Dubai as a Global Logistics Hub: Get Ready for Growth
We Asked, You Answered

- 90% of surveyed have a Global or EMEA scope of work
- 42% spent less than 5% on ME & 67% spent less than 15% on ME
- 1/3 of you thought ME will have the fastest growth
- 94% believe that Dubai can act as a hub to service India and CIS countries:
  - Few organizations are doing it! Why?
Welcome to MENASA
MENASA vs Global Growth

MENASA (MIDDLE EAST, NORTH AFRICA & SOUTH ASIA)

- Combined GDP $5.4 trillion in 2014, expected to exceed $8 trillion in 2019
- Increasing at an average growth rate of over 5% pa compared to an average global increase of 3.83%

MENASA GDP growth (US$ trillion)

<table>
<thead>
<tr>
<th>Year</th>
<th>MENASA GDP (Trillion $)</th>
</tr>
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<tbody>
<tr>
<td>2012</td>
<td>5.1</td>
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<td>2013</td>
<td>5.3</td>
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<td>2014</td>
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<td>2015</td>
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<td>2019</td>
<td>8.1</td>
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</tbody>
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Average GDP growth by region (2012-2019)

- MENASA: 5.3%
- North America: 2.8%
- Europe: 1.8%
MENASA Region Growth Drivers

- 29% of global population
- 50% of region under 25 years of age
- 45% of global oil reserves
- 28% of natural gas reserves
- Excess of US$ 15 trillion cumulative investments into the development of the MENASA economy by 2020
- Growing internet and mobile penetration rates
Growing Regional Trade

- China is currently Dubai’s biggest non-oil trade partner. Trade with China totaled Dh175 billion in 2014, up from Dh135.7bn the previous year.

- India is expected to become the UAE’s biggest export destination by 2030, when it is forecast to account for an estimated 14 per cent of goods.

- UAE is the EU’s 11th biggest global trading partner and number one in the Arabian Gulf.
Economic growth within the EMEA and Central Asia (CA) has shifted from West to East.

Growing Middle Class and Rising Prosperity

Economic opportunities will increase towards the MENASA.

Dubai’s natural catchment area extending from UAE to MENASA and becoming part of a global logistics hub.

Europe
- Population: 539 million
- Economic growth 2011: 1.5% (avg.)
- Economic growth 2020: 0-2% (avg.)

MENASA
- Population: 2.1 billion (845 million India excluded)
- Economic growth 2011: 6% (avg.)
- Economic growth 2020: 5% (avg.)

Russia, Belarus, Ukraine, Moldova
- Population: 202 million
- Economic growth 2011: 4-6% (avg.)
- Economic growth 2020: 4% (avg.)

Dubai – A gateway to the MENASA region

- Mid-way between Asia and Europe
- Logistics Hub for Arabian Gulf
- Centre of trade for GCC, Indian sub-continent, Commonwealth of Independent States (CIS) and Africa
- Market access to the world’s fastest growing developing countries
- Population access to over 2 billion within less than 4 hours flying time

**Strategic Location**
- 1/3 population within a 4h flight
- 2/3 within an 8h flight

**Connectivity**
- 3rd most connected air hub
- Busiest intl airport in the world
- Jebel Ali port: 9th largest sea port
- 150+ shipping lines
- DWC: Dubai’s emerging cargo airport
- Direct flight connections to majority of global capitals

**Competitiveness**
- 12th in global competitiveness
- 3rd in infrastructure & efficient goods market
- 5th in macroeconomic environment & government efficiency
- Ease of doing business: Ranked 22nd globally
Dubai’s Value Proposition

**Local Hub for the UAE**
Existing hub for ICT companies

**Regional Hub for MENASA**
Well positioned as RDC for telecom network roll-out projects and market distribution

**Repair Hub**
Central location and low labor costs; well positioned to act as repair hub for IT/telecom products

**Value Added Activities**
Favorable labor rates for value added activities such as (re)packing, country specific labeling

**Transit – x-dock Hub**
Sea – Air transit Hub
Air – Air transit Hub
Case Study: Twin Hub

Catchment area
Central Amsterdam Hub

Catchment area Dubai Hub

EU
Europe Alternatively incl Russia / India / N.E. Africa / Turkey

ME
GCC Alternativelyincl Russia / India / N.E. Africa / Turkey

AMS

Integrated supply chain cost in M$

-20
-10
0
10
20
30

9
8
7
6
5
4
3
2
1

Weighted Ave Hub to Market lead-time for the twin Hub model is approx. 25% shorter than from a single AMS Hub => 1.5-2.0 days vs 2.0 – 2.5 days

Inbound air and sea freight, outbound airfreight and road (depending the market), not taking into account days of inventory in warehouse
DWC– Redefining the MENASA region
DWC: A Strategic Initiative of the Government of Dubai
A Futuristic, Self Sustained Urban Ecosystem

- Aligned with UAE Vision and Dubai Strategic Plan 2021
- 145 square kilometre master planned urban destination (largest in UAE)
- Strategic location, ease of access
- Caters to multiple industries through flexible business solutions
- Designed to become the future engine of Dubai’s sustainable growth (65% of GDP)
DWC Airport Infrastructure Capabilities

Al Maktoum International Airport
- Ultimate capacity of over 200 million passengers & 16 million tonnes of cargo annually
- First of five A380 compatible runways operational for passenger & cargo
- 5 million passenger terminal in operation since October 2013

_dnata_
- 35,000 sq. mt. cargo terminal
- 1000 sq. mt. temperature controlled
- Capacity to handle 400,000 tonnes

_Emirates Sky Cargo_
- 54,000 sq. mt. cargo terminal
- 15,000 sq. mt. temperature controlled
- Capacity to handle 800,000 tonnes
Virtual Corridor

- Over 40,000 Trips between DXB – DWC & DWC – DXB
- 24/7 Monitoring Tracking & Tracing
- GEO Fencing
- Real time updates
- Single Screening
DWC Logistics District

- A multimodal logistics platform dedicated to logistics and value-added services including manufacturing and assembly

- Free zone environment catering to contract logistics, integrators, freight forwarders, agents and traders

- Access to both, Al Maktoum International Airport and Jebel Ali port

- Initiator of the Dubai Logistics Corridor
A dedicated bridge connecting Jebel Ali Port and DWC, forming a single custom-bonded free zone spanning an area of over 200 square kilometers.
Logistics District in Numbers

- Over 2,000 companies registered within DWC
- US$500 million FDI into Logistics District
- 614,000 sq. mt. warehouse facilities (up from 67,000 in 2009)
- 815% growth in area developed by partners from 2009-2014
- Additional 300,000 sq. mt. to be invested by DWC into development of new logistics facilities until 2020
Our Offering: Freight and Logistics Facilities

- Logistics complex
- Freight complex
- Logistics house
- Freight house
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<tr>
<td>Built to suit and lease options</td>
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<tr>
<td>Varied tax and investment incentives</td>
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<tr>
<td>Variety of Business licenses</td>
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<tr>
<td>On site license and visa authority</td>
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<tr>
<td>Flexible leasing terms</td>
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<tr>
<td>Easy business set up</td>
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Thank you!