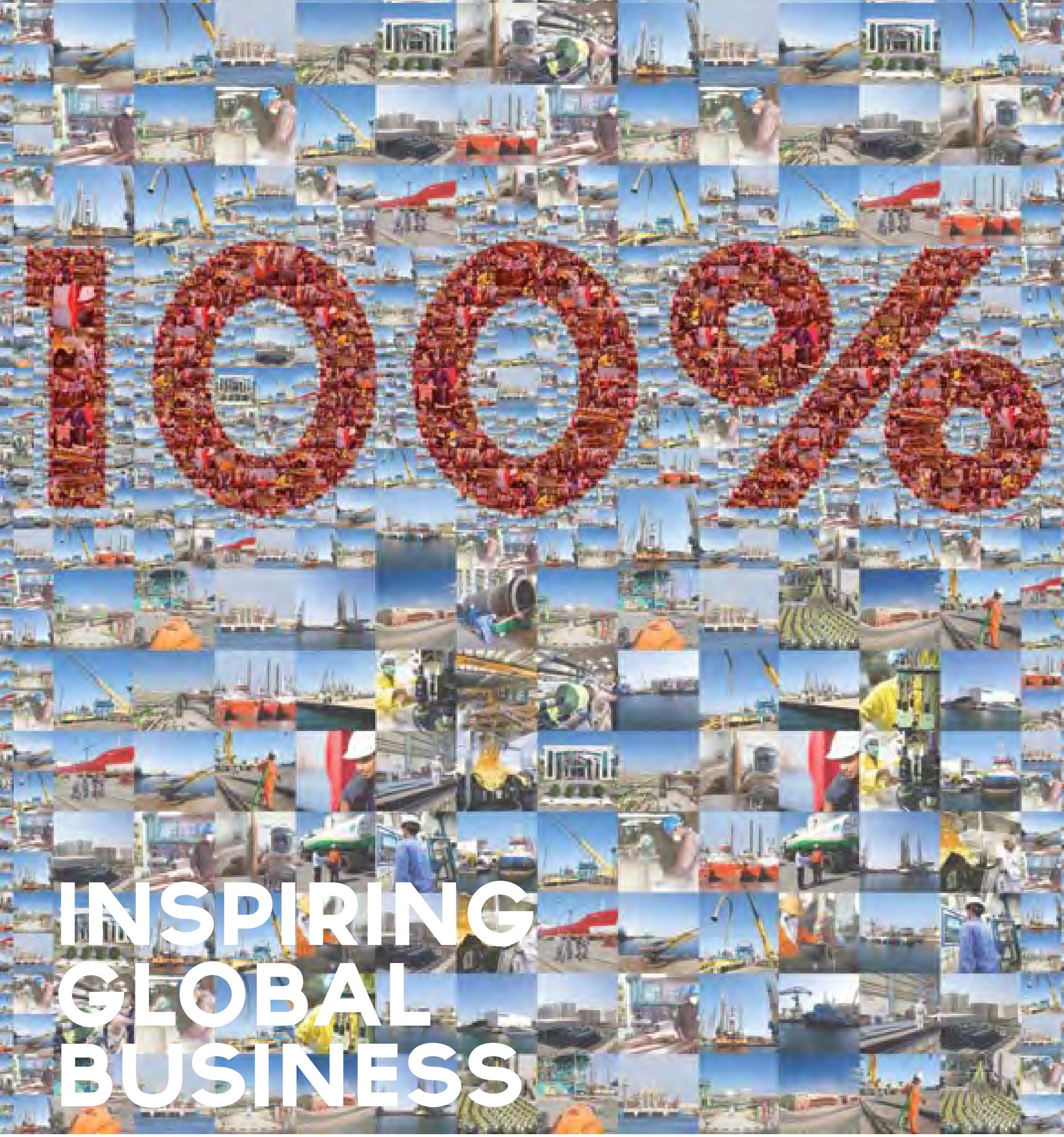
UNITED ARAB EMIRATES
MINISTRY OF ECONOMY

الإمارات العربية المتحدة
وزارة الاقتصاد

UAE Imports & Exports Guide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MINISTRY OF ECONOMY

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Contents

Vision

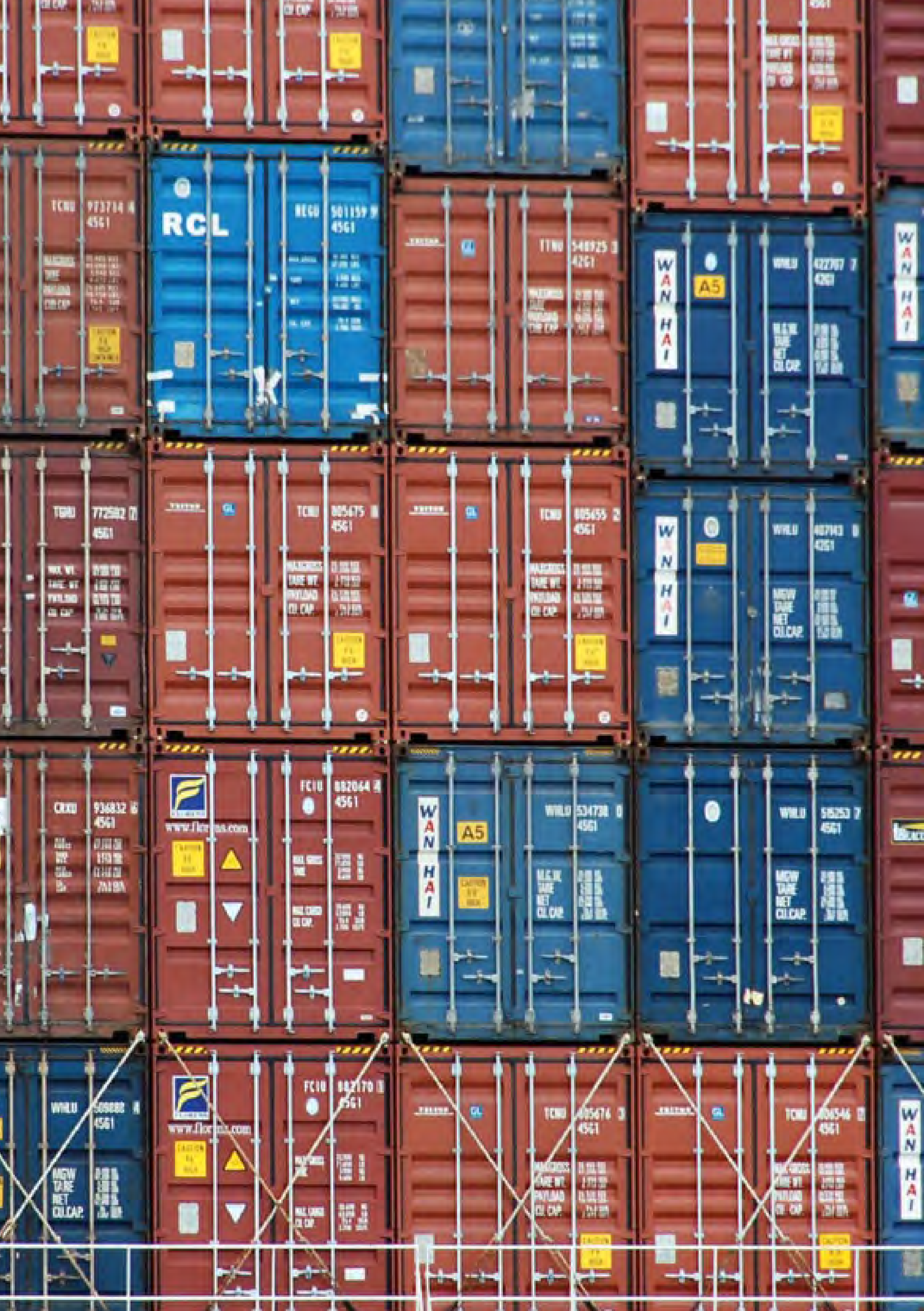
Internationally competitive and diversified economy under the leadership of efficient and knowledgeable nationals.

Mission

To develop the national economy and create a pro-business environment that contributes to achieve balanced and sustainable development of the country, through the enactment and modernization of economic legislations , foreign trade policies, development of national industries and exports, promotion of investment, regulation of competition and Small and Medium Enterprises (SMEs) sector, protection of consumer and intellectual property rights, and diversification of economic activities, under the leadership of efficient nationals, in line with international standards of creativity, excellence and knowledge economies.

HH SHEIKH KHALIFA BIN ZAYED AL NAHYAN
President of the United Arab Emirates and Ruler of Abu Dhabi

HH SHEIKH MOHAMMED BIN RASHID AL MAKTOUM
Vice-President and Prime Minister of the United Arab Emirates and Ruler of Dubai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Welcome

It is a great pleasure to introduce the UAE Imports & Exports Guide. The UAE has been firmly established as the Middle East's main trading hub. With the world's largest airport and logistics center, and a sophisticated network of sea ports, we can move goods to and from any of our economic free trade zones in few hours.

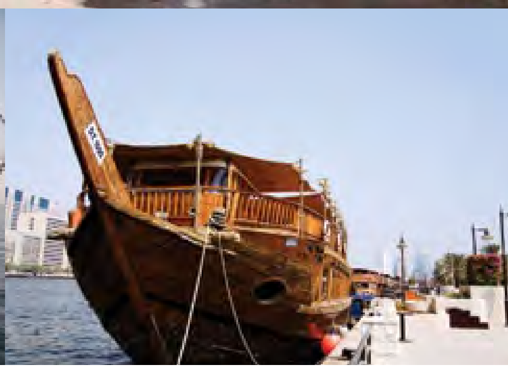
The UAE's central location, both east-to-west and north-to-south, provides access to more than two billion people within four-hour travelling time which is why our re-exports business is one of the most robust on global scale. The UAE has well-established trading relations both within the Middle East and globally, which makes it one of easiest countries in the world to do business with.

These include the minimal imports & exports tariffs we practice between the neighboring Arabian Gulf countries. Also the best-practice agreements with many of our international trading partners, double taxation agreements which limit imports & exports tax liabilities, and for example the active promotion of fair competition laws. In all respects, our trade facilitating regulations and organisations align us completely with the World Trade Organisation (WTO) international standards of free and fair trade. Testimony to this is our WTO membership since 1996 and our numerous government organisations set up to support the trading practices of UAE companies.

Within this Guide you will find a comprehensive view of the UAE's considerable imports/exports investments across air, land and sea, and continued success in attracting foreign direct investments from the world's most established international companies. It outlines the UAE's extensive free trade zone infrastructure that became the heartbeat of the UAE imports/exports success story. It also illustrates the enormous tax advantages the UAE offers and the essential UAE imports/exports business process.

ENGINEER SULTAN BIN SAEED AL MANSOURI
Minister of Economy

Historic Trading Culture



The UAE continues to grow its Imports & Exports capabilities, firmly positioning itself as a global logistics hub.

Going back to the earliest records, the UAE has been naturally positioned as a hub for international trade between Asia and Europe on an east-west axis and the CIS and Africa on north–south axis.

Arabia also has its own rich seafaring history. As early as the 6th century, around the time of the birth of Islam, Arab merchants would sail huge distances in traditional wooden dhows to trade spices along the Silk Route, the major trading route at the time which ran from China through to the Mediterranean Sea.

Going back even further, as early as 3000 BC, the UAE was rich in natural resources and in traded copper with countries such as Persia and Mesopotamia. With the huge opportunities in its trading location, a number of dominant nations have tried to conquer the area over the years, notably the Portuguese in the 17th century and the Dutch in the 18th century. While both failed, the British did succeed in controlling part of the region during the 18th century.

The Trucial States, as it was then known, remained a British 'protectorate' until the formation of the seven Emirates: Abu Dhabi, Dubai, Sharjah, Ajman, Ras Al Khaimah, Umm Al Quwain and Fujairah known by the United Arab Emirates (UAE) in 1971.

The region discovery and export of oil came in 1962. Another major trading milestone came in the early 1960s, when at that time Sheikh Rashid Bin Saeed Al Maktoum, the Ruler of Dubai, had the vision of dredging Dubai Creek to allow large shipping vessels to enter. By 1972 Port Rashid opened followed in 1985 by Jebel Ali Port, the UAE's first free trade zone.

Today, the UAE remains a vital re-export point between east and west. The GCC's expansive coastline, stretching from the Gulf of Oman to the east and the Arabian Gulf to the west, led to the development of a number of strategic ports over the years. The Strait of Hormuz still provides a passage for more than 40 percent of the world's crude oil. With ongoing developments and central logistics hubs such as Kizad, part of Abu Dhabi Ports Company, and Dubai World Central, the UAE continues to grow its imports/exports capabilities, firmly positioning itself as a global logistics hub.

A Favourable Environment for Imports & Exports

The UAE's strategic location continues to serve its imports, exports and re-exports industry on an increasingly large scale. It has a potential market of more than 2 billion people for both the east and west within four hours travelling time. This is complemented by a robust and growing airline network of local and international carriers, flying to and from its state-of-the-art airports and logistics centers. Its geographical position together with its world-class infrastructure and the visionary leadership the UAE has been the logistics and re-export hub for the entire Middle East.

LOGISTICS INVESTMENT

The country has invested billions of dollars in recent years to build some of the most developed warehousing and transportation infrastructure anywhere in the world. These have been strategically planned to provide full connectivity among land, sea and air, allowing for the quick and efficient transfer of goods in and out of key logisitical transportation hubs such as Abu Dhabi's Zayed Port or Khalifa Port and Industrial Zone in Abu Dhabi, through to Dubai World Central and Dubai Logistics City.

While Abu Dhabi ranks sixth in the world in terms of oil production, the UAE has also developed what is possibly the most diversified economy in the Arab World, hence the need to imports, exports and re-exports an increasingly wide range of goods. Part of this diversification includes a growing base of both regional and international logistics companies capable of handling goods under all conditions, from more straightforward items through to perishables, hazardous materials or livestock, in warehousing conditions and transportation facilities fully equipped and dedicated for the purpose.

557,887 in 1975

2,411,041 in 1995

4,106,427 in 2005

8,264,070 in 2010

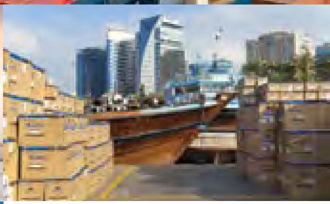
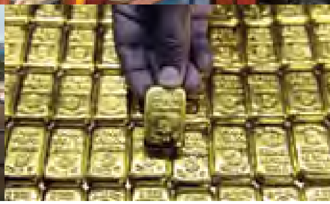
POPULATION GROWTH

The UAE has a long-standing reputation as a desirable destination to live, work and do business. As a result its imports & exports volumes are also increasing to meet the needs of what is one of the world's fastest growing populations. Census data suggests that the population grew from 557,887 to 2,411,041 between 1975 and 1995. By 2005 this had expanded further to around 4,106,427, and in 2010 stood at 8,264,070.

Continuous forward planning and the ongoing development of large-scale, state-of-the-art logistics hubs as mentioned above ensure that, despite its exponential population increase, the UAE will continue to have both the required capacity and capability to meet its further growth in the long term.

(Ref: UAE National Bureau of Statistics)



Imports & Exports Procedures




Arrival notice from agents
DO (Delivery Order) & docs collection
Preparation of Imports (Declaration by DDF)
Bill of Entry preparation by DDF imports clearing team
Scan & Upload documents if not approved
Bill of Entry approval by customs
Preparation of FIRs for the shipments of food items by DDF
Approvals from Municipality/ Ministry of Economy etc
Clearing of shipment by DDF team
Submission of documents to customs
Intimation of airlines regarding probable claims
Preparing exit/entry by DDF Finance Department
Payment of customs inspection fees
Inspection of shipment by customs (in DDF) and stamping of B/E and Exit/Entry Docs.
Stamping of Exit/Entry by DDF (Finance)
Online submission for claims (Reimbursement of duty/SG)
Submission of documents to customs for claims (Duty Reimbursement/SG)

Imports & Exports Procedures

In the following sections we outline some of the main imports & exports processes in UAE, both relating to free zones and 'onshore' registered companies. The processes below include importing and exporting containers of cargo by sea, and moving goods 'onshore' from a freezone and vice versa for the purposes of imports & exports.

IMPORTS & EXPORTS DEFINED

Import is the process of bringing goods into the UAE from a foreign country, from one of the Emirates' free trade zones, or vice versa into a free trade zone from a UAE 'onshore' location, while meeting the country's legal requirements in terms of licensing, documentation and permissions. This last point about licensing is important to allow you to be an importer. It includes having a valid trade license issued by a UAE license issuing authority and being registered with the Customs department.

Export is the process of sending goods and services produced domestically to another country, or between UAE free zones and 'onshore' companies as described above. The same licensing aspects also apply as described above.

These processes are outlined in more detail below—

SEA IMPORTS PROCESS FOR A FULL CONTAINER LOAD VIA UAE

The exporter supplies the importer with the following original documents, irrespective of the sales agreement and agreed payment method between the two parties—

- Original bill of lading copies
- Commercial invoice
- Packing list
- Certificate of origin

Based on the vessel arrival date, the importer submits the original bill of lading to its shipping agent, which in turn issues a delivery order to the importer. This should be done 3–4 days before vessel arrival. The importer should also conduct all cargo clearance formalities as described below before the delivery order expiry date. Once the delivery order has expired, the port will not release cargo to the importer. In this case the shipping agent would need to extend the delivery order, incurring an additional fee for the importer.

The importer submits the Import Declaration application for UAE Customs clearance online through **dubaitrade.ae**. Online payment for customs duties and other fees can be made using the CDR account, or e-payment by credit card or direct debit. On successful payment by either of these methods, the importer can print the Customs Import Declaration.

In case of restricted goods or duty-exempted cargo, the importer arranges for the necessary permits from the designated permit issuing authority before filling out the Customs Import Declaration.

For import of goods from outside the country into UAE the following original documents are required—

1. **COMMERCIAL INVOICE from the exporter addressed to the importer detailing total quantity, goods description and total value of each item**

2. **CERTIFICATE OF ORIGIN (stating the origin of goods) approved by the country of origin's Chamber of Commerce**

3. **DETAILED PACKING LIST AS PER WEIGHT, method of packing and HS code for each individual article contained in the shipment**

4. **IMPORT PERMIT from the competent agencies in the event of importing restricted goods or duty-exempted goods.**

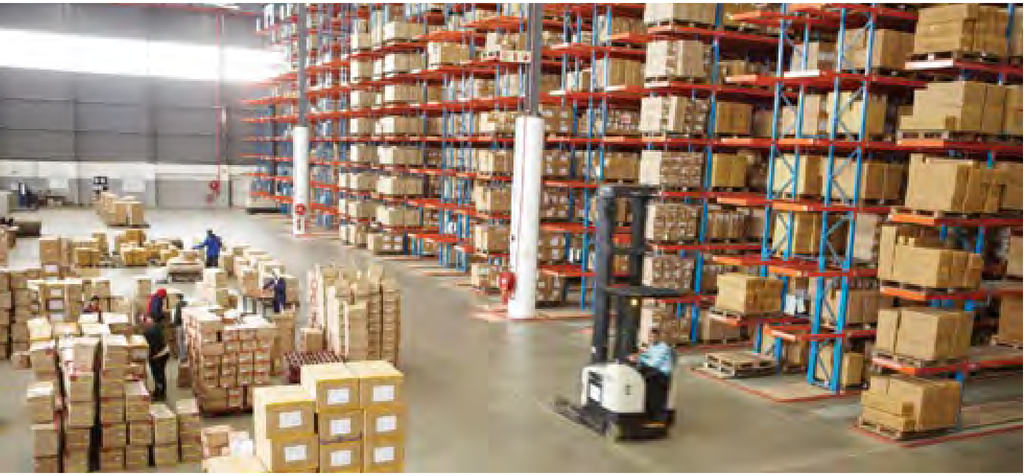
e-Dirham G2 system:
The Ministry of Finance and National Bank of Abu Dhabi introduced the Second Generation of e-Dirham (e-Dirham G2), an easy and safe method of electronic payment and collection of revenue for both government and non-government fees. The system ensures the best coverage, making it an integral electronic payment system in the UAE.
edirhamG2.gov.ae

UAE Customs verifies and evaluates the information provided for the purpose of payment of customs duties and import approval. UAE Customs may mandate the inspection of the cargo by a competent authority before release.

