

UNITED ARAB EMIRATES



PART II
Happiness and Innovation

The Hub of the New Silk Road

The age of oil is ending and the UAE has already announced that it will be celebrating its final barrel of crude. Having committed to renewable energies, the country maintains its leading status as one of the global hubs for passenger and freight traffic

Real Estate

District One, the new luxury neighbourhood in the heart of Dubai

In 2016 Meydan Sobha will deliver the first phase of its residential project, open for purchase by overseas investors

Aviation

Dubai South, a 29-billion-euro aerotropolis

Khalifa Al Zaffin, executive chairman of DACC: *"Who would not like their business to be next to the biggest airport in the world?"*

Economy

Spain's role as a bridge to Latin America is attractive to the Emirati state

Mohammed Al Shehhi, UAE's secretary of estate for the economy: *"There are big opportunities and promising areas of cooperation with Latin America"*





Above, Etihad Towers in Abu Dhabi. Right, Sheikh Mohammed bin Rashid Al Maktoum, vice president and prime minister of the UAE and ruler of Dubai. Photos: MyMMerchan.

Farewell to oil, welcome to the future

As the hydrocarbon age runs out of fuel, the Spanish colony continues to grow in the country with the most diversified economy in the entire Middle East

Text: Eva Martín

Some years ago, a journalist asked Sheikh Mohammed Bin Rashid Al Maktoum, prime minister and vice president of the UAE and ruler of Dubai, what percentage of his vision he had achieved. "Five percent", he replied. A few years later, she asked the sheikh the same question, getting an identical answer. "How can this be?" she insisted. "Because when you are close to achieving your goal, that is the time to broaden your outlook and go further." Sheikh Mohammed's character has moulded that of his emirate. He is omnipresent. "I would not be surprised if the office doors opened and he appeared right here", Mohammed A. Ahli, the director general of Dubai Civil Aviation Authority, remarked to us. The Sheikh does not only want to be close to his people; he also wants to make them happy. In February he redesigned federal government and announced the changes on Twitter.

He created a Ministry of Happiness led by a woman. He created a Ministry of Youth Affairs, also with a woman in charge. And he set up a Ministry of Tolerance under the aegis of the veteran Sheikhha Lubna Al Qasimi, formerly a minister of economy and international aid and development. One month after this cabinet reshuffle, María and I returned to UAE to resume our profile of the country after the first instalment had been published in *El Economista* in December 2015. Once again we spent 70 days gathering material for the supplement. On this occasion, we stayed in the Emirati capital of Abu Dhabi, although we travelled so many times to Dubai that we learned by heart each motorway junction sign along the 140 kilometres that separate the two cities described as "two sides of the same coin" by Khalifa Al Zaffin, the executive chairman of Dubai South, the aeropolis which will host the World Expo and where Dubai's new airport is being built

Seven emirates and one state

The UAE is a federal state comprising seven emirates: Abu Dhabi, Dubai, Sharjah, Ras Al Khaimah, Ajman, Umm Al Quwain and Fujairah. The autonomous governments of the first two are extremely powerful. Abu Dhabi accounts for 87% of national territory and, according to Abu Dhabi's Statistics Centre, half of the emirate's GDP comes from the hydrocarbon sector. Abu Dhabi is also the main contributor to the federal budget. Next door and not dependent on oil or gas, the city state of Dubai cannot stand still; the constant flow of activity and leadership is such that the federal minister for infrastructure development told us that if it did not exist, "the world would have to invent it". The stability which the UAE has attained, the way it handles security issues – "without tanks on street corners", in the words of Bernardino León Gross, director general of the Emirates Diplomatic Academy (EDA) – allied with the marketing talent of Sheikh Mohammed have made Dubai the

leading destination for capital from neighbouring countries. The emirate opted for economic diversification many years ago, with commer-

"Only in the infrastructure sector, albeit late in the day, have people realised this market's strategic value"

ce, aviation and tourism as the three main cogs in a smoothly functioning machine. They feed into each other. Dubai also has a vibrant property market – with its ups and downs like anywhere else in the world – and the emirate supports knowledge and innovation, in keeping with the UAE's Vision 2021 plan to become a highly productive and competitive economy while marking the state's 50th anniversary. In May the first office building made with 3D printing was opened in Dubai. It took just 17 days to build. "We want action, not theories", Sheikh Mohammed sentenced. "He is an amazing man. In general, Spain has not yet understood this country's potential and there is little institutional support, demonstrated by the alarming lack of resources. For example, the fact that there is no Spanish Consulate in Dubai is unacceptable", a Spanish consultant who resides in the UAE remarked. "Only in the infrastructure sector, albeit late in the day, have people realised this market's strategic value." Other expatriates share this view. Some 200 Spanish companies are based in the UAE and the colony of Spaniards continues to grow. "In April there

per *El Correo del Golfo* has been published daily since 2012 "with an average of 450,000 monthly visits", according to editor Rafael Pé-



rez Unquiles. They have published a monthly print edition since 2014, distributing 10,000 copies across 250 outlets.

Relax, this is Abu Dhabi

"Abu Dhabi is not Dubai; here everything takes more time", the communications director of the federal Economy Ministry told us when we landed in the capital. He was so right. The holy month of Ramadan was fast approaching and [almost all] the doors behind which some of Abu Dhabi's most brilliant minds are normally to be found remained closed. The same can be said for the mansions we gazed upon as we were being driven along the capital's elegant avenues, such as Al Bateen Road, festooned with palm trees, immaculate lawns and lush shrubbery. Was there a pact of silence? "We like it quiet", Muna Al Jabry, the director of marketing at Abu Dhabi's Chamber of Commerce and Industry, pointed out from her office with views of La Corniche, the seaside promenade in the west of the city. Just a few metres away stands the skyscraper which houses ADIA (Abu Dhabi Investment

The stability which the UAE has attained, the way it handles security issues – "without tanks on street corners", in the words of Bernardino León Gross, director general of the Emirates Diplomatic Academy (EDA) – allied with the marketing talent of Sheikh Mohammed have made Dubai the leading destination for capital from neighbouring countries

were around 16,000", José Eugenio Salarich, Spain's ambassador in the UAE, said of a burgeoning community which includes security of all ages. The same goes for Latin Americans. To keep up with the growing activity of the Spanish-speaking community [whose number is estimated to be around 50,000] the Spanish-language online newspa-

Authority), the largest Emirati sovereign wealth fund – owned by Abu Dhabi's government – and the fourth biggest in the world with 700 billion euros' worth of assets, according to SWFI ADIA, which is celebrating its 40th anniversary, is swelled by earnings from oil. "Considering that our managing director has only given one inter-

view in recent years, it's best not to hold out too much hope", the press department chief warned us. We were certainly learning the lesson; things take time here! It is almost as if the idea is to put people to the test – and he who is able to enjoy the true hospitality of the Arab people in an unhurried manner shall emerge victorious. We can stake our claim to having enjoyed it! For example, each time we turned up without warning at the office of Aaded Al Afeefi, the director of Foreign Trade at the Abu Dhabi Department of Economic Development, he received us courteously with no sense of rush; Arabic coffee and dates included.

A Ferrari in the lobby

"Please, no photographs", we were told when standing outside Mubadala – another of Abu Dhabi's sovereign funds – with assets valued at 55.167 billion euros. The façade suggests yet another office block. On the inside, however, the refined architecture of its Arab patio leaves you open-mouthed. It is chaired by Sheikh Mohammed bin Zayed Al Nahyan, deputy supreme commander of the armed forces, the crown prince of Abu Dhabi, future president of the UAE and the most powerful man in the country. He is the son of Sheikh Zayed, the founder of the UAE who died in 2004, and his fifth wife, Sheikhha Fatima bint Mubarak. Abu Dhabi's royal family has close relations with its Spanish counterpart. Queen Sofía spent time with Sheikhha Fatima in March and while Spain's king and queen, Felipe and Letizia, have yet to make an official visit, they have made private trips, including journeys to destinations such as the

through by experts are taken up to the top floor for consideration. This year's dictum is to focus on France, Russia and China. Italy's airspace industry is also seen as "extremely" interesting.

One of the president's men

The last time that the Spanish government had an official meeting with Mubadala was during the final visit made by King Juan Carlos in 2014. In this same building the emeritus king met behind closed doors with Sheikh Mohammed and Sultan Al Jaber, minister of state in the federal government and one of the Sheikh's closest confidants. In February the latter named Al Jaber as CEO of ADNOC, Abu Dhabi National Oil Company, which manages and supervises the emirate's production of hydrocarbons [which

stands at 3.15 million barrels per day, putting it 12th in the world, according to its own calculations]. ADNOC is soon to move into its new headquarters, Abu Dhabi's tallest building positioned on La

This new home will bear testament to the company's great power, but the future the Sheikh has in mind for Abu Dhabi is not stuck in crude, but rather based on a diversification strategy – as laid out in the go-

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Corniche, opposite Emirates Palace, the world's longest hotel complex, and barely a kilometre from the as-yet unopened presidential palace of imperial proportions.

government's Vision 2030 road map – with an emphasis on renewable energies, commerce, culture, tourism and financial services. The arrival of Al Jaber – a chemical

engineer from the University of California – has seen an immediate restructuring of boards in many of ADNOC subsidiaries. The age of oil is ending and the time of renewables is underway. Al Jaber is no newcomer; in 2006 he directed the strategy and led the launch of Masdar, a Mubadala initiative to boost the use of clean energies in the UAE and beyond. He still heads Masdar's board of directors. In Spain, Masdar owns 40% of Torsol Energy, of which the Basque group SENER controls the other 60%. The company operates three solar plants in Andalusia. In 2015 Masdar acquired 50% of Minas de Aguas Teñidas in Huelva. Al Jaber, who is also the chairman of Abu Dhabi Ports, has the task to sweep away a bureaucratic culture. It is a time for technocrats.



