



In the early 1960s oil transformed the federal capital of the United Arab Emirates from a fishing village into a modern city with one of the strongest economies in the Middle East. Today Abu Dhabi boasts a 107-billion-barrel oil reserve. But oil and gas prices can be volatile, and climate change is forcing the automotive industry to pivot to electric power, potentially endangering its economy if nothing changes.

To ensure a prosperous future, Abu Dhabi is rethinking its oil-dependent economy and focusing instead on technology and other industries in a shift that opened its doors to foreign businesses and investment. The Abu Dhabi Economic Plan 2030 resides at the core of this shift.

Released in 2007, the plan applies not only to the city but also to the Abu Dhabi emirate, one of seven states within the nation. It focuses on attracting new industries to reduce the emirate's dependence on oil and gas. Key among those industries are technology, renewable energy, manufacturing, financial services, tourism, healthcare and aviation.

So far, Abu Dhabi has made steady headway. Beginning in 2006 with the formation of Masdar City, several free zones — designated areas with economic incentives designed to encourage foreign businesses — have emerged. Today Abu Dhabi has five such zones, each specializing in certain types of businesses. For example, Masdar City Free Zone specializes in businesses dedicated to renewable energy.



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The U.A.E. has made it even easier for foreign businesses to operate here by enacting the Foreign Direct Investment Law in 2018. This law allows up to 100 percent foreign ownership of a company as long as it represents a desirable industry and commits to investing in the U.A.E. Additionally, the country established its Golden Visa program in 2019, allowing foreign nationals to remain in the U.A.E. on a renewable visa for up to 10 years.

Tech incubator Hub71 capitalized on these Abu Dhabi initiatives by providing access to capital, large corporations, accelerators, universities and government agencies beginning in 2019. Efforts to foster new businesses as well as existing small- and medium-sized businesses were so successful the Abu Dhabi IPO Fund was founded in 2021 to help private companies, including foreign ones, to go public on the Abu Dhabi Securities Exchange.

Abu Dhabi experienced other successes in 2021. That January Mohamed bin Zayed University of Artificial Intelligence opened, attracting graduate students from around the world and laying the foundation for the city's technology industry. Then, October 2021 to March 2022, the U.A.E. hosted Expo 2020. Even though the expo was held an hour away in Dubai, economic benefits from the event spilled over to Abu Dhabi. So did interest in doing business in the city.

In the first half of 2022 Abu Dhabi's economy expanded by 11.2 percent. Although oil and gas factored into that growth, its non-oil sectors made a significant contribution. Unfortunately, that growth is slowing, thanks to the current worldwide economic downturn.

But Abu Dhabi, which makes up 60 percent of the U.A.E.'s total economy, remains hopeful as it continues to encourage foreign investment. Someday, Abu Dhabi hopes, technology, manufacturing and, ironically, renewable energy will be just as important to its economy as oil and gas.



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CHECKING IN WITH JOHN BOYD, JR. Principal, The Boyd Company, Inc.

For more than 50 years, your company has provided corporate site selection services to Fortune 500 companies like Boeing, HP, PepsiCo and Visa International. What makes Abu Dhabi such an attractive option for companies like these?

Based on our firm's dealings in the Gulf, Abu Dhabi is one of the easiest places to do business. It has a pro-business environment and is a safe and diverse city that is doing well in diversifying its economy away from its

reliance on oil and gas. Abu Dhabi has been reinventing itself as an innovation hub with great success.

How successful has Abu Dhabi been in moving away from its dependency on oil and gas?

It's a strategic move not unlike turning around a huge ocean liner, given the fact the U.A.E. has some 10 percent of the total world supply of oil reserves and the world's fifth-largest natural gas reserves. That said, progress is moving forward, slow but steady. Abu Dhabi is able to leverage several important strengths such as its deep financial reserves, large sovereign wealth fund, pro-diversification government policies targeting innovation and digitalization, free trade zones and ample supply of shovel-ready industrial sites.

Why are corporations choosing to locate in Abu Dhabi over Dubai?

Abu Dhabi is one of the world's wealthiest cities, the capital city of the country, has a growing tourism sector and has more wealth than Dubai. That said, it is no wonder consumer giants want to have a presence in Abu Dhabi.

DIVERSIONS

While in Abu Dhabi, take advantage of any down-time to visit the city's best attractions, starting with Sheikh Zayed Grand Mosque. Designed to resemble the Taj Mahal, it features marble inside and out, 24-karat gold leaf accents and the world's largest carpet.

