

GCC Regulatory Digest H1, 2018

A Semi-Annual Report Tracking GCC Reforms



A semi-annual publication that covers some of the main regulatory developments in the GCC region.

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PERIODIC RESEARCH REPORT

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Executive Summary

Reforms Checklist H1 2018

Sector	Saudi Arabia	Kuwait	UAE	Oman	Qatar	Bahrain
Governance & Administration	✓	✓	✓		✓	✓
Labour Market		✓	✓	✓		
Financial Sector	✓		✓			✓
Social Sector	✓					
Housing, Real Estate and Construction			✓			
Legal	✓	✓	✓		✓	
Taxation			✓			

Source: Marmore Research

The H1 of 2018 was more a continuation on the theme of easing the environment for doing business. Many of the reforms reflect the fundamental GCC preoccupation to develop ecosystems that can thrive and compete internationally. Principally, the policy and regulatory environment across the GCC is witnessing a similar pattern of development in two areas—

1. Labor Markets

Labor markets experienced most of the regulatory changes in the majority of the GCC countries, in line with their mega programs relating to the localization of jobs, decreasing dependence on expatriate labor and aiming to provide a constructive and friendly work environment for the current migrant workers.

2. Legislation and policies for boosting the private sector

Secondly, GCC wide efforts to spur business activity

has been noted during H1 2018 as attempts to offer investor friendly and smooth operational environments accelerate. There have been a number of legal and regulatory amendments especially in UAE, Saudi Arabia and Kuwait, with respect to providing the needed regulatory and legal impetus for businesses and industries. It is apparent that an overarching policy structure is taking place in the GCC with respect to supporting the next wave of economic growth from the non-oil sectors.

The coming decade should see much fruits from the ongoing efforts to create sustainable policy frameworks and project execution networks. Some countries may be ahead than others, but eventually, the entire GCC region is likely to experience intensification of economic diversification, leading to creation of high quality jobs and greater labor productivity.

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Saudi Arabia

GOVERNANCE AND ADMINISTRATION

National Policy for Atomic Energy Approved

[Source: Reuters](#)

Saudi Arabia's cabinet in March 2018 approved the National Policy of the Atomic Energy Program, which includes limiting all nuclear activities to peaceful purposes, within the limits defined by international treaties. The policy stressed the importance of optimal utilization of natural resources from nuclear materials and applying best practices for radioactive waste management. In an attempt to diversify its energy mix, Riyadh wants to embark on a journey of nuclear energy. Riyadh is interested in reaching a civilian nuclear cooperation agreement with Washington, and has invited U.S. firms to take part in developing the kingdom's first atomic energy programme.

Strategy for Intellectual Property Authority Launched

[Source: The Saudi Gazette](#)

The Ministry of Commerce and Investment in April 2018 launched a strategy for Saudi Intellectual Property Authority (SIPA). The main features of the strategy are based on a number of themes, which includes:

1. Preparing and following up the implementation of a national strategy for the intellectual property rights,
2. Modernizing and updating the rules and

regulations of the intellectual property rights, providing the products and services of the intellectual property rights with quality and high standard, increasing awareness about it,

3. Providing data on the intellectual property rights, cooperation with the other concerned bodies for its execution and defending the Kingdom's rights in this regard.

SIPA is one of the initiatives of the Ministry of Commerce and Investment within the National Transformation Program 2020.

Whistleblower Protection Laws Released

[Source: Reuters](#)

In May 2018, as a part of its anti-corruption drive, Saudi Arabia released whistleblower protection laws aiming to provide judicial cover for whistle blowers in the country. The decree sheds whistleblowers from the violations of their privileges or rights.

Public-Private Partnership Draft Law launched for Public Consultation

[Source: Reuters](#)

In a major boost to the private sector in the heavily oil reliant Saudi economy, the government in July 2018 launched first draft law related to PPP in the country. The government's National Centre for Pri-

vatization and Public-Private Partnerships said it would accept public comment on the draft for three weeks, before promulgation of the law on an unspecified future date.

Authorities have been talking about PPPs for two years as a key to diversify economy beyond oil exports. But so far, there has been little actual progress because of the lack of a legal framework covering such projects.

The draft law acknowledges that state employees may need to be transferred out of projects and that some companies may be exempted from meeting minimum requirements for the ratio of Saudi citizens in their workforces - key concerns for potential investors keen on minimising their labour costs.

Introduction of PPP mode for developing infrastructure will act as a strategic move towards development and strengthening of private sector in the country. The move was seen in

line with government's vision to expand private sector's role in the economy.

License Period for Foreign investor extended

[Source: Zawya](#)

Licensing period for foreign investors has been increased to five years from current one year, Saudi General Investment Authority announced in February 2018. The new licensing regulations are aimed at drawing more foreign investment into the kingdom and raising the country's economic competitiveness, the statement added.