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ERIK ROVINA MARDONES, CHIEF ECONOMIC AND COMMERCIAL ATTACHÉ TO THE SPANISH EMBASSY IN THE UNITED ARAB EMIRATES

“Entering this market takes time, effort and money, but it works once you are in”

In 2015 ICEX provided personalised services to 117 SMEs from its Dubai office, number one in the world

What does Spain's Economic and Commercial Office do in Dubai? “Between 80% and 90% of our time is given over to helping SMEs, those small businesses which nobody knows and which could not be further removed from the Indies and Banco Santander of this world. They don't need our services”, explains Erik Rovina Mardones, who since September 2015 has been the chief economic and commercial attaché at the Spanish Embassy in the United Arab Emirates (UAE). His offices are located in Emirates Towers, the skyscraper in which Sheikh Mohammed bin Rashid Al Maktoum, vice president and prime minister of UAE and ruler of Dubai, also has an office. This proximity is no coincidence. Just one Metro station away, at a distance of just three kilometres, stands the World Trade Center, a kind of bustling Arab souk which is the most happening trade fair area in the Gulf. The fairground is open all year round and is a place in which people look and let themselves be seen amongst the Emirati *crème de la crème*, including Sheikh Mohammed and his son, crown prince and heir apparent, Sheikh Hamdan. The most attractive fair for Spanish companies appears to be Gulfood. “In February of this year some 200 food and drink companies turned up. Judging by the demand for space, it's a money-making fair”, Rovina remarks. According to the organisers, 90,000 buyers from 160 countries registered for the event. Its significance is such that it has



“It's important to explode the myth about how much money there is in this country, and the 'tiny slice of the pie will make my fortune' idea. The competition is fierce and means you have to force your way in; in other words, cutting prices, the most important factor”

led ICEX to install its own pavilion. This decision also coincides with the holding of three other fairs: Arabhealth, Sweet&Snacks and The Big 5, the largest construction fair in the region which is held in November. At the same time, ICEX provides support to the groups of Spanish companies which participate together in the UAE's annual fairs – 9 in Dubai and 2 in Abu Dhabi – under the umbrella of various business organisations.

“Last year, 117 personalised services were provided to companies, including diary planning, making this office the number one of all those run by ICEX”, the attaché says. So does he encourage Spanish SMEs to consider a venture into the Emirati market? “Yes. We need to carry on

investigating new opportunities. In 2015 more than 8,000 Spanish companies exported to UAE. Of these, 2,237 were regular exporters whose products have been on the market here for over four years. This is a big advance because in 2010 there were only 4,180 export companies”, Rovina explains, although he is quick to add a metaphorical nuance: “It's important to explode the myth concerning how much money there is in this country, and this idea that ‘a tiny slice of the pie will make my fortune’. The competition is fierce and means you have to force your way in; in other words, cutting prices, the most important factor. Entering this market requires effort, time and money. But once you are in, it works very well”.



Visitors attending GITEX in the World Trade Center of Dubai

Fairs in the UAE (2016) with financial support from ICEX					
Calendar	Fair	City	Sector	Exhibitors	Spanish Sector Plan
2-4/02	VIV MEA	Abu Dhabi	Agribusiness machinery	11	AGRAGEX
15-17/02	AEEDC	Dubai	Dental	8	FENIN
21-25/02	Gulfood	Dubai	Food, beverage and hospitality	10	AFEHC
1-3/03	Middle East Elec.	Dubai	Electrical equipment	21	AMEC AMELEEC
8-9/03	Middle East Rail	Dubai	Railways	9	MAFEX
15-17/05	Beauty World	Dubai	Cosmetics	41	STANPA
8-10/06	Automechanika	Dubai	Automotive	12	SERNAUTO
17-19/09	Hotel Show	Dubai	Lighting		FEDAI
27-29/10	Gulfood Manufacturing	Dubai	Agribusiness machinery		AMEC ALIMENTEC
7-10/11	ADIPEC	Abu Dhabi	Oil & gas		FLUIDEX
13-15/11	WOP	Dubai	Fruits & vegetables		FEPEX
Fairs in the UAE (2016) with ICEX official pavilion					
Calendar	Fair	City	Sector	Exhibitors	Years attended (including 2016)
25-28/01	Arabhealth	Dubai	Healthcare	54	4
21-25/02	Gulfood	Dubai	Food, beverage and hospitality	189	11
7-9/11	Sweets&Snacks	Dubai	Sweets and snacks		2
21-24/11	Big 5	Dubai	Building materials		

BERNARDINO LEÓN GROSS, DIRECTOR GENERAL OF THE EMIRATES DIPLOMATIC ACADEMY

“They want to be trailblazers”

“Sheikh Mohammed took centre stage and in a conversation with his followers on Twitter [he has 6.36 million; Mariano Rajoy has 1.22 million and Barack Obama 75.6 million], the UAE's prime minister and vice president, and ruler of Dubai, announced the restructuring of the federal cabinet with the inclusion of new ministries for Happiness, Youth Affairs and Tolerance. They want to be trailblazers”, says Bernardino León Gross, director general of the Emirates Diplomatic Academy (EDA), launched in 2014. The 51-year-old politician and diplomat

from Málaga, with experience of the EU and the UN, believes that the institution he heads under the aegis of the Foreign Affairs Ministry in Abu Dhabi chimes with the country's innovative spirit. All of its 58 students are either diplomats or have worked in the international sphere for an Emirati institution, such as the sovereign wealth fund Mubadala, which encourages its people to get such training in order to make the most of all opportunities beyond the desert. But in the future, such employees will have to study at EDA before entering the UAE's institu-

tions. “The aim is the professionalization and modernisation of a profession on the basis of merit. This is what makes it completely new in the Arab world because there is nothing else like it. The UAE has decided to offer its citizens a high educational level, for example with New York University and the Sorbonne having campuses in Abu Dhabi. This country is very much a global one with a presence in world forums in areas such as energy and international terrorism. Such an approach requires an outstanding diplomatic corps which can take the country

from where it stands today to excellence. That is the remit.” For León Gross, the UAE is in a transitional moment. “The labour of investing in the creation of infrastructures is there, making it possible, for example, for Abu Dhabi to host Sustainability Week and become the global capital in this area by bringing together all of the world's players and experts from that field. Investment in human capital and mentality takes longer. At EDA we are also making a cultural change. The strategic decision has been made; the results will be seen in the years to come”.



MOHAMMED AHMED BIN ABDUL AZIZ AL SHEHHI, UAE'S SECRETARY OF STATE FOR THE ECONOMY

“The state envisions celebrating its last barrel of oil exports”

The Emirati government wants innovation to account for 5% of its GDP by 2021

An electrical engineer from South Florida University and with an MBA from the American University of Sharjah, the UAE's secretary of state for the economy, Mohammed Ahmed Bin Abdul Aziz Al Shehhi, is a welcoming and authentic figure. In May the Italian president awarded him the Order of the Star of Italy for his “exceptional” efforts to strengthen business and com-

mercial relations with that country. A few days later Al Shehhi received us in his well-lit office in the Economy Ministry building in Dubai with the words “Spain must overtake Italy”, because our country and his are still far from fulfilling their bilateral potential. In 2015 total trade between Spain and UAE rose above 2.27 billion euros. Spain's position as a bridge towards Latin America makes it extremely attractive to this Arab country, which has its sights set on that continent as a market where it can diversify both partners and business. In May the Mexican agriculture minister, José Calzada Roviroso, passed through his office and Al Shehhi pointed out that Mexico's buoyant agriculture sector makes a good match with the Emirati economic agenda for food security. Brazil and Mexico combined account for 70% of all trade with Ibero-America:



6.34 billion euros. “There are big opportunities and promising areas of cooperation with Latin America”, says Al Shehhi, “particularly in sectors such as energy, agriculture, tourism, IT and aviation.”

QUESTION: What are the projections of the Ministry of Economy with regards to economic growth over the next three and five years?
ANSWER: In 2015 we grew 3.1%

“We are the first country to establish ministries for Happiness and Tolerance. The revamped government includes five new women ministers, including the minister for youth affairs, the youngest minister in the world at just 22. In all, there are eight women in the cabinet”

with the non-oil sector accounting for 70% of our GDP and we expect continued growth in 2016 ranging from 3% to 3.5%. We forecast the economy to eventually break the 4% barrier in light of the expected high growth rates for the non-oil sectors through 2017 which will continue to rise and gain momentum in the future. The IMF also predicts solid economic growth for the country. Our economy is outstanding, not only at the regional level, but globally as well, and it remains one of the most stable. Key to this is diversity and dependence on various sources of income. It has proven to be strong and maintained high growth rates over the past years. It has remained efficient despite the economic unpredictability

resulting from the drop in oil prices and a slowdown in the growth of some of the world's economies. Our competitiveness is due to the presence of 25% of the world's 500 largest companies which have set up their regional base here.

Q: Over the past year oil prices have fallen by more than a half, contributing to an economic slowdown in the UAE. How are you coping with this storm?
A: Although this poses a challenge for us as 30% of our GDP depends on oil, our current situation is excellent compared with other oil-exporting countries. The decision to adopt a zero deficit for the 2016 federal budget underscores the limited impact of low oil prices on the strategies of the state and its economy. We were well-prepared for the current situation thanks to plans adopted by the federal government years ago under its development vision for a post-oil economy. Its measures aggressively broaden sources of income so that non-oil sectors account for 80% of GDP by 2021. Should this be achieved, the state's ability to cope with instability in international markets will be further strengthened. The state envisions celebrating its last barrel of oil exports. We are formulating an integrated post-oil strategy including the development of legislation linking innovation and investment, SMEs and entrepreneurship, R&D and intellectual property rights. We aim to enhance the state's industrial capacity and build a strong industrial sector based on modern technology, as well as revitalizing other sectors including aviation, tourism, transport and logistics.

Q: You proclaimed 2015 as the “Year of Innovation”. What were the results?
A: We see innovation as a vital element in achieving economic success, and the goal is to raise its contribution to GDP to about 5

per cent by 2021. The National Innovation Strategy identifies seven key sectors: power, transportation, technology, health, education, water and the aerospace sector. In last November's Innovation Week, 214 entities launched 800 new and innovative events whose implementation will be supervised by each of the emirates. The Ministry of Economy will continue to enhance the regulatory framework to encourage high value-added sectors to develop the business environment and boost the country's investment appeal.

Q: In February's changes to the cabinet, a Ministry of Happiness was introduced. What do you as secretary of state for the economy think about this?
A: The happiness of UAE citizens, residents and even visitors has become the focal point of discussions locally and globally. In the end, the success of any urban project hinges on people's happiness. Being happy has always been a goal for our wise leadership in all of the projects and initiatives launched over the past 10 years. They reflect the dedication and leadership of the UAE in managing its government and as an uplifting role model for prosperity and civilized development. We are the first country to establish ministries for Happiness and Tolerance. The revamped government includes five new women ministers, including the youngest minister – for youth affairs – in the world who is just 22. In all, there are eight women in the cabinet. Happiness from the perspective of UAE nationals becomes a potential reality when quality becomes a way of life, excellence a need and not an option, and innovation an active element for success. Our country has spared no effort to improve the lives of every citizen and resident; the government is responsible for reaching out to the people and not vice versa.

