

UAE

Living and Working Guide

Version 1.1 (Updated Feb 2012)



Photo: Dubai Skyline

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Introduction to UAE:

In 1971, six of the Trucial States of Persian Gulf - Abu Dhabi, Ajman, Fujairah, Sharjah, Dubai, and Umm al Quwain - merged to form the United Arab Emirates (UAE). They were joined in 1972 by Ras al Khaimah. Today, the UAE's per capita GDP is on par with those of leading West European nations. Its generosity with oil revenues and its moderate foreign policy stance have allowed the UAE to play a vital role in the affairs of the region. For more than three decades, oil and global finance drove the UAE's economy. However, in 2008-09, the confluence of falling oil prices, collapsing real estate prices, and the international banking crisis hit the UAE especially hard. UAE is one of the most developed economies in West Asia and ranks among the world's wealthiest nations.

Population: 5.31 Million (2012 est - ranked # 115 in the world with respect to population)

Demonym: Emirati(s)

Capital: Abu Dhabi (population of 896,750)

Total Area: 83,600 sq km (ranked # 115 in the world with respect to total area)

Terrain: Flat barren coastal plain merging into rolling sand dunes of vast desert wasteland

Total Land Boundaries: 867km

Border Countries: Oman (410km) and Saudi Arabia (457km)

Ethnic Groups: Emirati 19%, Arabs and Iranians (23%), South Asians (50%), Westerners (8%)

Religions: Muslims 76%, Christians 9%, Hindus 15%

Languages: Arabic (official), English commonly used as a second language

Time Difference: UTC + 4hrs

GDP: US\$ 260.8 billion (2011 est - ranked # 50 in the world with respect to GDP)

GDP Per Capita: US\$ 48,500 (2011 est - ranked # 10 in the world)

GDP Growth Rate: 3.3% (2011 est - ranked # 118 in the world)

Unemployment Rate: 4.3% (2011 est – ranked # 20 in the world)

Currency: Emirati Dirhams (AED)

Exchange Rate: Fixed peg of 3.67 AED against 1 US\$.

Economy of UAE:

The UAE has an open economy with one of the highest per capita income and a sizable annual trade surplus. Successful efforts at economic diversification have reduced the portion of GDP based on oil and gas output to 25%. Since the discovery of oil in the UAE more than 30 years ago, the UAE has undergone a profound transformation from an impoverished region of small desert principalities to a modern state with a high standard of living. The government has increased spending on job creation and infrastructure expansion and is opening up utilities to greater private sector involvement. The country's Free Trade Zones - offering 100% foreign ownership and zero taxes - are helping to attract foreign investors. The global financial crisis, tight international credit, and deflated asset prices constricted the economy in 2009 and 2010. UAE authorities tried to blunt the crisis by increasing spending and boosting liquidity in the banking sector. In 2011, Dubai was ranked 14th best country in the world for doing business based on its economy and regulatory environment.

Major Industries: petroleum and petrochemicals, aluminum, fertilizers, banking, commercial ship repair, tourism, cement and construction material.

Exports: Japan 17.1%, India 13.6%, Iran 6.9%, South Korea 6.1%, Thailand 5.1% (2010 est)

Imports: India 17.5%, China 14%, US 7.7%, Germany 5.6%, Japan 4.8% (2010 est)

Housing in UAE

Accommodation cost is probably one of the largest expenditure to be considered, particularly in Abu Dhabi and Dubai. Finding a nice place to live that fits your budget is always difficult and UAE is no exception. Most visitors are pleasantly surprised when they see the modern architecture of the major cities of UAE for the first time. New buildings are often spectacular, as oil has provided the money for the best architects, builders and materials.

There is a wide range of villas and apartments available in both Dubai and Abu Dhabi. Expat families usually prefer properties in compounds where there are other expats and recreation easily available, making it easier for them to settle in. An independent villa is probably better value for money if you would like a larger house as you will not be paying for extra amenities provided on a compound. Singles and couples usually opt for apartments in the city. There are plenty of high-rise towers with decent facilities in central areas of Dubai and Abu Dhabi. Flat sharing is a fad here for practical reasons. But this works out only for singles. Expatriates can now also purchase villas and apartments within designated areas across most emirates including Dubai and Abu Dhabi.

If you're planning to relocate to UAE with your pets, then moving a pet from a cool or temperate climate is something to be carefully considered since UAE's climate is fairly harsh especially during summers. The landlords of many apartment buildings and compounds will not allow animals so it would be wise to discuss this aspect with the landlord or your relocation advisor before deciding on accommodation. If it is important to you or your family to bring your pet then you should employ a pet import specialist to make the move go smoothly.

