



**Circular No. 002 of 2020
Regarding Economic Substance Notification**

Date: 7th May 2020

Dear Valued Customers,

The United Arab Emirates has, in coordination with the Ministry of Finance, enacted Economic Substance legislation in order to comply with its commitment as a member of the OECD Inclusive Framework. The Economic Substance Regulations are applicable to all Licensees within the UAE's jurisdiction, and includes all Licensees operating within free-zones in the UAE.

As such, and in compliance with the Economic Substance Regulations, all DACC Licensees are required to file an Economic Substance Notification, by the **7th of June 2020**, in order to confirm whether they carry out any of the following Relevant Activities:

- Banking Business
- Insurance Business
- Investment Fund management Business
- Lease - Finance Business
- Headquarters Business
- Shipping Business
- Holding Company Business
- Intellectual property Business ("IP")
- Distribution and Service Centre Business

To view and download the Notification template, kindly click [here](#).

Please submit the Notification to economic.substance@dacc.ae

In order to determine whether or not you fall under the Economic Substance Regulation, a substance over form approach must be followed. This means that you have to consider beyond what is stated on your commercial license and consider what the actual undertaken activity is, and whether it falls under the aforementioned Relevant Activities list.

To view and download the UAE Economic Substance Regulations Relevant Activity Guide , kindly click [here](#).

Any DACC Licensees that undertakes a Relevant Activity during the financial year ending on the 31st of December 2019, must also submit a Report by the 31st of December 2020.

Any DACC Licensee that fails to submit the Economic Substance Notification, or provides inaccurate or incomplete information, will face stringent fines as prescribed by the Ministry of Finance.

For further clarifications please use the relevant [legislation](#) found on the Ministry of Finance's website.

It should be noted that DACC will not advise or instruct any of its Licensees on how to fill out the Notification or whether the Licensee undertakes a Relevant Activity. DACC recommends consulting a professional for any of their queries regarding the Economic Substance Regulations. We thank you for your cooperation in this matter.

Dubai Aviation City Corporation

The Licensing and Regulatory Body for Companies Operating at Dubai South