PRACTICAL GUIDE | INDUSTRIAL & ENGINEERING PROJECTS

Choose the Legal and Operating Jurisdiction

Compare jurisdictions using the real operating model, not just incorporation fees.

WHAT TO DO | PART 1

01 Write the operating scenario

List manufacturing, storage, trading, importing, exporting, domestic sales, services, staff location and where goods physically move.

Evidence: Business activity and physical-flow map.

02 Screen legal permissions

Ask competent advisers and the licensing authority which legal activities, ownership structures and operating licences are permitted.

Evidence: Written licensing position and legal advice where needed.

03 Compare location and access

Screen land use, transport, customer access, customs movement, expansion, plot restrictions and labour availability.

Evidence: Side-by-side jurisdiction and location matrix.

04 Check fiscal and customs treatment

Map each goods flow and ask tax/customs specialists to validate VAT, duties, exemptions, documentation and importer-of-record responsibilities.

Evidence: Documented tax/customs assumptions.

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WHAT TO DO | PART 2

05 Map all approval bodies

Identify planning, environmental, construction, fire, utility and operating approvals, including whether a local registered designer must submit drawings.

Evidence: Authority/permit map with expected sequence.

06 Calculate lifetime cost

Compare licence, lease, service charges, inland transport, customs administration, utilities and renewal costs over a realistic operating period.

Evidence: Whole-life cost and constraints comparison.

07 Take a conditional decision

Select preferred jurisdiction subject to written confirmation of critical permitted uses and ability to construct/operate the planned facility.

Evidence: Jurisdiction decision paper and conditions precedent.

REQUIRED OUTPUTS

Activity and goods-flow map, legal/licensing confirmation, approval path and whole-life comparison.

DECISION POINT

GO only when the chosen jurisdiction legally accommodates the intended business and physical facility.

COMMON MISTAKE TO AVOID

A legal entity licence is not the same as permission to build and operate a particular plant.

APPLICATION NOTE

UAE-specific comparison: mainland/free-zone distinctions vary by activity, emirate and applicable rules; obtain current written advice.

METHODOLOGY / REFERENCES

Practice basis: verify current local licensing, tax, customs and land rules with authorities.