

Economic Environment and Scope for Indian CAs in Qatar, Kuwait, Oman and UAE¹



Professional opportunities are on the rise due to globalisation of businesses. In accountancy particularly, India is embracing Indian Accounting Standards converged with IFRS, and therefore it is time for the Indian chartered accountants to explore the possibility of opportunities abroad. For some decades in the past, Indian accounting professionals are in high demand in the foreign land especially in the gulf region, apart from the West Asian nations, Australia and Singapore. Nearly 50 per cent of the chartered accountants working in the Gulf nations are Indians. In the years to come, this demand will grow further. With a strong presence of more than 235,000 members and 850,000 students, Indian accountancy professionals are bound to get a better share of world's professional workforce.

Outsourcing in IT sector is a *passé* now—that in accountancy is the next big thing, where Indian chartered accountants having the right mix of competence and attitude are going to gain. All they need now is to improve their quotient on global accounting procedures, knowledge of accounting software skills in using tax return software, and so on. Some of the services that are likely to be outsourced are business accounting, maintenance of books and records, asset accounting management, financial analysis, bank reconciliations, payroll management and financial research and investigations. Technological upgrade of Indian chartered accountants has opened up new avenues for them, as many multinational companies are willing to hire

their services and of Indian corporations, since it is now widely accepted that Indian professionals have an inherent ability to adapt to any situation and work efficiently.

ICAI currently has 27 Chapters abroad that promote Brand Indian CA ahead of similarly placed qualifications and act as a gateway to promote career opportunities for the Indian chartered accountants. These also aim to help them professionally under their aegis and promote member-to-member networking. Global Career e-kits on many countries where we have a Chapter have been developed for the benefit of our membership community. Since nearly 60 per cent of Indian CA professionals are in the age group below 40, they are ready to experiment in terms of their profile and workplace. They are both willing and capable of using the technology, possess a strong urge to succeed on fast-track, willing to work with people with complementary skills and having a desire to work in niche areas.

To provide assistance to the ICAI members who intend to work abroad, the ICAI has prepared e-kits for some countries to provide a panoramic informational view of those countries to them, which briefly addresses their concerns and queries especially in a situation when they are on a lookout for professional opportunities abroad, i.e. to take up an employment or set up professional firm/business. This article is based on relevant information contained in the Global Career e-kits for a larger section of professional fraternity.

¹ Contributed by Editorial Board Secretariat of ICAI with inputs from Global Career e-Kits of ICAI

Opportunities in Qatar

About The Country

General Information about Qatar

Qatar (pronounced ka-tar), officially called the State of Qatar, is located in the Middle East on the Qatar Peninsula. Qatar is a peninsula of 11,521 sq. km located halfway down the west coast of the Arabian Gulf that roughly stretches 160 kilometers north into the Arabian Gulf from the Arabian Peninsula. The breadth of this land ranges between 55 to 90 km. and its texture is flat and rocky. Some notable features found in this area are elevated limestone formation, coastal salt pans and huge sand dunes covering Khawr al Udayd. It is characterised by a variety of geographical phenomena including many coves, inlets, depressions and surface rainwater-draining basins known as riyadh (the gardens), which are found mainly in the north and central part of the peninsula. These areas have the most fertile soil and are rich in vegetation. Its territory comprises a number of islands including Halul, Sheraouh, Al Beshairiya, Al- Safliya (which are marine protected) & Al-Ashat and others.



Of the islands, Halul Island of Qatar is the most important, and lies to 90 km. east of Doha. To the South, Qatar shares its only Land Border with Saudi Arabia. Qatar is generally flat, and the highest point in Qatar is Tuwayyir al Hamir at 338 feet (103 m).

Demographic Details

Climate: Qatar has a moderate desert climate with long hot summers and short mild winters. Qatar's capital and largest city Doha has an average July

high temperature of 106.7°F (41.2°C), winter nights can be cool, temperatures rarely drop below 7°C. Humid levels are extremely high on the coast during the summer months. Rainfall is scarce (avg. 70mm per year), falling on isolated days mainly between October & March.

Ruler and Government: Qatar is an absolute monarchy ruled by an Emir. The present Emir of Qatar is HH Sheik Tamim bin Hamad Al Thani, who became Emir on 25th June 2013. The former Emir HH Sheik Hamad bin Khalifa Al Thani, voluntarily abdicated in favour of his son and heir apparent, and ensured a peaceful transition to the next generation.

The system of government in Qatar is based on the separation and collaboration of powers. The executive authority is vested in the Emir and the Heir Apparent, who are assisted by the Council of Ministers as specified by the Constitution, while the legislative authority is vested in the Advisory Council.

Population: Qatar has an estimated population (year 2014) of 2,272,996 (an increase from 2013 estimate of 2,035,000), making it the 138th most populous country on earth. The population has tripled in the decade up to 2011 with Qatar nationals making up less than 15% of the total population and with Asian population contributing to more than 50% including Indian, Nepal, Filipino, Bangladesh and Srilanka. As per Projections, population in Qatar would reach 2.8 million by 2020. (source: <http://worldpopulationreview.com/>)

Language and Religion: The official language of the country is Arabic, but English is widely spoken and understood. All official documents like visa and resident permit application must be completed in Arabic. Islam is the official religion of the country and Sharia Islamic law is the principle source of legislation.

Currency: The official currency is the Qatari Riyal (QR), which is divided into 100 dirhams. The Exchange parity has been set at the fixed rate of US \$ = 3.65QR's



Major Customs & Traditions: Most of the Qatari Local people have settled in cities and towns and have jobs in industry or with Government. Most families live in individual houses called Villas. The government provides housing for all citizens who need it. Private companies or government agencies that hire foreign workers also provide them with housing.



Hospitality is an important feature of Qatari life. Most Qataris receive male guests at home in a majlis (reception area). Traditionally, according to Bedouin custom, guests were seated on the floor on large cushions (as shown above). Nowadays, however, the majlis usually has sofas and chairs. Men and women rarely socialize together. Women receive their friends in a separate part of the house

Most Qatari women, especially older ones, wear the thoub, a long black coat, which covers the entire body, and a hejab, a black head covering through which only the eyes, nose and mouth are visible. Despite these restrictions, Qatari women are permitted to drive cars. They are also eager to become more educated and compete with men in different professions. Today, there are considerably more female than male students attending Qatar University.

Economic Environment

Economy of Qatar

Qatar is known for its wealth of oil and natural gas and has one of the world's fastest growing economies with the world's highest per capita GDP.

Its economic policy is mainly focused on developing its natural gas reserves but other major industries in the country include liquefied natural gas, crude oil production and refining, ammonia, fertilisers, petrochemicals, the manufacture of steel reinforcing bars, cement and commercial ship repair.

Qatar is endowed with 25 billion barrels of proven oil reserves and the world's third-largest natural gas

reserves. Oil and gas account for about 85 per cent of export revenues and more than 50 per cent of GDP. Qatar has permitted extensive foreign investment in its natural gas industry and in 2007, became the world's largest exporter of liquefied natural gas. With one of the world's highest per capita incomes and almost no poverty,

Agriculture does not play a large role in Qatar's economy because the country is mostly arid, but there are a few fruit and vegetable crops. Poultry, dairy products, beef and fish are also a part of the country's economy.

The rule of law has to be solidly respected. A well-functioning legal framework is in place. The labour force consists primarily of expatriate workers, and immigration and employment rules are relatively flexible. The government does not mandate a minimum wage.

The Qatar Financial Centre, opened in 2005, has attracted major financial firms and rivals from other regional financial hubs.

Qatar Vision 2030

By 2030, Qatar aims to be an advanced society capable of sustaining its development and providing a high standard of living for its entire people. Qatar's National Vision defines the long-term outcomes for the country and provides a framework within which national strategies and implementation plans can be developed.

The QNV 2030 was approved by Emiri Decision (44) for the year 2008.



Qatar National Vision 2030(QNV 2030) addresses five major challenges which are as given below:

- Modernisation and preservation of traditions
- Needs of this generation and the needs of future generations
- Managed growth and uncontrolled expansion
- Size and the quality of the expatriate labour force and the selected path of development

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- Economic growth, social development and environmental management.

QNV 2030 emphasised on four pillars of development viz., Human development, Social development, Economic development and Environmental development.

- **Human Development:** Development of its entire people to enable them to sustain a prosperous society.
- **Social Development:** Development of a just and caring society based on high moral standards, and capable of playing a significant role in global partnerships for development.
- **Economic Development:** Development of competitive and diversified economy capable of meeting the needs of, and securing a high standard of living for all its people, both for the present and for the future
- **Environmental Development:** Management of the environment such that there is harmony between economic growth, social development and environmental protection.

