



**ZIMBABWEAN
BUSINESS COUNCIL**
UNITED ARAB EMIRATES

Manufacturing, FMCG, and Establishing UAE Operations (v2)

A Strategic Guide for Zimbabwean FMCG & Food Manufacturing Companies

TARGET AUDIENCE

Zimbabwean food and FMCG manufacturers - including National Foods, Glytime Foods, Cairns Foods, Lyons Zimbabwe, Olivine Industries, and other producers - seeking to establish a UAE operational base to access the GCC market.





Publication standard and revision note

ZIBCO PUBLICATION STANDARD

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Verified as at August 2026 for regulatory structure, authority names and tax framework. Cost figures are indicative ZIBCO estimates compiled from free zone published schedules and advisory sources; **they are estimates, not quotations**

Next scheduled review February 2027

Primary sources JAFZA; DMCC; Dubai Industrial City; KIZAD; RAKEZ; UAE Federal Tax Authority; MOIAT; Dubai Municipality; ADAFSA; UAE Ministry of Economy & Tourism; UAE Ministry of Foreign Trade

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Version	Date	Changes
2.0	Aug 2026	Rewrote Section 10 for Dubai Executive Council Resolution No. 11 of 2025 — Dubai free zone entities can now obtain a mainland branch licence or temporary permit, and the first edition's blanket statement that free zone companies are prohibited from mainland sales is superseded for Dubai. Regularisation deadline of 3 March 2026 noted as passed. Added Section 2, Should you do this at all? - the decision test the first edition omitted. Corrected UAE Ministry of Economy to Ministry of Economy & Tourism, and noted the separate Ministry of Foreign Trade created June 2025. Replaced ESMA references with MOIAT . Expanded the corporate tax section on QFZP qualifying-activity risk. Elevated banking access from a tips box to Section 9 . Added In-Country Value. Corrected Gulfood timing. Removed named company targets from the audience statement
1.0	Mar 2026	First issue

1. Executive summary

Exporting finished goods from Zimbabwe to the UAE is logistically complex and cost-intensive, and puts Zimbabwean producers against larger regional manufacturers on price. Establishing manufacturing, processing or distribution operations inside the UAE's free zone system is a credible alternative, for some products.

The words "for some products" are the change in this version. The first edition recommended UAE-based manufacturing without testing the recommendation. This version supplies the test, because the answer is different for different companies, and getting it wrong costs several hundred thousand AED.

Key takeaways

- Free zones permit 100% foreign ownership with no local partner



- 0% corporate tax on qualifying income for Qualifying Free Zone Persons; no personal income tax; full profit repatriation
- The AED is pegged to the US dollar at 3.6725 and fully convertible; no exchange controls
- JAFZA is the premier manufacturing zone; RAKEZ the lowest-cost entry; Dubai Industrial City has a dedicated food and beverage zone
- Minimum share capital typically AED 50,000-150,000 depending on zone and structure
- **Dubai free zone entities can now trade into mainland Dubai directly** under Executive Council Resolution No. 11 of 2025, via a branch licence or temporary permit. This is a Dubai instrument and is limited to listed activities - see Section 10
- **But the tax treatment did not change.** Mainland income is taxed at 9% and is non-qualifying for QFZP purposes. Easier mainland access means an easier route to losing the 0% rate on everything
- **Opening the bank account is harder than incorporating the company.** For Zimbabwe-linked shareholders this is the real gate - see Section 9
- **If your product's value proposition is Zimbabwean origin, a UAE factory may be the wrong answer.** See Section 2

2. Should you do this at all?

New in Version 2.0. Read this before Section 3.

2.1 The premise, stated properly

The argument for UAE manufacturing is that it removes finished-goods freight, import duty and shelf-life risk, and places production inside the GCC customs union. All true.

The argument against is that it also removes your Zimbabwean cost base. Your inputs are then bought at world prices, your labour and rent are UAE labour and rent, and your utilities are UAE utilities. If the Zimbabwean cost structure is what makes your product competitive, moving production to Dubai discards the advantage and keeps the costs.

Conditions to meet for UAE manufacturing to be the right structure

- (a) **Your raw inputs are internationally traded**, not Zimbabwe-specific. If you can buy them as easily in Dubai as in Harare, relocating production loses nothing on inputs.
 - (b) **Freight on your finished goods materially exceeds freight on your inputs** - typically true where the product gains bulk, weight or water in processing, or requires refrigeration that the inputs do not.
 - (c) **Your target market is the GCC and re-export**, not Zimbabwe or the region.
- All three must hold.** Where any one fails, the case weakens sharply; where two fail, it usually inverts.

