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Foreign Ownership in the UAE: The Positive List



In 2018 the UAE passed the Foreign Direct Investment Law (the '**FDI Law**'), which was intended to pave the way to relaxing foreign ownership restrictions on companies registered 'onshore' in the UAE. This was a major shift in policy, where in the past foreign investors were restricted to holding only 49% of shares in onshore companies (click [here](#) for more details). The FDI Law anticipated that the UAE Cabinet of Ministers would announce a list of commercial activities that would be eligible for up to 100% foreign ownership (referred to as the '**Positive List**'). The FDI Law also set out a list of activities for which up to 100% foreign ownership would not be permitted (the '**Negative List**').

On 2 July 2019, the UAE Cabinet of Ministers has announced that the Positive List will initially comprise 122 commercial activities across 13 sectors of the economy, which will be eligible for up to 100% foreign investment. While it is anticipated that the list may be updated in due course, as per Cabinet announcement, those 122 activities, together with the corresponding conditions and minimum share capital requirements, is set out below.

Foreign investors should continue to monitor developments closely for further clarifications regarding the Positive list (and any potential changes to the Negative list) and the corresponding foreign ownership thresholds, and for additional activities which are expected to be added in future.

If you have any queries relating to this new development or would like to discuss how we can assist with your business activities in the UAE, please feel free to contact a member of our team.



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Sector	Number of activities benefitting from 100% foreign ownership
Agriculture	19 activities
Industry	51 activities
Services	52 activities
Total	122 activities

Agriculture

No	Reference	Sector and activities	Minimum share capital requirement (million AED)	National Cadres and Training	Terms and conditions
1.	0111	Cultivation of grains.	7.5	Participation in the Emiratisation Club at the Ministry of Human Resources and Emiratisation.	<ul style="list-style-type: none"> — Use of modern technology in the production process. — Check the value added. — Contributing to Research & Development. — Meet the requirements of the licensing authorities in the country.
2.	01112	Cultivation of legumes.	7.5		
3.	0113	Cultivation of vegetables, pulses, roots and tubers.	7.5		
4.	0114	Cultivation of sugar cane.	7.5		
5.	0116	Cultivation of fibrous crops.	7.5		
6.	0119001	Cultivation of flowers.	7.5		
7.	0121	Cultivation of grapes.	7.5		
8.	0123001	Cultivation of fruits and citrus.	7.5		
9.	0124	Cultivation of apples and fruits with seed.	7.5		
10.	0125	Cultivation of fruit shrubs and nuts.	7.5		
11.	0126	Cultivation of olive oil.	7.5		

No	Reference	Sector and activities	Minimum share capital requirement (million AED)	National Cadres and Training	Terms and conditions
12.	0127	Cultivation of crops for beverages.	7.5		
13.	01289	Cultivation of aromatic crops and corps used for pharmaceuticals production.	7.5		
14.	0161	Activities to support the production of crops.	10		
15.	0162	Activities to support the production of livestock.	7.5		
16.	0163	Harvesting activities.	7.5		
17.	0164	Treatment of seeds for planting.	7.5		
18.	0210	Forestry and other forestry activities.	7.5		
19.	0240	Services to support forestry.	7.5		

Industrial Sector

No	Reference	Sector and activities	Minimum share capital requirement (million AED)	National Cadres and Training	Terms and conditions
20.	10	Production of food products. EXCEPT: 1071 production of baked goods. 105 production of dairy products. 108 production of prepared livestock.	15	Participation in the Emiratisation Club at the Ministry of Human Resources and Emiratisation.	<ul style="list-style-type: none"> — Use of modern technology in the production process. — Check the value added. — Contributing to Research & Development. — Meet the requirements of the licensing authorities in the country.
21.	11	Production of beverages. EXCEPT: 1101 Spirits of spirits, liquors and alcohol. 1102 wine. 1103 alcoholic beverages from barley.	15		
22.	14	Manufacture of clothing. EXCEPT: 14109 Designing and tailoring ready-made clothing. 1410122 Manufacturing military uniforms.	15		
23.	15	Manufacture of leather goods and related products.	15		
24.	16	Manufacture of wood and wooden products and cork. EXCEPT: Furniture Manufacture from straw plaiting materials.	15		
25.	2012002	Production of pure fertilizers.	15		