Source: Qatar General Secretary for Development Planning>What We Do> Qatar National Vision 2030

Taxation: People working in Qatar enjoy tax-free salaries. Income Tax is levied on all foreign businesses operating in Qatar, whether the business is considered a natural person or a legal entity. The corporate tax rate for foreign-owned companies, as of January 1, 2010, is a flat rate of 10 per cent, which replaces a previous progressive rate. The flat rate applies to business revenues only, not those of individuals.

Normal business expenses are deductible. Losses may be carried forward to a maximum of three years. Individuals—either natural persons or corporate entities—are taxed on the taxable income derived from the State during the previous taxation year. Income from natural resources and gross income are

subject to tax under a double taxation agreement. Rental incomes and capital gains from business activity are taxed at the 10 per cent flat rate. Capital gains not related to businesses are exempt.

Employment in Qatar

Employment and immigration laws constitute a significant concern for new and established entrants to Qatar, both for employers and employees alike. Employment in Qatar is primarily governed by the Labour Law (Law No. 14 of 2004) and a series of related Ministerial Resolutions, but must be read in conjunction with the 'sponsorship' and immigration laws, which are largely set out in Law No. (4) of 2009 (Regulating the Entry, Exit, Residence & Sponsorship of Foreigners (the "Sponsorship Law").

Salaries: The salary structure is different for different employee depending upon the employee's qualification, experience; skill sets required, type of industry and company in which one is employed. Generally, employment contracts are reviewed after initial probation period which extends up to six months and their salary is revised accordingly.

Employment Regulation: Sponsorship

With the exception of some short-term visas (such as tourist visas), every non-GCC national who wishes to reside and work in Qatar must have a work visa and a sponsor. The Sponsor is generally the individual's employer. Residency will be obtained subject to medical checks and fingerprinting. The sponsor has control over the individual's movements. The individual will not be permitted to leave the State unless he or she has an exit visa from their sponsor. Standing (or multiple) exit visas may be granted. Exit Permits is not required for women sponsored by their husbands, minors and male visitors whose visit do not exceed thirty days. It is illegal to work for anyone other than your sponsor, unless under a formal (and registered) short-term secondment arrangement.

Latest Update: Qatar set to reform sponsorship system

A major revision of the current sponsorship laws and current exit permit system is on the anvil. The current laws which require employers' consent for an employee to leave the country, has now been proposed to be replaced with an automated system that would now require only the consent of the Ministry of Interior, rather than the consent of the



sponsor. This major revision of the law is expected to be in place by the end of 2015.

The amendments will impact "all" migrant workers only after it is approved by the government after going through its "legislative cycle". Apart from the "renaming" of the "*Kafala*" law and dropping the word "sponsorship" from it, the major changes proposed in the new labour law, are:

- modifications to the exit permit system whereby employers' "consent" would no longer be required and;
- the no-objection certificate (NOC), presently required by a worker when he switches jobs, would now be governed strictly by an "employment contract system".

Although the exit permit would no longer be in the hand of employers, the employee should notify the employer of his intention to exit the country. Moreover, the employer would no longer be financially liable for their employee after the new law comes into effect. Any financial obligations incurred by the employee while in Qatar will be governed by the state's Civil and Commercial Law.

The NOC that regulates the transfer of employees to different employers would be replaced with an "employment contract system", which would allow workers on "fixed-term" contracts to transfer to another employer at the end of that term. If the employment contract of a worker is "indefinite", the employee can switch jobs to another employer after five years from the date of the contract.

A model employment contract would be distributed by the government that would contain the new terms and conditions contained in the laws. Employers would be able to add conditions to the model contract as long as they were consistent with the new law. All existing contracts would remain valid until employers bring them in line with the new model contract within a one year grace period "from the time the new law goes into effect".

The officials stressed that the proposed amended law would have to first go through its "normal legislative cycle", including evaluation by its legislative branch, the Shura Council and financial entities such as the Qatar Chamber before it was referred back to the government for a final approval.

Employment Contracts: Employment contracts are subject to and must confirm to the requirements of the Labour Law. This imposes certain minimum standards, which cannot be contracted out of. In particular, the

contract (which must be in Arabic and registered with the Ministry of Labour) will provide for end of service benefits after a year's continuous service.



Opening a Bank Account: A bank account can be opened by the employee after all the residency formalities have been completed. However, as credit facilities are extended to the employee based on their salary, the banks generally insist on receiving a letter of guarantee from the employer under which all the terminal benefits and payments due to the employee will be paid to the bank in case the employee leaves service. In case the employee who has availed credit facilities intends to take up another employment in Qatar, he/she has to discuss the matter with the bank and enter into an arrangement to either close the loan or undertake to continue servicing it during the new employment. A cancellation of the resident visa without the bank's approval can have serious implications.

Professional Practice in Qatar

Applications to get entry in the records of Chartered Accountants should be submitted to the Department of Commerce, Ministry of Economy and Trade in the form prepared for this purpose along with the supporting documents, the Committee shall notify the applicant about the decision of acceptance or rejection, the notification must include the reasons for rejection, and those who refuse may appeal against the decision of the Commission to the Minister of Economy and Commerce and the decision of the Minister to decide on the appeal shall be final.

In case of acceptance of application for registration the applicant in this case whether an individual or a company would be provided a license approved by

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Department of commercial affairs at the Ministry of Economy and Trade, including name, address, nationality, number and date of registration in the Register and the duration of the license and the type of registration.

For the renewal of registration in the records of Chartered Accountants, it should be applied within three months before the expiry date of registration with the payment of renewal fees, the non-working Chartered Accountants will be accepted from the renewal of application.

Schooling: The education system in Qatar at all levels are directed and controlled by The Supreme Education Council and the Ministry of Education. The primary school is obligatory for every child and is free in Arabic Medium public schools. Education in Qatar is very diverse with comprehensive range of government and private schools from different countries to cater to the multi-cultural diversity of its population. The schools offer national and international curricula like the Indian, British, American, *etc.* While the Indian School starts their term in April, most English speaking schools start their term in September. All schools in Qatar are closed in July and August. There is a wide variation in the fees depending on school type, curriculum and facilities.

Schools offering Indian Curriculum (CBSE) are MES School, Birla Public School, Delhi Public School Ideal Indian School, Doha Modern Indian School Shantiniketan Indian School, Rajagiri Public School. In addition a few new schools are slated to open doors in September 2014.

University Education

Also, several prestigious universities around the world have satellite campuses in the country in Education City or in the city of Doha.

Qatar Foundation for Education, Science and Community Development is a private, chartered, non-profit organisation in the state of Qatar, founded in 1995. Under Qatar Foundation's umbrella are Education City which comprises several foreign universities, academic and training programs, and Qatar Science and Technology Park.

Qatar Foundation launched the World Innovation Summit for Education—WISE—an annual global forum that brings together education stakeholders, opinion leaders and decision makers from all over the world to discuss educational issues.

Visa Requirements

There are a variety of different visas and permits obtainable in Qatar, dependent on the individual's status. Non-Qatari workers may not be employed unless they hold a valid work permit. Work permits are obtained from the Department of Labour after fulfilling various immigration formalities with the Ministry of Interior, including production of a local employment contract and meeting the following conditions:

- The non-availability of a qualified Qatari worker registered in the registers of the Department to carry out the work in respect of which the work permit is applied for
- The non-Qatari applying for the work permit shall be in possession of a residence permit
- The non-Qatari national shall be medically fit.

Other types of visa available are:

Tourist Visa: Residents of the 33 approved countries may obtain a one-month Tourist Visa upon arrival. The visa can also be issued online instantly. It is valid for one month and cannot be extended. Travelers from countries outside the list may obtain a Tourist Visa through Qatari embassies abroad or through booking with a hotel in Qatar.

Joint Tourist Visa: Residents of the 33 approved countries may opt for a Joint Tourist Visa upon arrival that will allow them to travel freely between Qatar and Oman. This one-month visa can be issued online, and is extendable for another month.

Business Visas: Business visas allow non-Qataris to conduct business and work in the country on a temporary basis. There are two types of business visas – one that can be issued upon arrival while the other requires application ahead of time. Those who wish to embark on a short business trip may opt for the 72-hours business visa, which can be issued upon arrival. The visa is extendable for another 72 hours. Applicants are required to carry proper documentation proving the purpose of their trip. Longer business visas are available for new expatriate workers and persons conducting short-term contractual work in Qatar. The visa is valid for a maximum of three months, and must be arranged in advance by an approved company or institution operating in Qatar.

GCC Resident Visit Visa: GCC residents of approved professions may obtain a one-month visa upon arrival. The visa is renewable for an additional two months. Applicants should carry proper documentation proving their profession.

Family Visit Visa: Expatriate workers may bring their family members to Qatar on a Family Visit Visa. The visa is valid for one month, and can be extended for up to six months for immediate family members and three months for other relatives. Visa holders who wish to apply for an extension must undergo a medical check.

Seamen and truck drivers passing through Qatar are required to carry appropriate transit visas, some of which can be issued online.

