In response to the COVID-19 threat, the UAE announced the following measures:

**The UAE Central Bank has taken the following actions:**
- Urged banks to consider loan forbearance.
- AED 50bn in zero interest loans for banks to support SMEs.
- Reduced banks’ voluntary capital buffers to free up AED 50bn in capital.
- Lower real estate LTV ratios.
- Limits on bank fees for interest/credit cards.

**The UAE government has announced an additional economic stimulus package of AED 16 bn to support the national economy and ensure business continuity.**

As of March 24:
- A renewable six-month suspension of work permit fees.
- Reduction in labour and other charges to reduce the cost of doing business.
- 6 month suspension of the collection of administrative fines by the Ministry of Human Resources and Emiratisation.
- Reduction of work permit fees for businesses with 1 - 6 registered workers.
- Reduction of the fees of the Ministry of Economy.
- Businesses can obtain a rebate equal to 50% of the bank guarantee they submitted for each employee.

**The Abu Dhabi government announced a 16-point stimulus plan with fee exemptions, fine waivers, SME support, and a AED 1bn market makers fund.**

As of 31 March:
- Allocation of AED 5bn to provide subsidies for water and electricity for citizens, and commercial and industrial activities;
- Allocation of AED 3bn to the SME credit guarantee scheme managed by Abu Dhabi Investment Office;
- Allocation of AED 1bn to (a) establish a market maker fund (b) enhance liquidity and (c) sustain balance between supply and demand for stocks;
- Suspension of bid bonds and an exemption of performance guarantees for projects up to AED 50m for start-ups;
- Providing a 20% rebate on rental values for the restaurant, tourism and entertainment sectors;
- Exemption from UAE road toll tariffs for all vehicles until the end of 2020;
- Reduction of industrial land leasing fees by 25% on new contracts; and
- Suspension of real estate registrations fees for 2020.
- Acceleration of approved government invoices within 15 working days.
– AD DED waved penalties of economic license violations for 72,200 private companies worth 246 mil AED.
– Launches AED 15bn worth of government tenders to local businesses.

The Dubai government announced a AED 1.5bn stimulus package in the form of targeted fee reductions for 3 months.

As of 31 March:

– 50% reduction in municipal fees paid by hotels.
– 10% reduction in water and power bills.
– Removal of the 25% down payment for requesting the instalment of government fees for licensing and renewing licenses.
– a refund of 20% of customs duties paid on imported goods that are sold locally.
– Cancellation of bank guarantee required to clear goods.
– a 90% reduction of customs clearance fees.
– Removal of bank/cash guarantee requirements to clear goods for clearing companies (i.e. customs brokers) and refund of the existing bank/cash guarantees for these companies.
– Banks to open accounts for SMEs within two days, provided the necessary documentation is in place and that the risk is acceptable, as per the anti-money laundering and combating financial terrorism policies.
– Tourism sector benefits for next three months:  
  A. the reduction of municipality fees imposed on sales at hotels from 7% to 3.5%.
  B. freezes fees for the rating of hotels.
  C. freezes the fees charged for the sale of tickets, issuance of permits and other government fees related to entertainment and business events.

As of April 1: Dubai Customs have also put audits on hold.

The Sharjah government announced a 47-point stimulus package

As of April 1:

– A three month fee exemption for existing licensees.
– Various rent exemptions and fee discount for targeted businesses and industries operating in Sharjah (e.g. Expo participants, export industries, supermarkets, aviation).
– Rent exemptions for SMEs operating from Sharjah’s Trade Centre 101.
– A 50% reduction of fines for any traffic violation committed before 30 June 2020.
– Exemption of fines incurred by hotels operating in Sharjah for violation committed during 1 January 2019 and 31 March 2020.

The UAE Central Bank doubled the size of its stimulus package to AED 256 bn on 5 April 2020.

As of April 5:

– AED 50 bn capital buffer relief banks [no change];
– AED 50 bn funds available at zero cost to extend finance, with the time extended to 31 December 2020 (from mid-September 2020);
– A new stimulus measure of AED 95 bn to ensure there is enough liquidity in the market; and
– A further AED 61 bn reduction of cash reserve requirements.
Trade Relief Measures

Key measures introduced by Dubai Customs

As of 19 March 2020: Dubai Customs issued Customs Notice No. 1/2020 on the implementation of the Government of Dubai’s Economic Stimulus Package, a set of measures introduced to reduce the cost of doing business and boosting Dubai’s trade sector and local economy.

- Refund or cancellation of the AED 50,000 bank or cash guarantee for customs brokers and clearing companies. The guarantee refund can be requested on the Dubai Trade website, under Dubai Customs Services.
- 20% customs duty refund on imported goods subject to the 5% standard customs duty, which are subsequently sold in the UAE local market
- Exemption from berthing service fees and loading fees at Dubai Creek and Hamriyah Port on traditional wooden commercial vessels, between 15 March 2020 and 30 June 2020

All businesses that have imported goods into Dubai and plan to sell them in the UAE local market are eligible to request the refund of 20% of the customs duties paid, subject to the condition that the goods were subject to the 5% standard customs duty rate. The refund is applicable to goods declared to Dubai Customs between 15 March 2020 and 30 June 2020, and valid for new declarations or amendments thereof.

If a refund is obtained for goods that are subsequently shipped to other Gulf Cooperation Council (GCC) countries under the “Makasa” process, Dubai Customs will recover the 20% customs duty refund initially granted, prior to completing the “Makasa” process.

Dubai Customs will automatically refund the customs duties for the eligible imports at the end of each month, as follows:

- Credit or Debit the importer’s account, if the importer has an account with Dubai Customs; or
- Issue a bank cheque to the importer, if the importer does not have an account with Dubai Customs.
- The practicalities of how Dubai Customs will operate the refund remain to be seen.

The Department of Finance and the Happiness Department at Dubai Customs are the competent authorities to handle all disputes related to the 20% customs duty refund, exemption from berthing service fees and loading fees, and refund or cancellation of the AED 50,000 bank or cash guarantee.

Labelling requirements eased during Covid-19 crises

According to the Food Safety Department- Dubai Municipality has confirmed that under the current global situation there is NO need to add the Arabic labelling to the product.

Similarly, there is NO need to add to the product the production date; it is sufficient to have only the expiration date/best before/use by date. This is in line with the current EU practice as well when the product is placed for the EU market. This is applicable to the products arriving to Dubai.