

Entering the GCC with Confidence

Integrated Legal, Tax and Structuring Support for Regional Expansion

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The GCC as a Growth Platform

Six markets, 63 million people, USD 2.4 trillion of output and some of the world's largest pools of investment capital, all reshaping their economies to attract international business.

The Gulf Cooperation Council (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates) generated a combined GDP of around USD 2.4 trillion in 2025, with non-oil activity now accounting for more than three-quarters of the regional economy. Its population of 62.8 million is growing by around 3.5% a year.

Three forces are driving the opportunity:

- **Diversification at scale:** national programmes such as Saudi Vision 2030, “We the UAE 2031”, Qatar National Vision 2030 and Oman Vision 2040 are channelling capital into technology, logistics, manufacturing, financial services, tourism and infrastructure, creating demand for international expertise, suppliers and partners.
- **Markets opening up:** most GCC states now allow full foreign ownership in a wide range of sectors, and Saudi Arabia’s 2025 Investment Law replaced investment licensing with registration.
- **Capital close at hand:** Gulf sovereign wealth funds hold around USD 5 trillion, about 30% of the global total, and are increasingly active as co-investors and partners.

USD 2.4tn

Combined GCC GDP, 2025

62.8m

GCC population, 2025

USD 80bn+

FDI into the UAE
and Saudi Arabia, 2025

The rules are evolving as fast as the economies. The UAE has introduced federal Corporate Tax, and five GCC states now apply a 15% minimum tax to large multinational groups. Bahrain plans to introduce a 10% corporate income tax from 2027, Saudi Arabia has overhauled its foreign investment

regime, and from 2028 Oman will become the first GCC state to levy personal income tax. For businesses entering the region, this creates both opportunity and complexity: structures need to be designed with the full regional picture in mind from day one.

UAE as the Launchpad. GCC as the Strategy

Many international groups begin with a UAE company, and for good reason. But a UAE entity does not, by itself, give a business access to the entire GCC. A successful regional expansion needs both: a well-chosen launchpad and a strategy for every market beyond it.

The launchpad: why the UAE is usually the first step

The UAE attracted USD 48.3 billion of foreign direct investment in 2025, ranking ninth in the world, and ranked second globally for new greenfield investment projects, with 1,562 announced. Its advantages for an international group are practical:

- **Open market access:** 100% foreign ownership is available onshore for most activities, alongside more than 40 free zones.
- **Two international financial centres:** DIFC and ADGM offer common-law frameworks, independent courts and their own regulators.
- **A competitive, rules-based tax system:** 9% Corporate Tax, 0% on qualifying free zone income, 5% VAT and no personal income tax.
- **A broad treaty network:** over 140 double tax agreements signed, among the largest networks in the world.
- **Connectivity and talent:** hub airports, ports and logistics linking the Gulf to Europe, Asia and Africa, with residence routes for investors and skilled staff.



A UAE company is a strong base. It is not a passport to operate across the GCC

Each Gulf state remains a separate jurisdiction. Once a business sells, hires, holds stock or delivers services in Saudi Arabia, Qatar, Oman, Bahrain or Kuwait, that country's tax, licensing and employment

rules can apply, wherever the contracting entity sits. A structure that works well in the UAE can create unexpected cost or risk elsewhere if the wider region is not planned for from the outset.

What can be triggered when you cross a border

Issue	What can arise
Tax, permanent establishment and residence	Local tax exposure through a permanent establishment created by offices, personnel, dependent agents or projects, or through tax residence where the place of effective management shifts, depending on domestic law and the applicable treaty.
Withholding tax	Withholding/retention on specified cross-border payments, depending on the country and payment category.
Licensing and ownership	Local business licences, foreign-investment approvals, sector restrictions and, where applicable, agent or local-partner requirements.
People	Work permits, nationalisation requirements, secondment arrangements, applicable social-security contributions and end-of-service obligations.
Contracts and disputes	Country-specific review of governing law, mandatory local rules, enforceability, commercial-agency protection and the choice of courts or arbitration.

The takeaway: the UAE is an excellent launchpad. A GCC strategy means deciding from day one how the UAE structure will interact with each market you plan to enter, so that expansion is efficient, compliant and built to scale.