The importer can settle the port dues any time after receiving the delivery order from the shipping agent. This is done through the port payment e-service on the UAE Trade portal using the Advanced Deposit account or e-payment gateway. Payments can be made by credit card, e-dirham card or direct debit.

The importer can check the vessel arrival using the Vessel Enquiry e-service and container discharge status through the Container Enquiry e-service. Once the container is discharged, the importer can then nominate a transport company to take delivery of the cargo/container from the port using the Haulier Nomination Service on the UAE Trade portal.

The importer can also generate an e-token through the Dubai Trade portal. This manages the flow of port-registered trucks in and out of the port and generates a unique ID number when the importer selects a designated day and time slot to pick or drop their container(s). The importer should provide its e-Token number to its nominated Haulier, who can then enter the port by presenting the e-Token slip to gate security. DP World delivers the containers to the nominated haulier as advised on the e-Token. The haulier then provides a DP World Equipment Interchange receipt for each container it takes out from the port.

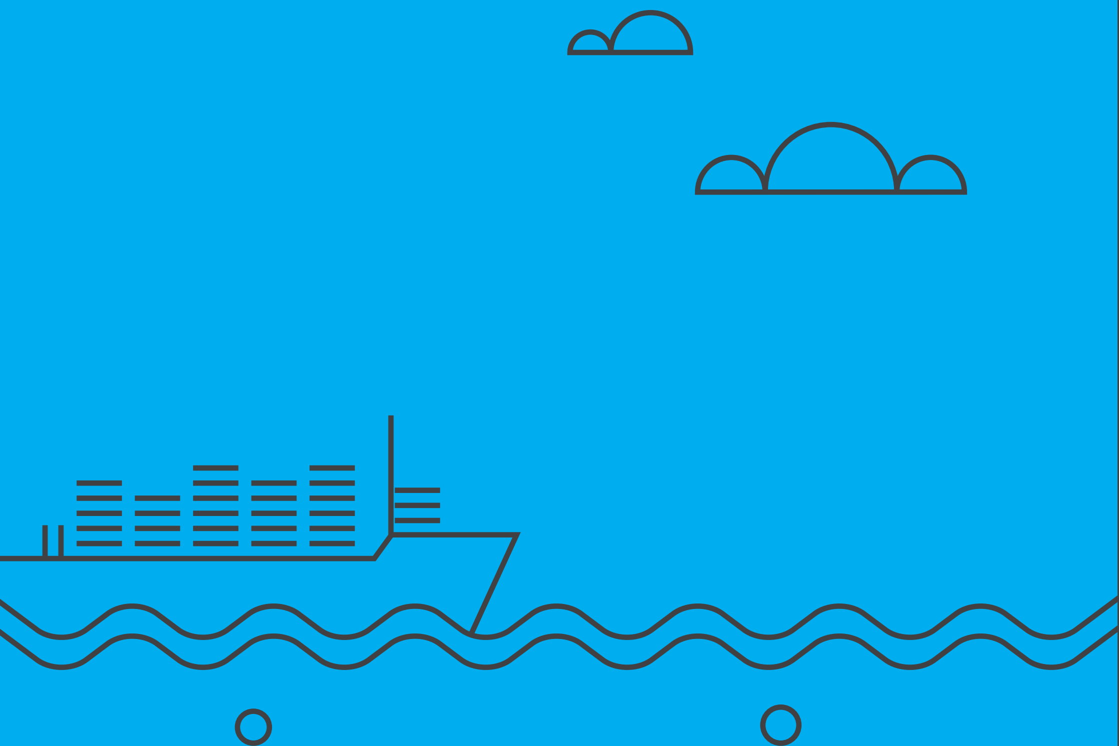


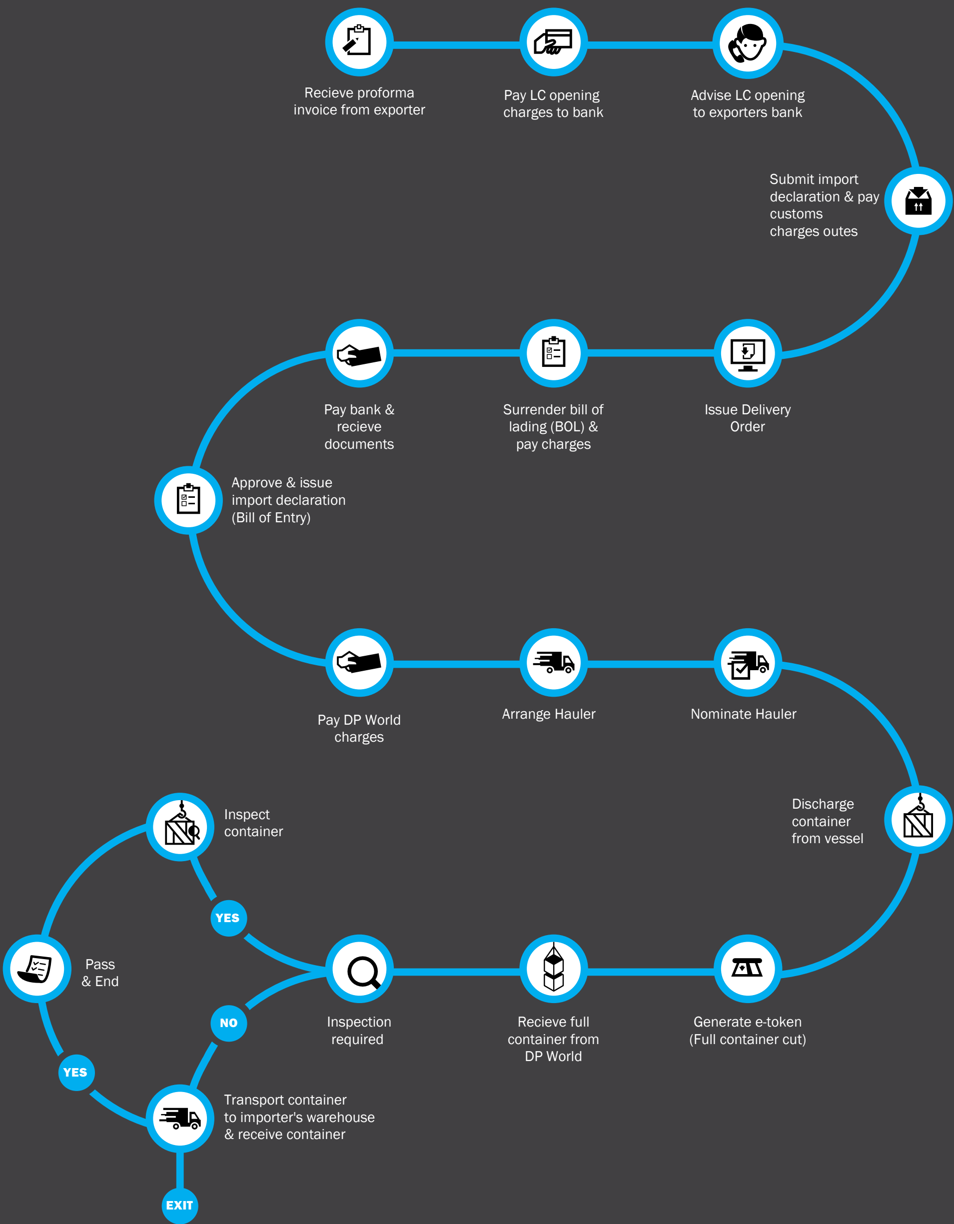
If inspection is required as per the Customs Import Declaration, the Haulier must take the cargo/container to the competent authority for inspection. After inspection clearance, the Haulier can exit the port by presenting a copy of the EIR (inspection report) to the gate security staff.

On obtaining an order for the sale of goods, the exporter makes an export booking with a shipping agent to carry its cargo from UAE to the destination port. The shipping agent in turn requests the port to release an empty container to the exporter. Known as export booking, this is done electronically through the UAE Trade portal where the shipping agent provides details of the container (size, type etc.).

Sea Imports Process

FULL CONTAINER LOAD (FCL)





Recieve proforma invoice from exporter
Pay LC opening charges to bank
Advise LC opening to exporters bank
Submit import declaration & pay customs charges outes
Issue Delivery Order
Surrender bill of lading (BOL) & pay charges
Pay bank & recieve documents
Approve & issue import declaration (Bill of Entry)
Pay DP World charges
Arrange Hauler
Nominate Hauler
Discharge container from vessel
Generate e-token (Full container cut)
Recieve full container from DP World
Inspection required
YES
Inspect container
Pass & End
YES
NO
Transport container to importer's warehouse & receive container
EXIT

The exporter or its representative then nominates its hauler online. This is for both picking up the empty container from DP World and delivering it back. The exporter can choose to nominate its preferred haulier. If the exporter wants to use its own trucks, it can create an electronic token on the Dubai Trade portal, which allows the exporter to book an appointment with DP World to pick up the empty container.

The nominated haulier generates an e-Token on the Dubai Trade portal for picking up the empty container from DP World. It must also provide its truck details and select its time of arrival to DP World Port from the available time slot. The e-Token is designed to facilitate seamless movements of containers to and from the port.

DP World ensures all compliances and loads the empty container onto the hauler's truck, who delivers it to the exporter's warehouse. The exporter arranges to fill the container with the cargo to be exported and informs the hauler. The hauler generates an e-Token, this time for an export container, and delivers the container from the exporter's warehouse to DP World. DP World once again ensures all compliances and off-loads the export container in the designated area for loading on the concerned vessel.

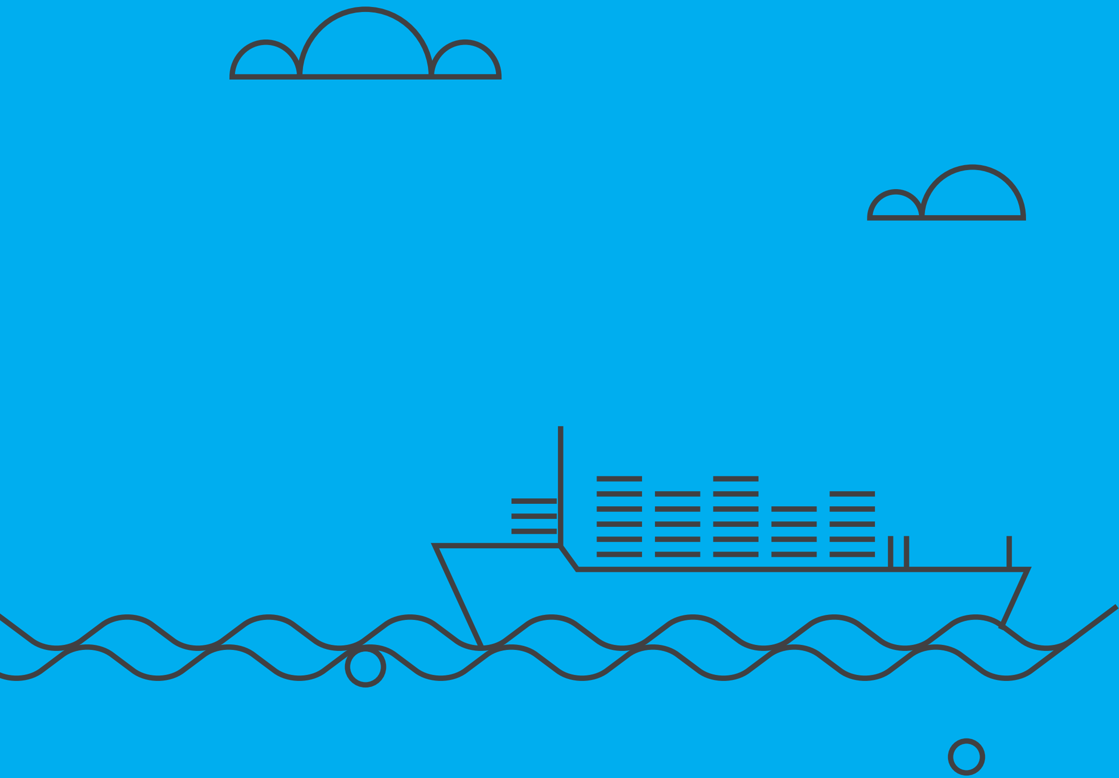
The exporter submits an Export Declaration online detailing the cargo information, including invoice details. Dubai Customs verifies the information and on meeting of all requirements approves the Export Declaration. The exporter completes inspection formalities where required (conditioned to cargo type). It then goes online and pays DP World charges relating to the export container. In parallel, the exporter approaches Dubai Chamber of Commerce to obtain a certificate of origin that has to be sent to the importer. The exporter must also obtain additional permits according to the type of goods.

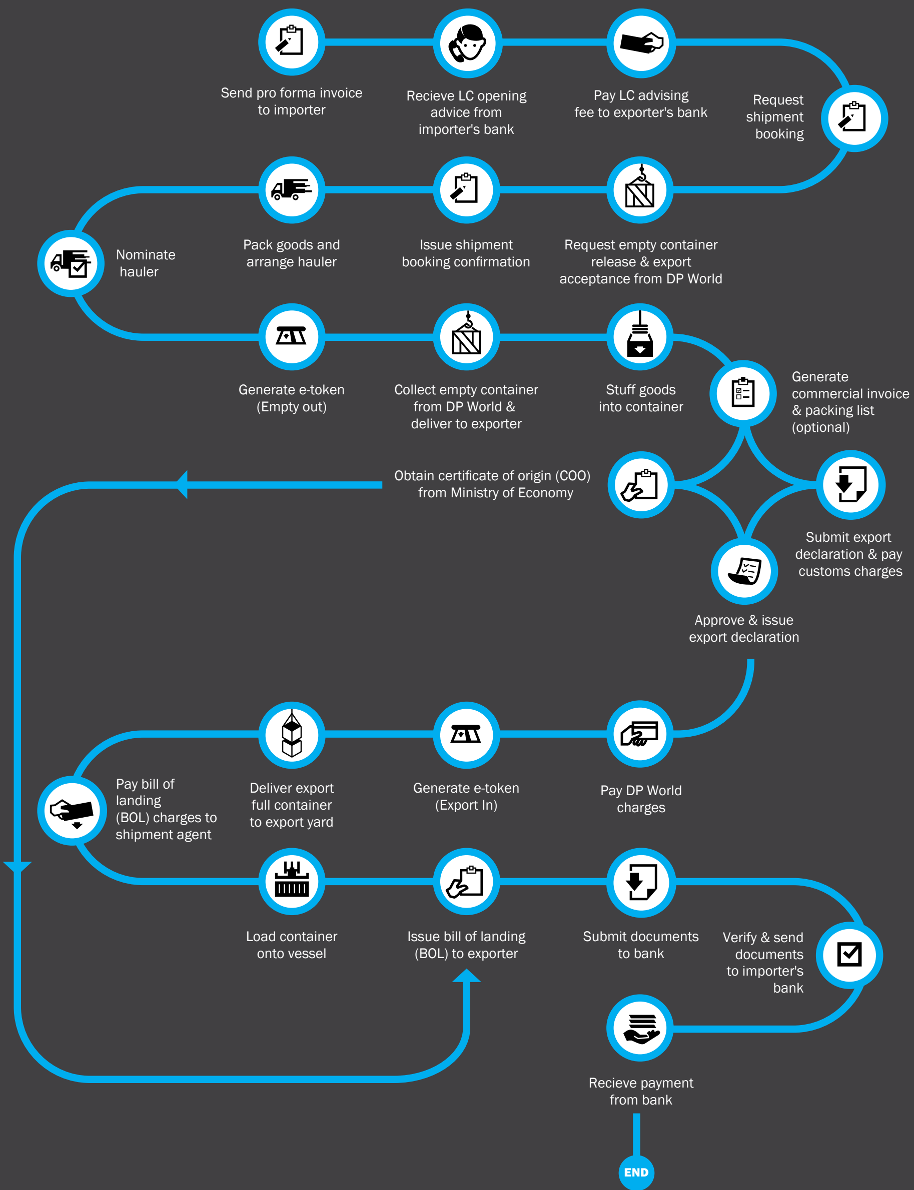
DP World ensures various compliances (including passing the Export Declaration and container availability before the cut-off time) before loading the export container(s) onto the vessel. Any failures result in 'shut-out' and the shipping agents are duly informed. Shipping agents are provided with several online services to monitor the various compliances.

Generally after vessel sailing, the shipping agent issues the bill of lading to the exporter. The bill of lading is the contract of carriage and contains details of the cargo. The exporter sends to the importer the original bill of lading along with the certificate of origin, invoice, packing list and other documents as detailed in the sea import process above. This enables the importer to clear the cargo with the customs of the importing country.

Sea Exports Process

FULL CONTAINER LOAD (FCL)





Send pro forma invoice to importer
Recieve LC opening advice from importer's bank
Pay LC advising fee to exporter's bank
Request shipment booking
Request empty container release & export acceptance from DP World
Issue shipment booking confirmation
Pack goods and arrange hauler
Nominate hauler
Generate e-token (Empty out)
Collect empty container from DP World & deliver to exporter
Stuff goods into container
Generate commercial invoice & packing list (optional)
Obtain certificate of origin (COO) from Ministry of Economy
Submit export declaration & pay customs charges
Approve & issue export declaration
Pay DP World charges
Generate e-token (Export In)
Deliver export full container to export yard
Pay bill of landing (BOL) charges to shipment agent
Load container onto vessel
Issue bill of landing (BOL) to exporter
Submit documents to bank
Verify & send documents to importer's bank
Recieve payment from bank
END

IMPORTING AND EXPORTING BETWEEN A FREE ZONE AND AN 'ONSHORE' COMPANY

As we describe in the 'Free zones structure' section, all free zones in the UAE are part of the country's territory, but are equally outside customs territory. Hence they are subject to customs control other than normal customs procedures.

The general provisions for importing into a free zone are as follows—

- **The importer must have a valid importer code from customs**
- **Goods must conform with the activity of the licensed company**
- **Goods must arrive in the free zone within 72 hours from the date of customs declaration**
- **The free zone licensee should not open, alter or dispense of the goods prior to their arrival in the free zone and customs endorsement**
- **Goods should be inspected when entering the free zone**

IMPORTING INTO A FREE ZONE FROM A FOREIGN COUNTRY

Free zone licensees are exempt of customs duties payments. Goods may be stored for an unlimited time period, depending on their type and the validity of the free zone license.