YOUR KEY TO THE MARKETS

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MOHAMMED AHLI, DIRECTOR GENERAL OF DUBAI CIVIL AVIATION AUTHORITY

“We need the fifth freedom with Spain”

Dubai is looking forward for Iberia to fly to the Emirate and strengthen the ties further

Mohammed Ahli welcomes us to his office with the offer of freshly squeezed orange juice and rose-flavoured tea. The director general of Dubai Civil Aviation Authority knows all about Spain because, among other reasons, he used to have a home in Valencia, but he sold it “when the Spanish summer began to look like Dubai’s”. The first time a plane landed in Dubai was in 1937 by the Creek, the sea inlet which divides the historic quarter of the city and an area which remains still today distinct from the shiny modern image of skyscrapers which is the way Dubai is seen in Spain. The first landing in the Emirate of Dubai was made by a flying boat of Imperial Airways which was flying between London and Sydney, Australia. “An advisor to Sheikh Saeed had warned against allowing the landing. He had thought that the British would occupy our land and attack our culture”. But Late Sheikh Saeed, the grandfather of the Prime Minister and the Vice President of the UAE and the Ruler of Dubai Sheikh Mohammed bin Rashid Al Maktoum, did not listen. “Remember this, one day Dubai will have a great aviation business”, he declared. “Since then, we have applied an open skies policy”, says Ahli. In the 1970s when the emirate’s current airport was opened, Sheikh Rashid, the successor to Sheikh Saeed and the father of Sheikh Mohammed, insisted that British Airways’ London-Mumbai route made a stopover in Dubai. “He convinced them by promising to pay for eight passengers’ tickets if the flight was a loss maker”. It never was. Back then he also reserved land to the south of Dubai in order to continue expanding the aeronautical activity. “The Al Maktoum family is a family of visionary sheikhs. Sheikh Rashid saw clearly that the airport would become obsolete long before half a century had passed”, Ahli explains.

QUESTION: How much influence can you bring to bear so that the Dubai-Malaga route opens?
ANSWER: This is a commercial decision which is up to the airlines. As a government entity, we talk to our Spanish counterparts about regularising traffic rights. We have the third and fourth freedom traffic rights with Spain. We need the fifth freedom rights. We have been wait-

ing for Iberia to fly to Dubai for a long time now. This will strengthen our ties and connectivity with Spain. Both Emirates Airlines which connects the emirate with Madrid and Barcelona and Etihad which flies to the Spanish capital are talking to Iberia and other Spanish companies, urging them to fly to UAE.
Q: You have the reputation of being an excellent negotiator. What is Spain like on the other side of the table?
A: Before Emirates could gain all of its traffic rights, we had to tackle a myriad technical issues with arid meetings that lasted until 11pm without results. So we said to ourselves ‘let’s show them Dubai’. They came, they looked around and they opened doors to us in Spain. It was a question of being unfamiliar with each other. I suppose they were thinking ‘who are these people, where are they from and what do they want?’ This wasn’t only the case with Spain; Many Countries around the world act in the interest of their national airlines.
Q: And is it wrong for a nation to protect its airline?
A: It is not wrong to protect the in-

Q: Your regional neighbour Iran has announced its intention to boost capacity at Tehran airport from eight million to 40 million in the next four years. It also sees itself as a hub for long-haul flights. On a scale of 0 to 10, how much of a chance does it have of becoming your biggest competitor in the region?
A: 0. The states in this region are not competing amongst themselves. They have different aviation models. Tehran’s capacity boost will give our airlines the opportunity to increase their connectivity with that airport and other destinations.
Q: After the Flydubai accident, there was some criticism from international airline pilots over lack of rest times. Is there a need to change the regulations on schedules? Will this tragedy change anything with regard to local procedures and those of your authority?
A: Airlines observe the rules laid down by the UAE General Civil Aviation Authority, which are based on international standards and recommended practices. The UAE Government’s primary objective is a safe and secure aviation industry. We will not compromise safety of



“You build the market working in both directions. We carry passengers to Spain and look forward for Iberia to operate passenger services to Dubai”

MOHAMMED AHLI

terest of a national airline. We look at it in a different way. Its much better to open the routes for both, the national and foreign airlines rather than protecting it. This will develop the aviation market in both countries in addition to increasing connectivity, boosting the tourist industry and related areas giving both parties a greater chance of success. You build the market working in both directions.
Q: Qatar wants Doha to become the hub of world aviation. With 15.01%, Qatar Airways is now the biggest shareholder in IAG, the group to which British Airways and Iberia belong. Could Qatar’s ambition threaten your plans for Iberia?
A: Absolutely not.
Q: Or have some impact on the 70 weekly connections between Dubai and London?
A: No. We always encourage the expansion of the market. The one who provides a better product, a safe and secure air transport service will succeed.

air transport for any reason. We have to await the outcome and the recommendation of the investigation panel.
Q: You have said that in 2020, Dubai’s aviation sector will create 375,000 direct jobs. Is there anything that could prevent this from happening?
A: This figure is based on the statistics relating to the growth of the passenger travel and the development of the aviation industry, which we have been enjoying up to date. Our forecasts are updated on annual and quinquennial basis. The forecasts may change, based on the developments. We look forward for an increase of the figures as we see a considerable growth in the aviation industry in the UAE.
Q: Do you visit Spain often?
A: Yes, for work and for pleasure. We love Spain. When we sold our house, my wife set the condition that we would return at least once a year, in winter.



A view of Dubai International Airport (DXB) to the north of the city. To the right, Khalifa Al Zaffin, executive Chairman of DACC.



If aviation were a country...
Last year Tony Tyler, the CEO of the International Air Transport Association (IATA) said in Abu Dhabi, the UAE’s capital, that if aviation were a country, it would rank 19th in terms of GDP (1.94 trillion euros). Aviation generates 8.4 million direct jobs and 56.5 indirectly. In Dubai it represents 28% of the emirate’s GDP and this is still on the rise. This ongoing increase means that current capacity has to be boosted by completing as quickly as possible the infrastructure of the new DWC Al Maktoum International Airport which is being built to the south of the city.

AIRPORTS IN DUBAI

Dubai International Airport (DXB)

Volume of international passengers
2015: 78 million (51,9 million with Emirates Airlines).
2016: 85 million passengers (estimated).

Capacity: 90 million passengers. (including Concourse D opened in 2016 for a total investment of 1.2 billion US dollars).

Al Maktoum International Airport (DWC)

In operation since 2010 for air freight and since 2013 for passengers.

Current capacity:
• 5 million passengers a year, 463,236 passengers in 2015
• 1 million tonnes of air freight, 888,714 metric tonnes in 2015

Investment for expansion announced in 2014:
32 billion US dollars

Future capacity of five terminals once expansion completed:
220 million passengers a year

Phase I: 120 million passengers. 100 A380s can be handled at a time.

Phase II: 100 million passengers and 16 million tonnes of air freight. Estimated capacity in 2018: 26 million passengers.



Free Zone key facts

- Business Park:** Promoted by JLL and CBRE, the space surrounded by parkland comprises 11 blocks in the free zone, with 35m2 offices ready to be used or individually designed from 120m2 upwards. The zone includes a business centre, financial services hub, stores, fitness and catering, etc.
- Dubai Logistics Corridor:** 200km2 of multi-use free zone space. Connects Jebel Ali Port with DWC Al Maktoum International Airport, with transit time (from dock to runway) of 4 hours.
- The Villages:** A self-sufficient city for 1 million people - included in the Dubai aerotropolis project - with schools, health centres, renewable energy, golf course and whatever else you can imagine.
- 100% foreign-owned property**
- 100% repatriation of capital**
- 0 tax**

The world’s airport

Three generations of sheikhs without oil wealth have continued in Dubai their quest to triumph in the aviation sector. Dubai South is its new brand: a \$33bn aerotropolis. Businesses and investors have started to jockey for a prime position

“We are eager to hitch up the cart to the oxen”, says Khalifa Al Zaffin, a US-educated chemical engineer and executive chairman of Dubai Aviation City Corporation (DACC), the company in charge of establishing the strategy, operations and business related to Dubai South, a self-sufficient urban ecosystem with an airport at its heart. Amid the hum of the air conditioning in his office next to Dubai International Airport, Al Zaffin explains: “We have not stopped for one minute; our objective is to have it ready by 2025”. In fact, the airport has been in use for Emirates Airlines’ freight transport since 2010. The passenger

Aviation is to Dubai what fishing is to Galicia; it’s impossible to imagine one without the other

facility has been operational since 2013, and in April of this year the VIP Terminal was opened for private jets. Besides this, when necessary, flights are diverted from the main airport.

Brace yourself Atlanta
Al Maktoum is just the icing on the cake of Dubai South, an aerotropolis of 145 km2 next to the largest port in the Middle East. It will be a city for a million people, with all possible services at their finger-

tips, such as health centres, leisure and education facilities. But also it will be a place to work with a large industrial park and business centre. “The basis of the logistics business is air transport of products crossing the sea to Jebel Ali, the Middle East’s biggest port. Companies such as Samsung, Apple and ATT give our business added value. Then there are the pharmaceuticals, and perishable goods which operate on a tight schedule...”

UAE is one of the few countries to have made its skies into a strategic sector for economic growth, and it is highly probable that Dubai will surpass Atlanta as the world aviation capital in the next five years. In 2015 it passed Heathrow to take first place for international passengers: 78 million passed through its airports, 51 million of whom were flown by Emirates Airlines. The fact that this airline is not moving to Dubai South for the moment could make Al Zaffin’s day-to-day business extremely challenging. But he dismantles any such psychological barrier with opportunity theory and his wily tendency to answer one question with another: “Who would not like their business to be next to one of the biggest airports in the world?” Al Zaffin believes that those who have a true vision of the future – “and there are many of them” – know that coming here now will save money. “The business model sells itself; the airport acts as a powerful catalyst for other activities: logistics, finance, real estate... You can’t go wrong”,

he says exuding confidence in his project. Why wouldn’t he be?

Having the sheikhs on your side
Aviation is to Dubai what fishing is to Galicia; it’s impossible to imagine one without the other. More than flying, Al Zaffin likes to fish, a hobby he shares the enjoyment of with his friend and royal highness, Sheikh Ahmed bin Saeed Al Maktoum, CEO and chairman of The Emirates Group and uncle to the vice president and prime minister of UAE and Ruler of Dubai. Al Zaffin knows that Sheikh Ahmed’s golden rule is that nothing should hinder the growth of aviation in Dubai. The last annual report of his group (April 2015-March 2016) had the word Accelerating embossed on its cover and detailed profits of 1,939 billion euros, the biggest in company history and 49.8% more than the previous year. It is not all good news: turnover, at 22,305 billion euros, was down 3.3%, mainly due to the “impact of a strong dollar”, the report said. It is with this kind of ammunition that Al Zaffin says that “Dubai South sells itself”, adding that it is “attracting attention from investors and companies from all over the world, including Spain”.