Indian Embassy in Qatar

Ambassador of India: Mr. Sanjiv Arora

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Weekend: Friday and Saturday

Emergency Helpline: +974 3345 1607 (For Labour and Death cases)

About The ICAI Chapter

The Institute of Chartered Accountant of India's Doha Chapter was established in the year 1981 and is the oldest among the 27 overseas Chapters of the ICAI. The membership of the Chapter has grown steadily since its founding days and presently has over 300 members who hold key positions in various private and public companies and are actively involved in support and development of the accounting profession in Qatar.

The Chapter is actively involved in enhancing and updating the professional knowledge of its members and to meet this objective, periodically organizes professional lectures and seminars. The Chapter also assists the Qatari nationals and institutions to develop matters relating to accountancy, auditing and allied subjects of professional interest. The Chapter is affiliated to the Indian Cultural Center under the aegis

of the Indian Embassy in Qatar. The day to day affairs of the Chapter are managed through its Constitution and by an elected eight member executive committee headed by a Chairman.

Mission and Vision

- To carry on activities for the extension of knowledge in the field of accountancy, auditing and allied subjects of professional interest;
- To help in better equipping members of the Chapter and other professionals in the discharge of their obligations;
- To spread education in matters relating to accountancy, auditing and allied subjects of professional interest;
- To carry out directives, policies, guidelines and initiatives of the Institute;
- To assist the Qatari nationals and institutions to develop matters relating to accountancy, auditing and allied subjects of professional interest; and
- Generally to do all acts and undertake all activities necessary, conducive, incidental or ancillary to attain the above mentioned objects and are in the interest of the members of the Chapter and profession in general.
- Conduct social, cultural and sports events for the participation of members.

Activities of the Chapter

- **Professional Seminars:** The Chapter organizes monthly seminars in line with CPE (Continuous Professional Education) requirements of ICAI, covering latest developments & global practices in the areas of Accounts, Finance, and Audit & Taxation and other subjects of professional interest by eminent speakers. The highlight of the annual events calendar is an International Conference, for which speakers of high repute present on a number of topics of professional interest. The International Conference is attended by members of the chapter as well as members of sister professional bodies in Qatar and members & dignitaries from the GCC (Gulf Cooperation Council) region.
- **Social Events:** The Chapter also organises social and cultural activities for members and their families. This gives them a social networking platform. There is an annual Family Day event which is organised around December – January of each year as well as an annual Cricket Fiesta which takes place around March – April of each year.

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- Examination: The chapter facilitates the conduct of CPT examination in Doha for students desirous of taking up CA Profession as a career choice.

Opportunities in Kuwait

About the Country

Kuwait is an Arab country, situated in the northeastern edge of the Arabian Peninsula at the tip of the Persian Gulf, and shares borders with Iraq to the north and Saudi Arabia to the south. The country covers an area of 17,820 square kilometers and the population of the country was 3,965,022 as of January 1, 2014, of which 1,242,490 was Kuwaiti nationals.



Kuwait gained independence from the United Kingdom in 1961. Kuwait is a Constitutional Hereditary Emirate with a Parliamentary system of government. Kuwait City serves as the country's political and economic capital. The country has the world's fourth largest oil reserves. Kuwait is the fifth richest country in the world in terms of per capita income. Kuwait is classified as a High income economy by the World Bank and is designated as a Major non- NATO ally of the United States.

Attractions

Sharq has a place where many important spots including Masjid Al Kabeer, Parliament, Babtain Library, Seif Palace, Maritime Museum, Souk Sharq, Kuwait Tower, Al Hamra Tower, Dasman Palace etc. Souk Sharq is alongside Masjid Al Kabeer. Souk in Arabic means market and thereby this term means Sharq Market. Shopping in Kuwait is interesting with easy availability of almost all international brands.

Masjid Al Kabeer is the biggest masjid in Kuwait and also called as Grand Mosque. It is embedded with largest pillars and one tall minaret. Maritime museum, which is located opposite to Souk Sharq, is also an attraction point. Kuwait Tower was once attacked by Iraqi army during the invasion. These twin Towers seem to be sparkling in the sun. The plates on the globes of the Towers make the Towers so. Al Hamra Tower, the tallest building in Kuwait, is fully visible from the frontage of Kuwait Tower. This building is very attractive and it has got different looks from different angles.



Outside Kuwait City there are few attractions, development of the historical island of Failaka island which is still in the planning stage. That said, there is always something to see in a desert, with a bit of patience and an eye for detail; when it comes to the ritual camping expedition, Kuwaiti people seem to have plenty of both.



In Kuwait, Kuwait Racing Club organises Camel racing which is popular attraction for Kuwaitis and expatriates. Other attractions are Hawally park, Maritime Museum, Friday market, Ice skating ring, The Scientific Centre and Liberation Tower.

Kuwait has giant malls like Avenues Mall, 360 Mall, Al Kout Mall, Marina Mall, etc. where the food lovers and fashion lovers have better time.

Demographic Details

Climate

The spring season in March is warm and pleasant with occasional thunderstorms. The frequent winds from the northwest are cold in winter and spring and hot in summer. Southeasterly winds, usually hot and damp, spring up between July and October; hot and dry south winds prevail in spring and early summer. The shamal, a north westerly wind common during June and July, causes dramatic sandstorms. The temperature in Kuwait during summer is above 25 (77 F). The highest recorded temperature was 54.4 (129.9 F) which is the highest in any Middle Eastern country.

Language

Kuwait's official language is Arabic; however, English is widely understood and often used as a business language. Other languages spoken by the large expatriate community are Urdu, Hindi, Malayam, Bengali, Tagalog (Filipino), Persian, Punjabi, Pushto, etc.

Religion

The majority of Kuwait's citizen population is Muslim. Kuwait has a native Christian community; in 1999 there were 400 Christian Kuwaiti citizens. There were 256 Christian Kuwaiti citizens living in Kuwait in June 2013. Kuwait also has a large community of expatriate community with different religions.



The Grand Mosque

Other Useful Information

The local currency is the Kuwaiti Dinar ("KD") which is freely convertible and KD 1 equates to US\$

3.53 or INR 210 approx as of date. Money can easily be changed at multiple exchange houses.

ATMs are acceptable at malls, petrol stations, supermarkets and market places. Credit cards are widely accepted.

Healthcare in Kuwait is excellent and there are no special immunisation requirements to enter but a good insurance cover is recommended. Driving in Kuwait is on the right. Visitors with international license can hire a car but should be mindful of steep fines for exceeding speed limits.

For more information, visit: <http://www.e.gov.kw/sites/KgoEnglish/portal/Pages/PortalMain.aspx>.

Economic Environment

Kuwait has a GDP (PPP) of US\$167.9 billion and a per capita income of US\$ 81,800, making it the 5th richest country in the world, per capita. Petroleum products, and financial services are major export commodities. Kuwait imports a wide range of products ranging from food products and textiles to machinery. Kuwait's most important trading partners are Japan, United States, India, South Korea, Singapore, China, the European Union, and Saudi Arabia. Japan is the largest customer of Kuwaiti oil followed by India, Singapore and South Korea. Kuwait City is ranked as one among the 25 largest cities in the world (by GDP).



The government is keen on decreasing Kuwait's dependence on oil to fuel its economy by transforming it into a regional trading and tourism hub. The planned US\$77 billion Madinat al-Hareer (City of Silk) is the largest real estate development project in the Middle East. The Central Bank issues Kuwait's currency, the Kuwaiti Dinars ("KD"). As of date, the KD is the highest valued currency in the world.

In the early 1980s, Kuwait experienced a major economic crisis after the Souk Al-Manakh stock

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market crash. However, the crisis was short-lived as Kuwait's oil production increased steadily to fill the gap caused by decrease in Iraq's and Iran's oil production due to the Iran–Iraq War.

Employment and Opportunities

Undeterred by the global economic slowdown, the economy of Kuwait, one of the most prosperous and vibrant economies in the Middle East, has continued to perform strongly over the past years. The relatively high oil prices coupled with robust domestic demand maintained the stability of the local economy and boosted investor confidence, which hit rock bottom elsewhere in the world.



Water Towers on Seafront

Due to its strong economy, working in Kuwait can be a lucrative option. However, only those with special technical skills (such as CA) may indeed be able to establish a business/receive a generous salary when working in Kuwait.

The economy relies mostly on income from natural resources like petroleum, with the petrochemical industry offering plenty of business and employment options for those working in Kuwait. At the same time, the importance of other sectors like real estate, financial services, and construction is increasing.

Many large corporations and international companies have their presence in Kuwait. Expats with specialized knowledge and good language skills often find work with these companies.