Qasr Al Watan, the palace where U.A.E. president Sheikh Mohamed bin Zayed Al Nahyan receives world leaders, is open for tours and showcases presidential gifts and other national treasures. At Qasr Al Hosn, learn about the nation's founding and participate in a traditional coffee ceremony.

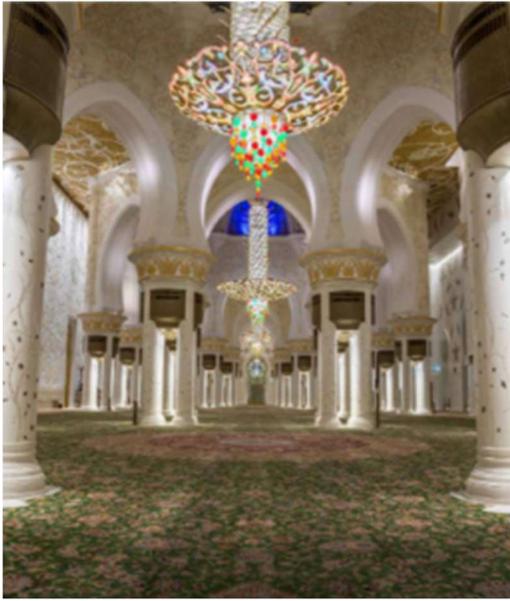


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Don't miss Louvre Abu Dhabi, containing roughly 300 pieces on loan from the Louvre in Paris plus more than 300 masterpieces owned by the royal family. On Yas Island, families can enjoy Warner Bros. World, Yas Waterworld and Ferrari World.

Opened in 2021, National Aquarium Abu Dhabi — the largest aquarium in the Middle East — features 10 nautically themed zones, but it's not the only opportunity to explore the animal world while visiting the city. Abu Dhabi Falcon Hospital gives tours of its facility, and you can make an appointment to visit the nearby Arabian Saluki Center, which celebrates the famed Bedouin dog.

Desert adventures abound just outside Abu Dhabi. You can ride in a 4x4 over sand dunes, ride a camel through the desert or sandboard down a steep dune.

Bedouin camp dinners and wildlife tours also prove popular.

LODGING

Emirates Palace

Mother of pearl, 22-karat gold leaf and Swarovski chandeliers decorate this opulent hotel known for its 114 Arabesque domes. Outside, the property features expansive gardens and a private beach.

West Corniche Road

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Rixos Marina Abu Dhabi

Opened in September 2022, this 563-room hotel stands out for its Atlantis-like architecture and impressive sea views from its upper floors. Its modern interior reflects Arabic and Turkish influences.

Marina City Ring Road

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Shangri-La Residences

The Shangri-La Hotel services these sea-facing accommodations that range from 840-square-foot studios to four-bedroom apartments and come with a kitchen and access to the hotel's fitness center and swimming pools.

Khor Al Maqta, Qaryat al Beri

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DINING

COYA

COYA celebrates global flavors by preparing traditional Peruvian dishes like ceviche using Japanese, Chinese and Spanish cooking techniques. A resident DJ entertains as guests sip cocktails and enjoy small plates.

Four Seasons Hotel, The Galleria, Abu Dhabi Global Market Street – Second
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Hakkasan Abu Dhabi

Located inside Emirates Palace, this Michelin-starred restaurant serves modern takes on dim sum, Peking duck and other Chinese favorites. The wine list boasts offerings from around the world, including China.

Emirates Palace, West Corniche Road
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Meylas

Owner Shaikha Al Kaabi prepares traditional Emirati dishes the way her mother and grandmother did before her. Her popular café opens for breakfast, lunch and dinner.

Al Raha Beach – Al Muneera
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INFO TO GO

International flights arrive at Abu Dhabi International Airport, located 19 miles east of the city's center. While air-conditioned city buses connect the terminals to select destinations for a fare of AED 4 (about \$1.09), taxis are available with a base rate of AED 25 (about \$6.80).

In addition, Etihad Airways, the U.A.E.'s national airline, offers free chauffeur service for first- and business-class customers and paid coach service for all its passengers. You must book either service at least 24 hours in advance.

JUST THE FACTS

Time zone: GMT +4

Phone code: Country code: 971

City code: 02

Currency: United Arab Emirates dirham

Key industries: Oil and gas, renewable energy, technology, financial, manufacturing and tourism

OFFICIAL LANGUAGE AND COMING AND GOING

Arabic. To enter the U.A.E., U.S. citizens require a passport valid for at least six months beyond the date of entry. No visa is required for tourist stays less than 30 days.