SAGIA has undertaken several steps to ease investment processes in the kingdom, including launching a digital licensing facility where an investor can receive a license electronically, potentially reducing the time required to obtain a business license from two days to four hours.

FINANCIAL SECTOR

Bankruptcy law Gets Cabinet Approval

[Source: Reuters](#)

Saudi Arabia's cabinet approved a bankruptcy law in a bid to make the country more enticing for the foreign investors. The absence of modern bankruptcy law was making it difficult for companies and their operations, but now the new law seeks to create an investor-friendly climate.

Earlier it was either liquidation or stakeholders had to inject money. The new law is an alternative solution - the international practice has proven that insolvency law offers a good solution for companies.

SOCIAL SECTOR

Films Screening Initiated

[Source: Reuters](#)

After lifting the ban on cinemas, Saudi Arabia in January 2018, screened movies for the first time in last 35 years although there's no permanent theater in the country as of now. Cinemas were banned in the early 1980s under pressure from Islamists as Saudi society turned towards a particularly conservative form of religion that discouraged public entertainment and public mixing between men and women.

Female Driving Ban Ends

[Source: Reuters](#)

As announced in 2017, the move to lift the female driving ban took shape in June 2018 when officially

the ban on female driving was ended. The lifting of the ban is seen as the one of the key move towards transforming and diversifying economy as per the broader plan and programs of the Saudi Arabian government under Vision 2030.

Lifting of the ban, is a part of sweeping reforms pushed by Crown Prince in a bid to transform the economy of the world's top oil exporter and open up its cloistered society.



GOVERNANCE AND ADMINISTRATION

One Year Visa Launched

[Source: Emirates News Agency](#)

The cabinet committee adopted a resolution which grants one year stay permit to people facing war and natural disaster across the world. This move has been viewed as a solid step towards

strengthening its position as an incubator of all nationalities acting second homeland.

The new decision will see nationals of affected countries granted an extendable one-year permit - regardless of their condition of residence.

HOUSING & REAL ESTATE

Housing Policy unveiled worth US\$ 1.9 Bn

[Source: Thomson Reuters](#)

The UAE cabinet in February 2018, cleared a US\$ 1.9 Bn policy/plan to establish 7,200 houses for its

citizens. The cabinet directed authorities to provide residential areas with modern infrastructure for citizens. The policy aims to provide houses to all the UAE citizens over the next three years.

LABOUR MARKETS

Good Conduct Certificate Suspended

[Source: Emirates News Agency](#)

In a bid to create a more secure environment for the community, the Coordination committee in January had stipulated the requirement of Good Conduct and Behavior Certificate a key condition to get work Visa in UAE. However later in April 2018, the requirement was suspended indefinitely.

Guidelines for Expats Launched

[Source: Khaleej Times](#)

The General Directorate for Residency and Foreigner Affairs (GDRFA) in February 2018, announced the launch of expat guidelines. The move is stated to improve the state of affairs for expat workers in the country. The guidelines aim to empower workers with their rights, duties and with

the law.

New guidelines are expected to teach about personal safety at worksites and the importance of using protective equipment such as safety helmets, ear protection, goggles, safety boots, dust masks, hi-visibility jackets and other equipment.

New Human Resource Law Announced

[Source: Emirate News Agency](#)

The UAE in July 2018, announced a new human resource Law of the Government of Dubai. The law aims to further enhance the government's performance, encouraging creativity and innovation as well as attracting the right talents that can help further cement Dubai's profile as a model for innovation and excellence.

The objective is to create and ensure work life balance and stability for all government employees regardless of their positions. The new HR Law is in line with the futuristic vision of the

Government of Dubai as the government wants to enhance teamwork, knowledge exchange and bolster efforts for pushing Dubai's development march forward.

10 Year Visa Launched

[Source: Emirate News Agency](#)

The UAE cabinet in May 2018 adopted an ambitious plan to further bolster its position as the primary destination for international investment and talent by launching a new VISA policy which grants a 10 year stay in the country to professional and investors.

The new decision will also review the current residency system to extend the residence time for the dependent students after completing their university studies. This will give them the opportunity to study their practical options in the future.

tax revenues to local governments in the country and allowed the transfer to local governments. The move is aimed to ensure that tax revenues are used to support development projects of the local governments.

TAXATION

70% VAT to be distributed to Local Government

[Source: Emirates News Agency](#)

The cabinet in January 2018 reviewed the implementation of VAT approved transfer of 70%

LEGAL

Arbitration Law Unveiled

[Source: Khaleej Times](#)

The UAE has unveiled the new Federal Arbitration Law in a bid to strengthen its position as an attractive hub for arbitration in the Middle East region. Self-standing arbitration law of 61 articles, which is based on the United Nations Commission on International Trade Law [UNCITRAL] a model law, will significantly revamp UAE arbitration law.