Documents required are—

1. **DELIVERY ORDER** from the shipping or airline agent addressed to the licensed company by the licensing management in the free zone
2. **DELIVERY NOTE** by the free zone company confirming the acceptance of goods if the shipment is moved by land or from other free zone areas
3. Second copy of the **BILL OF LADING** (for sea shipment) **ORIGINAL AIRWAY BILL** (for air shipment) and **ROAD MANIFEST** (for land shipment)
4. **IMPORT PERMIT** from the competent agencies in the free zone for restricted goods
5. **SALES INVOICE** from the free zone licensee detailing total quantity, goods description, currency and total value of each individual item
6. **ORIGINAL AND DETAILED ITEM-WISE INVOICE** with HS Codes classification from the shipper addressed to the free zone licensee
7. **CERTIFICATE OF ORIGIN** (stating the origin of goods) approved by the country of origin's Chamber of Commerce.
8. **DETAILED PACKING LIST** as per weight, method of packing and the HS code for each individual item contained in the shipment
9. **IMPORT GOODS DECLARATION FORM**

These documents can be presented to any of customs centers under the control Dubai Customs at Jebel Ali Port, Port Rashid, Aweer Terminal, Airport Free Zone or Cargo Village. On submitting the documents, a ‘Free Zone Transit In’ (bill of entry) is issued to clear the goods into the free zone.

In the event of failing to submit the original bill of lading/ airway bill, invoice or certificate of origin at the time of issuing the Free Zone Transit In, a deposit of Dh500 needs to be paid. In the absence of invoices a proof of the value of goods must be presented. The claim for refund should be made within 59 days from the bill date.

When the cargo is cleared through customs, the consignee collects the goods on payment of storage, handling and any other port charges. All consignments cleared on Free Zone Transit In are brought into their free zone areas.

All goods are inspected upon entry except those from the local market, since they must have been cleared by customs elsewhere in the UAE. The seals of incoming consignments should be intact and are to be broken only in the presence of a customs inspector. Any infringement of this rule may attract penal action.

IMPORTING FROM A FREE ZONE INTO THE UAE/GCC MAINLAND

This is to allow a free zone licensee to sell its commodities to companies in the UAE or GCC operating under valid commercial or industrial licenses from the concerned regulatory authorities.

Based on submission of the documents as listed below supplied to customs by the free zone company by the local or GCC importer or their appointed clearing agents, a ‘Free Zone Transit Out’ (ex-free zone import bill) is issued upon payment of the applicable customs duty as per the customs tariff. The processing charge is Dh60. The free zone licensee should deliver the goods only upon receiving the copies of the Free Zone Transit Out from the importer.

The original documents required for this process are—

1. **DELIVERY ADVICE** from the free zone company and stamped by the buyer (local UAE or GCC importer) and the seller (free zone licensee exporter)
2. **DETAILED INVOICE ITEM-WISE WITH ITS CORRECT H S CODE**
3. **CLASSIFICATIONS AND FREE ZONE BOE REFERENCE NUMBER** item-wise from the seller
4. **PACKING LIST** from the seller
5. **IMPORT GOODS DECLARATION FORM**
6. **SELLERS AND BUYERS TRADE LICENSES (COPIES)**
7. **NO OBJECTION CERTIFICATE FROM THE CONCERNED COMPETENT AUTHORITY, MINISTRIES OR DEPARTMENTS** in case the goods are restricted or prohibited
8. **ONLINE DUTY EXEMPTION APPROVAL** from the relevant authorities, ministries or departments
9. **REQUEST LETTER AND APPLICATION** if the importer is exempted from paying customs duty

The following general provisions apply—

- The declarant must have obtained a commercial license from the competent authorities of the country or GCC state, and goods should conform with the free zone licensee's activities.
- The declarant must have obtained a valid importer code from customs
- Goods must be taken out from the free zone within 30 days (this can be extended for a similar period after the customs declaration is issued)
- Goods are subject to inspection prior to final release

EXPORTING GOODS FROM THE LOCAL MARKET INTO A FREE ZONE FOR EXPORT PURPOSES

This process allows for a free zone licensee to buy goods from the UAE local market for export purposes. In order to validate the entry of goods into the free zone, the Emirati exporter should file a local export declaration. Likewise, the free zone licensee should file a Free Zone Bill of Entry (free zone transit bill).

Documents required are—

1. **DELIVERY ORDER from a licensed company by the licensing management in the free zone**

2. **Copy of the DELIVERY ADVICE to the free zone**

3. **IMPORT PERMIT from the competent agencies for restricted goods**

4. **SALES INVOICE from the Emirati vendor addressed to the free zone licensee detailing total quantity, goods**

description, currency and detailed total value of each individual item

5 **DETAILED PACKING LIST as per weight, method of packing and the HS code for each individual article**

The following general provisions apply—

- There is no customs duty for importing cargo into a free zone, provided free zone bills of entry have been processed in the name of the free zone licensee, the cargo has been physically brought into free zone, and that entry of goods has been authenticated by the Customs Inspectorate

- As long as its license is valid, the free zone licensee can keep its cargo in the free zone without any customs duty

- Transfer of ownership of cargo between free zone licensees is allowed, subject to their licensing activities and that a proper declaration is made to customs and the necessary customs approved documents are processed

- Goods imported into a free zone can be transferred to another free zone or customs bonded facility within Dubai, subject to customs documentation and deposit requirements

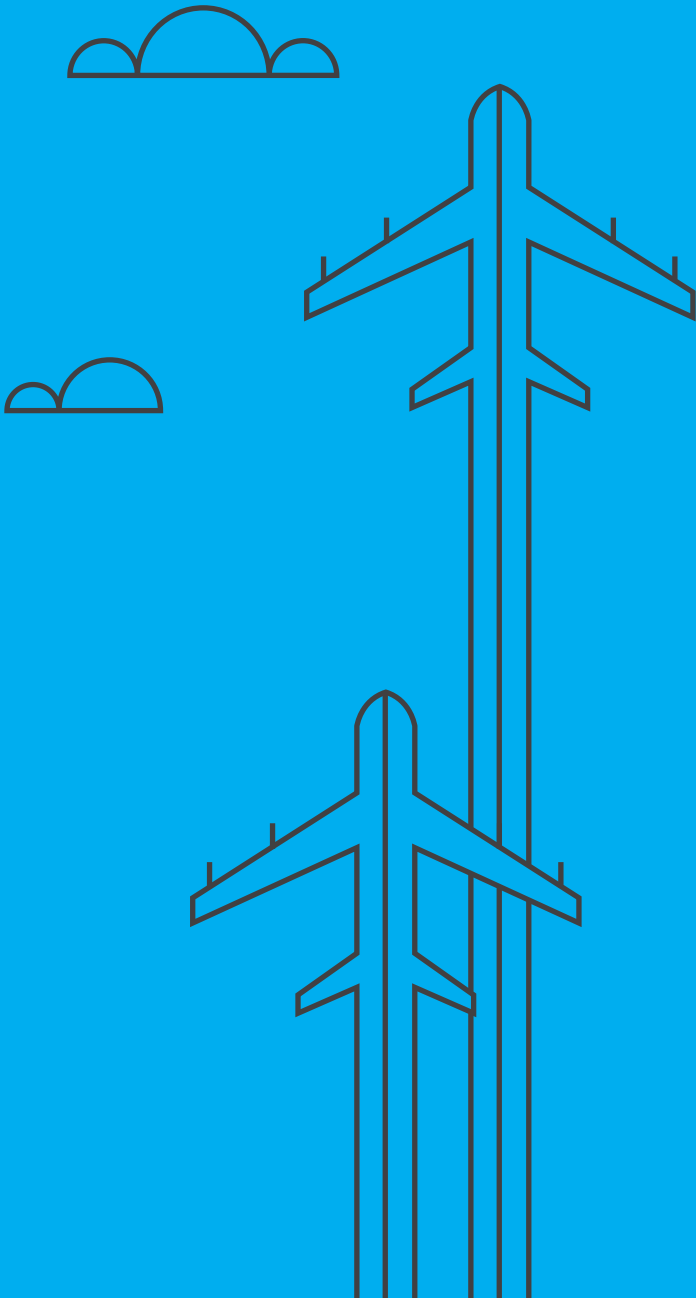
- Retail sales are not allowed within a free zone

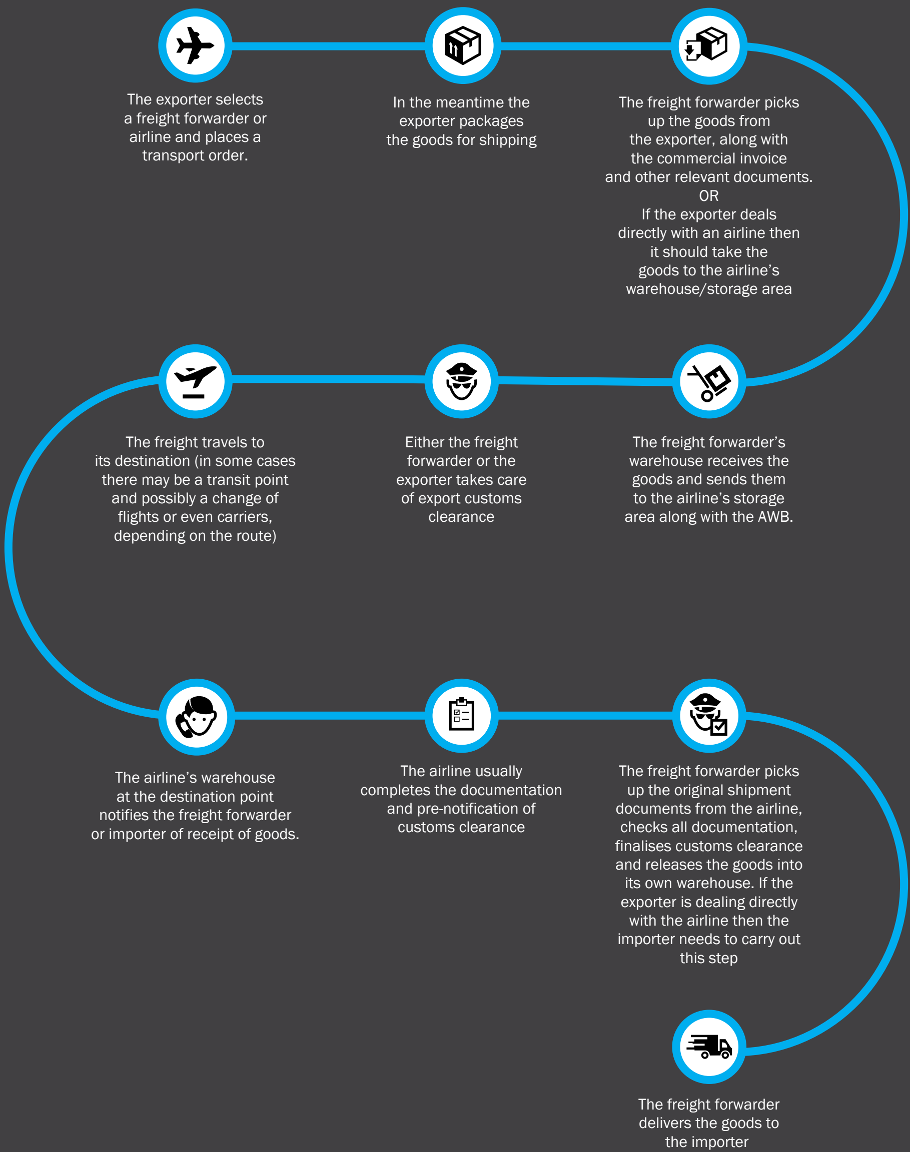
- All transactions should be declared to customs, and the necessary customs-approved bills obtained at the time of arrival and departure of goods

- No goods can be imported into the free zone unless the free zone consignee has officially registered its name with customs against a valid license issued by the free zone authority and obtained a valid importer/ exporter code

- The law for the import of prohibited and restricted goods which concerns local companies is equally valid for free zone licensees

Air Imports & Exports Process





The exporter selects a freight forwarder or airline and places a transport order.
In the meantime the exporter packages the goods for shipping
The freight forwarder picks up the goods from the exporter, along with the commercial invoice and other relevant documents.
OR
If the exporter deals directly with an airline then it should take the goods to the airline's warehouse/storage area
The freight forwarder's warehouse receives the goods and sends them to the airline's storage area along with the AWB.
Either the freight forwarder or the exporter takes care of export customs clearance
The freight travels to its destination (in some cases there may be a transit point and possibly a change of flights or even carriers, depending on the route)
The airline's warehouse at the destination point notifies the freight forwarder or importer of receipt of goods.
The airline usually completes the documentation and pre-notification of customs clearance
The freight forwarder picks up the original shipment documents from the airline, checks all documentation, finalises customs clearance and releases the goods into its own warehouse. If the exporter is dealing directly with the airline then the importer needs to carry out this step
The freight forwarder delivers the goods to the importer

AIR FREIGHT AS A VIABLE OPTION

IMPORTING AND EXPORTING BY AIR

Unlike seaports, airports are often located in metropolitan regions where there is no coastal access. Landlocked countries, such as those in Central Asia or Africa for example, can be difficult to reach by sea, rail or even road but are easy to access by air. For many countries, accessing a sea port may imply crossing at least one international border. The sea-to-road infrastructure may also be difficult and expensive. All these factors may give air freight both a time and cost advantage.

International air traffic offers high frequencies and often multiple connections per day. It also offers short transit times, including fast ground handling and customs clearance. Most air shipments around the world can reach their final consignee in less than 48 hours.

The fast transit time for air freight also considerably reduces capital requirements for the exporter and allows it to work with lower level of liquidity. Typically an exporter receives payment based on a letter of credit (LC), usually presented to the bank when the air shipment has left the supplier's premises or been received by the importer. In the case of air freight the goods can be received by the importer within 48 hours, hence releasing the payment for the exporter.

Air freight can also help both the importer and exporter lower the need for the physical handling of consignments, hence reducing the risk of damage or loss and also taking away the need for extensive or additional outer packing. The physical strain and exposure to ambient conditions are considerably less with air cargo than other transportation modes.

Airport handling takes place in a safeguarded environment with shipment status updates available online or via SMS. Many freight forwarders and airlines now have mobile applications that allow both importers and exporters to track consignments. This is especially important for high value products or where security is of particular concern.

Service reliability in air freight is extremely high with shipments arriving in good condition. Air freight is suitable for any shipment size and often the best option for small consignments.

Stock keeping can be considerably reduced when air freight is a planned component of a supply chain. For extremely time critical shipments, expedited services are offered. For commodities with special requirements, such as perishable or valuable goods, special services granting additional protection are available.

GOODS IN AIR FREIGHT

A wide range of products and commodities are transported by air. Most shipments consist of so called 'general cargo'— any type of goods that do not need any special attention or handling.

Typical consignments include machinery, spare parts, exhibition goods, electronics, telecommunications equipment, textiles or personal effects.

Conversely, owing to their nature or value, 'special loads' require special attention and treatment during the process of acceptance, storage, transportation, loading and off-loading. Typical special loads comprise valuables such as bullion, securities, jewellery, documents of substantial value, vulnerable items such as computer chips, high tech equipment, mobile phones, temperature-sensitive products including life-saving medication, raw materials, food stuffs, flowers and animals such as horses or domestic pets.

AIR FREIGHT PARTNERS

In a typical transportation chain the following parties are involved—

- A manufacturer or distribution center as the shipper
- A freight forwarder to cover ground transportation, arrange for door-to-airport transfers at origin and airport-to-door deliveries at destination
- An airline
- Customs authorities
- A customs broker when required (this function is usually taken care of by the freight forwarder)
- Other relevant authorities when shipping items such as agricultural products, food or pharmaceuticals
- A trading company as consignee

Exporter/shipper's key responsibilities include—

- Complying with all applicable laws, customs and other government regulations of any country to, from, through or over which the cargo may be carried.
- These include those relating to the packing, carriage or delivery of the cargo.
- They also include acceptance and handling procedures as per current industry, national and international regulations
- Furnishing such information and delivering documents as may be necessary to comply with such laws and regulations
- Ensuring the correctness and completeness of the particulars and statements entered onto the Air Waybill
- Delivering the goods 'ready for carriage'

Shipment preparation to be ready for carriage may vary depending on the specific requirements of origin, transit and/or destination countries and specific carrier requirements. But it generally refers to—

- Suitable packaging for air transportation
- Correct labeling as mandatory or recommended
- Complete documentation, including Air Waybill and other documents required at origin, transit and destination

A forwarder is able to consult, support and fulfill requirements on behalf of the shipper in order to adhere to the various regulations.

AIR FREIGHT CHARGES

These are based on chargeable weight, derived from the comparison of actual and volumetric weight, whichever is higher. For volume weight calculation either of the following formulas may be used—

Length x Width x Height in cms, times the number of pieces then divided by 6,000

Length x Width x Height in inches, times the number of pieces then divided by 366

There are different rate classes of weight charges for both general cargo and special loads. Some airlines or freight forwarders may add a separate charge to cover the price of fuel per kilogram of actual weight. In some cases a security charge may also be levied to cover the additional measures that the airline might need to take. This is normally also charged per kg of actual weight. If dealing with a freight forwarder, there are usually local charges for aspects such as customs clearance, pick-up, handling or screening.

AIR WAYBILL (AWB)

This is a legal document prepared by or on behalf of the shipper and accompanies the goods to their destination. It forms a non-negotiable contract between the shipper and airline for the carriage of cargo, and other services related to the carriage as performed by the carrier. Standardised international conditions of contract are printed on the reverse of the Air Waybill.

It contains essential details such as—

- **Name and address of shipper, consignee and the carrier**
- **Place of departure and destination**
- **Nature of goods**
- **Number of packages and further details**
- **Weight, quantity, volume or dimensions of packages**
- **Special handling information**
- **Weight or volume charges, surcharges and accounting information**
- **Place and date of execution**
- **Stamps and signatures by the contract partners**

Traditionally an Air Waybill has been a paper document with three originals and 6 to 11 copies for all parties involved. There is now also an electronic version.

CARRIER'S LIMITATION OF LIABILITY

In International air transport, carriage is generally subject to liability rules established by the Warsaw or Montreal Conventions, applicable laws and government regulations, carrier's condition of carriage and provisions contained in the Air Waybill.

Unless a higher 'value for carriage' is declared on the Air Waybill and a valuation charge paid, carrier liability for loss of, damage or delay to cargo is limited to 17 'special drawing rights' (SDR), per kg in most cases. These are equal to around $26 per kg. An eventual claim settlement is based on shipment value as per the commercial invoice, if not exceeding 17 SDR/kg.

If the carrier offers insurance, the shipper may declare a higher amount of insurance on the Air Waybill and pay the respective premium. The transportation value can be covered under a general transportation insurance policy by the shipper, or arranged via the forwarder. It is recommended to verify the forwarder's liability insurance, as this is not mandatory in every country.

The consignee receives a notification from the air carrier or freight forwarder. If a freight forwarder is used for the local segment of the carriage, they should ensure that the goods are brought to the consignee's premises.

In either case the importer will need the following documents—

1. **CERTIFICATE OF ORIGIN:** generally only relevant where the import value is more than $1,000

2. **COMMERCIAL INVOICE:** usually one original and two copies are required but certain carrier and freight forwarders may request more

3. **PACKING LIST:** usually one original and two copies are required but certain carrier and freight forwarders may request more. It is important that the number and weight should be exactly as stated on the Air Waybill with the commercial invoice number. All items on the packing list should state an eight-digit HS (harmonised system) code with the country of origin and price. This code is a standardised international system of names and numbers to classify traded products. If the shipment contains multi-country products, all country names should be mentioned separately against each HS code

4. **ORIGINAL AIR WAYBILL**

A five per cent customs duty payment is levied on CIF (cost, insurance and freight) of goods. This means that the exporter is responsible for the costs and risks, up until the goods arrive in the importing country. The importer then has to pay all of the costs to get the goods from the airport to their premises.