2.2 When the answer is a distribution entity, not a factory

Where your product's value proposition **is** its Zimbabwean origin - single-origin macadamia, speciality horticulture, heritage or diaspora-branded foods, anything where the label says Zimbabwe and that is why the customer buys it - manufacturing in Dubai destroys the thing you are selling.



For those companies the correct structure is: **manufacture in Zimbabwe, and establish a UAE free zone trading and distribution entity**. You gain the UAE commercial presence, the bank account, the regional market access, the tax treatment and the credibility with buyers, without abandoning the origin story or the cost base. Setup cost is a fraction of a manufacturing operation because no industrial premises are required.

2.3 The decision test

Question	If yes	If no
Are your key inputs internationally traded commodities?	Points to UAE manufacturing	Points to Zimbabwe manufacturing + UAE distribution
Does your product gain bulk, weight or water in processing?	Points to UAE manufacturing	Points to Zimbabwe manufacturing
Is Zimbabwean origin part of what the customer is buying?	Points strongly to Zimbabwe manufacturing	Neutral
Is your target market GCC and re-export rather than Zimbabwe and SADC?	Points to UAE manufacturing	Points to Zimbabwe manufacturing
Do you need UAE mainland retail distribution?	In Dubai , a branch licence or permit under Resolution 11 may now cover it - check the DET activity list. Beyond Dubai, a mainland entity or distributor	Free zone is sufficient
Can you fund AED 300,000-700,000 first-year without straining the parent?	Proceed to Section 3	Start with a distribution entity and revisit in 24 months

A staged path is available and is what most successful entrants actually do: establish a free zone trading and distribution entity first, prove demand, build the banking relationship and the customer base, then convert to manufacturing once volume justifies the fixed cost. This sequences the risk correctly and the second step is much easier once the first is bedded in.

3. Business structures

Structure	Features and suitability
Free Zone Company (FZE / FZCO)	100% foreign-owned. Operates within the zone and internationally. Ideal for export-focused manufacturing, regional distribution and light processing. The most common entry pathway. In Dubai, can now also trade into the mainland via a branch licence or temporary permit under Resolution No. 11 of 2025 - see Section 10
Mainland LLC	Can trade directly with UAE consumers and government entities. Post-2021 reforms permit 100% foreign ownership in most sectors. Higher setup cost. 9% corporate tax on taxable income above AED 375,000



Structure	Features and suitability
Branch of foreign company	An extension of the Zimbabwean parent, not a separate legal entity; the parent retains all liabilities. Suitable for market testing. May require a local service agent

4. Choosing a free zone

Free zone	Best for	Min. capital	Differentiator
JAFZA , Dubai	Large-scale manufacturing, port logistics	Varies	Direct Jebel Ali Port access; largest industrial zone in the UAE; operated by DP World; 9,000+ companies
Dubai Industrial City	Food manufacturing, light and heavy industry	Varies by activity	Dedicated food and beverage zone; Al Maktoum Airport proximity; integrated utilities
DMCC , Dubai	FMCG trading, commodities, regional HQ	AED 50,000	Most-awarded zone; 24,000+ companies; premium address. Not suited to heavy manufacturing
KIZAD , Abu Dhabi	Large, capital-intensive manufacturing	AED 150,000	Khalifa Port access; cost-competitive industrial land; long leasehold or freehold
RAKEZ , Ras Al Khaimah	SME manufacturing, cost-effective entry	AED 50,000	Lowest overall cost structure; strong SME support

Financial services activities are different

Insurance, banking and related financial activities **cannot** be conducted from a non-financial free zone without CBUAE authorisation. Under Federal Decree-Law No. 6 of 2025 this is a criminal matter with penalties from AED 50,000 to AED 500 million, and the regularisation deadline for entities operating without proper authorisation is **15 September 2026**.

If your business touches insurance, credit, payments or financial intermediation in any form, read the ZIBCO Banking & Insurance paper (Vol. 1 No. 3) before choosing a zone.

5. Formation, step by step

Typically two to six weeks from application to licence, excluding document attestation and banking.

Step 1 - Define activities. Precisely. For food manufacturers: Food Manufacturing (industrial licence), Food Processing, Food Packaging, General Trading / FMCG Distribution, Food Product Import, Export & Re-export. **Capture every intended activity in the licence at the outset** - adding activities later is slower and more expensive than including them now.

