**How to set up a general trading business in the UAE?**

The flourishing startup and SME community in the country contributes massively to the economic diversification of the UAE. The government is unstoppable in achieving its vision, and so are the people wanting to venture in the country.

Business setup in all of the seven emirates is now more efficient and convenient than ever. As a result, the number of entrepreneurs from all industries has increased exponentially. One prominent business type that keeps hitting high figures in the UAE today is general trading.

**What is a general trading business?**

[General trading](https://decisivezone.ae/company-setup/) business is incorporated with a general trading license that allows the import, export, and distribution of goods. Under this license, you are permitted to trade multiple products from different industries, which are entirely unrelated to each other. For example, you can trade home appliances, clothing, and furniture all under this type of license.

There are many product combinations you can come up with; however, there are items that require approval from higher authorities before you can legally distribute them to the market. These items are guns, alcohol, and cigarettes, among other things.

**How to set up your general trading company?**

1. **Decide on the most suitable jurisdiction for your business**

A general trading company can be incorporated in the mainland or free zone. If budget is your main concern, opting for a free zone is an affordable option such as the International Free Zone Authority (IFZA) that issues the cheapest general trading license. On the other hand, if your goal is to penetrate the entire UAE marketplace and have the ability to trade goods without restrictions, then a mainland license is for you.

1. **Choose your business activities**

Choosing business activities for your general trading company in the UAE can reach up to a maximum of 10 as long as these commercial activities do not require external approvals. This can be a bit tricky especially for the first-time entrepreneurs so it’s highly recommended that you consult a business setup expert.

1. **Choose a company name and apply for your license**

There are several things to avoid in naming your company, including offensive languages or sensitive references to religions or known organisations. Once your company name is approved, you can subsequently apply for your trade license, which only takes a matter of days.

1. **Secure an office space and warehouse**

Since general trading company involves trading physical goods, you need a proper warehouse to house your products. As a mainland company, you can choose your business location anywhere in the UAE while establishing in the free zone limits you within the jurisdiction. The good news is, you can set up your business in the free zone even without a physical office. For example, the International Free Zone Authority (IFZA) allows you to incorporate your general trading company with just a virtual office space.

1. **Always consider the Customs**

Whether you are importing or exporting goods by sea or air, passing through the UAE customs is a primary obligation. In the UAE, you are required to request an import code from the UAE customs so you can bring in products into the country and pay the applicable import duty. You can register with any customs authority in all the seven emirates, depending on what works best for your business.

With the help of the company formation specialists from [Decisive Zone](https://decisivezone.ae/), setting up your general trading business in the UAE only takes minimal effort. They take care of the different stages of business setup efficiently and simplify the process for you. You only need to submit the required documents and wait for the approvals that follow for each step. Ultimately, your initial goal must be the successful incorporation of your general trading so you can hit the ground running immediately––and you can only achieve this by working with a credible business setup firm.