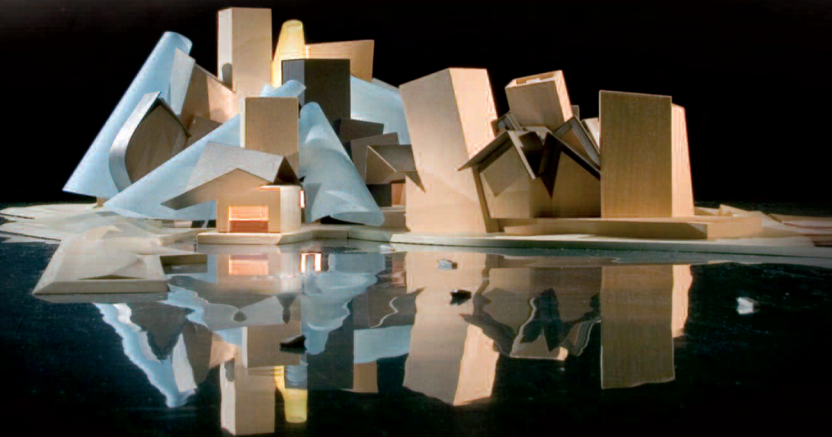




UAE AT A GLANCE 2008



@ uaeinteract.com



UAE

Undertaken with support and assistance of the National Media Council.

This book forms part of a multimedia publishing programme involving publication of the UAE Yearbook in English, French and Arabic printed and electronic editions; management of UAE Interact (www.uaeinteract.com), which contains news updates linked to pages of the *Yearbook*; publication of *UAE at a Glance*, which summarises main data on the UAE; and production of a DVD containing films and e-books on the UAE.

The publishers wish to acknowledge and thank the National Media Council for their valuable encouragement and support for this multifaceted project.

Editors

Ibrahim Al Abed
Paula Vine
Peter Hellyer
Peter Vine

Text copyright ©2008: Trident Press Ltd

All rights reserved. No part of this publication may be reproduced in any material form without the written permission of the copyright holder. Applications should be addressed to the publisher.

Photographs ©: Trident Press Ltd, Getty Images, Gulf Images, Gulf News, Emirates News Agency (WAM), Corbis, Digital Vision, H. & J. Eriksen, R. Codrai, P. Vine, R. Newman, BP Photographic Archive, Pitt Rivers, EAD, HCT, TDIC, Plan Abu Dhabi 2030

English edition design and typesetting: James Kelly
Layout copyright ©2008: Trident Press Ltd

This book contains information available at the time of printing. Whilst every effort has been taken to achieve accuracy, the publishers cannot accept any liability for consequences arising from the use of information contained in this book. Statistics are based on available sources and are not necessarily official or endorsed by the UAE Government.

Published by Trident Press Ltd
175 Piccadilly, Mayfair, London W1J 9TB
Tel: 020 7491 8770
Fax: 020 7491 8664
E-mail: admin@tridentpress.com
Website: www.tridentpress.com

For further information please contact:
National Media Council,
PO Box 3790,
Abu Dhabi
United Arab Emirates
Tel: 009712 4452922
Fax: 009712 4450458
E-mail: admin@extinfo.gov.ae

British Library Cataloguing in Publication Data:
A CIP catalogue record for this book is available from the British Library.

ISBN: 978-1-905486-38-0

CONTENTS

FACTFILE	4
HISTORY & HERITAGE	10
GOVERNMENT	24
ECONOMY & FINANCE	36
INFRASTRUCTURE	54
PEOPLE & SOCIETY	62
ENVIRONMENT	72
SPORTS	80
EXHIBITIONS	88

A young boy with dark hair and a bright smile is crouching in front of a large pile of scrap metal. He is wearing a white t-shirt and blue jeans. The background is slightly blurred, showing more of the scrap metal pile and some greenery in the distance.

at a
glance



FACTFILE

COUNTRY PROFILE

The United Arab Emirates is a federation of seven emirates (Abu Dhabi, Dubai, Sharjah, Ajman, Umm al-Qaiwain, Ra's al-Khaimah and Fujairah) that was formed in 1971.

- **Country name:** United Arab Emirates (UAE) or *Dawlat al Imarat al Arabiyya al Muttahidah*
- **Capital:** Abu Dhabi
- **National Day:** 2 December
- **Time:** four hours ahead of GMT
- **Currency:** Emirati dirham (Dh or AED)
- **Exchange rate:** Dh3.67 per US dollar. The UAE dirham has been officially pegged to the US dollar since February 2002.
- **Flag:** three equal horizontal bands of green (top), white, and black with a wider vertical red band on the hoist side

GEOGRAPHY

Situated towards the south-east of the Arabian Peninsula, the UAE is a roughly triangular landmass whose coastlines form the south and southeastern shores of the Arabian Gulf and part of the western shores of the Gulf of Oman. The UAE thus occupies a strategic location along southern approaches to the Straits of Hormuz. The UAE also has land borders with Oman and Saudi Arabia.

- **Latitude/Longitude:** 24°N 54°E
- **Area:** approximately 82,880 square kilometres. Abu Dhabi accounts for 87 per cent of the country's total landmass.
- **Coastline:** prior to construction of the 'Dubai Palms' and other schemes, the coastline of the UAE was approximately 1318 kilometres. Land reclamation projects are extending this figure so that the new coastline length is yet to be defined.
- **Climate:** the UAE enjoys a desert climate, warm and sunny in winter, hot and humid during the summer months. It is generally cooler in the eastern mountains.
- **Topography:** a low-lying coastal plain merges into the rolling sand dunes of the Rub al-Khali desert with rugged mountains along its eastern border with Oman.
- **Elevation extremes:** the country's lowest point is at sea level and its highest point is 1527 metres at Jebal Yibir.
- **Natural resources :** the UAE's most important natural resources are oil and natural gas, more than 90 per cent of which are located in Abu Dhabi.

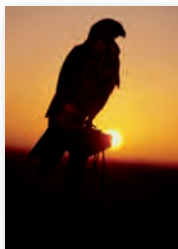


FACTFILE

THE PEOPLE

Emiratis are a tolerant, forward-looking people with a strong sense of tradition. They enjoy a high standard of living, including well-developed education and health services. Efforts are being made to develop human resources, effect the empowerment of women and provide social welfare to the more vulnerable in society.

- **Population:** 4.1 million (census. 2005), 4,106,427 (mid-2007)
- **Nationals:** 20.1%
- **Non-nationals:** 79.9%
- **Males:** 67.6%
- **Females:** 32.4%
- **National males:** 50.7%
- **National females:** 49.3%
- **Nationals under 20 years:** 51.1%
- **Annual population growth rate (2003–15):** 2.7%
- **Language:** Arabic
- **Religion:** Islam, practice of all religious beliefs is allowed.
- **Birth rate:** 18.78 births/1000 population
- **Death rate:** 4.26 deaths/1000 population
- **Life expectancy at birth:** 78.3 years
- **Total fertility rate:** 2.5 (births per woman)
- **Under-five mortality rate:** 8 per 1000 live births
- **New-born (neonate) mortality:** 5.54 per 1000
- **Infant mortality rate:** 7.7 per 1000
- **Maternal mortality rate** 0.01 for every 100,000
- **UN Human Development Index rank:** 49
- **GDP per capita (2006):** Dh145,940
- **Percentage of women in higher education:** 62%
- **Percentage of UAE women in labour force:** 22.4%
- **Illiteracy rate:** 9%
- **Human rights conventions to which the country is a party:** International Convention on the Elimination of All Forms of Racial Discrimination; International Covenant on Civil and Political Rights; Convention on the Elimination of All Forms of Discrimination Against Women; Convention on the Rights of the Child. Signatory to the Arab Charter on Human Rights.
- **Labour rights conventions:** Elimination of forced and compulsory labour – Convention 29; Elimination of forced and compulsory labour – Convention 105; Elimination of discrimination in respect of employment and occupation – Convention 111; Abolition of child labour – Convention 138; Abolition of child labour – Convention 182.





FACTFILE

FEDERAL GOVERNMENT

The UAE enjoys a high degree of political stability and is the only state in the Arab world to have a working federal system that has stood the test of time.

- **Political system:** a federation with specific areas of authority constitutionally assigned to the UAE Federal Government and other powers reserved for member emirates.
 - **Constitution:** adopted provisionally on 2 December 1971, made permanent in 1996.
 - **The Federal Supreme Council (FSC):** the FSC, the highest constitutional authority in the UAE, has both legislative and executive powers. It is made up of the rulers of the seven emirates.
 - **President:** HH Sheikh Khalifa bin Zayed Al Nahyan, Ruler of Abu Dhabi
 - **Vice President & Prime Minister:** HH Sheikh Mohammed bin Rashid Al Maktoum, Ruler of Dubai
 - **Deputy Prime Minister:** Sheikh Sultan bin Zayed Al Nahyan
 - **Deputy Prime Minister:** Sheikh Hamdan bin Zayed Al Nahyan
- The President and Vice President are elected by the Federal Supreme Council for five-year terms, while the Prime Minister and Deputy Prime Ministers are appointed by the President.
- **Cabinet:** Council of Ministers nominated by Prime Minister, appointed by the President
 - **Federal National Council (FNC):** the FNC has both a legislative and supervisory role. Its 40 members are drawn from each emirate, half of whom were indirectly elected. 22.5% of FNC members are women.
 - **Federal judiciary:** independent judiciary with the Federal Supreme Court at its apex (judges are appointed by the Federal Supreme Council) and also includes Courts of First Instance.
 - **Legal system:** in addition to the federal court system introduced in 1971, all emirates have secular courts to adjudicate criminal, civil, and commercial matters, and Islamic courts to review family and religious disputes.
 - **Administrative divisions:** each of the seven emirates has its own government, with respective municipalities and departments.
 - **Foreign policy:** the UAE's foreign policy is derived from a set of guiding principles, amongst which are a deep belief in the need for justice in international dealings between states, including the necessity of adhering to the principle of non-interference in the internal affairs of others and the pursuit, whenever possible, of peaceful resolution of disputes, together with a support for international institutions, such as the United Nations.
 - **Foreign aid:** The UAE has provided over US\$70 billion in loans, grants and assistance for development projects in some 95 countries the UAE has also been a major contributor of emergency relief to regions affected by conflict and natural disasters both at a governmental level and through NGOs. such as the UAE Red Crescent Society.
 - **International organisation participation:** ABEDA, AFESD, AMF, FAO, G-77, GCC, IAEA, IBRD, ICAO, ICC, ICCt (signatory), ICRM, IDA, IDB, IFAD, IFC, IFRCs, IHO, ILO, IMF, IMO, Interpol, IOC, ISO, ITU, LAS, MIGA, NAM, OAPC, OIC, OPCW, OPEC, UN, UNCTAD, UNESCO, UNIDO, UPU, WCO, WHO, WIPO, WMO, WTO



FACTFILE

ECONOMY

The UAE has a vibrant free economy with a significant annual trade surplus. Successful efforts have been made to diversify the economy away from dependence on oil and gas exports and a solid industrial base has been created together with a very strong services sector. The establishment of free zones has been an important feature of this diversification policy. Reform of property laws has given a major boost to real estate and tourism sectors. Free Trade Agreements have been negotiated, or are under review, with a number of key trading partners.

- **Fiscal year:** 1 January to 31 December
- **GDP (2006, current prices):** Dh599.23billion
- **Real GDP growth (2005):** 9.4%
- **Non-oil sector contribution to nominal GDP (2005):** 62.7%
- **Industries:** oil & gas, aluminum, cement, fertilisers, commercial ship repair, petrochemicals, construction materials, pharmaceuticals, tourism
- **Oil production (2006):** 2.53 million barrels per day
- **Oil proven reserves :** 97.8 billion barrels
- **Natural gas production:** 65 billion cubic metres
- **Natural gas proven reserves :** 6 trillion cubic metres
- **Oil & gas revenues (2006):** Dh161.5 billion
- **Exports (2006):** Dh354.4 billion
- **Free-zone exports (2006):** Dh75.3 billion
- **Re-exports (2006):** Dh168.9 billion
- **Imports (2006):** Dh316.4 billion
- **Non-oil sector exports (2006):** Dh96.986 billion
- **Hydrocarbon exports (2006):** Dh257.442 billion
- **Budget surplus (2006):** Dh72.466 billion
- **Weekend:** Friday and Saturday for government institutions, many private companies operate a six-day week





FACTFILE

AGRICULTURE & FISHERIES

The Government provides significant technical, financial and physical assistance to farmers who are faced with considerable challenges in terms of high temperatures, poor soil quality, high salinity and restricted freshwater availability. Much has been achieved despite these difficulties.

- **Contribution to GDP:** Dh12.24 billion
- **Cultivated areas:** 260,000 hectares, 3.1% of total territory
- **Number of date palms:** over 40 million
- **Products:** Dates, green fodder, vegetables and fruit; livestock, poultry, eggs, dairy products; fish
- **Fishing fleet:** 5191
- **Fishermen:** 17,264
- **Estimated catch:** 97,574 tons

INFRASTRUCTURE

Urban areas, tourism projects and industrial districts are being built on an unprecedented scale and corresponding investment is taking place in housing, road and rail networks, airports and ports, telecommunications, electricity and water facilities, hospitals and schools. To date, the Government has invested heavily in infrastructure development, but it has also opened up its utilities and other infrastructure to greater private sector involvement, so much so that public-private partnerships are now the norm.

- **Telecommunications:** thriving deregulated market, modern fibre-optic integrated services; digital network with high use of mobile phones
- **International country code:** 971
- **Internet country code:** ae
- **Fixed line subscribers (2007):** 1.3 million
- **Mobile phone subscribers (2007):** 7.3 million
- **Internet subscribers (2007):** 800,000
- **Ports:** 15 in total, including the following major ports: Mina Zayed, Jebel Ali, Mina Rashid, Fujairah, Khor Fakkan, Mina Saqr, Sharjah. Abu Dhabi is building a major new facility with accompanying industrial zone, Khalifa Port, at Taweelah
- **International Airports:** six in total with a seventh (Al Maktoum International Airport) under construction near Jebel Ali, Dubai
- **Total installed electricity generating capacity (2006):** 16,670 MW
- **Projected installed electricity generating capacity (2010):** 26,000 MW
- **Annual electricity demand growth:** 12%
- **Water consumption (2007):** 3.2 billion cubic metres



The UAE flag was first raised on 2 December 1971.



federation



heritage

HISTORY & HERITAGE

The UAE has a long history, recent finds in the Hajar Mountains having pushed the earliest evidence of man in the Emirates back tens of thousands, perhaps hundreds of thousands of years. Prior to this discovery the earliest known human occupation for which there is evidence dated from the Neolithic period, 5500 BC or 7500 years ago, when the climate was wetter and food resources abundant. Even at this early stage, there is proof of interaction with the outside world, especially with civilisations to the north. These contacts persisted and became wide-ranging, probably motivated by trade in copper from the Hajar Mountains, as the climate became more arid and fortified oasis communities focused on agriculture.

Foreign trade, the recurring motif in the history of this strategic region, seems to have flourished also in later periods, facilitated by domestication of the camel at the end of the second millennium. At the same time, the discovery of new irrigation techniques (*falaj* irrigation) made possible the extensive watering of agricultural areas that resulted in a veritable explosion of settlement in the region.

By the first century AD overland caravan traffic between Syria and cities in southern Iraq, followed by seaborne travel to the important port of Omana (perhaps present-day Umm al-Qaiwain) and thence to India, was an alternative to the Red Sea route used by the Romans. Pearls had been exploited in the area for millennia but at this time the trade reached new heights. Seafaring was also a mainstay and major fairs were held at Dibba bringing merchants from as far afield as China.

The arrival of envoys from the Prophet Muhammad in 630 AD heralded the conversion of the region to Islam with Dibba again featuring, this time as a battleground in the wake of the Prophet's death. By 637 AD Islamic armies were using Julfar (Ra's al-Khaimah) as a staging post for the conquest of Iran. Over many centuries, Julfar became a wealthy port and pearling centre of considerable importance from which great wooden dhows ranged far and wide across the Indian Ocean, trading to Mombasa in Kenya, Sri Lanka, Vietnam and China.

The Portuguese arrival in the Gulf in the sixteenth century had bloody consequences for the Arab residents of Julfar and East Coast ports like Dibba, Bidiya, Khor Fakkan and Kalba. However, while European powers competed for regional supremacy, a local power, the Qawasim, were gathering strength. At the beginning of the nineteenth century they had built up a fleet of over 60 large vessels and could put nearly 20,000 sailors to sea, eventually provoking a British offensive to control the maritime trade routes between the Gulf and India.

Inland, the arc of villages at Liwa were the focus of economic and social activity for the Bani Yas from before the sixteenth century. But by the early 1790s the town of Abu Dhabi had become such an important pearling centre that the political leader of all the Bani Yas groups, the Sheikh of the Al bu Falah (Al Nahyan family) moved there from the Liwa. Early in the nineteenth century, members of the Al bu Falasah, a branch of the Bani Yas, settled by the Creek in Dubai and established Maktoum rule in that emirate.


Following the defeat of the Qawasim, the British signed a series of agreements with the sheikhs of the individual emirates, beginning in the 1820s, that, later augmented with treaties on preserving a maritime truce, resulted in the area becoming known as 'The Trucial States'.

The pearling industry thrived in the relative calm at sea during the nineteenth and early twentieth centuries, providing both income and employment to the people of the Arabian Gulf coast. Many of the inhabitants were semi-nomadic, pearling in the summer months and tending to their date gardens in the winter. However, their meagre economic resources were soon to be dealt a heavy blow. The First World War impacted severely on the pearl fishery, but it was the world economic depression of the late 1920s and early 1930s, coupled with the Japanese invention of the cultured pearl, that damaged it irreparably. The industry eventually faded away just after the Second World War, when the newly independent Government of India imposed heavy taxation on pearls imported from the Gulf. This was catastrophic for the area. Despite their resourcefulness, the population faced considerable hardship with little opportunity for education and no roads or hospitals.

Fortunately oil was on the horizon and in the early 1930s the first oil company teams arrived to carry out preliminary surveys and the first cargo of crude was exported from Abu Dhabi in 1962. With revenues growing as oil production increased, Sheikh Zayed bin Sultan Al Nahyan, who was chosen as Ruler of Abu Dhabi on 6 August 1966, undertook a massive programme of construction of schools, housing, hospitals and roads. When Dubai's oil exports commenced in 1969, Sheikh Rashid bin Saeed Al Maktoum, de facto Ruler of Dubai since 1939 and Ruler since 1958, was also able to use oil revenues to improve the quality of life of his people.

Following the British withdrawal from the Gulf, a federation of initially six and later seven emirates, to be known as the United Arab Emirates (UAE), was formally established on 2 December 1971 with Sheikh Zayed, who had been instrumental in its formation, as its first President and Sheikh Rashid as Vice President.





*Abu Dhabi's Qasr al-Hosn was the seat
of government and home
of previous rulers of the emirate.*

qasr al-hosn



Sheikh Zayed and the UAE

The prosperity, harmony and modern development that characterises the UAE is due to a very great extent to the role played by Sheikh Zayed, both prior to the formation of the federation and in the nearly 33 years that followed until his death in November 2004.

Born around 1918 in Abu Dhabi, Sheikh Zayed was the youngest of the four sons of Sheikh Sultan, Ruler of Abu Dhabi from 1922 to 1926. At the time, the emirate was poor and undeveloped and life, even for members of the ruling family, was simple. Throughout the late 1920s and 1930s, as Sheikh Zayed grew to manhood, he displayed an early thirst for knowledge that took him out into the desert with the bedu tribesmen and into the sea with the fishermen and pearl divers, to learn about the people and the environment in which they lived. He later recalled with pleasure his experience of desert life and his initiation into the sport of falconry, which became a lifelong passion.

These travels provided Sheikh Zayed with a deep understanding both of the country and of its people. In the early 1930s, when the first oil company teams arrived to carry out preliminary surface geological surveys, he obtained his first exposure to the industry.

In 1946, Sheikh Zayed was chosen to fill a vacancy as Ruler's Representative in the Eastern Region of Abu Dhabi, centred on the oasis of Al Ain. The job involved not only the task of administering the six villages but also the whole of the adjacent desert region, enabling Sheikh Zayed to learn the techniques of government as well as deepening his knowledge of the tribes.

Sheikh Zayed brought to his new task a firm belief in the values of consultation and consensus, in contrast to confrontation, and swiftly established himself not only as someone who had a clear vision of what he wished to achieve for the people of Al Ain, but also as someone who led by example. Despite the lack of government revenues, Sheikh Zayed succeeded in bringing progress to Al Ain. However, oil production was to provide Sheikh Zayed with the means to fund his dreams with the export of the first cargo of Abu Dhabi crude in 1962.

On 6 August 1966, Sheikh Zayed succeeded his elder brother as Ruler of Abu Dhabi, with a mandate from his family to press ahead as fast as possible with the development of Abu Dhabi. One of his early steps was to increase contributions to the Trucial States Development Fund. When, in February 1968, the British announced their intention of withdrawing from the Arabian Gulf by the end of 1971, Sheikh Zayed acted rapidly to initiate moves towards establishing closer ties with the emirates, these efforts culminating in the establishment of the UAE. Sheikh Zayed was elected by his fellow rulers as the first President of the UAE, a post to which he was successively re-elected at five-year intervals.

The new state came into being at a time of political turmoil in the region. A couple of days earlier, on the night of 30 November and the early morning of 1 December, Iran had seized the islands of Greater and Lesser Tunb, part of Ra's al-Khaimah, and had landed troops on Abu Musa, part of Sharjah.



Zayed





Foreign observers, who lacked an understanding of the importance of a common history and heritage in bringing together the people of the UAE, predicted that the new state would survive only with difficulty, pointing to disputes with its neighbours and to the wide disparity in the size, population and level of development of the seven emirates. Better informed about the character of the country, Sheikh Zayed was naturally more optimistic and the predictions of those early pessimists were shown to be unfounded.