In the case of special shipments additional rules apply which include the following—

- All food and beverages need pre-approval from the food control department of the concerned UAE municipality. The approval permit should be attached to the shipment for customs clearance. All food products also need to show the dates of manufacture and expiration on the packaging and box in Arabic and English

- All pharmaceuticals, cosmetics and similar products need an import permit, issued by the UAE Ministry of

Health. This should be attached to the freight upon its arrival into the UAE

- **For live animals, the importer should obtain prior written approval from Ministry of Environment and Water and the appropriate departmen**ts

- **All wireless communication equipment, with the exception of mobile phones, needs special permission from the Telecommunications Regulatory Authority, and, in some emirates, also from the Police/CID**

All air shipments destined for any UAE location should clear customs at the first airport of arrival. Once the goods have cleared customs and the necessary payments have been made, the air shipment can be transported to its final destination.


FIRST COMES
AMBITION
THEN
ACHIEVEMENT.
APPRECIATION
WILL FOLLOW.


Paris Gallery
CHANEL
TOM FORD

2015 - FORBES TOP COMPANIES IN THE ARAB WORLD


2012-2013 CHOPARD RETAIL AWARD


2014 - IAIR AWARDS - ME


2014 - SUPERBRAND STATUS


2013 - CEO MIDDLE EAST 'CEO OF THE YEAR' AWARD


2012 - 6TH CYCLE OF MOHAMMED BIN RASHID AL MAKTOUM BUSINESS AWARD 2011


2014 - ICSE GLOBAL AWARDS - MENA


2014 - CLIVE CHRISTIAN 'TEAM-OF-THE-YEAR' AWARD

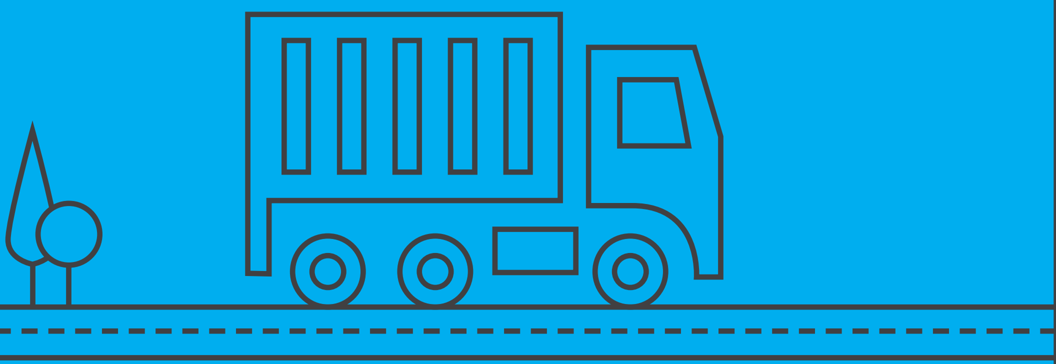

2014 - MENA CUSTOMER DELIGHT AWARD

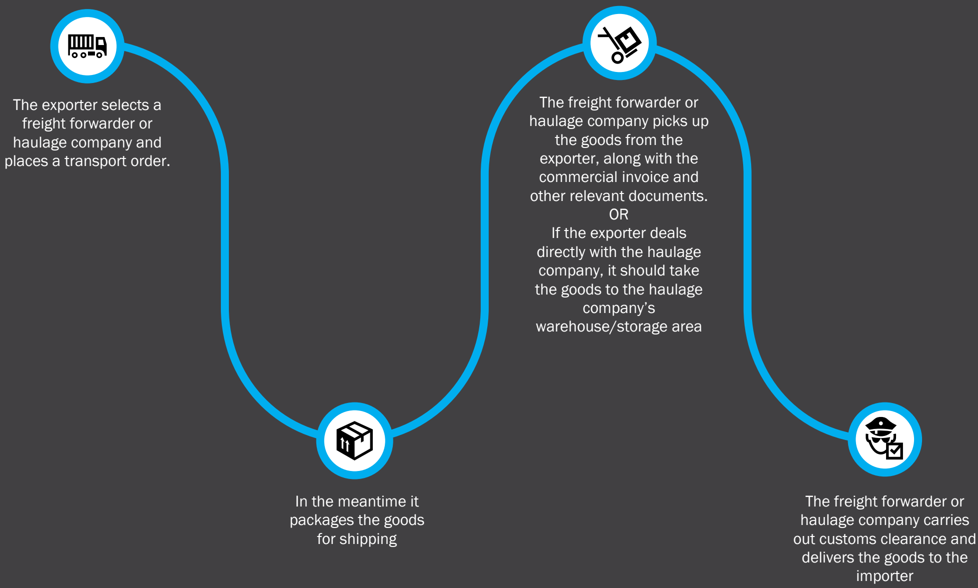

2014 - ENTERPRISE AGILITY AWARD


2015 - BIZZ EUROPEAN AWARDS


2015 - THE GLOBAL AWARD FOR PERFECTION, QUALITY & IDEAL PERFORMANCE - BERLIN

Road Imports & Exports Process





ROAD IMPORTS PROCESS

The importer needs the following documents—

1. **CERTIFICATE OF ORIGIN**

2. **COMMERCIAL INVOICE** — usually one original and two copies are required but certain carrier and freight forwarders may request more

3. **PACKING LIST** — usually one original and two copies are required but certain carrier and freight forwarders may request more. It is important that the number and weight should be exactly as that stated on the Air Waybill with the commercial invoice number. All items on the packing list should state an eight-digit HS (harmonised system) code with the country of origin and price. This code is a standardised international system of names and numbers to classify traded products. If the shipment contains multi-country products, all country names should be mentioned separately against each HS code

4. **ORIGINAL AIR WAYBILL**

IMPORTING AND EXPORTING BY ROAD

Also referred to as road haulage or road transport, this can at times be the most effective mode of transport, especially where the existing infrastructure is poor. Currently in the UAE five per cent of all exports take place by road.

Even if exporters use sea or air-based transport, they still are likely to use road haulage to get their goods from the factory to the port or airport. This means road haulage is important regardless of what other mode of transport is used.

By road the mode of transport tends to be door-to-door. The exporter sends the goods so that they arrive straight to the premises of the importer. Either the exporter has its own fleet of transport vehicles or a freight forwarder is used. In the former case the purchase price generally includes delivery and any customs charges that are due. In the latter case, either the importer or exporter can arrange the services of the freight forwarder.

Roads have an extensive network allowing exporters to reach even the most remote locations. Because of existing road systems, road haulage can be extremely cost-effective in transporting goods to Europe and Asia, as shown in the diagram below.

Although each road haulier may differ in the extent and type of services it offers, they all tend to operate on a door-to-door basis, collecting the goods from the exporter and delivering them to the importer.

In some cases the transit time can actually be shorter by road than by sea, such as shipping goods from the UAE to Jordan. Also, when exporting to a neighbouring country, a road haulage service may be far more convenient than sea or even air transport. Road freight rates tend to be lower in terms of cost than air or sea.

Documentation also tends to be far simpler, namely—

- **A customs-authorised bill of entry**
- **A commercial invoice**

Unlike sea or air freight, there is no standard transport document for road haulage. Road hauliers normally design their own bills of lading.

A five per cent customs duty payment is levied at the point of entry, which in the case of the UAE is either at the Oman or Saudi Arabian border post.

In the case of special shipments, additional rules apply which include the following—

- All food and beverages need pre-approval from the food control department of the concerned UAE municipality. The approval permit should be attached to the shipment for customs clearance. All food products also need to show the dates of manufacture and expiration on the packaging and box in both Arabic and English

- All pharmaceuticals, cosmetics and similar products need an import permit, issued by the UAE Ministry of Health. This should be attached to the freight upon its arrival into the UAE

- When importing live animals, the importer should obtain prior written approval from Ministry of Environment

- All wireless communication equipment, with the exception of mobile phones, needs special permission from the Telecommunications Regulatory Authority, and in some emirates also from the Police/CID

For food, pharmaceuticals and certain cosmetics, an appropriate vehicle may be required with cold storage facilities or temperature control depending on the consignment.


HAI
TRITON
seaco
18

EXPORT CREDIT INSURANCE

Through export credit insurance, a company can control the risk of payment defaults. In this way, exporters that adhere to the terms of the relevant purchase orders/ sales contracts can be certain of receiving either payments from importers or indemnifications from the export credit insurance company, at the rate and within the time specified in its respective policy/policies.

Export credit insurance, also known as foreign accounts receivable insurance, protects your business against the failure of your overseas importer to pay its debts due to insolvency or failure to pay within the defined time frame.

The two main forms of short-term credit insurance policies, ensuring that all types of payment are covered are—

1. **DOCUMENTARY CREDIT INSURANCE POLICY—designed for a company that exports under letters of credit from unsecured issuing banks such as small banks, or banks that are located in high-risk countries. This type of policy covers commercial and political risks for transactions under irrevocable letters of credit**

2. **WHOLE INSURABLE TURNOVER POLICY—designed for a company that exports under documents against payment (DP), documents against acceptance (DA) and open account (OA). This type of policy provides more security when exporting to buyers under these payment terms in over 170 countries around the world.**

Of course different terms and conditions may apply for different countries depending on their individual risk. By contacting an export credit insurance company, the exporter will soon gain insights into the former's attitude towards the particular country/countries it intends to export to.

CLAIMING THROUGH EXPORT CREDIT INSURANCE

STEP 1

When suspecting a likely loss or 30 days overdue without reason, the policyholder should inform the export credit insurance company in order to deal with the problem and minimise its loss at the earliest stage.

The longer the time period of non-payment the greater the likelihood of default. It is crucial therefore that the policyholder swiftly notifies the export credit insurance company when it does not receive payment within 30 days after the due date, or receives information from the importer or otherwise which implies that the payment could be affected.

The export credit insurance company would generally reassess the importer's status and update the information internally, or through other reliable resources such as credit information bureaus, bankers and debt collection agencies. It should also advise policyholders of measures to avoid and minimise the probable loss. At the same time, the export credit insurance company will closely watch the importer's country status to assess how it might collect the payment in case of eventual default.

STEP 2

If it is determined that the loss is certain, the policyholder should fill and submit the relevant claim and assignment of debt forms, and related contractual documents/ evidence such as purchase orders, sales contracts, correspondence between policyholders and importers, and sales invoices.

The export credit insurance company will then check the information and evidence provided by the policyholder, whether the loss is under the policy coverage, and that the policyholder has adhered to the policy terms and conditions. It will then indemnify the policyholder within the specified timeline stated in the latter's credit insurance policy.

TIMEFRAME FOR CLAIM PAYMENTS

Payment periods as they apply to policies taken out with an export credit insurance company are—

- In case of insolvency—within one month from the date of receipt of official insolvency documents issued by the government and responsible legal authorities in the importer's country.
- In case of protracted default—the export credit insurance company indemnifies the exporter in the month following a period of six months from the due date of any unpaid invoices.

COST OF INSURANCE—PRIMARY ELEMENTS

- Premium—a percentage on the estimated insurable turnover paid by the policyholder to the export credit insurance company. The rate depends on the overall risk profile of the transaction. This is assessed by the export credit insurance company, taking into consideration the extent of country risk, business sector risk, the overall business environment in the importer's country and the importer's credibility.
- Credit limit fees—payable per importer per insurance year, as applicable in the exporters credit insurance policy.

BENEFITS OF AN EXPORT CREDIT INSURANCE POLICY

On average, 40–45 per cent of a company's assets comprise trade debts. Sometimes the figure is far higher, and it is very difficult for a company to predict which client will default on payment. Close to 50 per cent of all payment defaults arise from debtors with whom stable and long-term trade relationships have been established.

The cost of non-payment can be considerable to a business. For example, if a company's profit margin is five per cent and one of its customers defaults on a debt of $50,000, the company will have to produce additional sales of $1,000,000 to make up for the lost profits. Non-payment weakens the exporter and lowers its investment capacity. An export credit insurance policy helps in the management of the sales ledger and provides compensation in the event of non-payment.

Companies that purchase credit insurance can—

- Compete more effectively as their focus will be on their core business.
- Better manage both political or commercial risks.
- Safeguard their balance sheets and increase their profitability.
- Enhance their ability to obtain funding from banks
- Constantly target new markets in the knowledge that their payments are secure.

THE COST OF EXPORT CREDIT INSURANCE

The premiums for export credit insurance tend to be calculated as a percentage of the sales of the exporter. This rate can vary depending on the trading history and historical debt loss of the exporter, its business activities and customer base.

The majority of businesses find credit insurance to be highly cost-effective, even before taking into account the many additional benefits in the areas of sales development, risk and credit management, and bank financing.

Free Zone Structure

Beginning with the opening of Jebel Ali Free Zone in 1985, there are now more than 35 free trade zones across the UAE, where significant proportion of business and trading activities takes place. They also provide a major source of business for the imports, exports and re-exports sector.

Each free zone is strategically located near a transportation hub, reducing the timescales and logistics needed for cargo and shipping. Jebel Ali Port, for example, is very close to Dubai World Central, poised to be the world's largest logistics hub. Jebel Ali Port, within Jebel Ali Free Zone, is also the largest container port between Singapore and Rotterdam.

For the main part, each is set up to cater for a particular industry or economic sector, creating a community for companies operating within similar or complementary fields, stimulating the creation of SMEs which comprise around 85 per cent of the UAE economy) and further developing the nations entrepreneurial business culture. As an example, twofour54 in Abu Dhabi serves for the media industry with member companies including print publications, advertising, PR and marketing firms, events companies and content providers. Likewise, Dubai Internet City is home to a range of technology companies large and small, and provides the regional headquarters to companies such as Cisco, Microsoft and SAP.

All offer a number of distinct advantages. Unlike 'onshore' companies in the UAE, where there's a requirement for a 51 per cent Emirati ownership stake, free zone companies can be 100 per cent foreign-owned, and expats are free to repatriate all capital and profits. There is no corporate, personal or capital gains tax, neither are there any currency restrictions. Each free zone has excellent infrastructure and communications, and can supply residency visas along with the company's trade license.

Full information and links to each free zone can be found on uaefreezones.com

UAE FREE ZONES AND SPECIALISED INDUSTRIAL ZONES

Masdar City
Abu Dhabi Ports Company
Abu Dhabi Airport Free Zone
Khalifa Industrial Zone
ZonesCorp
twofour54
Dubai Airport Freezone
Dubai Silicon Oasis
Jebel Ali Free Zone
Dubai Multi Commodities Center
Dubai Internet City
Dubai Media City
Dubai Studio City
Dubai Academic City
Dubai Knowledge Village
Dubai Outsource Zone
Enpark
International Media Production Zone
Dubai Biotech Research Park
Dubai Auto Zone
Gold and Diamond Park
Dubai Healthcare City
Dubai International Financial Centre
Dubai Logistics City
Dubai Maritime City
Dubai Flower Centre
International Humanitarian City
Sharjah Airport Free Zone
Hamriyah Free Zone
Ahmed Bin Rashid FZ
Ajman Free Zone Authority
RAK Investment Authority
RAK Free Zone
RAK Maritime City
Fujairah Free Zone
Fujairah Creative City

INDUSTRY FOCUS

An SME guide—Exporting through the Internet

SME LAW IN THE UAE

In September 2013, Google announced that up to 90 per cent of SMEs in the UAE have no online presence, hence are considerably damaging their growth prospects. This is an amazing fact bearing in mind that 85 per cent of firms in the UAE are SMEs.

Yet with the advance of technology, the number of internet users has increased from 16 million (or 0.5 per cent of the global population) in 1995 to the current level of 1,661 million (or 25 per cent of the global population). For SMEs these trends bring new opportunities, especially as the B2B trade in goods on the internet is expected to double annually.

At the turn of this millennium, B2B sales on the internet were $43 billion. This figure reached $1.3 trillion in 2013. Similarly, business-to-consumer (B2C) internet sales were just $8 billion in 2000. Today they exceed $1 trillion. Online B2B commerce represents an important avenue for SMEs to capitalise on overseas opportunities

B2B E-COMMERCE

$43 billion in 1997

$1.3 trillion in 2013

B2C SALES ON THE INTERNET

$8 billion in 2000

$1 trillion in 2010

COMMUNICATION

The internet allows SMEs to continually communicate with their suppliers and customers, regardless of location.

NETWORKING

A host of personal and business networking websites mean that SMEs can build a large circle of potential suppliers, customers and even investors.

MARKET RESEARCH

The internet opens a whole new avenue for SMEs to obtain considerable information through tailor-made market research studies.

IMPROVING SALES VOLUME
Online B2B makes a product or the service accessible to new customers who would ordinarily not have purchased from that company.

IMAGE ENHANCEMENT
The internet allows SMEs to effectively display their portfolio of goods and services, and develop their image to both domestic and international buyers.

COST REDUCTION
SMEs can use the internet to reduce operating costs through obtaining supplies at a lower price, and to use alternative and lower cost distribution channels.

COMPETITIVE ADVANTAGE
Despite the above, the internet cannot make firms exporters overnight. It merely allows them to reach a wider pool of potential customers across the globe.

Ask the following questions—

- Is your business model suitable for globalisation?
- Will all services and goods be offered over the internet, or will you use a phased approach with the easiest ones made available first?
- Which countries should you target through marketing activities that promote the website in your target market(s)?
- Should you work with third-party partners in your target markets or build your own company resources?
- What internal changes need to be carried out so your company can effectively meet the needs of your overseas customers?

Your technology strategy should examine how you can decrease your overheads, reduce transaction costs both with customers and suppliers, offer more competitive pricing, and provide easy information access to a wider but more targeted pool of potential customers.

BUILDING TRUST

So what can you do to build trust and confidence among potential overseas customers? This question can only be answered if you know your customers.

The first step towards this is to map them. This allows you to build customer profiles and better understand their needs and buying incentives.

Second is to build a value-added website, containing information with a high level of functionality and interactivity. But just because a website has a high level of functionality it need not be complicated. The most popular and well-used websites are easy to navigate and quick to download. The best way to ensure this is to view the website from the customer's perspective, i.e. make it customer-driven.

You can use a host of low-cost ways to market and promote your website to overseas customers. Typical examples include using search engine optimisation (SEO), directory listings, barter arrangements such as reciprocal links, or inclusion in industry or trade body websites.

Finally, a successful website needs to integrate both offline and online activities so that there's seamless connection between the two. While seeking to enhance your internet presence, always make sure that your products and services are kept current. Remove products or services that are no longer available or if they are out of stock.

Regularly update your content to keep it relevant. This will help you optimise your search engine ratings. You need not spend vast sums of money to keep your content updated: a content management system is an inexpensive and convenient solution.

Tax Advantages

The UAE has long been known as a place to do business free of tax on both income and corporate profits. Many companies also choose the UAE as the centre for their distribution of both locally produced and imported goods due to minimal customs duties on imports of just five per cent and the absence of non-tariff barriers.

Income tax exemption forms an integral part of the UAE's fiscal policy and has proved a highly successful element in attracting foreign direct investment (FDI). It is a major reason why the UAE economy has been able to flourish into the vibrant, diversified business environment we see today. Primarily driven by the private sector, the UAE economy is both consumer-driven and open to the forces of fair competition.

The UAE also has agreements with many of its International trading partners to prevent 'double taxation'. This is where, under normal circumstances, import/export goods may be taxed in two different jurisdictions. We discuss the issue of double taxation further in this Guide.

The Dubai Government itself has set its own investment budget for this groundbreaking event at $6.9 billion.

Source FDI

FOREIGN DIRECT INVESTMENT (FDI)

For more than two decades now, the UAE has been the Middle East's main business hub, as well as the regional headquarters for many of the world's major multinational corporations. With their biggest clients headquartered in the area, many of the world's major marketing agencies, advertising firms and public relations companies have also made the UAE their regional base, taking advantage of free zone opportunities at locations such as Abu Dhabi's twofour54 and Dubai Media City.

