

The FBC Weekly Briefing - Covid-19 Outbreak

16 JULY 2020

EDITO

Dear Members, Partners and Friends,

The Covid-19 outbreak has changed our World, the way we manage, the way we work, the way we live.

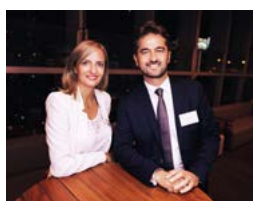
Business leaders are seeking for accurate information to navigate through this unprecedented situation to take the right business decisions and develop their business beyond it. That's why, amongst other communication tools, we have decided to launch this Weekly Briefing a few months ago.

The Covid-19 crisis is not over yet, however, as case numbers of the virus in the UAE continue to drop and restrictions are gradually being lifted, it looks like a new tomorrow is dawning.

Therefore an enhanced fortnightly briefing will be launched in September, providing a different content, with prospective studies, sectorial analysis and data, to assist you in your business rebound post Covid-19.

We have done our foremost to support our business community and we would like to take this opportunity to express our gratefulness to our members and partners who contributed to our Weekly Briefing, sharing their insights and expertise.

We wish you a great and restful summer holidays, and look forward to seeing you end of August !



Geoffroy BUNETEL
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This edition at a glance...

- *UAE: Cabinet approves various amendments on decisions related to ICA (Federal Authority for Identity and Citizenship).*
- *Dubai announces new economic stimulus package worth AED1.5 billion.*
- *A new screening facility that provides Covid-19 test results has been launched on the border between Abu Dhabi and Dubai.*
- *All Sharjah government employees must return to their offices starting 19th July 2020.*
- *The Umm Al Quwain executive council issued a decision to completely close public beaches in the emirate from 12th July 2020 until further notice, except for the beaches of hotels and resorts.*
- *Saudi Arabia launches \$178m loan deferral plan for business, and announced that residence permits (iqamas) of expatriates benefiting from a recent royal decree will automatically be extended.*
- *Bahrain will add 177 million dinars (\$470 million) to its 2020 state budget in emergency expenditures arising from fighting the new coronavirus pandemic.*



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IMPACT OF COVID-19 ON THE GCC ECONOMIES & ECONOMIC STIMULUS PLANS

COVID-19 CASES

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| IMPACT OF COVID-19 ON THE GCC ECONOMIES & ECONOMIC STIMULUS PLANS



| UAE - COVID-19'S IMPACT, RESPONSE TO THE CRISIS AND STIMULUS PACKAGES

| UAE

Cabinet approves various amendments on decisions related to ICA (Federal Authority for Identity and Citizenship). The Cabinet has approved a decision to amend a number of Resolutions related to the identity and citizenship sector and resumption of work with several procedures and decisions adopted when the COVID-19 pandemic began to spread during the last period, and in conjunction with the return of most activities and government departments to work and support the continuity of business. The decision came after the current situation was studied in detail to ensure that there were no negative effects or repercussions on various sectors.¹



Motivate Media Group's \$1m initiative to support SMEs in the UAE as they navigate the Covid-19 pandemic has received approval from the Dubai government's Department of Economic Development (DED). There will be 20 homegrown UAE SMEs who will receive upto \$50,000 free advertising space each across the media platforms of Motivate's titles including Gulf Business, What's On, Emirates Woman and Identity. The recent DED approval

now allows SMEs to nominate themselves for consideration to receive the support from Motivate.²

| DUBAI

Dubai announces new economic stimulus package worth AED1.5 billion. Under the directives of Vice President and Prime Minister of the UAE and Ruler of Dubai His Highness Sheikh Mohammed bin Rashid Al Maktoum, Dubai has launched its third stimulus package to ease the impact of the COVID-19 crisis on businesses. Worth AED1.5 billion, the new package raises the value of business incentives introduced by the emirate's government in the past few months to AED6.3 billion. The first stimulus package announced by the Dubai government was worth AED1.5 billion while the second was worth AED3.3 billion. Crown Prince and Chairman of The Executive Council of Dubai His Highness Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum emphasised the Government of Dubai's commitment to continue supporting all economic sectors in overcoming the repercussions of the COVID-19 pandemic.³