During his years in Al Ain Sheikh Zayed had been able to develop a vision of how the country should progress. Once Ruler of Abu Dhabi, and then President, he had over three and a half decades to devote to making that vision a reality.

One foundation of his philosophy as a leader and statesman was that the resources of the country should be used to the benefit of all of the people. Within this framework, Sheikh Zayed believed that all of the country's citizens, both men and women, have a role to play in its development. Under his direction, women were encouraged to participate fully.

Another key feature of Sheikh Zayed's strategy of government was the encouragement of initiatives designed to conserve the traditional culture of the people, in order to familiarise the younger generation with the ways of their ancestors.

If the heritage of the people of the UAE was important to Sheikh Zayed, so too was the conservation of its natural environment. His belief in conservation was derived from his own upbringing, where a sustainable use of resources required man to live in harmony with nature. As in other areas of national life, Sheikh Zayed made it clear that conservation is not simply the task of government. He believed firmly that there was also a role for the individual and for non-governmental organisations, both of citizens and expatriates, applying this belief not just to concerns such as environmental conservation, but to other areas of national life as well.



The prosperity, harmony and modern development that characterises the UAE is due to a very great extent to the role played by Sheikh Zayed, both prior to the formation of the federation and in the nearly 33 years that followed until his death in November 2004.

UAE

Sheikh Zayed imbibed the principles of Islam in his childhood and they remained the foundation of his beliefs throughout his life. He was a firm and dedicated opponent of those who sought to pervert the message of Islam to justify harsh dogmas, intolerance and terrorism. In Sheikh Zayed's view, however, such an approach was not merely a perversion of the message but is in direct contradiction of it. Extremism, he believed, has no place in Islam. He recognised, however, the necessity not only of eradicating terrorism, but of tackling its fundamental causes. Besides the international campaign against the types of terrorism, there should, he believed, be a strong international alliance that worked, in parallel, to exert real and sincere efforts to bring about a just and lasting solution to the Middle East conflict.

Sheikh Zayed was also an eager advocate of tolerance, discussion and a better understanding between those of different faiths and, in particular, was an ardent advocate of dialogue between Muslims and Christians.

In the realm of the foreign policy of the state, his firmly-held belief in eschewing rhetoric in the search for solutions led the UAE to adopt an approach of seeking to find compromises, and to avoid, wherever possible, a resort to the use of force, whether in the Arab arena or more widely. Under his leadership, therefore, the country became an important provider of overseas aid, both for the development of infrastructure and for humanitarian relief, whether provided through civilian channels, as with the reconstruction of Iraq following the defeat of the Saddam Hussein government in 2003 or, occasionally, by sending units of the UAE Armed Forces as international peacekeepers, such as to Kosovo in the late 1990s.

At the same time, the UAE, under his leadership, showed its preparedness to fight to defend justice, as was seen by its active participation in the war to liberate Kuwait from occupation in 1990/1991.



Sheikh Zayed imbibed the principles of Islam in his childhood and they remained the foundation of his beliefs throughout his life.





c.5500 BC	Evidence of extensive human occupation in UAE.	
5500–3000 BC	Occupation by skilled groups of herders using finely made stone tools (so-called 'Arabian bifacial tradition').	
3000–2500 BC	Hafit period – era of earliest collective burials first noted on the lower slopes of Jebel Hafit in the interior of Abu Dhabi.	
2500–2000 BC	Umm al-Nar period – era of first oasis towns (e.g. at Hili, Tell Abraq, Bidiya, Kalba) dominated by large, circular fortresses; burial of the dead in round communal tombs; wide-ranging trade contact with Mesopotamia, Iran, Indus Valley, Baluchistan, Bactria (Afghanistan); first intensive use of copper resources of Hajar Mountains; area referred to as <i>Magan</i> in Mesopotamian sources.	
2000–1300 BC	Wadi Suq period and Late Bronze Age – an era which is characterised by fewer towns; change in burial customs to long, generally narrow collective tombs; close ties to Dilmun (Bahrain).	
1300–300 BC	Iron Age – introduction of new irrigation technology in the form of <i>falaj</i> (pl. <i>afraj</i>), subterranean galleries which led water from mountain aquifers to lower-lying oases and gardens; explosion of settlement; first use of iron; first writing, using South Arabian alphabet; contacts with Assyrian and Persian empires.	
300 BC–0	Mleiha period (or Late Pre-Islamic A–B) – flourishing town at Mleiha; beginnings of local coinage; far-flung imports from Greece (black-glazed pottery), South Arabia (alabaster unguent jars); first use of the horse.	
0–250 AD	Ed-Dur period (or late Pre-Islamic C–D) – flourishing towns at ed-Dur and Mleiha; extensive trade network along the Gulf linking up the Mediterranean, Syria and Mesopotamia with India; imports include Roman glass, coinage, brass; massive production of coinage by a ruler called Abi'el; first use of Aramaic in inscriptions from ed-Dur and Mleiha.	
240 AD	Rise of the Sasanian dynasty in south-western Iran, conquest of most of eastern Arabia.	
6th/7th cent. AD	Introduction of Christianity via contacts with south-western Iran and southern Mesopotamia; establishment of monastery on Sir Bani Yas by Nestorian Christian community; Sasanian garrisons in inner Oman and evidence for contact in the UAE shown by coins and ceramics from Kush (Ra's al-Khaimah), Umm al-Qaiwain and Fujairah.	
630 AD	Arrival of envoys from the Prophet Muhammad; conversion of the people to Islam.	
632 AD	Death of the Prophet Muhammad; outbreak of the <i>ridda</i> movement, a widespread rebellion against the teachings of Islam; dispatch of Hudhayfah b. Mihsan by the Caliph Abu Bakr to quell rebellion of Laqit b. Malik Dhu at-Tag at Dibba; major battle at Dibba, collapse of the rebels.	

Julfar used as staging post for Islamic invasion of Iran.	637 AD
Julfar used as staging post for Abbasid invasion of Oman.	892 AD
Buyids (Buwayhids) conquer south-eastern Arabia.	963 AD
Geographer Yaqut mentions Julfar as a fertile town.	c. 1220
Close commercial contact between Northern Emirates and kingdom of Hormuz, based on Jarun island in the Straits of Hormuz.	14 th –15 th cent.
Portuguese circumnavigation of Cape of Good Hope by Vasco da Gama using Arab navigational information.	1498
Portuguese–Ottoman rivalry in the Gulf.	16 th cent.
Venetian traveller Gasparo Balbi's description of coast of UAE from Qatar to Ra's al-Khaimah; mention of Portuguese fortress at Kalba; first mention of Bani Yas in Abu Dhabi.	1580
Description of the East Coast of the UAE by a Dutch mariner sailing in the <i>Meerkat</i> .	1666
Growth of English trade in the Gulf; increasing Anglo–Dutch rivalry.	1720s
Sharjah and most of Musandam and the UAE East Coast, all the way to Khor Fakkan, under control of Qawasim according to Carsten Niebuhr, German surveyor working with the King of Denmark's scientific expedition.	1764
Repeated English East India Company attacks on Qawasim navy.	1800–1819
General Treaty of Peace between British Government and sheikhs of Ra's al-Khaimah, Umm al-Qaiwain, Ajman, Sharjah, Dubai and Abu Dhabi.	1820
Survey of the Gulf resulting in the publication of the first accurate charts and maps of the area.	1820–1864
Collapse of the natural pearl market; first agreements signed by rulers of Dubai, Sharjah and Abu Dhabi for oil exploration.	1930s
Oil exploration agreements finalised in Ra's al-Khaimah, Umm al-Qaiwain and Ajman.	1945–1951
First export of oil from Abu Dhabi.	1962
British Government announced its intention to withdraw from the Gulf region; discussions begin on formation of a federation of the emirates.	1968
First export of oil from Dubai.	1969
Agreement reached amongst rulers of the emirates to form a union.	10 July 1971
Formation of the State of the United Arab Emirates.	2 Dec 1971
Sheikh Zayed, 1 st President of the UAE, died.	2 Nov 2004
Sheikh Khalifa bin Zayed Al Nahyan elected as new President of the UAE.	3 Nov 2004



Cultural Preservation

The UAE has a rich traditional heritage, preservation of which is inextricably linked with a confident national identity and the development of a secure and stable society at ease with its place in the modern world. The UAE Government is determined to ensure that economic growth results in the conservation and wider dissemination rather than the diminishment of the country's cultural heritage, which is worthy of special protective measures not only on the basis of its local significance but also because it contributes to global heritage.

Education and cultural preservation as a solid foundation for a confident, outward-looking society are central themes in the 2008/2010 strategic framework unveiled by the Ministry of Culture, Youth and Community Development. The ministry's plans mirror the key objectives of the *UAE Federal Government Strategy*, which places a special emphasis on innovation and creativity in youth as a major catalyst for development.

However, as Abu Dhabi Executive Council points out in its newly formulated *Policy Agenda 2007/2008*, without the appropriate intervention, cultural resources are threatened with dilution by rapid urban and demographic developments.

One way that intervention is being orchestrated is through the establishment of organisations such as Abu Dhabi Authority for Culture and Heritage (ADACH), an independent culture heritage management body whose brief is to promote, preserve and regulate the rich tangible and intangible cultural heritage of Abu Dhabi emirate. ADACH has total responsibility for the management of the emirate's complex cultural heritage sector, including its rich resource of archaeological and palaeontological sites, unique cultural landscape, traditional architecture, oral and written expression, customs and handicrafts.

The *Dubai Strategic Plan 2015* also outlines measures that will increase awareness of local culture and strengthen the sense of belonging.

A number of organisations in the UAE are already entrusted with the task of preserving and disseminating the country's heritage to the young generations that would otherwise be unfamiliar with the customs and tradition of their ancestors. One of the most committed is Emirates Heritage Club (EHC), which oversees a number of heritage centres. Activities organised by the club cover traditional sports such as camel racing, boat racing, falconry, and traditional skills like tent-building and coffee-making.



Abu Dhabi's Cultural Foundation, part of ADACH, has long been a cultural oasis in the centre of the capital. Enjoyed by young and old, UAE citizens and expatriates alike, the Cultural Foundation is housed in an attractive colonnaded building within which are lecture halls, libraries and meeting rooms, as well as ample space on its three floors for displays and exhibitions. Perhaps the most important part of the Cultural Foundation is the National Library, which has well over a million books, most in Arabic, although there are also collections in a variety of foreign languages. The two large theatres are used for a range of cultural activities, including film shows, theatre and classical music concerts.

The Dubai-based Sultan Bin Ali Al Owais Cultural Foundation fosters Arab talent and culture by presenting biennial awards for poetry, fiction, drama and literary criticism, in addition to a 'Cultural and Scientific Achievement Award'.

Sharjah also has a thriving cultural scene involving the visual arts, music and theatre and is the site of the country's first national art gallery. The Emirates' Fine Arts Society and many other organisations supporting the arts, both indigenous and international, are located in Sharjah, as are many of the UAE's most impressive museums.

Historic Buildings & Museums

The UAE has a full complement of historic forts and heritage structures, many of which have been refurbished and are used as museums or cultural centres. In fact, there has long been an awareness that historic buildings are cultural assets of the nation that should be preserved to provide a touchstone for future generations and a window into the world of yesterday.

ADACH is spearheading renovation and development of Abu Dhabi's Qasr al Hosn or White Fort, the residence of the Al Nahyan rulers until 1966, and is also active in Al Ain, where a considerable number of the emirate's forts are located. As well as reconstructing historic buildings to UNESCO standards and renovating Al Ain museum, ADACH is also planning a purpose-built cultural centre for the Qattarah oasis.

Dubai has plans to restore over 300 historic buildings in the emirate by 2010 as part of the Government's architectural conservation plans. The restored Al Fahidi fort in Dubai is now a thriving museum and at least three historic districts in Dubai, Shindagha, Bastakia and Hatta Heritage Village, are already under consideration by UNESCO for inclusion in its approved list of heritage sites.

Sharjah's renovation and restoration of architecturally acclaimed heritage buildings and an old souq in the Sharjah Arts Area and Sharjah Heritage Area have earned it international acclaim. Many of these fine buildings house art, Islamic and ethnographic museums, including the country's first national art gallery. Nearby is the carefully renovated Sharjah Fort or Al Husn. Al Mahatah Fort at the old airport site right in the centre of Sharjah houses aviation memorabilia. The eighteenth century fort in Ajman, Umm al-Qaiwain Fort and the beautifully renovated Ra's al-Khaimah Fort, all former residences of their rulers, are now reborn as public museums, housing



a fascinating range of artefacts. The Emirate of Fujairah also has its fair share of historical buildings, striking forts and other defensive structures on the coast and traditional routes through the major wadis. Particularly impressive is Fujairah Fort, which was renovated in 2000.

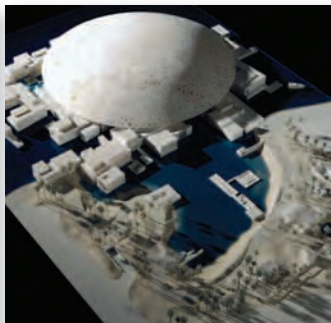
In addition to the large number of historic buildings that house museums, the UAE has a rich selection of purpose-built, modern museums dedicated to specific subject areas, such as archaeology, natural history, science, popular medicine, astronomy, numismatics, philately, Islam, traditional jewellery, policing and aviation, many of which are located in Sharjah.

Cultural Innovation

The Government's commitment to keep alive the UAE's rich heritage and culture benefits UAE society in many ways, not least of which is the direct economic gain from defining the country as a cultural destination, albeit one that is also taking on 'an international mantle' as the country is coming of age. This is nowhere more evident than in the development of Saadiyat Island, which is the cornerstone of Abu Dhabi's ambitious plans to develop the emirate's tourism potential, with cultural tourism, this time with an added global twist, being the driving force behind the imaginative project.

Saadiyat's Cultural District will contain a series of spectacular innovative buildings designed by some of the world's leading architects: Frank Gehry's Guggenheim Abu Dhabi contemporary art museum, Tadao Ando's Maritime Museum, Jean Nouvel's Louvre Abu Dhabi, and Zaha Hadid's Performing Arts Centre. In addition, the district will house a new heritage museum in honour of the late Sheikh Zayed bin Sultan Al Nahyan and a Biennale Park with 19 pavilions devoted to culture and the arts.

But the country's international cultural profile has not been placed on hold until Saadiyat's Cultural District is constructed. In the meantime, the Emirates, especially Abu Dhabi and Dubai at Emirates Palace Hotel and Madinat Theatre, play host to international artistes, festivals and fairs, in opera, music, art and film, underlining the country's position as the region's cultural and entertainment capital.



UAEINTERACT LINKS

▶ Archaeology	www.uaeinteract.com/archaeology
▶ Arts	www.uaeinteract.com/arts
▶ Culture	www.uaeinteract.com/uaeculture
▶ Falconry	www.uaeinteract.com/falconry
▶ Heritage	www.uaeinteract.com/heritage
▶ History	www.uaeinteract.com/uaehistory
▶ Monuments	www.uaeinteract.com/monuments
▶ Museums	www.uaeinteract.com/museums
▶ Ramadan	www.uaeinteract.com/ramadan
▶ Salukis	www.uaeinteract.com/salukis
▶ Theatre	www.uaeinteract.com/theatre
▶ Traditions	www.uaeinteract.com/tradition

WEBSITES

▶ Abu Dhabi Authority for Culture & Heritage	www.cultural.org.ae
▶ Saadiyat Island Development	www.saadiyat.ae
▶ Abu Dhabi Islands Archaeological Survey	www.adias-uae.com
▶ Tourism Development Investment Company	www.tdic.ae
▶ Sultan Bin Al Owais Cultural Foundation	www.alowaisnet.org
▶ Dubai Cultural Council	www.dubaiculturalcouncil.ae
▶ Cultural Foundation, Abu Dhabi	www.cultural.org.ae
▶ Dubai Chamber Orchestra	www.dubaiorchestra.org
▶ Sharjah Biennial	www.sharjahbiennial.org
▶ Dubai Community Theatre & Arts Centre	www.dubaitheatre.org
▶ Sharjah Commerce and Tourism Development Authority	www.sharjah-welcome.com
▶ Emirates Heritage Club	www.emirates-heritageclub.com
▶ Emirates Centre for Strategic Studies and Research	www.ecssr.net.ae
▶ E-Library	www.libraries.ae





president

GOVERNMENT

The United Arab Emirates, a federation of seven emirates, Abu Dhabi, Dubai, Sharjah, Ajman, Umm al-Qaiwain, Ra's al-Khaimah and Fujairah, was formally established on 2 December 1971. Sheikh Khalifa bin Zayed Al Nahyan was elected as President of the UAE on 3 November 2004, following the death of Sheikh Zayed bin Sultan Al Nahyan, who held the post from the foundation of the state on 2 December 1971 until his death on 2 November 2004.

The UAE's constitutionally based federal system of government includes the following institutions: the Supreme Council, the Council of Ministers, the Federal National Council and the federal judiciary. The Supreme Council, the top policy-making body in the state, is made up of the rulers of each emirate. The Supreme Council reaffirms the existing President or elects a new one at five-yearly intervals. The term of elected office for the Vice President is also five years, and the post is currently held by Sheikh Mohammed bin Rashid Al Maktoum, who was elected following the death of his brother, Sheikh Maktoum bin Rashid Al Maktoum, in early 2006.

The Council of Ministers or Cabinet, headed by the Prime Minister, is the executive authority for the federation. The Federal National Council, comprising members from each of the emirates, half of whom are indirectly elected, has both a legislative and supervisory role, and is a member of the International Parliamentary Union, as well as the Arab Parliamentary Union. Finally, the federal judiciary, whose independence is guaranteed by the Constitution, includes the Supreme Court and the Courts of First Instance.

Each of the seven emirates has its own local government, the complexity of which differs according to the size and population of individual emirates. Each follows a general pattern of municipalities and departments. The relationship between the federal and local governments is laid down in the Constitution, which allows for a degree of flexibility in the distribution of authority. This relationship is evolving over time, dictated by administrative requirements. However, traditional government still plays an important role in the UAE, with the institution of the majlis (pl. *majalis*) maintaining a useful function in ensuring that the people have free access to their rulers and local *walis* or '*amirs*, generally a senior tribal figure, continuing to be important in rural areas.





SUPREME COUNCIL

- HH President Sheikh Khalifa bin Zayed Al Nahyan, Ruler of Abu Dhabi
- HH Vice-President, Prime Minister Sheikh Mohammed bin Rashid Al Maktoum, Ruler of Dubai
- HH Dr Sheikh Sultan bin Mohammed Al Qasimi, Ruler of Sharjah
- HH Sheikh Saqr bin Mohammed Al Qasimi, Ruler of Ra's al-Khaimah
- HH Sheikh Hamad bin Mohammed Al Sharqi, Ruler of Fujairah
- HH Sheikh Rashid bin Ahmed Al Mu'alla, Ruler of Umm al-Qaiwain
- HH Sheikh Humaid bin Rashid Al Nuaimi, Ruler of Ajman

CROWN PRINCES

- HH General Sheikh Mohammed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces, Chairman of the Executive Council of the Emirate of Abu Dhabi
- HH Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Deputy Ruler of Dubai, Chairman of Dubai Executive Council
- HE Sheikh Sultan bin Mohammed Al Qasimi, Crown Prince and Deputy Ruler of Sharjah, Chairman of the Sharjah Executive Council
- HE Sheikh Saud bin Saqr Al Qasimi, Crown Prince and Deputy Ruler of Ra's al-Khaimah
- HE Sheikh Mohammed bin Hamad Al Sharqi, Crown Prince of Fujairah
- HE Sheikh Saud bin Rashid Al Mu'alla, Crown Prince of Umm al-Qaiwain
- HE Sheikh Ammar bin Humaid Al Nuaimi, Crown Prince of Ajman

DEPUTIES OF THE RULERS

- HE Sheikh Hamdan bin Rashid Al Maktoum, Deputy Ruler of Dubai, Minister of Finance and Industry
- HE Sheikh Maktoum bin Mohammed bin Rashid Al Maktoum, Deputy Ruler of Dubai
- HE Sheikh Ahmed bin Sultan Al Qasimi, Deputy Ruler of Sharjah
- HE Sheikh Khalid bin Saqr Al Qasimi, Deputy Ruler of Ra's al-Khaimah
- HE Sheikh Sultan bin Saqr Al Qasimi, Deputy Ruler of Ra's al-Khaimah
- HE Sheikh Hamad bin Saif Al Sharqi, Deputy Ruler of Fujairah

MEMBERS OF THE CABINET

- Prime Minister and Minister of Defence: Vice-President HH Sheikh Mohammed bin Rashid Al Maktoum
- Deputy Prime Minister: Sheikh Sultan bin Zayed Al Nahyan
- Deputy Prime Minister: Sheikh Hamdan bin Zayed Al Nahyan
- Minister of Finance and Industry: Sheikh Hamdan bin Rashid Al Maktoum
- Minister of Interior: Lt Gen. Sheikh Saif bin Zayed Al Nahyan
- Minister of Presidential Affairs: Sheikh Mansour bin Zayed Al Nahyan
- Minister of Foreign Affairs: Sheikh Abdullah bin Zayed Al Nahyan
- Minister of Higher Education and Scientific Research: Sheikh Nahyan bin Mubarak Al Nahyan
- Minister of Public Works: Sheikh Hamdan bin Mubarak Al Nahyan
- Minister of Foreign Trade: Sheikha Lubna Al Qasimi
- Minister of Cabinet Affairs: Mohammed Abdullah Al Gargawi
- Minister of Energy: Mohammed bin Dha'en Al Hamili
- Minister of Economy: Sultan bin Saeed Al Mansouri
- Minister of Social Affairs: Mariam Mohammed Khalfan Al Roumi
- Minister of Education: Dr Hanif Hassan Ali
- Minister of Health: Humaid Mohammed Obaid Al Qattami
- Minister of Culture, Youth and Community Development: Abdul Rahman Mohammed Al Owais
- Minister of Justice: Dr Hadeef bin Jua'an Al Dhaheer
- Minister of Environment and Water: Rashid Ahmed bin Fahad
- Minister of Labour: Saqr Ghobash Saeed Ghobash
- Minister of State for Foreign Affairs: Dr Mohammed Anwar Gargash
- Minister of State for Financial Affairs: Obaid Humaid Al Tayer
- Minister of State: Dr Maitha Salem Al Shamsi
- Minister of State: Dr Khalifa Bakheet Al Falasi
- Minister of State: Reem Ibrahim Al Hashimi

Political Developments

Since the establishment of the federation, the seven emirates that comprise the UAE have forged a distinct national identity through consolidation of their federal status and enjoy an enviable degree of political stability. The UAE's political system, a unique combination of the traditional and the modern, has underpinned this political success, enabling the country to develop a modern administrative structure while, at the same time, ensuring that the best of the traditions of the past are maintained, adapted and preserved.

