



IR GLOBAL - MEET THE MEMBERS

MENA

Middle East and North Africa Region

IR Global - The Future of Professional Services

IR Global was founded in 2010 and has grown to become the largest practice area exclusive network of advisors in just a few years, this incredible success story has seen the network awarded Band 1 status by Chamber & Partners, recommended by Legal 500 and has been featured in publications such as The Financial Times, Lawyer 360 and Practical Law amongst many others.

The group's founding philosophy was based on bringing the best of the advisory community into a sharing economy; a system, which is ethical, sustainable and provides significant added value to the client.

Businesses today require more than just a traditional lawyer or accountant. IR Global is at the forefront of this transition with members providing strategic support and working closely alongside management teams to help realise their vision. We believe the archaic 'professional service firm' model is dying due to it being insular, expensive and slow. In IR Global, forward thinking clients now have a credible alternative, which is open, cost effective and flexible.

Our Founding Philosophies

MULTI-DISCIPLINARY

We work alongside legal, accountancy, financial, corporate finance, transaction support and business intelligence firms, ensuring we can offer complete solutions tailored to the client's requirements.

NICHE EXPERTISE

In today's marketplace, both local knowledge and specific practice area / sector expertise is needed. We select just one firm, per jurisdiction, per practice area ensuring the very best experts are on hand to assist.

VETTING PROCESS

Criteria is based on both quality of the firm and the character of the individuals within. It's key that all of our members share a common vision towards mutual success.

PERSONAL CONTACT

The best relationships are built on trust and we take great efforts to bring our members together via regular events and networking activities. The friendships formed are highly valuable to the members and ensure client referrals are handled with great care.

CO-OPERATIVE LEADERSHIP

In contrast to authoritarian or directive leadership, our group puts teamwork and self-organisation in the centre. The group has steering committees for 12 practice area and regional working groups who focus on network development, quality controls and increasing client value.

ETHICAL APPROACH

It is our responsibility to utilise our business network and influence to instigate positive social change. IR founded Sinchi a non-profit that focuses on the preservation of indigenous culture and knowledge and works with different indigenous communities / tribes around the world.

STRATEGIC PARTNERS

Strength comes via our extended network, if we feel a client's need is better handled by someone else, we are able to call on the assistance of our partners. First priority is to always ensure the client has the right representation whether that be with a member of IR or someone else.



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FOREWORD BY EDITOR, NICK YATES

MENA: Potential Through Diversity

The Middle East and North Africa (MENA) economic region is a diverse and multicultural grouping of countries, from Morocco in North West Africa to Oman at the foot of the Arabian Peninsula. It encompasses all the Gulf Cooperation Council (GCC) countries and the Arab countries of North Africa.

The area has seen a significant amount of upheaval in recent years, but its economic potential remains undimmed. The region has a population of around 450 million and a gross domestic product of USD3.6 trillion and The World Bank expects economic growth to average 2.6 per cent in 2019-2020.

Many of the region's larger economies are still heavily dependent on oil revenues, however significant projects are being implemented to diversify those economies and develop new forms of sustainable revenue.

Taking the GCC region as an example, figures from the International Monetary Fund (IMF), show that oil revenues in the region were almost 80 per cent of government revenues, on average, between 2000 – 2017. Oil exports represented 65 per cent of total exports and oil GDP represented 45 per cent of total GDP.

This landscape is changing though, as policymakers realise that diversification of the economy will reduce this dependency, creating more private sector jobs, while increasing productivity and sustainable economic growth.

Non-oil exports have increased accordingly, from 16 per cent of non-oil GDP in 2000 to 32 per cent in 2017. This robust growth has been concentrated in capital-intensive downstream industries, such as petrochemicals and aluminium, that directly capitalise on the region's competitive advantage in abundant hydrocarbons and subsidised energy. Tourism is one of the region's fastest-growing sectors. In 2016, the GCC's exports of tourism were approximately half of total services exported. The UAE and Saudi Arabia account for more than 75 per cent of travel receipts, given their leading positions as leisure and religious tourism destinations.

The Organisation for Economic Cooperation and Development (OECD) has put a range of programmes in place to aid the transition to a balanced economy and make the MENA region a more attractive place to do business. The OECD-MENA Competitiveness Programme has a wide remit, ranging from the empowerment of women through to business integrity. Elsewhere, the OECD's governance initiative looks at issues like regulatory reform, public sector innovation and youth empowerment as ways to boost economic attractiveness.

Regardless of internal changes, foreign direct investment (FDI) is also needed to develop a multi-faceted economy. While reforms have been implemented to attract foreign investment, these have taken place against the backdrop of the lingering effect of the global financial crisis and rising uncertainties and geopolitical tensions in the Middle East region. Attracting FDI is therefore important, because it can bring access to foreign markets, better management practices and technical know-how to the domestic economy, thus enhancing work force skills and increasing productivity.

Restrictions on ownership of land or business operations has hampered the flow of FDI into many countries, however some MENA jurisdictions have come up with innovative ways to encourage investment.

The United Arab Emirates (UAE) has established more than 20 special economic zones (SEZs), where foreigners may own up to 100 per cent of the equity in an enterprise, have 100 per cent import and export tax exemption and repatriate 100 per cent of capital and profits. This is not the case for businesses held on the UAE

mainland. Oman has also established three free-trade zones at strategically located ports, while Saudi Arabia has announced plans to build new economic cities.

The MENA region is made up of a diverse range of economies with differing levels of openness to international trade and investment. Despite this, with the help of supranational bodies such as the OECD and IMF, it is beginning to realise its economic potential. A modernising commercial attitude and a realisation that diversity creates strength, is helping the region to prosper.

The following feature calls on the expertise of advisors with experience of working in the MENA region. They offer specific advice on a range of topics, from immigration, to shareholder agreements, to developments in the Arabic music industry.

CONTRIBUTORS

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“As a strategic partner of IR GLOBAL, we profile you as a leading player in the Middle East”

ISFIN is an award-winning advisory firm that accelerates your international business strategy. Our innovative business is supported by a network of leading professional firms accredited in 75 countries. Our job is to position you as a leading player for the emerging markets for inbound and outbound investments.

We are an advisory firm focusing on the emerging markets with a specific knowledge of the Islamic markets from the Middle East, Africa and Asia. Our project is supported by a network of leading professional firms accredited in 75 countries, all independent first tier law and accounting firms. Our innovative business model is designed to help professional firms, corporations, banks and government agencies to tap into the emerging markets. It's success has been recognised by the Financial Times in their Innovation Awards.

We assist professional firms, corporations, banks and governments agencies tapping into the emerging markets and have an operating deal room which sources OFF Market investment opportunities to our portfolio of investors. Our deals are exclusively sourced via our network of trusted advisors (lawyers, auditors, accountants) whom we include as partners in the transactions.

IR Global Member Firms with an interest in MENA

The IR Global MENA community is a platform that focuses on connectivity and cooperation among countries with interests in the Middle East and North Africa. The group supports those doing business in the region with all the legal, financial and transactional support they may need and shares their professional insight into the inbound / outbound opportunities available and the depth of expertise offered via our MENA community.

IR Global MENA representatives have a strong emphasis on client driven service which is further supported by a deep understanding of the cultural issues and dynamics of the respective marketplaces. Whether it's understanding how to

operate successfully in MENA, resolving disputes in Turkey, acquiring property in Cyprus or why Dubai is an attractive hub for investments, our MENA representatives are on hand to provide you with a high-quality service that suits your every business need.