Living with Family

UAE is one of the most expat friendly countries in the world and it can be ideal for those who wish to raise families in a very multi-cultural environment. The tax-free salary is basically a huge bonanza. You get to keep all what you earn. This combined with the high salaries doled out to the well-educated and experienced people make Dubai a very attractive place to live in. In addition, the cost of living is also quite reasonable especially considering it's very high-quality of living by all standards.

UAE is a family-oriented country where children are welcomed just about everywhere. Families, and especially children, play an important role in UAE culture. Family outings are very popular and you will see large extended family groups picnicking outside and around the playgrounds, parks and beaches throughout the year.

The schools systems in UAE are diverse and plentiful offering all sorts of educational systems including are American, British, International and Indian curriculum. One thing you must do when you know you're coming to UAE is to get your child registered, as most good schools fill up very early and you may find you're on a waiting list for some time.

Activities in UAE that can keep your family active include aikido, aerobics, golf, horseback riding, tennis, badminton, baseball, basketball and bowling. Don't forget, both Dubai and Abu Dhabi hosts numerous world-class sporting events annually. Moreover throughout the year, UAE has many festivals to entertain the entire family.

In summary, UAE offers all sorts of activities for you and your family — the only hard part will be deciding which to try first.

Cost of Living Index

The cost of living for expats in both Dubai and Abu Dhabi is considered high compared to other places. The overall cost of living is determined using the prices for defined quantities of the same goods and services across 10 Expense Groups. In 2012, Abu Dhabi is ranked 90 overall out of 950 cities globally while Dubai is ranked 207 (rank 1 is most expensive; rank 950 is least expensive). The cost of living rank for each of the 10 Expense Groups is as follows:

Accommodation costs such as house/flat rental, household utilities, local property rates and mortgage etc and are very high compared to other places. Currently Abu Dhabi is ranked 24 in this expense group while Dubai is ranked 73.

Alcohol & Tobacco costs are very high compared to other places for items such as alcoholic beverages, alcohol at a bar, beer, whiskey and wine as well as for tobacco products such as cigarettes. Currently Abu Dhabi is ranked 130 while Dubai is ranked 138 in this expense group.

Clothing costs are relatively very high compared to other places for item such as casual clothing, business suits, children clothing and footwear etc. Currently Abu Dhabi is ranked 22 while Dubai is ranked 42 in this expense group.

Communication costs such as home telephone rental, mobile phone contracts, call charges and internet connectivity are low compared to other places. Currently Dubai and Abu Dhabi are ranked 860 and 861 in this expense group.

Education costs such as pre-school fees, primary and high school/college fees are high compared to other places. Currently Abu Dhabi is ranked 191 while Dubai is ranked 253 in this expense group.

Grocery costs are high compared to other places for items such as food, non-alcoholic beverages, baked food, canned food, dairy products, cleaning products, baby consumable, fresh fruits and vegetables etc. Currently Abu Dhabi is ranked 165 while Dubai is ranked 249 in this expense group.

Healthcare costs such as medical insurance, general practitioner consultation fees, hospital wards daily rates and non-prescription medicine etc are high compared to other cities. Currently Abu Dhabi is ranked 138 while Dubai is ranked 363 in this expense group.

Recreation and Culture costs such as prices of books, cinema tickets, DVDs and CDs, sports goods, outdoor leisure activities are very high compared to other places. Currently Abu Dhabi is ranked 165 while Dubai is ranked 147 in this expense group.

Restaurants, Meal Outs and Hotel costs are very high compared to other places for items such as take away drinks and snacks (fast food), dining at restaurants (non-fast food) and hotel rates. Currently Abu Dhabi is ranked 17 while Dubai is ranked 136 in this expense group.

Transport costs such as public transport, vehicle costs, car insurance and maintenance, petrol/diesel prices, and car hire/lease rates are very low compared to other places. Currently Abu Dhabi is ranked 763 while Dubai is ranked 810 in this expense group.

National Holidays:

- New Year Day, 1 January
- Prophet's Birthday (as per Islamic calendar)
- Leilat al Meiraj (as per Islamic calendar)
- Eid Al Fitr, End of Ramadan (as per Islamic calendar)
- Eid Al Adha, Feast of sacrifice after Hajj (as per Islamic calendar)
- Islamic New Year (as per Islamic calendar)
- National Day, 2 December