

Member Spotlight: Thomas Paoletti

# One Belt, One Road...One Successful Decision



*Thomas Paoletti is a qualified lawyer specialised in protecting the personal and business interest of entrepreneurs in the United Arab Emirates (UAE) and globally, by providing corporate and commercial legal support.*

*His small team of lawyers aim to listen to clients, analysing their requests, respecting their needs and paying attention to overall strategy – tailoring their legal approach accordingly.*

Turning 40 is a significant milestone for most people, and so it was for Thomas Paoletti as he made a decision that would fundamentally change his life and career.

Already a successful lawyer in Italy, as part of his family practice, Thomas made the decision to move several thousand miles east and establish his own law firm in the United Arab Emirates (UAE). He did this because, while working on a client case, he saw the potential available to him in the region.

He says: "At the time, in 2000, a client of mine was involved in a cross-border litigation involving the UK, India and the UAE. I had to travel to Dubai several times as part of the case, and I saw a country really developing very, very quickly.

**"I told myself that if I didn't take the chance now, it would be gone and I would not take it later on."**

"Eight years later after my first visit to Dubai, I told myself that if I didn't take the chance now, it would be gone and I would not take it later on. So, just before the global crisis hit, I decided to move to Dubai. In the beginning I was mainly going back and forth, with one month in Dubai and two weeks in Italy, before I decided to settle permanently in Dubai."

Ten years later, Thomas's law practice, Paoletti Legal Consultants, employs three lawyers and three support staff and is thriving in the cosmopolitan business hub of Dubai. He has diversified away from his traditional Italian client base and now has a healthy mixture of local Emirati, Asian and European clients.

One of the firm's major areas of focus is to assist foreign clients to establish a presence in the UAE, and to structure that presence efficiently in the context of the rest of their international business. Thomas assesses the markets his clients are interested in and recommends structures based on that preference.

He says: "If clients just want to export goods or services, they can easily go for a free zone company, because an onshore commercial licence requires a local partner who owns 51 per cent of the shares. Clients are, understandably, reluctant to have such a structure, so they typically set up a free zone company which they can control. If they want to go onshore, they can set up a new company, with a local sponsor, to service the UAE market, while the main international activities are kept in the free zone."

Aside from corporate structuring, Thomas is seeing an increase in entrepreneurial clients looking for investment. He handles the contracts around this investment in terms of equity for shares and predicted return profiles and horizons.

Expanding the business in both these areas of focus is important to Thomas, and he is active in developing his client base. He recently completed an intensive business trip to China, taking in several cities across the country. He first visited the country in 2014, and sees huge potential in the relationship between China and the UAE as a base for investors and entrepreneurs invested in Africa and Europe.

He says: "There has been a lot of focus on Dubai as part of the One Belt, One Road initiative, designed to connect China to other global economies. I was considering setting up a branch of my practice in China, until I realised that a Chinese investor would never go to an Italian lawyer practicing in China to do business in Dubai."

Dubai is a multicultural environment where 83 per cent of the population are foreigners. Doing business among different cultures can create significant barrier in doing business in a proper and effective way. Barriers such as language, gestures or simple misunderstandings can easily jeopardise the entire business transaction.

Thomas is particularly able to leverage his understanding of Chinese culture, given the significant experience he has gained over 10 years of prac-

tice in UAE, and because his wife, Yueyao, is Chinese.

A good example of this understanding, applied in a slightly different way, comes from a deal where Thomas was representing an Italian client on a deal with a Chinese firm. After three days of meetings, it became clear that there was no way to reach an agreement.

"The client asked me to have a word with the Chinese counterparty, so I used my experience to understand their position, in order to facilitate an agreement between the two parties. A profitable deal was finally done and now my Italian client always reminds me that the agreement would never have been signed without my intervention."

Today one of his main clients is a Chinese government company, and he has plenty of experience in smoothing over those cultural ripples. The language barrier mentioned earlier is evident, since Chinese people are not typically fluent in English. They are also uncomfortable, in some cases, doing business with foreigners.

**"You have to put a lot of effort in to show them that they can trust you."**

Thomas says: "You have to put a lot of effort in to show them that they can trust you. You must prove to them that you will do whatever you can to protect their best interests, even if the counterparty is one of your countrymen."

Aside from China, Western business culture is also very different to that of the Middle East, particularly when it comes to client service in the legal profession. Many Western companies who contract with an Emirati lawyer can become frustrated with the lack of prompt, succinct responses to questions, according to Thomas.

One of the main roles of Paoletti Legal Consultants is to act as a conduit, serving as a profession-

al point of contact. They will also assist clients to develop their business strategy and help them to appoint the right local lawyer.

Thomas says: "If we have a litigation case, for example, that needs court representation from a local lawyer, I have to make sure that I can provide answers to my client's questions in a timely manner. Sometimes, if I don't get a reply from the lawyer, I will drive over to their office and find the information myself. That is not uncommon, and is an invaluable additional service that we provide to international clients. They don't need to know what happens behind the scenes in order to provide that information."

When he is not responding to demanding clients, or developing his business, Thomas spends most of his downtime relaxing with his wife and one-year old son. The nature of his work allows him to organise meetings during the afternoon and work from home some mornings of the week.

He says he often starts work at 7.30am, working for two or three hours, before taking a break to play with his son. A few minutes with him gives Thomas a good start to continue working for the rest of the day. A busy schedule of social and business events during the week, mean he is happy to relax at home on weekends, unless he is indulging his newfound passion for golf, or his slightly more established passion for scuba diving.

A new addition to the family can often bring closer ties to existing family, and so it is that Thomas has travelled back several time this year to the country he left behind a decade ago, in order to introduce his son to a new big sister – Thomas's 18-year-old daughter who lives in Italy.

Thomas concludes: "I usually go to Italy two or three times a year, but only for a few days each time. I prefer my daughter to come and visit me, so, I hope now she will come more often."



## Paoletti Legal Consultant

IR Global's exclusive Corporate Law member in United Arab Emirates (UAE)

[paoletti.com](http://paoletti.com) | [tp@paoletti.com](mailto:tp@paoletti.com) | +971 4 3448239

Paoletti Legal Consultants is a highly-qualified international law firm that keeps up-to-date with the constantly changing legal landscape. The firm's mission is to provide an independent and tailor-made consultancy to protect the interests and the family values of entrepreneurs doing business abroad. Paoletti specialises in corporate and commercial law and has been working in this area internationally for 20 years.