Jafza records 10.6% increase in retail, e-commerce business. Jebel Ali Free Zone, Jafza, has recently recorded 10.6 percent growth in the retail and e-commerce sector with a total trade value of AED37.6 billion despite the sudden challenges facing both regional and global economy. More than 1,000 companies from 96 countries play a pivotal role in Jafza's retail and general trading sector. Approximately 39 percent of these companies are from the Middle East, 30 percent from Asia, 15 percent from Europe, nine percent from North America, seven percent from Africa and one percent from Oceania. In total, they employ more than 10,000 personnel and operate across combined facilities that are nearly two million square metres.⁴

1 <https://www.mediaoffice.ae/en/news/2020/July/10-07/UAE-Cabinet-approves-amendments-on-ID-resolution>

2 <https://gulfbusiness.com/uae-smes-can-receive-upto-50000-free-advertising-support-from-motivate-media-group/>

3 <https://www.mediaoffice.ae/en/news/2020/July/11-07/Dubai-launches-a-third-economic-package-worth-one-and-a-half-billion-dirhams>

4 <https://www.wam.ae/en/details/1395302854802>

Emirates will be operating special repatriation flights to five Indian cities between 12th and 26th July to assist stranded Indians get home and for residents of UAE currently in India to return to the UAE.⁵



| ABU DHABI

Abu Dhabi Fund suspends debt repayment for beneficiary countries, companies. Abu Dhabi Fund for Development, ADFD, the leading national entity that supports sustainable economic development at home and abroad, has announced a significant initiative whereby it has decided to suspend debt service repayments during 2020 for eligible countries, as well as individual businesses, in the developing world upon request for forbearance. “The sole objective behind the decision is to help them weather the economic fallout of the COVID-19 pandemic,” ADFD said in a statement on Sunday. The initiative over the payment of instalments and interests that covers the period from January 1 to December 31, 2020 will be implemented by ADFD in accordance with the national law and internal procedures.⁶

Department of Economic Development regulates practice of business activities in Abu Dhabi. The Abu Dhabi Department of Economic Development (ADDED) has issued a new resolution regulating the practice of economic activities in the emirate. The resolution covers key activities, such as commercial, industrial,

occupational, professional, agricultural, and related services that are legally allowed and licensed to be practiced in Abu Dhabi’s economic sector.⁷

3% YoY rise in Abu Dhabi hotel occupancy in first week of July. The Department of Culture and Tourism – Abu Dhabi (DCT Abu Dhabi) today revealed signs of progress within the tourism sector as the emirate prepares to gradually open up to international travel. Hotel occupancy rates in Abu Dhabi have risen by 3% year-on-year since July 1 and are expected to rise further with the launch of a number of initiatives within the emirate aimed at boosting the sector.⁸

A new screening facility that provides Covid-19 test results has been launched on the border between Abu Dhabi and Dubai. Due to high demand for the laser-based DPI screening to enter Abu Dhabi, the Abu Dhabi Emergency, Crisis & Disasters Committee approved a new process in which the service provider will only offer screening based on pre-booked appointments.⁹

| SHARJAH

All Sharjah government employees must return to their offices starting July 19, the Sharjah Directorate of Human Resources said on Tuesday, July 14. The directive was issued by the Sharjah Executive Council with the aim to regularise operations at government establishments across the emirate. An exception will be made only for those with chronic diseases, and these claims too need to be supported by way of a medical report.¹⁰

The Sharjah Chamber of Commerce & Industry (SCCI) represented by the General Secretariat of Sharjah Excellence Award, recently organised a virtual meeting titled “COVID-19 repercussions on entrepreneurs and SMEs”. The meeting touched on the most important procedure taken by entrepreneurs and startups

5 <https://www.wam.ae/en/details/1395302854475>

6 <https://www.wam.ae/en/details/1395302854688>

7 <http://wam.ae/en/details/1395302855097>

8 <https://www.wam.ae/en/details/1395302854850>

9 <https://twitter.com/admediaoffice/status/1283489971354120201> // <https://twitter.com/admediaoffice/status/1283488627155181568>

10 <https://gulfbusiness.com/all-sharjah-government-employees-to-return-to-their-offices-from-july-19/>

to face COVID-19 repercussions and challenges and the current and future changes to this vital sector due to the global pandemic. The meeting concluded with a number of recommendations, including the need to develop an advanced mechanism for pensions in the private sector in light of the current circumstances, spreading job awareness and enhancing acquired skills, stressing the need to increase the share of SMEs in governmental procurements through a specialised digital platform.¹¹