What Clients Ask, and How We Help

Clients arrive with a commercial goal, whether a regional office, new customers, distribution, local manufacturing or an acquisition. Each goal raises legal, tax and operational questions that are best answered together. The ones we hear most often:

- **“Where should we set up: which GCC state, and if UAE, mainland, free zone or a financial centre?”**
- **“We have a UAE company. Can we now operate across the GCC?”**
- **“Where will our profits actually be taxed?”**
- **“We are moving an existing business or assets to the UAE. What should we consider?”**
- **“How do we protect ourselves contractually in each market?”**
- **“How do we hire and move our people?”**
- **“How should we structure ownership of the business and our wider assets?”**
- **“What if the tax authority challenges our position?”**

How we help

Market Entry & Corporate Structuring

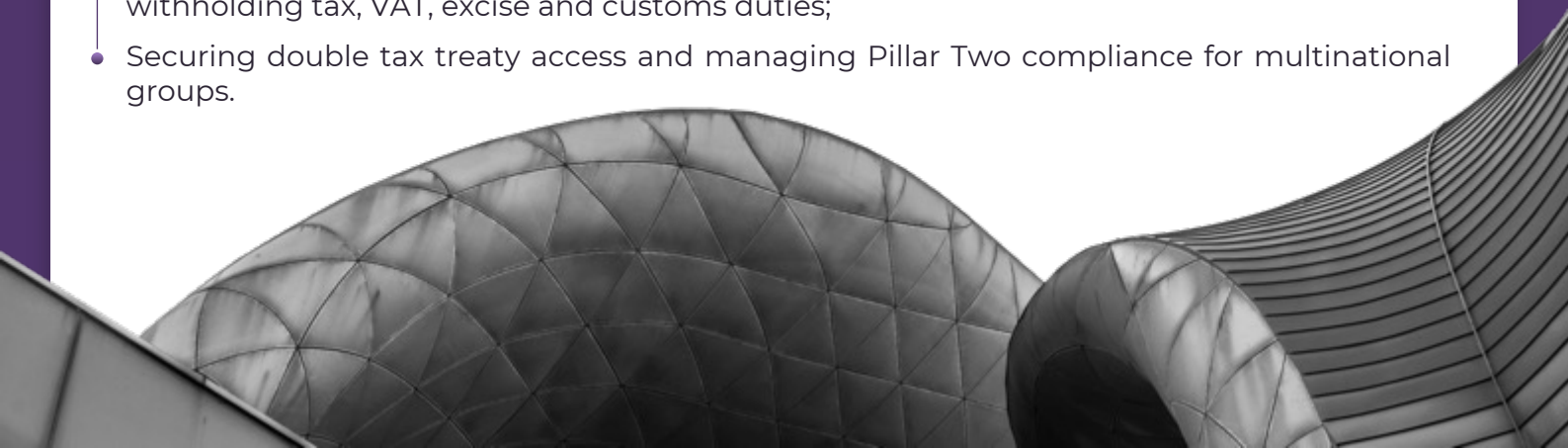
Setting up, structuring and growing the business

- Incorporating companies on the UAE mainland, in free zones and in DIFC or ADGM;
- Designing holding and group structures for regional expansion;
- Advising on UAE and cross-border M&A, joint ventures, venture financing and private equity;
- Drafting shareholder and investor arrangements, constitutional documents and option agreements;
- Managing corporate restructuring, redomiciliation and liquidation.

Tax Structuring & Advisory

Structuring for tax efficiency and certainty across the GCC

- Assessing the tax position of different Gulf countries and free zones before deciding where to locate;
- Planning for UAE Corporate Tax, including access to the 0% free zone rate and meeting the Qualifying Free Zone Person conditions;
- Managing permanent establishment and tax residence risk when operating across borders;
- Advising on direct and indirect taxes across the GCC, including corporate income tax, withholding tax, VAT, excise and customs duties;
- Securing double tax treaty access and managing Pillar Two compliance for multinational groups.



Transfer Pricing

Pricing and documenting intra-group dealings on an arm's length basis.

- Developing transfer pricing policies tailored to the business model;
- Analysing and benchmarking planned intercompany arrangements and transactions, and documenting them.

Commercial & Regulatory

Making the operating model work legally

- Obtaining licences and permits, including from VARA and financial regulators;
- Drafting supply, distribution and other commercial agreements;
- Preparing consumer terms and advising on data protection and AI regulation;
- Developing AML, sanctions and trade-control compliance policies;
- Protecting and managing intellectual property.

Tax Controversy & Authority Engagement

Securing certainty and defending positions

- Obtaining private clarifications from the FTA;
- Preparing defence files to support the taxpayer's position;
- Supporting clients through FTA audits and information requests;
- Preparing reconsideration requests and representing clients before tax dispute resolution committees;
- Preparing voluntary disclosures, penalty waiver and instalment requests;
- Handling MAP and APA submissions under tax treaties;
- Managing communications with tax and licensing authorities.

Employment & Mobility

Putting the right people in place

- Drafting employment contracts, policies and procedures;
- Obtaining work permits and visas;
- Advising on nationalisation requirements.

Private Wealth & Family Offices

Structuring how owners and families hold, protect and pass on their wealth

- Structuring personal and family ownership of assets;
- Setting up holding companies, family offices and foundations for asset protection and succession planning;
- Advising on tax residency and obtaining UAE Tax Residency Certificates;
- Advising on the tax treatment of dividends, interest and capital gains, including under tax treaties.

