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Gulf Affairs: How is the Ministry of Economy coordinating with other ministries to work collectively toward achieving Vision 2021's goals? Does the private sector have a role in fulfilling these objectives?

Sultan Al-Mansoori: The Ministry of Economy (MOE) is coordinating closely with all other ministries and governmental entities toward achieving the UAE Vision 2021's goals. The world's first "Government Accelerators," which were launched by H.H. Sheikh Mohammed Bin Rashid Al Maktoum, vice president and prime minister of the UAE and ruler of Dubai, has been of great help in facilitating closer cooperation and coordination among governmental entities. These Government Accelerators will focus on four key areas: national agenda key performance indicators (NKPIs), policies, projects and services.

Among our ministry's objectives under this program, one goal is to boost the number of patent applications to secure the UAE's status as a global hub for intellectual property. This will also help enforce a legal statute on venture capital, which will facilitate innovation and raise the UAE's ranking on the Global Innovation Index.

We are also overseeing four of the 36 executive teams formed in 2016 to drive the UAE National Agenda

supporting the Vision 2021 plan. Our teams will focus on economic performance, global innovation, foreign direct investment (FDI) and entrepreneurship. Furthermore, the MOE is working with other ministries on several new pieces of legislation. We are working to modify existing laws and regulations, particularly those related to intellectual property rights, innovation, industry, FDI, small-to-medium enterprises (SMEs), trade and aerospace, just to name a few.

Gulf Affairs: How is the UAE coping with the lower oil price environment? How do you see this affecting the business environment?

Al-Mansoori: The UAE's economy has proven to be largely resistant to the tumultuous global economy over the last few years. Despite the oil price slump, the UAE was able to maintain its economic growth thanks mainly to the diversification policy that leaders implemented to strengthen the non-oil sector.

Our economic diversification strategy has enabled us to reduce the oil sector's share of GDP to less than 30 percent. We intend to further raise the contribution of our non-oil sectors to 80 percent over the next few years as we continue our transition to a post-oil era. We have several income generators to lean on—from tourism to Islamic finance—should the global oil markets continue to falter.

Another important factor is that the UAE maintains an open economy that is well-connected to global markets. As a regional and international logistical, economic, financial and commercial hub, the UAE is very resilient to external economic pressures as we have a diverse source of commercial and investment flows.

There are two other strategies that will enable us to cope not only with protracted oil price declines but also with any future economic challenge. The first is our success in fostering closer cooperation between federal and local government agencies. The second is our placing a stronger emphasis on the importance of partnerships between the public and private sectors.

These factors, along with the fact that the UAE remains the Arab world's second-largest economy and the 16th most globally competitive as per the latest World Economic Forum rankings, makes us one of the region's top business destinations. Total FDI into the UAE reached around \$10 billion in 2016, and we are preparing more policies to raise inflows further. Outflows have been excellent as well, with the UAE remaining the largest Arab foreign investor. Considering all of this, oil price declines will not significantly hamper our domestic commercial activities nor our global business and investment appeal.

Gulf Affairs: What is being done to reduce the costs of doing business and increase transparency in the UAE? How is the government assisting the economic diversification processes and improving competitiveness?

Al-Mansoori: The World's Bank's 2016 Ease of Doing Business rankings placed the UAE among the global Top 30. This ranking affirms the great progress the UAE has made in streamlining the cost and ease of doing business, as well as ensuring more transparency across all business activities and transactions.

In terms of minimizing costs, the government has focused specifically on promoting online transactions to help businesses cut down their overhead. Our numerous tax exemptions and low import duties—in addition to recent reforms related to contract enforcement—have made us one of the most cost-effective busi-

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ness destinations in the world. As the “smartest” country in the region, we are an especially ideal location for connected start-ups that require advanced IT infrastructure and services at reasonable costs.

As for transparency, Transparency International has consistently ranked the UAE on top of the Arab world in terms of pursuing greater transparency and accountability. For our part, one of the MOE’s primary mandates is to enable appropriate business practices and ensure the provision of services at the highest levels of quality, efficiency and transparency. Internally, we provide effective channels for our customers to enhance transparency and maximize our level of services. We also work closely with global organizations such as the World Trade Organization and the World Intellectual Property Organization to enforce transparency. This will continue to be a government-wide priority as we aim to become one of the world’s most transparent nations within the next few years.

Gulf Affairs: SMEs play an important role in the UAE’s economy. What steps are being taken to help grow the number of SMEs across the country?

Al-Mansoori: SMEs account for over 60 percent of the UAE’s GDP and form the foundation of the national economy. We are spearheading government plans to raise this figure to 70 percent by 2021.

In addition, we have launched other successful government efforts including passing a law granting SMEs 10 percent of government awards, exempting them from bank guarantees, giving them discounts on procedural fees, bringing them along during our international economic and business missions and involving them in special events we hold to give them exposure. More supportive measures are being planned to maintain and strengthen the central role SMEs play in developing the UAE as a competitive knowledge-based and innovation-driven economy.

Gulf Affairs: There has been a proliferation of free trade zones in the UAE over the past decade. What is the motive behind this policy, and how do you see it contributing to the development of the country’s private sector?

Al-Mansoori: Free trade zones have sprung up across the UAE as a result of H.H. Sheikh Zayed’s desire that we avoid relying on oil alone as the main source of national income. The UAE is proud of its pioneering role in promoting the free zone concept across the Arab world. In fact, we were the first country in the MENA region to build a free zone, which was the Jebel Ali Free Zone in Dubai.

Our nearly 40 world-class free zones contribute around 30 percent to our non-oil trade and symbolize the huge success of our economic diversification efforts. Among other vital functions, they connect us to the global supply chain, accommodate the entry of advanced technologies, expose the country to international best practices and serve as innovation hubs in perfect alignment with our National Innovation Strategy. All of these functions significantly benefit the development of our private sector.

We are also an active member of the World Free Zones Organization. As such, we have the support of the world’s leading free zones in nurturing a dynamic free zone community that will continue to advance our development agenda.