Member firms featured here retain a global support network across 155+ jurisdictions via their IR Global membership, sharing a common vision of working collaboratively to achieve unrivaled results. To understand more about our MENA group, visit the IR Global website - <https://bit.ly/2L983bs>

View the full list of the IR Global MENA community listed below in country order:

AFGHANISTAN

Mazars Afghanistan Limited

mazars.af

Shajjan & Associates

shajjanlaw.com

ALBANIA

Optima Legal & Financial

optimalaw.al

CYPRUS



Typographos & Co Lawyers

typographos.com

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EGYPT

Hassouna & Abou Ali

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Sherif Saad Law Offices

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ENGLAND



Ellisons Solicitors

ellisonssolicitors.com

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GERMANY



AQUAN Rechtsanwälte

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IRAN

Karimi & Associates Law Firm

karimilawfirm.com/en

IRAQ

Dler Law Office

dlerlawoffice.com

JORDAN

El-Oqaili Law Firm

eloqaililaw.com

KUWAIT/EGYPT

Taher Group Law Firm

tahergrp.org

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Abousleiman & Co



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About Farhat Law Offices

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Serhal Nassar & Co.

serhalco.com

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Ahmed Ghattour & Co.
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MALTA

EMCS International
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ae.com.mt

LexPractis
lexpractis.com

Scerri & Bonello Advocates
sblaw.com.mt

RSM Malta
rsm.global/malta

WDM International
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MOROCCO

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PORTUGAL

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QATAR

AG & Partner CPA
antonioghaleb.com

SAUDI ARABIA

Bakodah & Aboulkhair CPA
aa-cpa.com.sa

Financial Transaction House (FTH)
fthgulf.com

TUNISIA

Abdelly & Associates
abdellyassociates.com

TURKEY



Kayum & Demir
Attorney Partnership
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Ersoy Bilgehan

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EGE Law Firm
ege.av.tr

Guzeldere & Balkan Law Firm
guzeldere.av.tr

HERDEM
herdem.av.tr

OZALP
ozalp.av.tr

Yilmazlar Law Firm
yilmazlar.av.tr

UNITED ARAB EMIRATES

Paoletti Legal Consultant
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Europe Emirates Group
uae-eu.com

Hussain Al Shemsi Chartered
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About Farhat Law Offices

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Walid Abou Farhat has significant experience of telecoms and communications deals in the MENA region.

He has been involved in GSM business in Africa on behalf of Hits Telecom and in Mobile TV deals with 3G3M, a Norwegian investment group. In 2003 he actively participated in the creation of the first music publishing company in Lebanon, and in 2007 he acted as senior legal adviser to O-Media of Egypt.

He also acts on behalf of many authors' right holders, artists and labels such as Alam El Phan (Egypt) Arabica Music & Music is My Life (Lebanon) and EMI Music Arabia (UAE).

He represents other important publishers whether in the music or literature fields and has been actively involved in workshops with the Copyright Unit at Arab League and WIPO and has conducted several presentations related to collective management and copyright enforcement. He is also actively involved with SACEM, PRS and ADAMI to establish efficient collective management in the Arabic world.

His negotiation expertise includes performers and sites, aggregator licensing deals, live events, digital artist management and sponsorship deals.

Abou Farhat Law Firm has been established since 1964. It is a boutique firm which aims to provide an efficient and timely service.

The law offices have been involved in much litigation as the Lebanese judicial system is very active and efficient in Lebanese copyright law.

The firm offers a range of services, including drafting and negotiating purchase agreements, due diligence, restructuring, succession matters, acquisitions and share purchases.

The firm is also able to undertake international arbitration procedures under the rules and procedures of the Beirut Chamber of Commerce.

The firm also works in partnership with Kilani law firm in Jordan and Ali Habib law firm in the United Arab Emirates.

Music in the MENA Region: Collective management in a digital environment

The music industry is suffering in the MENA region.

Wars in Yemen and Syria, along with the continuous troubles in Bahrain and occupied Palestine, have had a direct impact on the music and cinematographic industries. Furthermore, the low prices of oil have tremendously affected the economies of the Gulf states and Egypt with a direct hit on the investments that were prominent before 2007.

Rotana Production, the major record label in the region between 1998 and 2007, is owned by HH Prince Walid Bin Talal. It used to produce 90 per cent of the Oriental Sound Recordings with more than 1500 recorded songs per year. It has downsized its business now, merely managing 15 celebrities out of the 110 it used to produce, and for the past few years has released very few sound recordings in comparison to what it used to record before the crisis. It has closed its regional offices spread across MENA, keeping its office in Dubai and focusing on live performances in the United Arab Emirates.

Major international record labels have also limited their presence in Dubai, investing very little in local production and focusing more on licensing the international rights they control for the MENA region. This sad reality has resulted in less creativity, as composers and lyricists are not able to 'license' the music they write and/or compose. More importantly, new talents are not able to produce themselves for the obvious lack of record labels. This has caused an underdevelopment of the music market across the board, from the quality of the musical works that are being created, to the music studios that are not able to invest in new technologies that would have positively affected music and its creation.

Live performance concerts have also been directly hit by the political turmoil of the region. Live concert revenues decreased dramatically between 2007 and 2019, and there has been a decreasing number of performances from international artists during the last two years.

On the digital side, the rise of international streaming services such as Deezer and Spotify has given hope that an embryonic market will develop, however the market is not currently mature enough.

YouTube does seem to be creating a difference in the MENA region by enhancing monetisation for artists. It generates around 60 to 75 per cent of the total digital revenues deriving from music rights in the MENA region. It also imposes a de facto IP enforcement on the basis of the USA Digital Millennium Act, whereby right holders are able to fight the many digital pirates benefiting from the deregulated market. This has occurred because of a lack of efficient collective management.

The digital market in MENA region is still lead by Ring Back Tones (RBT), which allow phone users to play their favourite songs to callers while they wait. Major aggregators like Qanawat, ARPU+, and EgpLinX are still generating good revenues from RBT downloads by Telecom customers using landlines.

This is essentially due to the fact that mobile and internet coverage has not reached the same levels as elsewhere in the world, while operators are able to sell those RBT to their customers and collect directly from them through the existing billing systems.

RBT technology provides a more cyber secure environment compared to streaming. Rights holders seem more inclined to license their musical works to RBT services, in order to avoid increasing levels of online piracy that is depriving rights holders and digital operators from most of their revenues.

It is important to note also that an absence of collective licensing in the GCC countries has negatively affected the digital market.

In 2007, the Lebanese body SACEM was granted an administrative license to collect and license rights directly in the GCC market as most of its Lebanese composers and lyricists are SACEM members. In Egypt, SACERAU is a local association that operates as a collection society. It is a member of the International Confederation of Societies of Authors and Composers (CISAC) and, hence, it manages all CISAC activities in Egypt.

On the neighbouring rights level, a body called EECAAP in Egypt has developed its own collection tools and services and started to license and collect on behalf of the international and local labels. It is an IFPI member and is currently managed by Mohsen Gaber, one of the most prominent figures in the Egyptian music scene.

EECAAP is currently expanding its services to collect authors rights. In Morocco (BMDA), Algeria (ONDA) and Tunisia (BTDA) have used local copyright laws to create a semi- government office working under the direct supervision of the Ministry of Culture to collect on behalf of rights holders.

Most of the GCC countries are World Trade Organisation (WTO) members and have adopted fairly recent local copyright laws. However, collective management is often subject to compulsory ministerial licenses and, as such, licenses have not been granted to any society, or collection of societies.

In North Africa (Morocco, Tunisia and Algeria), bodies are collecting and distributing revenues, but I am not sure that is happening with digital revenues. In Lebanon SACEM has not invested enough in its operations to be efficient in the digital world. International rights holders are often complaining that they are not receiving revenues from Lebanon, when at least 50 per cent of the music market is Western-oriented. This lack of collective management is mainly due to the absence of rights holders, who are not willing to invest to protect their rights and interests.