Wanted: 33 billion US dollars
But where will 33 billion US dollars come from in lean times and when the promoter rules out a public-private partnership to finance the infrastructure? “Our motto has to be BOT – build, operate, transfer”, replies Al Zaffin. “We have received signs of interest from France,

United States, Italy, China, the United Kingdom... They all want a piece of the pie. Two years ago the British government supplied us with a cheque for two billion US dollars to start building... Credit financing from governments is cheaper than what banks offer and the repayment period is longer. We are happy with that. It is not hard to negotiate, especially when we are talking about infrastructure and we have a governmental guarantee.”

According to this Emirati official, persuading companies to come and settle in Dubai South is proving to be relatively simple. “Airports are cash machines. Those moving in here are doing so to provide services to Emirates Airlines and Flydubai. It is cheaper to carry out maintenance operations, repairs and revisions in Dubai than by going to any part of Europe.” Boing has already signed an agreement on its arrival in Dubai South soon. “This is the future”, Al Zaffin smiles.

Happiness is the leitmotif of a

city where half a million people will be working, but for Khalifa Al Zaffin, what is his personal mindset? “Nobody achieves a 10 in happiness, you cannot be happy all the time, happiness comes from within, how am I? I am happy to be where I am and because of what I am doing, I am content, maybe this is

It is highly probable that Dubai will surpass Atlanta as the world aviation capital in the next five years

the word. Heaven and hell is within, not somewhere else”.

Wilfred Thesiger, the explorer that crossed the Arabian desert in the last century said that those five years where he endured hunger, thirst, and extreme cold and hot temperatures were “the happiest years” of his life. This quotation can be read in Al Ain, the oasis city in the middle of Abu Dhabi. “Do you know why”, asks Al Zaffin, “because he was next to nature, God is closer. It is difficult to define happiness, it is a very complex thing to do, but at the end of the day it is to be on good terms with God and with other people... then you will live in good terms with yourself”.

Asturian escalators and lifts from Madrid

In 2004 ThyssenKrupp España was awarded the contract to supply lifts, escalators and mechanical walkways for Dubai Airports to the tune of 150 million euros. “The escalators and walkways were made in Mieres, Asturias, and the lifts in Madrid, with some German components. The tender was key in our relationship with this country, where we have completed more than 300 projects”, says Eduardo Montero, director general of the company in UAE. Besides the airports, his Emirati clients include the Dubai Opera – which opens on August 31 and where Plácido Domingo and José Carreras are due to perform – the big real estate promoter Aldar Properties and its Yas Island shopping mall, where the Formula 1 world championship race is held. The star project yet to be awarded for which ThyssenKrupp España has bid is Route 2020, along with Acciona, which is competing against Japan. The plan is to extend Dubai’s Metro line 15 kilometres to reach the Expo 2020 site in Dubai South, a project worth around 2.7 billion US dollars.

ABDULLAH BELHAIF ALNUAIMI, UAE'S MINISTER OF INFRASTRUCTURE DEVELOPMENT

“If Dubai did not exist, the world would have to invent it”

There has been generous public spending on Emirati infrastructures over recent years. Despite the drop in oil prices, in 2016 the federal budget still prioritised this sector. The following are extracts from the interview with the UAE's minister of infrastructure development, Abdullah Belhaif AlNuaimi.

“Part of our research will focus on people. The authorities have tasked us with making them happy, not making them move faster”

Opportunities for Spanish companies

“In the next three years, we will invest 900 million euros in the construction of highways, mostly in the mountains; in Fujairah, Ras Al-Khaimah... We are designing this now. We have built and run a 900km network [excluding Dubai and Abu Dhabi, which have their own ministries and budgets], which provides opportunities in maintenance”.

Is Sheikh Mohammed preventing a fast link between Dubai and Sharjah?

“This is nonsense. Look, I am from Sharjah and I live there. If Sheikh Mohammed is sure of anything it is that Dubai is a real destination. And it maintains its leading position in the UAE and the whole

world in commerce, construction, lifestyle... It is a universe. I always say that if Dubai did not exist, the world would have to invent it. The other emirates supply it. It is connected to those to the north [all except Abu Dhabi] by four arteries. There is a normal transfer of traffic and congestion on all four roads; Dubai is still Dubai. Sheikh Mohammed is a firm believer in the unity of the UAE, in economic distribution and that each success in one emirate benefits the others. In recent years he has led reforms and visited more projects in the northern emirates than in Dubai. As prime minister, those are his priorities. He was the one who told us to reach out to the most remote places. He himself said: ‘We want developed, not developing, areas’. In the last seven years, we have carried out projects in that area. He instructed us to build the Dubai-Fujairah highway, a challenge in the midst of the mountains. Today it is a 45-minute journey.”

The country which refuses to grow old

“The new generations grow up with technology. They could obtain better results without us than we could on our own. The best scenario is to combine the two. Our experience protects them while they use their brains. A little of us and a lot of them. In 1980 I graduated from the University of Wisconsin. A while back, my daughter applied for a scholarship and two colleagues of mine interviewed her. She was accepted at MIT, probably the num-



“A train ride with friends, the internet or reading a book... it's something to be enjoyed. Imagine yourself inside a capsule heading to Dubai from Abu Dhabi in 10 minutes. Is that what you want? I am not so sure”



Image of Dubai Metro, owned by the Roads and Transport Authority (RTA) of Dubai. Photos: MyMMerchan.

ber one among the very best. ‘Why MIT?’ one of them asked her. ‘Sir, I saw that my father's university was number nine in the rankings; I couldn't go to one lower down the list’. This is the generation that will make the difference, the one we want to lead the UAE into the future. We have made this country beautiful, safe and attractive as you see it today, but can we make it as innovative as we would like? Not without them. In ten years they will be in my chair and also saying: ‘we need a new generation to take the lead’. We will not let the UAE grow old.”

Happiness, the train and Hyperloop

“I met the chairman of Hyperloop when they presented their technology to me and my team. As far as I can see, it is not perfectly clear, nor has it been sufficiently tested to say it is the future of transport. Then there is also the social aspect of a journey and what people want. Do you really want to cut the journey time from one hour to five minutes? A train ride with friends, the internet or reading a book... it's something to be enjoyed. Imagine yourself inside a capsule heading to Dubai from Abu Dhabi in 10 minutes. Is that what you want? I am not so sure. Part of our research will focus on people. The authorities have tasked us with making them happy, not making them move faster. So we will have to ask them what scenario they prefer: 10 minutes in a capsule or 30 minutes on a train. We will have to see which offers greater comfort. I hope it is a success. Cutting the 12-hour journey time between the UAE and China makes sense, but between Dubai and Abu Dhabi...” [The 13.5-billion-euro regional railway project to link Kuwait with Muscat via Saudi Arabia, Bahrain, Qatar and the UAE is still pending a decision to resume work by governments on the Gulf Cooperation Council.]

MOHAMMED JUMA AL SHAMISI, CHIEF EXECUTIVE OFFICER OF ABU DHABI PORTS

“We are a hub for the region's automobile industry”

“The biggest exporter in Barcelona Port is one of the largest importers at Khalifa Port”, says Captain Mohammed Juma Al Shamisi, CEO of Abu Dhabi Ports. The young executive is talking about Al Dahra, an Emirati company which produces alfalfa in Spain. Despite “close relations” with the port in Catalonia's capital, Al Shamisi admits that there is a shortage of information in the Iberian Peninsula regarding his company's services, and he accepts their share of blame for the lack of action taken to remedy the situation. Apart from military and oil and gas harbors, the company runs all of the ports in Abu Dhabi, and its flagship is Khalifa Port, opened at 12:00 midnight on 12/12/12. The

company also controls the adjacent industrial zone, KIZAD, which plans to become one of the biggest in the world by 2030, increasing the extension of the existing logistics and manufacturing park to “419 km2, two-thirds of the size of Singapore.” Khalifa Port is 97km from the Corniche, the marine promenade in the emirate's capital, and just 77km from Dubai's Jebel Ali, the biggest port in the Middle East and ninth in the world for container traffic. Its infrastructure, into which millions have been invested, is magnificent, but is there a real need to dredge out a port practically next door to such a neighbour? “We are complementary. We are not competing on container

volume,” the captain explains. Khalifa Port's remit is to supply KIZAD and offer a more personalised service, including the free zone. “The idea is to be a regional hub; we already are for the automobile industry”, he says. In the first quarter of 2016, roll-off traffic of cars grew 31% to 33,687 vehicles, compared to 25,709 in the same period of 2015. “Other ports are growing in the region. If this was a life or death competition, you would see them suffering. But at the moment, we are all growing together. As they say, if you want to go fast, travel alone. If you want to go far, travel in company. And that is just what we are doing”.



Khalifa Port in the Emirate of Abu Dhabi



Our vision
Dubai, the airport of the world

MOHAMMED BIN RASHID AL MAKTOUM CITY - DISTRICT ONE

Dubai's address of the future sets new benchmarks in community living

The horse is a source of great pride for Arabs; His Highness Sheikh Mohammed dreamed as a child of having a fine racecourse where the level of competition would make his family and country proud. He has it now. Meydan, the biggest racecourse in the world, is actually much more than a venue for equestrian events; it is a great city and the place in which Dubai is leading as a pioneer in the Arab world

Like Giordano Bruno's theory of the never ending universe, Dubai's property market continues to extend its own limits, making an indelible mark on the world stage. A big part of the scenery is Mohammed Bin Rashid City, named after His Highness Sheikh Mohammed Bin Rashid Al Maktoum, UAE's Vice President, Prime Minister and Ruler of Dubai.

Dubai's authorities hope that in 2020 – when MBR City's first four phases are completed to coincide with the holding of the World Expo – the metropolis will have around 3.4 million inhabitants. The city is being built in the vicinity of the Meydan Racecourse and Downtown Dubai with the icing on the cake being, Mohammed Bin Rashid Al Maktoum City – District One, the first landmark project to be announced with Mohammed Bin Rashid City.

Meydan Sobha, the joint venture between Meydan Group and

Sobha Group is responsible for developing over 45 million square feet of prime freehold land in the heart of Dubai. This 25 billion dirham investment (6.13 billion euros) comprises of luxury homes ranging from four up to eight bedrooms. With the imminent handover of Phase 1 taking place in 2016, over 9000 workers are operating to ensure the completion of a high quality luxury residential project. According to the developer, “it is hard to imagine how close one can be to all the major routes into the city, providing quick access to the Dubai International Financial Centre, Dubai World Trade Center and Dubai International Airport. No other development in the Emirates is so close to these destinations, which come together to make District One a truly unique location.”

