

# FAST FACTS



## United Arab Emirates

### Export Opportunities in UAE

In 2016, United Arab Emirates ranked 16th among U.S. export destinations and 25th among Virginia export destinations. Some of the top opportunities for U.S. exporters in UAE include:

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

### Map of United Arab Emirates



(U.S. Central Intelligence Agency)

### Top Virginia Exports to the UAE

Export Category	2016 Value	Change 2016/2015
All Commodity Chapters	\$ 135.0	-14%
Industrial Machinery	\$ 43.1	28%
Electrical Machinery	\$ 19.8	-44%
Vehicles, Not Railway	\$ 11.8	-32%
Meat	\$ 5.3	-16%
Plastics	\$ 4.3	28%
Pearls, Stones, Metals	\$ 4.2	28076%
Essential Oils	\$ 4.0	10%
Medical Instruments	\$ 3.8	-24%
Furniture	\$ 3.4	-20%
Beverages	\$ 3.2	-28%

In US\$ millions (World Trade Atlas)

### U.S. Exports to the UAE



In US\$ billions (World Trade Atlas)



FAST



FACTS



## Opportunities in the United Arab Emirates for Exporters

### Healthcare Services

The United Arab Emirates is among the top 40 largest medical device markets in the world and ranks fourth in the Middle East & Africa region. In 2016, the expectation is for health expenditure to increase by 6 percent in local currency terms, reaching \$15.75 billion. Overall healthcare spending is expected to account for 3.82 percent of the country's GDP by 2020, down slightly from 3.90 percent in 2015. The best prospects for U.S. exporters in the U.A.E. include:

- » Ventilation equipment
- » Resuscitation equipment
- » Glucose monitoring devices
- » Mobile medical devices

### 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 rate of household consumption expenditure per capita (\$21,437 in 2013 and a projected rate of \$30,000 by 2017). Top prospects include:

- » Computing devices
- » Mobile handsets and video
- » Audio and gaming products
- » MP3 and MP4
- » Feature-rich notebooks

This information is adapted from the U.S. Commercial Service. [Click here for more export opportunities.](#)

### 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 in recent years in response to rising Islamist extremism in the region. According to BMI, the country's 2016 defense expenditures are expected to increase by over 7%, from \$21.8 billion in 2015 to \$23.4 in 2016. The best prospects for U.S. exporters in the United Arab Emirates include:

- » Missile Defense
- » Surveillance and Reconnaissance (ISR)
- » Maintenance, Repair, and Overhaul

### Oil & Gas Field Machinery & Services

The United Arab Emirates (U.A.E.) is the world's sixth largest oil producer and the second largest producer of petroleum and other liquids in the Organization of the Petroleum Exporting Countries (OPEC). The U.A.E.'s hydrocarbon export revenues rose by nearly 65 percent between 2010 and 2015 from \$75 billion to \$123 billion, according to the International Monetary Fund (IMF). Top prospects for U.S. exporters include:

- » New EOR technologies
- » Alternative Technology to using gas to maintain oil well pressure
- » Drilling Equipment
- » Chemicals

# FAST



# FACTS



## Economic Overview

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 is opening up 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.

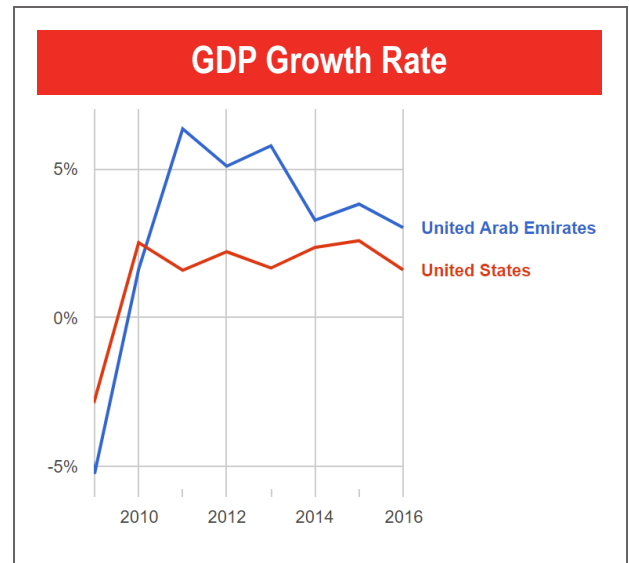
(U.S. Central Intelligence Agency)

## 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.
- » 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.

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

(Source: United Kingdom Trade & Investment, US Commercial Services)



# FAST



# FACTS



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](http://ExportVirginia.org)

## Additional Resources: Market Reports

[UAE Country Commercial Guide](#)

[Doing Business in UAE](#)

[Ease of Doing Business Report](#)

[Business & Trade in UAE](#)

[Exporting to UAE](#)

U.S. Commercial Service

International Trade Centre

World Bank

Embassy of the UAE in Washington DC

United Kingdom Trade & Investment

## Online Resources

[UAE Overview](#)

[UAE Taxation](#)

[Kwintessential UAE](#)

Global Edge - Michigan State University

UAE Taxation: Santander

Kwintessential Guide to the UAE

**Last Revised: August 25, 2017**

*Information provided by VEDP Fast Facts is intended as advice and guidance only. The information is in no way exhaustive and the VEDP is not a licensed broker, banker, shipper or customs agency. VEDP shall not be liable for any damages or costs of any type arising out of, or in any way connected with the use of, these Fast Facts.*

