Pursuant to the Agreement Establishing the Trade Policy Review Mechanism (Annex 3 of the Marrakesh Agreement Establishing the World Trade Organization), the policy statement by the United Arab Emirates is attached.
Contents

1 ECONOMIC DEVELOPMENT ........................................................................................................ 3
2 ECONOMIC GROWTH .............................................................................................................. 3
3 POPULATION AND EMPLOYMENT .......................................................................................... 4
4 FISCAL POLICY ........................................................................................................................ 5
5 MONETARY POLICY .................................................................................................................. 5
6 TRADE POLICY DEVELOPMENTS .......................................................................................... 5
   6.1 Bilateral Agreements ........................................................................................................... 5
   6.2 Regional Agreements ......................................................................................................... 6
   6.2.1 Gulf Cooperation Council (GCC) .................................................................................. 6
   6.2.2 Free Trade Agreements ................................................................................................. 6
   6.2.3 Greater Arab Free Trade Area (GAFTA) ........................................................................ 6
   6.2.4 UAE Priorities in DOHA Development Agenda (DDA) ................................................... 7
7 SECTORAL DEVELOPMENTS ................................................................................................. 7
8 FUTURE DIRECTIONS ............................................................................................................. 8
   8.1 UAE Innovation Strategy ................................................................................................. 8
   8.2 UAE Investment Framework ............................................................................................ 8
   8.3 Islamic Economy Initiative .............................................................................................. 9
   8.4 Knowledge Economy and Industry .................................................................................. 9
   8.5 Reform and Modernization of Economic Legislation ......................................................... 9
   8.6 Aviation ............................................................................................................................ 10
   8.7 Renewable Energy ......................................................................................................... 10
   8.8 Health Care ..................................................................................................................... 10
   8.9 Tourism ........................................................................................................................... 11
9 UAE INSIGHTS ......................................................................................................................... 11
1 ECONOMIC DEVELOPMENT

1.1. UAE enjoys a sustainable and diversified economy, flexible in adopting new economic models, and capitalizing on global economic partnerships to guarantee long-term prosperity for current and future generations. Thus, to sustain its drive toward economic diversification, as this is the nation’s surest path to sustainable development in a future that is less reliant on oil. This means expanding new strategic sectors to channel energies into industries and services to build a long-term competitive advantage. Balanced growth must be fuelled by a sustainable range of energy sources, within which UAE will ensure an important role for alternative and renewable options such as nuclear power and solar energy.

1.2. The global economy will witness significant economic changes in the coming years and UAE vision 2021 focuses on transitioning to knowledge based economy, promoting innovation and research and development, strengthening the regulatory framework for key sectors and encouraging high value adding sectors. This will sustain the UAE drive toward economic diversification and development that is less reliant on oil. These will improve the country’s business environment and increase its attractiveness to foreign investment.

1.3. Moreover, the Government aims not only to achieve leading positions in global reports, but to also provide a good life for its citizens. Therefore the National Agenda seeks to place the UAE among the top countries in the world in income per capita and ensure high levels of national participation in the private sector workforce.

1.4. United Arab Emirates continues to pay attention to the foreign trade sector, which is under the supervision of the Ministry of Economy assigning it the responsibility of developing and implementing the country’s trade policy in coordination with other ministries, federal and local bodies. The UAE adopts a trade policy marked by openness and harmony with international markets, including the member states of the World Trade Organization. Also, is responsible of pursuing the Government’s progressive economic agenda, focused around economic liberalization, diversification and promotion of the role of the private sector.

2 ECONOMIC GROWTH

2.1. UAE’s GDP at constant prices in 2014 was recorded at US$314,393 million when compared to US$300,652 million in 2013.

2.2. GDP growth rate in constant 2007 prices was 4.6% in 2014 when compared to 4.3% in 2013. Growth was moderate despite low oil prices in second half of 2014. GDP at current prices grew at a rate of 3.2% in 2014 when compared to 3.7% in 2013.

2.3. The overall non-oil GDP in constant prices was US$215,571 million in 2014, compared to US$205,608 million in 2013 with a growth rate of 4.8%.

2.4. In 2014 overall GDP growth in current prices was at 3.2%, over the past three years non-oil GDP growth has surpassed the overall GDP growth which clearly indicates UAE's diversification of economy away from Oil sector.