Step 2 - Choose the entity. FZE for a single shareholder; FZCO for two or more; branch as an extension of the Zimbabwean parent.

Step 3 - Reserve the trade name. No duplicates; no prohibited words such as government references or financial institution titles without approval; the name must reflect the activity.



Step 4 - Documentation. Application form; passport copies of all shareholders, directors and managers; CVs of key management; business plan (required for industrial licences in most zones); source of funds declaration; and for corporate shareholders, certificate of incorporation, memorandum and articles, and a board resolution authorising formation - all attested.

Document attestation: Zimbabwe to UAE: allow 2-6 weeks

1. Notarise with a Zimbabwe Notary Public
2. Authenticate at the Zimbabwe Ministry of Foreign Affairs & International Trade
3. Legalise at the UAE Embassy in Harare
4. Counter-attest at the UAE Ministry of Foreign Affairs & International Cooperation on arrival

Start this before you need it. It sits on the critical path and cannot be accelerated

Step 5 - Premises. A physical address in the zone is mandatory. Flexi-desk (trading only, limited visa quota); private office (trading, distribution, light assembly); warehouse (import, export, distribution); ready-built factory (required for food manufacturing); industrial land plot (largest scale). **Facility size determines your employee visa quota** - this constrains headcount, so size for the team you will have in year two.

Step 6 - Capital and licence. Deposit minimum share capital on approval and signature of the memorandum. The zone authority then issues the trade licence.

Step 7 - Post-incorporation. Open the corporate bank account (Section 9); obtain the customs import/export code; register for VAT with the Federal Tax Authority if taxable supplies exceed AED 375,000; obtain food safety and product registrations; apply for residency visas and Emirates IDs; comply with Economic Substance Regulations as applicable.

6. Food safety and product compliance

Applies regardless of which zone you register in.

Facility registration. Any facility producing, processing, packing or storing food must register with the relevant emirate authority - Dubai Municipality or ADAFSA. Requires facility plans, process descriptions and inspection, with compliance to HACCP-based UAE hygiene standards aligned to Codex and GSO.

Product registration. Each product line must be registered, requiring a technical file covering formulation, nutrition and shelf life; a certificate of analysis from an accredited laboratory; labelling artwork review; and a Halal certificate where applicable.

Labelling. Arabic and English. Product name; ingredients; allergens; net quantity; country of origin or manufacture; production and expiry dates; storage conditions; importer name and address. GSO-compliant nutritional table. GMO declaration where applicable. Halal logo from a UAE-accepted certifier for meat and meat-containing products.

Food safety certification. Dubai Municipality and ADAFSA require evidence of HACCP implementation. Major UAE retail chains typically require ISO 22000, FSSC 22000, BRC or SQF.



Certify in Zimbabwe first

Obtain ISO 22000 or FSSC 22000 at your Zimbabwe facility **before** establishing UAE operations. It demonstrates international compliance, accelerates UAE product registration, and differentiates you commercially. Audits are available in Zimbabwe through Bureau Veritas, SGS and SABS-affiliated bodies.

This is the highest-return preparatory step available and it is cheaper in Zimbabwe than in the UAE.

Halal for UAE manufacturing. Where you produce meat products, meat-derivative-containing goods, gelatin-based products or other animal-origin ingredients, facility Halal certification is required under UAE.S GSO 2055. **Certification-body accreditation is administered by MOIAT** - ESMA, referenced in Version 1.0, was dissolved in 2020. Annual audits apply, and certification covers ingredient sourcing, production, sanitation and segregation of Halal from non-Halal materials.

7. Indicative costs

ZIBCO estimates compiled from published free zone schedules and advisory sources. Verify info.

Item	Indicative range (AED)	Note
Free zone licence, industrial	15,000 - 60,000 / year	Varies by zone and activity scope
Minimum share capital	50,000 - 150,000	One-time; requirements vary
Industrial unit / factory lease	80,000 - 400,000+ / year	Depends on size, zone and facility type
Registration and admin fees	5,000 - 20,000	One-time
Document attestation (Zimbabwe)	2,000 - 8,000	Four-step pathway
Corporate bank account	Nil - 5,000	Budget time, not money. See Section 9
Food safety registration	2,000 - 15,000	Per product line
ISO 22000 / FSSC certification	15,000 - 50,000	One-off, plus annual surveillance
Employee residency visa	3,000 - 7,000	Per person
Legal and setup advisory	15,000 - 50,000	

Minimum viable SME entry — indicative

Zone: RAKEZ or Dubai Industrial City, smaller ready-built unit · Facility: 500–1,000 sqm · Team: 5–15 staff

First-year total: approximately AED 300,000 – 700,000 (roughly USD 82,000 – 190,000)

This is a lean operation. Larger facilities and headcounts scale proportionally. Obtain formal quotations before committing.

