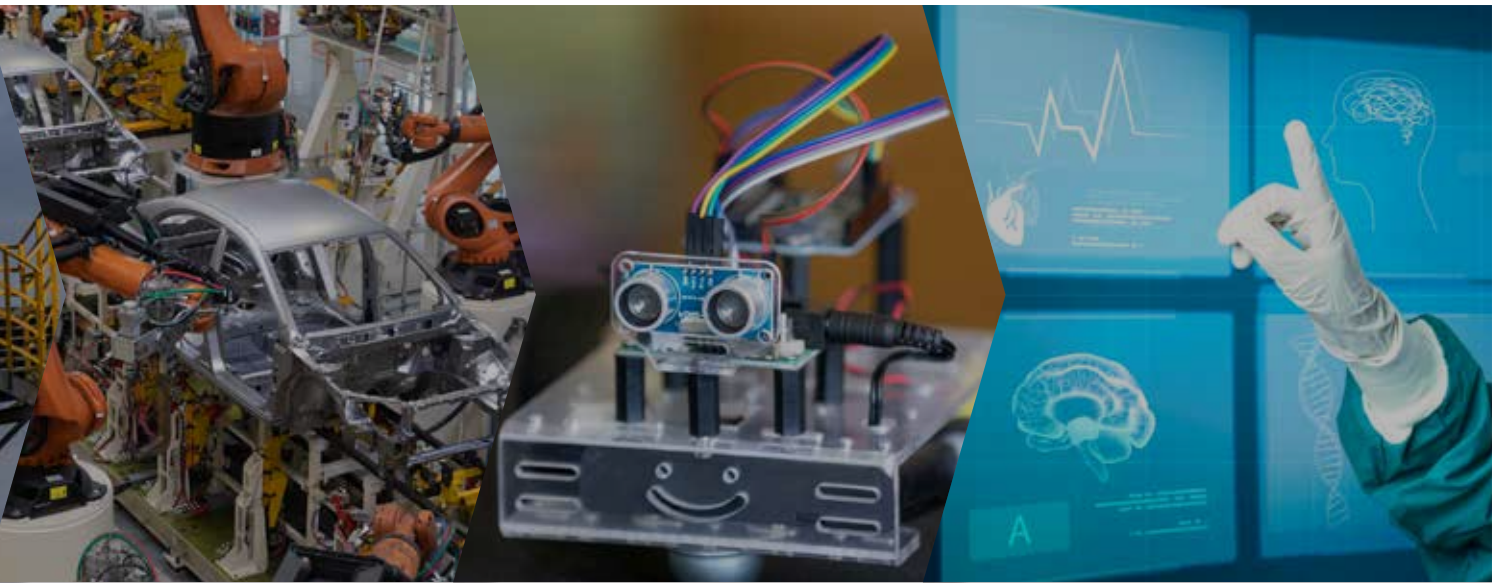
### Objectives of MoIAT which formulated the strategy

The strategy is built on the following 6 objectives:

1. to create a relevant and attractive business environment for local and international investors in the industrial sector.
2. to support the growth of national industries and enhance their global competitiveness.
3. to stimulate innovation by accelerating advanced technology adoption across the industrial value chain to upgrade systems and solutions, boost productivity and forge competitive advantages in new areas.
4. to build on the solid industrial foundations that have helped fortify the UAE's position as a global leader in industries of the future.
5. to cultivate a culture of innovation in the ministry.
6. to provide a comprehensive array of administrative services in accordance with the highest standards of quality, efficiency, and transparency.

