Export Opportunities in UAE

In 2017, the United Arab Emirates ranked 18th among U.S. export destinations and 24th among Virginia export destinations. Some of the top opportunities for U.S. exporters in the United Arab Emirates include:

- Automotive
- Consumer Electronics
- Construction
- Education
- Defense
- Healthcare
- Oil and Gas Field Machinery
- Renewable Energy

Top Virginia Exports to UAE

<table>
<thead>
<tr>
<th>Export Category</th>
<th>2017 Value</th>
<th>Change 2017/2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Commodity Chapters</td>
<td>$134.4</td>
<td>0%</td>
</tr>
<tr>
<td>Industrial Machinery</td>
<td>$35.7</td>
<td>-17%</td>
</tr>
<tr>
<td>Electrical Machinery</td>
<td>$16.8</td>
<td>-15%</td>
</tr>
<tr>
<td>Vehicles, Not Railway</td>
<td>$12.7</td>
<td>8%</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>$6.0</td>
<td>104%</td>
</tr>
<tr>
<td>Plastics</td>
<td>$5.8</td>
<td>35%</td>
</tr>
<tr>
<td>Beverages</td>
<td>$5.4</td>
<td>66%</td>
</tr>
<tr>
<td>Medical Instruments</td>
<td>$4.9</td>
<td>32%</td>
</tr>
<tr>
<td>Wood Products</td>
<td>$4.9</td>
<td>67%</td>
</tr>
<tr>
<td>Essential Oils</td>
<td>$4.5</td>
<td>12%</td>
</tr>
<tr>
<td>Furniture</td>
<td>$3.7</td>
<td>10%</td>
</tr>
</tbody>
</table>

(U.S. Central Intelligence Agency)
## Opportunities in the United Arab Emirates for Exporters

### Healthcare

The World Health Organization determined that a third of adults in the UAE are obese and one out of five people live with diabetes. From 2016 to 2017, health expenditures increased from $16 billion to $17 billion. The government has tied UAE residence visas with health insurance coverage and is focused on transforming Dubai into a medical tourism destination.

The best prospects for U.S. exporters include:
- Ventilation and resuscitation equipment
- Medical device e-commerce and home care
- Glucose monitoring and insulin pens/syringes

### Consumer Electronics

The United Arab Emirates (U.A.E.) is one of the most lucrative global information technology (IT) markets in per capita terms. The country will likely remain as one of the leading consumer electronics (CE) markets in the Middle East and North Africa (MENA), with the region's highest household expenditure per capita ($21,437 in 2013 and a projected $30,000 by 2017).

Top prospects include:
- Computing devices
- Mobile handsets and video
- Audio and gaming products
- MP3 and MP4
- Feature-rich notebooks

### Defense

The United Arab Emirates ranks among the top 15 defense spenders in the world according to Business Monitor International (BMI). Defense expenditure as a proportion of GDP has remained comparatively high to counter rising Islamist extremism in the region. The country's defense expenditures are expected to increase by over 6.5% CAGR from $23.4 billion in 2016 to $31.8 in 2021.

The best prospects for U.S. exporters include:
- Missile Defense
- Surveillance and Reconnaissance (ISR)
- Maintenance, Repair, and Overhaul (MRO)

### Oil & Gas Field Machinery

The United Arab Emirates is the world’s sixth largest oil producer and fourth largest producer of petroleum liquids in the Organization of the Petroleum Exporting Countries (OPEC). UAE hydrocarbon production amounts to $65 billion annually and 20% of all export revenue. To exploit more natural gas, the UAE will need solutions to treat high sulfur content.

Top prospects for U.S. exporters include:
- New EOR technologies
- Natural gas processing facilities
- Drilling equipment

(US Commercial Service)
The United Arab Emirates has an open economy with a high per capita income and a sizeable annual trade surplus. Successful efforts at economic diversification have reduced the portion of GDP based on oil and gas output to 25%.

Since the discovery of oil in the UAE more than 30 years ago, the country has undergone a profound transformation from an impoverished region of small desert principalities to a modern state with a high standard of living. The government has increased spending on job creation and infrastructure expansion and opened utilities to greater private sector involvement. The country’s free trade zones - offering 100% foreign ownership and zero taxes - are helping to attract foreign investors.

Dependence on oil, a large expatriate workforce, and growing inflation pressures are significant long-term challenges. A 5% value added tax was introduced in January 2018.

(CIA World Factbook)

**Cultural Guide**

- With expatriates from over 150 countries forming 85% of the population, the UAE is a diverse and multicultural society. The UAE is regarded as relatively liberal within the region and provides schools, cultural centers and restaurants that cater to international cultures.
- Never ask about a man's wife. Business cards and gifts should be offered with the right, not left, hand. Never sit with the sole of your foot facing someone.
- English is widely spoken throughout the country and is preferable for written correspondence. It is advised that you consult a lawyer prior to signing an agreement in the UAE.
- Personal contact with potential and existing partners/clients and regular visits to the market are of the utmost importance. Face-to-face meetings are preferred as phone or emails are sometimes seen as impersonal.

( Kwintessential)

**GDP Growth Rate**

In a meeting, the host will offer tea or coffee upon arrival. It is rude to refuse this beverage.

- The Islamic dress code is not compulsory, unlike in neighboring Saudi Arabia. Most Emirati males wear a kandura, an ankle length white shirt and most Emirati women wear an abaya, a black over garment covering most parts of the body. Western style clothing is, however, dominant due to the large expatriate population.
Virginia Economic Development Partnership - International Trade offers a number of export-related services to Virginia businesses, including trade missions and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters.

For more information, please visit our website: ExportVirginia.org

### Additional Resources

- **UAE Overview**
  - Global Edge - Michigan State University

- **UAE Taxation**
  - UAE Taxation: Santander

- **Kwintessential UAE**
  - Kwintessential Guide to the UAE

- **UAE Country Commercial Guide**
  - U.S. Commercial Service

- **Doing Business in UAE**
  - International Trade Centre

- **Ease of Doing Business Report**
  - World Bank

- **Business & Trade in UAE**
  - Embassy of the UAE in Washington DC

- **Exporting to UAE**
  - United Kingdom Trade & Investment