



**United Arab Emirates:
New measures implemented by the UAE
authorities in response to COVID-19
(As of May 1, 2020)**

***This article is written by Mr. Charles Laubach of Afridi & Angell Legal Consultants and is based on the information as of April 26th, 2020 (original article: http://afridi-angell.com/knowledge_detail.php?ids=459).**

Below is a summary of key new measures that have been implemented by various UAE authorities since 25 April 2020 and the time of this inBrief, 6:00 p.m. on Thursday, 30 April 2020.

Economic Relief Measures

A. Abu Dhabi Global Market (ADGM) announces further incentives to support businesses

On 29 April 2020 the ADGM Registration Authority enacted incentives for new businesses, aimed at supporting the establishment of their operations amid the COVID-19 pandemic.

These incentives are in addition to previously introduced measures by the ADGM which included, among others, a 50 percent waiver on the imposed ADGM FSRA supervision fee, and a 100 percent waiver on the renewal of commercial licensing fees, which will be applicable until 25 March 2021.

The newly enacted incentives for new businesses will commence on 3 May 2020 until 31 December 2020, and include the following:

- A 50 percent reduction on fees associated with the incorporation of new ADGM companies and limited liability partnerships (including branches). The incentives will be applicable to ADGM's new applicants for financial, non-financial and retail license types, excluding special purpose vehicles, ADGM foundations, venture capital firms, tech start up applicants (seed and emergent), accelerators and incubators, and professional associations.
- A 100 percent reduction on the continuation fee for companies wishing to continue into ADGM from a foreign jurisdiction.
- Existing ADGM companies and limited liability partnerships are now able to request up to three months extension on the nine-month timeline for filing of annual accounts by demonstrating to the Registrar the circumstances hindering their ability to comply with such obligation.

B. Dubai Airport Freezone Authority (DAFZA) incentive packages

On 26 April 2020 DAFZA launched the following incentive packages to support companies operating in the free zone:

1. postponing lease payments for up to three months and facilitating financial payments into easier monthly instalments;
2. exempting retailers from lease payments for a period of up to three months;
3. refunding security deposits on leased spaces and labour guarantees to companies;
4. exempting new companies from registration and licencing fees; and
5. cancelling fines issued to companies.

C. Sharjah Publishing City Free Zone (SPCFZ) economic relief packages

On 25 April 2020 the SPCFZ announced the following economic relief packages to support the business continuity of operating enterprises:

1. a three-month rental fee waiver to ready officeholders who occupy both furnished and

- unfurnished spaces;
- 2. a 15 percent rental fee waiver for those who occupy open spaces at SPCFZ; and
- 3. a 30 percent package fee reduction for all Flexi desk and Dedicated desk customers.

The SPCFZ management has also confirmed that they will not encash any post-dated customer instalment cheques from April to June 2020, and will waive any penalties they may have imposed on businesses until the end of 2020.

Precautionary Measures

Instructions from the Federal Transport Authority - Land & Maritime (FTA)

On 27 April 2020 the FTA issued Circular 8 of 2020 listing the following precautionary measures aimed at protecting workers in the UAE ports and territorial waters.

1. Dry docks and ship repair yards
 - a) All vessels are prohibited from entering any of the UAE dry docks or ship repair yards until the vessel and its crew completes 14 days of quarantine prior to the date of departure from its last port of departure.
 - b) Notwithstanding point a) above, a vessel operator, in coordination with the vessel agent, shall inform the competent UAE health authorities of any symptoms of suspected COVID-19 cases in order to avoid penalties imposed in the UAE for failure to report such cases.
2. Commercial and private cruising boats
 - a) All commercial and personal recreational sailing activities will be suspended during the *National Disinfection Programme*. Individuals residing on islands and mountainous districts who rely on water boats as their primary mode of transport to reach mainland are excluded from this precautionary measure.
 - b) Foreign yachts will not be allowed entry into nor will they be issued permits to cruise UAE territorial waters.

3. Wooden vessels

Wooden vessels allowed into UAE waters and ports are limited to the following:

- a) Vessels loaded with food supplies and fish.
- b) Empty vessels with a pre-existing contract to load ready goods.
- c) Empty, foreign-registered vessels without a pre-existing contract to purchase goods in the local UAE market are not allowed entry into the UAE ports.
- d) Vessels are allowed to remain in UAE waters and ports for a maximum period of seven days while maintaining social distancing protocols and no mixing with crew of other vessels.

Technology

AlHosn UAE App

The Ministry of Health and Prevention, Abu Dhabi Health Authority and Dubai Health Authority have jointly launched an app named AlHosn UAE, an official digital platform for COVID-19 tests in the UAE.

The app can be downloaded free of charge on smart devices operating on Android and IOS and will be an official digital platform for COVID-19 tests in the UAE.

The app combines the benefits of StayHome and TraceCovid, the two apps previously launched by the Department of Health. It also guarantees high degree of privacy protection to users through artificial intelligence and other technological tools.

Similar to the TraceCovid app, AlHosn UAE app depends on the use of short-term Bluetooth signals, to show whether the person is in close proximity to people who have had contact with patients infected with the COVID-19 virus. This is possible if infected patients also have the same app on their smart phones as the phones exchange the metadata stored in them. The app is encrypted and the data remain only on the user's phone. Through this data, the competent health authorities can quickly identify people at risk of transmission of the virus so they can communicate with them.