Over the course of the last year, major steps have been taken, both at a federal and at a local level, in terms of reforming the structure of government, these steps being designed both to make it more responsive to the needs of the country's population and to ensure that it is better equipped to cope with the challenges of development, in all spheres, in a manner that is in keeping with current best practices in administration and the delivery of services, as well as being more cost-effective.

The process has been directed, at a federal level, by the country's President, HH Sheikh Khalifa bin Zayed Al Nahyan, and has been devised and guided at an executive level by the Vice President and Prime Minister, HH Sheikh Mohammed bin Rashid Al Maktoum, who has also overseen reforms in Dubai. Similar programmes have been launched in other member emirates of the federation, in particular by its largest component, Abu Dhabi, again directed by HH Sheikh Khalifa, as Ruler of Abu Dhabi, and implemented by the Crown Prince and Chairman of Abu Dhabi's Executive Council, HH Sheikh Mohammed bin Zayed Al Nahyan.

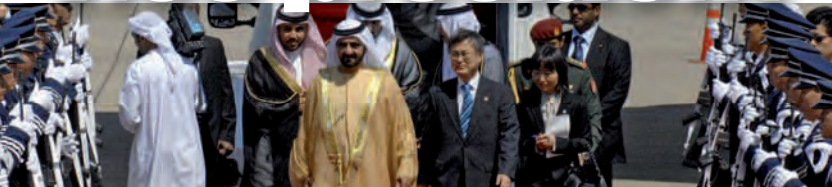
The most important development during 2007 was the formal launching of a *UAE Government Strategy* for the years ahead. Covering 21 individual topics, in the six sectors of social development, economic development, public sector development, justice and safety, infrastructure and rural areas development, the strategy is based upon the National Programme unveiled by President HH Sheikh Khalifa in December 2005. Following extensive consultation between the federal ministries and other bodies, the strategy was launched by HH Sheikh Mohammed bin Rashid, who noted that it 'sets the foundations for a new era of public administration. The changing times and the nature of the challenges prompt us to think in a different way and to adopt international best practices in the area of public administration. This strategy unifies efforts within a strategic framework with clear objectives, based on detailed studies (and) clearly identifies and integrates federal and local efforts.'

A key focus of the strategy is the maintaining of continuous cooperation between federal and local authorities, with HH Sheikh Mohammed noting that 'Creating synergy between the federal and local governments is one of the most important vital elements of development' in the strategy.

Other general principles include the revitalisation of the regulatory and policy-making role of the ministries and the improvement of their decision-making mechanisms, and increasing of the efficiency of governmental bodies and upgrading of the level of the services provided. Other principles include an improvement of the civil service, based on competence, effective Emiratisation and leadership training, empowering the ministries, in accordance with public and joint policies, and reviewing and upgrading of existing legislation.



vice president



In August, the Abu Dhabi government announced its own policy agenda for 2007 and 2008. The agenda included 18 independent policy statements providing details of plans in areas such as planning and economy, energy, tourism, health, education, labour, civil services, culture and heritage, food control, urban planning, transport, environment, health and safety, municipal affairs, police and emergency services, electronic government, women, and legislative reform.

Commenting on the new agenda, HH Sheikh Mohammed bin Zayed Al Nahyan said that: 'For the people of Abu Dhabi, the publication of a comprehensive policy agenda will provide unprecedented understanding of the priorities and plans of the government. For the private sector, the initiatives outlined in this agenda represent huge opportunities to operate in new sectors that were previously the traditional realm of the government. For citizens and residents, the policy agenda signals a new era in accountability, transparency and government performance.' The agenda is expected to enhance the spirit of teamwork among government departments, improving government efficiency and improving the quality of services delivered to residents of the emirate, as well as strengthening Abu Dhabi's ability to attract inward investment.

The process of administrative reform got under way in late 2004, following the election of HH Sheikh Khalifa as President, with a restructuring of the government of Abu Dhabi. Following the election of HH Sheikh Mohammed bin Rashid as Vice President and his appointment as UAE Prime Minister in early 2006, after his succession as Ruler of Dubai, the process was then rolled out throughout the country.

One major initial step was designed to enhance public participation in Government, through the introduction of indirect elections to the country's parliament, the Federal National Council (FNC). The changes were first announced by HH Sheikh Khalifa bin Zayed Al Nahyan, in his statement on the occasion of National Day on 2 December 2005. Formerly the 40 members of the FNC, drawn from each of the seven emirates on the basis of their population, were appointed by the rulers but under the new reforms, each ruler selected an Electoral College for his emirate, with its members amounting to at least 100 times the number of FNC members for the emirate, (eight each for Abu Dhabi and Dubai, six each for Sharjah and Ra's al-Khaimah, and four each for Fujairah, Ajman and Umm al-Qaiwain). The Colleges were then given the responsibility of electing, from amongst their number, half of the FNC members for their emirate, with the remaining half being appointed by the ruler.

A decree by the President in late August 2006 spelt out the new procedures and also established a National Electoral Committee, headed by the Minister of State for FNC Affairs, a post created in the cabinet reshuffle in February.

The selection of the Electoral Colleges was completed by the autumn, with active campaigns then being commenced by those members who sought to win election to the Council. The elections themselves, late in the year, saw a respectably high turnout, with one woman among the successful candidates. Once the remaining seats for each emirate had been filled by nomination from the rulers, the new Federal National Council had nine women amongst its 40 members, representing 22.5 per cent of the total, an indication of the way in which the UAE's women are expanding their



participation in all levels of government and political society. The system of indirect elections now in operation is perceived as being only a first stage in the reforming of the FNC's role in government. In an interview published after the issuing of the August 2006 decree, the Minister of State for FNC Affairs said that the move reflected the need to reform and to modernise the system of government. He also noted that the introduction of indirect elections was only the first phase of a process designed to enhance the role played by the FNC in the process of government.

Other steps planned for the future include a strengthening of the legislative and legal powers of the FNC and the development of more effective and more viable channels of coordination between the FNC and the executive authorities, like the Cabinet, as well as an expansion of the number of FNC members, to reflect the increase in the number of the country's citizens, now many times larger than it was when the UAE was founded in 1971. Consideration is also being given to the introduction of an electoral process at local level, although no timetable has yet been announced for this.

Foreign Policy

The foreign policy of the UAE is based upon a set of guiding principles laid down by the country's first President, Sheikh Zayed bin Sultan Al Nahyan, and adhered to by the current President, Sheikh Khalifa bin Zayed Al Nahyan. These guiding principles incorporate a belief in the need for justice in international dealings between states, including the necessity of adhering to the principle of non-interference in the internal affairs of others and the pursuit, wherever possible, of peaceful resolution of disputes, together with a support for international institutions, such as the United Nations.

Within the Arabian Gulf region, and in the broader Arab world, the UAE has sought to enhance cooperation and to resolve disagreement through dialogue. Thus one of the central features of the country's foreign policy has been the development of closer ties with its neighbours in the Arabian Peninsula through the six-member Gulf Cooperation Council (GCC).

During the last year, the Arab-Israeli conflict has continued to cause concern. Meeting in Abu Dhabi in July 2007 with the visiting Palestinian President, Mahmoud Abbas, President HH Sheikh Khalifa reaffirmed the UAE's support for the Palestinian people and for the Palestine Authority, but called on the Palestinians to come together and to unite so as to face effectively the challenges before them. He also called on the international community to work seriously to bring an end to the sufferings of the Palestinian people and to activate the peace process on the basis of the Arab peace initiative.

The UAE continues to believe that the restoration of security, peace and stability in the region, as well as normalisation of relations between all countries, including Israel, cannot be achieved while Israeli occupation of the Palestinian and Arab territories continues and it, therefore, supports an ending of the occupation, the establishment of an independent Palestinian state with Jerusalem as its capital, and the right of refugees to return to their homeland within the context of a just and lasting peace agreement based upon the Arab peace initiative.



foreign policy





For a variety of reasons, no progress was made until the end of the year towards the achieving of a long-term peace settlement and the UAE constantly urged the international community and the Security Council, in particular, to play a more active role, together with the Arab Quartet, in order to give new momentum to the Middle East peace process.

In his capacity as a member of the Arab Quartet, the UAE Foreign Minister, Sheikh Abdullah bin Zayed, led the UAE delegation to the US-sponsored Annapolis Conference in November 2007, which revived the long-stalled peace negotiations, and he was active in efforts to promote the Arab initiative in a series of meetings.

The UAE continued to provide support to the new Government of Iraq in its efforts to restore stability and security to the country. The UAE's Foreign Minister spelt out the UAE's views on the topic as follows: 'We reiterate our support for the efforts aimed at enabling Iraq to regain its security and to strengthen its national unity. We call on all Iraqis, regardless of political affiliation or social class, to actively participate in building a new Iraq'.

The UAE also continued to offer support to the Government of Lebanon following the devastating conflict in the summer of 2006, also working with the UN on a programme for the removal of cluster bombs and other munitions left behind by Israel as a result of that conflict.

No visible progress has been made on resolving the long-running dispute with neighbouring Iran on the question of the three UAE islands of Abu Musa and Greater and Lesser Tunb. The UAE continues to look forward to an eventual resolution of the dispute and to hope that the Government of Iran will refer the issue for adjudication to the International Court of Justice or to other forms of international arbitration. The UAE has also continued to express concern about Iran's nuclear power programme, and has sought reassurances that it is for peaceful purposes only.

Beyond the Arab world, the UAE has pursued a policy of seeking, wherever possible, to build friendly relations with other nations, both in the developing and in the industrialised world. While this policy is implemented at a bilateral level, another important feature of UAE policy has been its support for international bodies, like the UN and its various agencies through which it seeks to reinforce the rule of international law, and to support the implementation of internationally agreed conventions, so as to protect the interests of the small, the weak and the powerless. Among official visits overseas by President HH Sheikh Khalifa during 2007 were trips to Syria, Algeria, Egypt, Morocco and France, while Vice President and Prime Minister HH Sheikh Mohammed bin Rashid Al Maktoum made high profile visits to several countries, including South Korea, India, Vietnam and China during which a number of bilateral agreements were reached.

The Crown Prince of Abu Dhabi and Deputy Supreme Commander of the Armed Forces, HH Sheikh Mohammed bin Zayed, Foreign Minister Sheikh Abdullah bin Zayed and other senior officials also made numerous, important overseas trips, including visits to South Korea, China, India, Pakistan, Iran, much of the Arab world and Europe and the United States, testimony to the global reach of the country's foreign relationships. Numerous top-ranking visitors, including heads of state and heads of government, also visited the UAE during the year.

Throughout the year, the UAE continued to extend all possible support to the international fight against terrorism, while emphasising the necessity both of a clear definition of terrorism and of ensuring that terrorism perpetrated by states should not be overlooked. Support has been offered to countries suffering from terrorism, including collaboration in terms of exchanges of information designed to help law enforcement authorities track down and arrest suspects.

Another important step taken during the year was the enforcement of legislation passed in 2006 to stamp out all trafficking in people, as defined under international conventions, with the first, stringent, sentences being handed down to those convicted.

Numerous bilateral international agreements were signed in late 2006 and the first half of 2007, including agreements on judicial cooperation on money laundering and extradition with Britain and agreements on the avoidance of double taxation with a number of countries, including the Seychelles, Mauritius and Bosnia, while further agreements on these and other issues are under discussion with other countries. Talks also continued on bilateral free trade agreements with the US and Australia, amongst others, while the UAE continued to work, along with its fellow-members of the GCC, on a free trade agreement with the EU and on agreements with Pakistan and India.

As already noted, the UAE has always sought, since its establishment, to work with and to support the UN and its specialised agencies. During late 2006 and 2007, the Ministries of Foreign Affairs and Interior continued to work closely with the United Nations Children's Fund (UNICEF) on the rehabilitation of children who had formerly been working as camel jockeys in the Emirates. The practice, fuelled by smuggling rings from their countries of origin, was made illegal in 2005. Agreements were also signed with their countries of origin to lay down a long-term framework for the rehabilitation programme.

At a multilateral level, the UAE has continued to work closely with international organisations, including the UN and its diverse family of agencies. As noted, however, by Foreign Minister Sheikh Abdullah bin Zayed Al Nahyan, 'the UAE supports a re-examination of the UN Charter, to take account of the changing nature of global society since the body was first created over 60 years ago. Such changes should, in our view, involve changes in the structure of the Security Council.' The UAE also expressed support for Japan's claim to a permanent seat on the Council.

Changes in the global community over the last decades have also meant that there has, naturally, been some change in emphasis in the direction of UAE foreign policy. Although the country has always 'looked East', with the explosive economic growth now being enjoyed by Asian countries, it is natural that the Emirates should seek to further develop its ties in this direction.

The UAE continues to work towards the restoration of security, peace and stability in the region, as well as normalisation of relations between all countries.

peace

Foreign Aid

Since the establishment of the UAE, the country has played an active role in the provision of aid to developing countries and has been a major contributor of emergency relief to regions affected by conflict and natural disasters.

One major initiative, launched by Vice President and Prime Minister HH Sheikh Mohammed bin Rashid Al Maktoum in October, was the 'Dubai Cares' campaign, Dubai's contribution to drive the UN Millennium Development Goal of achieving universal primary education by 2015. However, the focus of the country's emergency relief programme during much of 2007 was, not surprisingly, on Lebanon and Palestine. A major US\$300 million soft loan programme was announced by the UAE during the January 2007 Lebanon donors' conference in Paris, to supplement aid provided earlier. Individual projects have also been funded by a number of UAE agencies operating under the aegis of the UAE Project for Supporting and Reconstructing of Lebanon. The help included extensive work to repair houses, schools and other facilities.

Continuing support has also been given to the people of Palestine, Sheikh Khalifa demonstrating his own personal interest by funding a major housing programme, Sheikh Khalifa City, in Rafah in the Gaza Strip. Early in 2007, the UAE Red Crescent completed its biggest project to date in Palestine, the Dh100 million (US\$27.2 million) reconstruction of the Jenin refugee camp. Overall, the UAE Red Crescent and other UAE bodies have now contributed over Dh2 billion (US\$544 million) to humanitarian projects in Palestine. During 2006, the UAE Red Crescent disbursed a total of Dh250 million (US\$68 million) outside the Emirates. Overall, between 1999 and late 2006, it has provided over Dh2.7 billion (over US\$730 million) in humanitarian operations, both at home, and, much more extensively, overseas.

While the UAE Red Crescent is the country's main aid and relief agency, it is, by no means, the only body active in the field. The Zayed Foundation not only responds to urgent needs arising out of natural disasters, but also contributes to infrastructure projects, like hospitals, health care institutions and schools. Overall, according to Foreign Minister Sheikh Abdullah bin Zayed Al Nahyan, the UAE has now provided over US\$70 billion in loans, grants and assistance for development projects in some 95 countries.



WEBSITES

▶ UAE Federal e-Government portal	www.government.ae
▶ UAE Government	www.uae.gov.ae
▶ Census 2005	www.tedad.ae
▶ Emirates Identity Authority	www.eida.gov.ae
▶ Federal National Council	www.almajles.gov.ae
▶ Gen. Directorate of Civil Defence	www.gdocd.gov.ae
▶ General Information Authority	www.gia.gov.ae
▶ Abu Dhabi Chamber of Commerce & Ind.	www.adcci-uae.com
▶ Dubai Chamber of Commerce & Ind.	www.dcci.org
▶ Dubai Municipality	www.dm.gov.ae
▶ Sharjah Chamber of Commerce	www.sharjah.gov.ae
▶ Ra's al-Khaimah Municipality	www.rakmunicipality.com
▶ Dubai e-Government Portal	www.dubai.ae
▶ Ajman Chamber of Commerce	www.ajcci.co.ae
▶ Al Ain Municipality	www.aiain.gov.ae
▶ Abu Dhabi Fund for Development	www.adfd.ae
▶ Zayed Humanitarian Foundation	www.zayed.org.ae
▶ UAE Red Crescent	www.rcuae.ae
▶ Dubai Cares	www.dubaicare.ae

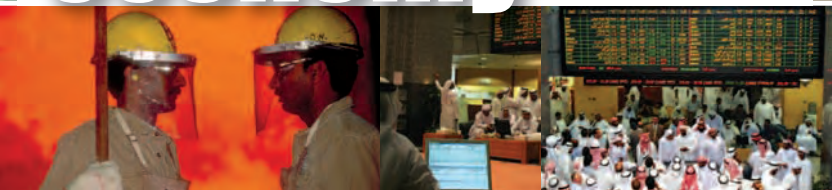
UAEINTERACT LINKS

▶ Defence	www.uaeinteract.com/defence
▶ Development Aid	www.uaeinteract.com/assistance
▶ Diplomatic Missions	www.uaeinteract.com/diplomatic
▶ E-Government	www.uaeinteract.com/egovernment
▶ Federal Budgets	www.uaeinteract.com/fed_budgets
▶ HH Sheikh Khalifa bin Zayed Al Nahyan	www.uaeinteract.com/sheikh_khalifa
▶ Higher National Security Council	www.uaeinteract.com/security
▶ International aid by the UAE	www.uaeinteract.com/aid
▶ International Relations	www.uaeinteract.com/int_rel
▶ National Consultative Council	www.uaeinteract.com/ncc
▶ President of the UAE	www.uaeinteract.com/president
▶ UAE at the United Nations	www.uaeinteract.com/UN
▶ UAE Cabinet Affairs	www.uaeinteract.com/cabinet
▶ UAE Federal National Council	www.uaeinteract.com/fnc
▶ UAE Foreign Policy	www.uaeinteract.com/foreign_policy
▶ UAE Government Affairs	www.uaeinteract.com/governmentaffairs





economy



ECONOMY & FINANCE

The UAE's nominal GDP grew by 23.4 per cent in 2006 to reach Dh599.23 billion. This impressive growth rate was slightly down on the figures for 2005, which saw a growth rate of 25.6 per cent and nominal GDP of Dh485.5 billion according to Central Bank estimates. Real GDP grew by 9.4 per cent to reach Dh391.16 billion in 2006, up from Dh357.59 billion in 2005. As in 2005, the high growth rate throughout 2006 was partially attributed to increased output from the oil and gas sector, which grew by 29 per cent in terms of nominal GDP to reach Dh223.422 billion.

Key factors were the continued strong oil market, establishment of a number of major development and infrastructure projects and further expansion of free zones. Detailed strategic planning for economic growth in the coming period has also been a strong feature of financial governance during 2006/2007.

Oil and gas, primarily from Abu Dhabi, contributed 37.3 per cent to nominal GDP in 2006, helped by a high oil price that averaged US\$63.5 a barrel, up from US\$53.6 in 2005, and by increased output.

Meanwhile, the non-oil sector accounted for 62.7 per cent of nominal GDP in 2006, compared with a figure of 64.3 per cent in 2005. The slight drop in relative value of the non-oil sector is attributable to the surge in revenue from the oil and gas sector rather than any decline in value of the non-oil sector, which, in fact, increased by 20.3 per cent to reach Dh375.809 billion.

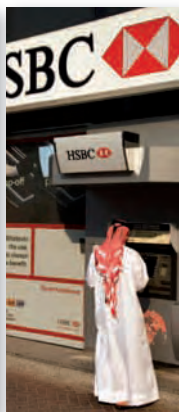
Development of the relatively new private property market in the UAE supported a rise in contribution to GDP of the real estate and business services sector, which formed 12.3 per cent of the non-oil GDP, up from 11.5 per cent in 2005. Likewise, the building and construction sector continued to boom, adding 12 per cent to non-oil GDP (compared with 11.2 per cent in 2005). Continued investment in education, health and social services maintained the government services sector (10.4 per cent) above the 10 per cent level of non-oil GDP. There was little change in the relative contribution of manufacturing, which stood at 19.6 per cent in 2005 and 19.5 in 2006; nor in transport, storage and communication (10.24 per cent in 2006 compared to 10.45 per cent in 2005); nor, indeed, in the electricity, gas and water sector, which contributed 2.5 per cent in both years. The wholesale and retail sector, at 16.6 per cent in 2006 compared to 17 per cent in 2005, experienced a slight fall in terms of its relative importance within the overall economy. Hotels and restaurants were also slightly down in 2006 at 2.7 per cent of nominal non-oil GDP compared to 2.9 per cent in 2005. Agriculture and fisheries continued a slight decline in terms of relative contribution to non-oil GDP, accounting for 3.3 per cent in 2006 compared with 3.5 per cent in 2005.



Continued high oil prices further boosted the UAE's consolidated financial accounts, enabling it to post a significant budget surplus for the second year in a row, with the surplus figure almost doubling to reach Dh72.466 billion in 2006. The impressive increase was directly linked to the 39 per cent surge in government revenues from Dh143.905 billion in 2005 to Dh200.705 billion in 2006. This was more than enough to offset the 22.8 per cent increase in total expenditure, which achieved another all time high of Dh128.238 billion. Non-oil sector exports also played a key role in the balance of payments, with the 2006 figure being Dh96.986 billion compared to Dh82.342 billion in 2005.