11 <https://www.gulftoday.ae/business/2020/07/11/sci-holds-meeting-on-pandemic-repercussions-on-businesses-smes>
 12 <https://www.khaleejtimes.com/coronavirus-pandemic/some-umm-al-quwain-beaches-closed-until-further-notice-to-curb-coronavirus-spread--11>

| UMM AL QUWAIN

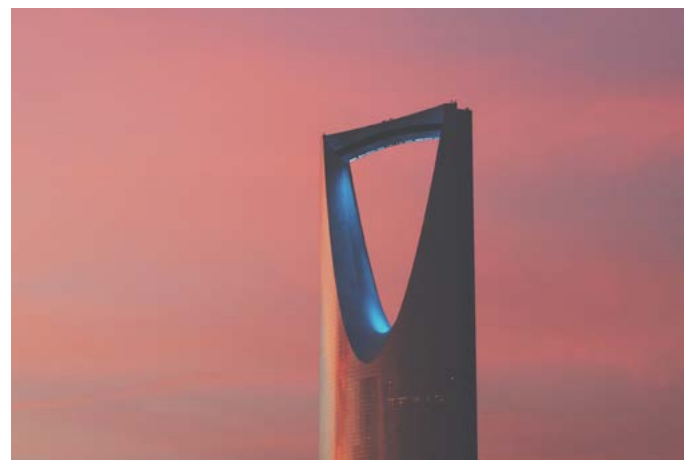
The Umm Al Quwain executive council on Friday issued a decision to completely close public beaches in the emirate from 12th July 2020 until further notice, except for the beaches of hotels and resorts. The decision has been taken in line with precautionary and preventive measures to protect and reduce gatherings to prevent the spread of the coronavirus.¹²

| KSA - COVID-19'S IMPACT, RESPONSE TO THE CRISIS AND STIMULUS PACKAGES

Saudi Arabia launches \$178m loan deferral plan for business. Saudi Arabia has launched a SR670 million (\$178 million) initiative to help businesses in the Kingdom defer loan installments due this year amid economic uncertainty caused by the COVID-19 pandemic. The Saudi Ministry of Finance's corporate sustainability program will ease loan requirements to support projects for 192 companies employing over 20,000 Saudis across different industries. The ministry launched the program to support the private sector and reduce the financial and economic impact of the pandemic.¹

Residence permits (iqamas) of expatriates benefiting from a recent royal decree will automatically be extended, the Directorate General of Passports (Jawazat) has said. Earlier this month, Custodian of the Two Holy Mosques King Salman ordered extending validity of expired exit and return visas for migrant workers abroad for another three months free of charge. The move came after those expatriates have been unable to return to the Kingdom over suspension of air travel due to the new coronavirus pandemic. Jawazat officials would coordinate with the National Information Center, an affiliate of the Interior Ministry, for the automatic extension of expatriates' residence permits without the need to apply.²

1 <https://www.arabnews.com/node/1704421/business-economy>
 2 <https://saudigazette.com.sa/article/595465/SAUDI-ARABIA/Jawazat-Automatic-extension-of-residence-permits>
 3 <https://saudigazette.com.sa/article/595424/SAUDI-ARABIA/Al-Sheikh-announces-resumption-of-entertainment-centers-activities-in-KSA>



Al-Sheikh announces resumption of entertainment centers activities in KSA. General Entertainment Authority (GEA) Chairman Turki Bin Abdulmohsen Al-Shiekh on Sunday, 12th July 2020, announced the resumption of entertainment centers activities in the Kingdom. The announcement followed the publication, on its accounts in the social media, of the authority's guide for the resumption of entertainment activities, stipulating the conditions of practicing the activities to achieve safety of visitors from arrival to departure, including movement among the venues, distancing and capacity of the place.³



KUWAIT - COVID-19'S IMPACT, RESPONSE TO THE CRISIS AND STIMULUS PACKAGES

Kuwait to resume Friday prayers in mosques this week. Kuwait's Ministry of Awqaf and Islamic Affairs has decided to lift a four-month ban on Friday prayers at mosques this week after taking all necessary measures to prevent the spread of coronavirus.¹