Aiming for the best

“The aim of the UAE is to be number one”, Sheikh Mohammed ex-

plains this in Flashes of Thought, published in 2013, the same year that the Meydan Group project was launched. This book was given to us in its Spanish translation towards the end of summer in 2015 by Jaime Montalvo, formerly the economic and trade attaché at the Spanish Embassy in UAE, during our first trip to Dubai in order to get an up-to-date snapshot of the UAE economy and the country's relations with Spain. “It will help you to delve deeper into Sheikh Mohammed's character”, Montalvo told us the day he packed his bags for his return to Spain after several years in UAE. During the same farewell conversation he told us we had to visit Cityscape Global, the biggest real estate fair in the Middle East which was to be held in Dubai the following week. There we saw the country's vision and desire to do what no one else has done before and point to it proudly as a way of saying “We

have arrived!” It was also where we first read the name Meydan; “one of Dubai's biggest developers”, was how a chatty Englishman at a nearby stand described it as he helped us get a grip on a scene we knew little about. “It is linked to Sheikh Mohammed and built the racecourse of the same name.” After five hours traipsing up and down the aisles and weighed down by dozens of brochures and business cards with names and logos we had never seen before, the Briton's words had a powerful effect.

In 2010. Consequently, we found ourselves just a few steps away from the equestrian facility which boasts the biggest racecourse in the world with capacity for more than 80,000 spectators; The Meydan Racecourse is home to the Dubai World Cup, the richest horserace in the world with prize money of \$30,000,000 USD. Bearing witness to this glamorous international event is The Meydan Hotel, designed in the shape of a wave in motion with a luminous green glaze façade. Meydan Hotels and Hospitality has more to



The Crystal Lagoon at Mohammed Bin Rashid Al Maktoum City – District One is the first of its kind in the UAE and when completed, it will become the largest in the world

Guests at heart

The combination of H.E. Sheikhha Lubna Bint Khalid Al Qasimi and a pinch of fortune, which always helps, led us to cross paths with Meydan shortly after. The current Minister for Tolerance, whom we had met as Minister of International Cooperation and Development and former Minister of Economy, was the first Emirati woman who opened our eyes to the increasingly significant gains made by females in the United Arab Emirates' political sphere. H.E. Sheikhha Lubna put us in touch with the twins, Ahmed and Rashid bin Shabib, two young Dubai entrepreneurs who in the autumn, when the summer heat abates to make way for eight consecutive months of mild temperatures, throw garden parties for guests from East and West, North and South around a campfire. This is Dubai, welcoming, diverse, safe and cosmopolitan. After a few missed turns trying to locate the home of the Bin Shabib twins, the taxi driver decided to consult his GPS while stopped in Nad Al Sheba; the name of what used to be Dubai's racecourse before the Meydan Racecourse was officially inaugurated

offer, notably the luxurious Bab Al Shams Desert Resort & Spa, which should be on the list of anyone who does not want to leave the emirate without spending at least one night experiencing the true Arabian Desert experience.

Turquoise lagoons

in the heart of Dubai
Carlos Salas, the Regional Director of Crystal Lagoons in the Middle East and also a member of the Spanish Business Council in the UAE was the first person to tell us about man-made lagoons with turquoise hues of a Caribbean cove in the heart of Dubai.

The Crystal Lagoons at Mohammed Bin Rashid Al Maktoum City – District One is the first of its kind in the UAE and when completed, it will become the largest in the world. For his company, it is a shop window in the Middle East; for Meydan Sobha the project represents a way of boosting the properties' value; for the expatriate, it provides the possibility of purchasing freehold property overlooking a great expanse of water in the very heart of Dubai. We had to see it. We saw it. It is impressive.

DISTRICT ONE: Sotogrande in the shadow of Burj Khalifa

Area: 45 million square feet

Capacity:

- Villas: 4 to 6 bedrooms
- Mansions: 7 and 8 bedrooms

Setting: Includes the world's largest man-made crystal lagoon along a seven-kilometer stretch beachfront that will offer residents swimming and non-motorized aquatic leisure activities. A 14km boardwalk and over 8km of cycling and running track surrounded by lush green landscaping and open green spaces. Lighting is provided by solar power and sophisticated technology used to create an environmentally-sensitive space. District One is next to the Meydan Racecourse, which includes The Meydan Hotel, The Meydan Tennis Academy and The Meydan Golf Course.



Luxury and Dubai are like love and marriage in the old song by Frank Sinatra; impossible to imagine one without the other. Try, try, try to separate them. It's an illusion! In the midst of Mohammed Bin Rashid City, District One is the Arabian Sotogrande, the plush golf resort in Andalusia, near the border with Gibraltar. It is a luxury development with one of the lowest densities to be found in Dubai, redolent of the Costa del Sol, which is logical as the architectural stylings described as Contemporary, Mediterranean and Modern Arabic by the developer, Meydan Sobha are the same as those to be found along the Andalusian coast. The cost of a luxury home within District One, situated just four kilometres from the city centre ranges between USD 4 million up to USD 27 million and here is an idea of what is on offer:

JOSÉ RAMÓN SAIZ, CHIEF EXECUTIVE OFFICER OF SPANISH KITS



“You don’t see anything like this in other countries”

Spanish Kits is a 100% Spanish-owned company and official provider to organisations such as the International Red Cross and United Nations agencies including Unicef and ACNUR. Now it is seeking contracts to deliver Emirati humanitarian aid and boost its presence in the UAE and Middle East

On Holy Tuesday last Easter, José Ramón Saiz, the chief executive officer of Spanish Kits, pulled a plastic sheet over the products the company was exhibiting at DIHAD, the Dubai International Humanitarian Aid & Development fair. The event is presided by Princess Haya, wife of Sheikh Mo-

hamed Bin Rashid al Maktoum, ruler of Dubai and the UAE’s vice president and prime minister. It was 6pm and the cleaning team was setting about its task. Minutes earlier, directors of international procurement for Doctors Without Borders had approached the stand, forming a circle as Saiz took the opportunity to explain the benefits of his patented educational dental kit for children: it teaches them how to clean their teeth and develop the good habit of saving water, a resource which is growing scarcer worldwide. The kit has won international prizes for innovation. It counts to be at this fair. Everyone who knows Dubai is aware that con-

tacts from the highest level will drop by the expo centre. Dubai hosts the headquarters of International Humanitarian City, the world’s biggest aid logistics base with more than 90,000 square metres of storage space (equivalent to 12 football grounds like the Bernabéu). At the centre, 18 kilometres from the new DWC

out of a free zone and provide to the American Hospital Dubai, SEHA, VPS Healthcare and Zayed Military Hospital. Now they are considering whether to start producing in the Arab country.

QUESTION: How did you get into humanitarian aid?

ANSWER: We were born in 1996, making toilet bags for hospital patients. In 2000 Spain’s Red Cross was organising supplies for war refugee camps in Kosovo [According to ACNUR, more than half a million people were displaced] and they asked us to make a bid for a tender, which we won. We had a very tight deadline to deliver products new to us and whose fabrication had not been organised. We managed; that was our first big international contract.

Q: And also the start of a new line of business?

A: Business depends on activity and the meaning you give to it. Thanks to the Red Cross we have been fortunate down the years to keep close contact with the great drama of immigration. In 2006 and 2007 immigrants were arriving on Spain’s shores crammed into little boats in a terrible state after two weeks adrift among the elements. I have witnessed this part of humanity that lives in very difficult conditions. Being able to develop



HALAL-CERTIFIED KITS

To show its genuine commitment to the Muslim population, the company Spanish Kits –which specialises in the fabrication of innovative kits for use in the field of humanitarian aid, hospital patients and child dental care– has just obtained for its products the highest certification from ESMA (Emirates Authority for Standardization and Metrology). It is the first company of its kind to receive the honour, presented personally by Rashid Ahmed Bin Fahad, the United Arab Emirates’ former minister for the environment and water.

products which improves their quality of life gave real meaning to our company. And we adapted. The usual thing in humanitarian aid is to go out and buy stock and leftover production from whatever happens to be on the market. But when you work with the major aid organisations, you can’t depend on a given factory having a product today, and tomorrow who knows? So we decided to make our own products to guarantee the homogenised quality of all of our kits.

Q: Can you give us an example?

A: [He chooses a kit they have been making for Unicef since 2008 and takes out a dynamo torch]. This already existed on the market, but it tended to break. We innovated so

that it would work for at least six months even when wet. Last year we renewed our contract with Unicef to include another kit, comprising a high-density polyethylene bucket with several hygiene products inside. Not any old plastic will do; this is very light and strong. African women fill them with water but it won’t break if it is dropped. It has a lid and can be used for storage.

Q: Which is key when you are chosen as a supplier: product or price?

A: Our reputation as a reliable supplier that delivers a product in accordance with the quality and timescale demanded. Price is always important but we keep winning tenders despite the fact that ours is a little higher than the competition because we produce in Spain rather than in Pakistan, India or China.

Q: What is your message to Spanish companies with regard to the UAE?

A: This is a place which requires commitment. You have to be ready to understand people here because they are very different to us. Once you understand the way they work, there are real opportunities

“They are very different to us. Once you understand the way they work, there are real opportunities”



BARS OF SOAP ON THE MOVE

Disasters and wars are unpredictable events but caring for the victims cannot be mere improvisation; there is anticipation and innovation. The biggest tender won by Spanish Kits was from the International Red Cross: “600,000 kits to be sent from Valencia in 400 forty-foot containers with more than 15 million bars of soap, 30 million sanitary towels, which we make ourselves, and all under a very tight and rigid time schedule. When dealing with such quantities, many logistical problems arise which give you the chance to shine. The tricky thing about kits is compiling products from very different kinds of factory. If one is missing, everything is paralysed. And your lorry is not the only one heading for the refugee camp. It is vital to have a team capable of seeing the big picture in terms of what needs to be done because making a mistake on delivery means leaving a family without aid.”

ABDULLA AL MAEENI, DIRECTOR GENERAL OF ESMA

The importance of being halal

Spain and the UAE join forces to facilitate the issue of halal certification for Spanish companies

Any Spanish company which has initiated the proceedings to export to a Muslim country has found itself facing the requirement of having its product certified as halal. Until recently, the difficulty arising from this imperative was enough to discourage the entry into some markets. In recognition of this, the governments of Spain and the United Arab Emirates (EAU) have come together to facilitate the pro-

cess and make it possible to obtain the certificate from Spain through the National Accreditation Entity (or ENAC according to the Spanish acronym), thanks to an agreement with ESMA, the Emirates Authority for Standardization and Metrology. The director general of the latter, Abdulla Al Maeeni, has been pinning around the world for months, clearing up confusions and belying prejudice about the halal economy, convinced that this is a new El Do-

rado and an opportunity for Spanish companies to gain a greater market share in the UAE and other Muslim countries. The humanitarian aid product developer Spanish Kits and cosmetics firm Natura Bissé became the first Spanish companies to receive ESMA certification in February in Madrid. This interview took place two months later in Abu Dhabi because, as his colleagues attest, “Abdulla never stops.”



