

The right way to do business in the UAE: Do's and Don'ts

Even though the UAE is a business paradise due to a conducive commercial ecosystem, companies looking to foray into the Arab's second biggest economy need to understand certain aspects related to business practices, culture, custom, and etiquettes in order to become part of a burgeoning economy, successfully.

The following are the do's and don'ts for the businesses looking at the UAE as their next destination:

DO'S	DON'TS
Select the ideal company formation	Be too casual
Get the right licence	Keep to yourself and operate in silo
Find a reliable sponsor	Complicate things – take professional help
Get your visa requirements sorted	Rely on verbal commitments
Team up with a strategic partner	Overlook the cultural sentiments

NOTE

Read our accompanying blog post for more information:

<https://seedgroup.com/2021/06/the-right-way-to-do-business-in-the-uae-dos-and-donts/>

DO

Select the ideal company formation

In the UAE, there are three types of company formation: Mainland, Freezone, and Offshore. Given the long-term implications of the decision, it is best to enlist the assistance of company formation specialists to guide you through the procedures and legal requirements.

Get the right licence

Businesses must choose between three types of licenses based on their products, services, and objectives: commercial, industrial, and professional. Because the documentation and approval procedure varies, the license should be chosen with care.

Find a reliable sponsor

The most preferred type of company in the UAE is the limited liability company, which requires an appointment of a local sponsor/agent for registration.

Get your visa requirements sorted

Since it's the most basic requirement to operate in the UAE, procuring an investor visa is not a complex or time-consuming process. The work visa is issued based on the type and duration of the business. A local sponsor can be of great help by handling the application process.

Team up with a strategic partner

A new market, like the UAE, even though full of potential, can possess stiff challenges. Therefore, to gain a foothold in the region and reap maximum benefits, new businesses must ideally enter into mutually beneficial partnerships with reputed players.

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DON'T

Be too casual

Modesty and mannerism play an important role in the overall business etiquettes that business professionals are expected to follow in the UAE. Though very accepting and warm, the business community in Emirates may have certain expectations when it comes to business dealings.

Keep to yourself and operate in silo

Being the access point to 1.5 billion consumers across the Middle East, Africa, and Asia, the UAE is abuzz with commercial activities. It makes sense for new businesses to socialise and create awareness about the brand and operations to gain a foothold in the region.

Complicate things - take professional help

The processes involved, from business registration to establishing a setup, are akin to venturing into uncharted territory. As a result, foreign investors should avoid handling business, registration, and licensing on their own.

Rely on verbal commitments

Any partnership or agreement should be in black and white. To make things work and avoid legal wranglings, draft a written legal agreement and have it attested in a local court.

Overlook the cultural sentiments

The UAE embodies the quintessential cosmopolitan lifestyle and multinational workforce. New businesses must ensure that all of their services, advertisements, and official statements are consistent with local, religious, and cultural belief systems.

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