Useful Business Information

Kuwait Stock Exchange (KSE)

The stock market in Kuwait is regulated by four bodies: the KSE, the Ministry of Commerce and Industry, the Ministry of Finance and the Capital Market Authority. The KSE is also among the first and largest stock exchanges in the Persian Gulf region, and has gaining prominence as one of the most potentially important in the world. For more information visit www.kuwaitse.com



Central Bank of Kuwait (CBK)

The CBK was established in 30th June 1969 to offer a flexible currency system on behalf of the Kuwait. Salem Abdulaziz Al Sabah served as the governor of the bank until February 2012. The governor of the CB Khas quit after more than 25 years in his post amid apparent disagreements with the government's spending policies. Mohammad Al Hashel succeeded Sabah as governor in March 2012. For more information, visit <http://www.cbk.gov.kw>



Capital Market Authority (CMA)

The Capital Markets Law was enacted as a result of the Government of Kuwait's initiative to implement significant capital market reforms including the establishment of the Capital Markets Authority, and deployment of sound regulatory and supervisory framework. It was believed that a poorly regulated capital market environment was one of the main reasons for capital flight and greater use by local residents of financial services offered abroad. Prior to the enactment of the law, there existed fragmented regulations between the Kuwait Stock Exchange (KSE), the Central Bank of Kuwait (CBK) and the Ministry of Commerce and Industry (MOCI) governing Capital Markets.

The KSE was a self regulating body. There were hardly any regulations dealing with insider trading, take overs and minority shareholder protection. The Stock Market was segmented with trading and capitalization concentrated on few stocks. The IMF country report on Financial System Stability Assessment of January 2004, recommended the creation of a single, independent, and accountable capital market regulatory agency to address the risks associated with inadequately regulated market activities.

It was believed that a single, comprehensive, piece of legislation that provided adequate regulatory and supervisory framework would foster greater domestic financial development.

The explanatory memorandum to the Capital Markets Law provides that, in light of the development witnessed by Capital Markets globally, the elimination of restrictions on movement of capital among countries, the emergence of a new world order laying emphasis on competition and free trade and the global success of privatization of state owned enterprises, the government of the State of Kuwait realised the need to enact the Capital Markets Law.

Accordingly the Capital Markets law was issued under law no. 7 for the year 2010 by the National Assembly and published in the official gazette on February 28, 2010. Under the Capital Markets law, the Capital Markets Authority (CMA) was established as an independent public authority to regulate securities activities in line with the principles of fairness, competition, transparency and to provide protection to those involved in trading and investments.

CA Profession in Kuwait

The accounting profession in Kuwait has been growing remarkably with the growth of Kuwait.



During the early days of formation of the country most of the accounting profession was Asians.

Accounting service as a profession has come a long way in the Kuwait. The profession has constantly endeavoured to keep pace with the ever-growing business needs, stemming from the significant growth in the economy witnessed over the years. From being perceived as a peripheral service, the profession has evolved to become pivotal, in the line of profession. As a result, the number of accounting firms providing audit and assurance services have been on the rise over the years. All Big 4 auditing firms and many international firms are present in Kuwait.

These procedures are generally based on the International Standards. Although there is no specific financial reporting framework exists in the country, the International Financial Reporting Standards ("IFRS") is required by the law. The Central Bank of Kuwait has made it mandatory for banks to prepare financial statements based on IFRS. Similarly, Ministry of Commerce ("MOC") has compelled the listed and other non-listed companies to prepare financial statements as per IFRS.

Auditors need a license, from the MOC to practice in Kuwait, which is allotted only to the nationals. However, expatriates act as Partners/Directors in most of the auditing firms including Big 4s and only restriction is the signing of audit report.

CAs are held in esteem as knowledgeable and ethical professionals and are preferred by employers in Kuwait. CAs are well positioned in esteemed organisations and banks such as Finance Manager, CFO, CEO, Financial Analysts, *etc.*

GLOBAL OPPORTUNITIES

Visa Requirements

Coming to Kuwait requires arranging for a visa in advance (with exception to citizens of some listed countries). The type of visa varies depending on the purpose of visit and duration of stay. The Ministry of Interior (MIO), Kuwait airport authorities and embassies abroad are the authorities responsible for issuing various types of visas and permits to foreigners who wish to enter the country depending on the type of visa and purpose of entry. There are eight types of visas which are as follows:

1. Family visa
2. Trade visa
3. Working Entrance visa for Government sectors
4. Working Entrance visa for private sectors
5. Return visa
6. Medical treatment visa
7. Government visa
8. Dependent visa

Indian citizens need to get an entry permit through a sponsor, which can be tourism establishments, hotels, airlines or any company based in the Kuwait, or an individual, such as a Kuwait national, or an expatriate who is already a resident in the country. In order to obtain an entry permit, the visitor has to send a copy of his passport to his sponsor in the Kuwait who should submit the application to the Government Agency. Visitors can also apply for entry permits through authorised agents.

Once the entry permit is granted, the sponsor can either send it to the sponsored person or deposit it at the airport visa counter for the visitor to collect it on arrival.

All applicants are required to apply in the prescribed visa application form along with two passport size photographs, passport in original, flight details/ itinerary and the prescribed fee.

Passport must be valid for a minimum period of six months and in cases of long term visas, at least till the duration of the visa requested for. For business visa, kindly provide an invitation letter from the Indian company.

Visa applications of persons not residing in Kuwait for a period of over 3 years or from people of Pakistani, Bangladeshi and Sri Lankan origin and from select countries may take longer time. Pakistani and Bangladeshi nationals are required to file special visa application forms.

Visa Section will contact the applicant about the time of delivery for such passports. Please note that each application is examined individually and the

time taken for issuing visas may vary from case to case.

Specific visas are granted for a variety of purposes. The principal types of visas issued are Tourist Visa, Business visa, Student visa, employment visa and visit visa. Please contact the Embassy of India for further details if you are visiting India for purposes other than the above mentioned reasons such as journalism, conferences, medical treatment, voluntary work, expedition or others. The visa application form is, however, the same. As the visa rules are changing continuously, people should refer to the relevant Government websites.

Indian Embassy in Kuwait

Ambassador of India: Mr. Sunil Jain

The Indian Embassy in Kuwait renders various services like affidavit, attestation, Passport, visas, etc. The Embassy working hours is 8.30 am to 5.30 pm from Sunday to Thursday. Friday and Saturday are off in Kuwait. The Embassy is located at Diplomatic Enclave, Arabian Gulf Street P.O. Box 1450, Safat-13015, Kuwait Phone: 22530600, 22530612 - 14

Fax: 22546958, 22571192, 22573910, 22573902

Email: contact@indembkwt.org

Website: www.indembkwt.org

Indian passport and visa services has been outsourced to BLS International. BLS has two offices in Kuwait which are as follows:

Sharq

Emad Commercial Center, Basement floor Ahmed Al Jaber Street, Sharq, Kuwait city Telephone: 22986607 - Fax: 22470006

Fahaheel

Mujamma Unood, 4th floor, Office no. 25-26 Makka Street, Entrance 5, Fahaheel, Kuwait Telephone: 22986607, Fax: 22470006

Email: info@bls-international.com

See More: <http://www.indembkwt.org/>

About the ICAI Chapter

The Kuwait Chapter of the ICAI was inaugurated in 2006. The membership of the Kuwait Chapter has grown exponentially from a modest 50 members at inception to over 300 active members as at 31st December 2013. Members of the Kuwait Chapter hold key positions in various private and public companies.

Kuwait Chapter organises various events of professional interest that helps the members to build skills, promote quality of services and in the process encourage them in adhering to the highest ethical standards and professional integrity.

Our strong membership base in Kuwait, participation in local professional and cultural events, networking with professionals colleagues in the region, support of the ICAI and the overall commitment of the committee members over the years have significantly enhanced the 'brand value' of Indian Chartered Accountants ("CA") in the region, while at the same time preserving the ethical values followed by every fellow CA.

Objectives of the Kuwait Chapter

The objectives of the Kuwait Chapter include the following:-

- » To serve as a medium for facilitating sharing of professional knowledge and expertise among members and CA Students including in the fields of accountancy, auditing and allied subjects contributing to of professional, social and personality development;
- » To help in better equipping members of the Kuwait Chapter and other professionals for discharging their obligations;
- » To carry out applicable and agreed directives, policies, guidelines and initiatives of the ICAI;
- » To assist individuals and institutions in developing matters relating to accountancy, auditing and allied subjects of professional, social and personality development interest;
- » To facilitate employment opportunities for the members;
- » To organise social events for the members and their families and to provide a platform for them to interact socially and network as part of the ICAI social responsibility initiative;
- » To provide a platform to strive and reach out to global recognition through mutual effort and understanding along the pathway of professional excellence; and
- » To do all acts and undertake all activities necessary, conducive, incidental or ancillary to attain the above mentioned objectives and are in the interest of the members of the Chapter and or profession in general.

Activities of the Chapter

CPE Events

The Kuwait Chapter regularly organizes seminars, workshops and professional development events throughout the year for the benefit of its members.

Opportunities in Oman

Amazing Oman

Oman's tourism proudly says- "Beauty has an address- 'Oman'".