“A restaurant in Granada being halal will give its owner a competitive advantage when a Muslim visits the city. It is the customer who asks for and seeks out the halal seal”

ABDULLA AL MAEENI

cess and make it possible to obtain the certificate from Spain through the National Accreditation Entity (or ENAC according to the Spanish acronym), thanks to an agreement with ESMA, the Emirates Authority for Standardization and Metrology. The director general of the latter, Abdulla Al Maeeni, has been pinning around the world for months, clearing up confusions and belying prejudice about the halal economy, convinced that this is a new El Do-

QUESTION: How much do we in Spain know about the halal economy?

ANSWER: European governments know little about the requisites for being halal. There is ignorance and confusion. Most think that it is a religious obligation, when in fact almost everything has to do with the production process. That’s why we focus our efforts on working with the authorities in this part of

the world. Spain is one example; in 2015 we signed an agreement with ENAC and started a process of dialogue with the Spanish government, with help from the Spanish Embassy in the UAE and companies such as Natura Bissé. As a result, awareness and the demand for information from Spanish companies have increased. In the coming years, all things halal will be a new business opportunity.

Q: A businessperson would ask you how much it costs to be halal. Is it worth it?

A: The question should be: Is there a business opportunity in Muslim countries’ halal economy? In 2013 it amounted to 2.3 trillion US dollars, and despite the worsening global scenario, it is posting 14% annual growth in several sectors such as logistics, hospitality and tourism. There are two billion Muslims in Islamic countries who look for this kind of products and services. There is also a category of non-Muslim consumers who demand them. The opportunity sign is there and economic benefits undeniable.

Q: But how much does it cost?

A: On average, depending on the size of the company, it costs around 10,000 AED (2,413 euros). That includes the inspectors’ visit to the factory and evaluation of the production process. In Spain that figure will be lower thanks to the agreement with ENAC, allowing us to

be more efficient in terms of time and costs. The entire procedure is in Spanish and the requirements and standards very clearly set out. It is a process to determine whether the product complies with Sharia law. For example, if it contains alcohol or pork, it is not halal. Some companies believe that converting to halal is complicated and costly, but this is not true. Production costs may even be reduced.

Q: There are reports which suggest that one of the difficulties you face when it comes to boosting halal culture is the connection non-Muslims perceive with a way of extending your religion. Some even associate it with Islamist terrorism and a desire by Arabs to reconquer territories. How can you prevent such thinking?

A: It does not interest me and I do not understand why people do this.

SIGN UP TO ISLAMIC INNOVATION

In 2015 Spain’s Muslim population (1.9 million) consumed halal products worth 2.6 million euros (a 3% rise on the previous year). There are more than 300 certified companies. This data is from the Global Islamic Economy Gateway, a joint effort between Dubai Islamic Economy Development Centre (DIEDC) and Thomson Reuters. In October the fourth edition of the Global Islamic Economy Summit will be held in Dubai, an initiative by Dubai’s ruler in order to promote his city as the capital of this kind of economy. At the event, prizes will be awarded to eight innovative concepts seen as crucial for the holistic development of the industry in the following sectors: finance, food and health, media, hospitality and tourism, SMEs development, Islamic economy knowledge infrastructure, the provision of waqf (donations for public or charitable use) and the arts. The deadline for the consideration of projects will close on July 31, 2016.

A: By informing governments properly and in detail as regards the meaning of the halal economy. There were governments in the past which refused to speak to us because they thought it was a religious issue they wished to steer clear of [Al Maeeni apologises for not wishing to name names]. Our job is to sit down with them and demonstrate that this is an economic opportunity on offer and that it is their decision

whether to take it. **Q:** How open to halal have you found Spain?

A: Both the government and companies have taken it very seriously. We have achieved a lot in a short space of time. Spain has seen the great opportunities opening in areas such as tourism and hospitality. For example, a restaurant in Granada being halal will give its owner a competitive advantage when a Muslim visits the city. It is the customer who asks for and seeks out the halal seal.

Q: For meat to be halal, the slaughter of the animal must follow a specific procedure. What do you think of bullfighting?

A: It does not interest me and I do not understand why people do this.

Summit will be held in Dubai, an initiative by Dubai’s ruler in order to promote his city as the capital of this kind of economy. At the event, prizes will be awarded to eight innovative concepts seen as crucial for the holistic development of the industry in the following sectors: finance, food and health, media, hospitality and tourism, SMEs development, Islamic economy knowledge infrastructure, the provision of waqf (donations for public or charitable use) and the arts. The deadline for the consideration of projects will close on July 31, 2016.

Nor do I like to see people risking their lives running in front of a bull. We have camel races and no one ends up hurt. This has nothing to do with halal. The main condition for an animal’s slaughter is that it has been relaxed for at least 24 hours beforehand and has been well treated. The animal’s death must be quick and clean, without causing it suffering and never in the presence of other animals...

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CITY OF YOU

With a strong presence of Spanish brands in the textile sector, retail and wholesale commerce in Dubai accounts for around one third of its annual GDP

Somewhat slow in the first half of 2016 but hopeful for the second, the market will keep growing, but is faced with a generational change



Shopping the Emirati way

We have been summoned by our host – a Spaniard who has spent three years in Dubai managing the subsidiary of a construction multinational – to a restaurant in Dubai Mall, the biggest shopping centre in the world. “Look out at the terrace”, he tells us, because it is 7pm and at that time the choreographed Dubai Fountain water show begins with lights and sound, plus strains of Enrique Iglesias singing “Bailando” in the background. Hundreds of people – “thousands when it gets really hot” – crowd in front of Burj Khalifa, the world’s tallest building.

But this makes little odds as the city welcomes large numbers of tourists every day of the year. Dubai has hotel accommodation for 73,700 people shared between 462 hotels and 25,249 rooms in apart-hotels. Official figures point to 14.2 million visitors in 2015. Dubai Mall, owned by Emaar Group, receives 80 million visits a year. Marcia Codinachs, a Catalan architect who has worked for the group, says Emaar “doesn’t waste time; meetings last no more than 15 minutes and are conducted standing up; then, it’s straight back to work.” This mall is just one of more than 60 scattered

are focusing more and more on children’s clothes. The Gulf average is 5.2 kids per family; in Europe, it’s 1.6. The average transaction in this category is 50% higher than for adults. Arab customers care about quality and design, but not about where it comes from.” Tesseyman is a British citizen who has been in the Gulf for nine years. He believes that the sector is on the verge of dramatic and challenging changes both in the UAE and countries in the Gulf Cooperation Council (CCG) as a whole. “They continue to open malls and to fill them, tourism has to keep rising. I keep in mind a statistic from Bain consultancy which said that by 2020 the space available for leasing would be 30% greater than demand. There will always be some malls people want to go to, but what about the minor ones? Will they survive?” And this is without mentioning e-commerce, “which is growing faster in the UAE than in the rest of the region”, or social networks “which will play a crucial role over the coming years. There is a generational change. Let’s consider the growth and rising influence of bloggers... 10 years ago they didn’t even exist. Commerce didn’t know how to deal with it. We have a lot of work ahead of us. Walk down the street and people don’t look at you; they’re looking at their mobile. The average Emirati – our best customers – has three mobiles, and we have to avoid becoming overexposed to the property market. It used to ‘build it and they will come’, but now you have to be smarter and carefully think through each brand’s strategy. The shiniest and most fashionable malls are not necessarily the best



Young Arab women at Mercato shopping mall in Dubai

“The Gulf average is 5.2 kids per family; in Europe, it’s 1.6. The average transaction for children’s clothing is 50% higher than for adults. Arab customers care about quality and design, but not about where it comes from”

for our interests”.

Liwa Trading is currently renegotiating contracts with its Spanish brands because, it argues, their model is different to the rest of the world. “Every day I get calls from new brands, but you have to be very careful; at the moment we sign, we start to earn lots of money and it is ours, not the brands’. The price of a square metre in the malls has doubled in the last five years and it’s still going up”, he explains. How can this be the case when economic growth has slowed down? “Sentiment counts for more than facts. All over the world, owners are the last people to see the reality; they believe they are running the

best mall in the best location until one day they find their stores are empty and it’s time to lower rents. We are at the start of that process”.

THE LEBANESE CONNECTION BY INDITEX

Since 1998, the Lebanese company Azadea has been the franchise operator in the Middle East for most Inditex brands. This year they acquired the rights to Zara and Massimo Dutti in Lebanon and in the UAE, where they hold the complete Inditex set except for Stradivarius, which is managed by Dubai Holding Group, an Emirati company which also operates Zara and Zara Home in the emirate of Abu Dhabi. Azadea has global turnover of 1.760 billion euros and is present in 14 countries, where it controls 650 stores and 55 brands. “By far, most of our business comes from Inditex: between 60% and 65%”, César Moukarzel, Azadea’s CEO in the UAE, confirms. This Lebanese executive prefers not to disclose the weight of the UAE in his group’s consolidated results, but one can imagine that it must be one of the

group’s most important markets, if not the most. “Dubai has been chosen, after London, as the second best city in the world in terms of brand availability. It is a very important destination for brands on all levels. The retail market – clothes, drinks, food, etc. – accounts for 28.148 billion euros and is expected to grow by 7%”, he points out. Within three or four years, almost four million square metres will be available. To stay at ahead of the pack, Dubai continues to reinvent itself. “We take on board the latest

FRIENDS ACROSS THE WORLD

Well aware of the opportunities that exist in the Emirates, both the Spanish Embassy in Abu Dhabi and the Spanish Business Council (SBC) – the association of Spanish companies in the UAE – put the institutional resources they have to hand to good use in order to gain access to their Emirati counterparts. “I can say I am a Friend of Brand Spain”, Marwan Al Sarkal, CEO of Sharjah’s Shurooq Investment and Deve-

“By far, most of our business comes from INDITEX: between 60% and 65%”, César Moukarzel, Azadea’s CEO in the UAE, confirms”

lopment Agency, said in April along with another 10 Emiratis at the SBC’s spring gala dinner. Al Sarkal feels a personal bond with Spain and Spanish brands. The event was supported by the Brands Forum and office of the government’s high commissioner for Brand Spain – which is fed into by the big names in the various sectors – as well as the Spanish Embassy in the UAE. During the celebration, SBC president Ricardo Fisas reminded the more than 200 guests that trade between Spain and the UAE “has grown by more than 73%” since 2010, and that Spanish exports to the Arab country top 1.5 billion euros a year. Among the other people recognised at the event were Sheikh Majid Al Mualla, senior vice president of commercial operations at Emirates Airlines;



Salem Obaidalla, senior vice president of Aeropolitical and Industry Affairs at Emirates Airlines; and Hoda Kanoo, the director of the Abu Dhabi Music & Arts Foundation. Additionally, Nature Bissé, Cosentino, Lladro and Marqués de Cáceres recognised as “friends” of their own brands the Emirates Authority for Standardization & Metrolo-

gy (ESMA), Gulf Power Marine, Chalhoub and Restaurant El Sur. Fisas reminded his audience that the 2020 World Expo in Dubai will represent a fresh opportunity for Spanish know-how and experience to reap their rewards. Now there are ‘Friends of Brand Spain’ in Japan, Hong Kong, the United Kingdom, China, Russia and the USA.

