

Everything.
Everywhere.
Just Perfect.

"QUIET" JURISDICTIONS: WHERE TO STRUCTURE A BUSINESS IN THE MIDDLE EAST APART FROM THE UAE

30 June 2026

In recent years, the UAE has effectively become the main hub for international business structuring in the Middle East. However, as investor interest in the region grows, alternative jurisdictions are increasingly being discussed – primarily Qatar, Bahrain, Oman and, to a certain extent, Egypt.

Each of these countries is actively developing tools to attract international capital: special economic zones (economic free zones / free zones) are being established, programmes to attract foreign investors and specialists (golden visas) are being introduced, and requirements regarding the participation of nationals of the relevant country in the authorised capital of legal entities are being relaxed, amongst other measures.

Nevertheless, in terms of the maturity of their infrastructure and the ease of doing business for international companies, most of them still lag behind the UAE.

This material is based on information from public sources and is for reference purposes only. It does not constitute advice or a legal opinion. If you have any questions regarding this alert, please contact us at: info@whitesquarepartners.com.

1. The region's institutional framework

The UAE, Qatar, Bahrain and Oman are members of the Cooperation Council for the Arab States of the Gulf ("**GCC"**). For business, this entails several important institutional factors:

- a relatively high level of economic integration among the countries in the region (for example, citizens of GCC member states have the right to enter, reside and work freely in other member states without visa requirements);
- simplified trade relations between member states (a customs union within the bloc);
- access to a regional market with a combined population of over 50 million people.

An additional factor contributing to stability is monetary policy: the currencies of the GCC member states are pegged to the US dollar, which significantly reduces currency risks for international investors.

At the same time, each jurisdiction in the region is developing its own model for attracting foreign business.

2. Qatar: a focus on government investment and infrastructure

Qatar's economy relies heavily on the world's largest natural gas reserves, which provide the state with substantial financial resources. These funds are actively channeled into the development of infrastructure, the financial sector and technology projects.

A key platform for attracting foreign investors has been the Qatar Financial Centre – an autonomous jurisdiction with its own regulatory system and legal framework, largely inspired by the principles of common law.

Qatar's main advantages:

- high income levels and government investment in the economy;
- a well-developed infrastructure;
- active government support for investment projects.

At the same time, for international business structures, Qatar still lags behind the UAE in several respects:

- the economy remains significantly more dependent on the energy sector;
- the domestic market is considerably smaller and less diversified;
- the banking system is less internationalised;
- business regulation and immigration procedures are generally more conservative.

3. Bahrain: a financial centre with a fintech ecosystem

Bahrain is historically one of the region's oldest financial centres and is currently actively developing its fintech sector.

Key institutional platforms include:

- Bahrain International Investment Park;
- Bahrain FinTech Bay.

The country's regulator pursues a fairly liberal policy towards financial and technology companies.

Bahrain's main advantages:

- a well-developed financial sector;
- active development of the fintech ecosystem;
- geographical proximity to the region's largest market – Saudi Arabia.

However, there are also restrictions on international business structuring:

- the relatively small size of the economy;
- ongoing dependence on the oil sector;
- a limited number of economic free zones.

4. Oman: a focus on logistics and industrial projects

Oman is actively diversifying its economy and focusing on the development of logistics, port infrastructure and industrial zones.

Particular attention is being paid to the development of the ports of Sohar and Duqm, which are seen as key hubs for international trade between Asia, Africa and the Middle East.

From an investor's perspective, Oman's main advantages are:

- its strategic geographical location;
- the development of major port and industrial projects;
- golden visa programmes;
- government programmes to attract foreign investment.

However, the infrastructure for international corporate structuring is still significantly less developed than in the UAE:

- the free economic zones system is still taking shape (it was not until 2026 that a law was signed providing for the establishment of the International Financial Centre of Oman, an autonomous free economic zone regulated on the basis of common law principles);
- administrative procedures are often more time-consuming, and knowledge of Arabic is frequently required;
- the banking infrastructure is less internationalised;
- the concentration of international business is significantly lower.

5. Egypt: a market of scale

Egypt occupies a special place in the region. Unlike the GCC countries, its main advantage lies not in its financial infrastructure but in the scale of its domestic market. With a population of over 100 million, the country is of particular interest to companies focused on manufacturing and local consumption.

Egypt's advantages:

- the largest domestic market in the Middle East;
- relatively low labour costs;
- a strategic location between Africa, Europe and the Middle East.

However, when structuring international business operations, investors face a number of constraints:

- high volatility of the national currency;
- a less predictable legal and regulatory environment;
- more complex administrative procedures;
- a low level of English language proficiency;
- a less developed infrastructure for international corporate structures.

6. Why international businesses continue to choose the UAE

Despite the emergence of alternative jurisdictions in the region, the UAE remains a key hub for international business structuring in the Middle East. There are several fundamental reasons for this.

- A diversified economy

  The UAE's economy is significantly less dependent on hydrocarbons than that of neighbouring countries. The main drivers of growth are finance, logistics, international trade, technology, tourism and real estate.

- A well-developed ecosystem of economic free zones

  There are over 40 free zones operating in the country, many of which specialize in specific industries – finance, technology, media, logistics or manufacturing. In most other countries in the region, such ecosystems are only just taking shape.

- A predictable legal environment

  The presence of international financial centres such as the DIFC (operating under common law) and the ADGM (applying English law directly) significantly enhances the predictability of regulation and dispute resolution.

- Immigration policy

  The UAE offers one of the most developed systems of residency programmes in the region – ranging from short-term work visas to long-term residency visas (golden visas).

7. When alternative jurisdictions are reasonable

Despite the UAE's clear leadership, alternative jurisdictions may be relevant in specific cases. For example:

- Qatar – for projects related to public investment, infrastructure or energy;
- Bahrain – for fintech projects and financial services;
- Oman – for logistics and industrial projects;
- Egypt – for manufacturing projects and businesses focused on the domestic market.

However, for most international entities, the UAE remains the most convenient and predictable jurisdiction in the region.

Dubai
Anantara
Business Bay

Moscow
20/7 Chaplygina street
Chaplygin House

Hong Kong
18 Harbour Road, Wan Chai
Central Plaza

info@whitesquarepartners.com
whitesquarepartners.com

Telegram

Corporate Services Telegram