Oman has all the ingredients that nature gives. Being second largest country by size in GCC, Oman has high terrain captivated by the mountainous regions that conceal innumerable valleys, and lagoons, sandy beaches. Down South, Oman surprises visitors with lush tropical greenery and beaches with rainy season from June to August. This natural diversity provides a variety of adventures and options available to tourists, from desert activities to water sports and the other natural activities.

Oman is the ultimate destination for cultural tourism. This is where you will find hundreds of castles, forts and museums dating back to various historic epochs.



The capital of Oman was named the Second Best City to visit in the world in 2012 by the travel guide publisher Lonely Planet. Muscat also was chosen as the Capital of Arab Tourism of 2012.



Caving, Omani Souqs (Markets)

GLOBAL OPPORTUNITIES



Demographic Details

In Oman, about 50% of the population lives in Muscat and the Batinah coastal plain northwest of the capital; about 200,000 live in the Dhofar (southern) region; and about 30,000 live in the remote Musandam Peninsula on the Strait of Hormuz. Expatriates living in Oman mostly consists of guest workers from India, Pakistan, Bangladesh, Morocco, Jordan, and the Philippines.

Education: Since 1970, the government has given high priority to education to develop a domestic work force, which the government considers a vital factor in the country's economic and social progress. In 1986, Oman's first university, Sultan Qaboos University, opened. Other post-secondary institutions include a law school, technical college, banking institute, teachers training college, and health sciences institute. Some 200 scholarships are awarded each year for study abroad.

Ethnic groups: The Omani population is ethnically diverse, with several ethnic groups, such as the Zanzibari, Alajami, Al Balushi, Al Lawati and the Jibbali.

Economic Environment

Oman's economic performance improved significantly since 1999 largely due to the mid-year upturn in oil prices.

Oman does not have the immense oil resources of some of its neighbours. Nevertheless, in recent years, it has found more oil than it has produced.

Agriculture and fishing are the traditional way of life in Oman. Dates and limes, grown extensively in the Batinah coastal plain and the highlands, make up most of the country's agricultural exports. Coconut palms, wheat, and bananas also are grown, and cattle

are raised in Dhofar. Other areas grow cereals and forage crops. Poultry production is steadily rising. In the recent years, despite adverse global developments, the Omani economy continued to sustain the growth momentum.



The major drivers of growth in Oman in the recent period have been recovery in the prices of crude oil in the international markets, sustained domestic demand.

Overview of the legal and regulatory environment in the Sultanate of Oman

The Sharia Law which is based on the Holy Quran is the general law of the land.

To regulate and control its economic affairs, Oman has developed a comprehensive framework of laws and regulations. The legal order of the Sultanate of Oman has been codified in the Basic Statute of the State promulgated by Royal Decree No.101/96 (the "Basic Law"). This Basic Law defines the Sultanate's legislative process, and also sets out the respective functions of the executive and the judiciary, emphasising the independence of the latter and the primacy of the rule of law.

The economic policies and the Laws promulgated in the Sultanate relating to economic affairs are based on the Economic Principles set out in the Basic Statute.

The significant laws as they relate to the business environment in which the firm operates are:

- (i) The Commercial Companies Law;
- (ii) Muscat Securities Market Law, The Code of Corporate Governance for MSM Listed Companies;
- (iii) Oman Labour Law; and
- (iv) The Law of Income-tax on Companies.

Free Zones:

Economic Free Zones: Oman has free Trade agreement with United States of America.

Sohar Free Zone: Is to be created in Port of Sohar. The zone will encompass a serious center of manufacturing with low investment and highest possible added value. Located at the crossroads of Asia and Europe, its offers global connectivity, easy access to world markets and attractive incentives. For more information visit (www.freezonesohar.com).

Salalah Free Zone: Salalah Free Zone is located in a globally strategic location in Salalah with access to Europe, Asia, Africa and Australia. Besides access to world's fastest growing markets the zone also offers a whole host of other business advantages. For more information please visit (www.sfzco.com).

Special Economic Zone-Duqm: Characterized by its strategic location and proximity to emerging Asian markets as well as its proximity to the GCC markets and natural resources abundant in the middle. Also includes eight areas include the commercial port and industrial area and the hotels and tourist resort and the city of learning and the logistical support and a central commercial district and the city of Hadith. For more information please visit (www.duqm.go.om).

Al Mazunah Free Zone: Strategically located in the south west of Oman on the Oman–Yemen border. For more information please visit(www.almazunah.com).

Knowledge Oasis Muscat: Is a public-private sector led Technology Park situated in a 68 hectare site situated at 32 km. from Muscat. For more information please visit (www.kom.om).

Oman is a free economy and does not restrict the remittance abroad of equity, debt, capital, interest, dividends, profits and personal savings.

Taxation:

Companies are taxed at a single rate of 12 % of the taxable income exceeding RO 30,000 irrespective of the percentage of foreign ownership.

Foreign companies that do not have a permanent establishment in Oman are subject to a flat tax of 10% of gross income on the following type of income: royalties, management fees, rent for equipment, transfer of technical know-how and R & D fees.

Economic Freedom Index

Economic freedom is measured by the extent to which one can pursue economic activity without

government interference. According to the World Economic Freedom Index 2007 published by Fraser institute Oman is ranked 18th position among 141 countries.



Recent economic developments and the outlook for the Oman economy remains positive in the short-to- medium term

Emphasis is on the private sector in the development of SMEs and financial sector, financing of the private sector and improvement in the investment environment;

Over \$31bn of planned governmental spending between 2011-2015 (planned expenditure between 2005-10 was \$8 bn) of which \$22bn is on the infrastructure sector;

About 40,000 to 55,000 jobs are anticipated to be created every year; The Government has created a visionary plan aiming to diversify the economic structure away from its dependence on oil. Diversification is being focused on sectors such as industry, tourism, services and manufacturing;

Oil and Gas - \$17bn be spent on the investment in oil and gas production;

Planned investment of \$7bn towards power and sewage projects;

Ongoing efforts to encourage foreign direct investment.

Incentives for foreign investment on the tax front:

Corporate taxes are very low and compare favourably with regional and global averages.

Since 1st January 2010, a flat tax rate of 12% has been payable for all businesses, with an initial tax-free exemption of OMR30, 000. There is also no income or consumption tax, or VAT in Oman. These are incentives for foreign investments

GLOBAL OPPORTUNITIES

Impact on business services:

Oman is exhibiting strong macroeconomic growth as a result of which demand for business services will be strong;

Business services will be strengthened by government expenditure on large infrastructure and industrial projects. This is further strengthened by an increase in foreign direct investment in the Sultanate

Useful Business Information

Details of the relevant regulatory authorities,

The following are the relevant regulatory authorities in Oman:



- (i) Oman Chamber of Commerce and Industry. It is obligatory for all business activities to register with the Ministry of Commerce & Industry and also become members of the Oman Chamber of Commerce and Industry;
- (ii) The Capital Market Authority (CMA) regulates the securities market in Oman. All joint stock companies are required to be members of Muscat Securities Market (MSM) and have their shares and bonds listed with MSM. Central Bank of Oman regulates banks and financial institutions;
- (iii) The Ministry of Manpower regulates the Oman Labour Law which governs the working relationship between the employer and the employee. The Labour Law governs work contracts, overtime pay, annual leave pay, worker/staff passage, working hours, industrial safety, labour dispute, vocational training, *etc.*

The Secretary General of Taxation at the Ministry of Finance is responsible for the assessment and collection of income tax from commercial companies. Only Commercial Companies are liable to pay income tax in Oman. There is no personal income tax, fringe benefit tax, gift tax, wealth tax or any form of estate duty, and there is no sales tax or value added tax.

CA branding in Oman

- The Chapter aims to create CA brand in Oman through various strategic initiatives in the business and Government level by inviting highly placed local businessmen, Ministers in the Government, top officials with the regulators such as Central Bank of Oman, Capital Market Authority and State Audit institutions.
- The majority expatriate population in Oman is constituted by citizens of India. We take pride in the fact that our members occupy senior positions in various private, public and government sectors in Oman and have immensely contributed to the development of economy by maintaining highest ethical standards and competency.
- Heightened awareness about ICAI Chapter through regular media releases on various CPE Seminars held before and after the event.
- Advertisements placed during International Conferences for members and invitees has created strategic awareness of CA brand in the country which is witnessed by higher number ICAI members entering the job market in Oman in the recent years.

Accountancy profession in Oman

Major Audit firms in Oman:

PWC, E&Y, KPMG, Deloitte, Crowe Horwath MakGhazali, George Mathew & Co., Moore Stephens, BDO Jawad Oman, Muscat Morrison, RSM International.