“Sentiment counts for more than facts. All over the world, owners are the last people to see the reality; they believe they are running the best mall in the best location until one day they find their stores are empty and it’s time to lower rents. We are at the start of that process”

which serves as a dramatic backdrop. Voices from all corners of the world – Indians, Britons, Saudis, Omanis and Americans (these are the most numerous visitor nationalities) – join together in a great “Ooooooohh”. When the show is over, the people return to their shopping, the city’s favourite pastime which owes around one third of its GDP to retail and wholesale commerce, according to the Dubai Statistics Centre (DSC). The sector provides jobs to half a million people. International consultants rate Dubai as one of the best destinations in which to buy, competing with London and New York, even though its population is far smaller: 2.35 million in 2015, 45% of whom are under 35 years old, reports DSC.

around Emirati territory; spaces for buying, socialising, seeing and being seen amidst the shop windows of international brands, including leading Spanish names: Zara, Stradivarius, Mango, Punto Roma, Massimo Dutti, Women’s Secret...

IN EMIRATI HOUSES KINGS MAKE THEIR HOME

“Despite a few ups and downs, we will double our number of stores in the next 18 months”, says Mark Tesseyman, CEO of Liwa Trading, an Abu Dhabi company which manages the franchising of Spanish children’s brands such as Gocco and Charanga. “They account for 18% of our sales volume and their influence is important as we

WANT THE FACTS BEFORE MAKING AN INVESTMENT DECISION?

Sharjah is the industrial and cultural hub of the United Arab Emirates with a total of 138 km of coastline along the Arabian Gulf and the Indian Ocean. Sharjah had an increase of about 13% in its GDP in 2014 and has a diversified economy with promising opportunities in the healthcare, education, tourism, infrastructure and environmental sectors.

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SHARJAH INVESTMENT AND DEVELOPMENT AUTHORITY

THANI AHMED AL ZEYOUDI, MINISTER FOR CLIMATE CHANGE AND ENVIRONMENT

“We don’t want to put all of our eggs in one basket”

The United Arab Emirates is looking to Spain and Latin America in order to fulfil its food security strategy. The country imports 90% of what it consumes, and expects to double the volume of imports by 2030

“As you know, business people never give anything away until the deal they are working on is well and truly closed”, is the answer given by the United Arab Emirates’ minister for climate change and environment, Thani Ahmed Al Zeyoudi [Dr. Al Zeyoudi to his office], when asked if his country is currently negotiating any specific projects concerning renewable energies and/or food security with Spain or Spanish companies. According to the World Health Organization (WHO), the UAE has the sixth-most pollu-

ted air of all countries in the world – from a 90-strong list – and, according to Ecomena, its water consumption is amongst the highest on the planet (550 litres a day, two-thirds of which are used in agriculture and industry). The World Resources Institute says that 14 of the 33 countries which will be worst affected by future water scarcity are in the Middle East, with GCC countries top of the list. “Contrary to all those clichés that you hear about the UAE, environmental protection and water conservation have been one of the pillars of our nation

since it was founded in 1971. Sheikh Zayed wished to protect these elements for future generations and, against the view of experts who said it would not be possible, he reforested Al Ain [the second biggest city in the emirate of Abu Dhabi from where the royal family hails], turning it into an oasis. Now it is one of the region’s most extensive green sites and the quality of its aquifers is among the best”, Al Zeyoudi argues, adding that the Emirati oil industry was one of the first in the region to promote the reduction of gas flaring, which contributes to



“The Emirati oil industry was one of the first in the region to promote the reduction of gas flaring, which contributes to global warming”

CHRIS CHI LON WAN, HEAD OF DESIGN MANAGEMENT AT MASDAR CITY

“The only failure is to do nothing”

A short 34-kilometre drive from the Spanish Embassy in Abu Dhabi brings you to Masdar City, next to the capital’s international airport. Designed by Foster & Partners and powered by renewable energy sources, more than 3,000 people work in this miniature smart city. Around 350 SMEs are registered in Masdar’s free zone, which is dominated, however, by three heavyweights: Siemens, IRENA and the Masdar Institute of Science and Technology, a joint venture with the Massachusetts Institute of Technology (MIT). Chris Chi Lon Wan – a British architect who has been working as the city’s head of design management for seven years – offers me a seat on a sofa in a shady spot between two streets. It is 38°C in Abu Dhabi today, but 32°C here. Although no Spanish companies have registered their presence here yet, there is a steady trickle of firms which have made clear their interest in Masdar, among them IDOM. Managed by one of Abu Dhabi’s

sovereign wealth funds, Mubadala, the project was first conceived in 2006 with Masdar City due to be completed in 2016. It is not.

QUESTION: What do you say to people who call this a failure?
ANSWER: The only failure is to do nothing. If they think that there are flaws, they should tell us and we will listen. Masdar City is a thriving community and 100% sustainable, which is unique. In 2008 we started a whole package of exploratory thinking: you learn, you build and revisit. We try out ideas in order to identify best practice, but the global economic climate hangs over us. Sustainability is based on three pillars: economic, social and environmental, and the city will progress naturally towards the optimisation of these pillars.
Q: What have you proved so far?
A: That you can be sustainable, resource efficient and also a profitable venture. Now we can encourage the decision-makers of this world to

participate in this type of projects.
Q: Do the headquarters of Siemens, IRENA and the Masdar Institute of Science and Technology fit into this model?
A: Yes. For example the Siemens building has a 3-rating from Pearl Estidama and is Leed Platinum standard. It saves 43% energy and more than 50% in water. Lots of institutions thought this was impossible. ‘We don’t know how you did it’, they said. But here we have concrete results.
Q: Have you had to put some ideas aside?
A: Yes because technology is changing so fast. We have to keep adjusting to technological advances.
Q: If we come back in five years, what will we see?
A: We are in Phase 1 out of 5. Once that is finished, we will have 1.2 million m2; 90% of this phase is completed. We are experiencing an almost logarithmic growth. The interest from external parties will probably increase at the same logarithmic pace.
Q: The UAE experiences temperatures of up to 50°C. How much of what you have developed here could be applicable to Spain?



A: The thinking process applied in Masdar City to develop a city with a low carbon footprint is applicable to anywhere in the world. In Spain the result would be a city that looks very different to this one, but it would have the same principles of sustainability. You have to try to ask the right questions to guide this process. That’s the hardest part. If you can do that, you are halfway there.
Q: Are you happy here?
A: Absolutely. Working in Masdar City is something that comes from my heart and we are lucky to have a team of people who are passionate about what they do. There are many hurdles to overcome, as one would expect from such a project, but that is all part of the challenge.



global warming. Oozing charm, the minister is quite the well-prepared young man, with several academic titles to his name, including a doctorate in Strategy, Programme and Project Management from SKEMA Business School in Lille, a degree in Petroleum Engineering from the University of Tulsa, and an MBA from the New York Institute of Technology. He is his country’s permanent representative at IRENA (the International Renewable Energy Agency, based in Abu Dhabi), as well as being a former director of Masdar – the Abu Dhabi Future Energy Company – and the Energy and Climate Change Department within the Ministry of Foreign Affairs and International Cooperation. The UAE, which in December 2015 became a signatory to the Paris Agreement to combat global warming by reducing greenhouse gases, launched two key projects at the start of the century: developing

nuclear energy for peaceful purposes and Masdar. On this basis, the UAE’s immediate objective is to reach 24% of energy consumption from nuclear and renewable sources by 2021.
QUESTION: Might a neighbouring country fear the Emirati commitment to nuclear energy?
ANSWER: The international community is observing the UAE with respect to the implementation of such projects. In 2009 we signed what is known as the ‘123 Agreement’ with the United States on peaceful nuclear cooperation. We are transparent; we have no hidden agenda. We are building four reactors with a total capacity of 5,600 megawatts [the minister is referring to Barakah, the first Emirati nuclear plant run by ENEC, the Emirates Nuclear Energy Corporation]. The first will be ready to connect to the grid at the end of 2017 and by 2020

the four will be generating 20% of our power consumption. The other 4% will come from renewables; in some cases, such as Abu Dhabi and Dubai, that percentage could reach 7%. By 2021 we will probably cover 30% of demand in this way. We are investing around 20 billion US dollars in nuclear and five billion in renewables.
Q: How do you plan to deal with water shortage and what impact will this have on your food security strategy?
A: We will continue to use desalination plants but they will operate with clean energy. We are also making major investments in the application of hydroponic cultivation techniques and organic agriculture where there is less need for water, as well as investigating how to capture moisture inside greenhouses. What’s more, we can proudly say that we have launched one of the largest waste water chan-

nelling infrastructures in the world with more than 45 kilometres of pipes which lead to treatment sites for re-use on farms. And we have special projects, such as the one being led by the minister of presidential affairs on artificial rain, for which scientists and researchers have

in storage for emergency purposes.
Q: Sheikh Mohammed, the UAE’s vice president and prime minister, was in Spain recently. He bought two estates in Extremadura. Was this trip part of your country’s strategy, and what is the role envisioned for Spain and Latin America?

“Our leaders have always been visionaries: They anticipate the future before the rest of us. Our country’s wealth lies in them and a loyal population, and not in hydrocarbons. Sheikh Mohammed’s investment in Spain clearly has a vision behind it: to diversify our supplies in Spain and Latin America”

been asked to present their discoveries. In the last two years we have seen that the clouds mass, it rains more, and this happens without damaging the environment. Yes, 90% of what we consume is produced abroad, but 80% of our population are foreigners. Everyone attacks us when at the end of the day most consumption is not done by Emiratis, but nobody mentions that point. We could grow whatever we wanted on our soil, but water use must be measured. What we do produce is done without putting our reserves at risk, and we invest abroad, but not just in a single country; we don’t want to put all of our eggs in one basket. We must ensure that our investments are safe and that they will not bring in diseases that destroy this country’s biodiversity, although we have our own reserves

A: Our leaders have always been visionaries. They anticipate the future before the rest of us. Our country’s wealth lies in them and a loyal population, and not in hydrocarbons. Sheikh Mohammed’s investment in Spain clearly has a vision behind it: to diversify our supplies in Spain and Latin America. Spain is a partner with whom we would like to seek opportunities, by buying land and even collaborating with Spanish companies within the Iberian Peninsula in order to reach our goal of food security. However, we are also going to focus on Africa.
Q: Are you already in talks with any companies?
A: We want to involve the private sector. We are facilitating commercial agreements and looking at matters relating to double taxation.