### Initiatives adopted to implement the strategy

- established an integrated R&D ecosystem
- continuous efforts to position UAE as a pioneering global destination for technology and innovation
- improvement in developing an advanced technology roadmap that drives innovation
- established standards and metrology that support advanced technology adoption
- catalysing the adoption of the 4IR technology to boost the productivity of anchor industries
- consistent monitoring of ICV program
- continuous promoting 'Made in the Emirates' brand and national products
- developed an integrated quality infrastructure
- continuous negotiation of reciprocal trade agreements and work to control the classification system of traded products for export and import
- new industrial law has been implemented
- offering attractive energy and gas tariffs to eligible sectors
- launched a framework for partnerships with industrial sectors to develop standards and metrology
- providing flexible financing at competitive costs for priority sectors
- digital transformation to simplify registration, licensing and fee procedures
- built a data management platform



### Vital Industrial Sectors Identified

The following sectors have been identified to stimulate the growth and achieve the very objectives.

- food, beverage, and agricultural technology
- pharmaceuticals
- electrical equipment and electronics
- petrochemicals and chemical products
- rubber and plastics
- machinery and equipment
- hydrogen
- medical technology
- space technology

### Progress of the project Operation 300bn and the steps adopted so far

Operation 300bn project achieved many milestones since its announcement and implemented many investor friendly measures to accelerate its success.

Abu Dhabi Industrial Development Bureau (IDB) endorses significant achievements in the year 2023 within the industrial sector, with numerous initiatives and programs supporting the objectives of Operation 300bn, along with the Abu Dhabi Industrial Strategy (ADIS). The strong performance of the industrial sector in 2023 reflects the continued success of ADIS initiatives. The sector now represents over 17 percent of Abu Dhabi's non-oil GDP and 9 percent of overall GDP.

Dubai Industrial City witnesses the presence of more than 800 customers and 300 operational factories within Dubai Industrial City. The collaboration with the Ministry of Industry and Advanced Technology helped Dubai Industrial City to launch their "Make Brilliance" global awareness campaign in 2023, where they executed a tripartite agreement with MoIAT and Emirates Development Bank (EDB) to boost the 'Make it in the Emirates' initiative. As part of the agreement, EDB committed to providing AED 1 billion in financing for Dubai Industrial City's customers over the next three to five years.

MoIAT issued 263 new industrial production licenses in 2022, a 20 per cent increase over 2021, while the National In-Country Value program succeeded in redirecting Dh53 billion into the economy, a 25 per cent increase.

The Ministry is also providing financial incentives through seven local and international financial institutions and has reduced 14 service fees to cut the cost of doing business.

MoIAT announced that more than 300 products can be manufactured locally by investing in excess of Dh110 billion as part of companies' procurement requirements for the next decade across 11 growth sectors.

MoIAT aims to unveil more than 1,000 technological projects by 2031, raise advanced technology exports to Dh15 billion and increase the GDP of advanced technology to Dh110 billion.

The Ministry signed an integrated industrial partnership with Egypt, Jordan, and Bahrain. As part of the partnership, the first wave of industrial projects worth more than \$1 billion was unveiled last year.

### Role of Emirates Development Bank (EDB)

EDB plays a key role and a prominent enabler in succeeding the objectives of MoIAT. EDB has earmarked a portfolio of AED 30 billion to support the industrial sector over a period of five years. The bank aims to finance 13,500 SMEs and create 25,000 jobs in the following sectors.

#### Manufacturing

petrochemicals, plastics, heavy industries, machinery, electrical appliances and renewable energy equipment

#### Infrastructure

energy, transportation, communications and digital infrastructure

#### Technology

software, IT, storage devices, peripherals, renewable energy technology and education technology

#### Healthcare

pharmaceuticals, biotechnology, medical equipment and hospital services

#### Food security

agriculture, livestock, aquaculture and water desalination.

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Group Entity of



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| 2 <input checked="" type="checkbox"/> Selection of appropriate legal structure        | 5 <input checked="" type="checkbox"/> Drafting MOA & notarization                    |
| 3 <input checked="" type="checkbox"/> Documents processing                            | 6 <input checked="" type="checkbox"/> Obtain tenancy contract & bank account opening |
|                                                                                       | 7 <input checked="" type="checkbox"/> Approval process and obtain trade license      |

### BUSINESS SETUP

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Re-Domiciliation  
Trademark Registration



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