Major Institutions - universities and colleges:

- ✓ Sultan Qaboos University (SQU)
- ✓ College of Banking and Financial Studies (CBFS)
- ✓ Oman College of Management and Technology
- ✓ Modern College of Business and Science,
- ✓ Waljat Colleges of Applied Sciences,
- ✓ Majan College

CMA conducts regular inspections with the purpose of ensuring compliance by the firm with the rules of accrediting auditing firms of companies subject to CMA's control issued under Administrative Decision No. 9/2004 dated 6/12/2004.

Visa Requirements

Visa Types:

- Employment visa- It is granted at the request of a local sponsor and on his responsibility to the foreigner coming to Oman for employment and

whose age is not below 21 years old. The Visa shall be as follows:

- o Validity of the visa: Within three months from the date of issuance.
- o Valid for 2 years with extension and multiple entries.
- o Fees: 30 Omani Riyals.
- o Fines for late renewal: (50) fifty Omani Riyals for each month.
- Express visa- It is granted as per request of a local sponsor and on his responsibility for businessmen, high-professionals, participants in festivals and conventions, it is also granted by the Sultanate's representations abroad and through all the legal channels exclusively for businessmen by coordinating with the Directorate General of Passport & Residence whereas the visa shall be as follows:
 - o Validity for use: Within one months from the date of issuance.
 - o Validity for stay in the country: Not exceeding three weeks from the date of entry and non- extendable.
 - o Number of entries: One.
 - o Fees: (30) Omani Riyals.
 - o Fine in case of visa expiration: (10) Omani Riyals per day.
- Family visa- The family Joining Visa is granted to the wife of the foreigner, who is resident in Oman, and as well to his children who are below (21) years. It is also granted to the foreign wife of an Omani national at his request, and subject to a certificate from the concerned authority (Ministry of Interior) confirming the status of the marriage.
- The family Visa is granted by the concerned authority at its discretion, and at the request of a local sponsor and on his responsibility, to the relatives of the Omani national and the relatives of the foreigner who are not included in the categories eligible for Family Joining Visa.

The Visa shall be as follows:

- ✓ Valid for use: Within six months from the date of issuance..
- ✓ Validity: Two years from the date of stamping the visa in the passport.
- ✓ Fees: 30 Omani Riyals.
- ✓ Fines for late renewal or non-registration of the residence permit is (50) fifty Omani Riyals per month.

Indian Embassy in Oman

Ambassador of India: Mr. Indra Mani Pandey
 Location:-Jami'at Al - Dowal Al - Arabiya Street, Diplomatic Area, Al Khuwair,
 P.O. Box 1727,PC 112. Sultanate of Oman. Contact Details
 Tel Nos. +968 - 2468 4500
 Fax Nos. +968 - 2469 8291 (General)
 +968 - 2469 2791 (Consular)
 +968 - 2468 4546 (Community Welfare)
 E-mail: indiamct@omantel.net.om Website: <http://www.indemb-oman.org>
 Working hours 8:30 a.m. - 5.00 p.m. Fridays and Saturdays are closed
24 Hrs Emergency Helpline +968 - 2469 5981
 (only for labour/welfare issues)
Toll Free Help line 80071234

About The ICAI Chapter

The Muscat Chapter of the Institute of Chartered Accountants of India was formed in 2008. The Institute of Chartered Accountants of India (ICAI) signed a memorandum of Understanding (MOU) with the College of Banking and Financial Studies (CBFS), Sultanate of Oman with the aim:

To sponsor and facilitate working of the Chapter of ICAI in Muscat to undertake professional development of accountants of all nationalities & Provide assistance and support to CBFS in capacity building of Omani Nationals in Finance, Accounts, Auditing, IT, Corporate Governance and allied activities.

Currently the Muscat Chapter of ICAI is taking efforts to conduct various professional programs in the form of seminars, panel discussions, IFRS& other certification courses conducted by ICAI *etc.*, which will provide avenues to the members of ICAI as well other professionals from the business community to enhance their knowledge.

Our objective is to conduct quality educational and professional programs by inviting eminent speakers to speak on topics that are relevant, contemporary and useful to the professional members. The Chapter plans to have various programs to augment the Professional knowledge of our members and enhance the image of our profession in Muscat.

Membership details

Oman has over 900 members from three cities (i.e) Muscat, Sohar and Salalah with over 90% residing in Muscat city. Muscat Chapter has approximately

GLOBAL OPPORTUNITIES

450 members who hold eminent positions in various private and public sectors. During 2014 the Chapter has registered approximately 75 new members.

Our membership has increased steadily despite higher turnover of expatriate staff among our members in the recent years.

Oman's growing economy has seen members of our profession entering the country and occupying positions in accounting, assurance, taxation, finance and business advisory services.

Opportunities in United Arab Emirates

About The Country

General Information about UAE

The United Arab Emirates comprises of seven emirates, which occupy the south eastern corner of the Arabian Peninsula. The constituent emirates are Abu Dhabi, Dubai, Sharjah, Ajman, Fujairah, Ras Al-Khaimah, and Umm Al-Quwain.

Abu Dhabi is the capital and the largest city of the United Arab Emirates occupying about 80% of the landmass of the country. For over 50 years, Abu Dhabi has been transformed from little more than empty desert inhabited by nomadic tribes into a thriving 21st century society.

Dubai that is the second largest emirate of UAE, has established a niche in the commercial and trading market of the Middle East. The resilience of the domestic market and its strategic location between the trading blocks of Europe and Far East, has always attracted domestic and international investors.

The other emirates in the UAE are also developing their infrastructure and providing incentives to attract international companies to set up their operational base.

The strategic location of UAE and the incentives that the Government of U.A.E. offers to promote business and services presents the chartered accountants with a wide range of opportunities for employment and setting up firms to render assurance and consulting services.

Demographic Details

Population of UAE

The demographics of the UAE is extremely diverse. The estimated population of UAE in 2013 is approximately at 9.2 million, majority of which is

constituted by expatriates. The resident population of Abu Dhabi in 2013 was estimated at 2.5 million and that of Dubai at 2.1 million. (Source: www.uaeinteract.com)

Climate



The climate of the U.A.E is subtropical-arid with hot summers and warm winters. The emirate basks in virtual year-round sunshine with little rainfall and superb winter (October-May) temperatures which average around 24°C (75°F) during the day falling to 13°C (56°F) during the night. Summer (June-September) daytime temperatures can rise over 42°C (118°F) and there is high humidity. The hottest months are July and August.

Language

Arabic is the official and national language of the UAE. Apart from Arabic, English is widely used as a second language. Other languages spoken in the UAE, include Urdu, Hindi, Persian, Pushto, Malayalam, Bengali, Punjabi, Tamil, Balochi, Russian, Somali, Tagalog, Nepali and Mandarin Chinese.

Religion

The UAE is a Muslim country whereby nationals follow the Islam religion. While Islam is the majority religion in the United Arab Emirates, Christianity, Buddhism, Hinduism, Judaism and Sikhism are also practiced in the country, mostly by non-nationals.

Currency

The local currency is the UAE Dirham which is freely convertible and AED 3.67 equates to US\$ 1. Money can easily be changed at exchange houses. ATMs are available at malls, petrol stations, supermarkets and market places. Debit cards, Credit cards are widely accepted.

Healthcare

Healthcare in UAE is excellent and there are no special immunization requirements to enter but good insurance cover is recommended

Economic Environment Economy of UAE

The economy of the United Arab Emirates is the second largest in the Arab world (after Saudi Arabia). The UAE's large hydrocarbon wealth gives it one of the highest GDP per capita in the world and Abu Dhabi owns the majority of these resources - 95% of the oil and 6% of gas. Abu Dhabi thus holds 9% of the world's proven oil reserves (98.2bn barrels) and almost 5% of the world's natural gas (5.8 trillion cu meters).

Recently the government has been diversifying their economic plans. This trend is reflected in Abu Dhabi with substantial new investment in industry, real estate, tourism and retail. This idea of diversification of the economy is also seen in the Abu Dhabi Economic Vision 2030 planned by the Abu Dhabi Urban Planning Council. In this plan, Abu Dhabi's economy will be sustainable and not be dependent on any one facet or source of revenue.

As Abu Dhabi is the largest oil producer of the UAE, it has reaped the most benefits from this trend. It has taken on an active diversification and liberalization programme to reduce the UAE's reliance on the hydrocarbon sector. There has also been a drive to promote the tourism and real estate sectors with several large-scale development projects.

Dubai has also developed as a prime international business center with the development of world class infrastructure that can support the modern business needs. Similarly, the emphasis on reducing the emirate's economic dependence on oil also resulted in the development of industrial activity in Dubai.



The projects of both the Emirates will be served by an improved transport infrastructure with a new port, an expanded airport and a proposed rail link between Abu Dhabi and Dubai, all in the development stages.

These projects will be served by an improved transport infrastructure with a new port, an expanded airport and a proposed rail link between Abu Dhabi and Dubai, all in the development stages.