Blue carbon and green mangroves

A kayak route amongst the many hectares of mangroves by the Emirati capital is an irresistible temptation. These habitats are crucial to the country due to their capacity to store blue carbon, that captured by the oceans and coastal ecosystems and which is crucial in the mitigation of climate change. “When infrastructure is developed in this area we relocate mangroves to specially designated marine areas in order to return them to their habitat afterwards. Many of our oil and gas platforms are offshore, and the national companies are doing an excellent job in environmental terms by protecting biodiversity and investing a percentage of their earnings in the planting of mangroves along the beaches”, says Thani Al Zeyoudi, the UAE’s minister for climate change and environment. The country has set in motion a National Blue Carbon Project to boost awareness of its marine ecosystem’s potential.

ABDULLAH AL AHBABI, CHAIRMAN OF ABU DHABI SEWAGE SERVICES COMPANY (ADSSC)

Eighty metres below the face of the Earth

A sustainable sewage network worth 1.172 billion euros has made Abu Dhabi the region’s leader in this sector



Matter is not created or destroyed, but it is transformed, said Antoine Lavoisier in his law of conservation of mass, or matter. Water is matter and Abu Dhabi, which obtains four billion litres of it per day from desalination, wants to do its utmost to re-use it in a sustainable way. Just a bridge away from the Emirati capital, Al Reem Island is the base of the Abu Dhabi Sewerage Services Company (ADSSC). From its skyscraper headquarters, you can see clumps of mangroves piercing into the city like tongues. ADSSC’s chairman, Abdullah Al Ahbabi, describes himself as an “ecologist by nature”. His task is to help to reduce the emirate’s water consumption through intensive capital investments, among which the star project is STEP (Strategic Tunnel Enhancement Programme). Launched in 2008 and now in the final straight, this treatment programme allows waste water from the capital, and that of the larger metropolitan area and adjacent islands, to flow by gravity along a 45km tunnel which is 80 metres under the ground and up to 8m wide. It empties at a plant in Al Wathba which is able to absorb 30m3 per second; in other words, it could fill an Olympic pool in 1 minute. Once treated, the water is channelled back to the metropolitan area to be used in the irrigation of the city’s parks and gar-

dens, among other things, through projects also managed by ADSSC.
 The tunnel, which required an investment of 1.172 billion euros, has meant that 34 pumping stations can be removed and, according to those who run the scheme, is one of the greatest infrastructures in this sector to be found in the Middle East. “It took us three years to plan it. We studied each aspect of the project: the social benefits, the economic impact and its sustainability”, explains Al Ahbabi. The programme covers current needs and those of the future up to 2030, by which time it may be dealing with a flow of 1.7 million m3 per day (680 Olympic pools). “Its productive life is about 80 years, but at the start it is only going to be used at 30% capacity because the idea is to gradually absorb population increases”, says the ADSSC chairman.
 Al Ahbabi, who in May was named as chairman of the Abu Dhabi Water & Electricity Authority (ADWEA), calculates that this sector and Abu Dhabi’s treatment network maintain and operate assets worth some 200 billion dirhams (49 billion euros). “It is a mature sector... and it works under pressure from the regulator, who cares most about the consumer, the government and investors.”

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SHARJAH AND SPAIN GETTING CLOSER

Shurooq enhances Sharjah's landscape for Spanish investors



Al Qasba Channel in Sharjah. Photo: MyMMerchan.

Sharjah Investment and Development Authority's eco-heritage projects provide key insights on Sharjah's emerging sectors

Sharjah Investment and Development Authority (Shurooq) is the driving force for growth in Sharjah's tourism sector and in both its and the wider UAE's economy. Since its establishment in 2009, Shurooq has created and developed multiple tourism projects in Sharjah and signed Memorandums of Understanding with numerous local and international entities. It has merged and integrated business expertise under one umbrella to promote Sharjah as a central destination for diversified investments and tourism projects in the region.

Shurooq's tourism ventures, including the Mleiha Archaeological and Eco-tourism project, Al Noor Island, Al Qasba, Al Majaz Waterfront and Heart of Sharjah, are among many of its unique developments. Exceeding international standards, these destinations give tourists a glimpse into the past, providing a whole new perspective on the travel experience.

Tourism and archeology

The commencement of the Mleiha Archaeological and Eco-tourism project in 2015 marked Sharjah as the region's leading destination for archaeology and environmental sustainability. Shurooq was able to explore various investment opportunities and attract diverse segments of business partners who contributed significantly in making this development one of the largest historic attractions in the world. Along with Al Noor Island, Sharjah's latest tourism and leisure project to boast state-of-the-art facilities which was launched in December 2015, it has successfully established Sharjah as the most diverse investment hub in the MENA region.

"Sharjah is a vibrant emirate that is home to numerous wonders and attractions which reflect its central role in the history of Arab civilisation. We have capitalised on this by mixing these traditions and heritage with modern structures, hybrid-concepts in building architecture, environmentally-friendly and wildlife-preserving initiatives and unique tourism experiences that deliver true value to residents and tourists," said Sheikha Bodour Bint Sultan Al Qasimi, Chairperson of Shurooq.

"Cultural tourism and unique travel experiences are increasingly important in the global travel sector. Nowadays, tourists are see-

king new experiences that engage with their senses and provide them with historic and traditional values that are unique and educational. In the case of Sharjah, it means that visitors walk away inspired by the emirate's rich history," Sheikha Bo-

"Nowadays, tourists are seeking new experiences that engage with their senses and provide them with historic and traditional values that are unique and educational. In the case of Sharjah, it means that visitors walk away inspired by the emirate's rich history"

dour continued.

Shurooq's launching and development of an array of leisure, artistic, cultural, business, archaeological and eco-tourism projects are attracting new investment opportunities across numerous travel and tourism sectors. Its ultimate vision is to progressively promote Sharjah as the central investment destination to local and international investors.

The UAE and Spain's business interests are predicated on their existing healthy economic relationship. In 2010, the UAE-Spain Joint Committee was first established as a strategic step towards enhancing economic cooperation between the two countries.

Two good friends

Developments between Sharjah and Spain have also recorded great milestones, especially in 2013, when Shurooq received a Spanish delegation with the aim of encouraging more Spanish companies to invest in Sharjah. The emirate's dynamic business environment and its market-oriented economy, in combination with its many government incentives to industrial and business activities, were among the advantages that have enticed Spanish investors. In April 2016, the heads of Shurooq had the opportu-



Growth forecast for Sharjah's Travel & Tourism Market

(in billions)	AED	EURO
2016	1.54	379
2017	1.63	401
2020	2	492



Mleiha Archaeological and Eco-tourism project (*)

Projected Investments:
250 million AED
(61,49 millions Euro)

(*) One of the most important tourist and archaeological projects in the UAE and the largest of its kind in the Central Region of the Emirate of Sharjah



Forecast for 2020

(in billions)	AED	EURO
Restaurant revenues	1.15	282,7
Resident expenditure	4.66	1.147,3



Guest Origin



	Aparthotels	Hotels
GCC	18%	32%
Europe	40%	20%
Asia		17%
UAE	13%	

Sharjah continues to build itself as an authentic tourist destination with demand for hotel rooms expected to grow at a rate of 6.2% by 2016. Despite new project announcements, demand is expected to outpace supply in the short to medium term.

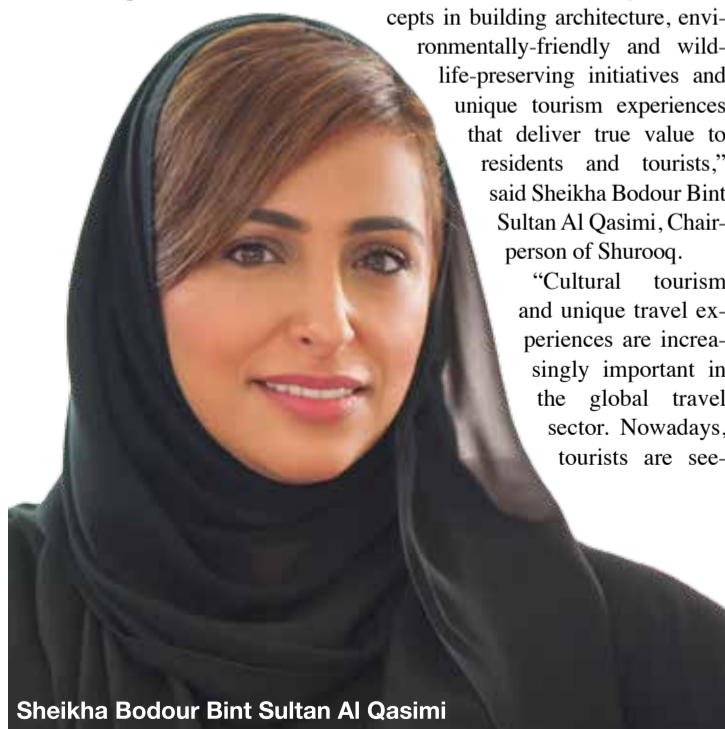
established in the UAE, and their bilateral export-import trade sectors which are continuously experiencing positive returns.

Growing interest in Spain

London-based real-estate agent Chestertons published a study in 2015 showing that UAE investors are becoming increasingly interested in Spain's real-estate market. Housing sales in the country grew by eight per cent in the first half of the year, with more UAE and Gulf buyers looking to invest. Additional value that UAE investors see in Spain include its 'Golden Visa' rule. Since 2013, non-resident investors that acquire real estate for a value of at least, 500,000 euros are eligible to obtain residency by dint of their investment, which allows the investor and their family to travel within the Schengen area without visas. It also allows them to stay within Spanish territory for as long as desired without a minimum stay necessary in order to maintain their residency status. Moreover, Middle East companies such as, IPIC (International Petroleum Investment Company of Abu Dhabi), Emirates and Qatar Airways are among the top giants who have entered the Spanish market.

About Shurooq:

Shurooq is an independent government organisation that facilitates partnerships and connects investors with relevant opportunities. Shurooq aims to create authentic destinations that are committed to enhancing the quality of life for citizens and residents, as well as foster an environment where businesses thrive and ideas flourish. Established in 2009, Shurooq strives to encourage investment in Sharjah by adopting the best international standards in providing quality services that help attract investors from both the region and the world.



Sheikha Bodour Bint Sultan Al Qasimi