1. SOME LEGAL CONSIDERATIONS ABOUT KSA AND UAE

Fundamentals of UAE and KSA Law

- Both, UAE and KSA, legal systems follow the civil law tradition of continental Europe
- Sharia plays a minor role in both jurisdiction, especially in the KSA after adoption of new Civil Transaction Law in 2023
- Unlike the legal system of KSA the UAE law has many layers, e.g. federal, emirate and freezone rules
- Local content rules
- Members of the Gulf Cooperation Council

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2. SETTING UP A PRESENCE IN IN KSA AND UAE

Reasons for a presence in KSA and UAE

- Local establishment for public tenders?
- Eligibility for Incentives
- Company can act as a sponsor for foreign personel

Fundamentals of KSA and UAE Corporate Law

- Acknowledging concept of limited liability
- Allowing foreign investors 100% ownership of a company

Ownership in KSA

Full ownership

- Default rule

Restrictions

- Communications activities capped to 60%
- Supportive communications activities capped to 70%

Additional conditions apply

- Engineering presence in four countries
- Retail minimum capital 7.9 Mn US$

Ownership in UAE

Full ownership →	• Default rule
Restrictions →	• Telecommunication, Banking and Insurance

Licensing of business in KSA and UAE

- License is always required for conducting a business
- Different licenses depending on activity (commercial, service, manufacture)
- Foreign investors need additional registration in KSA

UAE and KSA law is favourably biased towards large companies

For more information

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