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أضواء على العلاقات العربية – البريطانية

مجلة اقتصادية من إصدار غرفة التجارة العربية البريطانية

UK AND GCC PREPARE FOR TRADE DEAL

The UK Government has started a consultation with business to seek views on a future trade deal with the Gulf Cooperation Council countries.

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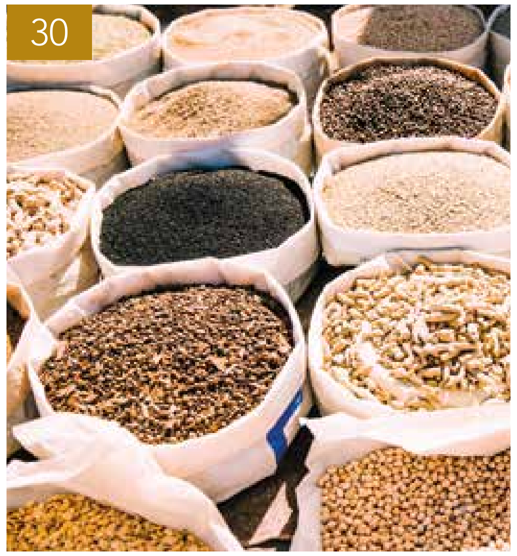

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Roundtable Highlights
Improved Outlook for British-Mauritanian Business

H E Mr Sidya Ould Elhadj, the Ambassador of Mauritania, (head of table) flanked by the Rt Hon Baroness Symons and Mr Bandar Reda.

The Chamber held an in-person ambassadorial roundtable on the opportunities available in Mauritania on 22 September 2021.

The discussion was opened and chaired by the Rt Hon Baroness Symons of Vernham Dean, chairman of the ABCC. A keynote speech was delivered by H E the Ambassador of Mauritania, Mr Sidya Ould Elhadj who welcomed the chance to explore the various areas of mutual interest.

The event, consisting of a high-level panel discussion, reflected a new determination on the part of both countries to strengthen their collaboration. Speakers shared the hope of seeing a stronger and more successful future business partnership developing between the UK and Mauritania.

The event offered an opportunity for UK businesses to properly assess the potential for investment and productive trade across different sectors. Representatives from a wide range of sectors from energy to financial services attended the meeting.

The roundtable held at the Chamber's premises was joined virtually from Mauritania by Her Majesty's Ambassador, Mr Colin Wells, who was recently appointed to the post, and Ms Aissata Lam, Director General of the Investment Promotion Agency of Mauritania (APIM), a recently established one-stop shop.

Finally, Mr Matthew Anderson, Chairman, the Mauritanian British Business Council, joined in the discussion from Italy. The MBBC had been established in 2017 to help build contacts between the two countries' private sectors and provide guidance to investors.

In her opening remarks, Baroness Symons referred to a statement made by the Ambassador, on taking up his post in London, that trade and investment topped his list of priorities.

The Ambassador's speech aimed to outline the specific areas where productive UK-Mauritanian relations could be established. Another of the Ambassador's priorities was to make Mauritania, its history and culture, became better known across the UK. The roundtable, which brought together investors, executives and diplomats, was helpful in this endeavour and the Ambassador hoped that it would be only the first of many events.

Mr Bandar Reda, ABCC Secretary General and CEO, warmly welcomed everyone to the event and anticipated positive outcomes as investors became more fully aware of Mauritania's true economic potential.

For too long Mauritania has not received sufficient attention from British investors despite the considerable opportunities in areas such as fish production, agriculture, infrastructure and minerals.

Mr Reda indicated that the Chamber was keen to facilitate further discussions on prospects for cooperation and was equipped to assist private sector firms in realising their efforts to build stronger links and take advantage of the new opportunities that are emerging following Brexit and the Covid-19 pandemic.

H E the Ambassador explained that the Mauritanian economy had been in good shape before the onset of the pandemic and had achieved strong growth of over 5% in 2019.

The impact of the pandemic had led to a slowdown which had adversely impacted SMEs who made up the bulk of the country's economy.

H E Mr Sidya Ould Elhadj outlined the economic recovery that Mauritania had embarked upon since September 2020 which was focused on stimulating SME activities and improving infrastructure, such as roads and energy supplies, all of which we still being implemented.

He said that the economy was now back on track and was predicted to achieve 3% growth in 2021.

