

MARKET OPPORTUNITIES IN THE UNITED ARAB EMIRATES

AEROSPACE

Civil Aviation

- Dubai International Airport is the 3rd busiest airport in the world.
- Expansion of the Al Maktoum International Airport has been initiated to accommodate 160 million passengers and 16 million tons of cargo.
- Abu Dhabi's Midfield Terminal is aiming to set the capacity of passengers to 84 million a year.
- The UAE government is investing billions of dollars in developing and modernizing its aviation sector in preparation for the World Expo 2020 and growth in passenger flights.
- The UAE air freight market is expected to grow at a CAGR of 4.8% between 2017-2021 and will be driven by the Government's investment in infrastructure, airport expansion and World Expo 2020.

Maintenance, Repair, and Overhaul (MRO)

- The UAE is focusing on advanced aero structure and composite part manufacturing facilities and capabilities, with the aim to be a key supplier to OEMs.
- Aerospace investments in Abu Dhabi are centered in Nibras Al Ain Aerospace Park. The park consists of industrial projects, businesses, office complexes and mixed-use residential zones, with 2 miles reserved for the aerospace industry.

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Space

- The UAE's investments in space technologies have exceeded \$5.4 billion. These investments include Al Yah 3 Satellite and Al Thuraya satellite for maps and earth monitoring.
- The UAE Space Agency has taken an initiative to build an unmanned probe spacecraft that will orbit Mars by 2021. The government also announced their goal to build the first city on Mars in 100 years, known as Mars 2117.
- The UAE Space Agency signed a letter of intent with NASA that covers cooperation for space exploration and human space flight.

Opportunities

- Commercial aviation: manufacturers of aircraft parts, airframes and composites for aircraft.
- Airport solutions: companies providing solutions in biometrics, artificial intelligence, big data and futurist technologies, and robotics for airports.
- Air traffic management: companies involved in airspace design, air traffic flow management, and autonomous aviation.
- Air freight & cargo: companies involved in improvement of logistics infrastructure. Cold-chain logistics services are in demand due to growing demand for pharmaceutical and cold storage products.
- Technical expertise: there is a requirement for training, education, and R&D for building national capabilities for the Space Agency initiatives.

DEFENSE

- The UAE is spending heavily on defense due to factors such as their goal of diversifying the economy from oil and participation in the war in Yemen.
- The annual defense expenditure is expected to record a CAGR of 12.09%, of which \$58.3 billion is spent on procurement of arms.
- Procurement priorities: missile defense, precision fires, intelligence, surveillance & reconnaissance, command & control, expeditionary logistics, & MRO
- Abu Dhabi Autonomous Systems Investments and Adcom Systems are manufacturing UAV's in the UAE.
- In the maritime sector, Abu Dhabi Ship Building is involved in development of electronics and weapons systems in the UAE.

Opportunities

- Training capabilities requirements: lack of in-house defense capabilities and training has led the UAE to seek technologically advanced defense systems from foreign OEMs, to provide sufficient protection to its strategic assets and critical infrastructure.
- The UAE is committed to developing a local defense manufacturing base through collaboration with Western defense firms and joint manufacturing partnerships.
- There is a requirement of subject matter experts to protect its critical infrastructure such as nuclear power plants, oil & gas production facilities, water treatment & electricity facilities, and cyber security.

LIFE SCIENCES AND HEALTHCARE

- High birth rates, rise in life expectancy, growing incidence of non-communicable diseases, and medical tourism are driving the demand for healthcare in the UAE.
- By 2021, UAE's healthcare industry is forecasted to grow by 60%.
- UAE's life science sector is at the mid-point of achieving 37% growth between 2014 – 2019, equivalent to \$19 billion.