The new law is expected to build the UAE's reputation as a preferred seat for international arbitration in the region. The modernization of the law governing arbitration in the UAE and its harmonization with international standards and the New York Convention, to which the UAE is a signatory, is greeted enthusiastically by businesses and the international arbitration community.

FINANCIAL SECTOR

Trust Law and Foundation Law Launched

Laws to further empower Dubai International Financial Center (DIFC) were announced in March 2018. Trust Law and Foundation Law aim to improve and expand the DIFC's already successful private wealth management and succession planning platforms. Both the laws are the product of global benchmarking and extensive consultation with the industry professionals and family business networks.

The new law provides an appropriate environment for the operation of trusts in DIFC, taking into account the requirements of local families, particularly in the context of succession planning. It contains significant enhancements and refinements to promote better trust administration and provides greater certainty and flexibility for settlers, trustees and beneficiaries, as well as certain technical amendments.

VAT Exempted on Gold and Diamond Trading

[Source: Emirate News Agency](#)

The cabinet in May 2018 approved VAT reverse charge mechanism for investors in gold, diamond and precious metal. This move will contribute to stabilizing the diamond and gold sector and will stimulate investment. The law covers investments in precious metals such as gold, silver and platinum, used in trade in accordance with internationally accepted standards with a purity of 99 percent or more.

New Mortgage Law Introduced in Dubai

[Source: Khaleej Times](#)

Dubai Land Department in April 2018 announced new mortgage and finance law to flush-in more capital to the real estate sector. The main objective of the mortgage law is to attract foreign investors and will attempt to make it easier for specialized funds to come into the Dubai real estate market.

According to statistics, only 5% of the UAE's real estate is listed compared to 40% in the UK and Singapore. The regulation is expected to integrate the real estate markets with capital markets. These steps will support the expansion of funding channels available to developers along with increased exposure to foreign capital.

Digital Tax Stamp Launched

[Source: CPI Financial](#)

Federal Tax Authority in May 2018 launched an electronic tracking system which will use digital tax stamps to ensure excise tax on tobacco products has been paid. Set to go into effect in early 2019, the system seeks to combat tax evasion and commercial fraud, supporting the FTA's efforts to successfully implement excise tax systems and verify payment of excise tax on tobacco products.

The system seeks to ensure that all excise taxes on cigarettes—and later, all tobacco products—is collected. To that end, digital stamps will be attached to these products, which allows for tracking and monitoring them. The use of digital tax stamps is an innovative solution to combatting tax evasion, facilitating inspections, and monitoring customs and markets to prevent the sale of products when the due taxes have not been paid.

The digital tax stamps are placed on the packaging of tobacco products and registered

in the FTA's database. The stamps contain tax-related data that can be read using special devices.

Crypto Asset Regulatory Framework Launched

[Source: CPI Financial](#)

In May 2018, following the public consultation process on the launch of robust crypto asset regulatory framework, Abu Dhabi Global Market and International Financial Centre in Abu Dhabi launched framework to regulate spot crypto asset activities.

The framework is designed to address the full range of risks associated with crypto asset activities, including risks relating to money laundering and financial crime, consumer protection, technology governance, custody and exchange operations. This new framework is one of ADGM's many efforts and ongoing commitment to bolster the economic diversification of Abu Dhabi through innovation and sustainable initiatives.

With positive comments from the public consultation process on draft policy bill and taking into account constructive comments from these respondents, several refinements have been made to the regulatory framework, with a key change being the implementation of the Daily Value Trading Levy imposed on Crypto Asset Exchanges on a sliding scale basis.

4 Bahrain

GOVERNANCE & ADMINISTRATION

New Authority for Data Established

[Source: Gulf News Daily](#)

The parliament of Bahrain in April 2018, approved the establishment of a new authority responsible for storing, validating and checking all personal data relating to nationals and expatriates.

The authority is established under the Personal Information Protection Law. All courts and prosecutions will have access to the information, while information that doesn't fall under privacy which will be determined by the authority, can be accessed for journalistic, arts and research purposes.

FINANCIAL SECTOR

Legislation Banning Interest Withdrawn

[Source: Gulf News Daily](#)

Bahrain parliament in February, 2018 withdrew bill that proposed banning banks from charging interest. The Parliament financial and economic affairs committee pointed that the law has been removed until current parliament's term ends. There had been many debates in the parliament over the proposed bill where critics purported that such a bill would have crashed the economy entirely.

allow private sector employees to buy assumed years of service so that they can enjoy the pension benefits. Under the law, the insured may request to include an assumed period of service in the insurance subscription period, for a maximum of five years.