Implementation & Ongoing Compliance

Getting up and running, and staying compliant

- Coordinating bank account opening, KYC and source-of-funds requirements;
- Handling tax registrations, returns and Tax Residency Certificates;
Preparing tax compliance calendars to manage deadlines and reporting obligations;
- Carrying out post-set-up health checks as the business grows.

Why Willow Tax & Legal

Entering the GCC well takes more than an incorporation agent, an accountant or a set of advisers working separately in different countries. What sets Willow apart:

- **One team, from advice to implementation:** tax and legal advice, structuring and set-up are handled together, so the structure we design is the one that gets built and maintained.
- **A regional view, with local reach:** we look at the UAE and the wider GCC together, working with trusted local counsel in each market through a single point of contact.
- **Partner-led:** senior advisers stay directly involved from the first conversation to completion.
- **Ahead of a fast-moving landscape:** we track Corporate Tax, VAT, Pillar Two and foreign-investment developments across the region, and publish on them regularly.

Your entry and expansion, step by step

Most engagements move through four phases, with tax and legal work running in parallel

	Phase	What we do	What you receive
01	Diagnose	Map your plans against the tax, legal and licensing position in each target market.	GCC entry roadmap and a country-by-country requirements matrix
02	Structure	Design the entity, holding and contracting structure.	Structure chart with the legal and tax reasoning behind it
03	Stand up	Put the structure in place on the ground.	Contract suite and implementation plan
04	Scale & sustain	Keep the structure aligned as you grow and enter new markets.	Compliance and periodic health checks

How an integrated adviser differs

	Incorporation agent	Accountant	Tax adviser	Regulatory adviser	Willow Tax & Legal
Entity set-up and licensing	✓	Partly	—	✓	✓
Tax structuring across jurisdictions	—	Partly	✓	—	✓
Legal documentation and regulatory advice	—	—	—	✓	✓
Implementation and ongoing compliance	Partly	✓	Partly	Partly	✓
One coherent regional strategy	—	—	—	—	✓

Selected Experience

Recent matters we handled include:

- Advised an international manufacturing group on establishing its UAE and GCC operations, assessing mainland and free-zone options across regulatory, Corporate Tax, VAT, excise and customs regimes, and developing a structure designed to support manufacturing, exports and regional expansion.
- Structured the regional operations of an international manufacturer across UAE free zones, designated zones and an Omani free zone, including the application of the UAE 0% Qualifying Free Zone Person regime and the interaction between the UAE and Oman operations.
- Advised on the relocation of a group holding company, headquarters and treasury functions from Cyprus to ADGM, covering the corporate restructuring and associated UAE tax implications.
- Advised on the redomiciliation and restructuring of international businesses into the UAE, including the transfer of businesses, assets and functions and the Corporate Tax implications of the migration.
- Secured favourable FTA private clarifications on complex Corporate Tax matters, including the application of the Qualifying Free Zone Person regime, the beneficial-recipient test and the interpretation of the quoted-price requirement.
- Advised international groups on transfer pricing and cross-border operating models, including management and intra-group services, financing arrangements, related-party transactions and the supporting documentation required under UAE Corporate Tax rules.
- Advised businesses operating from the UAE on expansion across the GCC, including permanent establishment, tax residence, VAT, withholding tax, contracting and local regulatory considerations in Oman, Qatar and Bahrain.
- Secured a five-year income tax exemption for a metals trading business in Oman's Duqm Special Economic Zone.

Insights & Thought Leadership

At Willow, we contribute to the development and understanding of the UAE's evolving legal and tax framework through professional publications, practical research and engagement with regulatory authorities.

Our lawyers and tax advisers regularly contribute to leading international legal publications and share their analysis of developments affecting businesses operating in the UAE and across the GCC.

Contributions to International Legal Guides

[The Legal 500 – UAE Tax Comparative Guide 2026](#)

[Chambers and Partners – Tax Controversy 2026: UAE](#)

Selected Articles & Insights

[RCM and Zero-Rated Services in GCC](#)

[Is Redomiciliation from the UAE Tax Neutral?](#)

[Good Faith in the United Arab Emirates: The New UAE Civil Code. Note No. 1](#)

[TAXP010 and Corporate Tax Designated Zones: Has the FTA Narrowed the Concept?](#)

[FTA Private Clarifications: Favourable Outcomes on Beneficial Recipient Test and Quoted Price Definition](#)

Read more at [willow.law](https://www.willow.law)

Let's Talk About Your GCC Expansion

Whether you are setting up your first UAE entity, expanding into another GCC market or reviewing a structure that has outgrown its original design, an early conversation can save significant time and cost later.

In a first meeting, we will:

- understand your business, target markets and timeline;
- review your current group structure and where decisions are made; and
- identify the key legal, tax and licensing decisions, and the order in which to take them.

You will leave with a clear view of your options and next steps.

To arrange a conversation, contact us at info@willow.law or +971 50 258 9570.

This brochure provides general information only and does not constitute legal or tax advice. Rates and rules are summarised as at October 2026 and may change. Specific advice should be obtained before acting.



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