

## Introduction

United Arab Emirates is a country located in the Middle East bordering the Gulf of Oman and the Persian Gulf. Neighboring countries include Oman and Saudi Arabia. It has a strategic location along southern approaches to the Strait of Hormuz, a transit point for world crude oil. The geography of United Arab Emirates is rolling sand dunes of desert and mountains in the east. The government system is a federation with specified powers delegated to the UAE federal government and other powers reserved to member emirates; the chief of state is the president, and the head of government is the prime minister. United Arab Emirates has an open market economy in which the prices of goods and services are determined by a free price system. United Arab Emirates is a member of the League of Arab States (Arab League) and the Gulf Cooperation Council (GCC).



**Location:** Western Asia

**Capital City:** Abu Dhabi (+4 GMT)

**Chief of State:** President Mohammed Bin Zayed Al Nahayyan

**Head of Govt.:** Prime Minister and Co-Vice President Muhammad Bin Rashid Al Maktum

**Currency:** Emirati Dirham (AED)

**Major Languages:** <p>Arabic (official), English, Hindi, Malayalam, Urdu, Pashto, Tagalog, Persian</p>

**Primary Religions:** <p>Muslim 74.5% (official) (Sunni 63.3%, Shia 6.7%, other 4.4%), Christian 12.9%, Hindu 6.2%, Buddhist 3.2%, agnostic 1.3%, other 1.9% (2020 est.)</p>

**Calling Code:** 971

**Voltage:** 220

## Key Websites

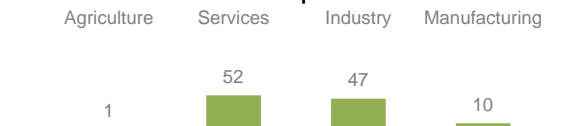
Main Government Page: [u.ae](http://u.ae)

Commerce Ministry: [moec.gov.ae](http://moec.gov.ae)

## Key Economic Facts

Income Level (by per capita GNI):	High Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$828.26 billion (2022)
GDP growth (annual %):	7.41% (2022)
GDP per capita, PPP (current international \$):	\$87,729.19 (2022)
Manufacturing, value added (% of GDP):	10.37% (2021)
Inflation, consumer prices (annual %):	4.83% (2022)
Labor force, total:	6,579,221 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	2.75% (2022)
Imports of goods and services (current US\$):	\$246.89 billion (2020)
Exports of goods and services (current US\$):	\$335.24 billion (2020)

## GDP Composition %



*\*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

## Rankings

Index	Rank
Corruption Perceptions Index	24 / 178
Global Competitiveness Index	25 / 141
Global Enabling Trade Index	23 / 136
Global Manufacturing Competitiveness Index (GMCI)	30 / 40
Global Services Location Index	25 / 60
Index of Economic Freedom	24 / 176
International Logistics Performance Index (LPI)	11 / 160
Inward FDI Potential Index	11 / 139
KOF Index of Globalization	37 / 185
Networked Readiness Index (NRI)	26 / 139

## Risk Assessment (Provided by Coface)

**Country rating: A3** - Changes in generally good but somewhat volatile political and economic environment can affect corporate payment behavior. A basically secure business environment can nonetheless give rise to occasional difficulties for companies. Corporate default probability is quite acceptable on average.

**Business Climate rating: A2** - The business environment is good. When available, corporate financial information is reliable. Debt collection is reasonably efficient. Institutions generally perform efficiently. Intercompany transactions usually run smoothly in the relatively stable environment rated A2.

### Strengths

- Greater diversification compared with neighbouring oil-producing countries
- Vast oil and gas reserves, among the ten-largest oil producers of the world
- Solid fiscal balances, significant financial buffers
- Political stability, favourable business environment
- Widening diplomatic, economic and commercial presence around the world, regional commercial hub

### Weaknesses

- Growing regional competition to position as a trade hub
- High reliance of fiscal and external revenues on hydrocarbons
- Dependence on foreign labour (85% of the population is foreign)
- Minimal control of the monetary policy due to the currency peg

## U.S. Embassy

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