

Development of small business in the UAE

Small business in the UAE, as in any other country, is the pillar of the national economy. It is not a secret that economic stability and growth are impossible without developed small and medium businesses sector. Given the importance of this economic sector, the UAE government has identified it as having the highest priority within the framework of implemented public policy.



Such initiative of the country effects primarily investment climate in the country and the opportunities for organization and development of small enterprises. It is worth noting that **small business in the UAE** can rely on a number of opportunities aimed for increase of business revenues. Some of the advantages are as follows:

- No corporate taxes and no value added tax;
- No income tax for company's employees;
- No state fiscal control and external financial reporting control by the government authorities.

Development of small and medium businesses - as part of diversification strategy

According to international economic experts, **small business in the UAE** is vitally important for the country's economic policy aimed at getting away from oil dependency and diversification of the national economy. The choice of such strategy has become the landmark for the small business sector, having turned it into the most important area of the economy of the country.

Mostly **small business companies in the UAE** are engaged in market segments such as: consumer goods and professional services, retail and tourism. Some major sectors having the leading role in such segment include catering, services and hotel industry.

Currently, according to forecasts, it is expected that the number of enterprises involved in such market segments will grow rapidly. Newly incorporated enterprises provide additional jobs every year.

Omar Ismail Al Khoori
Omar_Al_Khoori@yahoo.com