With an environment conducive to doing business, a stable political system, world-class infrastructure and a communications network that is second to none, estimates suggest that FDI in the emirates reached $12 billion in 2013, and is projected at $14.4 billion in 2014–a 260 per cent increase on 2008. Added to this is the steady growth in industrial, food and pharmaceutical manufacturing and export. All this continues to have a major positive impact on the UAE's import/export sector.

Another huge boost to import/export and the UAE economy in general are the almost weekly major regional trade shows hosted at the UAE's high-profile exhibition centres: Abu Dhabi National Exhibition Centre, Dubai International Convention and Exhibition Centre and Expo Centre Sharjah. These act both to raise the UAE's business profile and the goods they showcase at these events.

With the recent win of Expo 2020, FDI is set for a further healthy increase. The Dubai Government itself has set its own investment budget for this groundbreaking event at $6.9 billion.

FOREIGN DIRECT INVESTMENT BY ECONOMIC ACTIVITY, 2007-2012

in million AED

Economic Activity	2007	2008	2009	2010	2011	2012
Agriculture, forestry and fishing	203	191	145	350	337	359
Mining and quarrying	14,184	14,155	10,653	10,798	9,682	21,208
Manufacturing	16,177	20,526	17,287	27,023	30,090	31,636
Electricity, gas, steam and air conditioning supply	45,861	23,480	25,790	18,647	19,204	19,387
Construction	28,481	19,384	17,131	12,293	11,974	13,632
Wholesale and retail trade; repair of motor vehicles and motorcycles	16,781	19,055	24,369	29,098	57,612	62,746
Transportation and storage	4,872	11,429	13,299	20,153	17,349	10,379
Accommodation and food service activities	2,959	3,070	1,033	2,156	1,371	1,503
Information and communication	*	*	*	2,195	7,684	9,114
Financial intermediation	316,642	329,776	314,988	313,366	346,991	345,373
Real estate, renting and business activities	35,148	60,386	70,241	69,375	66,397	85,298
Professional, scientific and technical activities	**	**	**	1,978	17,678	8,775
Administrative and support service activities	**	**	**	5,336	2,389	2,143
Education	3	7	43	274	355	396
Human health and social work activities	19	26	36	93	1,067	1,190
Other community, social and personal service activities	470	515	9,146	40	52	30
TOTAL	**481,802**	**501,999**	**504,161**	**513,175**	**590,232**	**613,169**

SOURCE: National Bureau of Statistics
*Data is included in Transportation and storage activities | ** Data is included in Other Services activities.

FORGING AHEAD

With a portfolio of more than 65 marine terminals across six continents, including new developments underway in India, Africa, Europe and the Middle East, DP World's core business is container handling.

In 2014, DP World handled 60 million TEU (twenty-foot equivalent container units). With its committed pipeline of developments and expansions, capacity is expected to rise to more than 100 million TEU by 2020, in line with market demand.

DP World has a dedicated, experienced and professional team of around 30,000 people serving its customers around the world, and the company constantly invests in terminal infrastructure, facilities and people to provide quality services today and tomorrow, when and where customers need them.

In taking this customer-centric approach, DP World is building on the established relationships and superior level of service demonstrated at its flagship Jebel Ali facility in Dubai, which has been voted "Best Seaport in the Middle East" for 20 consecutive years.

Jebel Ali port in Dubai provides market access to 2 billion people across the GCC, Middle East, Africa and the Subcontinent, offering automated facilities and services and one of the most advanced marine terminals, with the aim to enhance customers' supply chain efficiency by effectively managing container, bulk and other terminal cargo.

DP World is expanding its container handling facilities at Jebel Ali. Once its semi-automated Container Terminal 3 is fully operational in the second half of 2015, the port's total capacity will reach 19 million TEU (twenty-foot equivalent units).

Terminal 3 is set to be one the world's most advanced maritime terminal, featuring 19 of the largest semi-automated ship to shore STS (quay cranes) and 50 fully automated rail mounted gantry ARMG yard cranes, which can be remotely operated from the comfort and safety of a control room. Once all the cranes on order are in place, there will be 98 quay cranes in total at Jebel Ali.

The three container terminals T1, T2 and T3 will enable Jebel Ali to handle as many as 10 Ultra Large Container Vessels ULCV at the same time. It will further strengthen Dubai's position as the most efficient and modern port in the region, the gateway to the wider region.

Jebel Ali has unparalleled sea connectivity and is a premier gateway for over 90 weekly services connecting more than 140 ports across the world. It handled 15.2 million TEU during 2014.

Sophisticated equipment, the latest technology, smart mobile applications, a 100% electronic transaction facility and an advanced Gate Automation system all contribute a cost effective terminal as part of the supply chain.

Dubai's integrated multi-modal hub, offers sea, air and land connectivity complemented by logistics facilities which include a cool port, container freight station and warehousing, all in Jebel Ali. The efficient modern infrastructure at the port handles containers and non-containerised cargo, bulk, liquid bulk and roll on-roll off (Roro) cargo.

Surrounded by a free-zone home of 8,000 companies, Jebel Ali also features the Dubai Logistics Corridor connecting sea-land-air via Dubai World central – the new Al Maktoum Airport. The customs bonded corridor is the shortest in the world, with a 20Km distance between seaport and airport. The corridor enables the move of a sea-to-air box in a few hours.

In the near future, rail will add further to the intermodal offerings at Jebel Ali, connecting the port to the UAE's Etihad Rail with a railway depot on site. Once the full network is built, Jebel Ali will be connected to the rest of the GCC via rail, adding unprecedented reach for the supply chain industry.

CREATING AN IMPORT/EXPORT CULTURE

A healthy competitive environment

As a natural result of its diversified economy, the UAE has one of the most competitive business environments in the region—something it has always actively encouraged. In order to protect both traders and consumers, however, it has also adopted a number of trade policies to create transparency within the market and end monopolistic practices.

In 1994 the UAE became a contracting party to the General Agreement on Tariffs and Trade, and in 1996 became a member of the World Trade Organization (WTO). In 2012 the UAE passed Law no. (4) to promote fair competition and provide a motivating environment for SMEs and other business corporations. This was in line with its strategic vision to become 'among the best countries in the world' by 2021 (the UAE's golden jubilee year).

The Emirates Competitiveness Council comprises representatives from the federal government and the private sector. It works in partnership with public and private entities to drive the UAE's competitive agenda in areas such as establishing a level playing field across the Emirates, advocating reforms to increase the UAE's competitiveness locally and internationally, and raising national awareness in general. It also engages with global ranking agencies and local entities to improve the UAE's own ranking.

2014/2015 ranked the UAE 12 globally, and among The UAE impressively leads globally in a number of indicators: 1st globally in quality of the roads and the absence of organized crime, 1st globally for having the lowest rate of inflation, 2nd globally for government procurement of advanced technology, 2nd globally for the effectiveness of government spending, and the impact of taxes on investment and the lack of trade barriers; it also ranks 2nd for the quality of its infrastructure in the aviation sector. The UAE also came in 3rd place globally on indicators such as citizens' confidence in government and leadership, the absence of government bureaucracy, the quality of ports, efficiency of customs procedures, attracting technology through foreign direct investment (FDI); Significantly, for the knowledge economy, UAE ranked 3rd globally for attracting professional talent. Overall, the UAE improved its performance in 78 indicators out of 114. It also classified the country as having an innovation-driven economy, the highest stage of economic development a country can achieve.

SOURCE: Global Competitive Report

ECONOMIC INDICATORS, 2005–2013

National accounts[b]	2005	2006	2007
GDP (AED billion)	663.3	815.7	947.2
GDP (US$ billion)	180.6	222.0	257.8
Real GDP, annual percentage change	4.9	9.8	3.2
Real hydrocarb on GDP	2.3	11.2	7.1-
Real non-hydrocarbon GDP	6.4	9.0	9.3
GDP BY ECONOMIC ACTIVITY (SHARE OF GDP (%))[B]			
Agriculture, livestock and fishing	1.4	1.1	1.0
Mining and quarrying	34.4	37.5	34.0
Crude oil and natural gas	34.3	37.4	33.8
Quarrying	0.1	0.2	0.2
Manufacturing industries	10.6	9.7	9.0
Electricity, gas and water	1.9	1.9	1.8
Construction	8.7	8.9	10.0
Services	46.3	44	47.9
Wholesale retail trade and repairing services	13.6	13.1	14.0
Restaurants and hotels	2.0	1.9	1.9
Transports, storage and communication	7.9	7.6	8.0
Real estate and business services	10.7	10.0	11.7
Financial sector	6.4	6.3	7.2
Government	3.5	3.0	2.9
Other services	2.2	2.1	2.2
Social and personal services	1.8	1.7	1.8
Domestic services of households	0.4	0.4	0.4
(Less: imputed bank services)	3.3	3.0	3.6
(% OF GDP)			
Final consumption expenditure	65.1	63.8	67.7
Government expenditure	6.9	6.2	5.9
Private expenditure	58.3	57.6	61.7
Gross fixed capital formation	18.4	17.6	23.6
Change in stocks	0.9	0.8	0.8
XGS / GDP (%)	67.6	68.6	72.4
MGS/ GDP (%)	52.0	50.8	64.4

SOURCE: UAE National Bureau of Statistics | [A] Preliminary

	2008	2009	2010	2011	2012	2013[A]
	1158.6	931.2	1050.5	1276.0	1367.3	1477.6
	315.4	253.5	286.0	347.3	372.2	402.2
	3.2	5.2-	1.6	4.9	4.7	5.2
	2.4-	8.9-	3.8	6.6	7.6	4.8
	6.0	3.5-	0.7	4.1	3.3	5.4
	0.8	1.0	0.9	0.7	0.7	0.7
	37.0	27.3	31.8	39.6	39.6	39.1
	36.9	27.0	31.6	39.4	39.4	38.9
	0.1	0.3	0.2	0.2	0.2	0.2
	8.6	9.2	9.0	8.6	8.8	8.5
	1.8	2.6	2.4	2.3	2.5	2.4
	10.6	13.0	11.6	9.5	8.7	9.0
	45	52.4	48.9	43.6	44.2	44.8
	12.7	13.3	12.6	10.6	10.5	10.2
	1.8	2.1	2.1	2.0	2.0	2.0
	7.7	9.5	8.5	7.9	7.8	7.9
	10.8	11.8	10.7	9.5	9.7	10.1
	6.4	7.9	7.0	6.2	6.4	6.6
	3.4	4.9	5.4	4.7	5.0	5.2
	2.2	2.9	2.6	2.7	2.8	2.8
	1.8	2.4	2.2	2.3	2.4	2.4
	0.4	0.5	0.4	0.4	0.4	0.4
	3.9	5.3	4.8	4.4	4.4	4.5
	67.1	63.9	67.3	59.5	55.0	56.6
	5.7	9.6	8.6	7.3	6.9	6.8
	61.3	54.3	58.8	52.1	48.1	49.8
	22.4	28.9	25.0	21.5	21.9	22.0
	1.3	1.3	1.2	1.0	0.6	0.7
	78.9	79.7	78.8	90.6	97.9	98.4
	69.6	73.8	72.2	72.5	75.4	77.7

Political stability and cultural tolerance

Despite the turbulent nature of many countries in the Middle East, the UAE remains an example of complete political stability in the region. It is also one of the biggest donors to developing countries across the world and a major contributor to UN peace keeping initiatives globally.

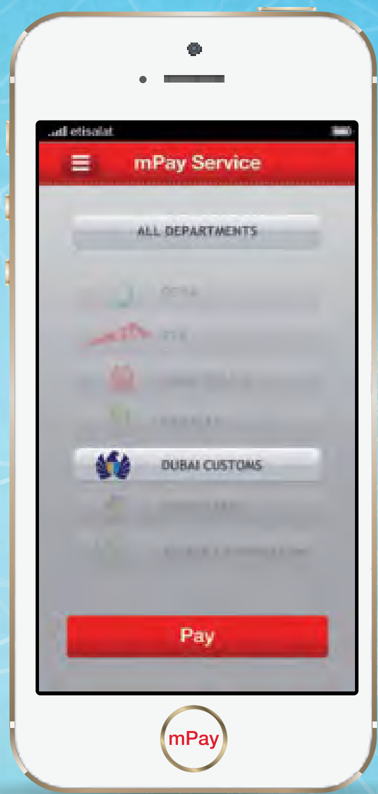
The country's decision-making model, both at federal and local emirate level, allows for sustainable economic and infrastructure growth. This has led to the levels of economic diversification and foreign direct investment we see today.

The Federal National Council, which represents the country's parliament, is now half-elected by an electoral college. This system runs in parallel with the more traditional 'popular majlis democracy', an open-door policy where national citizens can communicate openly and directly with the rulers and government executives.

Culturally, the Emirates is a melting pot with more than 200 nationalities hailing from all corners of the globe. Cultural tolerance is actively promoted across the Emirates. As a result there is minimal tension, either culturally or from a religious point of view. The multicultural aspect of the UAE means that many businesses also comprise a wide range of nationalities, bringing a valuable resource of diverse knowledge, experience and innovation, and driving the country's spirit of entrepreneurship that has made it a regional and global business hub.

In an environment of stability, cultural tolerance and warm Arabian hospitality, the UAE has become well-known as a place where expats can feel at home and enjoy a high quality of life when living and working in the Emirates, with all the education and healthcare facilities, leisure amenities and more that they might expect in their home country. Because of its political stability, the UAE remains one of the safest countries in the world with extremely low crime rates compared to most other major cities.

بوابة العبور إلى رخاء دبي
Gateway to Dubai's Prosperity



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Laying the groundwork against corruption

Corporate governance, transparency and anti-corruption remain at the very top of the UAE's agenda. Because of this, investor confidence remains high as businesses continue to choose the Emirates as their regional headquarters and as a place they can do business easily and honestly.

At the same time, the UAE government fully understands the proven competitive advantages of sound corporate governance. These include the removal of uncertainty and increasing business confidence in general, managing risk and removing conflicts of interest, aligning stakeholder and employee interests, optimising share prices and stakeholder value, encouraging external investment and facilitating growth.

In 2007, the Securities and Commodities Authority issued the Regulation for Corporate Governance and Institutional Discipline Standards for public joint stock companies. In 2008, the UAE launched a major anti-corruption campaign in the realty and financial sectors, to protect investors. It also launched a similar campaign against bribery within both the public and private sectors.

Federal Decree Law No 5 of 2011 lays out a stringent process for the corporate governance systems of federal government agencies. For SMEs in Dubai, a corporate governance framework has been created by the Mohammed Bin Rashid Establishment for SME Development and Hawkamah.

In 2010, the Berlin-based monitoring organisation, Transparency International, identified the UAE as one of the most investment-friendly countries in the region, based on the perceptions of business people and experts.

More recently the UAE Ministry of Economy announced it was in the process of developing new laws to promote greater transparency and further boost investor confidence. This is in line with the country's Vision 2021 to promote the UAE as a global business and investment hub. These include a foreign investment law, auditor's law and sophisticated corporate governance framework to protect shareholders, promote greater transparency and financial disclosure.

THE UAE GROWTH STORY

Creating a pipeline

There are few countries that have seen the dynamic growth the UAE has witnessed in the 44 years since its union and transition from the British-protected Trucial States. Likewise, the UAE's economic growth story has had a huge impact on the continuing growth of its import/export sectors.

Aerial photographs of the Emirates taken from the early 1970s depict a mostly desert landscape peppered with some low-rise buildings. Going back just 20 years, the only high-rise tower to be seen from any distance was Dubai World Trade Centre.

While still a major business hub, Dubai World Trade Centre is now clustered into the many uniquely designed towers that dominate the main route between Dubai and Abu Dhabi – Sheikh Zayed Road – and the UAE's many other thriving business areas. These include, but are by no means restricted to, the numerous free trade zones mentioned earlier, which continue to stimulate many sectors within the UAE economy.

As a result of the UAE's fast-increasing business and domestic needs, combined with its exponential population expansion mentioned earlier, the country's economy has also seen an unrivalled rate of growth. Putting this in perspective, in 1972 – just one year after its formation – the UAE had a GDP of $21.10; by 2013 this had reached 402.2 billion at current prices.

In 1975, when the UAE released its first federal budget, 58 per cent of GDP was oil revenue. Yet even then, it was looking firmly towards growing non-oil business to stimulate a sustainable economic model. Today it is possibly the most diversified economy in the region.

As with other countries across the globe during the recent downturn the UAE took a hit purely as a result of its exposure to international markets. It was the same exposure that had built the UAE's position as a recognised and diversified global economy and that is taking the country back into prosperity today.

With arguably the region's best infrastructure development – be it in business, leisure, communications or its second-to-none road and transport systems – the Emirates positioned itself long ago as a place with the resilience to re-establish its position from any challenge or circumstance.

In 2011 the International Monetary Fund (IMF) gave its own firm endorsement to the UAE's economic growth – a reflection, it suggested, of international confidence in the UAE market. In no small way, attributing factors have included the country's continuing economic diversification into non-oil sectors, while continuing to capitalise on the rich natural oil-based resources it continues to yield. Even in 2008 when the global downturn presented its universal challenges, the UAE – and particularly Dubai—was the top global destination for foreign direct investment, attracting more than $21 billion in investment capital.

Key to building the UAE's economic structure has been to look at all areas within its business and community environment, building an infrastructure of schools, hospitals and recreational facilities that any other country would find hard to rival.

In the meantime, as a mark of International confidence, outside investors continue to explore new markets and opportunities within the UAE. In August 2011, First Capital of Switzerland Investment Bank launched a fund captial of US$500 million within the Emirates for health services including hospitals and laboratories. Another capital fund of $500 million was established for the precious metals sector. Because of its position as one of the world's leading cities in re-exports and services, Dubai's own share of UAE GDP rose from 25 per cent in 1975 to more than 40 per cent in 2002.

IMPORT

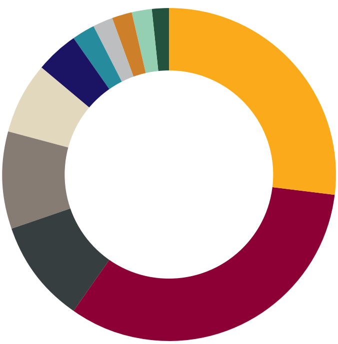
Balance of foreign trade in figures

Looking at the latest in-depth figures from 2013, imports comprised 64 pe rcent of the UAE's total foreign trade. There are some key reasons for this—the high demand driven by a growing population, a continued stream of FDI, and the professional talent that the UAE continues to draw.

At the same time the UAE is far from simply a working destination. As mentioned, expat family members choose the Emirates as a desirable place to live in terms of health, education, housing, social and recreational facilities. From the very beginning, the UAE has understood the importance of not only attracting business investment but of creating the social environment to sustain it. All this combined make imports, exports and re-exports thriving sectors within the economy.

In 2013, the Emirates' imports value increased by eight per cent to $186.5 billions, compared to $181.7 billions in 2012. This can be largely attributed to its GDP growth, credit facility and money supply. These factors saw the country's import grow by 46 per cent in 2008.

MAIN IMPORT GOODS 2013



- Jewellery, Precious Metals **32.67%**
- Machinery **10.05%**
- Vehicles/Parts **9.43%**
- Electrical Appliances **6.98%**
- Aircraft & Parts thereof **4.20%**
- Articles, Iron & Steel **2.28%**
- Iron & Steel **1.96%**
- Plastic & Articles **1.96%**
- Copper & Articles **1.86%**
- Mineral, Fuels, Oils **1.48%**
- Total of remaining **27.14%**

Non-oil Export

The UAE has steadily grown its export component. Between 2000 to 2013, This equates to an average annual growth rate of 27 per cent. In 2013, the Emirates' non oil export value $40.3 billion.