Pension Benefits for Private Sector Launched

[Source: Gulf Daily News](#)

The Bahrain Shura Council approved a law that will

The total period shall not exceed the period entitling the employee at the retirement age to receive the maximum amount of pension against payment of an additional amount to the Social Insurance Organisation.

5 Oman

LABOUR MARKET

Omanisation Policy Kicks In

[Source: Times of Oman](#)

Omanisation policy implementation started gaining momentum since January 2018, as the government began throttling back in expatriate hiring. Most of the companies have been given Omanisation targets to meet and provide massive training programs. According to a recent study currently expats constitute 44.5% of the total population in Oman and by 2040, Oman aims to bring it down to 10%.

The study was conducted by National Centre for Statistics and Information (NCSI) in population scenario and their report expects the decline in expatriate population over until 2040, in accordance with Omanisation policy.

Six Months Visa Ban Imposed

[Source: Times of Oman](#)

In line with its policy of Omanisation and its sub-domains relating to visa issuance and regulation, the Ministry of Manpower in February 2018 banned 87 occupations from recruiting

non-Omani citizens.

The decision was taken to study the labour market status and to assess and review the decision every six months. With this decision, experts believe the expat population will continue to fall.

Omanis are expected to fill these jobs and they should be able to fill most of these positions as several educated Omanis were unable to find jobs. The government has pledged 25,000 jobs to Omanis by the first half of this year and several of these jobs have already been created by private sector companies.

Manpower Ministry Set Omanisation Target

[Source: Times of Oman](#)

The Ministry of Manpower in April 2018 issued a formal target for Omanisation of Insurance sector in the country. According to the decree, Omanisation must reach 70% in the insurance sector by the end of this year. The below table displays expected percentage of Omanisation in insurance sector in relation with management hierarchy for the next three years.

Table 1: Omanisation Targets by Management Level

Insurance Sector	2018	2019	2020
Higher Management	40%	45%	50%
Middle Management	65%	75%	75%
Specialized Professionals	90%	90%	90%
Total	70%	75%	75%

Source: Times of Oman-2018

6 Kuwait

GOVERNANCE & ADMINISTRATION

Amendment to National Fund Laws

[Source: Arab Times](#)

In line with the proposal by the parliamentary Business Environment Improvement and Small and Medium Enterprises Welfare Committee, the national parliament of Kuwait in February 2018 approved the amendment in laws relating to National Fund for Small and Medium Enterprises.

The law changes the concept of the fund opening up the corridors for a more active role in SME development in the country. As per the amended law, the role of the fund has been expanded such that it will now sponsor projects rather than focus on financing as earlier.

Early Retirement Bill Passed

[Source: Kuwait Times](#)

Much debated Early Retirement bill has been

passed in the parliament in May 2018. The bill aims to reduce the working age of males and females in the public sector by five years.

The move seeks to reduce the financial burden of pension payouts and other financial obligations on the exchequer because majority of the employment in Kuwait is generated by the public sector. With the reduction in working age, the financial payout burden is expected to lessen in the years to come.

There was a unanimous approval of these two points but a dispute erupted between the government and the Assembly over an article that prevents the government from dismissing those employees prematurely. To become effective, the law must be approved by the Cabinet and signed by the Amir. If the government rejects the law, the Amir will not sign it and it will be rejected and returned to the National Assembly.

LABOUR MARKET

Foreign Workers to be sacked

[Source: Arab Times](#)

The Interior Ministry in January 2018 announced that soon expatriate workers in the ministry will be sacked in accordance with the replacement policy

adopted by the cabinet. These expatriates will be given a three-month notice according to the applicable laws and bylaws. The source disclosed those affected by the decision include expatriate auditors and legal workers.

Kuwaitization of Jobs Kicks in

Source: [Kuwait Times](#)

The process of Kuwaitization gathered pace since January 2018 as the Ministry of Finance has begun to work on executing the plans to kuwaitize government jobs and started sending letters to ministries and other government agencies in coordination with Civil Service Commission.

The letter sent by Ministry directs department to prepare a list of the number of expat employees who will be terminated for the fiscal year April 2018- March 2019. This shows the decision commits government bodies to reduce the number of expat employees annually in order to reach the designated percentage by 2022 for each category of jobs as per the Kuwaitization plan that was launched by the government in Sept 2017.