Balance of trade figures (FOB) achieved a surplus in 2006 of Dh207.072 billion against Dh157.154 billion in 2005. Total exports (not including re-exports) reached Dh354.428 billion in 2006, compared with Dh284.619 billion in 2005, while imports rose to Dh316.276 billion in 2006 from Dh273.583 billion in 2005. As noted above, increases in production and unit prices pushed the value of hydrocarbon exports up by 27.3 per cent in 2006, reaching Dh257.442 billion. Non-oil exports rose to Dh23.180 billion in 2006 from Dh14.650 billion in 2005, a 58 per cent increase. Non-oil re-exports fell by about 3 per cent to Dh91.163 billion, compared with Dh94.004 billion in 2005. Meanwhile, non-oil imports rose by just over 17 per cent to reach Dh284,453 million, from a figure of Dh242,421 million in 2005.

Inflation in the UAE during 2006 and 2007 was fuelled in part by the dirham-dollar peg, since the latter fell against the currencies that account for the major portion of UAE imports, making those goods more expensive in terms of the national currency. Accommodation costs also contributed to a rising inflation rate that took many people by surprise, although attempts have been made to address this issue by capping rents. The Government is taking additional measures to curb inflation and considers this to be a high priority for maintenance of a healthy economy in the UAE.





new heights



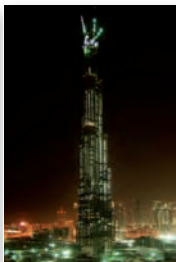

GDP AT CONSTANT PRICES 2004–2006 (in millions of dirhams)

	2004	2005	2006*
Gross domestic product	330,511	357,588	391,160
Crude oil and natural gas production ¹	93,625	95,123	101,306
Total non-oil sector	236,886	262,465	289,854
Agriculture	9,806	10,394	10,914
Industry	78,593	85,674	98,907
Quarrying	790	845	989
Manufacturing industries.....	45,570	47,894	54,360
Electricity & water	6,412	7,214	8,296
Construction	25,821	29,694	34,445
Services	148,487	166,422	180,850
Trade	44,500	51,620	56,706
Wholesale & retail trade & repair services	38,105	44,202	48,843
Restaurants & hotels	6,395	7,418	7,863
Transportation, storage & communications ...	23,260	26,516	29,698
Financial corporate sector.....	22,050	25,358	28,400
Real estate	27,046	30,832	32,991
Government services	29,509	30,099	31,303
Other services	8,407	8,911	9,357
Less: Imputed bank service charges	6,285	6,914	7,605

* preliminary figures for 2006

Sources: Ministry of Economy and Central Bank Annual Report, 2006

Notes: 1/ Includes natural gas and petroleum processing industries.



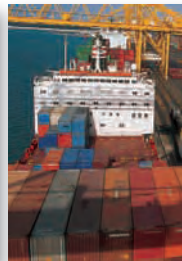
GDP AT CURRENT PRICES 2004–2006 (in millions of dirhams)

	2004	2005	2006*
Gross domestic product	386,535	485,513	599,231
Crude oil and natural gas production ¹	123,261	173,195	223,422
Total non-oil sector	263,274	312,318	375,809
Agriculture	10,100	11,028	12,241
Industry	86,678	105,028	129,209
Quarrying	828	919	1,130
Manufacturing industries.....	50,159	61,194	73,433
Electricity & water	6,720	7,935	9,522
Construction	28,971	34,980	45,124
Services	166,496	193,879	231,732
Trade	50,801	61,944	72,969
Wholesale & retail trade	43,458	52,998	62,538
Restaurants & hotels	7,343	8,946	10,431
Transportation, storage & communications ..	27,263	32,642	38,517
Financial corporate sector.....	23,374	28,426	35,674
Real estate	30,018	35,920	46,121
Government services	32,463	34,735	39,025
Other services	9,239	7,607	8,706
Less: Imputed bank service charges	6,662	7,395	9,280

* preliminary figures for 2006

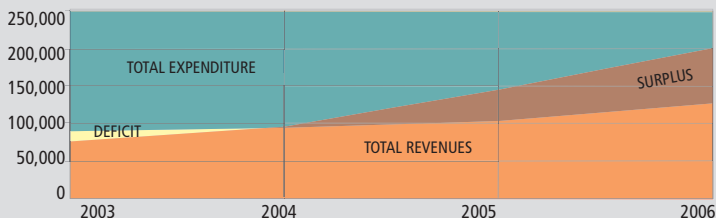
Sources: Ministry of Economy and Central Bank Annual Report, 2006

Notes: 1/ Includes natural gas and petroleum processing industries





CONSOLIDATED GOVERNMENT FINANCES (in millions of UAE dirhams)



Items	In millions of Dh	2005*	2006**
REVENUE		143,905	200,704
<i>Tax Revenue</i>		6,810	8,490
Customs		3,852	4,693
Other		2,958	3,797
<i>Non-Tax Revenue</i>		137,095	192,214
Oil and Gas		111,377	161,516
Joint Stock Corporations		4,624	5,702
Other		21,094	24,996
EXPENDITURE		104,430	128,238
<i>Current Expenditure</i>		84,255	100,691
Salaries and Wages		16,654	17,764
Goods and Services		24,383	26,076
Subsidies and Transfers		18,916	30,295
Other Unclassified		24,302	26,556
<i>Development Expenditure</i>		14,042	16,748
<i>Loans and Equity Participation</i>		6,133	10,799
Local		5,725	12,765
Foreign		408	-1,966
Surplus (+) or Deficit (-)		(+)39,475	(+)72,466
<i>Financing</i>		-39,475	-72,466
Changes in net Government Deposits with Banks		-16,037	-4,551
Other ¹		-23,438	-67,915

Source: Central Bank Annual Report 2006 with data drawn from Ministry of Finance and Industry and Local Government Finance Departments

* Adjusted data **Preliminary data ¹Returns on government investments

Planning for the Future

The UAE is a contracting party to GATT and one of the original members of WTO. Its Constitution, Commercial Companies Law and Trade Agencies Law (recently revised) form the main structure of federal legal instruments under which business and commerce operate. Within this framework, additional laws, decree-laws, ordinary decrees, and regulations are promulgated from time to time to deal with specific issues affecting how business is conducted in the UAE.

Economic policy approved by the Federal Supreme Council is administered by the UAE Ministry of Economy. Whilst this federal ministry sets economic guidelines and provides the essential administrative framework, individual emirates exercise a high degree of direct control over their own economies and frequently play significant roles in local business development.

As already indicated, federal and local governments released strategy documents in 2007. The major economic policies listed in the *Federal Government Strategy* are aimed at stimulating economic growth, strengthening the competitiveness of the national economy, and upgrading regulations and legislation to match current and expected economic growth. Implicit within this policy is the Government's participation in empowering UAE citizens to take the lead in developing the economy and the labour market. In order to achieve this, the government is adopting a comprehensive policy to promote the employment of UAE citizens, including leadership development and project management.

Some initiatives that were highlighted under the national strategy included establishment of a National Competitiveness Council, a National Statistics Office, and a Vocational Training Unit, the latter in collaboration with the private sector. There was also a commitment to formulate federal policies for small and medium-sized enterprises in cooperation with local governments; and to prepare a federal framework for minimum regulations for both free zones and special economic zones, to encompass labour rights, conservation of the environment and other issues.

Abu Dhabi Executive Council Policy Agenda 2007/2008 and *Dubai Strategic Plan 2015* reflect the economic policies and objectives outlined in the *Federal Government Strategy*. For example, Abu Dhabi's agenda describes how it hopes to achieve a 'dynamic open economy, characterised by a vibrant diversity, transparency and sound governance' by restructuring government; outsourcing a range of government services to the private sector; introducing measures aimed at raising the contribution of the private sector to GDP; streamlining regulatory procedures, and improving essential infrastructure to enhance Abu Dhabi's position as a globally preferred destination for FDI and local investment.




ESTIMATE OF UAE BALANCE OF PAYMENTS 2005–2006 (in millions of dirhams)

	2005	2006*
Current Account Balance	89,495	129,112
Trade Balance (FOB)	157,154	207,072
Total Exports of Hydrocarbons	202,277	257,442
Crude Oil Exports	159,761	213,372
Petroleum Products Exports	21,300	17,995
Gas Exports	21,216	26,075
Total of Non Hydrocarbon Exports	82,342	96,986
Free Zone Exports	63,928	75,286
Other Exports ¹	18,414	21,700
Re-Exports ²	146,118	168,920
Total Exports and Re-Exports (FOB)	430,737	523,348
Total Imports (FOB)	-273,583	-316,276
Total Imports (CIF)	-310,890	-359,404
Other Imports ³	-247,590	-282,995
Free Zone Imports	-63,300	-76,409
Services (NET)	-53,559	-65,259
Travel	-10,902	-14,157
Transport	-5,462	-8,086
Government Services	112	112
Freight and Insurance	-37,307	-43,128
Investment Income (NET)	10,600	17,400
Banking System ⁴	5,500	8,800
Private Non-Banks	200	-600
Enterprises of Public Sector	24,600	30,000
Foreign Hydrocarbon Companies in UAE	-19,700	-20,800
Transfers (NET)	-24,701	-30,101
Public Transfers	-1,875	-2,025
Workers Transfers	-22,826	-28,076

¹ Including estimates of other exports from all emirates

² Including re-exports of non-monetary gold

³ Including estimate of imports from all emirates and imports of non-monetary gold

⁴ Central Bank and all banks

⁵ Data not available at time of compilation

* Adjustable figures and preliminary estimates

Source: Central Bank Annual Report 2006

ESTIMATE OF UAE BALANCE OF PAYMENTS, continued

	2005	2006*
Capital and Financial Account	-53,881	-58,987
Capital Account ⁵	—	—
Financial Account.....	-53,881	-58,987
Enterprise of Private Sector	55,219	87,593
Direct Investment.....	26,257	7,030
Outward.....	-13,773	-40,000
Inward.....	40,030	47,030
Portfolio Investment	22,560	4,400
Banks	-12,498	35,563
Securities	-10,597	-12,715
Other Investment	-1,901	48,278
Private Non-Banks	18,900	40,600
Enterprises of Public Secto	-109,100	-146,580
Net Errors and Omissions	-26,112	-46,240
Overall Balance: Surplus (+) or Deficit (-)	(+)9,501	(+)23,885
Change in Reserves (- indicates an increase)	-9,501	-23,885
Net Foreign Assets with Central Bank.....	-10,166	-24,034
Reserve Position with I.M.F.	665	149

⁵ Data not available at time of report





Other policies outlined in the document state that Abu Dhabi will 'strategically expand the industrial sector as a tool to achieve diversification and increase the contribution of the manufacturing sector to GDP'. Other key initiatives recognise the importance of 'asset clustering', particularly in the fields of real estate and tourism, basic industries and petrochemicals, aviation and logistics. The document underpins the role of ZonesCorp (The Higher Corporation for Specialised Economic Zones) in promoting and managing specialised economic and industrial zones in the emirate. (ZonesCorp is responsible for establishment and management of the Industrial City of Abu Dhabi, ICAD).

A central core of Abu Dhabi's economic policy is to leverage the emirate's strong hydrocarbon sector to stimulate and support broader economic diversification by strengthening downstream production capabilities and expanding the proportion of value-added exports, as well as diversifying into new industries on the back of ongoing performance in the hydrocarbon sector.

Dubai's strategy contains a number of important new elements and, unlike that of Abu Dhabi, recognises the minor importance of oil and gas production to its economic performance. The strategy has as its objective the sustaining of real economic growth at a rate of 11 per cent per annum to reach a GDP of US\$108 billion in 2015, and to increase GDP per capita to US\$44,000. In order to achieve this Dubai will focus on economic sectors where it holds a strong competitive advantage and ones that are expected to grow globally. The emirate's key strengths are tourism, transport, trade, construction and financial services. At the same time, growth enablers such as human capital, productivity, innovation, cost of doing business and living, quality of life, policy and institutional frameworks, and laws and regulations will not be ignored.

Diversification

Diversification of the economy has been a key plank of UAE policy since the founding of the state in 1971. Funded from oil and gas revenues, new investments were made initially in hydrocarbon and energy-related industries such as aluminium and petrochemicals. However, the UAE's dependence on oil and gas has fallen significantly in recent years. So much so that today Dubai's vibrant economy only receives a 3 per cent input from hydrocarbons.

Abu Dhabi, which has over 90 per cent of the UAE's oil and gas reserves, refers to diversifying into 'a raft of new areas' in its new policy agenda. In addition to exporting raw materials in the form of oil and gas, it intends to add more value to these by increasing production of refined and semi-refined products. One aspect of this involves a US\$3 billion investment to expand the capacity of Borouge's petrochemical facility to 2 million tonnes of polyethylene and polyolefin per year. On the broader economic front, the strategy document states that: 'it is important to stress that the Abu Dhabi Government's strategy of economic diversification is not misunderstood as simply "moving away from oil and gas". On the contrary, the continued significance of hydrocarbons to the economy is the means by which a broader diversification will be achieved and supported, and not the reason it is necessary.' It is the Abu Dhabi government's stated

intention to further develop its energy sector both in terms of productivity and efficiency.

One other area of economic growth that Abu Dhabi intends to foster is tourism. This has already been proved to be an important driver of Dubai's economy and is being given increased focus in Sharjah, Ajman, Ra's al-Khaimah, Umm al-Qaiwain and Fujairah.

The World Travel & Tourism Council (WTTC) has estimated the growth of the sector in the UAE at about 5 per cent between 2007 and 2016, higher than the Middle East's 4.4 per cent and global average growth of 4 per cent. It is estimated that travel and tourism generated 8.3 per cent of total exports or Dh37.1 billion in 2006, growing in nominal terms to Dh62 billion in 2016. Capital investment in the industry is estimated to have crossed Dh30 billion, or 28.2 per cent of total investment attracted by the country. By 2016, the WTTC anticipates that it will reach Dh55.2 billion. The industry employed 294,000 people in the UAE in 2006. This represented 11.7 per cent of total employment, or one in every 8.5 jobs. By 2016, this should total 376,000 jobs, 10.9 per cent of the total employment or one in every 9.2 jobs.

Manufacturing remains a cornerstone of economic development in the UAE. The latest technologies and state-of-the-art facilities are now a feature of the UAE's manufacturing base, which includes cement and blocks, ceramics, textiles and clothing, pharmaceuticals, aluminium, gold and jewellery, amongst others.

Record investment in the UAE's manufacturing sector, reaching Dh70.4 billion in 2006, underpinned the confidence among both government and the private institutions in the potential for growth in manufacturing throughout the UAE. The 2006 figure represented 12.2 per cent of GDP and a 3 per cent increase over the investment made in this sector in 2005. By far the greatest share of the finance emanated from UAE-based investors who accounted for 86 per cent of the total, while FDI, at Dh7.74 billion, amounted to 11 per cent and Gulf investors accounted for 2.9 per cent. Three-quarters (75 per cent) of investment in manufacturing was directed at the food





industry, while the chemical industry was second favourite at 22 per cent. Most of this investment was carried out in Abu Dhabi where a figure of Dh38.6 billion amounted to 54.8 per cent of the total, while Dubai attracted Dh16.3 billion or 23.2 per cent.

Sustained investment in manufacturing has resulted in a 42.2 per cent increase in industrial establishments over a five-year period. Much of the small and medium-size enterprise (SME) activity has been based in industrial quarters of Dubai and Sharjah, while Abu Dhabi has concentrated on developing industrial cities in the emirate, ICAD1, ICADII and ICADIII, for basic metals, building products and construction materials, oil and gas services, agriculture and food processing, paper and wood products, automotive industries, logistics services, high-tech industries, financial services, pharmaceutical and medical companies, and chemical and petrochemical industries. Dubai Industrial City aims to increase the emirate's self sufficiency in light and heavy manufacturing. The project, under development by Dubai Holding's company, Tatweer, will cover just over 52 million square metres and is due for completion by 2015.

But it is the services sector that now plays the major role in terms of GDP contribution. This is especially so in Dubai where it reached 74 per cent of total GDP in 2006, a ratio that is repeated in many developed economies around the world. Overall, the services sector accounts for about 72 per cent of non-oil GDP in the UAE, or 44 per cent of total nominal GDP.

The promulgation of new property laws in the individual emirates, regulating the sale and lease of land and buildings to citizens and expatriates, kick-started the boom in the real estate sector. Property regulations vary from emirate to emirate, with some, including Dubai, permitting foreign residents to purchase freehold properties in designated areas, whilst others, such as Abu Dhabi, limit the acquisition of property by expatriates to leasehold properties. The land departments in each emirate are now endeavouring to frame regulations that will eventually create a unified property law.

Risks in the real estate market are considered to be low compared with other regional markets and investment in real estate in the UAE has generated annual revenues of between 20 and 30 per cent, one of the highest rates in the world.

A strong focus on transport in terms of ports and airports, shipping companies and airlines, together with efficient road networks, has underpinned a strategic plan aimed at creating a major transport hub between Europe and South-East Asia.

One of the major success stories in this field is the UAE's aviation industry. Indeed, at 8.2 per cent growth rate the Middle East aviation industry is growing considerably faster than the global average of 5.1 per cent. It is hardly surprising then that 50 per cent of all new airline orders were placed in the Middle East since nearly a third of the world's population is within a four-hour flight of the UAE and regional passenger growth is about twice the global average. Key components of the UAE's aviation strategy have been the establishment of a number of national airlines. A centrepiece of Abu Dhabi transport policy, the Abu Dhabi-based national carrier Etihad Airways, was launched in 2003 and has since been developing at breakneck speed, clocking up 45

destinations in 45 months. Dubai-based Emirates has attained the status of a world-class carrier in less than a quarter of a century, flying to 93 destinations in 59 countries. Sharjah-based Air Arabia, which was established in 2003 as the first low-cost carrier in the Middle East and North Africa, continues to thrive.

The financial sector also played a valuable role in boosting the UAE economy in 2006 when banks continued to benefit from profits associated with financing applications for oversubscribed IPOs. Islamic banking has also blossomed in the UAE, while the insurance sector has shown robust growth. Projects like Dubai International Financial Centre and the country's stock exchanges in Abu Dhabi and Dubai have provided a framework for growth in the financial subsector.

Foreign Investment

While foreign companies have been pursuing investment opportunities in the UAE, several of the UAE's private sector and government-owned investment institutions have been actively pursuing investment abroad. Overseas investments have been a critical component of the UAE's economic development strategy for decades as the country has sought to diversify where and how it invests its financial assets.

This strategy led to the creation of a number of government-owned investment institutions such as the Abu Dhabi Investment Authority (ADIA), the Abu Dhabi Investment Council (ADIC), Mubadala Development Company (MDC), the Abu Dhabi-owned International Petroleum Investment Company (IPIC), Dubai World, and Dubai International Capital (DIC), the global investment arm of Dubai Holding. Meanwhile, major property and leisure companies such as Damac, Emaar and the Jumeirah Group, the latter two also held by Dubai Holding, have extended their international activities as part of their strategies for growth.





The Arab World Competitiveness Report 2007, issued by the World Economic Forum (WEF), ranks the UAE in top position among Arab countries and in twenty-ninth position among the 40 most advanced economies worldwide. It states that: 'Sound economic management has contributed to stabilizing the macroeconomic environment and strengthening public institutions'. It is not surprising, then, that foreign direct investment into the UAE has been increasing steadily from the beginning of this decade. So much so that the United Nations Conference on Trade and Development (UNCTAD) ranked the UAE twenty-fourth worldwide in terms of foreign direct investment flowing into the country. According to UNCTAD, the volume of incoming direct investment was estimated at Dh30.79 billion (US\$8.39 billion) in 2006 compared with Dh40 billion (US\$10.9 billion) in 2005 and nearly Dh36.7 billion (US\$10 billion) in 2004. As far as foreign investment emanating from the UAE is concerned, the UAE ranked twenty-fifth worldwide, with UNCTAD estimating the volume of foreign direct investment outflows from the UAE to overseas countries at Dh8.51 billion (US\$2.32 billion) in 2006 compared with nearly Dh13.76 billion (US\$3.75 billion) in 2005 and Dh8.1 billion (US\$2.21 billion) in 2004.

Trade

The UAE considers that free trade is a *sine qua non* for improving competitiveness and productivity, and that high tariff barriers and technical barriers to trade would only result in a stagnant and inefficient private sector. It is in this spirit that the UAE has signed several free trade agreements (FTAs) and embarked on negotiations for others, either individually or through the GCC. Bilateral preferential agreements signed with Syria, Jordan, Lebanon, Morocco and Iraq accord both the UAE and its co-signatories preferential access for certain specified goods. The FTA between the GCC and the EU, in final stages of negotiation during 2007, covers market access for industrial and agricultural products, trade in services, intellectual property, rules of origin, government procurement, investment and legal and institutional arrangements. It is expected to boost trade between the two regions from its current level of 40 billion euro to at least twice that figure.

A comprehensive FTA that had been under negotiation for over two years with the USA stalled in March 2007. Whilst informal discussions were continuing, both sides acknowledged there were some difficulties in reaching an agreement.

Goods imported into the UAE from countries with most favoured nations (MFN) status are subject to the GCC Common External Tariff (CET), which averaged around 5 per cent in 2006. Over 400 basic food items and pharmaceuticals are duty free. Tobacco products attract up to a 100 per cent tax rate, depending on the item.

With the exception of oil, gas and petrochemicals, the primary export centres in the UAE are free zones that provide logistical, administrative and financial advantages for exporting or re-exporting companies. These free zones are exempt from the licensing, agency, emiratization, and national majority-ownership obligations that apply in the domestic economy. There are many

success stories among the companies operating from the UAE's free zones, with major enterprises using the UAE as a base to compete efficiently in the international market place.