It is well known that governments are reluctant to allow collective management, because they consider it a GCC matter, rather than a national one. They believe that there is an obvious lack of national GCC creators and collective management would result in price inflation. Therefore, despite the lobbying by certain organisations such as the IFPI, collective management is totally absent in the MENA region.



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Wissam, a Lebanese CPA, is the acting Managing Director of ABOUSLEIMAN & CO., an audit, assurance, tax advisory & risk management Firm established in 1971 in Lebanon with an international reach.

Wissam's focus lies in enterprise risk management and advising clients on good governance practices, improving internal controls, policies & reporting functions, establishing efficient tax structures, evaluating businesses. He has worked with HNWs, privately held companies, financial institutions, social welfare funds, public institutions, and international donors across multiple jurisdictions covering Lebanon, Denmark, UK, Sweden, USA, UAE, Syria, Oman, Libya, etc...

Wissam has been a guest speaker on multiple occasions on subjects such as Islamic finance, proper budgeting, tax & compliance developments, VAT, data security & protection at events in Malta, the UAE & Lebanon.

He currently resides in Copenhagen where, to service on a more international scale, he is setting up a parallel risk management & advisory firm to the existing one in Lebanon.

ABOUSLEIMAN & CO. is an assurance, audit, tax advisory & risk management firm with a commitment towards good governance, transparency and compliance practices. The firm's clients include HNWs, private companies, public agencies & non-profits.

With a commitment to high moral standards & ethical values, ABOUSLEIMAN & CO.'S success lies in establishing strong ties with clients & continuously aiming to satisfying their growing needs through hands on consultations and recommendations to optimise their capacities & the efficiency of their internal structures.

Above all, ABOUSLEIMAN & CO. takes pride in the integrity of its team, their dedication and their professionalism in timely providing quality services to clients' business concerns.

ABOUSLEIMAN & CO.'S success stories vary from tax retributions, to establishing efficient tax structures, to creating budget & expenditure savings in the millions of US dollars, to holding advanced technical training workshops on leadership, to designing & integrating efficient ERP systems with software developers.

MENA: Simplicity in Complexity

The MENA region is an attractive investment hub with increasing populations and per capita wealth always looking for new services, brands or technologies to enrich livelihoods. Lebanon alone is expected to receive USD11 billion of investment in its infrastructural development projects in energy, health, transportation and education. So, whether in Lebanon or elsewhere in the MENA countries, we find it important to link investors to similar opportunities, and, more importantly, advise them on:

- moving capital & profits
- setting up efficient & proper structures
- complying with local tax rules
- doing the necessary due diligence work
- auditing the financials associated with the investment or evaluating agreement terms compliance.

The Bigger Picture

Complexity has been a prominent feature of our modern business environment. This is self-evident in the conduct of business affairs internationally in particular when it comes to cross-border transactions, varying jurisdictional regulations and practices, tax residency or AML implications.

Differing cultures and mindsets are also important, and more so the inherent ongoing changes and developments that create new challenges for any business, whether they are small and medium-sized enterprises (SMEs) or entrepreneurs.

Technically-speaking, most of these challenges involve satisfying regulators (of one or multiple jurisdictions), creditors, investors, and other key stakeholders, whose greater interest is in looking for red flags, potential problems or threats for their business models and revenue streams.

Indeed, it falls on professionals within the corporate services world to be creative and ever vigilant in tackling emerging challenges, while continuing to add value and mitigate risks for business clients.

Uneasy Facts

In many cases, failing to find proper strategies to counter challenges, may not be as straightforward as settling a few fines or penalties. Many businesses encounter poor growth, failing strategies, or even end up being ultimately driven out of markets. Just take a look at Fortune 1000 over the last 40 years, and only 30 per cent of the listed companies are still there. Imagine the corresponding impact on smaller family businesses, SMEs and struggling startups.

Creative & Innovative Solutions

In order to sustain their growth and reputation, businesses must read trends and adapt to changes, by altering strategies, business models and policies.

The key is for the business to be able to identify these risk areas early on. With 50+ years of experience, we work hard to identify those threats and find creative solutions that provide businesses with sound input and recommendations to maintain efficient and compliant structures, improve controls and reporting functions. This spares businesses from costly and lengthy trial and error approaches.

We accomplish this through understanding client business circumstances using our Enterprise Risk Management skill-set, before designing and implementing real solutions that actually work.

Many businesses are overwhelmed by the amount of information they have access to, but lack the proper professional capacity or knowhow to analyse it. The implementation of customized ERP Systems has become a necessity to meet business reporting requirements such as building forecast-ing models to figure out future trends and performances.

Efficient Structures

In a similar way, our role is to help businesses build up efficient structures from an ownership and tax perspective for wealth management purposes (taking into account the implications of BEPs for example), as well as to lay out lean and effective internal procedures to delegate roles and functions in order to run the business smoothly. This may also take into account workforce diversity, retention practices, and skills' development needs.

Good governance and necessary compliance practices

Many business owners and directors often need advice and guidance to comply with regulatory developments and the functional changes needed as proof of implementation (i.e. upgrading internal practices). Acting as advisors to the decision makers results in more calculated and well thought through decisions.

MENA & Beyond

For many, having a global outlook is necessary to expand business operations and that requires having the right vision, set of tools, skilled people and proper consultants on board. Our thinking is all about creating value for client businesses, whether in Lebanon or nearby Syria and Iraq, where investment in infrastructure and overall reconstruction is on the verge of a boom.

We also operate in Europe at large, where there is an abundance of capital, management know-how and technical expertise looking for solid returns and help to navigating seemingly complicated jurisdictions.



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Urs Breitsprecher is managing partner at AQUAN Rechtsanwälte, forming the business after 15 years of legal practice in Düsseldorf.

He has more than a decade of experience working on complex M&A transactions, and, due to his dual qualification as a German lawyer (Rechtsanwalt) and English Solicitor, he is specialised in cross-border deals. He also has considerable expertise of company and group restructurings, and their tax consequences as well as in insolvency matters.

Among his domestic and international clients are family-owned businesses, private equity firms, and family offices. He also advises foreign companies on inbound investments into Germany.

Urs obtained his diploma in European Law (University of Wales, Aberystwyth) in 1998 and a Bachelor of Law (University College London) in 2001. He completed the first state examination at the University of Passau and the second state examination in 2003 in Frankfurt am Main. He is a specialist English solicitor for business law and tax law, and became a Certified M&A advisor in Chicago in 2016.

AQUAN is a new concept of legal practice committed to the delivery of legal advice at the highest level, helping its clients achieve their goals. The firm embraces and adheres to the principles of honesty, integrity and professional ethics.

AQUAN's team of commercial lawyers is headquartered in Düsseldorf, Germany. They bring experience acquired through handling demanding international legal work, into the more relaxed, client-centric environment of a modern boutique practice.

AQUAN are highly skilled, highly educated and highly motivated to help you succeed, but equally driven to maintain high standards in professional and social responsibility.

Bringing the World Closer: New additions to the German Immigration Act

The business relationship between Germany and the Middle East is very well established. There are many investments in both directions and a very close and friendly relationship where both sides learn from each other and look at each other for new ideas and markets.

This inspires more and more people from the Middle East to look at Germany as a potential residence and work place. The new additions to the German Immigration Act (Aufenthaltsgesetz) will create an easier entry to living and working in Germany to reflect the already present good synergy on the business level where both Islamic and German values and laws are upheld.

