

## ECONOMIC SUBSTANCE REQUIREMENTS FAQ

**1. What are the Relevant Activities?**

The Relevant Activities are:

- Banking Business
- Insurance Business
- Investment Fund Management Business
- Lease finance Business
- Headquarters Business
- Shipping Business
- Holding Company Business
- Intellectual Property Business (IP)
- Distribution and Service Centre Business

**2. We are carrying out a Relevant Activity but not generating any income, should the ESR Notification be completed in such a case?**

Yes, as part of the Notification you will be able to declare that no income has been earned.

**3. Which businesses are required to file a notification?**

Only businesses that have a financial year commencing on or after 1 January 2019 are required to submit a notification within 6 months of the end of their reportable period.

**4. What is to be mentioned under “financial year-end/accounting reference period” in the form?**

Please mention the last date of the financial year, company expiry date if no Financial Year has been set by the company.

**5. What is to be mentioned under “reportable period for Economic Substance purposes” in the form?**

The reportable period will either be the Financial Year of the company, if one has been set by the company, or from the renewal date to the expiry date of the company. In both cases the end of the Reportable Period should match the financial year-end of accounting reference period in Question 4.

**6. Where can I get more information on ESR requirements?**

The Ministry of Finance website maintains up-to-date information and guidance including a new Relevant Activities Guide published. <https://www.mof.gov.ae/en/StrategicPartnerships/Pages/ESR.aspx>

For clarification on the RAK ICC approach to ESR please email [esr@rakicc.com](mailto:esr@rakicc.com)