The document asks each entity to reduce the number of expats and adhere to the set percentage in the Kuwaitization plan. The demand by the finance ministry to send the lists urgently is within the framework of preparing an estimated budget of government bodies' expenses, as the finance ministry is trying to put a limit on expenses on them. It said no additional allocations should be sought during the fiscal year, except in highly urgent cases. As per the plan expat are expected to be terminated from the following jobs/occupations

- Information technology
- Marine
- Arts, information, letters and public relations
- Development, administrative follow up and statistics
- Administrative support

LEGAL

Fatwas issued against Bitcoin

Source: [Arab Times](#)

Fatwa Committee in the Ministry of Awqaf and Islamic Affairs Kuwait in January 2018 issued a Fatwa against trading in bitcoin. The fatwa is issued in line with the fatwa issued against bitcoin in Egypt, Saudi Arabia, and Palestine.

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Qatar

GOVERNANCE & ADMINISTRATION

Qatar Agrees to Financial Disclosure of Airline

Source: [Reuters](#)

Since 2015, the largest US airlines- American Airlines, United Continental Holdings, and Delta Airlines had accused Middle Eastern airlines of getting unfair government subsidies and Qatar Airlines was one among the accused. In recent years, the US government pressured Qatar Airlines to disclose any potential subsidies. Under an understanding, Qatar Airways is expected

to issue audited financial reports within a year and disclose significant new transactions with state-owned enterprises within two years.

Qatar also has to ensure that the transactions are conducted on commercial terms. The disclosures could help U.S. carriers make the case that the airline is getting unfair government subsidies. The voluntary agreement follows extensive negotiations with senior U.S. and Qatari officials.

LEGAL

Qatar Approves draft law on Property ownership

Source: [Economic Times](#)

Qatari cabinet in April 2018, approved a draft law on regulating ownership and use of property by foreigners. According to the draft law non-Qataris might own and use properties under certain conditions. This law is applicable to space, land, building, residential units and complexes.

Foreigners now can invest or enjoy ownership in projects like the following-

- Pearl-Qatar (artificial Island, residential project)
- West Bay lagoon (residential neighborhood)
- Al Khor Resort Project (commercial project)

Over the last year since blockade began, Qatar has introduced series of reforms to boost economy and create a buffer from harsh effects of the ongoing diplomatic crisis. Reforms like visa waiver to 80 countries, drastic increase in military purchases, introduction of domestic workers law, amendment to labor laws, launch of minimum wages, permanent residency to foreigners (under certain conditions) among others.

The property ownership draft developments appears to in this context of easing business conditions for foreigners and expatriates.

First Draft Law for Granting Permanent Residency Approved

[Source: Financial Express](#)

Shura Council in Qatar approved in May 2018, first draft law that would allow foreigners, who provide valuable services to the country, to get residency permits. Also children of Qatari women married to foreign nationals will be accorded residencies. Permanent residents would be allowed to have free education, healthcare and be given the right to own property.

Free Zones Laws Amendment

[Source: Gulf-Times](#)

Qatar announced series of reforms in regulations relating to Free zones in the country in January

2018. The amended provisions make the free zone users eligible for several incentives such as exemption of export and import duties, waiver of restrictions on the origin of capital, and the freedom to choose the project's legal form.

The amendments are expected to ensure user freedom in price setting and profits. Furthermore, the amendments remove most barriers to raising capital and incorporates special allowances to projects that give priority for the use of local components and those that invest in logistics and communications sectors.

8

Appendix

A Selection of Key Reforms (country-wise) in the GCC: H1 2018

Country	Sector	Highlights
Kuwait		SMEs sector being the heart line of the economy is in a poor state mainly due to lack of credit facilities, the government has amended the laws relating to National Fund, a funding and overlooking body for SMEs development in the country. The law amended would further empower the authority and allows to act more pro-actively as a sponsor rather than as a financier earlier.
	Governance and Administration	Much debated Early Retirement bill has been passed in the parliament in May 2018. The bill aims to reduce the working age of males and females in the public sector by five years. The move seeks to reduce the financial burden of pension payouts and other financial obligations on the exchequer because majority of the employment in Kuwait is generated by the public sector. With the reduction in working age, the financial payout burden is expected to lessen in the years to come.
	Labour Market	The ministry of interior issued notice stating that expatriate workers in the ministry will be sacked soon The process of Kuwaitization gathered pace since January 2018 as the Ministry of Finance has begun work on executing the plans to kuwaitize government jobs and started sending letters to ministries and other government agencies in coordination with Civil Service Commission. The letter sent by Ministry directs department to prepare a list of number of expat employees which shows the decision commits government bodies to reduce the number of expat employees annually in order to reach the designated percentage by 2022 for each category of jobs as per the Kuwaitization plan that was launched by the government in Sept 2017. The document asks each entity to reduce the number of expats and adhere to the set percentage in the Kuwaitization plan

