

A Focus on Family Business & Private Wealth in the Middle East

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In this special edition of Law Update we focus on issues relevant to family businesses and private wealth. Research reveals that a substantial 60 to 70 percent of businesses in the region are owned by families, generating around \$100bn in annual revenue. Given the prevalence in the UAE and the wider Gulf Cooperation Countries ('GCC') for significant businesses to be controlled and operated by families, the challenges and issues facing them are of relevance not just to those families but also to the well-being of the broader economies of the countries that house them.

Many of the issues that families with sizeable business interests face are not new, but as time advances, those businesses grow and the founding stakeholders advance in age, finding solutions to ensure the continued growth and success of family businesses becomes ever more important.

A key component of many family structures involves the use of trust arrangements and Richard Catling considers some of the [key benefits that trusts](#) can play in the protection and stewardship of family wealth across generations.

Often difficulties that successive generations of families can face arise from the manner in which family businesses are structured. Nawal Abdelhadi considers how [significant risks may arise from holding](#)

[structures](#) and how those risks can be mitigated by implementing a well-considered legal structure.

Inter-family disputes, whether due to generational gaps, miscommunication or otherwise have the capacity to paralyse family businesses and so in advising families the experienced advisor will always have regard to the best means of reducing the likelihood of disputes arising. Peter Smith considers the analysis that Al Tamimi has undertaken for the Family Business Council – Gulf on dispute resolution mechanisms for family businesses and considers [how best to prevent disputes](#).

Significant interests of [families in the GCC are held in real estate](#), Mohammed Kawasmi provides an analysis of the legal issues in that sector and how family businesses can best deal with them.

Nada Abouelseoud provides an [Egypt specific focus](#) on issues facing family businesses in the country.

Xavier Solanes considers the [tax implications for both family businesses and private individuals](#) and the advantages that tax planning can play when considering asset management and devising the optimal legal structure.

For any founder concerned with protecting their legacy, the retention of wealth within the boundaries of the family is a key concern. When children of wealth marry it is common to give consideration to prenuptial agreements which ensure certainty and transparency from the outset. Al Tamimi is well placed to navigate the sensitivities and realities surrounding this area and Dipali Maldonado and Ahmed Zohny analyse the legal status of [prenuptial agreements](#) in the UAE.

Al Tamimi's full service offering means that across the board we can assist by providing families, in both their complex business and personal affairs, with tailored advice and solutions to best meet their needs. We understand family businesses in the region, having grown alongside them from the firm's inception, and are acutely sensitive to their challenges, values and goals.