Turning to the actual trade figures for 2006, on the non-oil imports side, machinery and electrical equipment accounted for the greatest single share of imported goods valued at Dh66.439 billion, followed by precious or semi-precious stones, precious metals and metals plated with precious metals, natural and cultured pearls, with other jewellery related materials amounting to Dh52.475 billion. Not surprisingly, considering the focus on transport facilities in the UAE, the category including vehicles, aircraft, ships and other transport items followed these two major import classes, reaching Dh36.786 billion. Meanwhile, base metals and articles of base metal reached Dh32.689 billion; chemical products Dh15.754 billion; textiles Dh14.805 billion; plastics and rubber articles Dh10.693 billion; followed by vegetable products, prepared foodstuffs, precision instruments, stone and cement, live animals and animal products, mineral products, and other imported goods.

On the non-oil export side, the highest values were the natural or cultured pearls, precious or semi-precious stones, precious and semi-precious metals, jewellery and coins category at Dh5.092 billion followed by base metals and articles of base metals at Dh4.489 billion. Plastics and rubber exports reached Dh2.860 billion and prepared foodstuffs Dh2.576 billion. Other significant value exports were mineral products (Dh1.060 billion); chemicals and chemical products (Dh997 million); textiles and textile products (Dh980 million); machinery and electrical goods (Dh969 million); and vehicles, aircraft, vessels etc (Dh709 million).





Oil & Gas

The UAE pumped around 2.53 million barrels of oil per day (b/d) in 2006, somewhat less than its production capacity of 2.9 million b/d, and has plans to raise its daily production capacity to 3.5 million b/d by 2009 and to over 5 million b/d by 2014. The country's proven crude oil reserves stand at 97.8 billion barrels, or slightly less than 8 per cent of the world's total reserves. Abu Dhabi holds 94 per cent of this amount, or about 92.2 billion barrels. Dubai contains an estimated four billion barrels, followed by Sharjah and Ra's al-Khaimah, with 1.5 billion and 100 million barrels of oil, respectively.

Dubai produces around 140,000 b/d of oil (6 per cent of the country's production) and substantial quantities of gas from offshore fields (with a major condensate field onshore); Sharjah is the third UAE hydrocarbon producer. On the East Coast, Fujairah is the second largest bunkering port in the world (handling about 1 million tonnes of fuel from neighbouring countries per month). Natural gas has been gaining in importance as a local energy source, particularly with the Dolphin Energy gas pipeline from Qatar coming on-stream, and it is increasingly used by households and local industries, including for power generation and water desalination. Exports of gas have also increased.

Oil and gas production in Abu Dhabi is primarily handled by the Abu Dhabi National Oil Company (ADNOC), or by subsidiaries in which ADNOC is the majority shareholder in partnership with international companies. The sharp rise in oil and gas prices on world markets, which began in 2004, continued through 2006 and 2007, resulting in higher than anticipated revenues from oil and gas sales. The industry is making significant investments to upgrade drilling, processing and transport facilities so that strong demand can be adequately met. A measure of just how important the UAE's oil production is in terms of world supply is illustrated by the fact that the UAE is the world's sixth largest oil exporter and supplies 26 per cent of Japan's oil imports.

Downstream development of refineries, petrochemical plants, and other related industries has created an integrated oil and gas sector. The UAE currently has five refineries with a combined capacity of more than 1.14 million b/d. The progressive build-up of refining capacity since the 1980s has made the UAE a sizeable net exporter of refined products; although their share in the total oil exports remains modest at about 10 per cent, it is on an upward trend. Furthermore, Abu Dhabi has been considering plans to further increase refinery capacity at Ruwais and also to build a new refinery at Fujairah. Four of the existing five UAE refineries are owned by the respective emirates; two are operated by Abu Dhabi Oil Refining Company (Takreer) and owned by ADNOC.

Takreer's refining capacity is now over 500,000 b/d, making it a major regional operator. Other refineries are in Dubai, Sharjah and Fujairah. Owned by Dubai Emirate, the Emirates National Oil Company condensate refinery (ENOC), which has a capacity of 120,000 b/d, began operations in Dubai in May 1999. The Fujairah and Sharjah refineries were not operating in 2006/07.



oil & gas





diversification



UAEINTERACT LINKS

▶ Agriculture	www.uaeinteract.com/agriculture
▶ Aviation and Airlines	www.uaeinteract.com/air
▶ Business and Entrepreneurs	www.uaeinteract.com/entrepreneurs
▶ Commodities	www.uaeinteract.com/commodities
▶ Corporate Governance	www.uaeinteract.com/corporategovernance
▶ Diamonds and Gemstones	www.uaeinteract.com/gems
▶ Stock Markets	www.uaeinteract.com/shares
▶ Economic Development	www.uaeinteract.com/economicdevelopment
▶ Fishing	www.uaeinteract.com/fishing
▶ Specialised Economic Zones in Abu Dhabi (ZonesCorp)	www.uaeinteract.com/zonescorp
▶ Free Zones	www.uaeinteract.com/freezones
▶ GDP	www.uaeinteract.com/gdp
▶ Gold	www.uaeinteract.com/gold
▶ ICAD Abu Dhabi Industrial City	www.uaeinteract.com/icad
▶ IMF Publications on the UAE	www.uaeinteract.com/centralbank_imf
▶ Industrial Development	www.uaeinteract.com/ind_dev
▶ Industry	www.uaeinteract.com/industry
▶ Insurance	www.uaeinteract.com/insurance
▶ International Investments	www.uaeinteract.com/int_inv
▶ Investments in UAE	www.uaeinteract.com/uaeinvestments
▶ Oil and Gas	www.uaeinteract.com/oilgas
▶ Oil News and Data	www.uaeinteract.com/opecl
▶ Ship Building	www.uaeinteract.com/shipbuilding
▶ Trade and the UAE	www.uaeinteract.com/wto
▶ Trade	www.uaeinteract.com/trade
▶ UAE Central Bank1	www.uaeinteract.com/centralbank
▶ UAE Central Bank2	www.uaeinteract.com/uaecb
▶ UAE Offsets Group	www.uaeinteract.com/offsets





development

INFRASTRUCTURE

When the federation was established in 1971, the population was primarily rural and infrastructure was minimal. The new Government immediately focused on providing facilities for its population commensurate with twentieth-century living. Housing, roads, airports and ports, schools and hospitals were built and power, water and telecommunications supplied through the judicious use of oil wealth. By the time the twenty-first century had arrived, all these facilities were well developed, most of the population was urbanised and it was time to bring the private sector into the picture so that the requirements of an increasingly diversified economy and rapidly burgeoning cities could be met.

In emirates with greater land areas whole new urban conurbations complete with the requisite infrastructure are being built to accommodate a rising population. One of the most significant impacts, however, on physical infrastructure in recent years has been the building of dedicated industrial areas, commercial clusters, free zones and massive mixed-use developments designed to provide additional tourist and leisure facilities and vastly increase retail and office space. Liberalised real estate and property laws have generated unprecedented development in this sector. In addition, already existing airports are being extended and new airports and ports built to cater for the projected rise in tourism and trade. When the scale of these developments is appreciated, it is not difficult to understand the enormous influence that they are having on urban development in the UAE, literally changing the face of the country, quite apart from the investment that is required in transport, sewerage, electricity, water and telecommunications to service these projects.

It is not surprising, therefore, that the UAE accounts for the bulk of the ongoing and planned infrastructure projects in the GCC countries, amounting to an estimated US\$1.3 trillion plus of investment over the 2007/2012 period.

Urban Planning

Now more than ever a professionally designed and well-managed urban environment is essential and a comprehensive urban planning framework is required to ensure that the natural and physical environment is protected in this period of rapid urban expansion.

In recognition of this fact, an international urban planning taskforce involving the world's best urban planning and community development experts worked for over a year in close consultation with the Abu Dhabi government to develop the 'Plan Abu Dhabi 2030: Urban Structure Framework Plan' launched in mid-September 2007. The outcome is a bold and imaginative blueprint: in ten individual policy statements, the plan specifies land uses, building heights and transportation objectives for the entire metropolitan area of Abu Dhabi, which is projected to grow to over three million people by 2030.



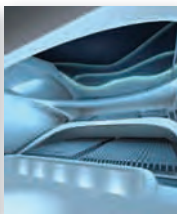
Amongst its significant proposals, the plan provides for the creation of a second centre within the city. The new Capital District will be designed as the seat of the federal and national governments, with departmental offices and embassies, as well as national health and educational institutions. The plan also provides for large new areas of housing for UAE citizens, inspired by traditional community structures, and a diverse mix of affordable housing options for all residents.

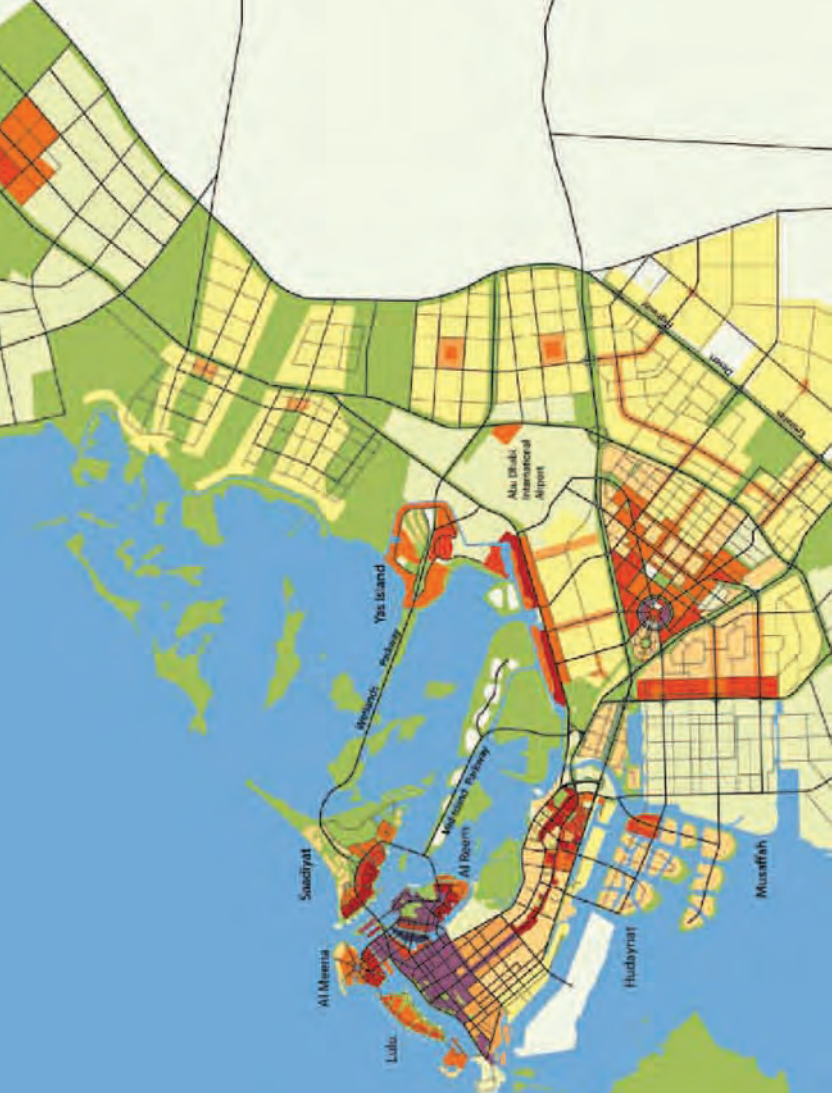
Alongside a number of major cultural initiatives, including the development of the iconic Cultural District on Saadiyat Island, the capital of the UAE will have a real ecological emphasis: green belts, desert fingers to keep the dunes connected to the sea, protection of the country's mangrove forests and its birds and wildlife. The objective is that by 2030 Abu Dhabi will not only be a leading commercial, tourist and financial centre, but an ecological and cultural one too.

Law No. 23 for 2007 established the Abu Dhabi Urban Planning Council (UPC) as an independent corporate body to oversee the implementation of the new urban framework and ensure it is updated over time to continue meeting the emirate's needs. The UPC will facilitate constructive dialogue between the public and private sectors involved in the real estate and property development sector in Abu Dhabi.

Efforts are also being made in the other constituent emirates of the UAE to ensure that development is planning-led, as opposed to demand-led, which is the case in many of the world's major cities. As already emphasised, the objective is to provide the infrastructure that will attract tourism, trade and industry, including valuable service industries, at the same time creating living communities.

Dubai Strategic Plan 2015 recognises that urban planning is a prerequisite to optimise land use in order to meet the needs of sustainable development while preserving natural resources and Dubai's Urban Planning Committee is in the process of drawing up the Dubai Urban Development Framework (DUDF), an integrated master plan that will offer a comprehensive roadmap for Dubai's future up to 2020 and beyond, hopefully solving the main concerns of today's urban life. The Emirate-wide 'City and Regional Planning Framework' will seek to establish a strong integration between the increasingly complex governmental, quasi-governmental and private stakeholder relationships of the city. Key elements of the framework will include integrated land use and mobility, housing provision, economic and demographic growth, urban character and design, heritage management, integrated community facilities provision, civic harmony and sustainability strategy.





Arabian Gulf

strategy

Urban Projects

Development of an unprecedented scale is taking place throughout the Emirates and the following is a small sample of some of the urban projects planned or under construction. One of the most exciting in Abu Dhabi is the development by Abu Dhabi Tourism Authority (ADTA), through its commercial arm Tourism Development and Investment Company (TDIC), of Saadiyat Island ('Island of Happiness'), a natural island off the north-eastern shores of Abu Dhabi City. As already indicated, TDIC is focusing on a cultural theme for part of the island and major museums, among them an outpost of The Louvre, in Paris, and a Guggenheim art museum, art galleries and performing arts centres have been designed by world-famous architects for the Cultural District, which will be part of an innovative, environmentally sustainable, mixed-use residential, leisure and retail community. Two ten-lane highways will connect Saadiyat Island to the city and the airport. The first tourist attractions will be open in 2012, and the entire project is scheduled for completion in 2018.

Nearby, Al Reem Island is being developed by Surouh and Al Reem Developers. Downtown Aldar's flagship Central Market development is making progress and Aldar is also developing Yas Island, close to the airport, as a prestigious leisure destination that will include a Ferrari theme park and a Formula 1 motor-racing circuit. Aldar has already handed over properties in the first phases of the Al Raha Gardens project, the first freehold, residential development in Abu Dhabi for UAE nationals. Construction is also ahead of schedule at Al Raha Beach and construction has commenced on Capital Centre, a new micro-city being developed in conjunction with ADTA.

Developments around Zayed Sports City include TDIC's leisure, retail and residential 'Bridgeway at Zayed Sports City' by TDIC. Khor Abu Dhabi Property Development (Al Masoud Group, in partnership with TDIC) is redeveloping the site of the former Abu Dhabi Tourist Club: The Quay will be a water-themed, mixed-use development with leisure, residential and commercial elements. In addition, spearheaded by the Abu Dhabi Future Energy Company (ADFEC), the Masdar Initiative intends to create a multi-billion dollar, zero-carbon, zero-waste city in the heart of Abu Dhabi by late 2009.

Abu Dhabi Island and its surrounds are not the only area of focus in the building boom: TDIC are planning major real estate projects to develop tourist facilities both on and offshore Abu Dhabi's Western Region, a vast area with a rich natural and cultural heritage that has enormous potential, and in the Liwa. Major real estate development is also taking place in the inland oasis-city of Al Ain.



Creekside projects are progressing smoothly in Dubai, including Dubai Festival City and Business Bay, the massive mixed-use commercial and residential freehold project comprising 220 towers being undertaken by Dubai Properties on the extension of the Creek, which is also enabling Sama Dubai, the international real estate investment and development arm of Dubai Holding, to build 'The Lagoons' on seven interconnected islands near the Ra's al-Khor Wildlife Sanctuary. Dubai World Trade Centre (DWTC) has started work on the Dubai Trade Centre (DTC) District. Work on Downtown Burj Dubai, being developed by the internationally successful Dubai-based property group Emaar, is also continuing swiftly. Located at the centre of this mixed-use community is the elegant Burj Dubai, the tallest building in the world.

Offshore, Dubai's ambitious projects are rapidly becoming a reality, including the Palm trilogy and The World. Dubailand, comprising six themed worlds focusing on tourism, leisure and entertainment, is also taking shape on Emirates Road, a huge hospitality and leisure development that will include a 37-million-square-metre shopping mall and 51 hotels accommodating more than 60,000 rooms.

The Dubai World Central complex (DWC), a hugely ambitious 140 square-kilometre urban aviation community under construction in Jebel Ali, is progressing smoothly and nearby, Nakheel is planning Dubai Waterfront on an area bigger than Manhattan and Beirut, offering investors over 250 master-planned waterside communities with mixed-use, commercial, residential, resort and amenity areas.

Sharjah, a short distance from Dubai, has also been the location of a considerable amount of development in the past few years, including Nujoom Islands and Emirates Industrial City. Close to 200 freehold residential towers are either under construction or have been completed since Ajman's freehold regulations opened up the possibility of 100 per cent ownership rights. Developments include the 15-tower Al Naeymiyah Towers; Rashidiya Towers, Al Khor Towers. Other major projects scheduled for delivery by 2010 include Horizon Towers, Falcon Tower, Ajman One, Goldcrest Dreams, Paradise Lakes and Corniche Tower.

Emaar's Umm al-Qaiwain Marina waterfront, developed in agreement with the Umm al-Qaiwain government, has real potential to increase employment and boost the tourism, trade and real-estate-powered local economy. Other projects include the Al Salaam City development off Emirates Road, and White Bay, a master-planned community and tourism resort on the shores of the Khor al-Beida lagoon.





More than Dh50 billion worth of projects are at various stages of planning and construction in Ra's al-Khaimah. Over 60 per cent of these are lifestyle projects that focus on booming sectors such as tourism, leisure and real estate. Industrial development will account for the remaining 40 per cent. Saraya Islands, Mina Al Arab waterfront community, The Cove, and La Hoya Bay on Marjan Island, a freehold commercial development, are just a few of the developments under construction. Ra's al-Khaimah will also be the location of the 120-acre theme park, Wow RAK.

In the stunningly beautiful Emirate of Fujairah, the real estate emphasis is naturally on improving tourism infrastructure. Projects include a mountain-sea resort property Mina Al Fajer Resort, Al Fanar Towers in the centre of the city, and Fujairah Paradise development near Dibba. Nearby several new hotels are being planned in the Al Aqqah area where the Al Aqqah Meridien, a Rotana hotel and a JAL hotel have already paved the way for what is intended to become the focus of the emirate's tourist industry.

Transport

As Abu Dhabi Executive Council stresses in its policy agenda for the next couple of years, a sophisticated transport system is critical to the ongoing growth and diversification of the UAE's economy. A newly created Department of Transport in Abu Dhabi will ensure fully coordinated planning in all aspects of that emirate's transport policy and development. The Executive Council has charged the department to meet its objectives in ways that are consistent with the council's stated pillars, emphasising privatisation and cost-efficiency, achieving world-class standards, employing more Emiratis, and enhancing accountability in a transparent regulatory environment. The department will not only have responsibility for planning and regulation in roads safety, highways management and public transport, it will also cover the aviation and maritime sectors. Abu Dhabi is already heavily engaged in upgrading its transportation network. In addition, new highways connecting Abu Dhabi City with the mainland via Al Suwwah, Saadiyat and other islands under development, including ten additional bridges, as well as new routes out of the city for heavy vehicles are proposed under the new urban framework. The truck roads will connect the new port and industrial areas with the rest of the country without intersecting with city roads. Other measures include improving pedestrian pathways and reconfiguring streets to improve traffic flow.

To meet the needs of a rising urban population, Abu Dhabi's new urban planning initiative also envisages a layered interconnected public transportation network, encompassing, rail, metro buses and streetcars that would reduce reliance on automobiles.

The Dubai Strategic Plan focuses on the need to provide an integrated road and transportation system to facilitate the movement of people and goods while improving safety levels for all system users. This involves addressing current congestion problems and accommodating future needs by increasing the use of public transport and decreasing reliance on private vehicles, at the same time improving the capacity of road networks and transportation





systems, whilst securing optimal use through demand management and accident and emergency management.

At present, Dubai's Roads and Transport's Authority (RTA) is tackling traffic-flow problems caused by massive building projects, rolling out of new bridges, road improvements and a focus on public transport, including a new Dh15.5 billion, 74.6-kilometre metro system. Trial runs are timetabled for June to August 2009 before the metro actually commences operations in September 2009. Other emirates are following suit.

Electricity & Water

The huge number of tourism and real estate projects under development, increased industrialisation, expanding agriculture and a rapidly growing population have placed severe pressures on electricity and water supply in the UAE and considerable effort, including heavy investment in power generation and water desalination, is being expended to meet the burgeoning demand.

The UAE consumes more than 3.2 billion cubic metres of water every year and is near the top of the global index for the highest water consumption per capita. At a conservatively estimated minimum of 10 per cent per annum until 2010, the UAE has the highest projected increase in demand within the GCC region.

Much of the UAE's water is produced by desalination, usually in conjunction with power generation, and older plants are being expanded and new plants are being built to meet the enormous demand. However, groundwater is also a very important water resource, especially for agriculture and forestry, although excessive pumping and the lack of rainfall have been depleting groundwater levels and affecting water quality in many aquifers in the country. Groundwater management is now the responsibility of the Environment Agency – Abu Dhabi (EAD).

Given the scarcity of the country's water resources and the acute awareness that regional water shortages are a major environmental challenge, water resource management and water conservation is a priority.

The current total capacity for electricity production in the UAE is around 16,670 MW compared to 9600 MW in 2001. Industry estimates expect the capacity to rise by 60 per cent to almost 26,000 MW by 2010. At present, Abu Dhabi Water and Electricity Authority (ADWEA) accounts for the bulk of capacity, followed by Dubai Electricity and Water Authority (DEWA), Sharjah Electricity and Water Authority (SEWA), and the Federal Electricity and Water Authority (FEWA). Currently, each service provider operates as a separate entity but a common federal framework for the water and electricity sector is under study by the Ministry of Energy.