Country	Sector	Highlights
Kuwait	Legal	Fatwa Committee in the Ministry of Awqaf and Islamic Affairs Kuwait in January 2018 issued a Fatwa against trading in bitcoin. The fatwa is issued in line with the fatwa issued against bitcoin in Egypt, Saudi Arabia, and Palestine
		Kuwait announced intentions to introduce sales tax in January 2018 in coordination with the Gulf Cooperation Council (GCC).
Kingdom of Saudi Arabia	Governance and Administration	Saudi Arabia marching towards diversified energy mix as the Saudi cabinet recently approved the National Policy for Atomic energy which aims to undertake nuclear activities for peaceful purposes. And the policy highlighted the importance for optimal utilization of natural resources.
		The ministry of commerce recently launched a strategy for intellectual property authority. The aims for the national strategy is to pump up the intellectual property related activities, which stands in line with the national transformation plan 2020 of the ministry of commerce
		In a major boost to the private sector in the heavily oil reliant Saudi economy, the government in July 2018 launched first draft law related to Public-private partnerships in the country. The government's National Centre for Privatization and Public-Private Partnerships said it would accept public comment on the draft for three weeks, before promulgation of the law on an unspecified future date.
		The move seen as a step further ahead in the direction of Vision 2030 and its fulfillment, along with sub-objectives to promote and strengthen private sector in the country.
		Business Licensing period for foreign investors has been increased to five years from current one year, Saudi General Investment Authority announced in February 2018. The new licensing regulations are aimed at drawing more foreign investment into the kingdom and raising the country's economic competitiveness, the statement added.
	Financial Services	A host of reform to boost investment, encourage private sector participation, to increase commercial activities, enhance trade and transportation have been undertaken by various authorities in Saudi Arabia in the recent past.
		Saudi Arabia's cabinet recently approved bankruptcy laws, aiming to attract more foreign investment into the country. The objectives are to offer investor-friendly climate and level playing as per general international practice.

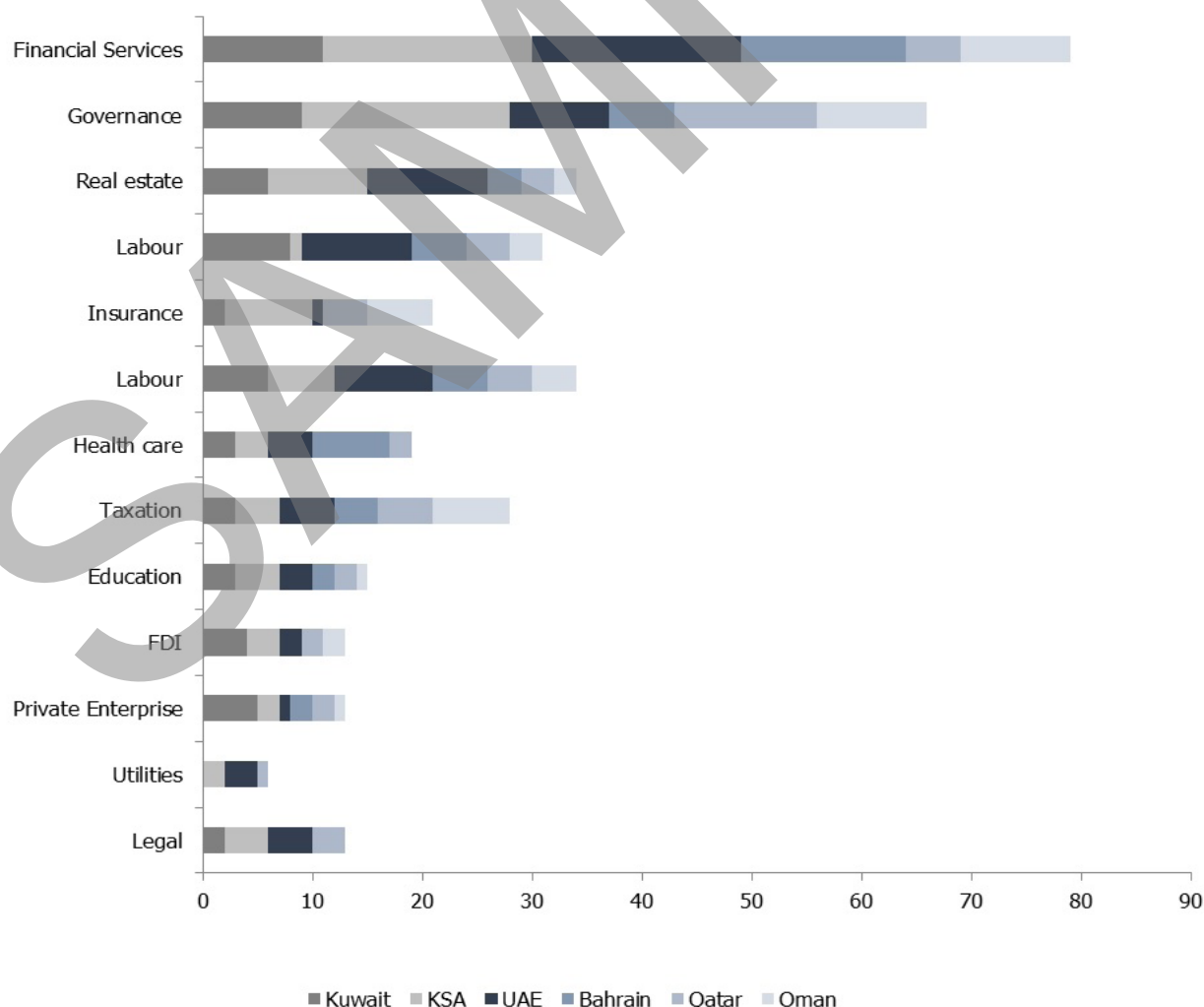
Country	Sector	Highlights
Kingdom of Saudi Arabia	Social Sector	After nearly 35 years, Saudi Arabia this January screened the first movie, as the government intends to open up the cinema and entertainment sector in the years to come, as a part of its broader reforms agenda. The screening was performed in makeshift venues as full-fledged theaters haven't been developed in the country.
		Officially the female driving ban ended in Saudi Arabia in June 2018. The event marked the beginning of more liberal regulatory and policy structure in line with the Vision 2030 plans. The move is greeted with widespread cheers and pomp across the country, where economists predicted that this move would offer healthy growth to allied sectors and would create more employment in the country.
UAE	Government and Administration	The cabinet approved one-year visa scheme for people suffering from war and natural disaster which allows them to stay in UAE for one year.
	Housing and Real Estate	The UAE cabinet approved new housing policy worth US\$1.9 bn to establish 7,200 houses over the next three years.
	Labour Markets	The certificate of good conduct which was made mandatory earlier was indefinitely scrapped.
		Guidelines for expat labour published by the government of Dubai in a bid to improve the state of affairs of the employees in the country. The guidelines aims empower workers with their rights and duties.
		UAE announced human resource law aiming to further improve the government performance, encouraging creativity, and innovation. The human resource law seeks to offer work life balance and stability of all government employees regardless of their positions.
	Taxation	The UAE cabinet in May 2018 adopted an ambitious plan to further bolster its prime position as the primary destination for international investment and talent by launching a new VISA policy which grants a 10 year stay in the country to professional and investors
		The cabinet approved transfer of 70% of tax revenues to local government, in a bid to create more financial leverage to local governments so that development activities should not get hindered.
	Legal	The UAE has unveiled the new Federal Arbitration Law in a bid to strengthen its position as an attractive hub for arbitration in the Middle East region. Self-standing arbitration law of 61 articles, which is based on the United Nations Commission on International Trade Law [UNCITRAL] Model Law, will significantly revamp UAE arbitration law.

