

Ajman Free Zone (AFZ)

Overview

Established in **1988**, **Ajman Free Zone** is the smallest yet one of the most advanced free zones in the UAE. Located strategically on the **Arabian Gulf coast**, it was granted autonomous status through **Amiri Decree No. 3 of 1996** by H.H. Sheikh Humaid Bin Rashid Al Nuaimi, Ruler of Ajman.

Ajman Free Zone serves both **Western** and **Eastern markets** efficiently due to its location and offers access to **4 seaports** and **2 international airports**, making it a thriving hub for regional and international business.

All operations and regulations within the free zone are governed by the **Ajman Free Zone Authority (AFZA)**, which oversees the licensing and business setup procedures.

Advantages of Setting Up a Business in Ajman Free Zone

Ajman Free Zone is known for its **strategic location**, **low-cost setup**, and **investor-friendly regulations**. Here are the key benefits:

1. Commercial Benefits

- 100% foreign ownership
- Full capital and profit repatriation
- Zero customs duty on goods and services
- No bureaucratic red tape
- Business-friendly legal framework
- Competitive labor costs

2. Tax Benefits

- **No corporate tax**
- **No personal income tax**
- **No import-export duties**

3. Environmental & Procedural Benefits

- Simplified and fast immigration process
- Single-window clearance for government services (licensing, visa, immigration)
- Business setup is cost-effective and streamlined
- Friendly and flexible regulations

4. Infrastructural Benefits

- Land lease options for **20 years**, renewable for another 20
- Affordable and reliable energy supply
- No hidden fees or surprise charges
- Access to **pre-built offices**, **smart offices**, and **warehouses**

5. Additional Benefits

- No currency exchange restrictions
 - No quotas or foreign exchange controls
 - 24/7 security
 - Easy hiring and recruitment processes
 - Access to banks, postal services, and advanced communication systems
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Ajman Free Zone License Types

AFZA offers **five** main types of licenses depending on the nature of the business:

1. Trading License

For companies involved in trading activities.

- ♦ Up to **3 activities** can be listed under a single license.

2. E-Commerce License

For businesses operating online or providing e-commerce services.

- ♦ Includes **marketing and technical support** for digital ventures.

3. Professional License

For businesses offering professional services such as:

- ♦ **IT consulting, management services, marketing,** and other **PRO services**.

4. Industrial License

For manufacturing and production-based companies.

- ♦ Includes access to **warehouses** and **smart-store facilities**.

5. National Industrial License

Issued to companies that meet the following criteria:

- Must be registered in Ajman and operate within the Free Zone
- At least **51% ownership by GCC nationals**
- Minimum **40% of production** must occur within the Free Zone
 - ♦ Enjoy **duty-free exports** to Arab Gulf Cooperation Council (AGC) member states.