Useful Business Information

Employment/Business Opportunities:

Undeterred by the global economic slowdown, the economies of Abu Dhabi and Dubai have continued to perform strongly over the past years. The relatively high oil prices coupled with robust domestic demand maintained the stability of the local economy and boosted investor confidence, which hit rock bottom elsewhere in the world.

Strong political commitments, prudent investment decisions and long-term economic development policies from the governments continue to give the economy the momentum it needs to become a highly developed, flexible and diversified economy. Due to its strong economy, working in UAE can be a lucrative option for Chartered Accountants. The free trade and industrial zones in the UAE welcomes foreign investment and business, thus creating new jobs.

As the economy of Abu Dhabi relies mostly on income from natural resources like petroleum, with the petro-chemical industry offering plenty of business and employment options. At the same time, the importance of newly emerging sectors such as real estate, business services, construction and tourism is increasing.

In the past few years, many large corporations and international companies have relocated their business to the UAE especially to Abu Dhabi and Dubai and expats with specialised knowledge and good language skills often find work with these companies.

The governments of Abu Dhabi and Dubai have drawn up their long term economic vision programs up to 2030. The governments of other emirates also drawn up a plan action that are short term in nature as compared to the ones finalised by Abu Dhabi and Dubai.

The details of these can be obtained from <https://business.abudhabi.ae> and <https://dubai.ae>

GLOBAL OPPORTUNITIES

Stock Exchanges in UAE:

Abu Dhabi Securities Exchange (ADX) was established in November 2000 to trade shares of UAE companies. ADX is headquartered in Abu Dhabi with trading locations in Abu Dhabi, Al Ain, Fujairah, Sharjah, and Ras Al Khaimah. Official website: <https://www.adx.ae>

Dubai Financial Market (DFM) was founded on March 26, 2000. Headquartered in Dubai, most of the companies listed on DFM are UAE-based companies with a few dual listings for companies based in other MENA region countries. Foreign companies are from the following countries: Kuwait, Bahrain, Oman, and Sudan. Official website: <http://www.dfm.ae>

NASDAQ Dubai head quartered in Dubai was set up to trade international stocks. Official website: <http://www.nasdaqdubai.com>

DFM and ADX are both governed and regulated by the Securities and Commodities Authority (SCA). SCA's role is to ensure that the laws are followed by the exchanges as well as to protect investors', brokers' and listed companies' rights. On the other hand, NASDAQ Dubai is governed to international standards by an independent regulator called the Dubai Financial Services Authority (DFSA), which is equivalent to the Securities and Exchange Commission in the U.S. Unlike DFM and ADX, NASDAQ Dubai, located in Dubai International Financial Centre (DIFC), is an electronic exchange with no trading floor.

UAE Central Bank:

The Central Bank of UAE is headquartered in Abu Dhabi and is the state institution responsible for managing the currency, monetary policy and banking regulation in the UAE.

Official Website: www.centralbank.ae

Accountancy Profession in UAE:

The accounting profession in UAE has been growing remarkably with the growth of UAE. During the early days of formation of the country most of the accounting profession was held by Asians.

Accounting service as a profession has come a long way in the UAE. The profession has constantly endeavored to keep pace with the ever-growing business needs stemming from the significant growth in the economy witnessed over the years. From being perceived as a peripheral service, the profession has evolved to become pivotal, in the line of services. As a result, the number of accounting firms providing audit and assurance services have been on the rise over

the years. Many international accounting firms have their affiliates in the UAE operating as functionally independent offices but complying with the procedures followed by the principal. These procedures are generally based on the international standards.

Although there is no specific financial reporting framework required to be followed by law, the International Financial Reporting Standards (IFRS) is widely used and accepted. The Central Bank of UAE has made it mandatory for banks to prepare financial statements based on IFRS. Similarly, the listed companies prepare financial statements as per IFRS. In case of private companies, the shareholders, banks and other stake holders require financial reporting based on IFRS.

Auditors who practice the profession need a license from the Ministry of Economy (www.economy.ae). Fellow members of ICAI who have the listed experience are recognized by the Ministry for the Auditors who practice the profession need a license from the Ministry of Economy (www.economy.ae). Fellow members of ICAI who have the listed experience are recognised by the Ministry for the purpose of issuance of license.

The auditors for the Government Sector in Abu Dhabi are regulated by the Abu Dhabi Accountability Authority (www.adaa.abudhabi.ae).

Setting up a consulting/audit firm

The license for consulting firms is issued by the local licensing authority in each Emirate or by the free zone authority in case the firm is being set up in a free zone. While the consulting firm can be owned 100% by an Indian Chartered Accountant, firms set up outside the free zone is required to appoint a UAE National as a "service agent". The basis for registering the consulting firms is the CA qualification and the experience that the member has in the line of activity.

The license of audit firms is regulated by the Ministry of Economy and the local licensing authority of each Emirate. The member has to satisfy the conditions laid down in the UAE Auditors Law and by the UAE Ministry of Economy to complete the registration formalities and obtain a "professional license". Upon obtaining the professional license the member can set up a firm in any Emirate by registering with the local licensing authority. All audit firms that are now being set up is required to have a UAE National who is registered with the UAE Ministry of Economy and holds a professional license as a partner.

As the requirements are amended from time to time, the relevant department at the UAE Ministry of Economy and the Department of Economic Development of the concerned Emirate should be contacted.

Salaries

The salary scales differ with regard to the qualification, experience of the employee, skill sets required, type of industry and company in which one is employed. Generally, employment contracts do provide for a review of the initial salary after a probation that can extend up to six months.

Employment Regulations



The Labour laws of U.A.E. that are administered by the Federal Ministry of Labour, govern all the aspects of employer/employee relations, such as hours of work, leave, termination rights, medical benefits and repatriation. The Labour Law protects the interest of the employees and overrides conflicting contractual provisions agreed under another jurisdiction, unless they are beneficial to the employee.

Upon finalising an employment, the employee has to submit a copy of his passport and a copy of the relevant qualification certificates that are duly notarised and attested by the UAE Embassy in India and again by the Ministry of Foreign Affairs in the UAE for the employer to apply for the required clearance from the Ministry of Labour and The General Directorate of Residence and Foreigners Affairs. On entering the UAE on an Entry Permit that is issued by The General Directorate of Residence and Foreigners Affairs and the obtaining the clearance after a medical check up, the employee's residence visa will be stamped on the passport. In case the employment is with a government organisation or in a free zone the period of residency is 3 years while for employment with other organisations and areas, it will be for 2 years. The residence -permit granted is

renewable for a similar period provided the employee continues to be in employment.

On completion of the residency formalities, a labour contract that is signed by both the employer and the employee has to be registered with the Ministry of Labour, who will then issue a labour card to the employee. The employer is responsible for meeting all costs relating to obtaining the employment visa and providing the employee with a health card which entitles him/her to free out/in patient treatment in government hospitals in the U.A.E.

The health card is now being replaced with and all employers have to provide a medical insurance to all employees at their cost. In accordance with the provisions of the UAE Labour Law, an employee is entitled to annual paid leave at two days for every month if his/her service is more than six months but less than a year. In case the employee has completed one year of service, he/she is entitled to 30 days annual paid leave for every completed year of service. This is in addition to public holidays, maternity leave for women and sick leave.

The employee is also entitled to air passage in accordance with the terms of the employment. Upon termination of employment, the employee is entitled to end of contract a gratuity that is calculated at 21 days basic salary for every year of the first five years of service and 30 days for every year thereafter. The total gratuity should not exceed two years' basic salary.

All disputes between the employer and employee are initially adjudicated by the Ministry of Labour and Social Affairs. In case any party wishes to go on appeal, a case may be filed in the U.A.E. Courts.

Although the normal maximum working hours are eight per day or 48 per week. However, working hours for the employees of certain organisations may be increased as determined by the Minister of Labour. During the month of Ramadan, normal working hours shall be reduced by two hours per day.

The time spent by the employee in transport from his residence to the place of work shall not be included in the working hours.

Under a recent development, the Ministry of Labour has implemented the Wages Protection Scheme (WPS) wherein all employees are required to open a bank account and the employers are required to transfer the remuneration to the employees through a specified banking channel. Non-adherence to this requirement will result in heavy fines and the blocking of the company's eligibility to obtain new employment permits etc.

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In case the employment is in a free zone, the labour rules and regulations promulgated by the Free Zone Authority of the respective Free Zone and the U.A.E. Labour Laws will apply.

The movement from one job to another before completing the period mentioned in the employment contract may raise issues especially if it is during the first year of employment. The terms and conditions of termination can also vary depending on whether the employment contract is that is signed is an "unlimited" or "limited" contract.

Family sponsorship

In the UAE, the responsibility of sponsoring the family rests with the employee. In case the employee earns the minimum salary that is prescribed by the government, the male employee can sponsor his wife and children. For this purpose, one of the most important documents required is the copy of the marriage certificate that is notarized and attested by the UAE Embassy in India and again by the Ministry of Foreign Affairs in the UAE. Similarly, the copy of the agreement of residence lease of the employee is also required.

