



*Dear Friends and Clients,*

*Ramadan and Eid al Fitr are over; the summer months are ahead. The business has already slowed down these past few weeks and probably won't improve until September. But this is not bad news. Most of the decision makers will be on holiday in cooler parts of the world. I will also spend most of the summer in Europe and would be delighted to meet up with clients there.*

*Discounts on hotels, free zone charges and even legal fees are common during the hot season. We also offer a summer special discount of 10% on all fees for company set ups until 15th September.*

*Despite the oil slump and other political issues, it seems that the Dubai property market is still lively and a good investment.*

*From 8<sup>th</sup> April 2017 to 14<sup>th</sup> June 2017, the Dubai Land Department has transferred 15.08 bn Dirhams worth of property, which was accumulated from 6,799 sales across Dubai.*

*The Qatar crisis has affected many clients not only in their Qatar ventures, but also within the UAE. We are in permanent contact with the relevant authorities to ease the way out of trouble even though extensive delays must be considered. When you have a 51% local shareholder in your Qatar WLL, even if he is a "silent partner", this company will be fully hit by the sanctions even if you prove that a foreigner is actually holding 100% through various agreements. Meanwhile we have found legal arguments to unfreeze sanctioned assets, but various steps have to be taken on case-by-case.*

*So – new issues occurs means new problems to be solved. But without problems, our profession as consultants and legal advisors would be obsolete.*

*Wishing you a pleasant summer – and I hope you find some chill out places.*

*I remain yours,  
Theodor Strohal*

### **Office News:**

Jana Krok left our firm at the end of May to become the CEO at MEO FZ-LLC in Ras al Khaimah offering accounting, auditing, market launches, commercial agent and distribution, and secretarial services. We are cooperating with MEO and highly recommend their services.

Strohal Legal Group Comp. Ltd, Myanmar is the local agent for immigration matters for Deloitte Global Mobility. Furthermore, our Yangon chamber has been appointed as the official lawyer to the Swiss Embassy in Yangon.

Dr.Strohal will be in Europe in July and can be reached by email through our head office in the UAE.

### **GCAA bans aviation companies registered in UAE to operate direct and indirect flights to Qatar:**

In light of the boycott being enforced by the UAE on Qatar, the General Civil Aviation Authority (GCAA) said in a statement on Monday that it is committed to its decision issued on 10/9/1438 H (corresponding to 5/6/2017) banning all Qatari aviation companies and aircrafts registered in the State of Qatar from landing at the UAE State's airports or using its sovereign airspace.

The statement added that the decision does not include the aviation companies and aircrafts not registered in the UAE or Qatar, and wishing to cross the country's airspace to and from Qatar. The GCAA also reiterated its full commitment to the provisions and of the Convention on International Civil Aviation, the "Chicago Convention of 1944," and other relevant conventions to ensure the safety of international civil aviation, and the flow of international air traffic over the skies of the UAE.

### **New facility to produce electric energy from waste in Ras Al Khaimah**

According to a senior official, Ras Al Khaimah is set to have a massive power station for the benefit of the Northern Emirates. The director of the waste management department at the Ministry of Climate Change and Environment, Eng. Yousef Al Ahmed Al Rissi said, "the new station is to produce electric energy by treating recycled waste," and is worth Dh500-Dh700 million.

These projects correspond with the 2021 national agenda of the UAE government, "whereby 70 per cent of the waste collected is to be recycled and treated," said Director-General of the Department of Public Works and Services, Eng. Ahmad Mohammed Al Hammdi.

"Almost 60 per cent of the food is dumped during Ramadan and up to 40 per cent of the food served to hotel guests as well as a large amount of waste is not categorized and is accordingly got rid of in random ways, posing a grave risk to people's health," said Al Hammdi.

According to Sonia Nasser, Director of the Waste Management Authority in Ras Al Khaimah, up to 70 tonnes of wastes, including foods, plastic bottles, metal and paper items are being collected from restaurants and hotels in the Emirate on a monthly basis, in comparison to 20 tonnes monthly a year ago.

The Waste Management Authority started the second phase of the project whereby the fish and vegetables markets waste is being sorted out and recycled to produce electric energy and bio-fertilizer.

### **UAE: Qatar Banking Deal Guidelines Being Prepared:**

The UAE's Central Bank is understood to be preparing guidelines for the country's banks on Qatar-related transactions. The Bank has already asked banks it regulates to report their exposure to Qatari banks. It is understood that the guidelines will restrict new business with Qatar-based institutions and address the issue of untangling exposure to the country. The guidelines are expected to be issued this week.

### **UAE ranked 1st in MENA region and 35th worldwide in Global Innovation Index 2017: Start-up acquisitions year in the GCC:**

According to the tech start-up tracker Magnitt, the MENA region could be set up for a record year for tech start-ups as investors close exit deals.