Add a working capital buffer for the banking delay. Companies routinely incorporate and then wait two to three months for an operational account, during which they cannot transact.



8. Corporate tax - where companies get caught

The UAE introduced federal corporate tax for financial years beginning on or after 1 June 2023.

- **0%** on qualifying income for Qualifying Free Zone Persons
- **9%** on taxable income above AED 375,000 for mainland companies and on non-qualifying free zone income
- **5% VAT** on taxable supplies; mandatory registration above AED 375,000 annual taxable supplies

The QFZP trap

Version 1.0 presented the 0% rate as a straightforward feature of free zone incorporation. In practice this is where companies are caught.

To maintain QFZP status you must hold **adequate UAE economic substance** - real premises, qualified employees, and core business decisions taken in the UAE; derive income **only from qualifying activities** on the prescribed list; **keep mainland transactions within the de minimis threshold**; and maintain audited financial statements.

The most common failure: selling into the UAE mainland. Mainland-derived income is largely non-qualifying. A company structured for GCC re-export that finds its best customers are UAE retailers can breach the threshold and lose the 0% rate on its whole income - not just the mainland portion.

Dubai's Resolution No. 11 of 2025 has made this materially easier to trip. Now that a Dubai free zone entity can obtain a mainland branch licence or permit directly (Section 10), the commercial temptation to serve mainland customers is much stronger - and the tax consequence is unchanged. The licensing barrier that used to protect QFZP status by accident is gone.

Model your revenue mix against the de minimis threshold before you incorporate or apply for a mainland permit, and obtain UAE tax advice on your specific activity list. This is not a formality.

In-County Value. The UAE's ICV programme scores companies on local economic contribution and affects procurement decisions by government and semi-government purchasers, and increasingly by large private buyers. For a manufacturer weighing UAE incorporation, ICV eligibility is a genuine argument in favour and was omitted from Version 1.0. Ask your free zone about ICV certification at application stage.

9. Banking access - the real gate

Elevated from a sidebar in Version 1.0, because this is where Zimbabwean companies most often stop.

9.1 What actually happens

Incorporation is straightforward and largely administrative. Opening the corporate bank account is neither. UAE banks apply rigorous AML/CFT compliance and extensive due diligence on new corporate customers, and apply additional scrutiny where shareholders are from jurisdictions their compliance functions rate as higher risk.



For Zimbabwe-linked shareholders this is frequently not a delay but a refusal, and refusals are commonly given without a stated reason, because banks are under no obligation to provide one.

9.2 What helps, and what does not

Zimbabwe's FATF position helps. Zimbabwe was grey-listed in October 2019 and **removed on 4 March 2022**. This improved the jurisdictional risk rating and UAE institutions are measurably more receptive than they were.

It does not resolve everything. Jurisdictional listing and designated-person sanctions screening are separate regimes. Banks screen individuals and entities against designation lists irrespective of FATF status, and they retain full discretion to apply risk-based enhanced due diligence or to decline. Expect rigorous scrutiny.

9.3 Preparation that measurably improves the odds

- **Transparent ultimate beneficial ownership.** Opaque or layered structures derail applications faster than any other factor
- **Three years of audited accounts** from a reputable firm, preferably one with international recognition
- **A demonstrable UAE commercial rationale** - contracts, letters of intent, or a named customer pipeline. "Regional expansion" is not a rationale
- **A written source of funds trail** for the capital being deposited
- **Realistic bank selection.** Emirates NBD, First Abu Dhabi Bank, Mashreq and Standard Chartered UAE have experience with African corporate clients. Approach two or three in parallel rather than sequentially
- **An introduction rather than a cold application.** This changes outcomes more than any document. ZIBCO can make introductions to banking contacts for members
- **Budget 6-12 weeks minimum**, and do not commit to customer delivery dates that assume a faster account

10. Reaching the UAE mainland market

10.1 What changed

Dubai Executive Council Resolution No. 11 of 2025, issued **3 March 2025**, regulates the conduct of free zone establishments' activities within the Emirate of Dubai. It creates a direct licensing route for Dubai free zone entities to conduct business in mainland Dubai without incorporating a separate mainland company.

