

## United Arab Emirates, 16.06.2020

Country	Gov measures for Swiss subsidiaries in SBH/TP country	Economic Outlook 2020	Movement of goods	Movement of people
Switzerland	✓			

Red = critical situation / expected GDP decline bigger than 5% compared to previous year

Orange = difficult situation / expected GDP decline up to 5% compared to previous year

Green = normal or almost normal situation / remaining GDP growth compared to previous year

# 1. General Situation

## DESCRIPTION OF THE CURRENT SITUATION

- Please find the latest information and updates on the current situation here:

<https://www.doh.gov.ae/covid-19>

## GOVERNMENT MEASURES

- The UAE has taken a number of measures and stimulus packages to ensure the health and safety, as well as to reduce the financial burden, of all its residents.
  - The Central Bank of the UAE launched a Dh100 billion stimulus, and joined other central banks around the world in announcing emergency economic packages and safety measures.
  - Dubai Government launched an AED 1.5 billion economic stimulus package to support companies and the business sector in Dubai, to enhance liquidity and reduce the impact of the current global economic situation.
  - In order to lighten the burden of financial obligations, some banks in Dubai are offering their customers and clients a loan repayment holidays and reduced charges for 3 months since 1 April 2020, to help soften the impact on their finances and relieve economic pressure.
  - The Ministry of Human Resources and Emiratization has reduced fees for 145 services, of which 17 of these services have been reduced by between 50 percent and 94 percent. The fees for work permits alone have been cut by up to 94 percent.
  - Extensions on the expiry of Residency Visas and Visitor Visas have been implemented until the end of 2020.
  - A number of landlords and management companies of commercial properties in the UAE have waive off rents for periods ranging up to three month in response to businesses battling the effects of the corona virus slowdown. However, direct rent cuts have not been implemented.
  - In light of the COVID-19 pandemic, a number of free zones have announced major relief packages including fee waivers, rent holidays and waiver of penalties. Please refer to each free zone authority for further information.

- Dubai Customs: A new economic stimulus package which includes initiatives aimed to reduce the cost of doing business and boost the trade sector in Dubai has been announced. The measures came into effect as of March 15th 2020.
- The UAE Ministry of Economy has announced a reduction in fees of up to 98% for 94 services. This decision is part of the efforts to soften the impact of the corona virus outbreak on the economy. The reduction in fees will help in reducing the costs of establishing and conducting business in the UAE for individuals and companies. This will also reduce the burden on commercial and investment institutions, and ensure the sustainability of the structure of the economy. These reductions to the business sector, which will amount to around \$31 Million and which will be implemented in 2020, will span across services focusing on innovation, business activities, investment, production, trade, import/export activities.

More information on the economic stimulus packages can be found here:

[https://mcusercontent.com/70ae229e69ab8b72dba8cce96/files/d81bb8c3-b7af-4d8a-a652-94b3388c356e/Dubai\\_and\\_UAE\\_Federal\\_Packages\\_of\\_Incentives\\_En.V.16.pdf](https://mcusercontent.com/70ae229e69ab8b72dba8cce96/files/d81bb8c3-b7af-4d8a-a652-94b3388c356e/Dubai_and_UAE_Federal_Packages_of_Incentives_En.V.16.pdf)

## **ECONOMIC OUTLOOK (ECONOMIC DEVELOPMENT, EFFECTS ON INDUSTRIES)**

- Economic Outlook
  - 70% of Dubai companies expect to go out of business within six months due to coronavirus pandemic.
  - 900,000 job losses are expected in the UAE.
  - Combined with visas depending on employment and lack of a social safety net, an expat exodus is likely as travel restrictions are eased. This could result in the population declining by around 10% (in the UAE and Qatar).
  - the IMF expects the UAE's economy to contract 3.5%
  - Both new work (39.4) and employment (44.8) fell at the fastest pace on record
  - the IMF has forecast a relatively strong rebound in 2021 for the UAE with a GDP growth of 3.3 per cent

## **2. Movement of goods**

- There are no restriction on the movement of goods.
- As a part of the implementation of customs-related incentives in the stimulus package, Dubai Customs has confirmed:
  - There will be a refund of 1% of the customs duty imposed on imported goods sold locally in the UAE. Goods imported between 5 March 2020 and 30 June 2020 which are liable to customs duty at the rate of 5% are eligible for the refund.
  - There will be an exemption from the berthing fee for arrivals and departures, and direct and indirect loading fees for traditional wooden commercial vessels registered at select Ports between 15 March 2020 and 30 June 2020.
  - The AED 50,000 bank or cash guarantee required to undertake customs broking activities is removed.
  - The bank or cash guarantee deposited by existing customs brokers and clearing companies will be refunded.

## 3. Movement of people

### RESTRICTIONS ON ENTRY FROM SWITZERLAND

- Holders of valid UAE resident visas who are abroad and wish to return to the UAE are requested to apply for a permit and attain a special code with the Twajudi residents' service. More information here: <https://www.mofaic.gov.ae/>. A Two week quarantine period will be enforced on returning residents.
- Emirates Airlines has resumed passenger flights to limited destinations, in addition to scheduled repatriation flights. More information here: <https://www.emirates.com/media-centre/emirates-resumes-passenger-flights-to-9-destinations-including-connections-between-uk-and-australia/>. In addition, Emirates airlines website is now allowing passengers to book outbound flights from Dubai to 16 destinations and 12 Arab countries, that are set to resume services starting July 1.
- At this time, Etihad Airways is also operating special flights to and from a select few countries: <https://www.etihad.com/en-ae/travel-updates/covid-19>

### RESTRICTIONS ON MOBILITY WITHIN THE COUNTRY

- Currently, there is a curfew imposed from 11pm until 6am the following day. Movement is not restricted during the day, but residents are requested to keep meetings and groups to under 10 people at one time.
- The Dubai Economy has announced the new protocols for the resumption of all *business activities*. More details can be found here: [http://dubaided.ae/Documents/Marcom/English\\_Reopening\\_Dubai\\_Sectors\\_Plan\\_Stage3.pdf](http://dubaided.ae/Documents/Marcom/English_Reopening_Dubai_Sectors_Plan_Stage3.pdf)
- Half of the public sector workforce in Dubai will be back in the workplace for the next two weeks, after which 100 per cent will return by 14 June.
- Shopping malls and private sector businesses in Dubai are back to operating at 100 per cent capacity since Wednesday June 3, 2020.
- Nationwide, 50 per cent of federal ministry employees have returned to offices on Sunday June 7, 2020, up from 30 percent.
- Movement is banned between regions within Abu Dhabi, as well as in and out of Abu Dhabi Emirate, which came into effect on 2 June 2020. This ban was extended for another week on 8 June 2020.
- All residents are still requested to wear face masks, and in some cases gloves, and to respect social distancing.