



UNITED ARAB EMIRATES

Capital:

Abu Dhabi

Population: (2008 estimate)

United Arab Emirates: 4.8 million

Virginia: 7.71 million

Government type:

Federation with specified powers delegated to the UAE federal government and other powers reserved to the seven member emirates

Chief of State:

President Khalifa bin Zayid al-Nuhayyan

Head of government:

Prime Minister Muhammad bin Rashid al-Maktum

Languages:

Arabic (Official), Persian, English, Hindi,



(United Arab Emirates Map. CIA)

Land Size: 32,278 square miles
 (slightly smaller than Maine)

Currency: (www.oanda.com)
 Emirati dirham (AED)—pegged to U.S. dollar
 1US\$ = 3.67 AED (April 2009)

DID YOU KNOW?

- The United States exported \$15.75 billion in merchandise to the UAE in 2008, an annual increase of 36%. (World Trade Atlas)
- The United States and the UAE are in discussions to create a bilateral free trade agreement between the two nations.
- The UAE, long recognized as the commercial and business hub of the Arabian Gulf, is home to the busiest man-made port in the world, Jebel Ali.
- The UAE, a digital and information technology pioneer in the Middle East, has embraced the Internet age with over half the population having online access. Mobile phone and PC usage levels are among the highest in the Middle East.
- Although oil and gas production will remain the backbone of the UAE economy for years to come, the non-oil sector of the economy is growing at a rapid pace.
- The UAE's Free Trade Zones - offering 100% foreign ownership and zero taxes – have been successful in attracting foreign investors.
- There are over 700 U.S. firms in the UAE. U.S. companies see the UAE as an excellent place to establish a regional presence because of the pro-business orientation of the government, and the stability of the country.
- The UAE is a member of the WTO and a signatory to the General Agreement on Tariffs and Trade (GATT), the General Agreement on Trade in Service (GATS), and the Agreement on Trade-Related Aspects of Intellectual Property (TRIPS). (CIA World Factbook)

FAST FACTS

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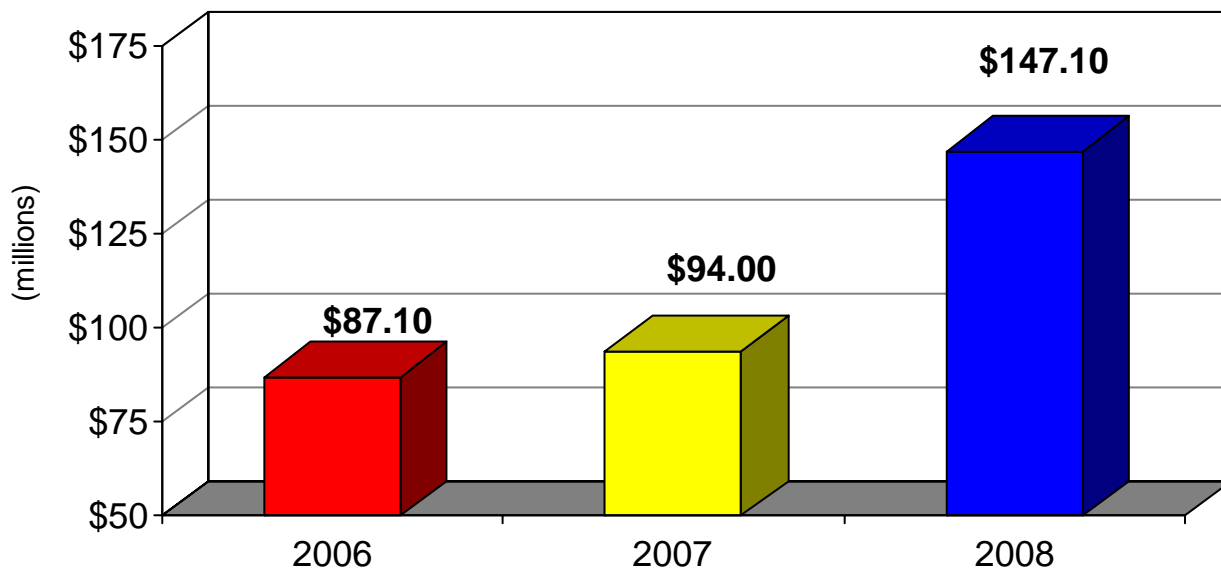


ECONOMIC OUTLOOK

The UAE has an open economy with a high per capita income (\$40,000) and a sizable annual trade surplus. Successful efforts at economic diversification have reduced the portion of economic output (GDP) based on oil and gas to 25%. Since the discovery of oil in the UAE more than 30 years ago, the country has undergone a profound transformation from an impoverished region of small desert principalities to a modern state with a high standard of living. The government has increased spending on job creation and infrastructure expansion and is opening up utilities to greater private sector involvement.