Due to the shortage of skilled workers in Germany, especially in nursing care for the elderly, there is a programme with Lebanon, where nursing care is studied at university. In this program German is taught additionally during the degree. The degree is not only recognised in Germany, but the graduates are also allowed to work in Germany.

However, such programmes are not the standard and sadly, living and working in Germany as a non-EU national is not that easy.

There are a few programmes that seize the opportunity of the skills shortage in Germany, especially in nursing care for the elderly. In this programme the German language is taught additionally to the degree. The degree is not only recognised in Germany, but the graduates are also allowed to work in Germany. However, such programmes are not the norm.

Germany is lacking more than 1.2 million specialist workers, but only nationals of certain countries, such as Australia, Japan, Canada, South Korea, New Zealand and USA have a chance to live and work in Germany due to bilateral agreements (Art 41 AufenthG).

In June 2019, the German parliament passed the law on the immigration of specialist workers (Fachkräfteeinwanderungsgesetz (FEG)). It comes into force at the beginning of 2020. With the new regulation, the federal government is reacting to increasing personnel shortages in companies. The goal is to flank the securing of specialist workers with targeted immigration from third countries.

The German Immigration Act (Aufenthaltsgesetz) applies to the migration of third-country nationals and currently prohibits entry, residence and gainful employment subject to permission (§ 4 (1), (2) and (3) of the Immigration Act). Through the introduction of a new paragraph (§ 4a AufenthG-E), the FEG intends to permit any foreigner with a residence title to engage in gainful employment.

The new Act is designed for specialist workers. Specialist workers under the FEG are third-country nationals (no EU nationals) who have a domestic qualified vocational training or a foreign vocational qualification equivalent to a domestic qualified vocational training or who have a German, a recognised foreign or a foreign university degree comparable to a German university degree.

The main modifications of the FEG are as follows:

The new Act waives the priority check in the case of recognised qualifications and employment contracts, i.e. it is no longer necessary to determine whether a German national or European applicant is available before any recruitment of a professional from a third country is allowed.

The limitation of qualified vocational training to occupations with a shortage of qualifications will be abolished, i.e. in the future foreigners with employment contracts and recognised qualifications should be allowed to work in all occupations that suit them, not only in those in which there is a shortage of specialist workers.

Specialist workers with qualified vocational training will have the opportunity to come to Germany for a limited period of time (six months) to look for a job in accordance with the existing regulations for university graduates, but they will need to prove German language skills and livelihood security. Because companies are finding it increasingly difficult to fill vacant training positions, foreigners up to the age of 21 will also be able to come to look for a training position for up to six months in the future. The prerequisite is that they speak German and that their livelihood is secure.

The draft bill explicitly provides for the possibility of retraining applicants with a concrete job offer and basic qualifications. In this case, their future employer must undertake to provide the applicants with the necessary tools for the job within two years. The stay for the recognition of professional qualifications and subsequent qualifications is therefore initially limited to 18 months and can be extended to a maximum of two years.

Professionals will be able to settle permanently in the future if they are in possession of a residence permit for four years, work in a job appropriate to their qualifications and have paid into a pension fund for at least 48 months. If they have successfully completed vocational training or a course of study in Germany, the period will be three years.

So the new Act is a new beginning for non-EU-nationals to come to live and work in Germany, if they are specialist workers. The future will show if it is enough.



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Alberto Predieri carries out his activities in the area of civil and commercial law, both out-of-court – providing advices, drafting legal opinions and agreements also in the context of extraordinary transactions (M&A) of significant value and complexity – and in-court. He has concentrated his activities in editorial (print, web, TV), energy, chemical, food and beverage, facility management and sports sectors.

Alberto is a member of boards of directors of companies and foundations, and he has held senior roles in international sport organizations (vice-president of the International Sailing Federation, president of an Olympic boat association).

Currently he serves also as member of the board of appeal of the International Paralympic Committee (for matters related to the athletes' classification and to cases submitted by the Legal and Ethics Committee).

de Bedin & Lee studio legale associato is a boutique law firm in Italy, which arose, firstly in Italy, from the encounter of the skills and knowledge of de Bedin & Lee LLP, a Hong Kong based law firm, and a Milan law firm with an ancient and prestigious tradition. The dynamism and modernity of the Asian country, perfectly matched with the efficiency and the pragmatism of the Milan culture, to give rise to a successful union.

The wide network of professionals connected to the two realities, as well as a representative office of de Bedin & Lee LLP in Mainland China (Chongqing) allows them to work in an active way, not only in Italy, but also in all the most important European, Asian and North-American jurisdictions.

Trade Relations Between Italy and MENA: A bridge from the past to the future

Historically, trade relations and commercial exchanges between Italy and MENA countries have always been abundant.

This is clearly shown by the overall value of the commercial exchanges, which combine the data of imports and exports of a nation with other nations. This overall value has increased by several percentage points for different countries, sometimes providing a trade surplus for Italy, and sometimes for MENA countries.

Trade relations with countries of Mediterranean Africa (such as Egypt and Tunisia), or with Lebanon, Kuwait and Turkey have grown stronger; as well as with Saudi Arabia, Bahrain, United Arab Emirates, Israel, Oman and Qatar.

The possibilities of cooperation between Italy and MENA countries have increased more and more, thanks to different factors. The first being the geographical closeness, then preferential tax regimes and tax exemptions. There are also new projects promoted by the local government in order to draw foreign investments and consolidate trade relations, and new areas for investment, such as renewable energies and environmental protection.

With regard to legislation, Italy has recently passed a new law, commonly known as 'Growth Decree' which has enhanced the already existing preferential tax regime for inbound workers in Italy. In broad terms, the preferential regime is now extended to the individual business income. In order to benefit from it, the individual (employee) must have been tax resident abroad (in countries other than Italy) for at least two years prior to moving to Italy, they must then remain tax resident in Italy for two further years, and shall work in Italy for at least 183 days per year.

The tax exemption could cover up to 90 per cent of taxable income in case of transfer in southern regions and can last, in some cases, up to 10 years. In the end, the Growth Decree has cancelled some requirements that were necessary in the past in order to benefit from the tax exemption. Now, for example, the inbound worker does not have to cover a managerial role or to be highly specialised and can be also self-employed.

From the corporate point of view, the recent reform of the 'Code of Crisis and Insolvency' has given the opportunity to introduce some changes to the standard companies' law (contained in the Italian Civil Code). Such changes, from an overall and general perspective, seem to be aimed at creating a better culture in doing business and,

therefore, such changes shall be seen, especially by foreign investors, as a guarantee of correct (and improved) management of the companies.

Companies can now set up administrative, organisational and accounting structures adequate for the nature of the activities carried out by the company in Italy. The directors have, therefore, an increased task of preserving the integrity of the corporate assets, under penalty of liability for any act of bad management not justified by the well-known principle of the 'business judgement rule.'

Finally, even the smallest companies (the limited liabilities companies) must appoint a statutory auditor body, individual or board of auditors, and/or a chartered accountant. Foreigner investors must see that not as a mere additional cost, but as a further guarantee of a correctly run business, giving one more reason to think about investing in Italy.





The scope of this short article is not to explain how to set up your business in Italy but to provide information and assistance in case of interest and, therefore, to have the opportunity to intensify incoming and outgoing relationships.



MALTA

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Geraldine Schembri is an accountant by profession and has spent most of her working life in taxation, covering both direct and indirect tax, and international business structuring. She is the partner responsible for the international business team within EMCS, and her more recent work includes advising businesses involved in FinTech and digital assets.

She started her career with Grant Thornton Malta where she covered various aspects of taxation both on the direct and indirect front, eventually setting up the international business arm of EMCS in 1999. She also held the post of a tax partner for two years in Grant Thornton.