2.5. Oil’s contribution to GDP current prices in 2014 has dropped down to 34.3% from 37.3% in 2013. This trend of declining contribution of Oil to GDP in percentage can be seen over the past 4 years. There was an increase in Oil contribution to overall GDP from 2009 to 2011 and this trend has reversed in 2012 and is declining till 2014. With lower oil prices and UAE Government’s efforts to diversify it is expected that by end of 2016 Oil’s contribution to GDP current prices to fall below 30%.

2.6. The Ministry of Energy has announced that fuel prices across the UAE was deregulated as of August 1, 2015, adopting a new policy linked to global prices. The ministries of Energy and Finance will act as the Government’s representatives in a committee set up to review fuel prices in the UAE every month. They will focus on consumer protection and ensure that petrol prices are balanced according to international standards. The pricing mechanism will be structured in a way that it does not rely on just one global market and will facilitate distribution companies to make reasonable profits and to limit their losses while offering premium services.
2.7. UAE Government remain positive on the UAE’s economic outlook despite the sharp fall in global oil prices as the diversification policy helped UAE to have limited impact of oil prices decline on the economy.

2.8. Foreign trade in general has been a significant driver for UAE’s economy growth. In 2014 UAE’s non-oil foreign trade reach to US$437 billion in 2014 when compared to 2013 it was at US$431.7 billion and grew by 1.4% Slowdown in global economy has resulted in muted growth in foreign trade. Non-oil exports in 2014 were at US$43 billion and imports during the same period were at US$270 billion. UAE top ten trading partners are India, China, USA, Iran, Germany, Japan, Switzerland, Saudi Arabia, United Kingdom and Belgium.

2.9. The GDP in constant prices contribution as per economic sectors are as follows: manufacturing industries is 8.7%, agriculture, livestock & fishing is 0.6%, crude oil & natural gas is 31.4%, quaring 0.3%, electricity, gas & water is 2.8%, construction is 10.5%, wholesale retail trade & repairing services is 11.9%, restaurants & hotels is 2%, transports, storage & communication is 9%, real estate & business services is 10.9% and social & personal services is 2.4%.

2.10. The stock inward foreign direct investment in 2014 was US$115.6 billion and the outward for the same period was 66.3. There has been a growth inward investment when compared to 2013 reached to 10% on the other hand the outward growth for the same period was 5%. UAE is the leading country in MENA the region in FDI inflow.

2.11. The main investments sectors in UAE are manufacturing, construction, transportation, financial services, wholesale & retail, technical services, electricity & air conditionings, information & technology and real estate.

2.12. UAE believes that free trade is a necessary condition for increased competitiveness and productivity in the long run. Protectionism, in the form of 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 with some Arab Countries, GAFTA, EFTA and Singapore and embarked on negotiations, under the GCC umbrella, to establish free trade agreements with the main trade partners of the GCC.

3 POPULATION AND EMPLOYMENT

3.1. According to IMF the population of UAE in year 2015 estimated around 9.58 Million persons which increased by 3.0% when compared to the year 2014 which estimated at 9.3 million persons. Over the past decade the population of UAE has increased rapidly recording cumulative annual growth rate of more than 8.8%. The cause of the population growth is due to the booming economy and the encouragement of the UAE Government to have large families of the nationals of United Arab Emirates.

3.2. Unemployment refers to the share of the labour force that is without work but available for and seeking employment. As per World Bank estimates the Unemployment rate for the year 2014 was around 3.6% which decreased by 0.2% when compared to year 2013 which was at 3.8% in 2013. Declining trend in Unemployment is seen over the past few years as Unemployment during 2009 was around 4.2% of the total labour force which was very high due to the impact of financial crisis.

3.3. Labour force has increased over the decade but Unemployment levels have dropped significantly reflecting a robust UAE’s economy and measures by the Government to create employment opportunities. Some of the Government initiatives to boost employment are Emirates Nationals Development Program (ENDP), launched in 2005 aiming to increase UAE Nationals participation in to the Private Sector.

3.4. Absher initiative was launched to enhance the participation of UAE citizens in the labor market, it aims to establish an overall strategic framework to employ UAE citizens under one clear and comprehensive vision in accordance with UAE Vision 2021, which will enhance the skills and participation of citizens in the labor market. By creating more job opportunities for UAE citizens, it
will boost the competitive advantage of the national economy, while simultaneously enhancing the socio-economic and professional standards of Emiratis and diversifying their career options.

