

Legal Alert



UAE Majority Shareholder No Longer Required

By Bashir Ahmed and Zaid Mahomed | 23 November 2020

In what appears to be a seismic move, His Highness Sheikh Khalifa bin Zayed Al Nahyan, President of the UAE, has passed a decree allowing foreign investors to own 100% of UAE companies based on the mainland (*i.e.* outside of the free zones). This change is expected to come into effect as early as December 2020.

This is a remarkable change, removing the requirement to have a majority Emirati shareholder (*i.e.* at least 51 per cent). Certain sectors such as oil and gas, transport and utilities and strategic areas are exempt.

The UAE Commercial Companies Law is set to be amended to allow for such changes.

The transformation will certainly enhance the UAE's position in the global market. The doors are open to foreign investors.

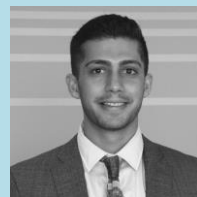
We will provide more updates as the story develops. ■

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