Geraldine has throughout the years been involved in various tax committees and contributed articles and is currently the Vice President of the Malta Institute of Taxation and represents the same institute in the direct tax committee of the CFE-Tax Advisors of which she is Vice-Chair.

For more than 36 years EMCS has provided valued service to organisations with a focus on assisting them to achieve their potential through the delivery of practical and innovative advice. The firm does that by delivering real insight through a combination of technical rigour, commercial experience and intuitive judgment.

EMCS has established itself as one of the leading boutique advisory and tax firms in Malta. It works with a broad range of international and local organisations, publicly and privately held, government agencies and financial institutions. EMCS offers a full range of complementary advisory and tax services tailored to each individual client's specific requirements, by combining the different specialised areas of expertise of staff members and the firm's collective experience and in-depth knowledge of various issues.

Malta: An attractive base for new technology from the MENA region

In 2018 Malta was the first jurisdiction in the world to enact a fully-fledged regulatory framework specifically targeted at regulating distributed ledger technology (DLT) based innovative technology arrangements.

Malta is leading the world in regulating new technologies like Blockchain and Artificial Intelligence (AI).

Among the laws enacted in Malta is the Virtual Financial Assets Act (VFA Act), which covers the area related to financial services offered through a DLT-based solution. The VFA Act provides, among other things, clarity through the 'Financial Instrument Test' in determining whether a DLT token is a utility token (not regulated), a financial instrument (STO) or a Virtual Financial Asset (VFA).

Tokens determined to be financial instruments (STOs) are regulated under the traditional financial regulation (MiFID). The Malta Financial Services Authority (MFSA), recently launched a consultation document named Security Token Offering - MFSA Capital Markets Strategy. In this consultation document, the MFSA outlines its attempt to define STOs making a distinction between Traditional STOs and Other STOs, with its focus so far limited to just Traditional STOs.

On the other hand, tokens determined as being VFAs would be regulated by the new VFA Act. The VFA Act also includes service licences for services offered in relation to Virtual Financial Assets, including the licensing of crypto exchanges.

The VFA Act also provides for a new role. This is the VFA agent. The VFA agent is the sole registered interlocutor between the Issuer or service licence applicant and the MFSA. The VFA Agent has the primary role of acting as the first line of defence for the jurisdiction thus making sure that it filters and properly vets any service licence applicants wishing to do business through Malta. EMCS is a licensed VFA Agent through its subsidiary company called Finovative Ltd.

MFSA has also issued three chapters of detailed rules with regards VFA Agents, Issuers and VFA Service Licence holders. There are also guidance notes with regards the execution of the Financial Instrument Test and its expectations regarding cyber security.

The lead taken by Malta in setting up this regulatory framework is important, as now other European jurisdictions are setting up very similar regulatory frameworks.

ESMA is also moving in the same direction, calling for an EU-wide regulation of digital assets, while indicating that some of these digital assets can potentially be financial instruments to be regulated by MiFID. Moreover, all this hard work by Malta has paid dividends as it has attracted important players to the jurisdiction like Binance, OKex and ZB.com. Malta is also moving ahead on the STO front, with the Malta Stock Exchange involved in setting up an STO listing space on its MiFID

regulated market. Recently Apple co-founder Steve Wozniak formed a Malta-based blockchain enterprise targeting more efficient use of energy, through his EFFORCE project.

MFSA has also launched its 'Vision 2021' project, which is primarily based on a Fintech Strategy. This Fintech Strategy aims to establish Malta as an international FinTech hub which supports and enables financial services providers to infuse technology in product and service offerings to drive innovation. The MFSA aims to establish the foundations to enable FinTech start-ups and scale-ups, technology firms and established financial services providers to develop viable FinTech solutions which drive innovation and enhance access to financial products. They will also increase competition, deliver better customer experiences, and, ultimately, contribute to the long-term success of the Maltese financial services sector.

The MFSA FinTech Strategy has been published for industry consultation through a consultation document. A feedback statement was then also published.

The MFSA FinTech Strategy is based on six pillars. These being:

- (i) Regulations
- (ii) Ecosystem
- (iii) Architecture
- (iv) International Links
- (v) Knowledge
- (vi) Security

Recently the first consultation document with regards the first pillar of regulations was published. This document outlines the objectives, legal framework and structure of the Regulatory Sandbox.

Malta is also at the forefront in exploring Artificial Intelligence (AI) as a new economic niche. The aim is to develop a National AI Strategy and put Malta amongst the top 10 nations with a national strategy for Artificial Intelligence. To achieve this, an AI Taskforce was setup to publish a high level policy document for consultation in March 2019.

In a financial services market which presents a dynamic and ever-changing environment, Malta's proactiveness in offering innovative proposals ensures it's a first port of call for the creative investor.



TURKEY

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Zihni Bilgehan is the managing partner of Ersoy Bilgehan, focusing on company commercial, banking and finance, PPP, maritime and insurance sectors. His advice is regularly sought by a wide range of blue chip companies on their investment strategies in Turkey. He represents European lenders and equity investors in their secured and unsecured financing and advises bidders in major public tenders on infrastructure.

Zihni also enjoys an excellent reputation in the maritime field. His clients are P&I Clubs, ship owners, charterers, yards and ship financing banks.

ErsoyBilgehan is an independent full-service law firm widely recognised for its strong national and international practice. Since its foundation in 1999, the firm has acted for enterprises across the full spectrum of business including local, national and multinational companies in a wide range of business sectors. Clients range from single-owner start-ups to household name companies, from government companies to global giants.

ErsoyBilgehan is a law firm which has a strong national presence with a full-scale global reach. It's longstanding network of relationships with pre-eminent law firms around the world ensures it is ready to provide comprehensive legal services in virtually every jurisdiction.

In today's fast-changing and inter-connected world, the firm helps its clients thrive in the global economy by drawing on local market knowledge and international capabilities to provide excellent service and creative advice.

Using Arbitration and Mandatory Mediation to Resolve Disputes in Turkey

Turkey has closely followed recent international developments and trends in alternative dispute resolution.

This has enabled Turkish legislation to relieve the judiciary of a very heavy case load which hinders the swift and efficient resolution of civil and commercial disputes.

Arbitration has been evolving as a means of dispute resolution since the establishment of Istanbul Arbitration Centre (ISTAC) in October 2015. ISTAC applies a set of rules which are influenced by the ICC, VIAC and LCIA rules. Despite its recent establishment, ISTAC has already gained international recognition and is selected as the forum to resolve disputes in a number of international contracts involving Turkish and non-Turkish entities. One significant advantage of ISTAC is its low cost compared to other arbitration bodies.

In addition to arbitration, mediation has become mandatory in Turkey for a number of claims arising out of labour and commercial law disputes. The purpose behind this is to accelerate the legal proceedings and reduce litigation costs.

The Tax Regime and Incentive System

Turkey's taxation regime is based on a self-assessment system where individual taxpayers are responsible for declaring their taxable income. The main categories of taxation for companies may be listed as corporate income tax, VAT and withholding tax.

The place of legal and business headquarters plays a key role in defining which category of taxpayer the company falls into and its tax-related liabilities. Turkey, as an investor friendly country, provides certain tax-related advantages to the companies within the scope of incentive systems.

A new Turkish incentive system was introduced in 2012. Incentive tools provided under the new system generally include tax and customs duty exemptions, social security premium support and interest support. Both the local and foreign investors can enjoy the advantages under four different schemes.

- General Investment Incentives Scheme

Major investment incentive tools provided by the General Investment Incentives Scheme are VAT and custom duties exemptions. All investment projects meeting both the specific capacity condition and minimum fixed investment amount are supported within the framework of this scheme. The region of the investment is not of importance.

