

Main Ingredients of a Successful Free-Zone

Ayoub Kazim

Higher Colleges of Technology- Dubai

Abstract

Free-zones are considered economic areas where goods and services can be traded. Generally, the main characteristics of free-zones are having 100% of foreign ownerships, ease of repatriation of capitals and profits, tax-free operations among other advantages. Today, there are over 5,400 economic zones in the world. Almost one fifth of them were established in the past 5 years. Now many experts foresee that more than 500 new economic zones will be created over the next few years. Now as a common practice, there are extremely important elements required to have successful free-zones such as location, government support, city's livelihood and clear regulatory framework. On the other hand, there are some features that are considered good to have such as strong human capital, work environment and strong marketing and regional visibility. In this paper, nine key features of having a successful free-zone are presented. These features are needed to acquire in order to have a successful free-zone needed to contribute to any country's economy. The nine organizational elements would definitely contribute to the success of the free-zone if they are implemented on the ground.

Keywords: Free-zone, business model, human capital, business sustainability, work environment