

Circular 302: 2018 Licensing Categories Decision

Date: December 4, 2018

Dear Customer,

Dubai Creative Clusters Authority (the “Authority”) is pleased to advise that the 2018 Licensing Classifications Decision for the Creative Clusters Zone (the “LCD”) has now been issued. The [LCD](#) replaces the 2014 version. While the changes to the LCD (from the 2014 version) are largely procedural there are two new compliance obligations that business partners need to be aware of: firstly, the requirement to prepare audited accounts from the 2018 business year going forward and secondly, the need for every business partner to hold and maintain at their office in the Zone details about the Ultimate Beneficial Ownership (“UBO”) of their business. We set out below a summary of the main changes to the LCD comparative to the earlier version.

1. Audited Accounts Requirement – see the defined term in [Article 1.1](#) and the obligation in [Article 2.7](#).
2. Commercial Permits are now covered under [Article 2.9](#) and [Segment 27](#). See also [Article 14.1](#). These were previously covered under separate guidelines and decisions.
3. Ultimate Beneficial Ownership (“UBO”) disclosure obligations are set out in [Article 2.10](#).
4. There is now a general obligation to abide by Dubai/UAE law under [Article 2.13](#).
5. Specific additional obligations on Executive Search /Operation Support / Event Management licence holders that were previously the subject of separate decisions are now covered under [Articles 3.7, 3.8 and 3.9](#).

6. A new “Property Holding Company” activity is allowed under Article 3.10 – and as Activity 26.7.6
7. National Media Council (NMC) permitting and approvals are covered under Article 3.2 and Article 4.8 and now include the new Social Media Influencer activities.
8. Advertising by DIAC business partners that requires KHDA approval is covered under Article 5.6.
9. Community Development Authority (CDA) approval for business partners registered as Non-Profits Associations is covered under Article 6.1.
10. Additional DCAA licensing is required for certain aviation activities under Article 8.2.
11. Change to segment fee licensing as opposed to individual activity licences in Article 10 and specifically in Article 10.4. Please note the current list of maximum activities per segment set out in Article 14.
12. The minimum paid up capital for FZLLCs generally is reduced to AED10,000 under Article 15.1.
13. A new ICT Freelancer Segment is set out at Article 16.5.
14. A new “social media influencer” freelancer activity is included as Article 18.9.45.
15. Movement of certain Food & Beverage (F&B) activities from Segment 26.1 to Segment 26.2 to allow for new set-ups by Business Partners so that they do **not** need to be a branch of an existing DED licensee) (See Activities 26.2.22 to 26.2.26 inclusive).
16. City Centre additional activities now included as a separate segment at Segment 26.4.
17. Hotel Segment (Segment 26.6) updated in line with latest DTCM classification. The Hotel licensing process is now codified in Schedule 2. This used to be in a separate guideline.
18. In5 and SME programmes now detailed in Schedule 1. These were previously set out in separate decisions.
19. The extent of authority of the General Manager on a trade licence is now codified in Schedule 3.
20. The penalties provisions that were in a separate decision are now codified in Schedule 4.

If you have any queries, please call DCCA Customer Care on Tel: 800-4-DCCA (3222)/+971 4 3900500 or by email to: info@dcca.gov.ae