Demand for the country's mineral exports of gold, iron ore and copper had increased during the pandemic, which meant that the performance of the extractive industries remained strong.

The challenge was to develop Mauritania's non-extractive sector, such as agriculture and tourism, to create more diverse sources of revenue.

Looking forward to an increased presence of UK firms, the Ambassador said that apart from BP's activities in the oil and gas sector, UK involvement had considerable scope for growth.

H E Mr Colin Wells described the investment from BP as an expression of confidence in the Mauritanian economy. He praised the country's prompt and efficient response to the pandemic which had ensured the future strength of the economy in the period of recovery.The British Ambassador explained that Mauritania was open to learning and working with UK companies who could assist in developing its local economy.Areas where significant investment opportunities existed consisted of agriculture and fisheries, clean energy and the provision of English language skills. H E Mr Wells urged UK investors to look out for the announcements of new government tenders. Finally, he stated that the decision to open a British Embassy in Mauritania was a clear sign of the determination to promote bilateral trade and widen contacts.

In her presentation, Ms Lam described Mauritania as a *"new investment frontier"* and explained that the promotion agency was a new government body set up to facilitate inward investment. She worked closely with the British Embassy and looked forward to hosting business delegations from the UK. Ms Lam said that Mauritania was a business friendly, multicultural society open to doing business with the UK and vice versa.

The government's focus on regulatory reform was helping to ensure that the environment for investors was an attractive one. APIM provided a single window for investors. She explained that Mauritania had unveiled upwards of 40 major projects for implementation and was seeking to attract private sector investors as it worked to develop the potential of its key sectors.

The projects included upgrading fish production, transport and processing as well as investment in agriculture, drinking water and sugar production. The country's natural landscape and heritage were important assets for developing the potential for tourism expansion, which could be realised through investment partnerships.

The final speaker, Mr Matthew Anderson, introduced the work of the MBBC in assisting UK investors and companies seeking to work in Mauritania. Pointing to the fact that there was no DIT presence in Mauritania, Mr Anderson indicated that the MBBC was available to help UK firms make a success of doing business in the country. In his view, good opportunities existed in the areas of domestic energy supply, financial services, real estate and housing, English and technical education.

The discussion saw delegates raise issues of coastal erosion and what Mauritania was doing to address the impact of climate change, food policy and improving cereal production, the law relating to work visas, the availability of trade finance and insurance.

The roundtable concluded on a positive note that Mauritania was developing fast and open to working more closely with the UK. More opportunities were coming available for investors and reliable support and advice could now be accessed via various agencies. The outlook for improved UK-Mauritanian business was encouraging.

MAURITANIA HIGHLIGHTS

Mauritania is primarily a desert landscape, with vast pastureland and a long Mediterranean coastline boasting some of the world's largest fish reserves.

Natural resources are iron ore, gypsum, copper, phosphate, diamonds, gold, oil, fish, and natural gas.

Population: 4,786,000 (United Nations data)

Imports and Exports

EXPORTS: Figures for 2020 show Mauritania's main exports as iron ore (39%), non-fillet frozen fish (17%), gold (10.8%), molluscs (10.4%), copper ore (6.73%), and crude petroleum (4.78%).

IMPORTS: Based on 2020 data, Mauritania's main imports are refined petroleum (8.34%), special purpose ships (8.05%), raw sugar (3.89%), wheat (3.63%), palm oil (2.16%), light pure woven cotton (1.99%), excavation machinery (1.87%), tug coats (1.83%) and cars (1.71%).

Data: DIT

Growth and Recovery

Mauritania is on a path to economic recovery in the aftermath of the global pandemic with real GDP forecast to grow 2.8% in 2021 and 4.2% in 2022, underpinned by the resumption of public and private investment and ongoing structural reforms.

GDP growth is exposed to fluctuations in global mineral commodity prices given the large contribution that revenue from the extractive industries makes to the economy.

In 2020, during the lockdown, the economy contracted by an estimated 2.2%, according to the IMF. This was still relatively small compared with neighbouring countries, as the strong performance of the extractive industry partially mitigated the impact of Covid-19 on the services sector.

Economic performance will be influenced by ongoing reforms in key sectors of agriculture, port infrastructure, the business climate and on the increased production in the extractive sector following the expansion of the country's gold mines.

Offshore Oil & Gas Expansion

Traditional natural resources of iron ore and fish products have sustained the economy over many years. But the country also boasts large mineral and metal deposits such as gold and copper while numerous oil and gas fields have been discovered in recent years.