Opportunities

- Cancer treatment: cancer is the 3rd leading cause of death in the UAE. The Abu Dhabi Health Authority created its Cancer Control Plan to work with public, private, and community partners to create and implement strategies to help cancer patients and their families. The pillars of the program are prevention, early detection, diagnosis, treatment, and palliative care.
- Education/prevention: UAE recognizes that family education is critical in tackling the childhood obesity epidemic. Lifestyle trends such as lack of physical activity, and consumption of fast food and prepackaged foods are major casual contributors.
- Wellness: there is an increase of investments in corporate wellness programs.
- Hospital build: there is an increase in shortage of specialized care hospital beds and cancer treatment centers.
- Telemedicine/remote health monitoring: there are many eHealth start-up companies that are offering telehealth devices and services such as video conferencing care.

LIFE SCIENCES AND HEALTHCARE

Opportunities Continued

- Chronic disease management – alternative models: the UAE is looking for innovators who can provide solutions towards cardiovascular diseases, childhood obesity, diabetes, tobacco related illness, and cancer treatment.
- Innovation: Dubai Health Authority (DHA) has created a 3D printing strategy for medical services. The technology is important for development in prosthetics, implants, and tissue and organ replication.
- Creation of Centers of Excellence for specialized tertiary care of leading diseases: by 2021, all healthcare facilities in the UAE will have international accreditation from recognized medical bodies either from the U.S., Canada or Australia.
- Mental health: the DHA has launched the 1st comprehensive mental health strategy for Dubai, titled “Happy Lives, Healthy Communities”. It was launched in line with the Dubai Health Strategy 2016 – 2021 to work towards successful implementation and active community participation to remove the stigma attached to it and empower the patient.
- Public-private collaboration: the 2017 – 2020 DHA health strategy focuses on inviting private sector investment into building the primary, tertiary, and secondary level healthcare facilities in Dubai.

ICT

- In 2018, IT spending in the UAE is expected to rise by 4.8% to \$7.7 billion.
- This is driven by government-led infrastructure development projects, e-government initiatives, transformations in the transportation, banking and financial services sectors, and private sector developments.
- Artificial Intelligence is contributing \$320 billion to the Middle East economy by 2030.
- Dubai established a \$100 million FinTech-focused fund to accelerate development of financial technology.
- The UAE is ranked 5th globally for use of big data and analytics by World Competitiveness Yearbook 2018.
- High income and propensity to spend by consumers, enterprise, and government makes the UAE one of the most lucrative ICT markets globally.

Opportunities

- AI: the Minister of AI was appointed in 2017 and launched the UAE AI Strategy 2031. It aims to focus on the education, transportation, energy, space, and technology sectors.
- Virtual & Augmented Reality: training and development of employees and simulations solutions are required.
- Robotics, virtual reality and augmented reality: these technologies are catering to multiple industries including oil and gas, power and utilities, construction, real estate, and healthcare.
- Blockchain technology: the UAE has launched Emirates Blockchain Strategy 2021 to transform 50% of government transactions into blockchain platform. This aims to impact several industries such as energy and water, transport and logistics, tourism, safety, and healthcare.

ICT

Opportunities Continued

- Drones: applications have launched for traffic monitoring, surveillance, oil spill searches, water and power asset monitoring, litter monitoring, landfill density optimization, and police patrols.
 - In a bid to boost the drone industry, Krypto Labs launched a global competition of prize money of \$1 million for the best drone engineering.
- Cybersecurity: sizeable opportunities exist for those offering cyber solutions in sectors such as energy, oil and gas, IT, telecom, and defense.
- Wearable technology: there is a need for hardware and wearable tech startups.

Expo 2020 and UAE's Vision 2021 serve as major catalysts for several ICT initiatives including:

- The Dubai Smart Government initiative was established in 2000 to provide online government services to businesses, citizens, residents, and visitors.
- The Dubai Smart City initiative is aimed at linking the emirate's government services and the public using smart devices accessed freely using high-speed wireless internet connections.

Dubai Internet City (DIC) is the home to some of the leading global ICT companies in the world. DIC is an economic free zone allowing companies to operate with tax-free benefits and 100% ownership. Opportunities for companies include all the ICT technologies, developing the UAE's human capital, encouraging R&D, and creating the overall groundwork to allow the UAE to become a regional hub.