

DUBAI TOURISM RELEASES AED250 MILLION IN BANK GUARANTEES OF TOURISM COMPANIES TO BOOST INVESTMENT IN ECOSYSTEM

- As part of its deregulation focus, Dubai Tourism exempts over 2,000 travel and tour agencies from furnishing bank guarantees, injecting a quarter billion dirhams liquidity into Dubai's tourism economy
- Move part of efforts to support the government's economic stimulus programme aimed at lowering cost of doing business and making the emirate more attractive to investors

DUBAI, United Arab Emirates, 8 January 2019: Dubai's Department of Tourism and Commerce Marketing (Dubai Tourism) has initiated efforts to release approximately AED250 million in bank guarantees that have been furnished by tourism-related service providers, following the waiver of this prerequisite regulatory requirement to start a travel and tour business in the emirate. The new deregulatory measure allows for instant liquidity to be injected into Dubai's economy, lowering the cost of doing business and supporting further investment in the sector ecosystem.

Strongly aligned with the directive of His Highness Sheikh Mohammed bin Rashid Al Maktoum, the Vice President and Prime Minister of UAE and Ruler of Dubai to accelerate Dubai's economy growth through relative strategic and regulatory initiatives, Dubai Tourism seeks to directly benefit over 2,000 travel and tour operators and agencies in Dubai.

Announcing the new measure, **Director-General of Dubai Tourism, H.E. Helal Saeed Almarri**, said: "As we head into 2019 with a commitment to significantly boost tourism arrivals in line with our 2022-2025 tourism strategy and vision to make Dubai the world's most visited destination, relaxing regulations in support of the business community, especially supporting start-ups and SMEs, is fundamental for sustained sector growth. Tourism is a strong contributor to Dubai's GDP and we intend to ensure that we sustainably enhance our economic value and aid the diversification agenda for the wider UAE.



“As such, this deregulatory measure that has been delivered with the support of the Department of Economic Development (DED), complements many of our other initiatives to provide much-needed impetus to the industry, based on the landmark economic stimulus initiative launched by the visionary leadership of Dubai earlier this year to make it easier to operate and grow a business in Dubai. Releasing of the bank guarantees generates an immediate cash injection of nearly a quarter billion dirhams for travel and tourism-related service providers to invest back into their businesses and truly drive future growth, in addition to being a very positive signal for prospect investors and new ventures to launch tourism projects by taking advantage of the quick and hassle-free processes in place.”

Previously, tourism companies including inbound and outbound tour operators were required to furnish a bank guarantee ranging from AED100,000 to AED600,000, depending on the type of business activity, to Dubai Tourism, as a precondition for DED to grant a trade license. Cancellation of this provision enables Dubai Tourism to refund the bank guarantees to the companies providing much-needed funds to reinvest in their business and grow their services. Similarly, going forward for all new ventures, investors and entrepreneurs will also no longer need to provide such bank guarantees to Dubai Tourism either to open a tourism establishment or to offer specific travel or tour-related services and activities in Dubai.

Dubai Tourism had earlier introduced three proposals to support the government's economic stimulus programme, namely, to attract more transit passengers to visit Dubai, introduce the time share concept to woo more families to the emirate and to encourage more luxury yachts and boats to visit Dubai.

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About Dubai's Department of Tourism and Commerce Marketing (Dubai Tourism)

With the ultimate vision of positioning Dubai as the world's leading tourism destination and commercial hub, Dubai Tourism's mission is to increase the awareness of Dubai among global audiences and to attract tourists and inward investment into the emirate. Dubai Tourism is the principal authority for the planning, supervision, development and marketing of Dubai's tourism sector. It markets and promotes the Emirate's commerce sector, and is responsible for the licensing and classification of all tourism services, including hotels, tour operators and travel agents. Brands and departments within the Dubai Tourism portfolio include Dubai Business Events, Dubai Calendar, and Dubai Festivals and Retail Establishment.

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