Higher oil revenue, housing shortages, and cheap credit over the last three years led to a construction surge in real estate and consumer inflation of over 14%. The current global financial crisis, coupled with relatively low oil prices, has resulted in a collapse of the real estate market in the UAE, which will slow economic growth in 2009. Dependence on oil and a large expatriate workforce now facing unemployment are significant long-term challenges. The UAE's strategic plan for the next few years focuses on diversification and creating more opportunities for nationals through improved education and increased private sector employment. (CIA World Factbook)

VIRGINIA EXPORTS TO THE UAE



(Source for Graph: World Trade Atlas)

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VIRGINIA EXPORTS TO THE UAE

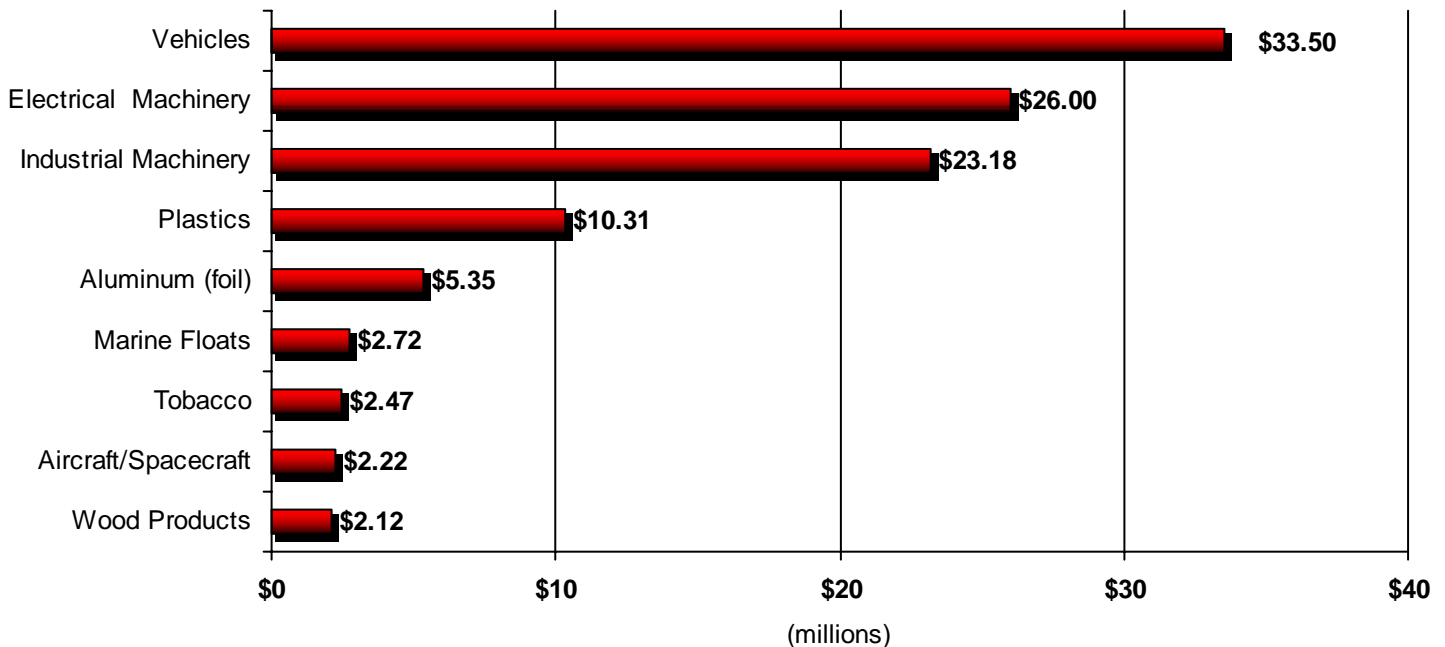
Exports to the United Arab Emirates via Virginia amounted to \$147.1 million in 2008, a 56% increase over 2007. Exports of vehicles, including trucks, raced to the top spot at \$33.5 million. In 2008, exports of passenger car increased to \$26 million from only \$9 million 2007. Industrial machinery and electrical machinery were the 2nd and 3rd ranked exports from Virginia last year. Each category saw an annual increase of about 20%. Nearly all categories of plastic products have had strong growth over the last three years- in some cases from zero to millions of dollars.

Export groups that showed strong growth in 2008 included aluminum foil, aircraft/spacecraft, wood products, furniture/bedding, paper/paperboard, optical/medical instruments, perfumery/cosmetics, and inorganic chemicals.

Tobacco continued its downward trend as a major Virginia export, with sales of tobacco to the UAE in 2008 dropping dramatically from \$13.8 million to \$2.5 million.

The UAE's main import commodities are machinery, transport equipment, chemicals and food. All of these products match well with Virginia's export profile and represent significant growth potential for Virginia companies.

VIRGINIA'S TOP EXPORTS TO THE UAE - 2008



(Source for Text and Graph: World Trade Atlas)

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VEDP TRADE EVENTS

Trade Mission to Saudi Arabia & Bahrain: November 7-10, 2009.

For more information contact Mark Myrick, International Trade Manager, (804) 545-5755 or email at MMyrick@yesvirginia.org

For a complete listing of VEDP's international trade events, please visit the "Events" tab on our website: www.ExportVirginia.org

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ADDITIONAL RESOURCES

U.S. Embassy in UAE: <http://uae.usembassy.gov>

UAE Embassy in Washington, DC: <http://www.uae-embassy.org>

UAE Directory: Business and Economy: www.theemiratesnetwork.com

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World Trade Atlas. U.S. State Export Edition. Annual 2008.

< <http://www.worldtradestatistics.com/state/>>

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