As the corresponding chart illustrates, 54 per cent of goods exported from the UAE are precious metals and stones. Looking back at the import figures shown previously within the same product category, a far larger proportion of precious metals and stones (around 33 per cent) are re-exported (more on this in the next section). These are mainly exported to India (a huge global market for gold) and Switzerland, possibly related to its status as a safe investment haven.

Other major export commodities include, crude oil; natural gas; dried fish and dates. By 2013, UAE export had penetrated 198 global markets.

MAIN NON-OIL EXPORT COMMODITIES 2013

- Jewellery, Precious Metals **54.04%**
- Plastics & Articles **7.01%**
- Aluminium & Articles **4.98%**
- Waste & Scrap **7.55%**
- Mineral, Fuels, Oils **2.54%**
- Salt, Sulphur, Cement **2.51%**
- Printed books, Newspapers, Pictures & Other products **2.01%**
- Articles of Iron & Steel **1.86%**
- Sugars & Sugar Confectionery **1.35%**
- Total of remaining **16.14%**

Re-export

Re-export is a huge sector for the UAE, due to its central location and extremely competitive trade tariffs of just five per cent. In 2013 re-export comprised 22 per cent, or $63.2 billion, of total foreign trade for the Emirates. The UAE's strategy to drive import, export and re-export growth has included its extensive infrastructure development across air and sea ports.

These include Zayed Port, and Khalifa Port and Industrial Zone—both in Abu Dhabi, Dubai World Central—set to be the world's largest logistics hub, and Dubai Logistics Centre. In terms of its Trading Across Borders, the UAE ranks fourth globally and first within the Middle East.

MAIN RE-EXPORT COMMODITIES 2013

- Jewellery, Precious Metals **37.59%**
- Machinery **13.67%**
- Vehicles/Parts **11.79%**
- Electrical Appliances **9.82%**
- Aircraft & Parts thereof **4.18%**
- Rubber & Articles thereof **1.83%**
- Articles, Iron & Steel **1.39%**
- Man-made Filaments, Strip & the like of man-made textile materials **1.35%**
- Tobacco **1.23%**
- Articles of Apparel & clothing accessories, knitted or crocheted **1.16%**
- Total of remaining **16.00%**

WAREHOUSING CAPACITY AND TRANSPORTATION

In recent years billions of dollars have been invested to develop the UAE's warehousing and transportation infrastructure. These include the construction of new projects such as Dubai Logistics City and Al Maktoum International Airport, as well as the expansion to current developments such as Jebel Ali Port and Dubai Cargo Village. These investments will ensure that sufficient capacity exists in order to continue the UAE's high growth trajectory.

In addition, connectivity between sea and air transport allows for goods to be transferred from one to the other in less than one hour. That said, there is no precise figure or data regarding warehousing capacity in the UAE, as it is provided at different levels—

- Free zones, which have ready-made warehousing
- Municipalities, which lease cold storage warehousing
- Companies that have built their own dedicated ware housing facilities in and outside free zones
- Manufacturing operations with warehousing that cannot be accounted for separately
- Freight forwarding and logistics companies that have warehousing facilities for their clients

Looking into the future, two key developments will play a vital role. First, when fully-completed Khalifa Port (located in Taweelah, midway between Dubai and Abu Dhabi) will be the largest port in the region. Second, Dubai World Central with its corridor to Jebel Ali Port will allow for a huge expansion of multi-modal transport.

EMERGING DEVELOPMENTS WITHIN THE IMPORTS/EXPORTS INDUSTRY

Regional developments

- The move towards a common halal standard led by the Organisation of Islamic Countries
- Ensuring sufficient stock of food as a part of the food security programme
- Diversification of trade away from hydrocarbons
- Increasing intra-regional trade

International developments

- Focus on intellectual property
- The trend towards more inter-regional trade
- Reduction in trade restrictions and barriers

CONTRACTUAL CONDITIONS AND PAYMENT TERMS

In Europe the dominant form of payment is open account. In South America it is documentary collection and open account. In Africa and most parts of Asia it is advance payment. However, in the Middle East and South Asia it is letters of credit.

In this part of the world, over two-thirds of imports are carried out using letters of credit. As far as contractual obligations are concerned they tend to be largely to do with conformity and standards, as foods that do not meet these conditions will not be allowed into the country.

Imports & Exports Business in the UAE

10 Commodities traded in the UAE

EMIRATES AIRLINES AND ETIHAD AIRWAYS through the large scale purchase of aircraft and spare parts

EMIRATES GLOBAL ALUMINIUM a major global producer of aluminium which imports raw materials and exports aluminium billets

GOLD AND JEWELLERY the UAE is one of the major exporters and re-exporters of gold and jewellery in the world. Major companies include Al Ruwais Jewellery, Asia Jewellery and Motiwalla Jewellers among many others

CARS Dubai imports & re-exports vast numbers of cars. Key companies include Al-Futtaim Auto Group, Arabian Automobiles, Al-Habtoor Motors and Al Tayer Motors Ltd

CEREALS AND GRAINS a major company is Al Ghurair Resources, Oils and Proteins

SUGAR the UAE has the largest independent sugar refinery in the world owned by Al Ghurair Group

CHOCOLATE AND FOODSTUFFS Nestle Dubai being a major contributor

WATCHES key companies include Ahmed Siddiqui & Sons

ELECTRONICS the UAE is a major importer and re-exporter with key companies including Jumbo Electronics and Eros Group

CERAMICS RAK Ceramics is the world's largest producer of ceramic tiles

BALANCE OF PAYMENTS, 2001–2013

in million AED

ITEM	2001		2002		2003	
	CREDIT	DEBT	CREDIT	DEBT	CREDIT	DEBT
Trade Balance (CIF)	40,839		33,501		53,919	
Trade Balance (FOB)	**57,274**		52,298		76,868	
Total Exports & Re Exports	**177,800**		190,142		245,160	
Total exports of goods and services:	**186,516**		**199,647**		**255,380**	
Crude Oil Exports	65203		61063		80993	
Petroleum Products Exports	9471		10863		12160	
Gas Exports	13132		11829		14022	
Other Exports	7537		8649		10589	
Free Zone Exports	23564		30382		41338	
Re Exports	58893		67356		86058	
Total Imports (CIF)		**136,961**		**156,641**		**191,241**
Emirates Imports—CIF				122803		147932
Free Zone Imports—CIF				33838		43309
Total Imports (FOB)		**120526**		**137844**		**168292**
Total imports, service		**17,480**		**19,070**		**20,545**
Total imports of goods and services (CIF)		**154,441**		**175,711**		**211,786**
Services (NET)	25,199-		28,362-		33,274-	
Services	8,716	33,915	9,505	37,867	10,220	43,494
Travel	4405	12188	4890	13410	5280	14530
Transport	**2991**	**4035**	**3155**	**4275**	**3350**	**4535**
Government Services	**1320**	**1257**	**1460**	**1385**	**1590**	**1480**
Freight and Insurance		**16435**		**18797**		**22949**
Investment Income (NET)	**18600**		**3383**		**200**	
Financial Entities + Pvt. non banks						
Foreign Partners (Hydrocarbon Comps.)						
Transfers (NET)	**15,454-**		**16,250-**		**17,120-**	
Private		14360		15200		16120
Public		1094		1050		1000
CURRENT ACCOUNT BALANCE	**35,221**		**11,069**		**26,274**	

SOURCE: UAE Central Bank | [A] Preliminary

	2004		2005		2006		2007	
	CREDIT	DEBT	CREDIT	DEBT	CREDIT	DEBT	CREDIT	DEBT
	69,652		119,847		167,207		104,692	
	101,375		157,154		211,302		170,851	
	334,013		430,737		534,666		656,020	
	345,100		448,305		559,813		685,620	
	108,794		159,761		213,372		224,647	
	16,243		21,300		17,995		17,981	
	17,459		21,216		26,075		28,500	
	14,680		18,414		29,232		42,068	
	52,587		63,928		75,286		83,700	
	124,250		146,118		172,706		259,124	
		264,361		**310,890**		**367,459**		**551,328**
		202,896		247,590		291,050		395,718
		61,465		63,300		76,409		155,610
		232,638		**273,583**		**323,364**		**485,169**
		23,666		**33,820**		**47,278**		**58,800**
		288,027		**344,710**		**414,737**		**610,128**
	44,302-		53,559-		66,226-		95,359-	
	11,087	55,389	17,568	71,127	25,147	91,373	29,600	124,959
	5,850	16,425	11,817	22,719	18,259	32,416	22,300	41,400
	3,552	**5,671**	**3,889**	**9,351**	**4,726**	**12,812**	**5,000**	**15,000**
	1,685	**1,570**	**1,862**	**1,750**	**2,162**	**2,050**	**2,300**	**2,400**
		31,723		**37,307**		**44,095**		**66,159**
	2,600		**10,600**		**17,400**		**30,750**	
	16,548		30,300		41,800		54,450	
		13,900		19,700		24,400		23,700
	20,844-		**24,701-**		**30,101-**		**34,111-**	
		19,344		22,826		28,076		31,952
		1,500		1,875		2,025		2,159
	38,829		**89,494**		**132,375**		**72,131**	

BALANCE OF PAYMENTS, 2001–2013

in million AED

ITEM	2008		2009	
	CREDIT	DEBT	CREDIT	DEBT
Trade Balance (CIF)	142,807		79,623	
Trade Balance (FOB)	231,092		154,596	
Total Exports & Re Exports	878,508		704,394	
Total exports of goods and services:	913,748		741,694	
Crude Oil Exports	313,735		198,773	
Petroleum Products Exports	22,100		20,000	
Gas Exports	39,080		30,500	
Other Exports	60,359		65,279	
Free Zone Exports	97,455		96,200	
Re Exports	345,779		293,642	
Total Imports (CIF)		**735,701**		**624,771**
Emirates Imports—CIF		513,980		447,394
Free Zone Imports—CIF		221,721		177,377
Total Imports (FOB)		**647,417**		**549,798**
Total imports, service		**71,200**		**62,500**
Total imports of goods and services (CIF)		**806,901**		**687,271**
Services (NET)	124,244-		100,172-	
Services	35,240	159,484	37,300	137,472
Travel	26,301	48,800	27,000	38,000
Transport	**6,598**	**20,000**	**7,900**	**22,000**
Government Services	**2,341**	**2,400**	**2,400**	**2,500**
Freight and Insurance		**88,284**		**74,972**
Investment Income (NET)	**13,970**		**11,800**	
Financial Entities + Pvt. non banks	34,870		20,500	
Foreign Partners (Hydrocarbon Comps.)		20,900		8,700
Transfers (NET)	**39,000-**		**37,400-**	
Private		36,700		35,000
Public		2,300		2,400
CURRENT ACCOUNT BALANCE	**81,818**		**28,824**	

SOURCE: UAE Central Bank | [A] Preliminary

2010		2011		2012		2013*	
CREDIT	**DEBT**	**CREDIT**	**DEBT**	**CREDIT**	**DEBT**	**CREDIT**	**DEBT**
97,460		264,804		343,749		347,176	
179,872		391,468		484,708		503,694	
784,222		1,109,229		1,283,474		1,390,630	
827,322		1,156,229		1,338,814		1,453,900	
220,677		332,879		352,108		361,300	
24,532		32,797		35,337		36,200	
28,900		44,200		53,204		54,120	
89,015		114,036		169,711		209,794	
98,320		146,216		184,457		186,620	
322,778		439,101		488,657		542,596	
	686,762		**844,425**		**939,725**		**1,043,454**
	485,414		622,957		689,719		777,754
	201,348		221,468		250,006		265,700
	604,351		**717,761**		**798,766**		**886,936**
	72,200		**80,900**		**90,951**		**104,200**
	758,962		**925,325**		**1,030,676**		**1,147,654**
111,511-		160,564-		176,570-		197,448-	
43,100	154,611	47,000	207,564	55,340	231,910	63,270	260,718
31,500	43,400	33,800	48,500	38,120	55,351	42,470	65,000
9,000	**26,000**	**10,500**	**29,400**	**14,320**	**32,100**	**17,800**	**35,400**
2,600	**2,800**	**2,700**	**3,000**	**2,900**	**3,500**	**3,000**	**3,800**
	82,411		**126,664**		**140,959**		**156,518**
366-		**404**		**1,092**		**1,250**	
22,000		25,050		27,000		29,800	
	22,366		24,646		25,908		28,550
41,400-		**44,200-**		**55,970-**		**69,350-**	
	38,800		41,200		3,100		3,500
	2,600		3,000		52,870		65,850
26,595		**187,108**		**253,260**		**238,146**	

INDUSTRY FOCUS

Developing a successful export strategy

With the UAE's network of cement factories in Northern Emirates such as Sharjah, Ras Al Khaimah and Fujairah, cement remains a major export commodity for the UAE.

First, know your product. Explore your markets well and build solid contacts with embassies and trade attachés. Embassies have a great deal of knowledge about how trade works in their country.

It's not enough just to know your product however. You need to follow it through every aspect of its life cycle. Where is it going? How will it be used? Don't lose track of your product the moment it leaves the quayside. In that way, you'll discover how to maximise its export potential.

Make contact with shipping agents and engage a good one in the country(s) you're exporting to – this is very important. A shipping agents needs to be neutral, open and fair, otherwise no importing or exporting companies will use them. They're in contact with all parties, both imports & exports, so they know which products are coming in and going out of the country.

If export forms a major part of your business, be prepared to travel intensively. Only by spending time in the countries you're exporting to you will achieve the aspects above and put the right contacts and partnerships in place. Lastly but crucially, be fair and honest in all your dealings.

UAE CEMENT EXPORT

The UAE export market in general is highly developed. This is especially so in Dubai.

A huge amount of trade happens with India and Iran, with many goods also transported along the coast to destinations such as Yemen or even Somalia. This means a significant cash flow coming both in and out of the country.

The Emirates is predominantly an imports & exports market, with the exception of manufactured goods such as cement. In 2012, 6.3 million tonnes of cement was exported out of the UAE, and 4.3 million tonnes of clinker (the raw material that comprises 90 per cent of the final cement product). In 2013, this had increased to 7.16 and 5.7 million tonnes respectively. That said, cement export will reach its full capacity within the next few years.

Easy-to-export countries include those in the Gulf and East Africa. The majority of cement the UAE supplies to demand markets such as Oman and Kuwait travels by road. The main markets for clinker are countries such as Tanzania, Kenya, Mozambique, Yemen, Egypt, Iraq, Bahrain and Saudi Arabia.

COMPETITIVE TARIFFS AND OTHER TRADE-FRIENDLY INITIATIVES

As highlighted in the introductory section of this guide, the UAE's economy was built on a solid trading base from the very early years. This was further strengthened in the early 1960s by the dredging of Dubai creek to allow large international vessels to enter,and, in 1985, with the opening of its first free trade zone in Jebel Ali.

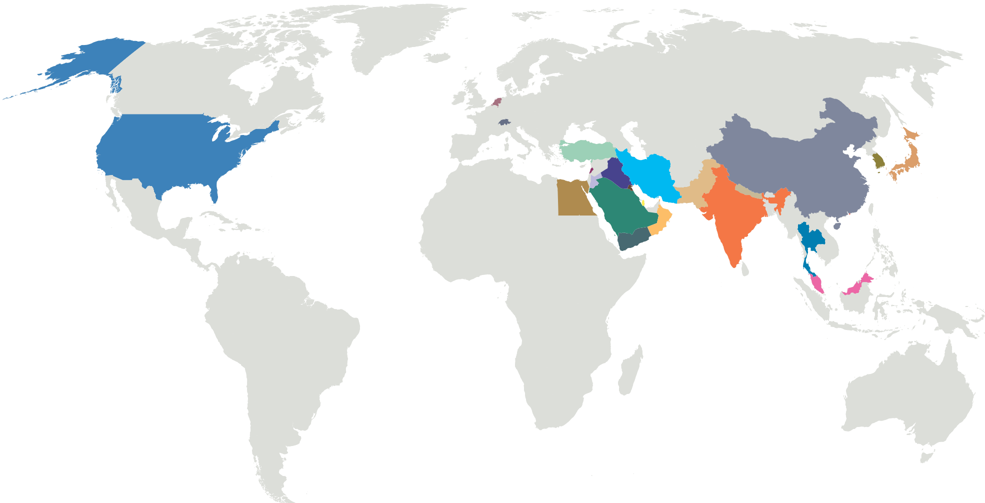
The Emirates has continued with further initiatives to make it a global trade friendly partner in all respects. It grants most-favoured-nation (MFN) treatment to all its trading partners. It has also met all of its commitments as a full member of the World Trade Organization (WTO) in terms of customs valuation. The UAE has a low and straightforward MFN tariff. All rates, apart from alcoholic beverages and tobacco, are 'ad valorem', meaning that items are taxed according to their actual value. On alcoholic beverages, the tariff is 50 per cent. On tobacco products it is 100 per cent or Dh100 (around $30) for 1,000 cigarettes, or Dh20 (around $7) per kg of raw tobacco—whichever is higher. Apart from that there are no tariff quotas, no nuisance rates (those that cost the government more to collect than the revenue they generate), no import taxes or any other duties.

The UAE has largely achieved its impressive imports/exports growth rate through its supportive attitude towards businesses.

The UAE's tariff rate is based on the GCC's own Common External Tariff (CET)—an across-the-board rate of approximately five per cent. This is along with a list of 421 tariff lines (goods listed within its tariff schedule), which are duty free when imported to the GCC. Such tariff lines include agricultural raw materials: food and pharmaceutical products: certain papers, books and magazines: unwrought precious metals: vessels and aircraft. The UAE has largely achieved its impressive imports/exports growth rate through its supportive attitude towards businesses. This is reflected in its tariff policies, with just four per cent on semi-finished goods and 5.4 per cent approximately on fully-processed products. Industrial inputs, such as equipment and spare parts, as well as raw, semi-manufactured and packaging materials, are exempt from duty, while tax and duty concessions are granted under regimes for 'imports for re-exports', 'transit' or 'temporary admission'.