4 FISCAL POLICY

4.1. The UAE has been implementing fiscal reforms in 2015, a tighter fiscal stance is being taken on both the expenditure and subsidy reform fronts. Fiscal policy is the means by which a government adjusts its spending levels and tax rates to monitor and influence a nation’s economy. Governments use spending and taxing powers to promote stable and sustainable growth.

4.2. Consolidated Expenditure of Government is expected to fall by -0.9% in 2015 when compared to 2014. Major expenditure cuts are expected to be in Subsidies and Grants in 2015. The UAE Government’s recent decision to deregulate the fuel prices is seen as a move that will speed up the process of spending cut.

4.3. Subsidy cuts will save government spending which can be spent on projects to improve infrastructure, education and health. This productive spending will increase economic activity and will generate employment opportunities and substantial benefits in the long term. This also will help government to spend and realize the goal of increasing Research & Development as per Innovation Strategy. However, the savings made from removing the subsidies can result on tangible long term economic benefits in the form of increasing infrastructure spending and the creation of job opportunities across different public and private sectors.

5 MONETARY POLICY

5.1. Money Supply increased over the years and clearly indicates Central Bank of UAE has followed an expansionary monetary policy. Though Money supply has increased over the years due to expanding economy Central bank of UAE was successful in controlling the inflation.

5.2. During the review period, the Central Bank of UAE maintained an accommodative monetary policy, consistent with the fixed peg exchange rate arrangement. Interest rates remained in line with the levels prevailing on the U.S. dollar. As dipping oil prices persisted in 2015, however, government deposits decreased, thereby slowing down the growth of the money supply. Meanwhile, banks capitalizing on improved quality of loan portfolio were able to increase credit albeit at a moderate pace, except for government loans which grew more than in previous years. Overall, banks continue to provide the non-energy sectors of the economy with the needed financing.

5.3. Based on available indicators up to end of 2015, banks operating in the UAE remain well capitalized with the average capital adequacy ratio largely exceeding the Central Bank of UAE minimum requirement of 12%. And even though there were some signs of liquidity squeeze, the system remains liquid, as judged by the ratio of liquid assets to total assets and the share of credit to stable resources, in addition to banks’ assets at the central bank that could be tapped for additional liquidity. Further, indicators of financial soundness continue to bode well for the ability of the banks to support growth of credit while adhering to the guidelines of financial stability, with a very low level of NPLs. Hence, the overall outlook of the banking system remains positive in 2016.

6 TRADE POLICY DEVELOPMENTS

6.1 Bilateral Agreements

6.1. The UAE has signed bilateral preferential agreements with some Arab Countries (Syria, Jordan, Lebanon, Morocco and Iraq). According to these agreements, the UAE and its partners accord each other preferential access for a specified list of goods. As at the end of November 2015 the UAE signed 43 agreements related to encouragement and protection of investment and signed 92 agreements on avoidance of double taxation with different countries (35 with European countries; 26 with Asian countries; 11 with Arabic countries; 12 with African countries and 8 with North & Latin America).
6.2 Regional Agreements

6.2.1 Gulf Cooperation Council (GCC)

6.2. The UAE was a founding member of the GCC on the 25th of May, 1981, alongside Bahrain, Kuwait, Oman, Qatar, and Saudi Arabia.

6.3. The Unified Economic Agreement (UEA), signed on the 11th of November 1981 under the Gulf Cooperation Council (GCC) created a Free Trade Area between the GCC states compatible with Article XXIV of GATT Agreement 1994. The free-trade area had eliminated duties and other restrictive regulations of commerce on all trade between the members of the GCC in the products originating in the member states, and work was proceeding to further harmonize trade and commercial policies.

6.4. In December 2001, the GCC Economic Agreement was signed to provide for a GCC Customs Union, and the harmonization of economic, financial, and monetary policies, with a view to achieve more economic integration through the establishment of the Gulf Common Market (GCM), which went into effect on January 2008.

