

## Insights

# DUBAI EXECUTIVE COUNCIL APPROVES AED 1 BILLION ECONOMIC SUPPORT PACKAGE

Apr 07, 2026

## SUMMARY

On 30 March 2026, the Dubai Executive Council approved a package of economic support measures totalling **AED 1 billion** (approximately USD 272.3 million), aimed at strengthening business resilience and easing financial pressures on companies operating in Dubai. The measures were approved by His Highness Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of the Dubai Executive Council.

## KEY MEASURES

The package comprises the following principal initiatives:

- Postponement of selected government fees: a three-month postponement of certain government fees has been approved, designed to ease immediate financial pressure on businesses and improve short-term liquidity.
- Deferral of Hospitality and Tourism sector fees: hotel sales fees and tourism dirham fees will be deferred for a period of three months, providing targeted relief to operators within the hospitality and tourism sectors.
- Extended customs clearance grace period: the customs clearance grace period has been extended from 30 days to 90 days, with the possibility of further extensions where circumstances warrant. This measure is expected to ease operational and logistical burdens for importers and trading businesses.
- Residency permit incentives: new incentives have been introduced to simplify and expedite the issuance and renewal of residency permits, with the stated objective of facilitating the attraction and retention of skilled talent in Dubai.

## PRACTICAL IMPLICATIONS

Businesses should note that the measures announced are, in substance, indirect support measures rather than direct financial assistance or cash grants. The relief takes the form of:

- Cost deferrals – through the temporary postponement or suspension of government-imposed fees; and
- Regulatory facilitation – through procedural streamlining measures such as the extended customs grace period and simplified residency permit processes.

Accordingly, the primary benefit to businesses will be in the form of improved liquidity and reduced short-term cost burdens, rather than direct monetary payments. Businesses should plan accordingly and take note that the fee deferrals are time-limited, meaning that deferred obligations will fall due at the end of the relevant deferral periods.

## RECOMMENDED ACTIONS

Businesses operating in Dubai should carefully consider the following:

- Review applicable government fees to identify which fees may be subject to the three-month postponement and plan cash flow accordingly;
- Engage with customs authorities where relevant, to take advantage of the extended 90-day grace period for customs clearance;
- Assess workforce and talent needs in light of the simplified residency permit procedures, which may present an opportunity to accelerate hiring or renewal processes; and
- Monitor further announcements from the Dubai Executive Council and relevant regulatory authorities, as the possibility of additional extensions to certain measures has been indicated.

**Contact us!** We are closely monitoring developments in this area and are available to advise on how these measures may affect your business. If you have any questions regarding the matters discussed in this alert, or would like to understand the implications for your specific circumstances, please do not hesitate to get in touch with your usual contact at our firm or reach out to our team directly.

## MEET THE TEAM



### **Oliver Hallsworth**

Counsel, Abu Dhabi

[oliver.hallsworth@bclplaw.com](mailto:oliver.hallsworth@bclplaw.com)

[+971 2 652 0331](tel:+97126520331)



### **Philip Hecht**

Partner and Practice Group Leader -  
Real Estate Middle East, Abu Dhabi

[philip.hecht@bclplaw.com](mailto:philip.hecht@bclplaw.com)

[+971 2 652 0306](tel:+97126520306)



### **Flora Haidar**

Senior Associate, Dubai

[flora.haidar@bclplaw.com](mailto:flora.haidar@bclplaw.com)

[+971 4 511 9708](tel:+97145119708)

---

This material is not comprehensive, is for informational purposes only, and is not legal advice. Your use or receipt of this material does not create an attorney-client relationship between us. If you require legal advice, you should consult an attorney regarding your particular circumstances. The choice of a lawyer is an important decision and should not be based solely upon advertisements. This material may be "Attorney Advertising" under the ethics and professional rules of certain jurisdictions. For advertising purposes, St. Louis, Missouri, is designated BCLP's principal office and Kathrine Dixon ([kathrine.dixon@bclplaw.com](mailto:kathrine.dixon@bclplaw.com)) as the responsible attorney.