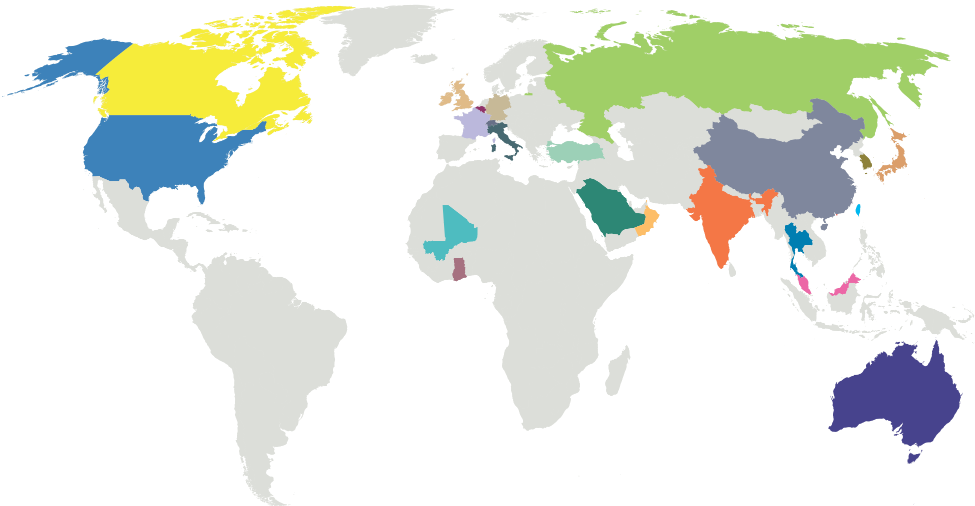
Major Trade 2013

NON-OIL EXPORT



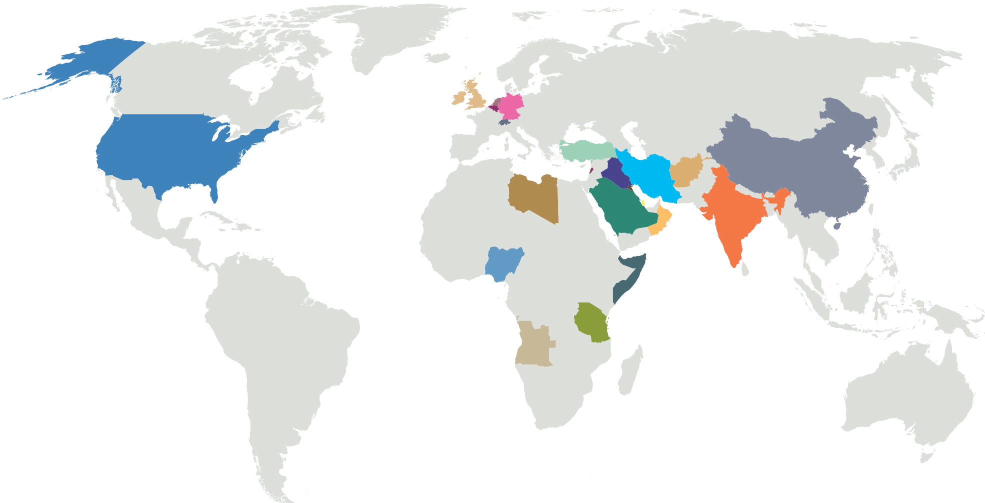
INDIA	19.14%
TURKEY	12.16%
SAUDI ARABIA	8.80%
SWITZERLAND	6.10%
OMAN	5.36%
SINGAPORE	4.84%
KUWAIT	3.53%
EGYPT	3.02%
HONG KONG	2.68%
CHINA	2.14%
IRAQ	1.88%
IRAN	1.78%
QATAR	1.76%
BAHRAIN	1.32%
USA	0.90%
PAKISTAN	0.85%
NETHERLANDS	0.82%
JAPAN	0.78%
JORDAN	0.69%
YEMEN	0.69%
THAILAND	0.67%
SOUTH KOREA	0.67%
MALAYSIA	0.66%
LEBANON	0.65%
NEPAL	0.61%

IMPORT



INDIA	10.67%
USA	10.39%
CHINA	9.37%
GERMANY	5.53%
UK & N. IRELAND	5.40%
JAPAN	5.13%
SWITZERLAND	4.92%
ITALY	2.94%
SOUTH KOREA	0.67%
TURKEY	12.16%
FRANCE	2.23%
SAUDI ARABIA	2.20%
BELGIUM	2.06%
MALAYSIA	1.88%
THAILAND	1.59%
AUSTRALIA	1.37%
HONG KONG	1.30%
MALI	1.17%
OMAN	1.11%
GHANA	1.05%
RUSSIAN FEDERATION	1.04%
SUDAN	1.01%
SINGAPORE	0.97%
CANADA	0.93%
TAIWAN	0.87%

RE-EXPORT



IRAN	18.22%
INDIA	13.64%
BELGIUM	5.93%
HONG KONG	4.98%
OMAN	4.48%
IRAQ	4.34%
UK & N. IRELAND	3.93%
SAUDI ARABIA	3.38%
AFGHANISTAN	3.11%
QATAR	2.67%
USA	2.59%
BAHRAIN	2.04%
KUWAIT	1.96%
SWITZERLAND	1.49%
CHINA	1.43%
LIBYAN ARAB JAMAHIRIYA	1.41%
SINGAPORE	1.14%
SOMALIA	0.94%
ANGOLA	0.84
TURKEY	0.80%
NETHERLANDS	0.74%
LEBANON	0.70
NIGERIA	0.66%
GERMANY	0.64%
UNITED REPUBLIC OF TANZANIA	0.63%

TOTAL TRADE

- **$36.24 billion** in 2000
- **$41.15 billion** in 2001
- **$46.92 billion** in 2002
- **$56.91 billion** in 2003
- **$78.14 billion** in 2004
- **$98.30 billion** in 2005
- **$113.21 billion** in 2006
- **$150.54 billion** in 2007
- **$214.78 billion** in 2008
- **$179.78 billion** in 2009
- **$205.36 billion** in 2010
- **$252.54 billion** in 2011
- **$287.44 billion** in 2012
- **$290.01 billion** in 2013

FOREIGN TRADE

As the accompanying graph shows, the growth of foreign trade in the UAE has seen a steady and healthy increase between 2001 and 2013. This is with the exception of 2009 when, as dictated by the global downturn, it decreased by 16 per cent. Just a year later by 2013, however, UAE foreign trade showed a robust recovery, climbing by one per cent, or $2.6 billion, reaching $290.02 billion in total.

This recovery is reflective of the UAE's trade-friendly policies towards its international partners, competitive tariff structures and serious commitment towards its WTO membership, as discussed in the last section. It equally reflects the renewed confidence of investors and professional talent that re-emerged so soon after the initial impact of the crisis had passed, and the UAE's firm standing within global trade.

The buoyancy of UAE foreign trade is also testament to the solid free trade zone structure that the country has built over recent years, which contributes so successfully to the diversified economy we see today.

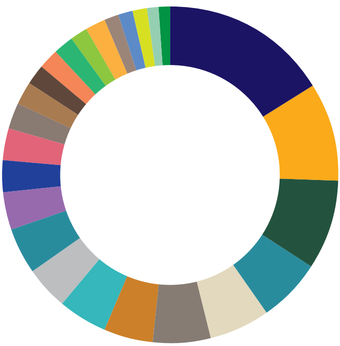
The foreign trade values as shown in the above graph include non-oil export, re-export and import of goods between the UAE and international markets. At the same time, the UAE's trading position is built on solid foundations, with a trade deficit balance of $82.9 billion in 2013.

The UAE's top 10 trading partners as of 2013 are shown graphically below. The UAE's largest trade partner is India with a 12.5 per cent share of the Emirates' total foreign trade. This is mainly due to the considerable trade in precious metals between the two countries. If one was to take gold out of the equation, then China would become first with the rest of the countries remaining the same.

The main trade deficit countries were USA, China, Germany and Japan, while the main trade surplus countries were Iran, Oman, Iraq and Afghanistan.

The foreign trade structure as shown above is absolutely crucial to decision makers in understanding how commodities are affecting the overall movement of goods in, out and through UAE borders.

TOP 10 TRADE PARTNERS



- INDIA **12.5%**
- USA **7.4%**
- CHINA **6.6%**
- IRAN **4.7%**
- UNITED KINGDOM **4.4%**
- SWITZERLAND **4.3%**
- GERMANY **3.8%**
- JAPAN **3.4%**
- SAUDI ARABIA **3.4%**
- TURKEY **3.4%**
- BELGIUM **2.67**
- OMAN **2.43**
- HONG KONG **2.29**
- ITALY **2.02**
- SOUTH KOREA **1.65**
- FRANCE **1.57**
- SINGAPORE **1.54**
- IRAQ **1.48**
- MALAYSIA **1.36**
- KUWAIT **1.31**
- THAILAND **1.23**
- QATAR **1.08**
- AUSTRALIA **0.97**
- BAHRAIN **0.85**
- SUDAN **0.78**

CUSTOMS PROCEDURES

As part of a GCC-wide agreement, the UAE applies a 'single port of entry' principle. This essentially means that any goods imported from a GCC country into another GCC market are only subject to customs duty at the first point of entry into that country. Likewise, customs procedures are standardised across all Gulf countries.

Within the UAE, while each has its own independent customs authority, customs procedures are the same across all seven emirates. Customs requirements are kept to a minimum, so as not to impair the UAE's transshipment and re-export business in any way.

The most recent figures show that more than 80 per cent of UAE imports are cleared by Dubai Customs, 10 per cent by Abu Dhabi Customs and the remaining 10 per cent by the other emirates. In both Abu Dhabi and Dubai, customs declarations can be made completely electronically.

IMPORT CONTROL

The UAE has become well known for its liberal and tolerant views towards other cultures. This has led to many positive aspects in the country's development. One is its continuing reputation as a highly attractive place for FDI. Another is its multicultural mix of more than 200 nationalities, which not only brings a rich and unique cultural flavour to the Emirates, but also a diverse range of global knowledge and ideas. This drives the pulse of innovation and entrepreneurship that runs within the UAE business community.

> The WTO has named UAE as the leading Arab economy and one of the world's top 30 nations in terms of global trade.

Such controls include those for all kinds of drugs, asbestos, used pneumatic tyres, industrial waste, forged and duplicate currency, 'habara' falcons, ivory and rhinocerous horn, and live camels. The UAE prohibits any printed materials that do not adhere to its religious and moral values. It also prohibits all imports from Israel.

THE UAE'S OPEN–DOOR POLICY

As much as the UAE's success in international trade relies on the many aspects of its world-class physical infrastructure, it runs far deeper. It is a philosophy—a government attitude built around a desire to make the UAE a truly global business destination.

The country's open-door policy has become known as the key enabler to its economic success. This is evidenced by aspects such as its tax-free status, free-market policy, flexible commercial laws, 100 per cent foreign ownership and repatriation of capital and profits within its free zones. Equally important are initiatives such as double taxation agreements and the dedicated organisations set up to support its international trade position. We discuss these in later sections.

INFORMATION AND COMMUNICATIONS—THE PULSE OF IMPORT/EXPORT

Information communication technology becomes more and more crucial for imports & exports. Businesses require greater efficiency in line with their own increasing demands to deliver on time, to specification and to their own clients' growing expectations. For companies that rely heavily on imports/exports and other logistical challenges, time and the ability to track the status of goods is paramount.

The UAE's advanced communications network forms a major reason why many international air couriers and freight forwarders use the UAE as their regional assembly and classification point for inbound and outbound shipments. The World Economic Forum's Global Information Technology Report 2009—10 ranked the UAE 23rd out of the world's most networked economies. The Fiber To The Home Council (FTTH) has placed the Emirates fourth among all economies in FTTH market penetration, ahead of all European and Americas economies and behind South Korea, Japan and Hong Kong›.

A LEADING GLOBAL TRADE POSITION—LOOKING AT THE NUMBERS

The UAE's open-door initiatives have paid off handsomely. The WTO has named it the leading Arab economy and one of the world's top 30 nations in terms of global trade. The Enabling Trade Index, published by the WTO in 2009, placed the UAE's re-export activities at 18th position worldwide.

The year before, the UAE ranked number one in the region and 16th globally in the World Economic Forum's Enabling Trade Report on the year 2014.

TRADE AGREEMENTS—SUSTAINABLE FOUNDATIONS

As we've discussed earlier in this guide, the UAE's central east-west position between Asia and Europe, CIS and Africa on the north–south axis, gives it market access to more than two billion people within four-hours' flying time.

Making full strategic use of this it has established trading links, both within the region and internationally, to markets serving more than 1.5 billion people.

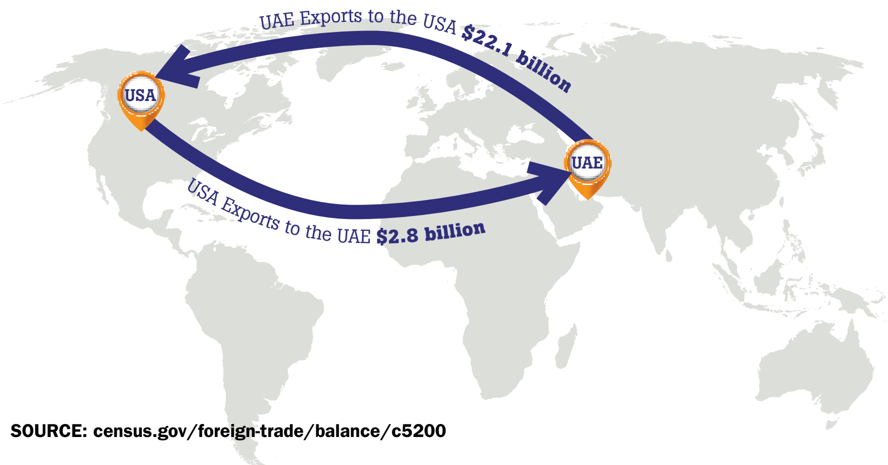
In addition, the UAE is the regional headquarters for all major international air couriers and freight forwarders that use Dubai in particular as their regional assembly and classification point for inbound and outbound shipments.

Because of its comprehensive network of air, sea and land logistics channels, and the location of most of its free zone areas close to a logistics centre, the UAE can serve the region and globe in a smart way.

Through a number of strategic bilateral trade agreements and economic blocs, both regionally and internationally, the UAE has shown its capability to bring together buyers and sellers from across the globe. Because of this, the Emirates has become top-of-mind as an access point for traders that wish to penetrate certain regional markets or launch regional distribution operations.

Through all the above factors, the Emirates remains firmly placed as the Middle East's distribution, logistics and imports/exports hub.

TRADING PARTNERS, 2014



SOURCE: census.gov/foreign-trade/balance/c5200

Global best practice

WORLD TRADE ORGANIZATION (WTO)

The UAE has been a full member of the WTO since 1996, and synergies between the two are fitting on a number of levels. Like the WTO's own underlying principles, the UAE completely believes in a trading economy based on fair competition, free trade, economic openness and a regulated trade system.

Aligned with WTO benchmarks, the UAE grants 'most favoured nation' treatment to all its trading partners, meaning both parties receive equal trade advantages. The UAE has also developed national laws, regulations and governing bodies in line with WTO benchmarks, and which we discuss in a later section.

REGIONAL TRADE AGREEMENTS— GULF COOPERATION COUNCIL (GCC)

The GCC was created in May 1981 among the six member states of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE. The objective was to create a common market with equal treatment of GCC citizens in terms of freedom to move, work, reside, own property and move capital.

The regional cooperation brings an integration of all economic, social and cultural affairs, including trade, industry, investment, finance, transport, communication and energy. The GCC's common customs union involves tariff of five per cent custom duty on goods produced outside of the GCC, while goods produced in other GCC countries will be treated as national products with no custom tax.

GREAT ARAB FREE TRADE AGREEMENT (GAFTA)

Along with all other GCC states, the UAE is also a member of GAFTA. Since 2005 all trade barriers within

GAFTA have been eliminated without exception and reduced tariffs are applied by member states. The principle entity for implementing GAFTA is the Economic and Social Council of the League of Arab States (LAS).

BILATERAL AGREEMENTS

As well as its strong regional ties, the UAE has continued to build solid trade relations internationally, negotiating bilateral agreements with the European Union, Japan, China, South Korea, Australia, New Zealand, Pakistan, India, Turkey and the Mercosur (an economic and political agreement among Argentina, Brazil, Paraguay, Uruguay, Venezuela and Bolivia).

In December 2008 the GCC countries signed an agreement with Singapore to establish a free trade zone between them. In 2009 the GCC signed a similar agreement with the European Free Trade Association. Across the Middle East and North Africa, bilateral trade agreements include Syria, Jordan, Lebanon, Morocco and Iraq.

UAE DOUBLE TAXATION AGREEMENTS (DTAS)

DTAs determine which of two trading states should levy taxes, in order for both not to be susceptible to tax on the same goods within the same time period – for example where an individual or business of one country has taxable income arising in another.

The UAE believes DTAs to be crucial in encouraging FDI, as they promote trade in goods and services, and hence the flow of capital. To this effect, the Emirates has signed DTAs with a number of select countries, shown in the corresponding table. This strategy continues to pay premium dividends to the UAE's sustained imports/ exports success story.

AGREEMENTS ON THE AVOIDANCE OF DOUBLE TAXATION

No.	Country	Final Signature	Cabinet Decision No.	Federal Decree No.	Effective date	Validity period
1	Albania	13/3/2014				
2	Algeria	24/4/2001	(320/9) for the year 2001	(84) for the year 2001	28/11/2001	25/6/2004
3	Armenia	22/4/2002	(549/9) for the year 2003	(74) for the year 2004	29/12/2004	23/9/2003
4	Austria	23/9/2003	(521/13) for the year 2003	(26) for the year 2004	27/4/2004	23/9/2004
5	Azerbaijan	20/11/2006	(332/3) for the year 2006	(42) for the year 2007	30/4/2007	12/6/2007
6	Bangladesh	17/1/2011	(221/11/20) for the year 2011	(17) for the year 2012	2/2/2012	13/6/2011
7	Barbados	25/9/2014				
8	Belarus	27/2/2000	(300/9) for the year 2000	(2) for the year 2001	2/1/2001	1/2/2001
9	Belgium	30/9/1996	(527/9) for the year 1996	(83) for the year 1997	26/ 6/1997	22/12/2003
10	Benin	4/3/2013	(55/2&/22) for the year 2014	(71) for the year 2014	23/7/2014	
11	Bosnia and Herzegovina	18/9/2006	(331/2) for the year 2006	(39) for the year 2007	30/4/2007	19/5/2009
12	Brunei Darussalam	21/5/2013	(16/1&/16) for the year 2014	(49) for the year 2014	4/5/2014	
13	Bulgaria	26/6/2007	(211/11) for the year 2007	(5) for the year 2008	21/1/2008	16/11/2008
14	Canada	9/6/2002	(587/10) for the year 2002	(3) for the year 2004	7/1/2004	25/5/2004
15	China	1/7/1993	(260/5) for the year 1993	(38) for the year 1994	5/6/1994	22/7/1994
16	Cyprus	27/2/2011	(164/9/29) for the year 2011	(24) for the year 2013	14/2/2013	17/3/2013
17	Czech Republic	30/9/1996	(526/8) for the year 1996	(84) for the year 1997	26/6/1997	1/1/2005
18	Egypt	12/4/1994	(214/7) for the year 1994	(13) for the year 1995	26/3/1995	16/7/1995

19	Estonia	20/4/2011	(286/13/22) for the year 2011	(30) for the year 2012	26/2/2012	29/3/2012
20	Fiji	3/9/2012	(80/4&/9) for the year 2013	(64) for the year 2013	11/6/2013	Non-Specific
21	Finland	12/3/1996	(224/10) for the year 1996	(23) for the year 1997	24/2/1997	26/12/1997
22	France	19/7/1989	(453/07) for the year 1989	(83) for the year 1989	15/11/1989	8/11/1994
23	Georgia	24/11/2010	(29/2/9) for the year 2011	(32) for the year 2011	28/3/2011	28/4/2011
24	Germany	1/7/2010	(205/10&8) for the year 2010	(13) for the year 2011	1/2/2011	14/7/2011
25	Greece	18/1/2010	(42/3&/15) for the year 2010	(60) for the year 2010	27/6/2010	Non-Specific
		27/6/2013	(148/5&/19) for the year 2014	130 for the year 2014		
26	Guinea	13/11/2011	(71/3/12) for the year 2012	(50) for the year 2012	21/5/2012	9/7/2014
27	Hungary	30/4/2013	(96/3&/24) for the year 2014	(73) for the year 2014	23/7/2014	4/10/2014
28	India	29/4/1992	(245/8) for the year 1992	(39) for the year 1993	21/8/1993	30/11/1992
		27/3/2007	(105/7) for the year 2007	(80) for the year 2007	3/10/2007	3/10/2007
		16/4/2012	(232/11/9) for the year 2012	(17) for the year 2013	11/2/2013	12/3/2013
29	Indonesia	30/11/1995	(15/15) for the year 1996	(36) for the year 1996	17/6/1996	1/6/1999
30	Ireland	1/7/2010	(95/6&/11) for the year 2011	(66) for the year 2011	6/7/2011	6/7/2011
31	Italy	22/1/1995	(83/5) for the year 1995	(62) for the year 1995	20/11/1995	5/10/1997
32	Japan	2/5/2013	(56/2&/23) for the year 2014	(70) for the year 2014	23/7/2014	
33	Kazakhstan	22/12/2008	(255/15) for the year 2009	(47) for the year 2009	30/6/2009	27/11/2013
34	Kenya	21/11/2011	(70/3/11) for the year 2012	(51) for the year 2012	21/5/2012	Non-Specific
35	Latvia	11/3/2012	(11/1/11) for the year 2013	(54) for the year 2013	26/5/2013	11/6/2013

