

UAE: a new milestone for Sharjah Healthcare City

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*This illustration is inspired by the original painting of **Whistler's Mother** by James Abbott McNeill Whistler.*

Introduction

Initiated under the auspices of His Highness Dr. Sheikh Sultan Bin Mohammed Al Qassimi, Member of the Supreme Council and Ruler of Sharjah, Sharjah Health Authority (SHA) was established in May 2010 by virtue of the Emiri Decree No. 12 of 2010.

The key objectives of SHA are the development and regulation of the healthcare system in the Emirate of Sharjah.

A major strategic initiative by SHA was the creation of Sharjah Healthcare City (SHCC), under specific free zone rules and regulations, with an aim to stimulate the economic development through an attractive business environment in the field of healthcare and related industry sectors.

The first section of this article will tackle the nature of the SHCC and the various economic activities that can be licensed. The second section will focus on the distinguishing factors and elements of the structure

and operation in this healthcare city.

Nature and types of economic activities

Coming up in 4.5 million square meters of land area next to Sharjah Airport, and on the crossroad of national highways, the SHCC Free Zone has been established as per modern healthcare standards and comes across as a 'green concept'. The soft launching of the headquarters took place in October 2021.

From a regulatory framework perspective, flexibility and diversity are key essentials for SHA. There are various registration and incorporation forms available for licensing a wide range of business activities, all designed to serve the different types of practices offered by the healthcare sector, ranging from independent medical practitioners and doctors to private clinics and hospitals.

The different types of legal forms that can be incorporated within the SHCC's jurisdiction include among others, Free Zone Limited Liability Companies (FZ-LLC) with single and multiple shareholding ownership structures, as well as foreign and local branches of existing companies.

The wide spectrum of set-up choices available for investors is meant to provide an efficient regulatory system to serve the various business models in carrying out the different types of activities, including *inter alia*:

- Healthcare professional category for hospitals, clinics, and Day Surgery Centres
- Consultancy professional license for management consultancies including the healthcare sector and other sectors
- Commercial license for trading activity
- Industrial license for light manufacturing healthcare supporting industries
- Ready to occupy clinical units and shell & core for healthcare needs
- Traditional healing centres
- Healthcare centres
- CAM centres
- Laboratories
- Bio technology research centres
- Yoga and wellness centres; spas
- Counselling and de addiction centres
- Rehabilitation centres and old care nursing homes
- Representative offices of hospitals and healthcare institutions
- Storage and trading of medical equipment and disposables
- Housing units
- Hospitality centres like hotels and furnished apartments

It is worth mentioning that the economic activities are not under a strictly exclusive list, as the authority's intention is to open the opportunity for innovation in the healthcare sector. Accordingly, all activities related to healthcare technologies, advanced research, and healthcare consultancy, including tele-medicine, will be certainly considered for licensing in the SHCC.

Structure and operation

Among the factors that characterize the structure and operation are the creation of SHCC as a body under the SHA and the adoption of the cluster approach.

It is understood that the principal aim of SHA is to introduce new structures and systems in terms of organisation and operation within the SHCC' free zone's jurisdiction, in a way ensure extreme efficiency in business set up and the licensing procedures.

SHCC is uniquely created as a free zone under the management and control of SHA. As a result, all licensing and necessary healthcare regulatory approvals and procedures are centralised in the free zone acting as a 'one stop shop' without any need for further intervention or endorsement by other governmental healthcare authorities. The fact that the healthcare activities within the SHCC is regulated under the sole jurisdiction of SHA itself, is claimed to be a major element to expedite the procedures for licensing, including the issuance of initial approvals, designs, operating license, and licensing of practitioners. One of the targets of SHCC is to limit the journey of examining and licensing a new practitioner to around one month.

The SHCC is built-up and organised in a distinguished way based on 'clusters' that are grouped by specialty and functionality with an ultimate goal to accommodate the specific needs of each industry practice.

Convenience and practicality, being at the heart of the clusters approach, the free zone fosters a central clinical building offering dedicated clinics, and healthcare related offices, suitable for all modern healthcare services. The clinical spaces, including finished and core & shell facilities, are suitable for clinics, laboratories, diagnosis centres, day surgery etc. In addition to the main building, there are various clusters allocated to cater for hospitals, specialised centres, research, pharmaceutical, logistics, residential & hotels and convention centres.

Conclusion

The role of the SHA is evolving in an accelerating pace, and the introduction of the SHCC was a major milestone. The establishment of SHCC paves the way for interesting opportunities for professionals and investors in the field of healthcare and related fields, under flexible and efficient free zone rules and regulations via a single window servicing system, from registration to professional licensing and medical operation. The SHCC appears to be an appealing hub to carry out innovative projects, including research, specialized hospitals, advance HC consultancy and tele-medicine.

Al Tamimi & Company's Corporate Structuring team regularly advises on Corporate Structuring matters. For further information please contact [Ali Bachrouch \(A.Bachrouch@tamimi.com\)](mailto:A.Bachrouch@tamimi.com) or [Gretta Habib \(g.habib@tamimi.com\)](mailto:g.habib@tamimi.com) .