Country	Sector	Highlights
UAE	Financial Sector	Trust law and foundation law launched. Laws to further empower Dubai International Financial Center (DIFC) were announced in March 2018. Trust Law and Foundation Law aims to improve and expand the DIFC's already successful private wealth management and succession planning platforms. Both the laws are the product of global benchmarking and extensive consultation with the industry professionals and family business networks.
		Gold and Diamond trading exempted from VAT. The cabinet in May 2018 approved VAT reverse charge mechanism for investors in gold, diamond and precious metal. This move will contribute to stabilizing the diamond and gold sector and will stimulate investment.
		Dubai Land Department in April 2018 announced a new mortgage and Finance law to flush-in more capital to the real estate sector. The main objective of the mortgage law is to attract foreign investors and will attempt to make it easier for specialized funds to come into the Dubai real estate market. According to statistics, only 5% of the UAE's real estate is listed compared to 40% in UK and Singapore.
		Federal Tax Authority in May 2018 launched an electronic tracking system which will use digital tax stamps to ensure excise tax on tobacco products has been paid. Set to go into effect in early 2019, the system seeks to combat tax evasion and commercial fraud, supporting the FTA's efforts to successfully implement excise tax systems and verify payment of excise tax on tobacco products.
		In May 2018, following the public consultation process on the launch of robust crypto asset regulatory framework, Abu Dhabi Global Market and International Financial Centre in Abu Dhabi launched framework to regulate spot crypto asset activities. The framework is designed to address the full range of risks associated with crypto asset activities, including risks relating to money laundering and financial crime, consumer protection, technology governance, custody and exchange operations.