6.5. The GCC Customs Union was established and has been operative since the beginning of January 2003. GCC member states have been applying the GCC common tariff ever since. The rates for more than 89.1% of the common tariff lines were 5%, while 10.4% of the tariff lines had a common tariff of 0%. Moreover, 0.2% of the tariff lines had a rate of 50%, while the remaining 0.3% of the tariff lines had a rate of 100%. The Common Customs Law of the GCC entered into force on 11th January 2015.

6.6. In implementation of the Supreme Council's resolution issued by the Gulf Cooperation Council (GCC) in its 28th session (on the 4th of December, 2007). The Gulf Common Market (GCM) was launched with effect from the 1st of January 2008 which is seen as an advanced phase in the Gulf Economic integration. The aim of the GCM is the creation of a single market through which the citizens of the GCC countries make use of the opportunities available in the Gulf economy, opening wider to foreign investment, maximizing the benefits of economies of scale and efficiency in production, achieving the optimum utilization of available resources and improving the negotiating position of the GCC countries and strengthening its position actors and influential international economic groupings.

6.7. On the liberalization of services within the GCC, the Council had liberalized trade in services for roughly 100 subsectors of services, including professional services, most business services, telecommunication services, banking and other financial services, distribution services, education services, environmental services, health and related social services and tourism services. The GCC members had agreed to progressively liberalize other services sectors and subsectors.

6.2.2 Free Trade Agreements

6.8. The UAE is currently participating in the ongoing negotiations between the GCC and its main trade partners. These negotiations have led to signing Free Trade Agreements between the GCC members and Singapore, the EFTA States, and entered into force with Singapore in January 2015 and entered with EFTA into force on the first of July 2015.

6.9. The FTA negotiations between the GCC and New Zeeland have been concluded but the agreement has not yet been signed yet by the parties and negotiations are ongoing with Turkey, Japan, South Korea, China, India, Pakistan, Australia, EU and the Southern Common Market (MERCOSUR). The scope of these negotiations covers market access for goods and services, intellectual property, and in some cases, government procurement, investment and competition.

6.2.3 Greater Arab Free Trade Area (GAFTA)

6.10. The UAE is a member of The Greater Arab Free Trade Area (GAFTA), which was signed on the 19th of February 1997 and entered into force on the 1st of January 1998. This agreement has eliminated all tariffs among its members on the 1st of January 2005. The Agreement covers trade
in goods only; however, members have been engaged for the past few years in negotiations to create an agreement in trade in services.

6.2.4 UAE Priorities in DOHA Development Agenda (DDA)

6.11. The UAE is a strong believer and advocate of the Multilateral Trading System. It is playing an active role in the current round of multilateral trade negotiations. Its main interests in the Doha Development Agenda (DDA) include greater non-agricultural market access (NAMA), further liberalization of trade in services, trade rules and trade remedies.

6.12. In NAMA, the UAE proposed the inclusion of an additional sector under the sectorial tariff elimination initiative. The UAE has called on members to eliminate all tariffs on raw materials, in particular on primary aluminum, a vital and strategic input for its manufacturing sector.

6.13. The UAE also submitted its initial offer in services, which is basically in line with the policy objectives set by the Government and its reform process that is currently underway.

6.14. The UAE also recognizes the importance of an effective and rational “differential and special treatment” that enables domestic sectors to benefit from transitional periods of adjustments in order to take necessary steps to consolidate competitiveness. It is crucial for the survival of those sensitive activities.

6.15. The UAE also supports the strengthening of technical assistance programs for developing and least-developed countries in the following areas: Information on the Multilateral Trading System, Implementation of the WTO Agreements, and Capacity Building. The specific needs and priorities for the UAE are related to the following issues: Competition Law, SPS & TBT, customs procedures and trade facilitation, classification of some services sectors like energy services and maritime transport, evaluation of trade in services, notifications procedures related to all WTO agreements, intellectual properties rights and regionalism/bilateralism and the multilateral trading system.

7 SECTORAL DEVELOPMENTS

7.1. UAE’s GDP in Current prices estimate at US$416 billion in 2015 stood at US$399 billion in 2014, compared to US$387 billion in 2013. Over the past 15 years GDP grew significantly as the current size of GDP is four times its size in 2001. Current GDP grew positively and steadily almost every year over the past 15 years. As per World Bank figures released in 2014, UAE is 30th largest economy globally representing 0.52% of total global GDP. Whereas UAE’s GDP in Constant Prices in 2014 stood at US$315 billion when compared to US$301 billion in 2013.

