



EID MUBARAK

SCHLÜTER GRAF

Dear friends, partners and clients,

We would like to start this newsletter by wishing you happy Eid al-Fitr & Eid Mubarak!

Apart from our day-to-day operations, SCHLÜTER GRAF is committed to publish legal briefings on the latest legal developments. Localization programs such as ADNOC's In-Country-Value program and Abu Dhabi Value as well as changes in the corporate UAE landscape continue to dominate the headlines.

In the following, please find an overview of some of our latest legal briefings on these and other topics. For a fully overview please refer to our website www.schlueter-graf.com.

Please note that in celebration of the Eid-al-Fitr holidays our offices will be closed from 3 until 8 June.

Happy reading!

Your SCHLÜTER GRAF team

A. *Legal Briefings*

Managing Localisation Programs - Is it time for a Chief Localisation Officer (CLO)?

Petroleum Development Oman (PDO), the Abu Dhabi National Oil Company (ADNOC) and Saudi Aramco have implemented localisation programs (PDO and ADNOC: In Country Value or ICV and Saudi Aramco: In-Kingdom Total Value Add Program or IKTVA). ICV and IKTVA require that suppliers will familiarize themselves with its conditions and commercial, legal and tax-related effects. The full legal briefing can be retrieved [here](#).

Workforce Nationalisation and Localisation Programs - Key Considerations

Petroleum Development Oman (PDO), the Abu Dhabi National Oil Company (ADNOC) and Saudi Aramco have implemented localisation programs (PDO and ADNOC: In Country Value or ICV and Saudi Aramco: In-Kingdom Total Value Add Program or IKTVA). While ICV and IKTVA do not necessarily require for workforce to be nationalised, the countries' respective workforce nationalisation programs may require such steps. The full legal briefing can be retrieved [here](#).

Contract and Toll Manufacturing under ICV and IKTVA –The Easy Way Out?

The Abu Dhabi National Oil Company (ADNOC) and Saudi Aramco have implemented localisation programs (ADNOC: In Country Value or ICV and Saudi Aramco: In-Kingdom Total Value Add Program or IKTVA). ADNOC announced that its ICV spend for 2018 will amount to over AED 18 billion (approx. EUR 4.3 billion). Saudi Aramco plans to spend more than SAR 1.5 trillion (approx. EUR 350 billion) on its IKTVA program in the next 10 years. Since the ICV and IKTVA programs do not allow mutual recognition, suppliers cope to comply with several localisation programs in the region. The full legal briefing can be retrieved [here](#).

Carrying out Business on ADNOC Facilities and CICPA Security Passes

The Critical Infrastructure & Coastal Protection Authority (CICPA) is the authority responsible for providing necessary security and protection against any threats, acts of sabotage or potential and unexpected risks that may cause damage or disruption to the functioning of all critical installations, infrastructure and establishments in the Emirate of Abu Dhabi. When carrying out activities on the Abu Dhabi National Oil Company's (ADNOC) facilities, service staff is required to have obtained special Security Passes from CICPA. The full legal briefing can be retrieved [here](#).

Abu Dhabi Value (ADV) – The Abu Dhabi Department of Economic Development's New Localisation Rules

A year after the Abu Dhabi National Oil Company's "In-Country Value" Program (ICV) came into force, the Abu Dhabi Department of Economic Development (ADDED) has soft-launched its localisation program ("Abu Dhabi Value Program" – ADV). With main objectives such as the

diversification of Abu Dhabi's GDP, localisation of its supply chain and Emiratisation of the private sector, the ADV Program shows similar features to the ICV Program. The full legal briefing can be retrieved [here](#).

Dubai's One Free Zone Passport Initiative

The Dubai Free Zones Council (DFZC) has recently adopted a preliminary agreement on an initiative allowing companies licensed in one of Dubai's free zones to also operate in other free zones in Dubai without the need for a second commercial license. The DFZC's One Free Zone Passport Initiative is another step towards increasing the ease of doing business in the Emirate of Dubai and a reaction to the liberalization of the foreign direct investment regulatory framework in the United Arab Emirates. The full legal briefing can be retrieved [here](#).

Tawazun Economic Program - The Tawazun Economic Council's New Policy Guidelines

The Tawazun Economic Council recently issued its new policy guidelines on the Tawazun Economic Program (formerly known as the UAE Offset Program). The threshold, triggering the offset obligations, has been raised to AED 36.73 million (approx. EUR 9 million). The possible sectors in which a defence contractor can invest have been extended. The full legal briefing can be retrieved [here](#).

B. Upcoming Events

SCHLÜTER GRAF Legal Consultants will host the following event:

- 20 June 2019
Breakfast seminar with Dubai Airport Free Zone Authority (DAFZA) on 20 June 2019 at 9.00 am. The seminar will touch the (i) dual licensing mechanism and (ii) relocating from/to Dubai Airport Free Zone (DAFZ).

If you are interested in this seminar, please get in touch with us (events@schlueter-graf.com) before Sunday, 16 June 2019 (end of business).

Although SCHLÜTER GRAF Legal Consultants make every effort to provide correct and up to date information in our newsletters and briefings, we cannot take responsibility for the accuracy of the information provided. The information contained in this briefing is not meant to replace a personal consultation with a qualified lawyer. Liability claims regarding damage caused by the use or misuse of any information provided, including information which is incomplete or incorrect, will therefore be rejected, unless this misinformation is deliberate or grossly negligent.

SCHLÜTER GRAF

The Citadel Tower, Offices 2001-2005 Business Bay, P.O. Box 29337

Dubai / United Arab Emirates

Tel: +971 / 4 / 431 3060

Fax: +971 / 4 / 431 3050

dubai@schlueter-graf.com