¹ <https://saudigazette.com.sa/article/595500/World/Mena/Kuwait-to-resume-Friday-prayers-in-mosques-this-week>
² <https://gulfbusiness.com/covid-19-kuwait-lifts-lockdown-areas-except-farwaniya/>

Kuwait lifts lockdown in all areas except Farwaniya. Movement restrictions in the two districts of Mahboula and Jleeb Al-Shuyoukh were imposed on April 6.²



BAHRAIN - COVID-19'S IMPACT, RESPONSE TO THE CRISIS AND STIMULUS PACKAGES



Bahrain will add 177 million dinars (\$470 million) to its 2020 state budget in emergency expenditures arising from fighting the new coronavirus pandemic, state news agency

¹ <https://www.arabnews.com/node/1704171/middle-east>
² <https://gulfbusiness.com/world/gulf/bahrain/covid-19-passengers-coming-to-bahrain-must-pay-bd30-for-coronavirus-test-1.72565215>

BNA said on Monday, citing a royal decree. To this end, \$450 million will be taken as a one-time deduction from the Future Generations Fund (FGF), a fund set up in 2006 to reinvest hydrocarbon revenues, and allocated to this year's state budget, another new decree said. The decrees also announced a temporary halt to the allocation of oil revenues to the FGF until the end of 2020.¹

Passengers coming to Bahrain must pay BD30 for coronavirus test. The Bahraini Ministry of Health affirmed that all travellers coming to the kingdom of Bahrain through Bahrain International Airport starting from 12 midnight on Tuesday, July 21, must undergo a laboratory test when they arrive at the airport at their expense at a cost of 30 Bahraini dinars (approx \$80).²

