

# ABDULLAH AL MAZRUI

Chairman of the United Arab Emirates Chambers of Commerce and Industry

**Nikolaus Lang, Global Leader for the Global Advantage practice, Managing Director and Senior Partner of Boston Consulting Group**

Mr. Al Mazrui, you are our host here in the UAE, and it is a great pleasure to have you with us today. Besides running a very successful private business, you are Head of the UAE's Federal Chamber of Commerce. I would like to hear your perspective on the world I have just described.

## **Abdullah Al Mazrui**

Thank you and good afternoon, everyone. I will try to summarise my remarks on these six points and focus more on our region, because I think my colleagues will talk more about the global issues. The world of money and business cannot be separated from geopolitical changes since they will certainly cast a shadow on the economic and social reality in general, especially with increasing challenges and the fact that the world is heading towards a widescale crisis, such as the Ukraine war, not to mention the impact of Covid 19 on the world. The impact was great, even more so when the food supply chain around the world was impacted, and the pandemic left a huge mark on the economies of many countries around the globe.

Second, there is the huge increase in inflation in oil and gases, as well as general inflation. There is no doubt that the geopolitical changes are among the most significant factors to affect the world economic ecosystem, which makes us think about how to prepare and implement strategic investment in business in a way to minimise geopolitical tensions, which can be done first by increasing business flexibility and resilience, developing, and adopting practical methodologies for risk management in geopolitical crises. Economic adaptation to the reality and turning challenges into opportunities and tools can be used to minimise economic shocks and sudden crises.

Third, the strategy of geopolitical flexibility is a key feature of the UAE, and our government has adopted forward-thinking ideas and visions for management and emergencies. The UAE showed great flexibility in containing the impacts of the Covid-19 pandemic. Features such as the advanced infrastructure, logistics and innovations, greatly helped to limit the implications of the pandemic. They also helped with a return to normal as soon as possible and a move towards a prosperous lifestyle and stronger economy. It created a model that can co-exist with the current situation while minimising the impacts as far as possible.

The government has set an agenda with a clear vision and a new system to measure production. It has also amended rules and regulations to align with the new updated objectives and priorities. It has abandoned the traditional old ways of working and adopted digital transformation so that some categories of work can be done remotely from home. New and smart solutions and technologies are used in the provision of 95% of services including, but not limited to, digitalisation of UAE Chambers, services, memberships, certificates of origin, attestations, and documentation.

Looking at the economy of the UAE, we can see that it has excellent economic features, with an investment environment and stable political landscape that can continue to grow despite the economic recessions around the world from time to time. Among the features are a strategic location, promising economic environment, solvency and sovereign funds, flexible economic laws, and ease of doing business, a stable currency, lack of restrictions, tax legislation, free zone and specialised economic zones, and foreign ownership up to 100% of companies to do business in the country. There are also competitive labour costs, and the UAE economy is one of the biggest in the MENA region and a business hub for Asia, Europe, and Africa. These competitive features are constantly being improved to serve private sector investors and entrepreneurs so that they can grow and expand regionally and internationally, thus transforming the UAE into a destination for world investment.

Developing government work systems: federal and local government sectors show a high-level of readiness and efficiency and work systems are being developed in line with the UAE's post-Covid-19 strategy. They maintain their momentum and prove the country's ability for crisis management. It has been a leader in countries around the world in limiting the impact of the pandemic and gradually returning to normal life utilising sound plans and detailed roadmaps for future foresight.

The role of business and future foresight: the UAE has deployed strategies with future foresight and intensified programmes and plans, while being more diversified, flexible and comprehensive. Many years ago, the UAE government implemented the Fourth Industrial Revolution strategy, which aimed to transform the UAE industrial base into a globally competitive, productive, and sustainable sector at the cutting-edge of the Fourth Industrial Revolution. The strategy also aimed to achieve future security in water and food supply by using bio-engineering science and advanced renewable energy technologies; enhance economic security by adopting the digital economy and Blockchain technologies in financial transactions and services; optimise the utilisation of satellite data in planning future cities; and develop advanced defence industries by developing a national industry in the field of robotics and autonomous vehicle technology.

The UAE also enjoys an economy open to the world with multinational and international companies relocating their headquarters to the UAE, which has positively impacted the development of economic aspects and sectors including tourism, industry, agriculture, food and the space industry. The government in the UAE has also launched national strategies and new legislation to initiate and encourage manufacturing. Among these is the UAE Industrial strategy, called Operation 3 billion, which aims to develop the UAE industrial sector and enhance its role in stimulating the national economy and raising industrial sector's contribution to the GDP of the UAE from AED 133 billion to AED 300 billion by 2030. Abu Dhabi has also



launched a new industrial strategy with a 10 billion funding scheme across six transformational programmes inaugurating international forums and events to develop the local industry, such as the Make it in the Emirates Forum. It provides diverse facilities for investors such as Basher services, which offers investors and entrepreneurs in the UAE and all over the world, innovative digital solutions to start their business anywhere anytime. The government also launched the Instant License initiative in Dubai, which aims to speed up setting up a business in addition to allowing foreign investors to have full ownership of a business. The Federation of UAE Chambers encourage Emirati business owners to explore the investment climates of their countries and cooperate with their counterparts in them to set up companies. The UAE Chambers also offers support companies need for business matchmaking and cooperation regionally and internationally.

### **Nikolaus Lang**

Thank you very much. It is very interesting to see the UAE as a hub of economic and political resilience in this changing world, and I think that it is optimally positioned to play that role in a multipolar world. Thank you for your introductory statement. We will come back with a few questions later.