



## Why is this the right time to move your start-up to the UAE?

Having established its reputation as one of the most attractive global start-up hubs, the UAE is steadfast in laying out a clear roadmap and strategy to give entrepreneurs and new ventures the most conducive environment to grow exponentially.

In the past few years, the Arab world's second largest economy has established itself as the apt launch pad for any start-up looking to increase its global footprint and make a successful foray into the wider Middle East market.

The World Bank, in its [Ease of Doing Business Index 2020](#), ranked the UAE as the 16th most feasible economy for business regulation and operation. On the criterion of 'starting a business', the UAE was ranked 17th out of the 190 economies.

These rankings are testimony to the concerted efforts made by the UAE's leadership to create a highly-rewarding ecosystem for the incubation of the most promising start-ups in the world. Therefore, 33 of the 50 most-funded start-ups recently named by Forbes are headquartered in the Emirates.

His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai, recently announced several innovative initiatives that have been launched to attract young talents and start-ups to the Emirates. Besides, the UAE recently launched the Entrepreneurial Nation initiative to extend all possible assistance to entrepreneurs to help them set up and expand their business in the country. The Minister of State for Entrepreneurship and SMEs, Dr Ahmad Belhouli Al Falasi, has said the UAE aims to become home to 20 start-ups worth more than \$1 billion each, known as "unicorns", in the coming 10 years.

The UAE is crystal clear in its agenda to create a non-oil and knowledge-based "new economy" [over the next 50 years](#). Therefore, it is rolling out its elaborate plans and innovative economic projects to help entrepreneurs enter the market and further consolidate the growing SME ecosystem in the country.

The UAE has also unveiled its "[Operation 300 billion](#)" industrial strategy to give the SME ecosystem in the country a major fillip. As part of the strategy, the Emirates will establish 13,500 industrial companies, especially those involved in petrochemicals, plastics, metals, food, healthcare, etc., over the next decade, leading to the creation of thousands of additional jobs and a significant improvement in the contribution of the non-oil sector to the country's economy.

Undersecretary of Ministry of Finance Younis Haji Al Khoori believes the contribution of SMEs to the nation's non-oil economy will be 60%, up from the current 53%, by the end of this financial year, and it's going to increase exponentially in the coming years.

The country can easily achieve the goal because it has excellent state-of-the-art infrastructure, a pro-investor ecosystem, and a significant number of free zones, which are

safe havens for new businesses with zero corporate taxes, no import or export duties, 100% repatriation of revenues and profits, reduced documentation, and a smoother visa process for employees.

In 2019, the UAE cancelled or reduced over 1,500 government service fees by as much as 50% and granted long-term residency permits to tech start-up entrepreneurs. Recently, it introduced a landmark law allowing 100% foreign ownership of companies and long-term visa reforms to attract talent from all across the world.

The Dubai Chamber of Commerce and Industry has launched an advisory board to boost the contribution of multinational conglomerates in framing the business regulatory regime. With all these measures in place, it comes as no surprise that the UAE is one of the most lucrative destinations for global start-ups. For instance, Hub71, a technology hub in Abu Dhabi, witnessed a surge in interest even during the peak of the COVID-19 pandemic. It has accepted 100 start-up firms from more than 3,500 applicants since its inception in March 2019.

Another reason why start-ups are showing increased interest in setting up their bases in the UAE is the burgeoning population of foreign workers. Because the Emirates is home to nearly 90% of all expats, foreigners are much more confident in establishing a business in the Gulf country.

During the peak of the COVID-19 pandemic, the UAE announced several bailout packages for SMEs to help them remain buoyant in the lockdown-induced economic downturn. As a result, it was ranked first in the Middle East region in the COVID Economic Recovery Index. This goes on to prove the country's commitment to protecting businesses and providing them with fiscal and monetary stability in times of need.

The federal government has all its ministries and legislative institutions working in tandem to make the country the most sought-after middle nation for new ventures. At the centre stage of the government's plan are SMEs and entrepreneurs, whom the government is providing with the necessary environment, proper advisory and financial backing, and a relaxed regulatory framework to flourish and take the country's economy to new heights. Over the next nine years, the UAE hopes to attract \$150 billion in inbound foreign direct investment. All eyes are now on the inaugural Investopia global investment summit on March 28, 2022, which will see the business world assembled in Abu Dhabi to explore investment opportunities in the UAE.

Therefore, if ever there was a better time to set up a new venture or a start-up in the UAE, it is now.