The need for power and water is in turn pushing up demand for natural gas to fire most of the power and desalination plants. In July 2007 the Emirates began importing gas from Qatar through the new Dolphin pipeline. The next step is to carefully ramp up production until the targeted pipeline throughput of 2 billion standard cubic feet per day is reached in early 2008.

The increasing demand has also brought a new awareness of the need for diversification of energy resources. While power generation from renewable energy sources is still relatively uncommon in the Middle East, the number of pilot projects, hybrid plants and renewable energy research areas is on the increase. Projects already in active development by the Masdar Initiative include both photovoltaics (PV) and concentrating solar power (CSP) and Masdar hopes to further develop, design and roll-out advanced alternative energy systems, including state-of-the-art solar cooling, wind and biomass technologies, for both household and industrial purposes.

Progress has also been made in deliberations on a proposed GCC common nuclear programme for peaceful purposes and on-going discussions are taking place with the International Atomic Energy Agency in the framework of the 'Jabir summit' held in Riyadh in December 2006.

Abu Dhabi Water and Electricity Authority (ADWEA) estimates that real estate and industrial projects planned for Abu Dhabi will require a formidable expansion in power generation capacity up to 2020. With the fast pace of growth in Abu Dhabi, early assessment of the future power demand is a prerequisite as three and half to four years are required to build and commission new power and water stations.

From a current peak demand of 4790 MW, ADWEA is presently forecasting that the total system peak demand in Abu Dhabi (base forecast) will rise to 8735 MW by 2010 and to 14,340 MW by 2020. The demand for power in Abu Dhabi is expected to grow by 900 MW or 10 per cent per annum from 2010 to 2013. At present, available capacity is 8400 MW.

To meet the discrepancy, optimisation and expansion of existing facilities as well as development of greenfield sites is ongoing. Over Dh50 billion has been pumped into the water and power sector since Abu Dhabi embarked upon its privatisation drive in 1998 pushing the emirate's generating capacity to more than 7000 MW and 500 MIGW daily. Sceptics had originally voiced concern over the pioneering privatisation plans, Today, Taweelah A-2, the UAE's first independent water and power project (IWPP), is being used across the region as a blueprint for a successful privatisation strategy and Abu Dhabi will soon be 100 per cent privatised in this sector.

Dubai Electricity and Water Authority (DEWA) currently holds a monopoly to produce and sell electricity in the emirate. But Dubai may open its power generation industry to private foreign investment in an effort to meet demand that is surging by a minimum of 12 to 14 per cent





annually, with some commentators suggesting that demand growth was in the region of 30 per cent in 2006 and could be up to 20 per cent annually. Dubai may, therefore, need foreign companies to help fund the estimated Dh135.79 billion (US\$37 billion) required to double generating capacity to 11,100 MW by 2011 and quadruple projected capacity to 25,000 MW, by 2017. Alternatives such as renewable energies could also assist with satisfying runaway demand. Sharjah Electricity and Water Authority (SEWA) has earmarked Dh4 billion for the Hamriyah power and water project to assist in catering to the spiralling demand for these utilities due to economic and industrial development in the emirate.

The fast developing Northern Emirates are also set to see an increase in water supply in the next few years as the Federal Electricity and Water Authority (FEWA), the utility body for Ajman, Ra's al-Khaimah, Fujairah and Umm al-Qaiwain, is planning to build major desalination plants in the region in an overall shift towards desalination dependence. After takeover and expansion, the Dh6 billion Fujairah I IWPP will have a capacity of 880 MW and 102 MIGD daily and Fujairah II calls for the addition of 2000 MW of electricity and 130 MIGD. Both of these plants are linked to Abu Dhabi's ADWEA and involve foreign investors.

FEWA is also focusing on completing the UAE's Dh840 million (US\$228.7 million) nationwide power grid by May 2008. The power link between Dubai and Abu Dhabi was completed in May 2006 and the inter-connection with Sharjah was inaugurated at the end of May 2007. The grid will provide more stable electricity supply and allow energy exchange among emirates. In addition, the US\$1.1 billion first phase of the US\$7 billion Gulf Cooperation Council (GCC) power grid linking the six member states is expected to be commissioned by the first quarter of 2009.

Telecommunications

Telecommunications across all platforms in the UAE are fast and effective with fixed-line, internet and mobile connectivity amongst the best in the world. The 2007 Global Information Technology Report (GITR), commissioned by the World Economic Forum (WEF) in cooperation with Insead business school, puts the UAE at the top of the 'Net-worked Readiness Index' in the Middle East and North Africa (MENA) region and ranks the UAE in twenty-ninth position worldwide out of 122 countries, beating many European nations.

The Telecommunications Regulatory Authority (TRA), established by Federal Decree No. 3 of 2003, is tasked with the challenge of operating a regulatory framework to facilitate competition in the UAE's telecoms market, at the same time enhancing, promoting and ensuring quality of services. The TRA answers to the Supreme Committee for the Supervision of the Telecommunications Sector (SCTS), which is empowered to establish and oversee the UAE National Telecom Policy.

Prior to the establishment of the TRA, Etisalat was the sole telecoms operator in the country. The new regulatory regime facilitated the launch of du, the Dubai-based integrated telecommunications provider, into the market. Under the powers conferred on it by federal law,

the TRA has licensed Etisalat and du, and the latter was formally activated on 12 February 2007. Since the UAE's population growth targets are set to hit 5 million by 2010, the launch of a third telecoms provider in the Emirates is inevitable.

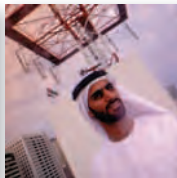
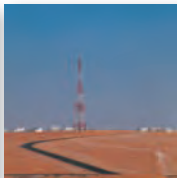
Since its foundation in 1976, Etisalat has been investing in infrastructure providing fixed-line telephony, fixed and wireless secure internet access and mobile coverage to the UAE. In mid-2007, the corporation had more than 5.99 million customers on its GSM network, 1 million active users of 3.5G and 3G data services. 1.3 million subscribers to the fixed line network, 800,000 subscribers and over 2.5 million internet users. When du's 850,000 mobile customers are taken into account, the UAE's telecom sector probably has the highest penetration rate in the region, and is comparable to the highest in the world.

Etisalat has also established a significant geographical footprint stretching from West Africa to Pakistan and Abu Dhabi-based Thuraya Satellite Telecommunications Company, a leading provider of cost-effective, satellite-based mobile telephone services to nearly one-third of the globe through dual-mode handsets and satellite payphones, is majority-owned by Etisalat. The launch of its third satellite Thuraya 3 at the end of 2007 will bring countries of the Asia-Pacific region under Thuraya's footprint and extend its coverage to nearly two-thirds of the globe's population.

Postal Services

Emirates Postal Corporation (EPC) was formed in 2001 following restructuring of the UAE General Postal Authority. Since then a major change in the corporation's business model and operational strategies, including the introduction of integrated IT systems, automated sorting centres and agreements with international postal authorities, as well as the addition of new business streams in logistics, financial services, direct marketing, mail fulfilment and other areas, has resulted in a remarkable turnaround in the company's fortunes.

During 2007, Emirates Post entered a new phase of diversification that will see Dh1 billion (US\$272.5 million) being spent on a major expansion plan and the company entering new areas of activity, including air freighter services, a Middle East trucking service to complement its other ground delivery operations, and money management solutions. Emirates Post currently provides remittance services through its Wall Street Exchange Centre, but is poised to emerge as a major player in the US\$40 billion remittances market as it plans to open multiple offices in Asia and Europe.





Airports and Ports

New airport projects in the UAE account for 60 per cent of all airport investment in the Gulf. This is hardly surprising: geographically, the country's reach is considerable, sweeping through Africa and the Middle East and linking these regions to Europe, Asia, Australia and the Americas. In addition, airport development in conjunction with the growth of national airlines such as Etihad Airways and Emirates plays a major role in the country's vision for a diversified economy.

Dh75.3 billion (US\$20.5 billion) is being spent to develop and expand airports in the UAE, adding new high-tech terminals and runways, ensuring that the massive new superjumbos can be adequately accommodated. In many cases, the developments encompass adjoining free zones. The projects include Dh26 billion (US\$7.08 billion) on Abu Dhabi International Airport; Dh15.1 billion (US\$4.1 billion) on Dubai International Airport; Dh30.1 billion (US\$8.2 billion) for the development of Al Maktoum International Airport at Jebel Ali, a part of the Dh121.1 billion (US\$33 billion) Dubai World Central project; Dh227.64 million (US\$62 million) on Sharjah Airport; Dh2.9 billion (US\$800 million) to be invested in Ajman International Airport; Dh183.6 million (US\$50 million) on Fujairah Airport; and Dh1 billion (US\$272 million) on Ra's al-Khaimah Airport. A completely new airport is also being planned for Fujairah.

The UAE has over 20 ports, ranging from state-of-the-art oil terminals, industrial ports and container-handling facilities to dhow and wooden-boat wharfs. At present, Mina Zayed is Abu Dhabi's main commercial port. In 2006 Abu Dhabi Ports Company (ADPC) was formed to develop, own and manage all ports in the emirate and Abu Dhabi Terminals was created to operate Mina Zayed and coordinate the management services agreement established with DP World.

However, by 2010 Mina Zayed's central role is set to change when Khalifa Port at Khalifa Port and Industrial Zone (KPIZ) in Taweelah, halfway between the two cities of Abu Dhabi and Dubai, will take over as the emirate's primary port. The new development encompasses the construction of a world-scale industrial and container port with a capacity to handle 2 million TEUs (twenty-foot equivalent units) in its first phase, as well as over 100 square kilometres of industrial, logistics, commercial, educational and residential zones. The Khalifa Industrial Zone will house Mubadala and Dubai's new aluminum smelter among an initial group of heavy, medium and light anchor tenants.

In June 2007, DP World entered into an agreement with ADPC to manage Khalifa Port and DP World's sister company Economic Zones World (EZW) will operate an initial 25-square-kilometre trade and logistics free zone within the larger industrial zone.

DP World's new container terminal at Jebel Ali Port, which became operational in the third quarter of 2007, will be fully completed in 2008. This Dh5.5 billion (US\$1.5 billion) first phase increased the port's container handling capacity from 9 million TEUs to 15 million in 2008. DP World-UAE handled 8.92 million TEUs in 2006 compared with 7.62 million units in the previous year, a 17 per cent growth. While most growth is at the Jebel Ali facility, ports in Abu Dhabi and Fujairah managed by the company are also showing an increase in business.

Throughput at Sharjah Container Terminal grew by 24 per cent in 2006, increasing to 282,082 TEUs from more than 230,000 TEUs in 2005. Sharjah can handle 400,000 TEUs at present, but construction commenced in early 2007 on a major expansion at SCT. On the other hand, throughput at Sharjah's Khorfakkan Container Terminal (KCT), a leading regional trans-shipment hub, dropped almost 9 per cent in 2006 from the previous year.

Although Ajman Port only commenced container operations in April 1999, the port handled approximately 50,000 TEUs in 2006. This is expected to rise in 2007 with the expansion of business in the area.

Ahmed Bin Rashid Port and Free Zone, located about 30 miles north-east of Dubai in the Emirate of Umm al-Qaiwain, is also thriving, whilst Saqr Port, Ra's al-Khaimah's window on the world, handled 22.2 million tonnes in 2006, up from 10.7 million in 2002. Saqr Port has undertaken an ambitious expansion programme over the past four years involving an investment of Dh221 million to improve the efficient handling of containers, bulk and general cargo, reflecting the fast-paced development activities taking place in the emirate.

Fujairah Port is strategically located on UAE's East Coast, approximately 70 nautical miles from the Straits of Hormuz, an attractive location for a range of users of the multi-purpose port. Since commencing operations in 1983, Fujairah Port has embarked on a continuing process of enhancement of its facilities and functions. The offshore tanker anchorage, supervised by Fujairah's Port Authority, has been a major component of the port's success and Fujairah is now the second-largest oil bunkering port in the world.

UAEINTERACT LINKS

▶ Air Traffic Agreements	www.uaeinteract.com/airtraffic
▶ Airports	www.uaeinteract.com/airports
▶ Aviation Agreements	www.uaeinteract.com/aviationagr
▶ Electricity and Water	www.uaeinteract.com/elec_h2o
▶ Free Zones	www.uaeinteract.com/freezones
▶ Infrastructural Development	www.uaeinteract.com/infrastructure
▶ Internet	www.uaeinteract.com/internet
▶ Parks	www.uaeinteract.com/parks
▶ Ports and Shipping	www.uaeinteract.com/ship_ports
▶ Postal Service	www.uaeinteract.com/post
▶ Roads, Tunnels and Bridges	www.uaeinteract.com/roads
▶ Shipbuilding	www.uaeinteract.com/shipbuilding
▶ Stamps	www.uaeinteract.com/stamps
▶ Telecommunications	www.uaeinteract.com/telecomms
▶ The Palms	www.uaeinteract.com/palms
▶ Thuraya and Satellite Communications	www.uaeinteract.com/satcomms
▶ Transportation	www.uaeinteract.com/transport
▶ Urban Development	www.uaeinteract.com/urban



society



PEOPLE & SOCIETY

Over the lifetime of less than a couple of generations, the inhabitants of the UAE have been transformed from a traditional, largely rural people with little or no access to education and health services to a modern, urbanised, sophisticated society. Despite this fundamental social upheaval, particularly the demographic imbalances brought about by large-scale immigration, the UAE continues to be a tolerant, open, caring community that cherishes its religious and traditional roots.

As a result of the significant progress in social development achieved in the country so far, the UAE was ranked forty-ninth in the Human Development Index (HDI) compiled by the 2006 *UN Human Development Report*. This was based on many aspects of development in the country, including real improvements in education and health services leading to a low illiteracy rate (9 per cent), high life expectancy at birth (78.3 years), a low rate of postpartum and infant mortality, as well as a rising contribution to GDP per capita and an increased focus on the role of women in society.

However, as in other areas of governance in the UAE, the recently formulated *Federal Government Strategy* has put renewed emphasis on quality and greater focus on best practices in the delivery of all aspects of social development, particularly since there is an awareness that although the UAE has spent hundreds of billions of dirhams on developing education, health care, housing, social welfare, culture, youth and sports, the results have remained below expectations. In addition, it is generally recognised at federal and local level that it is only in the achievement of adequate social development that other objectives, including economic growth, infrastructure development and providing a safe and secure environment, have any meaning.

Labour & Social Affairs

Federal strategy in this area is directed at the development of a comprehensive population policy to rectify the current demographic imbalance whereby the majority of the population are non-nationals; the continuance of Emiratisation (the replacement of expatriate employees with UAE citizens) through a well-planned course of action that incorporates both federal and local efforts; and the development of a proper framework for the optimal organisation of the workforce, encompassing the determination of minimum standards applicable to the work environment and to accommodation.

Initiatives to help realise these objectives include supporting federal and local Emiratisation programmes; preparing national workforce databases; strengthening the Ministry of Labour's inspection and monitoring system; enacting regulations and legislation to limit illegal labour;



adopting strict penalties to discourage the hiring of illegal labour; and developing the required minimum standards in terms of health and safety at work and in living conditions.

Overall labour regulation is the responsibility of the federal Ministry of Labour, but several other federal and local entities play important roles in assisting the ministry to achieve its objectives. These include at federal level the Ministry of Interior, Ministry of Justice and the Federal Courts, and at emirate level, the corresponding government departments as well as Chambers of Commerce and private companies.

Despite somewhat mixed results to date, Emiratisation in the form of employment quotas for UAE citizens in certain sectors is considered to be essential, not only to provide much-needed private-sector employment for UAE citizens, but also to build the nation's knowledge economy and to ensure that Emiratis serve as the key drivers of economic growth and development.

To achieve their objectives, Government entities are proposing to make Emiratisation goals a standard requirement in the awarding of major contracts (e.g. oil and gas contracts, power-generation contracts and major defence procurements). In addition, organisations such as the Abu Dhabi Council for Emiratisation and The Emirates National Development Programme are training nationals for the labour market in accordance with market demand, at the same time building partnerships with UAE private sector firms for recruitment and long-term retention of nationals. Many of the leading companies also have specialised training and internship programmes for UAE citizens.

Nevertheless, in order to keep pace with rapid economic growth, the UAE will continue to require large numbers of expatriate workers, particularly as economic diversification drives expansion into labour-intensive sectors such as tourism, real estate, and medium and heavy industries. It is generally acknowledged that effective management of labour resources is a critical element in attracting and developing the required skilled and flexible workforce capable of delivering the country's social and economic vision. Mismanagement of labour resources would also tarnish the country's international image and, most importantly, it would be inconsistent with the values of the UAE.

Therefore, there is a major focus on the provision of equal treatment and acceptable working conditions, to be achieved by updating labour laws and labour rights; establishing appropriate mechanisms for the enforcement of legislation; and raising employers' and employees' awareness of their legal rights and obligations.

Social Welfare

Unfortunately, despite the economic boom, some vulnerable sections of UAE society find themselves in need of social welfare support from the Government. Over the past 20 years, the number of people receiving monthly financial assistance has fallen, but at the same time the average payment per recipient has gone up sharply, reflecting a 75 per cent hike in the value of payments to help combat the increased cost of living.



education





The major direction for public policy within this area is to strengthen the organisational role of the UAE Government and stimulate a shift from the social welfare approach to the social development approach, thus integrating all beneficiaries in the development process and thereby maintaining the stability and cohesiveness of the UAE family. The strategy also promotes the concept of community and social partnership. This is to be achieved by motivating local societies, institutions and individuals to provide social services and to create partnerships with the private sector.

Initiatives to realise these objectives include enacting legislation and special regulations for the assimilation of members of society with special needs and other beneficiaries into the development process; increasing rehabilitation and training programmes in partnership with other local and private bodies; training social welfare beneficiaries and preparing them for the job market; launching joint programmes between federal and local social care bodies to ensure service integrity; increasing and initiating family extension and awareness programmes; providing financial assistance to the needy; enacting legislation and laws to encourage local institutions, individuals and the private sector to provide social services; inaugurating a prize/award for the best social development initiatives and institutions.

In particular, since voluntary work represents the embodiment of Islamic and social values in UAE society and the importance of volunteerism in enhancing social solidarity and contributing to the process of social development is widely recognised, the Government has encouraged and promoted voluntary work by supporting voluntary and humanitarian organisations and has implemented legislation to regulate their services to the public. For their part, voluntary and charitable organisations, among which the UAE Red Crescent is the most prominent, have already contributed generously to social welfare services and development programmes covering such areas as medical aid, student sponsorship, disability, special care, health care and the welfare of prisoners.



Education

Educational opportunities in the UAE have blossomed since the establishment of the federation when only a tiny minority of the urban population had access to formal education. Today, the UAE offers a comprehensive education to all male and female students from kindergarten to university, with education for the country's citizens being provided free at all levels. There is also an extensive private education sector, while several thousand students of both sexes pursue courses of higher education abroad at Government expense.

Although great strides have been made since the educational system was first formalised, a major overhaul of the system to meet the needs of the twenty-first century is a cornerstone of *UAE Federal Government Strategy*.

The major direction for federal public policy within the pre-university sector is to improve student and school performance levels in accordance with the expectations of society and international standards, at the same time enhancing the managerial independence of schools as well as promoting student-centred education processes. This is to be undertaken in tandem with developing the governance framework for this sector in cooperation with local education councils.

Some of the initiatives that will realise these policy objectives are the development of school curricula and student assessment programmes; improvements in the technical infrastructure of all schools; the introduction of continuing education programmes for school principals, teachers and other school staff; the establishment of a system of teacher licensing and re-licensing; adoption of an academic accreditation system for public and private schools; and implementation of plans for developing school buildings and equipment in line with international standards.

These policies are also being pursued at local level. For example, in Abu Dhabi, the reform effort begins with administrative restructuring so that government has a reduced role in the direct provision of educational services and a strengthened private sector delivers these services on behalf of government. The focus of government, therefore, becomes that of





regulator and supervisor of an education system with newly created standards matching best educational practice. At the same time, the participation of Emirati nationals in education administration and teaching is increased and cost efficiencies are achieved through new practices in the management of individual schools and new administrative structures for learning institutions across the emirate. These reforms are also intended to facilitate Abu Dhabi's evolution as an education hub for the Emirates and the region.

As far as higher education and scientific research is concerned, the major direction for federal public policy is to ensure the quality of public and private academic programmes, further the role of the country's many higher education institutions, create harmony between the different specialities, and meet the requirements of the local community and the national economy. This is to be achieved through the successful graduation of qualified nationals who are able to effectively compete for opportunities within the UAE job market.

As the federal strategy points out, these policies can be realised through the initiation of joint educational programmes between the Ministry of Education and local education councils; upgrading the level of General Secondary School Certificates' graduates and the application of alternative systems that better equip secondary students for university education; the revision of existing academic programmes to ensure compliance with the required high quality standards; the pursuance of international academic accreditation; the creation of partnerships with the corporate sector to ensure that national curricula and programmes are correctly focused in order to meet the needs of the job market and thus provide students with the right skills; following-up and monitoring the performance of private universities and colleges to ensure coordination with relevant local bodies; and the affiliation of local universities with recognised international universities and the promotion of joint programmes.

Again, the attainment of international standards and best practices are the guiding principles, a focus on technology being a common thread in the efforts to equip the younger generation with the knowledge, understanding, skills and values to ensure their success in meeting individual and national development goals for the UAE.

There is also a renewed emphasis on the sciences, since scientific research is considered to be one of the key drivers behind progress in advanced nations, especially those relying on a knowledge-based economy.



A key priority of the *Abu Dhabi Executive Council Policy Agenda 2007/2008* is to provide a standard of higher education in Abu Dhabi that was previously only available for students overseas. Important components include partnering with leading international institutions to create new facilities, and ensuring that the emirate's existing institutions are strengthened and improved to meet the increasing demand for local education.