Country	Sector	Highlights
Qatar	Governance and Administration	Qatar agreed with US to disclose financial information relating to any subsidies passed on to the State-owned Qatar Airlines over the years. Few Gulf Airlines had been accused of being subsidized by the state and Qatar Airline was one among them
		Qatari cabinet in April 2018, approved a draft law on regulating ownership and use of property by foreigners. According to the draft law non-Qataris might own and use properties under certain conditions. This law is applicable to space, land, building, residential units and complexes
		Shura Council in Qatar approved in May 2018, first draft law that would allow foreigners, who provide valuable services to the country, to get residency permits. Also children of Qatari women married to foreign nationals will be accorded residencies.
Oman	Labour Markets	Qatar announced series of reforms in regulations relating to Free zones in the country in January 2018. The amended provisions make the free zone users eligible for several incentives such as exemption of export and import duties, waiver of restrictions on the origin of capital and the freedom to choose the project's legal form.
		Oman banned 87 occupation for six months for foreign expatriates in a bid to create more employment opportunities for nationals amid plans for bolster localization of jobs.
		Ministry of manpower issues target of 70% Omanisation in insurance sector in 2018. The decision was taken to study the labour market status and to assess and review the decision every six months. With this decision, experts believe the expat population will continue to fall. Omanis are expected to fill these jobs and they should be able to fill most of these positions as several educated Omanis were unable to find jobs.
		Since January Oman started implementing Omanisation policy and expects to reduce the size of expat labour from 44.5% currently to 10% by 2040.

Country	Sector	Highlights
Bahrain	Governance and Administration	The parliament of Bahrain in April 2018, approved establishment of new authority responsible for storing, validating and checking all personal data relating to nationals and expatriates. New authority/institution for collecting, storing and validating people data has been established. The authority will management data relating to citizens and non-citizens.
	Financial Markets	Legislation banning banks from charging interest is withdrawn, citing fears that such a law would possibly tank the economy drastically. The Bahrain Shura Council approved a law that will allow private sector employees to apply for assumed years of service so that they can enjoy the pension benefits. The total period shall not exceed the period entitling the employee at the retirement age to receive the maximum amount of pension against payment of an additional amount to the Social Insurance Organisation.

Indicative Number of Reforms in Select Sectors in the GCC (2013-H1 2018)



Source: Marmore Research

About marmore

Our vision

To be the first choice for obtaining strategic intelligence on the MENA region.

Our mission

Serving businesses and institutions with reliable information and intelligence about MENA, needed to catalyse growth, understand the larger environment and facilitate decision-making.

Our aim

Advocate intellectual research on MENA economies, businesses and financial markets and provide customized, actionable solutions.

Our foundation

- A subsidiary of Markaz: Investment bank and asset management firm with 40+ years of history
- Markaz research activities commenced in 2006
- Marmore established in 2010 to intensify the research activities
- Publishes research reports and provides consulting services

Consulting services

Marmore provides customized consulting services based on specific requirements of our clients. Marmore's bespoke consulting services marries the challenges of cost, time, scope and data availability to generate actionable outcomes that are specific to our clients' needs.

What type of consulting services we provide?

- Industry market assessment (market size, competitors, regulations)
- White label reports (industry reports, company newsletters, periodic research)
- Databases (competitors' information, target clients insights)
- Company valuation (buy/sell side advisory)
- Due diligence / Business evaluation
- Feasibility studies (market and financial)
- Business plans
- C-Suite support to leaders with intellectual, industry related needs

How do we execute consulting engagement?

Our seven step process to execute consulting engagements:

- Step 1: Requirement and scope analysis
- Step 2: Proposal submission
- Step 3: Project initiation
- Step 4: Fieldwork / research
- Step 5: Analysis & reporting
- Step 6: Review & approval
- Step 7: Report submission / presentation

Published research

Industry research

Marmore's industry reports provide information on industry structure, key players, market analysis, demand drivers, competitive analysis and regulatory requirements.

Economic research

These reports are produced as thematic discussions based on current issues in the economy. The reports aid key stakeholders such as investors, businessmen, market participants, and policy makers in understanding the impact of a particular theme on the economy.

Infrastructure research

Infrastructure research highlights bottlenecks in the sector and areas requiring urgent investments. Our infrastructure report analyses the link between economic development and infrastructure and showcases supply & demand challenges in the GCC and investment opportunities.

Capital market research

Capital market reports provide an analysis of stock & bond markets in the MENA region including outlook. These reports are strategic in nature and provides investment perspective to readers.

Policy research

Marmore has partnered with several leading thought leaders and institutions of repute to generate economic policy research studies in key areas like energy, labor, economic structure and public sector.

Periodic research

Our periodic reports capture GCC stock markets' earnings, risk premium studies, and economic development & outlook.

Regulatory research

Our regulatory research series is an effective consolidation, analysis and summary of key business, economic, and market regulations that impact business environment.