Mauritania produces commercial quantities of millet, sorghum, dates and rice. Farming is also an important activity.

BP and the Grande Tortue Ahmeyim Offshore Project

In terms of liquefied natural gas (LNG), an agreement was reached with Senegal on the equal distribution of revenues from the operation of the Grande Tortue Ahmeyim (GTA) offshore project with first production expected by 2023.

On the maritime border between Mauritania and Senegal, at a depth of 2,850m, BP and its partners are developing a gas field with a 30-year production potential. The Greater Tortue Ahmeyim field has an estimated 15 trillion cubic feet of gas and is forecast to be a significant source of domestic energy and revenue.

UK-Mauritania Trade

Total trade in goods and services (exports plus imports) between the UK and Mauritania was £36 million in the four quarters to the end of Q1 2021, a decrease of 29.4% or £15 million from the four quarters to the end of Q1 2020, according to data from the UK's Department for International Trade.

Total UK exports to Mauritania amounted to £24 million while UK imports from Mauritania amounted to £12 million in the same period.

Main goods exported from the UK to Mauritania: Gas, scientific instruments, road vehicles other than cars, chemicals and telecoms & sound equipment. Main goods imported to the UK from Mauritania: Metal ores & scrap; vegetables & fruit. Raising the level of bilateral trade is a work in progress and offers rich potential for growth.

Tourism Potential

Located at the crossroads of North Africa and sub-Saharan Africa, Atlantic maritime routes, between Europe, the Middle East, West Africa and the Americas and also the closest tropical destination to Europe, Mauritania is an untapped tourism destination, rich in culture, a diverse natural landscape and several World Heritage sites.

Corporate structures & UK property ownership: to de-envelope or not?

Historically, families from across the GCC used to purchase their London property through an offshore company. With the UK tax system implementing changes to the way these structures are taxed and substantial changes taking place since 2013, the initial benefits of this structure are no longer present. The conversation that I am now having with my clients surround whether or not the company structure should be wound up, by way of "De-Enveloping"? This will depend on many factors and specific circumstances.

It used to be a simple process of purchasing a residential property, normally used as a London holiday home and then setting up a Special Purpose Vehicle ('SPV') in countries such as the BVI, Panama, Caymen Islands or the Channel Islands. The patriarch of the family would often be named as the company director and shareholder. The title deeds for the property would show that the company owns the property, allowing the Ultimate Beneficial Owners ('UBOs') identity to remain private and benefit from substantial UK tax savings. However, these UK tax savings are no longer present. With the additional UK tax burden and annual tax and company filing requirements, many families are now considering whether they unwind the structure, by way of De-Enveloping and transferring the property into the personal name(s) of the family members.

UK ANNUAL TAX ON ENVELOPED DWELLINGS ('ATED')

The ATED charge was introduced in April 2013 – this resulted in residential properties that were holiday homes falling within the requirement for the company to file and pay an annual tax on their property. Initially, it was for high-value properties over £2m, however, it now covers all residential properties valued at £500,000 or more.

The current ATED charge payable ranges from £3,700 (property value starting from £500,000) up to £237,400 (for property valued over £20m).

An ATED return must be filed by 30th April of each year and if the company is subject to paying the ATED charge, it must also pay the year's tax in advance.

If the company is trading as a business, such as property rental, it should still file the ATED return applying for a relief. There are specific requirements that must be satisfied to qualify for the relief.

Many companies that fell within the charge did not know as they purchased the property before 2013 and had not obtained regular UK tax advice. I have assisted many families in this situation with the retrospective filing and payment of tax once it came to their knowledge. Failure to fulfil the company's UK tax compliance requirements will fall on the director and penalties will be imposed.

UK INHERITANCE TAX ('IHT')

Since 2017, if a company shareholder / UBO gifts their shares in the company during their lifetime or, unfortunately, passed away, their share will fall within the UK IHT regime. This means that they would pay up to 40% IHT in the UK in the event of death. It may now be better to hold the property in the personal names of the family members and put tax-efficient UK Wills ('Wassiya') in place to benefit from IHT exemptions that may be available, such as spousal exemption.