7.2. UAE’s GDP in constant prices grew by 3.1% in 2015 when compared to grew by 4.6% in 2014 and 4.3% in 2013. Whereas in Current Figures Economy registered a growth of 4.2% in 2015 when compared to 3.2% in 2014 and 3.7% in 2013. UAE GDP’s recorded a Cumulative annual growth rate (CAGR) of 4.9%. In spite of low Oil prices globally, UAE is well positioned among the GCC Countries to withstand the lower oil price environment thanks to its comparatively diverse economy and strong Forex Reserves.

7.3. The energy sector is the foundation of the UAE’s wealth and also a key source of revenues to finance continuing economic diversification. Oil & gas contributes 33% of the total GDP which is a considerable contribution to overall economy. Manufacturing sector is playing an increasingly vital role in driving UAE economic expansion and diversification, accounting for 9% of GDP. The main pillars of UAE industry are petrochemicals, aluminum and steel, but the automotive sector, chemicals, cement, electrical machinery, power equipment and food processing continued to gain momentum in the past few years, as partnerships with foreign enterprises and joint ventures allowed industrial and manufacturing companies to benefit from the most up-to-date technologies. There has also been strong growth in biotechnology, pharmaceuticals, telecommunications equipment, and aerospace and healthcare equipment. Tourism remains a key driver of economic growth in the UAE and sits at the heart of all seven emirates’ diversification plans. Over the past decade, the industry has contributed to and benefited from the rise of other high-growth sectors in the economy, such as retail and aviation.
7.4. Driven mainly by rising trade and tourism activity, the UAE has also taken great strides towards becoming a regional hub for transport and logistics, and for the global travel industry. The country is currently constructing and expanding several port and airport facilities, as well as roads and a nationwide rail network.

7.5. The UAE real estate and construction sector is showing strong signs of recovery after the property slowdown caused by the global financial crisis in 2009. According to 2014 statistics, the real estate accounts for around 10% of UAE GDP. The country’s economic and political stability has seen it emerge as a safe haven for international investors during regional turmoil in recent years, a trend that has played an important part in keeping the real estate sector on track.

7.6. In 2014, financial services sector was the fastest growing sector which grew by 15% when compared to 2013 and Banking and Finance industry has maintained its position as one of the leading contributors to the economy. UAE’s Financial Sector is one of the most developed and the largest in MENA region. Financial sector comprises of Retail and Corporate Banks, Insurance companies, Investment Banks, Asset Management companies, Foreign exchange companies, Wealth management companies and Financial Advisory firms. Financial sector contributes to more than US$25.1 billion (In constant prices 2005) in 2014 when compared to US$22.3 billion in 2013. Financial sector registered a growth of 12.5% in constant prices and its sectorial contribution to GDP was around 8% in 2014. In 2001 Financial Sector contribution to GDP was slightly less than 4% and it has increased steadily to reach 8.0% in 2014.

7.7. As of end-December 2015, there are 23 local banks and financial institutions and 26 foreign banks operating in the UAE, which include eight Islamic banks. There are a further 122 representative offices of foreign banks in the UAE, including 26 finance companies, 25 investment companies and 141 foreign exchange companies.

8 FUTURE DIRECTIONS

8.1 UAE Innovation Strategy

8.1. National Innovation Strategy was launched on October 2014 with the aim of making the UAE one of the most innovative nations in the world within seven years. The strategy will stimulate innovation in seven sectors where innovation is key to excellence: renewable energy, transport, education, health, technology, water and space. Its first phase includes 30 national initiatives to be completed within three years. These include new legislation, innovation incubators, investment in specialized skills, private sector incentives, international research partnerships and an innovation drive within government. The strategy contains practical initiatives in each of its seven priority sectors: Renewable energy, Transportation, Education, Health, Water, Technology and Space.

8.2. To ensure lasting competitiveness, the UAE will look beyond traditional economic models and take a more flexible perspective. Businesses will adopt an increasingly customer-centric approach to customizing their products and services, and will learn to coordinate in efficient networks to meet the complex demands of the marketplace. By stimulating home-grown entrepreneurship and attracting foreign direct investment, UAE economy will mature into a model of sustainable and responsible growth that will ensure long-term prosperity for all Emiratis.