No	Reference	Sector and activities	Minimum share capital requirement (million AED)	National Cadres and Training	Terms and conditions
26.	2013	Manufacture of plastic and synthetic rubber in their primary forms.	15		
27.	2021	Manufacture of lipid machines and other agrochemical products.	15		
28.	2022	Manufacture of paints, brushes, printed coats, printing ink and disposable abrasives.	15		
29.	2023	Manufacture of toilet paper, soaps, detergents, perfume and cosmetics.	15		
30.	2029006	Manufacture of glue and sticking products.	15		
31.	2029008	Manufacture of ink and for writing and drawing.	15		
32.	2029009	Manufacture of textile products.	15		
33.	2029013	Manufacture of photography tape and film.	15		
34.	2029019	Manufacture of gelatine.	15		
35.	2029021	Manufacture of essential oils (concentrated perfumes).	15		
36.	2029022	Manufacture of natural scented products.	15		

No	Reference	Sector and activities	Minimum share capital requirement (million AED)	National Cadres and Training	Terms and conditions
37.	2029023	Manufacture of distilled perfumes.	15		
38.	2029024	Manufacture of matches.	15		
39.	2029025	Manufacture of powders and welding pastes.	15		
40.	20230	Manufacture of synthetic fibres.	15		
41.	20100	Manufacture of pharmaceutical products and chemical and plant based medical products.	15		
42.	22	Manufacture of rubber and plastic products.	15		
43.	23	Manufacture of other non-metallic substrates.	15		
44.	24	Manufacture of base metals. EXCEPT: Manufacture of precious and non - precious metals 2432 Non-specific materials.	20		
45.	25	Manufacture of metal products, except machinery and equipment EXCEPT: Weapons and ammunition.	15		
46.	26	Manufacture of computers and electronic and optical products.	15		
47.	27	Manufacture of electrical equipment.	20		

No	Reference	Sector and activities	Minimum share capital requirement (million AED)	National Cadres and Training	Terms and conditions
48.	28	Manufacture of machinery and equipment not classified elsewhere EXCEPT: Manufacture of tobacco processing machinery.	100		
49.	29	Manufacture of vehicles with advanced engines and services/ half engines.	100		
50.	301101	Building commercial ships.	100		
51.	3011103	Manufacturing parts of ships and floating equipment.	100		
52.	3011905	Construction of floating or submerged drilling materials.	100		
53.	3011906	Construction of floating materials.	100		
54.	3011907	Manufacture of hovercrafts.	100		
55.	3012	Building cruise ships and sports boats.	15		
56.	3020	Manufacture of trains (tractors) and rail cars.	20		
57.	3030	Manufacture of aircrafts and spacecrafts. EXCEPT: Manufacture of Ballistic missiles and military confrontation.	100		

No	Reference	Sector and activities	Minimum share capital requirement (million AED)	National Cadres and Training	Terms and conditions
58.	3090	Manufacture of transport equipment not described in other sections.	20		
59.	31	Manufacture of furniture.	15		
60.	3220	Manufacture of musical instruments.	2		
61.	3230	Manufacture of sports equipment.	3		
62.	3240	Manufacture of toys.	3		
63.	3250	Manufacture of apparatus used for dental treatment.	20		
64.	3290	Manufacture of other products not classified elsewhere.	3		
65.	3312001	Fixing and maintenance of train parts.	15		
66.	3312002	Fixing and maintenance of ship parts.	15		
67.	3315001	Fixing and maintenance of ships.	15		
68.	3315004	Fixing and maintenance of trains and railroads.	15		
69.	3315005	Fixing and maintenance of plane parts.	15		
70.	3315006	Fixing and maintenance of planes.	15		