In the past five years, 2015 was the strongest in terms of volume of activity with 16 disclosed exit deals. However, so far this year, eight deals have already been announced. The headline exit deals in the UAE in 2017 were Amazon's acquisition of Souq.com and its payment gateway Payfort for US\$580 million in March and the Mohamed Alabbar-backed acquisition in May of a majority stake in Namshi for \$151m.

Of all disclosed deals over the past five years, 62 per cent were for transactions valued at \$50m or less. Last year, \$1.27 billion of exit deals were disclosed, the most in any year since 2012.

The pace of activity across the UAE and the MENA region is increasing. It is because of the available funding, the exit deals and general interest in the sector. It is not just F&B and e-commerce in the region, it is content and many interesting digital propositions as well.

### **Steel imports tariff of 31% suggested across Gulf:**

Arabian Gulf Governments are currently proposing a 31% safeguard tariff on some steel imports to help protect an industry battered by cheap products, particularly from China.

The GCC proposal includes introducing the tariffs on flat-rolled products of iron or non-alloy steel for a three-year period, with the rate falling to 28 % in the second year and 25% in the third.

The TSAIP (GCC Bureau of Technical Secretariat for Anti-Injurious Practices in International Trade) shall determine the date of introduction of the measures in its Official Gazette which will be published once the Ministerial Committee approves the implementation of the measure.

China, the world's biggest steel producer, accounted for nearly half of the world's output last year, up from just 15 per cent in 2000, according to figures from the World Steel Association. Excess production from the Chinese market has been blamed for depressed steel prices in recent years.

**UAE among top 12 top countries for FDI:**

The Foreign Direct Investment, FDI, inflows to the UAE grew by 2.2 percent in 2016 to US\$9 billion from \$8.8 billion in 2015, according to the World Investment Report 2017 released by the UN Conference on Trade and Development, UNCTAD, where the UAE is ranked 12th on the list of top countries for FDI for the period from 2017 through 2019, Sultan bin Saeed Al Mansouri, Minister of Economy, has revealed.

UAE-bound FDI until the end of 2016 accounted for 16.9 percent of total FDI to Western Asian nations, with the UAE claiming 26.5 percent of total FDI to GCC by the end of 2016.

With regards to UAE investments abroad, the UAE came out on top of Western Asian countries, accounting for 50.9 percent of total foreign investment flows from West Asia to different world countries, the minister said, adding \$15.7 billion the value of UAE investment outflows during 2016.

The report indicated a remarkable increase of 97 per cent in the value of mergers completed by UAE companies overseas, rising from \$5.87 billion in 2015 to \$11.57 billion in 2016, adding up to 59.3 percent of total merger operations conducted by companies in West Asia in 2016.

**UAE Central Bank announces raise of interest rates applied to Certificates of Deposits issuance:**

The Central Bank of the UAE has announced that as of Thursday, June 15, 2017, it will raise interest rates applied to the issuance of its Certificates of Deposits in line with the increase in interest rates on the US Dollar, following the Federal Reserve Board's decision, at its meeting today, to increase the Federal Funds Rate by 25 basis points.

"The Repo Rate applicable to borrowing short-term liquidity from CBUAE against Certificates of Deposits has also been increased by 25 basis points to 1.50 percent," the bank added.

Certificates of Deposit, which CBUAE issues to banks operating in the country, are the monetary policy instrument through which changes in interest rates are transmitted to the UAE banking system.

The UAE has improved its standing in the 2017 Global Innovation Index, GII, topping all Arab countries and ranking 35th globally to improve six places from last year's 41st position, cementing its status as one of the world's most innovative countries.

The results of the index were officially announced during a press conference held on 15th June at the UN headquarters in Geneva, Switzerland which was attended by Ambassador Obaid Salem Al Zaabi, the UAE's Permanent Representative to the UN and other international organisations in Geneva. Over the past two years, the UAE has exhibited a consistent performance by repeatedly ranking number 1 in the Arab world.

**Ambulance Services: Dubai patients have to pay now**

Dubai Corporation for Ambulance Services (DCAS) has begun with the implementation of a self-funding programme to cover the costs, as ambulance services will no longer be offered free. Patients will be able to use their insurance cards for the payment of the service. Those patients without insurance will get the service free on a humanitarian basis as required. The implementation comes in steps: In the first phase of implementation, it affects all Dubai residents and later visitors of Dubai as well. According to Khalifa bin Darri, executive director of the DCAS, "this move will help build a strategic plan for development of the health sector in the Emirate," and further that "the health insurance coverage shall help reduce government spending on ambulance and emergency, while the DCAS shall cover the emergency needs of people who do not have valid health insurance according to their current policy". The Officials said that, "this decision was not meant to generate income but to improve the services offered," and that, "the Health Insurance Law by the Dubai government provides the coverage for locals and expatriates in Dubai which secures and improves provision of the health care for the entire community."

The DCAS has a total of 177 ambulances in 68 stations distributed across Dubai and is considered to be the largest in the world. The vehicles of the fleet are worth DH1 million each and are equipped with basic equipment and have the ability to travel at much faster speed than ordinary vehicles, so that they can reach an injured patient in a shorter time.

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