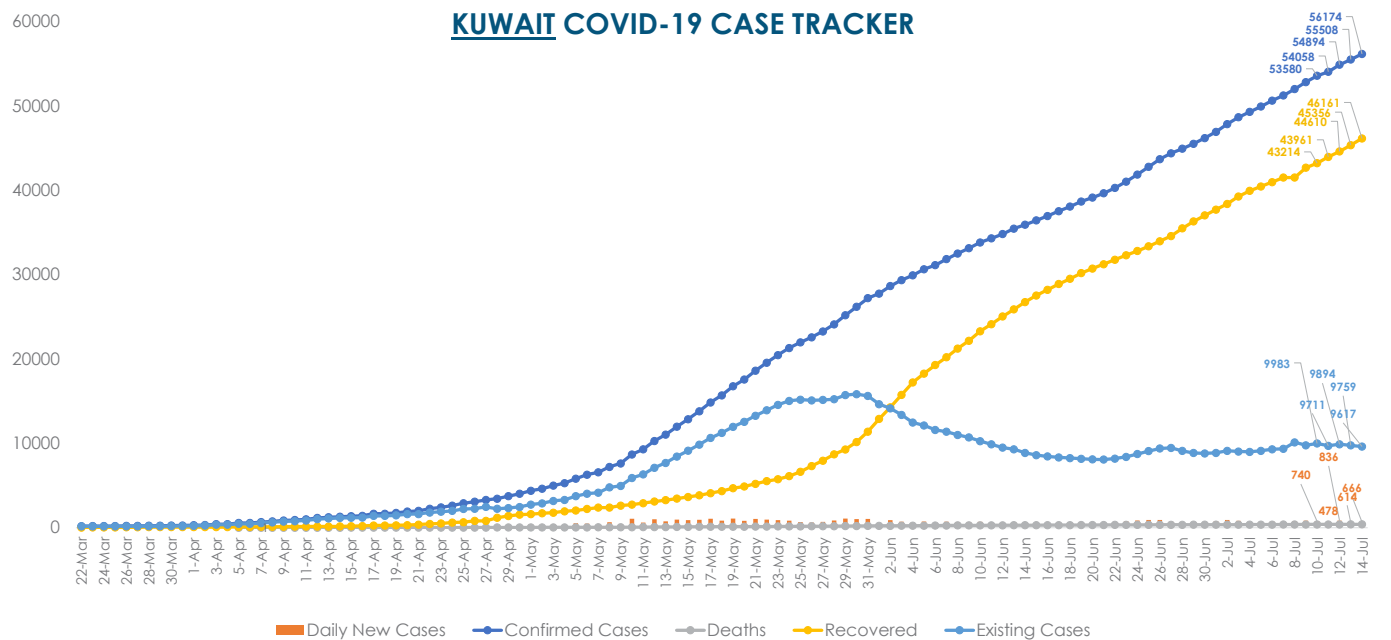
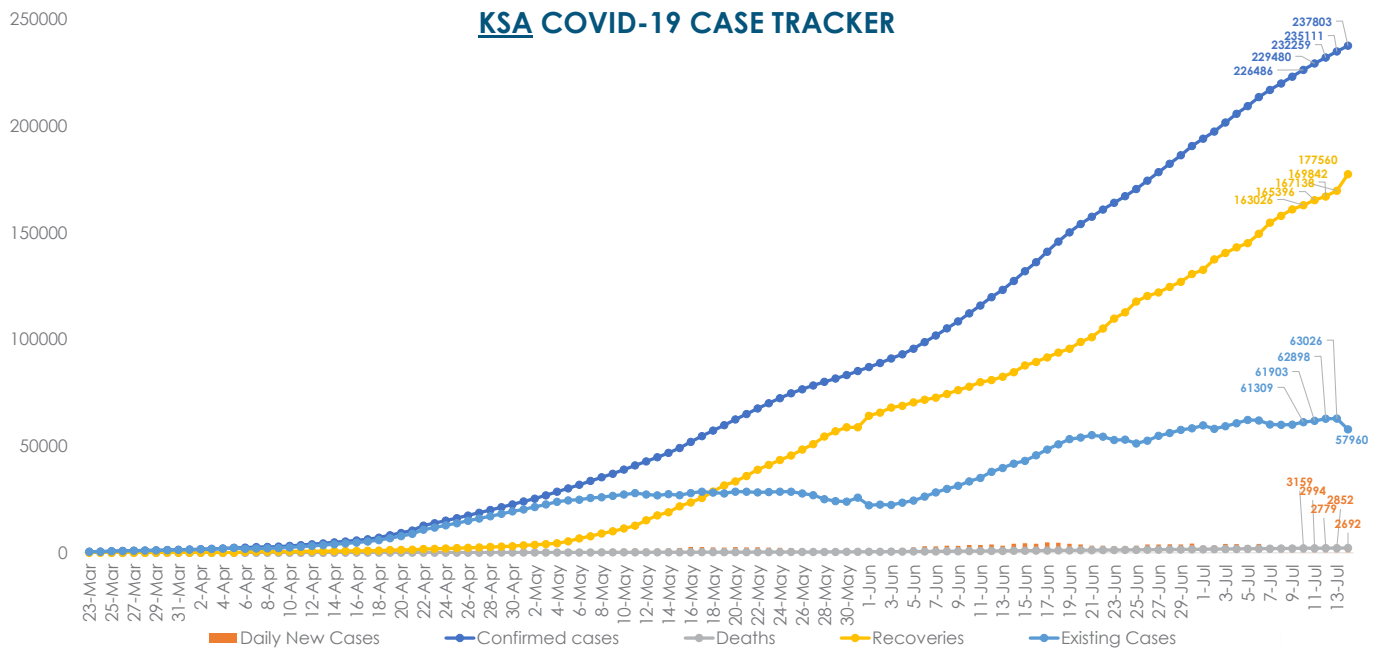
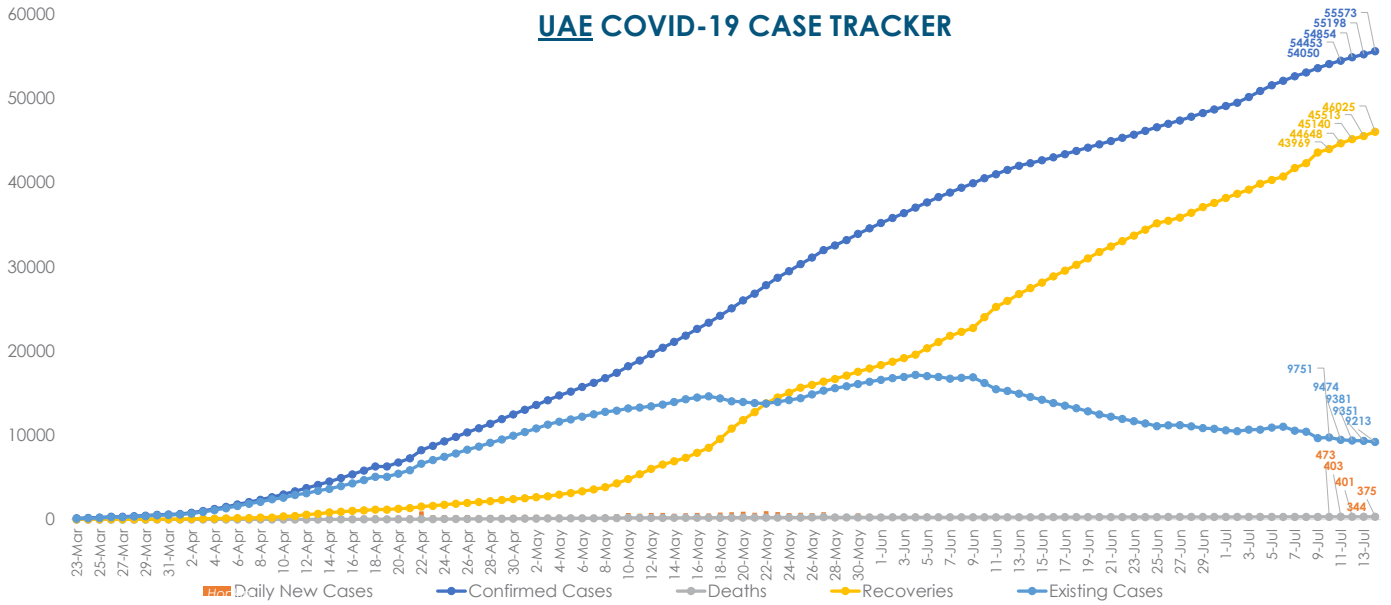