8.3. UAE position its economy to capture developing trends and adapt to changing global realities, such as the rise of new economic powerhouses. We will forge ever stronger international partnerships and capitalize on them to boost trade and commerce. Therefore, the UAE National Agenda, which was developed by over 300 officials from 90 federal and local government entities, includes a set of national indicators in the sectors of education, healthcare, economy, police and security, housing, infrastructure and government services. These indicators are long-term, measure performance outcomes in each of the national priorities, and generally compare the UAE against global benchmarks. The national indicators are periodically monitored by government leadership to ensure their targets are achieved by 2021.

8.2 UAE Investment Framework

8.4. A new investment law is under process for domestic ratification and the draft law aims to enhance and develop the investment environment in UAE and to facilitate the attraction of foreign
direct investment to economic sectors and areas of developmental priority to UAE. Moreover, to help building an economy that is based on knowledge, innovation and creativity through enabling FDI in distinguished economic sectors of a high value added that contribute to expanding and diversifying the economy, transfer of technology, know how, create job opportunities for UAE citizens and to facilitate the optimum integration of the UAE in the global value added chains.

8.5. The main advantage of this new draft law for foreign investors will lead to increasing the percentage of foreign ownership of projects up to 100% in the sectors or the activities prescribed by the law and meet the standards set for foreign investment projects by the law. Those standards include; the integration with the country's strategic plans, the size of foreign capital invested, achieving the best return of local resources, achieving high added value, high use of modern technology, high degree of global competence and experience for the foreign investor, and environment preservation.

8.3 Islamic Economy Initiative

8.6. Dubai is tapping into being the capital of the Islamic Economy with wide opportunities stemming from the Islamic economy being integrated as part of the overall economy. This would lay the foundation of an additional pillar for a diversified economy.

8.7. The platform includes Islamic Finance Instruments, Islamic Insurance, Islamic Contracts’ arbitration, Islamic Food Industry and Trade Standard (Halal Food), and Islamic Quality Management Standards.

8.8. A growing community of 1.6 billion Muslims around the world who have appetite to invest in Sharia-compliant products, the total assets in the Islamic finance industry is estimated at $1.3 trillion. The majority of bond issuance in Islamic finance is done by means of Islamic Sukuk. The Islamic financial services are amongst the world fast growing sectors, as it provided by around 300 financial institutions in more than 75 countries.

8.4 Knowledge Economy and Industry

8.9. The UAE Vision 2021 aims to 1- UAE to be among the top 10 countries in the world at the Global Entrepreneurship and Development Index 2- Raise the contribution of SME's to Non-Oil GDP at 70% 3- UAE to be among the top 10 countries in the world at the Gross National Income per Capita. 4- UAE is aiming to increase the industrial sector contribution to GDP by 25% in the coming years.

8.10. Industrial sector is the main dynamo of the national economy performance and an important factor of the development and diversification of the income source, a comprehensive and integrated industrial strategy is in final stages to be issued to aid supporting building knowledge based economy driven by innovation.

8.11. The UAE Government has made the SME a top strategic priority there are several strategic SME organizations, funds and establishments such as: the Khalifa Fund (Abu Dhabi), Mohammed Bin Rashid Establishment for SME (Dubai), and other programs in the northern emirates. With more than 350 thousands company "94% of registered companies" in UAE are SMEs and they contribute to the national GDP over 60%.

8.5 Reform and Modernization of Economic Legislation

8.12. UAE is progressively restructuring the legal and regulatory environment to align it with global best practices in transparency, investment protection, fair completion and competitiveness. The ultimate goal is to create a friendly environment for business. Currently issued a number of laws and working on upgrading a number of key legislation, especially with regard to the development of the country's economic infrastructure and investment environment.

8.13. The newly issued laws are: 1- Federal law for Commercial Companies 2- Federal law for SMEs, to support the role of private enterprises in stimulating economic growth through innovation and diversification 3- Federal law for Competition which is aimed at promoting the principle of competition and evolving a competitive market that is ruled by sheer market 4- Federal Decree to
ratify the Free Trade Agreement between the GCC countries and the European Free Trade Association (EFTA) 5- Federal law for amending some provisions of Federal Law No. 4 of 2002 concerning Anti-money Laundering 6- Federal Law on regulating the Profession of Auditors 7- GCC FTA with Singapore 8- Amendments on companies law.