- Regional Investment Incentives Scheme

Investments made under the Regional Investment Incentive Scheme attract more incentives (such as tax reduction, income tax withholding allowance, and allocation) compared to the General Investment Incentive Scheme. The nature and extent of the support to be provided under the Regional Investment Incentive Scheme depends on the regional potential, scale of the local economy and level of development in the region.

- Large-Scale Investment Incentives Scheme

The Large-Scale Investment Incentives Scheme lends support to 12 specific investment industries mainly with a potential to foster Turkey's technology, R&D capacity and competitiveness. These industries include the electronics industry, production of pharmaceuticals, mining, harbours, harbour services and airport investments, production of refined petroleum products, transit pipeline transportation services, automotive main and supply industry.

The State contributes to such investment by providing tax advantages reaching up to 65 per cent of the total investment depending on the region and the place of the investment.

- Strategic Investment Incentives Scheme

Incentives are also provided under the Strategic Investment Incentive Scheme without taking into account the regions and sectors. This scheme mainly focuses on supporting the production of intermediate and final products with high import dependency with the aim of reducing the current account deficit. The State contributes to such investment by providing tax advantages reaching up to 50 per cent of the total investment and provides social security premium support for employer's share up to 12 years depending on the region of the investment.

Obtaining Turkish Citizenship by Investment

Turkey provides an added advantage to foreign investors by offering Turkish citizenship provided certain investment criteria are met. The most preferred investment types to obtain citizenship, include making a fixed capital investment for an amount of at least USD500,000. You can also purchase an immoveable property valued at USD250,000 and undertake not to sell it for three years.

There is also an option to purchase a real estate or venture capital investment fund participation share for at least USD 500,000 and commit to hold these participation shares for three years.



ENGLAND

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Graeme Kirk is a partner and head of the immigration department of Ellison's Solicitors incorporating Gross & Co., Bury St Edmunds.

Graeme has specialised in business immigration law since 1981, founding and developing the immigration practice of the firm's team primarily through recommendations from clients and other professionals.

Since 1981, he has acted for clients from all over the world, and his current immigration client list includes major, listed British and foreign corporations, international banks, as well as smaller companies and entrepreneurs. He acts as a consultant in UK immigration law for many UK solicitors and foreign law firms.

Graeme deals with all aspects of business and private client immigration (other than asylum) including the UK points-based system, and family immigration. Graeme is listed in the Who's Who Legal 2019, which recognises leading international solicitors in their specialist fields.

Ellison's Solicitors is one of the oldest and fastest growing firms in the East of England having been founded more than 250 years ago.

Ellison's offers a comprehensive range of services to both corporate and private clients, including, Commercial Property, Immigration, Residential Property, Dispute Resolution, Wills, Trust and Probate, Insurance Litigation, Employment and HR, Corporate and Commercial, Financial Advice, International Services.

The firm has seven offices located across Essex and Suffolk, alongside an office in London. The firm has 25 partners and 250 staff. It is a member of the Alliot Group, an international alliance of accountants and lawyers, which provides global connections and referrals from international legal and financial advisors.

The United Kingdom: An attractive destination for MENA investors

Despite the uncertainty of Brexit, the United Kingdom remains an extremely popular location for citizens from MENA countries who are looking to live and bring up their families in a safe and secure environment.

The country has a very long established legal system and with a highly independent judiciary ensuring the operation of the rule of law in a highly sophisticated business environment.

Many citizens of MENA countries have taken advantage of the UK's Tier 1 (Investor) program, which allows high net worth individuals who are willing to bring at least GBP2million to invest in the UK to reside in the UK with their spouse/partners and children under eighteen years. Permanent residence rights in the UK can be obtained under the Tier 1 (Investor) category after five years on the basis of an investment of GBP2million, and the right to permanent residence can be accelerated by a more substantial investment. An investment of GBP5million can lead to permanent residence after three years and an investment of GBP10million after two years.

Investment in each case has to be made into either the share or loan capital of registered UK trading companies, not primarily engaged in property business. The Tier 1 (Investor) can undertake work or other business activities in the UK with very limited restrictions and the same applies to family members accompanying them to the UK.

Another very popular route for citizens of MENA countries to acquire residence rights in the UK, is using the category "Representative of an Overseas Business". This category has been in the UK Immigration rules for many years but is often overlooked.

The category of "Representative of an Overseas Business" allows a MENA company, which has no branch or subsidiary in the UK, to send one key individual to establish a UK branch 100 per cent owned subsidiary of the MENA parent company. There must be a genuine business reason for wishing to establish a UK branch or subsidiary

company, and it has to operate in a similar field as the parent company, which also needs to remain in existence as the headquarters of the business.

The individual chosen to act as the company's representative can be a director, shareholder, or senior employee of the parent company, but cannot be the owner or majority shareholder of the parent company.

The representative is allowed to bring their spouse/partner and children to the UK with them, and potentially can qualify for permanent residence after five years.

There are no minimum capital requirements for this route, but there is a requirement for the UK representative to be paid a good salary in UK terms by the MENA parent company for carrying out duties in the UK as the Managing Director of the UK branch/subsidiary.

There may also be opportunities for MENA clients to come to the UK under the sponsorship route of Tier 2 in specific circumstances and specifically where an applicant is proposing to invest in a UK business.

With the abolition of the Tier 1 (Entrepreneur) route at the end of March 2019 and the recent introduction of the new Innovator visa, which is not yet working properly in practice, specialist professional advice is required to ensure that all possible options for UK immigration are considered by clients.





The UK remains a highly attractive location for foreign investors, particularly recently as a result of a lowering of the value of the pound and therefore the cost of property in the UK for foreign investors. Many families from MENA countries also like to take advantage of the excellent English private school system to educate their children.



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Kaan Demir specialises in mergers and acquisitions, corporate governance and litigation. He actively advises foreign and local investors, assisting them in their transactions.

Kaan has experience in advising clients on cross-border and local transactions, joint ventures, private equity investments and strategic investments on a wide range of sectors including but not limited to with media, e-commerce, retail, manufacturing and energy.

His experience covers all aspects of the transactions, starting from the due diligence phase to structuring, contract drafting, and negotiating the terms of the transaction documents. He also renders day-to-day advice on all types of corporate law-related matters. He has been involved in several significant merger and acquisition projects in Turkey in the above-listed sectors.

He also acts as a litigator, representing clients in complex commercial disputes and provides assistance to his clients in all fields of dispute resolution.

Kayum & Demir Attorney Partnership is a full-service law firm located in Istanbul. The firm provides high quality legal services to its clients and is committed to helping them achieve their business targets, while overcoming legal challenges by finding innovative solutions.

The partners are highly motivated to offer legal services with sophisticated advice and practical solutions that reflect a deep understanding of legal issues and business objectives.

The firm has experience in the fields of mergers and acquisitions, strategic investments, corporate and corporate governance, energy, e-commerce, data protection, real estate, competition and litigation.

Executing Shareholder Agreements in Turkey

Shareholder Agreements are used for regulating the rights and obligations of the shareholders and for the determination of corporate issues and matters that are not regulated under the Articles of Association of a company.

Turkish Commercial Code (TCC) does not explicitly regulate Shareholder Agreements, but parties may enter into an agreement within the framework of freedom of contract, as long as its provisions do not conflict with the articles of the company or the provisions of TCC.

As a consequence, Shareholder Agreements only create a binding contractual relationship between its parties and do not impose obligations or grant any rights to any third parties or future shareholders, unless they become parties to the Agreement.