This policy is already bearing fruit. For example, the Paris Sorbonne University Abu Dhabi, wholly owned by ADEC, was established in May 2006 in partnership with one of the world's leading academic institutions to enhance educational opportunities in Abu Dhabi. Successful international partnerships have also been developed with Insead, one of the world's largest graduate business schools, and between the Petroleum Institute and the Colorado School of Mines.

Other major developments are taking place that will improve and expand higher education facilities in Abu Dhabi Emirate. These include the agreement with Al Hikma Development Company to deliver a new campus for UAE University, thereby mobilising the private sector in the delivery of educational services and facilities and leaving the University free to concentrate on its academic and educational responsibilities.

Additional significant projects include the relocation of Zayed University and the large-scale construction of a new University City. Both constitute a considerable expansion of Abu Dhabi's capacity to provide world-class higher education and ultimately achieve educational hub status.

In Dubai, the establishment by Dubai Knowledge Village, a member of Tecom Investments, of Dubai International Academic City (DIAC), a free zone dedicated to international higher education, will lead to a significant blossoming of tertiary-level educational opportunities in that emirate. Within DIAC, a new campus for the Dubai branch of Zayed University was opened in early November 2007.





Women

The full participation of women in social and economic life is considered to be essential for the future of the country and great strides have been made in the empowerment of UAE women since the establishment of the state. From very rudimentary beginnings, when educational opportunities were minimal, the percentage of girls enrolled in primary education has now reached 83 per cent and females form 62 per cent of the total number of students in higher education, with a steady growth in the number of women with Masters and PhD degrees. As a result, 66 per cent of employees in the public sector, including education, medicine, diplomacy and armed forces, are women, of which 30 per cent are in decision-making positions.

The belief that women are entitled to take their place in society and become effective partners in the development process is grounded in the UAE Constitution, which guarantees the principles of social justice for all, in accordance with the precepts of Islam. Under the Constitution, women enjoy the same legal status, claim to titles, access to education, health care and social welfare and the same right to practice professions as men.

The guarantees enshrined in the Constitution have been carried through into implementing legislation. Under the terms of the Labour Law, for example, discrimination between men and women in terms of equal pay for equal work is proscribed. The Civil Service Law also allows for extensive maternity leave, and in 2005 civil service rules governing additional payments for children and housing were amended to eliminate any gender-based discrimination against employees. New laws have also been issued to allow divorced or widowed UAE women, who were married to non-citizens, to pass on their citizenship to their children.

The Government has also acceded to a number of international agreements specifically relating to women and children, including the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and the UN Convention on the Rights of the Child.

Over and beyond this legislative framework, the Government continues to make the necessary efforts to mainstream and promote a culture of gender equality and justice in all government institutions, with special emphasis on schools and the media, and it continues to work on eliminating the social and psychological barriers that impede the full integration of women into the labour force, especially in the private sector. Although great strides have been made, there is a general awareness that the journey has just begun.

At local level, Abu Dhabi Executive Council plans to establish a dedicated body for the development of women's policy to work across all departments and authorities in the Abu Dhabi government, in order to protect and advance the role of women throughout society – in the workplace, in the family and in the community. The intention is to build on the existing strengths and good work of federal and emirate resources, including the General Women's Union and the Abu Dhabi Family Development Foundation.

As already outlined, 2007 was a truly remarkable year in terms of political participation for women in the UAE. Since early 2006, two female ministers have sat at the Cabinet table with

responsibility for the Ministry of Economy and Planning and the Ministry of Social Affairs. However, it was the swearing-in of nine national women following the first-ever elections to the FNC that broke new ground. The nine women hold 22.5 per cent of the seats in parliament, according to the UAE the distinct honour of being not only unique in the region but one of the few countries in the world with such a high percentage of female parliamentarians.

Health

The UAE has a comprehensive, government-funded health service and a rapidly developing private health sector that delivers a high standard of health care to the population. Most of the infectious diseases like malaria, measles and poliomyelitis that were once endemic in the UAE have been eradicated, while pre-natal and post-natal care is on a par with the world's most developed countries: the new-born (neonate) mortality rate has been reduced to 5.54 per 1000 and infant mortality to 7.7 per 1000. Maternal mortality rates have dropped to 0.01 for every 100,000, primarily due to the fact that almost all deliveries in the country take place in hospitals under direct medical supervision.

To date, health care in the UAE has, by and large, been funded by the government. As with other sectors, this emphasis is evolving and public-private partnerships are to the fore in the government's efforts to meet the high costs of satisfying expected demand from a rising population in a challenging market and to increase effectiveness and efficiency. In any case, the perception is that private-sector investment in health care is highly beneficial for patients as it creates competition and encourages government medical facilities to improve their standards.

The major direction for public policy within this area is the development of the organisational and legal frameworks based on best practice in order to upgrade the private and public sector health service capabilities and formulate a public policy that sets the priorities for health services development within the sector.

In particular, healthcare delivery in Abu Dhabi is undergoing a significant transition that will affect the entire spectrum of stakeholders: patients (citizens and expatriates), providers and those responsible for planning, assuring the quality of services and financing the health system. Key objectives are to improve quality of care through application of rigorous service standards and performance targets for all, expand access to services, shift from public to private providers safely





and efficiently so that private providers, rather than government, service healthcare needs, with the role of government restricted to the development and enforcement of new, world-class healthcare standards.

Abu Dhabi Emirate is, therefore, endeavouring to create an environment and regulatory framework conducive to private sector investment in health care. The Health Authority – Abu Dhabi (HAAD) was established under Law No. 1 for 2007 to take over from the General Authority for Health Services and the Abu Dhabi Health Services Company (ADHSC), to be known as SIHHA, was also established in 2007, as a Dh1 billion public joint stock company. Ownership of all health and medical facilities, property, including land, employees, as well as all contracts and agreements, were transferred to the new company, which is an independent corporate body, enjoying full legal status. ADHSC will partner in public-private partnerships and oversee public sector healthcare provision assets, as well as manage preventative programmes and health services in remote regions (e.g., the Western Region of the emirate).

One of the more radical developments in the system in recent years has been the introduction of compulsory health insurance. Residents of Abu Dhabi will be covered by a comprehensive insurance scheme introduced by HAAD under the terms of Law No. 23 for 2005. The new scheme, covering treatment in public and private hospitals, will phase out health cards, which will not be renewed on expiry. Hallmarks of the new system include a clear and transparent reimbursement process, affordable access for all residents, and reliable funding for quality health care in Abu Dhabi.

The first phase of healthcare insurance cover is being enacted for all expatriate employees working for Abu Dhabi-based ministries, federal and local organisations and private companies with more than 1000 employees. A comprehensive health insurance scheme for nationals is also being established. Initially, the National Health Insurance Company (Daman) will handle policies for the government sector, while the private sector scheme will be covered by a number of private companies.

Employers will meet the insurance costs of expatriates and their families. In the case of citizens from Abu Dhabi, the emirate will meet insurance costs and a capitalisation fund has been established to allow for the future health costs in the emirate, predicted in 2025 to be five times higher than today. A charitable fund will continue to operate for underinsured expatriates and also cover more serious medical conditions, such as cancer, dialysis, poly-trauma and disability.

A new unified health insurance system in Dubai for nationals and non-nationals is also planned and it is expected that the scheme will eventually be rolled out across the country.

In the meantime, federal and local governments as well as private healthcare providers are continuing to invest heavily in healthcare infrastructure. In particular, attracting the world's best healthcare institutions and professionals to the country through the forging of strategic partnerships is a key component of the new health policy, which will eventually enable the country to become one of the most reputable healthcare hubs in the wider region.

Developments in the Media

A re-organisation of government ministries in early 2006 led to the closure of the Ministry of Information and Culture and to establishment of a National Media Council and a new Ministry of Culture, Youth and Community Development. The aim of these moves was to streamline the different and varied functions that previously fell under the remit of a single ministry.

Abu Dhabi Law No. 13 for 2007 provided for the establishment of Abu Dhabi Media Company (ADMC), a Dh100 million public joint stock company wholly owned by the government of Abu Dhabi. The law defines the company's role in carrying out all media-related activities, including broadcasting, production, marketing, advertisement and other associated services, plus provision of media services via the internet or any other medium and publishing of newspapers and magazines in Arabic and other languages. The company's duties also cover the fostering and training of UAE nationals in all media.

Under the law, ownership of Abu Dhabi Satellite Channel, Abu Dhabi Sport Channel, Abu Dhabi Radio, Emarat FM Radio, Holy Quran Radio, *Al Ittihad* newspaper, *Zahrat Al Khaleej* magazine, *Al Super* magazine and *Majid* magazine, (all previously owned by Emirates Media Incorporated, EMI) was transferred to ADMC, along with all their assets. The broadcasting group's coverage extends from the Middle East to Europe as well as North America. In mid-2007, ADMC also announced plans to launch a new English language daily newspaper, based in Abu Dhabi.

In a major development in September 2007, ADMC forged a strategic alliance with Aldar Properties and Warner Brothers Entertainment governing the creation of a theme park and hotel, jointly owned multiplex cinemas, a co-finance agreement covering feature film production, the development and publication of videogames, and the build-out of the infrastructure for Abu Dhabi's digital transformation. This is directly in line with Abu Dhabi government's active encouragement of the indigenous and international film industry through the Abu Dhabi Film Commission, the Abu Dhabi Film Financing Circle and the inaugural 2007 Middle East International Film Festival. The latter is following in the footsteps of the Dubai International Film Festival (DIFF), now in its fourth year, which sees itself as a catalyst for future development of the film industry in the country.





A directive issued at the end of September 2007 by HH Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai, ending the criminalisation of press offences gave a great boost to freedom of the press in the region and to the future of open and independent journalism. The directive was announced by Sheikh Abdullah bin Zayed Al Nahyan, Minister of Foreign Affairs and Chairman of the National Media Council, who underlined Sheikh Mohammed's view that no journalist should be imprisoned because of his or her work, pointing out that other procedures can be taken against any journalist committing an offence. He added that Sheikh Mohammed had instructed the Cabinet to speed up the issuing of a new press and publication law in light of amendments made by the National Media Council in collaboration with relevant organisations.

The International Federation of Journalists (IFJ) welcomed the directive and expressed the hope that a change in the law in the UAE would set a precedent for the decriminalisation of media law in the region.

Following the issuing of the directive, editors-in-chief of some of the UAE's top Arabic and English newspapers signed a code of ethics, defining the rights and duties of the press, and outlining their commitment to raise the standard of journalism in the country.

In April 2007, HH Sheikh Mohammed bin Rashid Al Maktoum appointed a new board of directors for the Dubai Media Corporation (DMC): the board is entrusted with the task, among other responsibilities, of preparing DMC's operational strategy and developing the appropriate structures to enable DMC to discharge its mission in a transparent and objective manner.

Capitalising on the success of the UAE's first media free zones, Dubai's Internet City and Media City, a new entry to the market, the 4-million-square-metre International Media Production Zone (IMPZ), caters to the printing, packaging and publishing sectors. A 40,000-square-metre media free zone Creativity City is also planned for Fujairah to provide services for individuals and companies working in the media, communications, design and technology fields. As well as new investors, Creativity City will contain a number of already existing ventures such as Fujairah FM. Creativity City, the latest project under the administration of the recently formed Fujairah Culture and Media Authority (FCMA), will be operated and administrated by Fujairah Media, a joint venture between Fujairah Investments – the investment arm of the Fujairah government – and Arab International Media Services.



UAEINTERACT LINKS

▶ Amnesty re Illegal Immigrants	www.uaeinteract.com/amnesty
▶ Children	www.uaeinteract.com/children
▶ Consumer Protection	www.uaeinteract.com/consumer
▶ Copyright	www.uaeinteract.com/copyright
▶ Crisis Management	www.uaeinteract.com/crisis
▶ Disabled	www.uaeinteract.com/disabled
▶ Education	www.uaeinteract.com/uaeeducation
▶ Elderly	www.uaeinteract.com/elderly
▶ Emirates Foundation	www.uaeinteract.com/emiratesfoundation
▶ Emirates News Agency	www.uaeinteract.com/wam
▶ Emiratisation	www.uaeinteract.com/emiratisation
▶ Employment	www.uaeinteract.com/employment
▶ Films	www.uaeinteract.com/films
▶ Health	www.uaeinteract.com/health
▶ Housing	www.uaeinteract.com/housing
▶ Human Development	www.uaeinteract.com/hdi
▶ Human Rights	www.uaeinteract.com/humanrights
▶ Immigration	www.uaeinteract.com/immigration
▶ Laws	www.uaeinteract.com/laws
▶ Local Charities	www.uaeinteract.com/charity
▶ Marriage Fund	www.uaeinteract.com/marriagefund
▶ Media	www.uaeinteract.com/media
▶ National Health Insurance	www.uaeinteract.com/nhi
▶ National Identity Card	www.uaeinteract.com/idcard
▶ Pension and Social Security	www.uaeinteract.com/pension
▶ Population	www.uaeinteract.com/population
▶ Public Libraries	www.uaeinteract.com/libraries
▶ Radio and Television	www.uaeinteract.com/radio_tv
▶ Religion	www.uaeinteract.com/religion
▶ Social Studies	www.uaeinteract.com/socialstudies
▶ Social Welfare	www.uaeinteract.com/welfare
▶ Students	www.uaeinteract.com/students
▶ Women	www.uaeinteract.com/women
▶ Youth	www.uaeinteract.com/youth

A directive issued at the end of September 2007 by HH Sheikh Mohammed bin Rashid Al Maktoum, Vice President, Prime Minister and Ruler of Dubai, ending the criminalisation of press offences gave a great boost to freedom of the press in the region.



*A wet winter allowed the flora of the desert
and mountains to bloom in profusion.*

wildlife



ENVIRONMENT

Over the last year, from late 2006 until autumn 2007, the most significant news related to the environment of the UAE has come not from man's efforts to protect the environment, or even new discoveries in terms of the country's fauna and flora, although there has been progress in both of those fields. The news has, rather, been directly related to the impact of world weather on the Emirates.

From late November 2006 until April 2007, the UAE enjoyed its wettest winter for nearly a decade, steady rains every few weeks permitting the water to sink deep into the soil, recharging the stressed subterranean aquifers, benefiting agriculture and, of course, allowing the flora of the desert and mountains to bloom in profusion. Not only were the all-important seed-banks re-stocked, but there was a direct benefit too up the food chain, from insects, small birds, small mammals and reptiles to the larger predators, reptiles, mammals and birds that feed upon them.

The climatic delights of a mild and wet winter, however, were followed in June by the arrival of Tropical Cyclone *Gonu*, which produced heavy waves that caused flooding along much of the UAE's East Coast, though, fortunately, without the extensive damage and loss of life that occurred further to the south-west, in neighbouring Oman. *Gonu* was the strongest storm to hit the Emirates since weather records began over 40 years ago.

Not surprisingly, the UAE's avid natural historians made the best of the excellent winter rains to undertake fieldwork, in both the desert and the mountains. One plant species identified in the UAE for the first time, the grass *Cutandia dichotoma*, found on coastal sand dunes in Umm al-Qaiwain, was previously known in the Arabian Gulf from Kuwait, several hundred kilometres away – a remarkable addition to the national plant list. Several other plant species collected in the higher parts of the Hajar Mountains may also be new records for the Emirates, including a species of yellow Pheasant's-eye *Adonis* sp., although final confirmed identifications were still awaited as this publication went to press.

With the abundant plant life, and with temperatures remaining moderate well into April, much of the northern desert areas of the country resembled the steppes of Central Asia, rather than the more familiar dry dune landscape of the Emirates. That, in turn, may have been responsible for another remarkable scientific record – the first recorded indication of breeding by isabelline wheatears, a migrant bird species that is common in the Emirates from autumn to spring, but which generally breeds in South-west and Central Asia.



Clean Energy

One development announced during the year indicates the seriousness with which the UAE is addressing the general issue of man's contribution to climate change and the process of global warming. Early in 2007, the Abu Dhabi Future Energy Company (ADFEC), wholly-owned by the Abu Dhabi Government's Mubadala Development Company, launched its Masdar Initiative, a scheme for an environmentally-friendly mini-city in Abu Dhabi.

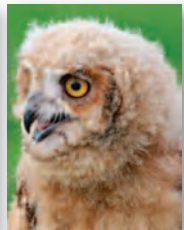
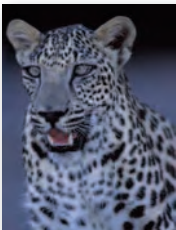
The logic behind the Masdar Initiative is that, although Abu Dhabi is well-supplied with conventional forms of energy, like oil and gas, there is also a need for it to take a lead in developing alternative and sustainable energy, since world energy demand is growing much faster than conventional energy supplies. There is also a need for a transition to cleaner, sustainable, and renewable forms of energy.

Abu Dhabi's specific environmental conditions provide excellent opportunities to develop and apply advanced technologies in clean and sustainable energy, while the large-scale CO₂ sequestration options in the local and regional oil and gas industries provide world-scale opportunities in solar, water, carbon management and hydrogen power.

Associated with this, ADFEC's carbon management unit is a regional pioneer in developing carbon-related projects under the Kyoto Protocol's Clean Development Mechanism, building a broad portfolio of assets involved in carbon capture, sequestration and carbon credit trading that should allow Abu Dhabi to become a world leader in these increasingly important fields..

Conservation Programmes

There have also been significant developments over the past year in terms of conservation of the UAE's environment and wildlife. Perhaps the most important of those has been the release into the deep deserts of Abu Dhabi of 100 Arabian oryx *Oryx leucoryx*, marking the successful achievement of a long-held dream of former UAE President Sheikh Zayed bin Sultan Al Nahyan. Organised by the Environment Agency – Abu Dhabi (EAD) in association with Al Ain Zoo, the release programme has the objective of re-establishing a self-sustaining wild population, first in a carefully-monitored and protected reserve area. Over the next four years, a hundred more captive-born oryx, chosen from stock at Al Ain Zoo and from private collections, will be released during the cooler months throughout Abu Dhabi's deserts.





conservation





Another important introduction programme has involved the houbara, or Macqueen's bustard *Chlamydotis macqueenii*, the favoured quarry of the UAE's falconers. Following several years of extensive study, including satellite-tracking of migrant houbara between the UAE and their breeding grounds in Central Asia, a number of captive-bred houbara were released into the western deserts of Abu Dhabi, where several not only survived, but bred – the first proven breeding of the species in the country.

EAD has also succeeded over the course of the last year in extending its protected areas programme, with the large Marawah Marine Protected Area, west of Abu Dhabi, now having been joined by further areas around the Yasat islands, in the extreme west of the country, and another substantial area from the western coastline of Abu Dhabi island to the neighbouring islands of Futaisi and Bahrani. Planning for the formal designation of the oryx release site in south-eastern Abu Dhabi, near Umm az-Zamul, and of most of the mountain of Jebel Hafit, near Al Ain, also made progress during the course of the year.

Besides this, and its task as Abu Dhabi's regulatory body on environmental issues, EAD has also continued with an extensive scientific research programme, particularly on the marine environment, where studies have been undertaken on algal blooms, on the biology, distribution and conservation of dugongs and on finalising plans for the implementation of a conservation plan for marine turtles.

Other successful satellite-tracking programmes have also been carried out on the greater flamingo *Phoenicopterus roseus*, proving the interchange of populations throughout the coastal wetlands of the UAE, including those in Abu Dhabi, Dubai, Sharjah, Umm al-Qaiwain and Ra's al-Khaimah, and onwards to the Caspian Sea, and on red-billed tropic-birds *Phaethon aethereus*.

The expansion of the UAE's protected areas programme, however, has not been confined to the Emirate of Abu Dhabi. One development of major significance during the year has been the agreement by the Fujairah government to provide formal protection to an area of the



Hajar Mountains that encompasses the UAE'S only permanent waterfall, at Wadi Wurrayah. The agreement follows a detailed study of the fauna and flora of the area undertaken by the Emirates Wildlife Society, the local affiliate of the international conservation body, the Worldwide Fund for Nature (WWF).

A largely-pristine area of mountain habitat, Wadi Wurrayah and its environs are home to some of the UAE's, and Arabia's, rarest fauna, including one of three remaining UAE strongholds for the highly-endangered Arabian tahr *Hemitragus jayakari*.

Another important initiative undertaken by the Emirates Wildlife Society has been the launching of a public campaign to promote recognition of the ghaf tree as the UAE's national tree. Largely confined to the plains in the eastern and northern parts of the country, the ghaf *Prosopis cineraria* has great value to the country's biodiversity, not just as a tree but as a micro-habitat or nesting area for a variety of birds, invertebrates and reptiles and was formerly a source of fuel and shelter for local inhabitants, but is now threatened by development.

Elsewhere in the country, Ra's al-Khaimah has restructured its environmental legislation, replacing the former Environment Protection and Industrial Development Committee with the new Environment Protection and Development Authority. Headed by one of the country's leading marine biologists, the new Authority has devoted much attention to the gathering of baseline data, both onshore and offshore, to permit it in the future to designate areas for formal protection.

In Sharjah, the Environment and Protected Areas Authority has also been active, with a particular focus being on the continued development of the Emirate's Desert Park and the associated Breeding Centre for Endangered Arabian Wildlife. Separately, work is also well under way on the creation of the Wasit Nature Reserve, just on the edge of Sharjah City – an area that offers good views of migrant and resident birds, as well as a wide range of indigenous flora and other fauna.

As noted elsewhere in this publication, the UAE is currently engaged in a major programme of industrial and residential development, that is, inevitably, having a major effect on the country's natural habitats. Government, however, in association with private sector bodies, is endeavouring, as far as possible, to ensure that such development is undertaken sustainably. The challenges are huge, but the effort continues, unabated.

433 species of wild birds have been recorded in the UAE.

