

UNITED ARAB EMIRATES
Ministry of Foreign Trade



دولة الإمارات العربية المتحدة
وزارة التجارة الخارجية

Speech by H. E. Abdullah Bin Ahmed Al Saleh

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At the Arab British Economic Forum

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Topic: “Developing the Shape of the Future Economy”

Your Excellencies,

Distinguished Guests,

Ladies and Gentlemen,

A pleasant afternoon to you all, before anything else, I would like to congratulate the Arab British Chamber of Commerce, for preparing an excellent platform for us to strengthen Arab-British ties. I would also like to commend the Arab League, the General Union of Arab Chambers, UK

Trade and Investment, the British Chambers of Commerce, and British Expertise for your all-out support for this event. This forum is a wonderful affirmation of how the Arab World and the UK shall always confront the world's greatest challenges side by side.

Ladies and Gentlemen,

We are two years into a financial crisis which leading economists agree is the worst since the Great Depression of the early 20th Century. Although the Arab community has not been as impacted by it as other parts of the world, we are nevertheless greatly concerned about its long-term consequences on our development agendas. The international recession has revealed some gaps in the Arab financial markets which we are resolving, and has highlighted the need for our countries to enhance, standardize and synchronize regional financial policies.

Overall, the downturn promises to change the future of the Arab economy for the better. Prior to 2007, when we were experiencing unbridled growth, we planned without much regard for the possibility of setbacks such as a financial crisis, much less one of this magnitude. We also mostly went our

separate ways, orchestrating development after development as nations rather than as a region.

Today, Arab states are adjusting their growth agendas to be more adaptive, deliberate, and coordinated. We are now engaging in more dialogue, to enhance our understanding of unique Arab economic forces and the nature of our commercial ties. For us, the crisis has become a necessary rather than an undesirable phase for us to identify and implement fresher attitudes and approaches to progress.

Distinguished Guests,

Throughout the crisis, the UAE and other Arab nations have been emphasizing the importance of enhancing regional and global commercial collaboration rather than resorting to protectionism. The Emirates is in fact a staunch advocate of a speedy conclusion to the World Trade Organization's Doha Development Round, so that we can benefit from a globally-accepted legal foundation to discourage protectionism.

For our region, the new path to economic growth involves higher levels of Pan-Arab cooperation, stronger private-public partnerships, and intensified infrastructural investments into new growth sectors.

As I've said, the downturn has shown us that we should have a shared vision of development, one that combines our individual strengths into one solid Arab bloc that can withstand threats such as the crisis. As for private-public partnership, this development strategy is already used to drive the regional projects in areas such as water resource management. This paradigm is especially relevant today as an efficient and rapid way of stimulating both private business and government efficiency.

Just recently, the selection of the capital city of Abu Dhabi as headquarters for the International Renewable Energy Agency reminded my country, the UAE, of the vast potential of new growth sectors such as alternative energy and the importance of further diversifying our economy. The Emirates' non-oil industries accounted for GBP76 billion of our 2008 GDP, comprising around 60 per cent of national economic output¹. This diversified approach

¹ From previously approved 2009 Ramadan Gala Dinner MoFT speech

to development needs to be more aggressively pursued by the region in coordination with its global partners.

As for infrastructure funding, the UAE increased its 2009 federal budget by more than 20 per cent to keep key programs on track and maintain our appeal to regional and international businesses and investors. More Arab countries are taking the similar position of expanding their infrastructure to stimulate local growth and foreign investments.

These are what I view as critical paths towards a renewed Arab economy, although I am very much eager to hear of, and learn from, other methods which could help my own country attain higher levels of development.

Ladies and Gentlemen,

The UK remains one of the UAE's top trade partners. Last year, commercial transactions between our two nations were valued at GBP4.98 billion², with the Emirates remaining the largest market for the British in the Arab World.

² <http://www.moft.gov.ae/en/>

The British comprise the largest group of non-GCC national property investors in UAE, helping this sector resume the high levels of productivity it enjoyed prior to the entry of the credit crunch.

Just a few months ago, our nations signed a Memorandum of Understanding to further enhance trade, economic and technical ties. One of the important results of this agreement was a consensus on the creation of a joint economic committee that would alternately convene every two years between Abu Dhabi and London. This and other partnerships affirm the importance of the UK as an economic and business ally.

Ladies and Gentlemen,

One of Britain's past Prime Ministers, Benjamin Disraeli, once said that "Circumstances are beyond human control, but our conduct is in our own power." While the Arab world alone cannot stop the current crisis, it can adopt new attitudes towards development that will result in a brighter future for the region and sustained productive relations with key partners such as the UK.

I would like to thank the event organisers for allowing me to share some views on the Arab economy and the directions it should take amidst and after the crisis. I wish us all enlightenment as we pursue viable solutions to today's economic turmoil.

Thank you, and please enjoy the rest of the Forum.

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