A Shareholder Agreement will usually govern the following matters: shareholding structure of the company and share groups, scope of business of the company, corporate governance matters including composition of the board, election of the chairman, meeting and decision quorums at shareholders and board level, reserved matters, veto rights, determination of budget annual business plans, financing, capital increases, distribution of dividends, share transfer restrictions and share options, deadlock and exit provisions, information rights, non-compete/non-solicitation provisions and representations and warranties.

One of the most controversial issue in this area is the enforceability of share options. Call/put options as well as tag/drag options and right of first refusal (Options), are valid and binding under Turkish law and create a contractual obligation for the obligor vis-à-vis the beneficiary of the option.

There are two crucial issues with the enforceability of such options. Firstly, they will not, as a general rule, be enforceable against third parties acquiring the shares subject to an option, unless it can be proved that the third party acquired the shares with the intention of harming the beneficiary. Secondly, the courts may tend to award monetary damages and be reluctant to impose a remedy of specific performance to require the transfer of shares.

Below are the widely used solutions to improve the enforceability of options:

(i) Inserting the Option provisions in the Articles:

Articles are registered with the trade registry and are public. Inserting the terms of the options in the Articles will put third parties on notice as a warning. However, if the beneficiary wished to issue proceedings against the third party it would have to prove the third party intended to cause harm in acquiring the shares.

(ii) Inserting a provision into Articles which state that Board cannot register the transfer of shares to a third party:

Pursuant to TCC, a board may refuse to approve the transfer of registered shares for justifiable reasons. We believe options may be incorporated in the Articles as a justifiable reason for the board to approve or refuse a transfer of shares. Accordingly, if a third party acquires the shares in violation of option provisions, the board would not be permitted to register the acquirer as a shareholder of the company and the holder of the shares may not benefit from its rights as a shareholder.

(iii) Inserting transfer restriction on share certificate:

Inserting a statement on registered share certificates that the shares are subject to transfer restrictions would put third parties on notice. A third party may validly acquire the shares despite such notice, since the contractual share restriction may not be asserted against a third party even if they are aware of the existence of such restriction.

(iv) Penalty provisions:

Penalty clauses are valid and binding, unless payment of such penalty causes the obligor to go bankrupt. Accordingly, a high penalty could be imposed for a sale to a third party in breach of the options.

(v) Escrow arrangements:

Parties may enter into escrow arrangements, and share certificates of the company may be deposited with an escrow with blank endorsement. Escrow can release the option shares with the written instruction of the beneficiary of the option.

(vi) Establishing holding companies outside Turkey:

Shareholders may establish a company in a jurisdiction where there is greater legal certainty on the enforcement of options and shareholding arrangements would operate at this holding company level and this holding company can hold the shares of the Turkish company.


Within this context, it is crucial to negotiate and discuss all the terms of the Shareholder Agreement and make sure that its provisions are enforceable before making an investment for both strategic and financial buyers.



UAE

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He has an active role in several organisations in the UAE, including President of the Italian Business Council and Vice President of the Italian Social Club of Dubai. He is also listed as a lawyer at the Italian Embassy in Abu Dhabi, Italian Consulate in Dubai and the Italian Trade Commission in Dubai. Before moving to Dubai, Thomas was partner at Studio Legale Paoletti in Rome for more than 10 years. Thomas received his Law degree from the University of Rome, after completing his graduation thesis as a visiting scholar at Yale.

Paoletti Legal Consultant is a global legal services firm advising clients across the Middle East, EU countries and the rest of the world. They provide value adding and cost-effective solutions for national and multinational businesses in a wide range of sectors including corporate domestic and cross border transactions, finance, new technologies, construction, and oil & gas.

Headquartered in UAE, the firm maintains offices in Rome and Shanghai, and grants its clients access to a world-wide network with operational desks in key jurisdictions around the world.

Please visit www.paoletti.com for comprehensive information about the firm's services.

Dubai: A hub for investments in the MENA region

The United Arab Emirates (UAE) is the go-to global hub for private enterprises across the Middle East and North Africa (MENA) region.

Geographically it is placed to function as a strategic point of access for foreign investments to major regional markets, confirmed by its prominent ranking in several international business polls, such as the World Bank's Ease of Doing Business where the UAE jumped 10 places to 11th position in 2019 from 21st position last year.

Dubai, along with Abu Dhabi, plays a key role in the country's global success. There are many reasons for this and this article illustrates some of the most important.

Despite a varied and multicultural population with a large foreign community (less than 10 per cent are native residents), Dubai is a safe place to work and living conditions compete with many advanced western countries. On top of this, the Emirate of Dubai relies on world-class and continuously improving infrastructure. It has one of the world's busiest airports (DXB Dubai International Airport) and the Middle East's largest seaport (Jebel Ali) among its facilities, while multiple new projects are under development today as part of a master-plan for the World Expo 2020 that will be hosted in Dubai. This is expected to attract 25 million visitors and further increase this location's appeal for businesses all over the world.

In recent years Dubai has also built a reputation for attracting financial technology (fintech) companies, with the establishment of an ever-growing number of incubators, accelerators and co-working environments. Governmental programs and training have been specifically designed to help new ventures in the digital domain to take off. As a result, Dubai's startup scene is now one of the most varied and active in the Gulf region, appealing to younger generations of entrepreneurs. It is likely to grow more and more in the coming years.

Dubai's mature legal and regulatory framework is a key resource in this regard, constantly updated to keep pace with international standards across the main economic sectors. This is complemented by the ability of local administrative bodies to take well-coordinated and responsive actions, in line with federal government initiatives.

A wide variety of choices are available to foreign-based operators who wish to establish a presence in Dubai. Depending on the type of business carried out, one could decide to incorporate in the mainland or in a free zone. The main difference is that a mainland company allows

an investor to carry out business in any part of the UAE, while a free zone entity only operates within the free zone itself and outside the UAE. More importantly, while 100% foreign ownership is allowed in the free zone, there are restrictions preventing foreign ownership in a mainland company from exceeding 49 per cent. The rest must be owned by a local Emirati entity or individual. In an attempt to boost the economy and the business opportunity, the Foreign Direct Investment Law (Federal Law 19 2018) has introduced a list of 13 sectors and 122 activities which are exempted from the rule.

Regardless of the chosen specific structure, foreign players setting up in Dubai obtain significant cost advantages, including competitive labour costs, no corporate profit or personal income taxes. There are also many double taxation agreements and bilateral investment treaties, plus no restrictions on profit transfer or capital repatriation. Overall, Dubai is a favourable on the ground base to develop and oversee operations across the Middle East and beyond.

However, another opportunity for international players who wish to enter the UAE market without maintaining a physical local presence is to enter into a commercial agency relationship with a wholly local-owned entity or UAE national. A number of steps have to be taken in order to safely structure the operation and the advice of an experienced legal practitioner is desirable.







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Martinus Typographos is a qualified barrister in the UK, currently practising in Cyprus since 1999. He is the managing partner and head of the Corporate, Real Estate and Private Client department of the firm.

Martinus specialises in sale/purchase and lease agreements for Cyprus real estate and the acquisition of Cyprus assets by foreign nationals. He also deals extensively with international structuring, tax and estate issues. He advises corporate clients (be it multi-national corporations or family-run businesses) as well as individuals on their Cyprus structuring requirements and how to use the jurisdiction for tax mitigation and asset protection.

Martinus is also a licensed CIP consultant and a licensed Insolvency practitioner.

Typographos & Co is a full-service business minded law firm based in Nicosia the capital of Cyprus. The firm offers legal and consulting services to both local and international clients and had practised since 1973.

The firm prides itself on being flexible, efficient, and cost effective, aiming to maintain a close and personal relationship with clients.