OMAN - COVID-19'S IMPACT, RESPONSE TO THE CRISIS AND STIMULUS PACKAGES

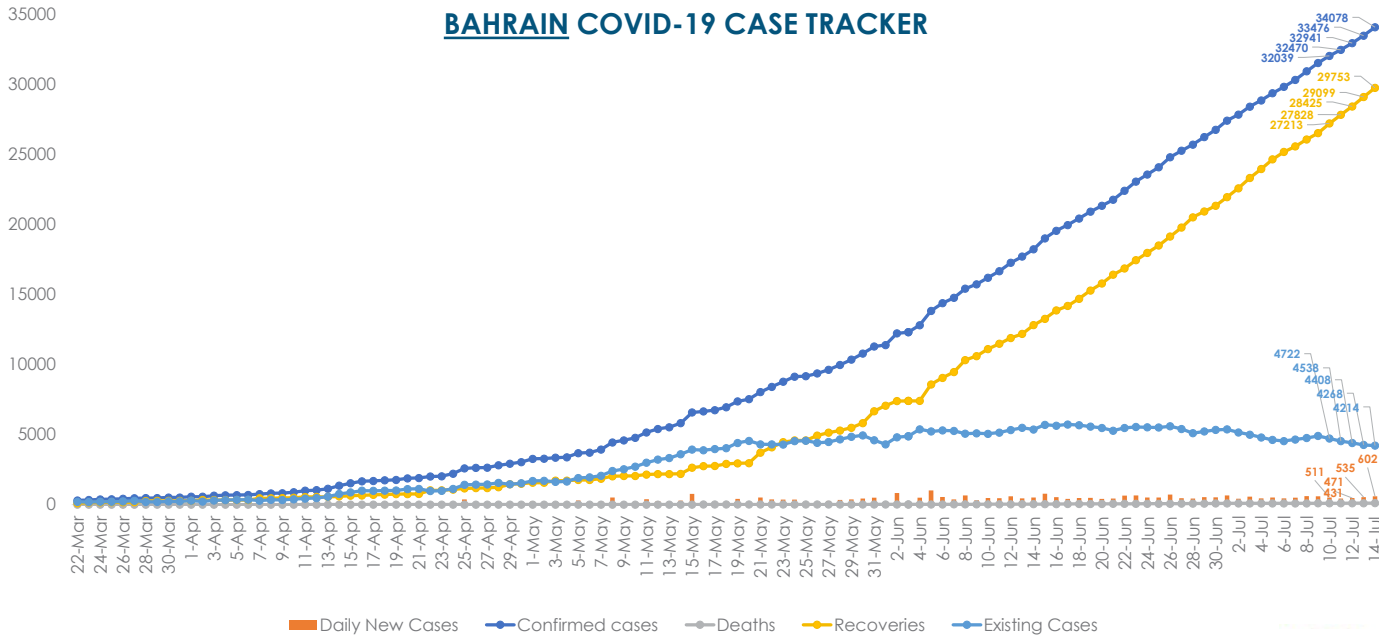
Oman said it will operate 17 repatriation flights in July to multiple destinations as part of its efforts to return expats to their home countries amid the coronavirus pandemic. The foreign nationals will leave between July 14 to 18. The destinations of the flights are India, Pakistan, Egypt, Germany and Greece.¹