The process of stamping the residency for the family is similar to that of the employee as he has to obtain an Entry Permit and the family has to subject themselves and clear the medical check-up. A female employee cannot sponsor her husband unless she belongs to a specified category or is specifically permitted by the authority to do so.

While an employee can sponsor his daughters until such time that they are married, he cannot sponsor his sons beyond the age of 18 years unless he is studying with an accredited and approved institution. In such cases, the residency will be stamped for the period that covers the period of study.

The employee is eligible to sponsor his immediate family members on a visit provided he earns the minimum salary that is prescribed for that purpose by the government. The current limit specified by the government is a monthly salary of AED 3,000 with accommodation or AED 4,000 without accommodation.

It should be noted that those who are on visit visas, tourist visas and similar types of visas are not permitted to take up employment in the country with or without salary as per the UAE law. Only those who hold a work permit or an employment residence visa are allowed to take up employment

in the country. Similarly the employee is permitted to only work with the company that has provided the sponsorship and residency. He/she cannot take up multiple employments and any violation of this can attract heavy penalty and result in deportation.

Temporary Work Permits

A person can enter the UAE on a temporary work permit to take up a temporary work or to complete a project. This visa is valid for 90 days and can be extended for a similar period.

For more information you may log on to: <http://www.uaeinteract.com>.

Taxation

There is no income, wealth or withholding tax in UAE. There are also no restrictions on outward remittance of funds provided that is carried out through approved channels.

Accommodation

The cost of housing can be a matter of great concern and therefore a lot of thought process is required with regard to cost, place of work, schooling *etc.* before one leases an accommodation. In the UAE, the accommodation is leased on an annual basis and the rents are paid through current and post-dated cheques. Therefore termination of the lease before the full term can raise issues. Similarly the cost of accommodation can vary from one Emirate to another. Although leasing an accommodation in the suburb may provide a solution, the time and cost of commuting to and from work is to be considered. Recently, all Emirates have developed world class residential areas in which foreign nationals can own residential properties. Certain banks also provide finance to purchase these properties. All lease agreements relating to residential properties in Dubai have to be registered with the concerned authority and an annual property levy at 10% of the rent is payable by the tenant on a monthly basis. This levy is included in the monthly utility bill that the tenant has to pay to enjoy the facilities.

Banking

A bank account can be opened by the employee after all the residency formalities have been completed. However, as credit facilities are extended to the employee based on their salary, the banks

generally insists on receiving a letter of guarantee from the employer under which all the terminal benefits and payments due to the employee will be paid to the bank in case the employee leaves service. In case the employee who has availed credit facilities intends to take up another employment in the UAE, he/she has to discuss the matter with the bank and enter into an arrangement to either close the loan or undertake to continue servicing it during the new employment. A cancellation of the resident visa without the bank's approval can have serious implications.

Schooling

The UAE offers a comprehensive range of government and private schools to cater to the multi-cultural diversity of its population. The schools offer national and international curricula like the Indian, British, American, and the International Baccalaureate. While the Indian School starts their term in April, most English speaking schools start their term in September. All schools in Dubai are closed in July and August. There is a wide variation in the fees depending on school type, curriculum and facilities.

In Dubai, The Knowledge and Human Development Authority (KHDA) has outlined the entrance criteria, including documents required, admission tests *etc.* Regular inspections are conducted and ratings of schools are published in dailies and retained on the KHDA website. The KHDA has also introduced a legally binding contract to be signed between parents and schools. This contract outlines each party's rights and responsibilities and includes refund and admission policies, school fees, attendance and punctuality, health and safety provision and transportation. It also addresses parental responsibilities towards the school.

Driving license

While there are many options for travelling about in UAE, a very popular option is owning and driving your own car. You will need to follow government authorised procedures for obtaining your driving license, transferring your license and buying or selling a car. The process of obtaining a driving license involves registering with an approved driving school and undertaking a certain number of driving lessons before one can appear for a signal road test with the Transport Department who is

charge of issuing the license. In certain emirates, you also have to attend a certain number of theory classes before a license is issued.

Considering the number nationalities that have made UAE their home, there is bound to be varied driving cultures. To ensure some uniformity and discipline, in line with international regulations and standards, the authorities have stringent tests before issuing driving licenses in Dubai. It should be noted that the Police and Transport Authority of all the emirates play a major role in ensuring safety and traffic regulations and use smart technology to ensure traffic violations are kept to a minimum. A system of black points that can lead to confiscation of your driving license is in force to ensure adherence to traffic laws. Similarly, there are very heavy fines for speeding above the set limits and there is zero tolerance as regards driving under the influence of alcohol.

Embassy of India and the Consulate General of India in United Arab Emirates

Ambassador of India: Shri T. P. Seetharam

The Indian Embassy in UAE is located in Abu Dhabi and the office of Consulate General of India is in Dubai. The Contact details of the above offices are listed below:

Embassy of India

Al Safarat, P.O. Box 4090, Abu Dhabi, United Arab Emirates

Tel: +02 4492700

Fax No: +02 4444685

Email: HYPERLINK "<mailto:info@indembassyuae.org>" info@indembassyuae.org

Website: <http://indembassyuae.org>

Consulate General of India

Diplomatic Enclave, P.O. Box 737, Dubai
United Arab Emirates

Tel: +04 3971222/ 3971333

Fax No: +04 3970453

Email: HYPERLINK "<mailto:cgidubai@cgidubai.com>" cgidubai@cgidubai.com

Website: <http://cgidubai.com>

About the ICAI Chapter

The Dubai and Abu Dhabi Chapters ("the Chapter") of the Institute of Chartered Accountants of India ("ICAI") have since their establishment in 1982 and 1984 respectively been a key player

GLOBAL OPPORTUNITIES

in the growth and development of the profession in the United Arab Emirates (UAE). The memberships of both the Chapters have grown exponentially and many members hold key positions in various government organisations, private and public companies.

Our strong membership base, participation in local professional events, networking with professionals colleagues in the region, support of the parent organisation and overall commitment of the committee members over the years have significantly enhanced the 'brand value' of Indian Chartered Accountants in the region, while at the same time preserving the ethical values inculcated in every fellow Chartered Accountant.

Objectives of the Chapters

The objectives of the Chapters include the following:-

To serve as a medium for facilitating the sharing of professional knowledge and expertise among the members and CA Students including in the field of accountancy, auditing and allied subjects of professional, social and personality development interest;

To help in better equipping members of the Chapters and other professionals for discharging their obligations;

To carry out applicable and agreed directives, policies, guidelines and initiatives of the Institute;

To assist the U.A.E. nationals and institutions to develop matters relating to accountancy, auditing and allied subjects of professional, social and personality development interest;

To facilitate employment opportunities for the members;

To organise social events for the members and their families and to provide a platform for them to interact socially and network as part of the ICAI social responsibility initiative;

To provide a platform to strive and reach out to global recognition through mutual effort and understanding along the pathway of professional excellence; and

To do all acts and undertake all activities necessary, conducive, incidental or ancillary to attain the above mentioned objectives and are in the interest of the members of the Chapters and or profession in general.

While the Abu Dhabi Chapter caters to the needs of more than 600 members based in the Emirates of Abu Dhabi and Al Ain, the Dubai Chapter services the needs of about 2,000 members residing Dubai and the northern emirates of Sharjah, Ras Al Khaimah, Fujairah, Ajman and Umm Al Quwain.

Additional information and details about the Chapters and its activities can be found on their websites: Abu Dhabi Chapter-www.icaiauh.org
Dubai Chapter-www.icaidubai.org

Activities of the Chapter

Annual International Conference & Musical Event

The key event in the each of the Chapters' professional activities calendar is the Annual International Conference. The Conference that is held over 2 days is attended by over 800 members, invitees and dignitaries from the government and corporates from India and UAE. While the Dubai Chapter organises its conference in April/May, the Abu Dhabi Chapter organises its conference in November/December every year.

PDC Events

Apart from the Annual International Conferences and the various social events, the both the Chapters independently organise seminars, workshops and professional development events throughout the year on a regular basis for the benefit of its members. During the year, both the Chapters jointly organises a high profile event at which a global leader and motivator like addresses an audience of more than 1,000 members and invitees. Some of the speakers who have addressed these joint sessions are Ron Kaufman, Chetan Bhagat and Robin Sharma.

Certification Courses, Coaching Classes & ICAI Exams

Both the Chapter independently organizes various certification courses for its members. Some such recent courses include the ICAI's IFRS Certification Course and Advance Excel Course. The Chapters in association with the regional office of the ICAI also organises GMCS, PCC, IPCC and CA Final examination classes for the benefit of the students. The Abu Dhabi Chapter also organises courses in Basic Arabic. Both the Chapters have also been facilitating the conduct of the CA exams in Dubai and Abu Dhabi. ■