Dubai and the Changing Face of Middle East Logistics

September 2007
Who We Are

- Supply Chain Research
- Supply Market Forecasts
- Supply Chain Consulting
Agenda

- Historical view of shipping in the region
- Dubai and changing face of the GCC
- Logistics case studies
- Outlook: the promises and challenges of growth
- Advice for doing business in the UAE
Historical view of shipping in the region
Trade in the Middle East is booming

Historical Evolution of Trade

Source: DP World
The UAE’s reliance on oil is decreasing rapidly

Oil trade flow in the UAE

Source: FCCI UAE
Dubai is a major trans-shipment hub

- Dubai trans-shipped 1.9m containers so far this year, vs. 700,000 TEUs imported and 350,000 TEUs exported.
- 64% of all value is trans-shipped
- Jeddah Islamic Port
- Jebel Ali
- Port Rashid

Jeddah Islamic Port Transshipment Containers

Jebel Ali and Port Rashid Cargo Flows

*Note: 2007 figures are through August 2007

Sources: Saudi Ports Authority, DP World
Jebel Ali Free Zone’s cargo intake is increasing rapidly…

Jebel Ali Free Zone Imports

- Millions Kg
- Millions AED

Year
- 1995
- 1996
- 1997
- 1998
- 1999
- 2000
- 2001
- 2002
- 2003
- 2004
- 2005

Weight (Kg) | Value (AED) | Expon. (Value (AED))
---|---|---
0 | 0 | 0
1,000 | 1,000 | 1,000
2,000 | 2,000 | 2,000
3,000 | 3,000 | 3,000
4,000 | 4,000 | 4,000
5,000 | 5,000 | 5,000
6,000 | 6,000 | 6,000
7,000 | 7,000 | 7,000
8,000 | 8,000 | 8,000
9,000 | 9,000 | 9,000
10,000 | 10,000 | 10,000
11,000 | 11,000 | 11,000
12,000 | 12,000 | 12,000

Source: Analysis by Boston Logistic
**Planned airport infrastructure projects**

- Over 20 years, airport development will exceed Dh75 billion (US$20.43 billion)

<table>
<thead>
<tr>
<th>Infrastructure Project</th>
<th>Estimated Cost (Dh)</th>
<th>Estimated Cost (US$)</th>
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<tbody>
<tr>
<td>Abu Dhabi International Airport redevelopment</td>
<td>30 billion</td>
<td>8.17 billion</td>
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<tr>
<td>Expansion of Dubai International Airport</td>
<td>15 billion</td>
<td>4.08 billion</td>
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<tr>
<td>New Dubai World Central development</td>
<td>30 billion</td>
<td>8.17 billion</td>
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<tr>
<td>Sharjah International Airport redevelopment</td>
<td>227 million</td>
<td>61 billion</td>
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<td>Ajman new airport</td>
<td>2.9 billion</td>
<td>800 million</td>
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<tr>
<td>Fujairah terminal &amp; associated structures expansion</td>
<td>183 million</td>
<td>49 million</td>
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<tr>
<td>Al Ain International Airport redevelopment</td>
<td>75 million</td>
<td>20.43 million</td>
</tr>
<tr>
<td>Ra’s al-Khaimah airport expansion</td>
<td>1 billion</td>
<td>272 million</td>
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Source: UAEINTERACT
Lead – don’t follow!

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- **Forecasts** that help purchasing managers decide how, where, and when to buy critical externally-purchased materials and services
- **Consulting** that supports high-stakes decisions such as acquisitions, outsourcing, off-shoring, and make-or-buy

**Industries Served:**

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