8.14. Currently UAE is working on upgrading a number of key legislation, especially with regard to the development of the country’s economic infrastructure and investment environment such as the Federal law for Commercial Fraud 2- Federal law for Arbitration. 3- Federal law for Anti-Dumping, Preventive and Countervailing Measures 4- Federal law amending the prior law on regulating and protection of Industrial Property Patents, Fees and Industrial Designs 5- Federal law to amend certain provisions of the prior law 1979 on regulating the Industry.

8.6 Aviation

8.15. Aviation is critical to the economy of the UAE with the sector opening foreign markets to UAE exports, lowering long-distance transport costs, and increasing the flexibility of labor supply. Indeed, at the Future Air Transportation Systems Summit held in Dubai in January 2015, industry experts opined that economic growth from the aviation sector will contribute $53 billion to the UAE economy by 2020 and create up to 750,000 jobs. Over the next two decades, the UAE will be next to U.S. and China for the largest aviation market growth, requiring in excess of 55,000 more pilots and 62,000 more technicians.

8.16. A protocol for the management and administration of traffic rights known as the "Policy and Principles for the Management of Traffic Rights" has been developed by the GCAA and a stakeholders consultation was held in November 2011. This Protocol is intended to lead the optimal, efficient and equitable utilization of valuable traffic rights, but also to enhanced knowledge sharing between the stakeholders and a united, systematic approach to the management of the UAE’s air transport interests.

8.7 Renewable Energy

8.17. UAE has committed to a 7% renewable energy target by 2020 and is planning to be less dependent on oil. The Abu Dhabi future energy (Masdar) is in process of finding low cost renewable energy technologies that can be rolled out on a large scale, giving safe and clean power to many. Masdar has already sent out tenders for international companies and has awarded several contracts for the construction of concentrated solar power plants and are in the process of reviewing technologies for using wind turbines to generate electricity.

8.18. Part of the Masdar initiative is Masdar City, the world’s first carbon neutral, zero waste city completely powered by renewable energy. Masdar City will become a blueprint for cities around the world striving for sustainability and intends to attract international businesses, academics, entrepreneurs and advocates. Eventually growing to over 50,000 residents, Masdar City will test the boundaries of current and future thinking in sustainable design.

8.19. This city of the future is only the beginning of the UAE’s commitment to developing sustainable energy sources that can meet the predicted national annual peak demand of more than 40,000 megawatts by 2020. The U.A.E welcomes America’s private industry to participate in achieving this ambitious goal.

8.20. Similar projects and initiatives are also the center of attention in other emirates. Dubai is exploring renewable energy options, such as solar, wind power, hydrogen and nuclear-based power stations as an alternative to fossil-fuel based energy sources. The Mohamed bin Rashed Solar park is one of these flagship projects that will produce over 1000MW by 2030.

8.8 Health Care

8.21. UAE healthcare sector has displayed extraordinary growth and significant progress in the past few years. It is projected to grow at an average annual growth rate of 7% from 2015 to 2020.

8.22. Improved social and economic conditions, a decline in mortality rates and higher fertility rates have furthered population growth in the region. Colliers International estimates that the
population of Dubai is expected to exceed 3.5 million in 2020. Also expatriates account for about 80% of UAE’s population.

8.23. Urbanization and rising per capita income have led to an inactive lifestyle in the region, which now has among the highest obesity levels in the world. A conspicuous 70% of men and 67% of women aged 15 years and older in the UAE are considered overweight. This has aggravated the prevalence of lifestyle ailments such as diabetes, hypertension, high cholesterol and other cardiovascular diseases.

8.24. As the current population of the UAE ages, there is likely to be a sharp rise in healthcare demand as almost 80% of a person’s healthcare requirements typically occurs after the age of 40 – 50. For example, Cardiovascular disease is the leading cause of death in the UAE, where it accounts for 41% of all mortalities. Treatment for cardiovascular disease is expected to account for 24% of the total healthcare expenditure in 2025 compared to less than 12% of the total expenditure today. This will be followed by significant spending on infectious diseases, digestive diseases, cancer and other diseases.

8.25. There is an increase in number of patients coming to UAE for Treatment from GCC and MENA region. UAE has established itself as leader in health care sector in the region due to its quality service, Infrastructure and advanced technology. Health and wellness tourism is expected to continue to grow strongly with a predicted value CAGR of 12%. Cosmetic treatments account for a large percentage followed by specialty treatments.