36	Lebanon	17/5/1998	(308/16) for the year 1998	(106) for the year 1998	25/10/1998	23/3/1999
37	Libyan Arab Jamahiriya	1/4/2013	(15/1&/15) for the year 2014	(50) for the year 2014	4/5/2014	
38	Lithuania	30/6/2013	(172/6&/16) for the year 2014	127 for the year 2014		
39	Luxembourg	20/11/2005	(658/7) for the year 2005	(31) for the year 2006	7/5/2006	19/6/2009
40	Malaysia	28/11/1995	(14/14) for the year 1996	(35) for the year 1996	17/6/1996	24/9/1996
41	Malta	13/3/2006	(99/5) for the year 2006	(53) for the year 2006	13/8/2006	13/9/2006
42	Mauritius	18/9/2006	(319/9) for the year 2006	(51) for the year 2007	20/6/2007	25/9/2007
43	Mexico	20/11/2012	(109/5&11) for the year 2013	(79) for the year 2013	20/6/2013	9/7/2014
44	Mongolia	21/2/2001	(493/6) for the year 2001	(70) for the year 2002	29/11/2002	24/2/2004
45	Montenegro	26/3/2012	(212/10/10) for the year 2012	(16) for the year 2013	11/2/2013	11/2/2013
46	Morocco	9/2/1999	(119/10) for the year 1999	(90) for the year 1999	26/9/1999	1/7/2000
47	Mozambique	24/9/2003	(489/6) for the year 2003	(28) for the year 2004	4/5/2004	2/3/2004
48	Netherlands	8/5/2007	(138/6) for the year 2007	(102) for the year 2007	29/11/2007	2/6/2010
49	New Zealand	24/9/2003	(519/11) for the year 2003	(29) for the year 2004	4/5/2004	29/7/2004
50	Pakistan	7/2/1993	(58/12) for the year 1993	(3) for the year 1994	29/1/1994	20/11/2000
51	Panama	13/10/2012	(12/1/12) for the year 2013	(53) for the year 2013	26/5/2013	23/10/2013
52	Philippines	23/9/2003	(548/8) for the year 2003	(73) for the year 2004	29/12/2004	2/10/2008
53	Poland	31/1/1993	(103/5) for the year 1993	(7) for the year 1994	29/1/1994	3/2/1994
54	Portugal	11/12/2013 17/1/2011	(94/6&10) for the year 2011	(67) for the year 2011	6/7/2011	22/5/2012
55	Republic of Korea	22/9/2003	(520/12) for the year 2003	(30) for the year 2004	4/5/2004	9/3/2005
56	Romania	11/4/1993	(62/13) for the year 1995	(3) for the year 1996	9/1/1996	23/1/1996
57	Russian Federation	7/12/2011	(172/8/15) for the year 2012	(94) for the year 2012	10/10/2012	23/6/2013

58	Serbia	13/1/2013	(82/4&/11) for the year 2013	(65) for the year 2013	11/6/2013	2/7/2013
59	Seychelles	19/9/2006	(297/6) for the year 2006	(8) for the year 2007	6/2/2007	14/4/2007
60	Singapore	1/12/1995	(13/13) for the year 1996	(34) for the year 1996	17/6/1996	18/7/1996
61	Slovenia	12/10/2013	(121/4&/14) for the year 2014	(72) for the year 2014	23/7/2014	29/9/2014
62	Spain	5/3/2006	(100/6) for the year 2006	(54) for the year 2006	13/8/2006	2/4/2007
63	Sri Lanka	24/9/2003	(488/5) for the year 2003	(27) for the year 2004	4/5/2004	4/7/2004
64	State of Palestine	24/9/2012	(81/4&/10) for the year 2013	(63) for the year 2013	11/6/2013	Non-Specific
65	Sudan	15/3/2001	(346/9) for the year 2001	(83) for the year 2001	28/11/2001	6/6/2004
66	Switzerland	6/10/2011	(22/1/22) for the year 2012	(35) for the year 2012	8/4/2012	21/10/2012
67	Syrian Arab Republic	26/1/2000	(104/7) for the year 2000	(72) for the year 2000	11/6/2000	12/1/2002
68	Tajikistan	17/12/1995	(434/8) for the year 1999	(16) for the year 2000	29/1/2000	27/3/2000
69	Thailand	1/3/2000	(206/11) for the year 2000	(105) for the year 2000	12/11/2000	4/1/2001
70	Tunisia	10/4/1996	(260/13) for the year 1996	(25) for the year 1997	24/2/1997	27/5/1997
71	Turkey	29/1/1993	(84/8) for the year 1993	(5) for the year 1994	29/1/1994	29/1/1995
72	Turkmenistan	9/6/1998	(406/13) for the year 1999	(108) for the year 1999	24/11/1999	30/12/2011
73	Ukraine	2003	(119/10) for the year 2003	(11) for the year 2004	28/2/2004	9/3/2004
74	Uruguay	11/10/2014				
75	Uzbekistan	26/10/2007	(64/8) for the year 2008	(70) for the year 2008	28/9/2008	25/2/2011
76	Venezuela (Republic of Bolivarian)	11/12/2010	(30/2/10) for the year 2011	(33) for the year 2011	28/3/2011	20/6/2011
77	Viet Nam	16/2/2009	(319/10) for the year 2009	(77) for the year 2009	11/10/2009	12/4/2010
78	Yemen	13/2/2001	(159/6) for the year 2001	(73) for the year 2001	25/8/2001	29/4/2004

Air, land and sea—Greater than the sum of their parts

Since the 1980s, each Emirate within the UAE has invested considerably in developing its own air and sea ports. As a result the country has some of the world's most sophisticated ports, airports and logistics infrastructures, including shipping company and agency ancillary services. Once again, this has been a significant driver of FDI.

The UAE's transportation network has not only grown considerably across its air and sea capabilities. There are plans for a UAE-wide rail network which will link to a larger rail system across the GCC.

UAE AIRPORTS

Each of the seven United Arab Emirates has its own airport, ranging from the major airports operating within the southern emirates to the smaller operators in the northern UAE. Here we provide an outline of some of the UAE's large-scale facilities for both passenger traffic and logistics operations.

ABU DHABI INTERNATIONAL AIRPORT

Serving 41 airlines, which currently fly to more than 90 cities in over 54 countries, the fast-growing Abu Dhabi International Airport saw a footfall of 16.5 million passengers in 2013 – 12.4 per cent higher than the previous year and more than treble that of 2006. With the planned opening of the Midfield Terminal Complex (MTC) in 2017, passenger capacity is expected to reach 40 million over time. The MTC will also include cargo facilities, while Abu Dhabi Cargo Village is vying to become one of the region's largest cargo hubs.

DUBAI INTERNATIONAL AIRPORT

With more than 105 airlines, Dubai International Airport is the world's busiest airport. It has been through a number of ambitious expansions over recent years. The latest is the construction of Concourse D which opens in 2015 and is expected to increase passenger capacity to 90 million. In terms of logistics, Dubai International

Airport handled 1.9 million tonnes of cargo in 2009. By the end of 2015, this figure is expected to surpass three million tonnes.

DUBAI WORLD CENTRAL (DWC) / AL MAKTOUM INTERNATIONAL AIRPORT

DWC is without doubt one of the region's most strategically important commercial and logistical developments. Covering an area of $140km^2$ (almost twice that of Hong Kong Island), it is an economic zone within itself that, in completion, will comprise among others, aviation, logistics and commercial facilities.

Within DWC is Al Maktoum International Airport, the world's largest, which opened in October 2013. With a planned annual capacity of 12 million tonnes of cargo and 160 million passengers, Al Maktoum International Airport will transform the UAE and wider region into one of the most powerful global centres for commerce, logistics and tourism.

SHARJAH INTERNATIONAL AIRPORT

Like both Abu Dhabi and Dubai, Sharjah International Airport has seen significant growth in its passenger numbers, with almost four million between January and May 2014 alone. Sharjah International Airport has five cargo terminals within 32,000m2 of floor space. Its dedicated cargo aircraft parking positions are equipped to handle up to 16 aircraft of different types.

UAE SEA PORTS

KHALIFA PORT

Abu Dhabi has a number of sea ports across various strategic locations. The largest is Khalifa Port. Opened in December 2012 and taking over container operations from Port Zayed, the semi-automated Khalifa Port competes with the world's most sophisticated sea port facilities and currently serves the world's largest container ships. Over four phases of development leading through to 2030, it will have the capacity to handle 2.5 million and 12 million tonnes of cargo.

JEBEL ALI PORT

Like Abu Dhabi, Dubai operates a number of strategic ports under the umbrella of DP World. Jebel Ali Port is the region's biggest. It is also the busiest container terminal between Europe and Asia. Offering air, sea and land connectivity, it currently connects more than 115 international direct ports of call. The opening of Terminal 3 in 2014 added six new berths and a four million 'twenty foot equivalent' (TEU) container capacity. This will bring Jebel Ali Port's total handling capacity to 19 million TEU, up from 13.6 million in 2013.

In 2013, DP World handled more than 55 million TEUs. It is expected to exceed 100 million by 2020.

DP WORLD

With a workforce of 30,000, DP World has more than 65 marine terminals across six continents. New developments are underway in India, Africa, Europe and the Middle East. In 2013, DP World handled more than 55 million TEUs. It is expected to exceed 100 million by 2020.

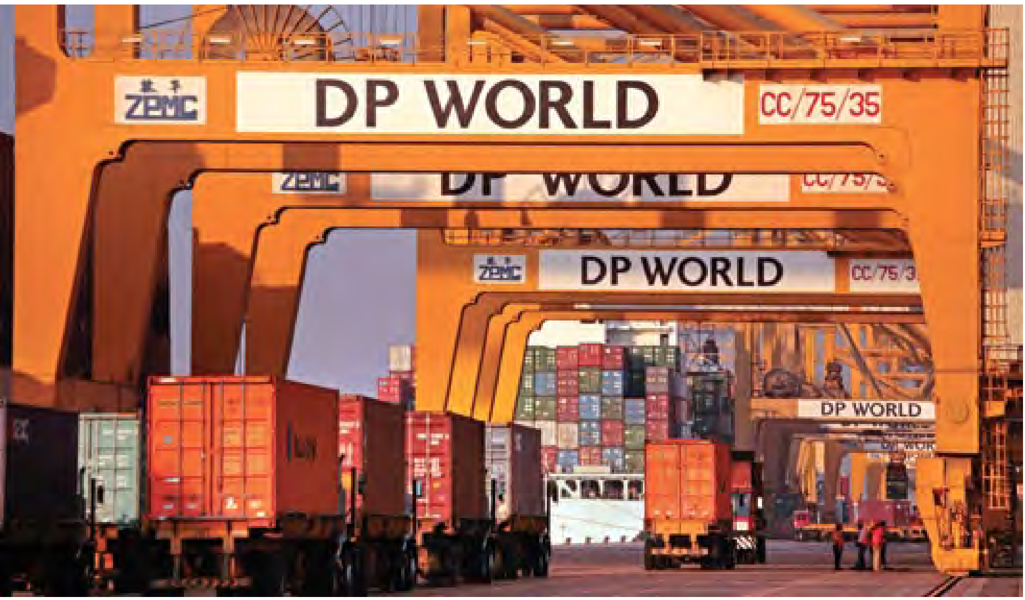
SHARJAH PORTS

These comprise the three ports of Sharjah Port Khalid, Port Khorfakkan and Port Hamriyah. In total they have 33 berths and can handle more than 10 million tons of cargo, over 2.5 million TEUs and more than 6,500 vessels per year.

PORT OF FUJAIRAH

One of the main sea ports on the Eastern Coast of the UAE is in Fujairah. Managed by DP World, Port of Fujairah has the world's second-largest oil bunkering facility after Singapore. It now has two oil terminals with lengths of 840 and 1,500 metres respectively and is seeking further expansion. Other services include container handling, general cargo, roll on/roll off facilities, ship repair and anchorage for up to 100 vessels at the same time.

Source FDI



UAE ROAD NETWORK

The UAE has an excellent road infrastructure which connects all emirates through around 4,000km of hard roads and a number of fast arterial highways. The Emirates is also connected by road to Oman and Saudi Arabia.

UAE President, HH Sheikh Khalifa bin Zayed Al Nahyan, has allocated around $4.35 billion for infrastructure development in the northern emirates to fund the construction of road networks and other community projects. A 327km highway stretching from Mafraq in Abu Dhabi to Ghweifat near the Saudi Arabian border is expected to be completed by 2017.

UAE/GCC RAIL NETWORK

A 1,200km rail network, managed by Etihad Rail, will stretch across the UAE to the borders of Saudi Arabia at one end and Oman on the other. It will run through an extensive national network of freight terminals, distribution centres and depots located close to major transport hubs, warehouses and storage facilities across the UAE. These include Mussafah and Khalifa Port in Abu Dhabi, Jebel Ali Free Zone in Dubai and Port of Fujairah. The possible start date for a passenger train service between Abu Dhabi and Dubai has been cited as 2018.

Each GCC country—Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE—is developing its own rail network, and each will form part of a wider GCC network connecting all six states.

UAE President, HH Sheikh Khalifa bin Zayed Al Nahyan, has allocated around $4.35 billion for infrastructure development in the northern emirates to fund the construction of road networks and other community projects.

UAE trade promotion organisations

DUBAI EXPORT DEVELOPMENT CORPORATION (EDC)

Established to provide exporters with the services they need to enter or expand into foreign markets, EDC is the promotional arm of the Dubai Economic Department. Its aim is to widen Dubai's exporter base into unexplored or high-potential markets by supporting businesses that produce internationally competitive goods.

Its services include—

- Export preparation—export capability assessments; market intelligence and trade information; export assistance/referrals through partners; export training/coaching; export guides and publications

- Export facilitation—identifying and matching buyers; providing export opportunities; producing a UAE export directory; providing referrals and advocacy with government partners; organising international events; providing export credit insurance; facilitating international export intelligence

- International assistance—providing assistance through EDC overseas trade offices and international partners; identifying qualified buyers; providing on-the-ground market information and assistance; facilitating investment partnerships

EXPORT CREDIT INSURANCE COMPANY OF THE EMIRATES (ECIE)

ECIE helps companies to increase their export businesses safely. It provides them with the necessary protection against trade credit risks, allowing them to manage their commercial and political risks better, safe-guard their balance sheets and increase their profitability.

ECIE offers short-term trade credit insurance policies to UAE firms engaged in manufacturing, value-added trading and the export of services. These are tailored to protect against the risk of payment defaults by importing customers. Its partnerships with well-reputed organisations include—Coface, the global expert in credit risk analysis and trade receivables management, Saudi Arabia-based Islamic Corporation for the Insurance of Investment and Export Credit; and Kuwait-based Arab Investment and Export Credit Guarantee Corporation.

Export success story

PARIS GALLERY

With a vision to be recognized internationally as the leading retailer of luxury goods and services and a mission to indulge its customers with an exceptional shopping experience by offering quality products and services, Paris Gallery, under the leadership of its CEO, Mr. Mohammed Abdul Rahim Al Fahim, has made a mark in the retail landscape of the region.

Paris Gallery is the eponymous flagship brand of the Paris Gallery Group of Companies, with over 3 million sq.ft. of luxurious shopping space and over 50 stores located in prime retail addresses spanning across the UAE, Saudi Arabia, Qatar and Bahrain. Through a wide range of products that include fragrances, cosmetics, skincare, watches, eyewear, jewellery, accessories and leather goods, the brand completes the portrait of a desirable lifestyle. With nearly two decades of expertise of keeping customers' interests at its core, Paris Gallery's opulent shopping environments, innovative retail concepts, service standards and its signature Arabic hospitality practices sees the brand stand out as an unequivocal shopping and gifting destination in the Middle East.

Not only has the brand grown from strength to strength, it has also facilitated the development of luxury brands that are today considered household names in the Gulf region. Paris Gallery's commitment to long-term, mutually beneficial partnerships has nurtured these brands to achieve a commanding market position while helping the Paris Gallery Group of Companies redefine the region's luxury landscape.

A privately held business group in the Middle East with core interests in beauty and lifestyle products and services, the Paris Gallery Group of Companies has almost become synonymous with luxury itself. What started as a single shop has now grown to a retail chain of over 85 stores across the Middle East, encompassing a diverse portfolio of iconic brands in opulent living. Through its retail and distribution arms, the Paris Gallery Group of Companies has been setting trends, defining style and showcasing luxury for the region's discerning customers and is acknowledged as the most reliable and respected name in the realm of its business.

While being the modern face of luxury in the region, the group has upheld the tradition of Arabic hospitality as a virtue. Guests at Paris Gallery, for instance, can enjoy refreshments and request personal shopping assistance. The group goes the extra mile to make customers feel at home when visiting every store. As a satisfied customer puts it, "When shopping at Paris Gallery, you feel like royalty."

Since 1994, the group has successfully developed a diverse regional portfolio focusing on opulent living for brands such as Paris Gallery, Watch Gallery, Karisma, Aigner, Burberry, Etro, and Salvatore Ferragamo. The group heeds to consumer trends and requirements by enhancing its product and service offering through value added opportunities, innovations, partnerships, mergers, acquisitions, franchising and international expansion strategies.

The UAE has a highly evolved taste for luxury goods and refined living. As one of the leading UAE family businesses, the group is not only a pioneering commercial entity but also very much a part of the social and cultural warp and weft of the country. A staunch supporter of local government initiatives on native workforce development, the Paris Gallery Group of Companies endeavors to build on its reputation as an employer of choice and a responsible corporate citizen.

UAE trade laws

COMPETITION DRAFT LAW

The Competition Draft Law is designed to promote fair competition, protect the rights and interests of businesses and consumers, and provide a conclusive environment for SMEs and other business corporations. The law aligns with the UAE's strategic vision to become 'among the best countries in the world' by 2021 (the UAE's golden jubilee year). It is also meets recommendations made by the WTO during the country's last trade policy review.

CERTIFICATE OF ORIGIN RULES DRAFT LAW

The Certificate of Origin Rules Draft Law has been drafted to bridge the legal loopholes in areas such as determining the origin of national goods and issuing certificates of origin. It determines who is responsible for executing penalties and imposing fines, and establishes the nature of the legal relation between the Ministry of Economy and other concerned parties.

ARBITRATION DRAFT LAW

The Arbitration Draft Law is aimed at boosting investor confidence and strengthening the UAE's investment environment. It has been drafted by the Ministry of Economy in cooperation with a group of legal specialists and experts in line with the UNCITRAL (United Nations Commission on International Trade Law) Model Law on International Commercial Arbitration. It includes aspects such as the jurisdiction of the arbitral tribunal, the extent of court intervention, arbitration procedures, ways of appealing in arbitrator›s decisions and their execution.

Our Strength

- ERP Based Software & Web Management
- Dedicated Customer Care
- State of Art IT Solutions
- Secured Certified Website
- Worldwide Network Coverage

Our Strength

- Banking & Finance Groups
- Government Undertakings
- Media Sector
- FMCG
- Pharmaceuticals
- E Commerce

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