Services Sector

No	Reference	Sector and activities	Minimum share capital requirement (million AED)	National Cadres and Training	Terms and conditions
71.	6910002	Legal consultancy firms.	Subject to the legislation in force.	Participation in the Emiratisation Club at the Ministry of Human Resources and Emiratisation.	(The firm may not represent clients before UAE courts or official authorities or authenticate documents). Subject to the approval from the relevant authorities in the state.
72.	692	Accounting activities and bookkeeping activities. Accounts and tax consultations.			Only permits tax planning businesses.
73.	711	Architectural and engineering activities and technical services and consultancy relating to them.			
74.	862	Activities relating to clinical medicine and dentistry.			
75.	75	Veterinary activities.			
76.	620	Computer programming activities and consultancy and related activities.			Hiring a team of no less than 5 experts in programming by the end on the company's first year.
77.	72	Scientific research and development.			
78.	7730-77300	Rental of machinery and other equipment and real goods EXCEPT: Car rental services.			
79.	471	Retail trade from non – specialized stores.	100		

No	Reference	Sector and activities	Minimum share capital requirement (million AED)	National Cadres and Training	Terms and conditions
80.	731	Advertising	Subject to the legislation in force.		
81.	732	Market research and opinions.			
82.	702	Activities relating to professional consultancy for administrations.			
83.	712	Technical studies and analysis.			
84.	331	Repair of metal products, machines and equipment. Except ships and planes and other transportation vehicles.			
85.	8121-81210	General cleaning of buildings.			
86.	7428292-82920	Photography activities.			
87.	823	Packing and packaging activities.			
88.		Organising commercial meetings and conferences.			
89.	741	Specialised designing activities.			
90.	7490005	Legal translation services.			
91.	7490006	Translation services for movies and television programmes.			
92.	74900012	Translation services for prints.			
93.	8299002	Simultaneous translations services.			

No	Reference	Sector and activities	Minimum share capital requirement (million AED)	National Cadres and Training	Terms and conditions
94.	41	Construction of buildings.			Only permitted for large scale projects, such as airports, highways, sports arenas, and projects with a value exceeding 450 million AED.
95.	42	Civil engineering.			
96.	432	Electrical works and plumbing and other construction activities.			
97.	433	Completing buildings.			
98.	431	Demolition and site preparation.			
99.	439	Other construction related activities.			
100.	7730009	Renting equipment for demolition and site preparation.			
101.	851	Education before first grade and first grade.			Except general education and provided approvals from the relevant authorities have been obtained to maintain high standards for education.
102.	852	Secondary school education.			
103.	853	Higher education.			
104.	854	Other types of education.			
105.	370	Sanitation			
106.	382	Waste treatment and disposal.			
107.	3900001	Services of treatment of the effects of pollution and protection of the environment.			

No	Reference	Sector and activities	Minimum share capital requirement (million AED)	National Cadres and Training	Terms and conditions
108.	861	Hospital activities.	100		<p>Subject to approval from the relevant authorities and the economic feasibility studies.</p> <p>In Dubai Healthcare City and in particular areas, the number of hospitals, medical and health centres and economic feasibility studies will not be required.</p>
109.	869	Other activities relating to dental care.	70		
110.	8211004	Hotel management.	Subject to the legislation in force.		
111.	8211004	Restaurant management.			
112.	90009	Creative activities and drama performance (theatre).			Only theatre activities and live bands and circus services are permitted.
113.	9000104	Musical bands.			
114.	90001110	Circuses			
115.	8130002	Gardening and parks maintenance services.			
116.	9103-91030	Activities relating to gardens, zoos and natural reserves.			Only permitted for public gardens, parks and zoos.
117.	5012-50120	Maritime and marine water transport.			

No	Reference	Sector and activities	Minimum share capital requirement (million AED)	National Cadres and Training	Terms and conditions
118.	5022001	Internal water transportation.			
119.	7730016	Renting commercial ships.			
120.	5222002	Ship guidance with a diameter.			
121.	5222007	Marine boats and marine bikes.			
122.	New	Holding companies' activities relating to intellectual properties.			





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