8.9 Tourism

8.26. The UAE Strategy for tourism is based on “Developing Sustainable Tourism for Economic and Social Success”. This integrated approach with its triple themes of sustainability with both economic and social success represents Best Practice and ensures the optimum range of benefits to UAE, its communities and people.

8.27. UAE and its Emirates are among the global leadership group in the development of growth tourism and design innovation and is the home base to two leading airlines, with growing global networks ensuring the critical strategic access option for growth, investment and connectivity. The scale and impact of the sector can be expressed in terms of its 56.5 billion AED contribution to the economy in 2013 to its projected contribution of 80 billion AED by 2024. It can also be expressed in terms of its employment impact of 495,000 (direct and indirect jobs) in 2013 and projected to reach 626,000 by 2024.

9 UAE INSIGHTS

9.1. UAE has been in the forefront of advancing the role of women in various spheres, including in leadership positions in public and private sectors. Their presence in professions as varied as aviation, real estate, finance, media, medicine, information technology and even space, among others, has been instrumental in the country’s fast-paced economic growth. UAE’s women are seen as equal partners in nation building and they have been guaranteed equal rights as men under the constitution.

9.2. UAE has always believed in gender equality and from the very beginning, UAE has encouraged women’s participation in various spheres. That has led the country’s women to rise to top positions in both public and private sectors. Emirati women have gone on to become federal ministers, judges, CEOs, senior professionals in various occupations and even international award winning athletes and sports persons. The country’s Federal National Council is head by women as president that is the Arab world’s first woman to be elected to this role. Also, a total of 6 women ministries declared by Decree No. 28 for the year 2016 with the youngest Minister 22 years old as a Minister of State for Youth Affairs.

9.3. UAE Government announced changes to the federal government ministries a new post, Minister of State for Happiness is announced that in charge to align and drive government policy to create social good and satisfaction. Also, the post of Minister of State for Tolerance has been created to promote tolerance as a fundamental value in UAE society.”
9.4. An enormous transformation has taken place and considerable investment has been made to cater for the educational needs of an ever-expanding population. Much has been achieved, but there is a deep awareness that much more needs to be done. In line with UAE Vision 2021, education remains a top government priority and developing human capital is considered to be a key enabler in the country’s efforts to establish a diversified knowledge-based economy. This focus on education is underpinned by a 21%, or almost AED 10 billion, allocation in the 2016 federal budget.

9.5. In 2015 UAE launched the world’s first store for smart government applications through Android and iOS platforms. The store features over 100 smart applications developed by local and federal agencies and have been launched in partnership and coordination with Google and Apple.

9.6. Hosting the Expo 2020 in Dubai is in line with the UAE’s vision 2021 strategy. Moreover, it would be significant for UAE as it celebrates its Golden Jubilee that marks 50 years of progress and achievements. The values and objectives of World Expos are aligned with the spirit of the people of UAE.

9.7. The UAE believes that World Expos provide great opportunities for best minds in the world to get together to tackle and provide solutions to the world’s major challenges of today and tomorrow. The planned Dubai Expo 2020 will be a celebration of innovative new partnerships for global progress, offering enduring benefits for the generations to come. Over 25 million visitors expected during the six month period and the event will support about 277,000 jobs to be created.

9.8. The UAE’s strategic location between the longitudes of east and west, together with its stability and developed infrastructure (ports, roads & aviation) has made it a global commerce hub and a vital trade gateway. On that basis, Dubai Government announced the world’s largest wholesale city covering 500 million square feet. The city will have everything ranging from banking services and cargo centers to markets, warehouses and residential units. The city aims to accommodate as many as 15,000 wholesale traders. The might boost the global wholesale sector from the current value of $4.3tn to $4.9tn in the next five years. The city will be the capital of international wholesale besides having the world’s largest e-commerce platform for wholesale trade.

9.9. The UAE Development is not dry; it has a human face where UAE topped the international community in its humanitarian aid. As per a report by UN on humanitarian financing, the UAE has topped the list of donor countries in the world compared to its national income. During the period 2010-2014 the total UAE aid was 16 billion dollar for more than 140 countries in the world forming 1.7% of the country’s national income.