DE-ENVELOPING AND WINDING UP THE COMPANY

When considering whether the property should be transferred out of the company and into the personal names of the UBO's, it is important to consider the following factors:

- Is the company trading? If the property is a business asset, such as property trading or rental, there may still be UK tax benefits to keep the property within the structure.
- Is there a substantial capital gain on the property? The property value can be rebased for UK tax purposes and given the decline in property values over recent years, it may be a beneficial time to considering transferring the property out of the company.
- Does the company have any debt / mortgage? This could trigger a Stamp Duty Land Tax ('SDLT') liability and the company accounts would need to be carefully considered to assess the viability of this.
- Is the family considering passing assets down to the next generation as part of the restructure? The assessment could be a useful exercise to consider the overall family succession planning.

As with any decision, I would suggest an initial UK tax and structuring assessment is obtained to consider the current position and options available, allowing you to make an informed decision.

Please do get in contact with Mamuna Farooq and we would be delighted to discuss your UK estate and tax planning further with you. We offer our Economic Focus readers a complimentary initial consultation to discuss your legal and tax affairs.

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I am a Partner, Head of Middle East and Private Wealth & Tax at Child & Child, a London law firm based in Belgravia. I am privileged to represent established families throughout the Middle East, the Gulf States, and beyond, looking after their UK and cross-border estates and providing a holistic service.

A Taste of **Lebanon**

The Arab British Chamber of Commerce led by Mr Bandar Reda, ABCC Secretary General & CEO (third left) attended the inauguration of the Lebanese Pavilion, "Taste of Lebanon", at the Specialty & Fine Food Fair that took place at Olympia, London, on 6 September 2021. In the picture, among others, H E Mr Rami Mortada, Ambassador of Lebanon (centre) and H E Mr Mohammad Jaafar Mohammad Bakr Al-Sadr, Iraq Ambassador (third right).

Visit from **Cambridgeshire Chambers of Commerce**

Top executives from Cambridgeshire Chambers of Commerce paid a visit to the ABCC offices on 19 August 2021 to discuss issues related to export documentation with the executive leadership of the Chamber. In the picture: Mr Bandar Reda, ABCC CEO & Secretary General (front right), alongside Mr Vic Annells, Chief Executive of Cambridgeshire Chambers, with Mr Abdeslam El Idrissi, ABCC Deputy CEO & Secretary General and Ms Karen Cash, Export Team Supervisor at Cambridgeshire Chambers.

The Future of the sustainable energy

Hasan Heshmat, Managing Director of Hydro-C Ltd speaks to Economic Focus

Hydro-C is a British family business operating from the United Kingdom. We were established in March 2013, focusing on supporting IOCs operations worldwide with a key focus on Iraq oil rich territories like Basra and KRG region.

Our company is continually investing in and developing the core UK team which we think is the main reason of success for any business looking to develop internationally. Since we started our company has been growing ever since and engaged with on-ground projects for pipelines, mechanical services, pipe coating and logistics.

Our main customers are British Petroleum, Shell, ExxonMobil, Total, Chevron, PetroChina and LukOil.

The company was established to bridge the gap between Middle East and the European market by means of sourcing and distributing specialised products made in the UK and EU to go into Iraq and other gulf and middle eastern countries. Since 2013 we have successfully represented a number of UK, US and Chinese manufacturers who became interested in supporting the Iraq energy sector. We are not stocking these specialised materials in Iraq and distribute Iraq wide.

Our goal for the next 5 years

Our vision is to merge green energy solutions with Oil and Gas operations, by offering renewable energy options to be used in the process of operations, maintenance and exploration for fossil fuel or in the process of petrochemicals. Then ultimately transform the sector into fully renewable clean energy. The aim is to engage the IOCs and help operators to drop their carbon emission and start to look for sustainable and alternative greener and cleaner solutions within the energy sector.

Green Success

We are happy to announce that Shell Gas has requested a fleet of electrical cargo vehicles which were modified to the need of BGC in order to be utilised in the Gas fields. Also ExxonMobil at West Qurna 1 is implementing a green waste management plant to contribute to the wellbeing of local communities and environment.

2021 in Iraq

In Hydro-C we will always strive to meet all our customers' expectations in ever-challenging conditions across Iraq and the world. We remain committed to all our customers that they will always receive the quality products they need within the shortest timeframe possible.

Our aim for 2021 is to start transforming the power supply of oil wells ESP (Electrical Submersible Pumps) to be linked to solar panel farms instead of utilising 24/7 diesel generators. This will not only save Iraq millions of US dollars but also will add more workforce while introducing new solutions into the oil operations.