¹ <https://www.arabnews.com/node/1704496/middle-east>
² <https://gulfbusiness.com/omans-dhofar-masirah-remain-closed-due-covid-19/>

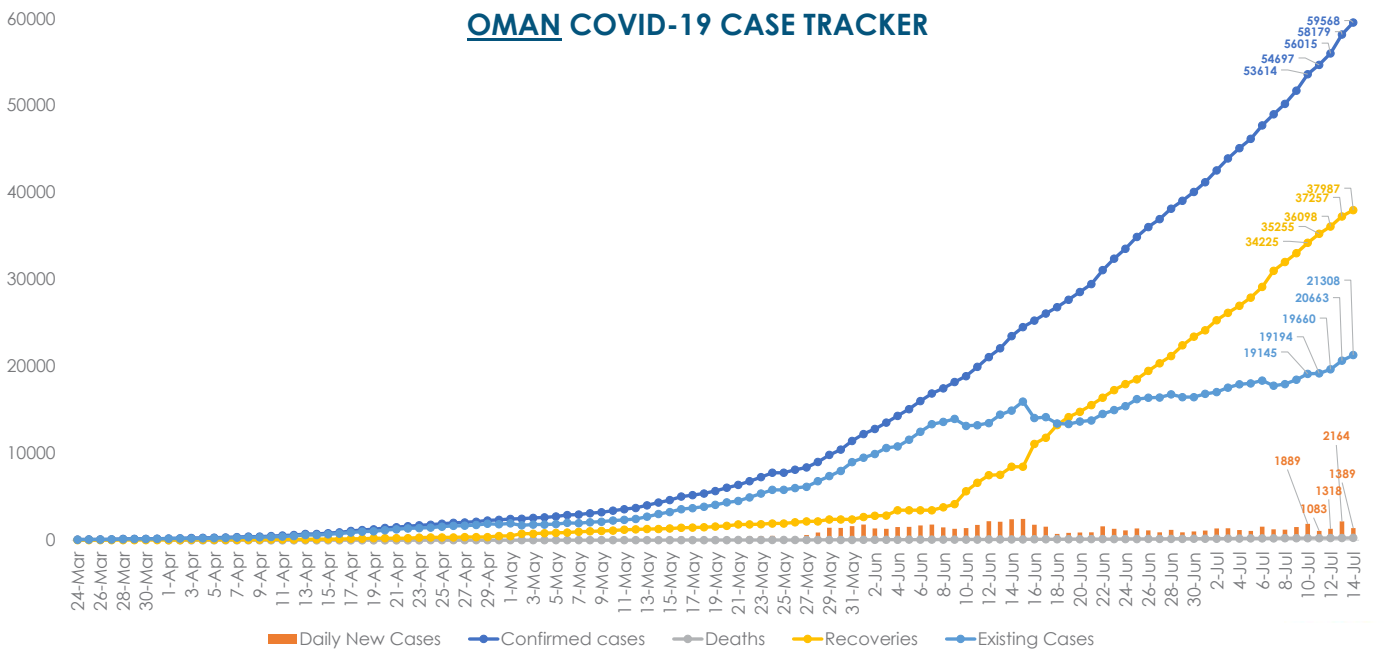
The Dhofar governorate as well as Masirah are to remain closed until further notice, the Supreme Committee dealing with Covid-19 has announced on Tuesday. Those Omani nationals who have requested to travel abroad during this time have been granted permission, Times of Oman reported. However, they must agree to return once their reason for travelling overseas are met.²



BAHRAIN COVID-19 CASE TRACKER



OMAN COVID-19 CASE TRACKER



QATAR COVID-19 CASE TRACKER