Of these about 100 breed within the country.

conservation



*The UAE places a high priority on environment conservation.
Abu Dhabi's Environment Agency is particularly effective in this regard.*



wildlife



WEBSITES

▶ Environment Agency –Abu Dhabi	www.ead.ae
▶ Dubai Natural History Group	www.godubai.com/citylife/dubai_history.asp
▶ Emirates Birds Records Committee	www.uaeinteract.com/nature
▶ Emirates Environmental Group	www.eeg-uae.org
▶ Emirates Natural History Group	www.enhg.org
▶ Federal Environmental Agency	www.fed.gov.ae/uaefea@emirates.net.ae
▶ International Centre for Biosaline Agriculture	www.biosaline.org
▶ Zayed International Prize for the Environment	www.zayedprize.org.ae
▶ Commission of Environmental Research, Emirates Heritage Club	www.cerehc.org.ae/HeritageClub2.htm

UAEINTERACT LINKS

Abu Dhabi Global Environment Initiative	www.uaeinteract.com/agedi
Biological Research	www.uaeinteract.com/biology
Camel Research	www.uaeinteract.com/camel
CITES	www.uaeinteract.com/cites
Conservation	www.uaeinteract.com/conservation
Environment	www.uaeinteract.com/environment
Geology	www.uaeinteract.com/geology
Islands	www.uaeinteract.com/islands
Marine and Coastal	www.uaeinteract.com/marine
Plants	www.uaeinteract.com/plants
Solar Energy	www.uaeinteract.com/solar
Waste Water Management	www.uaeinteract.com/wastewater
Waste	www.uaeinteract.com/waste
Water	www.uaeinteract.com/water
Weather	www.uaeinteract.com/weather
Wildlife	www.uaeinteract.com/wildlife





sports



SPORTS

The UAE has already established itself on the international sporting stage, holding many of the world's major events in a wide range of sports, from horse racing to motor racing, golf, tennis, football, rugby, cricket, sailing, powerboat racing and almost every other competitive sport. These events not only attract large numbers of competing and sports enthusiasts from around the globe, they also see some of the country's own top sportsmen and women in action. Sports play an increasingly important role in the UAE's efforts to develop tourism, and facilities throughout the country are being constantly upgraded or newly constructed. So much so that the country is bidding to host the 2016 Olympic Games and has already been awarded the tenth FINA World Swimming Championships in 2010.

In addition, international sport sponsorship, considered to be very effective brand advertising, has been used to great effect by UAE companies and government bodies, serving not only to further brand awareness, but also to publicise the UAE.

Aside from the international circuit events, the UAE has a healthy indigenous sporting environment with the local community participating in a wide variety of clubs and establishments. Teams from the seven emirates regularly compete in national leagues and cups in a multiplicity of sports, which are controlled by specialised governing bodies. Top sporting venues (both indoor and outdoor) and a favourable climate ensure that the activities continue throughout the winter season. New sporting councils, such as the Abu Dhabi Sports Council, have been established to coordinate growth and development of local and national sports clubs.

With the Arabian Gulf on its western shores and the Indian Ocean along its eastern flanks, the UAE is particularly attractive for watersport fans. Those living on the Gulf coast are blessed with long stretches of sandy beach where residents take part in sports such as sailing, jet-skiing, surfing, swimming and kitesurfing. Snorkelling and diving are hugely popular within the region. Many residents and visitors enjoy the UAE's East Coast, which also provides a wealth of exotic fish and coral.

Residents are able to take full advantage of the country's parks and recreational grounds where football, basketball and cricket matches are a favourite pastime, while the desert and mountain areas outside the main cities provide rough, rugged terrain for more adventurous pursuits. It would be extremely difficult to pinpoint a sport that is not enjoyed in the UAE as there are always new centres, clubs and associations being established around the region.



National Success

Like any other sporting nation, the UAE has a huge interest in football. The UAE FA was first established in 1971 and since then has dedicated its time and effort to promoting the game, organising youth programmes and improving the abilities of not only its players, but of the officials and coaches involved with its regional and national teams.

The UAE were hosts to the eighteenth Gulf Cup in January 2007 and it proved to be a momentous occasion as the national team managed to pull off one of its biggest achievements in football, beating Oman 1–0 to win the coveted cup for the first time in its 35-year history.

The UAE also did remarkably well at the fifteenth Asian Games, which were held at the Khalifa Stadium in Doha in December 2006, clinching ten medals, three gold, four silver and three bronze, with members of the Al Maktoum family bringing home much of the glory. UAE champion karate and taekwondo exponent Sheikha Maitha bint Mohammed Al Maktoum became the first Arab woman to win silver in karate, whilst her brothers Sheikh Rashid, Sheikh Hamdan, Sheikh Ahmed and Sheikh Majid took gold in the endurance team event. In addition, Sheikha Latifa bint Ahmed Al Maktoum was a member of the UAE showjumping team that was awarded a bronze medal.

Sheikha Latifa, riding her own horse *Kalaska De Semilly*, went on to qualify for the 2008 Beijing Olympic Games after an excellent performance in the jump-off on the concluding day of the seventh Qatar International Show Jumping Championship in March 2007.

Not surprisingly, with its strong equine tradition, the UAE is classed as one of the forerunners in the development of endurance racing and its riders and horses are currently ranked amongst some of the world's best. Endurance races are gruelling and tough as many exceed the 120-kilometre mark and the UAE can attribute much of its success in this sport to the stamina of the purebred Arabian horse, which is ideally suited to desert terrain, and to the passion of its riders. With a long list of wins at home and abroad to their credit, the UAE battled difficult conditions to snatch the team silver and individual bronze at the 2007 World Junior and Young Riders' Endurance Championship held in Argentina.

Another victory for the UAE came in the somewhat surprising sport of ice hockey, where a young team made its mark by winning the first Asian ice hockey tournament late in the year.



Traditional Sports

The inhabitants of the Gulf states have enjoyed a long and productive relationship with the camel, which is held in great admiration and respect. Formalising camel racing was one way of maintaining the animal's central role in UAE life. Today, camels are scientifically bred and trained specially for racing and the UAE now has no less than 15 race tracks across the Emirates where races, many for valuable prize money, are held throughout the winter months.

Like the evolution in function that has taken place over time with the 'ships of the desert', sleeker versions of the wooden sailing dhows that were once used for fishing and pearling or plied the ocean laden with goods are now competing against each other in hard-fought races. The season for the evocative traditional dhow races begins on 1 October with the first heat for the 22-foot class at Dubai International Marine Club (DIMC). Lucrative prizes are awarded for the victors in this and other competitions for the larger boats.

In May, marking the end of the season, the spectacular Sir Bu Nua'ir dhow race is living proof that the country has a firm hold on tradition. Every year since the event was started in 1991, dozens of dhows have raced along the UAE coast in a re-enactment of the sprint home by pearlers of old from the pearl banks near the island of Sir Bu Nua'ir. Local knowledge of wind and tides is a huge advantage and a younger generation of sailors, many of whom have a seafaring background, are keeping the tradition alive whilst adding their own competitive touches. In 2007 over 100 majestic 60-footers lined up to sail the 54-nautical-mile Sir Bu Nua'ir race.

International Events

A wide range of major international sporting events take place throughout the season in the UAE bringing the world's top-class sportsmen to the country.

Horses have long been an integral part of life in the UAE where some of the best equestrian facilities are located. However, it is horse racing that really fires the imagination. Races of thoroughbreds and the legendary purebred Arabians take place in many of the region's well-equipped equestrian clubs and courses, but the highlight of the season is certainly the Dubai International Racing Carnival's nine weeks of top-class racing. Recognised as the world's richest





race, the US\$6 million Dubai World Cup has become the favourite meeting place for the international racing fraternity. American Horse of the Year Argentinian-bred *Invasor* joined an elite group of great champions who have won the Dubai World Cup when he triumphed in majestic fashion in March 2007. This was the second success for Sheikh Hamdan bin Rashid Al Maktoum, Deputy Ruler of Dubai and Minister of Finance and Industry, in the race, having previously won with *Almutawakel* in 1999.

Golfing is another international sport that has rapidly established itself as a popular pastime in the UAE where a wide-range of well-designed golf courses with immaculate greens, lush fairways, high-tech practice ranges and facility-driven clubhouses make the UAE a world-class destination for all golfers. However, it is the professionals that flock to Abu Dhabi Tourism Authority's prestigious PGA Abu Dhabi Golf Championship, held at Abu Dhabi Golf Club. A field of 120 household names competed in the 2007 championship from 18 to 21 January, with Paul Casey emerging as the proud winner of the trophy in the US\$2 million (Dh7.34 billion) event.

Abu Dhabi kick-starts what has become known as the 'Desert Swing', taking the players to Doha and then on to Dubai for the Dubai Desert Classic, which is now among the world's top events on the global golfing calendar. Held at the Emirates Golf Club's Majlis Course at the beginning of February 2007, Tiger Woods was the defending champion but it was Henrik Stenson, who uses the Emirates Golf Club as his winter training base, who triumphed in a thrilling one-stroke victory over Ernie Els.

The UAE consistently attracts the leading tennis players in the world to compete in international tournaments held in Abu Dhabi and Dubai. Two weeks of top-class action at the Dubai Tennis Stadium came to a close on 3 March 2007 as Roger Federer won his fourth Dubai tennis title, thanks to an awesome second set display which blew away unseeded Russian Mikhail Youzhny. Meanwhile, three-time-winner (2003, 2004, 2006) Justine Henin maintained her dream record when she successfully defended her singles title at the Dubai Duty Free Women's Open.



The UAE's busy international motor sport calendar was given an extra dimension in 2007 with the launch in Abu Dhabi of a new round of the FIA Historic Rally Championship. The inaugural Abu Dhabi Classic, which took place from 11 to 13 January 2007, saw the UAE capital entering a well-established rally championship series expanding from Europe into the Middle East for the first time.

The new rally was another milestone for the UAE's Automobile and Touring Club (ATCUAE), which already stages rounds of the FIA Cross Country Rally World Cup and the FIA Middle East Rally Championship: the UAE Desert Challenge concludes the World Cup series in November and the Dubai International Rally rounds off the Middle East Championship a month later.

The Abu Dhabi Classic, meanwhile, takes over the January slot on the calendar from the UAE International Rally, which was run for the last time at the start of 2006, ensuring that the country has a full complement of top-class international events for cross country vehicles, conventional rally cars, and historic vehicles.

In addition, the first Abu Dhabi Formula One Grand Prix for racing cars is due to be held in 2009, bringing yet another top international sport to the Emirates.

First appearing on the Arabian shores in 1989 when the region's initial race took place off the coast near Mina Seyahi, the UAE has since held the WPPA Class 1 World Powerboat Championships a staggering seven times. The UAE powerboat *Victory* team is classed as the most successful in the history of the World Championships, with driving legend Ali Nasser himself picking up an unprecedented 14 world titles in 13 years.

In a much-feted triumph, newcomer Arif Saif Al Zafein from the UAE and French team-mate Jean-Marc Sanchez driving *Victory 77* took the European crown in a thrilling victory at the Romanian Grand Prix and went on to win the 2007 WPPA Class 1 World Championships, also in *Victory 77*, at Mina Seyahi in Dubai in December, beating long-standing rivals *Qatar 96* and *Spirit of Norway* to first place on the podium.

UAEINTERACT LINKS

▶ Camel Racing	www.uaeinteract.com/camelracing
▶ Cricket	www.uaeinteract.com/cricket
▶ Endurance Racing	www.uaeinteract.com/endurance
▶ Football	www.uaeinteract.com/football
▶ Golf	www.uaeinteract.com/golf
▶ Horse Racing	www.uaeinteract.com/horseracing
▶ Leisure Activities	www.uaeinteract.com/leisure
▶ Motor Sports	www.uaeinteract.com/motorsports
▶ Powerboats	www.uaeinteract.com/powerboats
▶ Show Jumping	www.uaeinteract.com/showjumping
▶ Sports in Gulf News	www.uaeinteract.com/sports_gn
▶ Sports in UAE Interact	www.uaeinteract.com/sports
▶ Tennis	www.uaeinteract.com/tennis
▶ Watersports	www.uaeinteract.com/watersports



events



EXHIBITIONS

It is not surprising, considering its vibrant economy and strategic location, that the UAE has become the destination of choice for international business meetings, incentive travel, conventions, trade fairs, events and exhibitions. Indeed, this area of activity is now a major component of the country's business and tourism expansion plans. With its huge purpose-built exhibition halls and luxury hotels boasting state-of-the-art conference facilities, the UAE provides a unique gateway to the Middle East and Asia. Recent estimates conclude that the country has about half of the total covered exhibition space currently available in the Gulf Cooperation Council (GCC), but this will increase to 65 per cent by 2009. The addition to the equation of a sophisticated infrastructure, a secure hospitable environment and diverse leisure opportunities helps to explain why the country attracts major global events.

Abu Dhabi

To drive the development of an internationally competitive convention and exhibition offering, the Abu Dhabi government created the Abu Dhabi National Exhibitions Company (ADNEC) in 2005 as the chief government regulator of exhibitions and conferences in Abu Dhabi and the lead body for the organisation of these events. ADNEC is expected to act as a significant catalyst for the ongoing development of the exhibitions industry in terms of both facilities and support services, and in the number, diversity and prestige of events staged in Abu Dhabi. In addition, ADNEC's brief includes the development of a highly skilled and well-trained, UAE national workforce.

ADNEC controls the Abu Dhabi National Exhibitions Centre (also ADNEC) in which some of the Gulf's largest and most significant international exhibitions are held. These include IDEX, the world's largest tri-service defence exhibition incorporating land, sea and air operations; ADIPEC, Abu Dhabi International Petroleum Exhibition & Conference; ADIHEX, Abu Dhabi International Hunting & Equestrian Exhibition, the four-day annual platform for the hunting and equine industries; Environment 2007, the Middle East North Africa (MENA) region's leading environmental exhibition; APEX, a three-day Aviation Procurement and Finance Conference; Cityscape, an annual networking exhibition focusing on all aspects of the property development cycle; the revamped Abu Dhabi International Book Fair; and ADMCE, Abu Dhabi Medical Congress & Exhibition. Upcoming new exhibitions for Abu Dhabi include the first Gulf Incentive, Business Travel & Meetings Exhibition (GIBTM) and ISNR Abu Dhabi, an international trade show focused on addressing homeland security challenges facing governments and businesses in the region.

The first phase of the new complex was completed in a record eight months to host IDEX 2007 in February 2007 and ADNEC has pointed to a high turnout for the major international



exhibitions staged there since it was opened. The consensus is that in addition to the brand new events coming to Abu Dhabi because of the improved exhibition facilities, well-established shows are expanding since they have now been given a platform to grow and develop. ADNEC currently provides more than 28,000 square metres of exhibition floor space spread over seven interconnected halls. The venue also comprises two luxurious conference rooms, 16 meeting rooms and a 2000-square-metre food court.

Construction work has also started on phase two of the complex. The Dh580 million (US\$158 million) project will see the venue double in size to become the Middle East's largest purpose-built exhibition centre. On completion, the new centre will have 55,000 square metres of interconnected exhibition floor space, a massive 21,000-square-metre visitor concourse and 7500 square metres of multi-purpose halls. It will also feature dedicated conference facilities for 1200 people, banqueting areas and more than 30 high-specification meeting rooms. Built in a classic 'U-shape', the centre will contain a central landscaped plaza for outdoor events. The focal feature of the complex will be a soaring sea-facing tower. Innovative in its design, the curving structure is a bold architectural statement and will become the brand that promotes the venue and Abu Dhabi to the world.

ADNEC is ideally located close to major hotel, office and retail developments, a short distance from Abu Dhabi Airport and approximately 50 minutes from Jebel Ali, Dubai. The surrounding road network has been planned to allow for easy access and exit to the centre and multi-storey car parks will provide ample capacity for visitors and exhibitors.

Abu Dhabi also has excellent meeting and conference facilities at its many five-star hotels. But the most impressive are to be found at the capital's new seven-star, Emirates Palace Hotel. This has a 1200-capacity auditorium, a main ballroom that can accommodate up to 2800 people, 48 meeting rooms, six large function terraces, a media centre and business centre, all built within the heart of a beachfront hotel that stands on 100 hectares of landscaped gardens. The hotel richly deserves its designation as the 'most luxurious and technologically advanced meeting facility in the region'.

Dubai

At the northern end of Sheikh Zayed Road, the 184-metre Dubai World Trade Centre (DWTC) is the towering figurehead of a large exhibition complex. Built in the 1980s, DWTC was the city's first skyscraper. Dwarfed though it is by new buildings, it remains at the epicentre of Dubai's international trade and business industry, having hosted key conferences for 20 years.

In 2003, following an investment of Dh650 million (US\$177 million), DWTC launched the adjacent Dubai International Convention and Exhibition Centre (DIEC). During the IMF and World Bank meetings held there in 2003, the complex attracted 15,340 delegates to its various exhibition halls spread across 8100 square metres, with the auditorium alone hosting up to 6500 persons at any one time.

Dubai Airport Expo Centre, an international conventions facility also managed by DWTC, is a convenient five-minute drive from Dubai International Airport.

DWTC-managed venues hosted a total of 106 major events in 2007, and the group has already secured a number of new exhibitions that will push the total to an all-time high in 2008. Dubai's ongoing success in attracting new trade exhibitions to the region underlines both the dynamism of the industry and the strength of DWTC's offering for international event organisers.

Events such as Gulf Information Technology Exhibition (GITEX), the region's most important telecommunications exhibition; Arab Health; Gulfood; CABSAT, a major communication technologies platform; DIHAD, Dubai Humanitarian Aid and Development Conference and Exhibition; Arabian Travel Market; Dubai Airshow, and Dubai International Motor Show have become firm dates in the region's diary, attracting many local, regional and international visitors. Major growth areas for the Middle East economies, like real estate and hospitality, are also served by international trade shows, alongside more niche areas, creating economic opportunities for a wide variety of local and international companies.

New shows launched for 2007 include China Sourcing Fair: Gift and Home Products, which brought one of Hong Kong's largest trade shows to Dubai in June, and Sweets Middle East, a specialist food exhibition held in conjunction with Messe Koln, that took place in November 2007.

Among the shows already announced for 2008 is Aircraft Interiors Middle East (AIME), running from 16 to 18 June 2008. The inaugural edition of the exhibition, TDIM 08 (Tourism Development Projects & Investment Market) will run from 20 to 22 January 2008 focusing on strengthening investment flows, resources and expertise into tourism development in the UAE and elsewhere in the region.

Longer term, the Dubai government is building Dubai Exhibition City at the new Al Maktoum Airport, formerly called Dubai World Central Airport, in the Jebel Ali area. This Dh8 billion (US\$2.17 billion) project was launched in 2005 on a 3-million-square-metre site comprising not just the world's largest display space but offices, halls, restaurants, hotels, residential apartments and parking. The completed 'City' will be ready for the Dubai Air Show 2009.





Many of Dubai's luxury hotels also boast conference facilities, but arguably the most notable is at Madinat Jumeirah. This has five interconnected meeting rooms, a 3600-square-metre conference hall, an outdoor function area called Fort Island, a 1000-capacity amphitheatre, a 424-seated indoor theatre and a multi-purpose venue.

Northern Emirates

Sharjah pioneered the region's exhibition industry in 1977 when it opened an exhibition complex in the emirate. Twenty-five years later, with an investment of Dh183.5 million (US\$50 million), the Expocentre Sharjah was inaugurated as the centrepiece of a larger 'Expo City'. Managed by Sharjah Chamber of Commerce and Industry (SCCI), the Expocentre currently comprises four large exhibition halls spread across 20,000 square metres. Now further expansion is required and SCCI is spending Dh200 million (US\$54.50 million) extending the exhibition facilities by 50,000 square metres and building a 300-room hotel that will give exhibitors and foreign delegates easy access to the venue.

The Expocentre hosts regular specialised trade fairs, including TEXPO, an annual international trade exhibition for garment machinery, textiles and accessories; the National Careers Exhibition aimed at UAE nationals in the banking and finance sectors; the biannual Mideast Watch and Jewellery Spring and Autumn Shows; Arab Asia Trade Fair, showcasing everything from DIY products to flora and fauna; and the Sharjah World Book Fair. Expocentre Sharjah is bordered by Al Khalid Lagoon, making it an attractive option for marine events such as the highly successful Gulf Maritime Exhibition.

Ajman International Exhibition Centre, occupying an area of 22,000 square metres, is designed to carry out complementary activities to those conducted by the other UAE exhibition centres, further supporting rapid economic development in the country and creating facilities for promoting local industries worldwide.

Ra's al-Khaimah Exhibition Centre is a 37,400-square-metre complex located in the Al Nakheel area close to the active business centre. Inaugurated in 1996, it has a major exhibition hall of 2100 square metres and 3000 square metres of exterior space for local fairs. Its calendar includes the Families Exhibition, Drinks and Food Stuffs Fair, Career and Training Fair, and Ramadan Festival.

Fujairah Exhibition Centre (FEC) on the East Coast covers 1080 square metres of indoor floor space, an outdoor display area, exhibition halls, management offices and service utilities, and is centrally located between both the international airport and Fujairah Trade Centre on one side and the seaport and free zone on the other. A number of internationally important exhibitions have been held at the centre since its establishment, such as Buildex, the Motor Show, the Fujairah International Agricultural Exhibition, and Fujairah International Education and Training Exhibition. It also hosts seasonal fairs for the general public.



WEBSITES

- ▶ Abu Dhabi National Exhibitions Company
- ▶ Ajman Exhibition Centre
- ▶ Dubai World Trade Centre
- ▶ Sharjah Expo Centre
- ▶ Ra's al-Khaimah Exhibition Centre
- ▶ Fujairah Exhibition Centre

www.adnec.ae

www.ajcci.co.ae

www.dwtc.com

www.expo-centre.ae

www.rakexpo.ae

www.fujcci.ae/expo

- FACTFILE
- HISTORY & HERITAGE
- GOVERNMENT
- ECONOMY & FINANCE
- INFRASTRUCTURE
- PEOPLE & SOCIETY
- ENVIRONMENT
- SPORTS
- EXHIBITIONS