All Hydro-C Ltd achievements since 2013 were due to the support received from the UK as a country and nation. For this we shall be forever in homeland UK debt. Hydro-C Ltd is privileged to represent major UK manufacturers in Iraq: AVON, ZOK, CENGAR and Maxim, we look forward to prosperous and profitable 2021 within the Energy sector in Iraq.

Hydro-C Ltd is participate in COP26, joining the global effort to fight climate change and offer more sustainable options for generations to come

UN CLIMATE CHANGE CONFERENCE UK 2021

IN PARTNERSHIP WITH ITALY

Hydro-C
Exceeding Limits, Pushing Horizons

Resetting the **Global Economy**

*A report of the proceedings of the **CEO Summit** which was held on 13 September 2021 as a virtual event.*

The CEO Summit, organised by the Arab British Chamber of Commerce in close cooperation with Cranfield University, took as its title, *Resetting the global economy: Leading and learning in a crisis: now, next and beyond.*

It provided an effective forum for the discussion of several important themes as the global economy continued its recovery from the Covid-19 pandemic and debilitating lockdown. The organisers judged the event to have been a success.

The event was a truly international collaboration bringing together thought leaders, top executives and senior officials from the UK and around the Arab World, to reflect on some of the key topics, business trends and challenges facing the global economy as it emerges from months of lockdown.

The event hosted distinguished guests as participants and speakers who shared their insights and wealth of experience to delegates who were watching the Summit around the world.

Balanced representation of participants from the UK and the Arab world was planned into the Summit programme which ensured that the perspectives of different regions were expressed and enabled a true sharing of ideas and insights.

The day-long virtual conference was divided into four broad themes, under the unifying concept of *"Resetting the global economy"*. The four themes were the basis for the conference sessions, namely:

- Arab-British trade and investment, within the framework of economic diversification.
- The future of education, learning and development.
- Sustainability for industries in transformation, encompassing organisational resilience and individual well-being.
- Innovation, entrepreneurship and digital disruption.

A conversational and informal format adopted by the Summit, rather than formal presentations, allowed for a genuine dialogue and greater interaction among all the participants and with the involvement of the audience. Delegates following the discussions had an opportunity to submit their questions online to the panellists as discussions were taking place and thereby were able to receive an immediate response, which added to the interactivity and immediacy of the proceedings.

Many distinguished speakers with a track record of business leadership in their chosen fields agreed to join the Summit in order to share their insights and experiences of working to develop bilateral trade and investment between the UK and Arab world.

The four sessions were interspersed with workshops on a plethora of related topics, which complemented the core themes.

The opening session was addressed by senior business and diplomatic figures from the Arab world, H E Dr Khaled Hanafy, Secretary General & Professor of Economics and International Business, Union of Arab Chambers and Dr Kamal Hassan, the Assistant Secretary-General (Economic Sector), The League of Arab States.

Formally opening the Summit, The Rt Hon Baroness Symons of Vernham Dean, Chairman, Arab British Chamber of Commerce, delivered the following remarks:

"Today's CEO Summit aims to develop closer partnerships between Arab and British executives and decisions makers by providing a forum for discussion within a collaborative conference environment where all participants can share their ideas, insights and exchange information for mutual benefit.

Our agenda and programme address some of the key factors that are driving forward future business such as digitisation, resource efficient alternatives to fossil fuels and sustainable finance that are resetting the global economy as we build the recovery post-pandemic.

The Summit is a platform for dialogue that aims to strengthen trade and investment by identifying new opportunities and core areas where Arab and British executives can work together for maximum advantage.

Today we will be bringing together an impressive range of experts each with enormous experience and from different sectors of industry, disciplines, experiences, and countries.

It is enormously encouraging to see that the UK and the Arab world are equally well represented within our programme.

This participation reflects the strong respect and friendship that prevails between our peoples and shows the important strategic role played by the ABCC in providing a platform to facilitate closer engagement between both sides.

The Chamber draws upon well over forty years of experience in the provision of services to companies seeking to

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achieve success in Arab-British trade and investment and we remain keen to assist investors, exporters and all company executives looking to make inroads, build relationships and succeed in these markets.

I believe that the Summit is exceptionally well timed given that the global economy is now well on its way to recovery after the months of a damaging pandemic whose impact has been unprecedented in peace time. We now see a rapid upsurge in economic activities and business is growing in those sectors that suffered most from the lockdown, such as travel, tourism and hospitality.