Two mechanisms:

- **Mainland branch licence** - valid one year, renewable. For sustained mainland operations



- **Temporary permit** - for specific activities, up to six months. For project work, contracts and market testing

Both are issued by the Dubai Department of Economy and Tourism in coordination with the relevant free zone authority, and are limited to a list of permitted economic activities that DET issues with the licensing authorities. **Check the current activity list against your specific licensed activities before assuming eligibility** - this is where the practical constraint now sits.

Three scope limits that matter

- 1. Dubai only.** This is an Emirate of Dubai instrument, not a federal one. It does not by itself grant a Dubai free zone company access to the mainland of Abu Dhabi, Sharjah or the other emirates, and it does not govern free zones established in other emirates. If you are considering **RAKEZ or KIZAD** on cost grounds, confirm what mainland access that zone actually gives you before you commit - this is now a genuine differentiator between zones.
- 2. DIFC is excluded** from the Resolution.
- 3. Activity-listed, not open.** The permission attaches to activities on the DET list, not to free zone entities generally.

10.2 The regularisation deadline has passed

Free zone entities already conducting mainland activity when the Resolution took effect were required to regularise within one year of 3 March 2025, i.e. **by 3 March 2026**, with provision for a one-time extension.

That date has passed. Any ZIBCO member whose UAE free zone entity has been selling into the Dubai mainland without a branch licence or permit should take advice on its current position rather than assume the transition window is still open.

10.3 The routes now available

Route	What it gives you	Watch
Mainland branch licence under Resolution 11	Direct mainland Dubai trading from your existing free zone entity, one year renewable	Activity must be on the DET list. Separate financial records required
Temporary permit under Resolution 11	Up to six months for specific activities	Good for testing demand before committing
Appoint a mainland distributor	No licensing step; distributor holds the mainland licence	Margins typically 15-35%. Still the right answer where you want the distributor's shelf relationships rather than just the permission
Separate mainland LLC	Full control; broadest activity scope; access beyond Dubai	Most capital-intensive
Dual-licence packages	Offered by some zones	Confirm what it actually covers post-Resolution 11



10.4 The tax position did not change - and that is the point

Read this before you take a mainland branch licence

Resolution 11 liberalised licensing. It did not liberalise tax.

The 0% Qualifying Free Zone Person rate **does not extend to your mainland operations**. Income attributable to the mainland branch or permitted activity is subject to the standard **9% corporate tax** rate (above the AED 375,000 threshold, unless otherwise exempt).

You are also required to **maintain separate financial records** for operations conducted outside the free zone, on the basis applied to branches of foreign companies incorporated onshore.

The practical consequence is that Section 8's warning matters more now, not less. It has become considerably easier to earn mainland income - which means it has become considerably easier to breach the de minimis threshold and jeopardise QFZP status on your *whole* income, not merely the mainland portion.

Take UAE corporate tax advice on the revenue split before you apply for the branch licence, not after.

11. How ZIBCO helps

- Introductions to UAE business setup consultants and law firms with African client experience
- Connections to free zone authorities for formal consultations and site visits
- **Banking introductions** - the most valuable single service for this audience
- Introductions to UAE retail buyers, food distributors and FMCG importers through the member network
- Market intelligence and peer insight from existing corporate members
- Representation and advocacy with Dubai Chambers
- Facilitation of participation in Gulfood, **15-19 March 2027** - confirm dates with the organiser

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12. Contacts

Organisation	Website
JAFZA	jafza.ae
DMCC	dmcc.ae



Organisation	Website
Dubai Industrial City	dubaiindustrialcity.ae
KIZAD	kizad.ae
RAKEZ	rakez.com
UAE Ministry of Economy & Tourism (<i>renamed from Ministry of Economy, June 2025</i>)	moet.gov.ae
UAE Ministry of Foreign Trade (<i>established June 2025 - the CEPA counterparty</i>)	Federal government directory
Dubai Department of Economy & Tourism (<i>mainland branch licences and permits under Resolution 11 of 2025</i>)	det.gov.ae
Dubai Legislation portal (<i>text of Executive Council Resolution No. 11 of 2025</i>)	dlp.dubai.gov.ae
MOIAT - standards, Halal accreditation, ICV	moiat.gov.ae
Dubai Municipality - Food Safety	dm.gov.ae
ADAFSA	adafsa.gov.ae
UAE Federal Tax Authority	tax.gov.ae
ZIBCO	zimbusinesscouncil-uae.org

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