Typographos & Co understands the commercial challenges faced by its clients and is committed to delivering exceptional quality coupled with outstanding value for money. Regardless of requirements, clients always receive personal, prompt and reliable advice.

Acquiring Immovable Property in Cyprus

Cyprus is fast becoming one of the most attractive places to invest in real estate in the Mediterranean.

It is the closest European Union country to the Middle East and sits at the crossroads of three continents – Asia, Africa and Europe. The jurisdiction has highly specialised human capital, a reliable legislative and regulatory framework, a stable tax system, and safe and stable conditions. This provide an attractive destination for investment.

In addition to this, the Council of Ministers has introduced favourable incentives, the most popular of which is the Cyprus Investment Programme (CPI) whereby non-Cypriot citizens may apply for the acquisition of the Cypriot citizenship through naturalization. This has seen an influx of foreign investment during the past years, but not without problems.

Legal Framework

The legal system of Cyprus governing the acquisition of immovable property provides for a safe and protective framework for a straightforward and easy process. It should afford no future problems to any prospective investor as long as he acts prudently and takes advantage of it.

The protection of ownership is safeguarded by the provisions of the Constitution, the ultimate Law of Cyprus, which establishes the equality of all persons, and the respect for human rights, including the right to ownership. Cypriots, as well as foreigners, can enjoy all rights relating to ownership of their property without any interference either from the State or individuals.

Finding The Right Property

Upon finding the right property, a due diligence exercise must be conducted. It should ideally be both technical and legal. This involves;

1. A general search at the Land Registry must be conducted in order to ensure that the seller has the legal right to sell and that the property being purchased is free from encumbrances/charges;
2. In cases where the property is under construction then you must check whether the planning and building permits have been issued;
3. A search at the Registrar of Companies must be conducted in order to ensure that the seller company does exist, is active and can perform this kind of business;

4. A check on the solvency of the seller is also required in the event the property purchased is under construction and should also ensure there are adequate securities in place;

5. A property valuer needs to be appointed to establish the market price of the property;

6. A lawyer will be required to negotiate the contract of sale and the terms of sale. Quite naturally, many of the contracts that land developers use, are drafted by their own legal advisors and may be heavily one sided in their favour. Having an independent legal advisor acting on the purchaser's behalf, makes certain that the contract will be evenly balanced and that the seller has obligations as well as rewards.

Transfer of Ownership – Specific Performance

It is common practice in Cyprus that the title deeds of a property are issued a couple of years after the completion of a development. Even though a person might acquire and receive possession of a property, they may not be able to transfer the title of the acquired property to their name until such title deeds are issued.

According to the provisions of the Specific Performance Law, the purchaser of immovable property may secure the transfer of the acquired property on to their name by depositing a duly signed and stamped copy of the contract of sale at the Land Registry. Depositing the contract to the Land Registry establishes the purchaser as the legal owner of the property and works as a charge on the property itself preventing the owner from transferring the property elsewhere or charging it for as long as the contract is valid and legally effective.

No subsequent burdens, charges or encumbrances can affect the ownership rights and the right of specific performance once the contract has been deposited with the Land Registry. By depositing the contract to the land Registry the purchaser acquires the right to seek 'specific performance' of the terms and conditions of it in case of breach and thus to register the property on to their name, even though the owner may not be willing to accommodate such procedures.





Once the title deed is issued, the transfer of ownership may be concluded at the District Land Registry Office.



PORTUGAL

João Valadas Coriel

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João Valadas Coriel co-founded Valadas Coriel & Associados in 2001. Currently managing partner, he coordinates across all VCA departments.

His expertise and decisiveness are sought to break deadlocks, close deals, and generally to get things to the next level. He comes across as a solution-minded savvy lawyer. He has worked on many transactions and is a trusted adviser to many private clients, family offices, foundations and corporations.

He excels in leading teams and participates frequently as a speaker at workshops, seminars and conferences in his practice areas.

João is also qualified as an International Arbitrator by the CI Arb of London and as a tax expert by ISEG-Lisbon School of Economics and Management.

João writes for the national newspapers and international organisations about developments in the law, its impact on the economy and society at large and also about the future of the law profession.

Valadas Coriel & Associados (VCA) has a very energetic team of partners and associates who combine experience, expertise and innovation in dispute resolution, labour, real estate, corporate and tax.

VCA has also a strong practice focused in private clients and the art world assisting of individuals investing or relocating to Portugal. The firm works in litigation matters for the largest Portuguese listed companies on a permanent basis.

The dynamic, yet informal, work environment of VCA has attracted skilful lawyers from major law firms and 'big four' audit firms. The IR Global network and other 'best friends' agreements allow VCA to offer resources and expertise both in Portugal and in other 155 jurisdictions.

VCA handles each case as a project, a battle to be fought and won through shrewdness, strategy, specific and measurable targets.

Portugal: A safe haven on the western shore of the MENA region

When King Afonso Henriques proclaimed Portugal an independent country in 1143, half of the country was dominated and populated by the Almoravids, a medieval Berber Muslim dynasty.

The subsequent kings managed to defeat the Muslim rulers a few centuries later, but the population and influence of the Al-Andalus remains to this day. Portugal was a part of the Islamic Golden Age, and throughout The Renaissance, Portugal was a hotbed for Muslim and Jewish scholars, scientists and merchants. There were huge amounts of trade between Lisbon, Constantinople, the Strait of Hormuz, East Africa and India.

Mumbai was given to the Portuguese by the Sultan of Gujarat in 1534. It was subsequently given in 1661 by the Portuguese King Joao IV to Charles II of England as a dowry for his daughter Catherine of Braganza; the person who introduced the British to tea from India.

Portugal had its democracy restored in 1974, joined the European Union in 1986 and has been since cultivating an aura of hidden jewel in the western tip of Europe. Portugal ranks consistently in the top five of the most secure countries of the world, best travel destinations and best places to live.

Most of the locals go out of their way to help a foreigner, and most people speak a second language. There are no significant political, racial or religion tensions and the cost of living is the most affordable in western Europe.

In recent years Portugal has implemented popular programs to attract investors and residents alike. The ARI or Golden Visa offers a path to residency and citizenship with an initial investment of just EUR350,000. The program only asks for 14 days of residence in Portugal over two years, with the investment being generally the acquisition of real estate that can be rented and cashed out at all times.

For those who also want to become Portuguese residents, there is the non-habitual resident (RNH) program that grants for 10 guaranteed years huge tax advantages such as zero tax on foreign sourced income (pensions, salaries, dividends, royalties, interests) and reduced taxes for some of the Portuguese sourced income.

It must be also noted that Portugal does not have a wealth or succession tax and does not tax private sales of works of art and collectibles or cryptocurrency gains.

If you sell your Picasso or vintage Ferrari for a huge profit you don't have to worry about capital gains or any other tax. If you manage to cash out of your cryptocurrency while resident in Portugal, you shall not be taxed either.

Every lawful resident has access to a high quality national health service which can be complemented with private health insurance costing an average EUR500 per year.

Holders of Portuguese Golden Visas can also travel freely throughout the Schengen Zone, which is a border control free area totaling 30 European countries.

The Portuguese passport is one of the most sought after worldwide; on top of all the benefits of European Union membership, it has visa free access to Brazil and a roster of Portuguese speaking countries in Africa.

It is very easy to apply to both programs and a significant number of Turkish and Gulf State citizens are already in the program.

For the sophisticated investor, Portugal is a great find. Real estate prices and yields supersede central Europe, and the country has a highly-skilled, technology proficient and relatively cheap work force. There are also numerous governmental grants and incentives.

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