This Summit is an exciting new venture for the Chamber, and we are delighted to be working closely with our partners at Cranfield to deliver this event which we hope can make a real difference in terms of opening up new business contacts and highlighting opportunities for commercial cooperation.

The Chamber exists to promote collaboration between Arab and British companies, and we believe that there is enormous potential that is still to be tapped.

The scale of opportunity available in the Arab world has really never been greater with major initiatives at different stages of implementation under the visionary initiatives that attracting more and more investment. These are exciting times for doing business in the region and the Summit reflects the ambitions and aspirations for closer UK-Arab partnership.

One priority reflected in our programme is the need for upskilling the population and widening opportunities for economic participation and entrepreneurship through education and training.

By creating a platform where effective and sustainable business practices can be shared, the Summit can offer practical assistance and advice to young entrepreneurs who have the new ideas and talents that are leading the transformation of the Arab economies.

Today's programme has been carefully planned to enable the most detailed interactive discussions on the key challenges we all face in this time of economic recovery.

The major transformations in the mechanisms of trade and how we do business demand imagination and determination to achieve success and build resilience. It is through closer collaboration and partnership that we will most likely success.

The appetite for cooperation is clearly in evidence on both the UK and Arab sides and has never been stronger.

I wish to thank our Secretary General & CEO, Mr Bandar Reda, for having the vision and foresight to lead with this new initiative. I am sure, it will help put the Chamber centre stage and that the event will have a lasting impact on future business strategies.

In hosting this Summit, the chamber firmly believes that we are responding to an increasing demand for closer engagement with a view towards building Arab-British partnership across all sectors.

In particular, we will focus on the new industries that are driving forward the modern economy which is increasingly founded on science, innovation and the adaption of new technologies to meet human needs.

It is in these new industries that are being created and developed by entrepreneurs and wise administrations where the greatest opportunities can be discovered.

I applaud the ambitions of the organisers of this Summit and profoundly hope that the discussions that are going to follow will be productive, beneficial and enjoyable for all concerned."

Rt Hon Baroness Symons also chaired the conference's third session on the topic of sustainability for industries in transformation.

Addressing the opening session, Mr Bandar Reda, Secretary General & CEO of the Arab British Chamber of Commerce, delivered the following remarks:

"This summit reflects our commitment to fulfil our mandate to assist and encourage the building of a stronger Arab British partnership across all sectors.

This ambitious virtual conference marks a new venture for the Chamber enabling us to reach out to a new audience and develop our links with global executives who are active in bilateral trade and the entire range of commercial transactions.

Today's event has been planned and prepared in response to the pandemic that is now fortunately rapidly receding and in anticipation of the economic recovery that is well in motion.

Our programme puts stress on practical measures, identifying those productive sectors where there exists great untapped potential for strengthening the Arab-British partnership.

We will address the major transformations in the global and regional economies as they adjust to meet the imperatives of combating climate change and achieving sustainable economic development.

At the heart of the visionary investment strategies that are under way around the Arab world, there is the commitment to improving the lives of the countries' citizens.

These priorities have guided the choice of topics on our agenda today, namely education, innovation, the digital economy and the qualities that make for successful leadership in business.

Our distinguished guest speakers, all leading figures in their fields, will not lose sight of the human and social dimensions of economic growth in recognition that human resources are our most valuable asset.

We believe that the summit will open up productive discussions that will identify areas of cooperation and joint ventures that can help us move forward together to meet current and future challenges.

I look forward to listening to the presentations and the lively discussions that will follow.

I also hope that delegates will take full advantage of the workshops and networking sessions that are an important feature of today's programme.

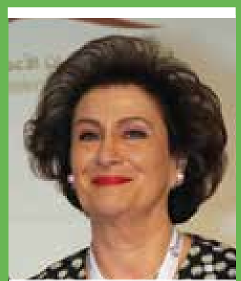
I want to wish everyone a successful summit, but also one that is enjoyable.

Finally, I would like to thank everyone for taking part and supporting the Chamber and all its activities."

> *"This Summit is an exciting new venture for the Chamber, and we are delighted to be working closely with our partners at Cranfield to deliver this event which we hope can make a real difference in terms of opening up new business contacts and highlighting opportunities for commercial cooperation."*

SESSIONS AND SPEAKERS

Mrs Haifa Fahoum Al Kaylani, President & Founder of the Arab International Women's Forum, was a key participant in the session on the future of education.



Mrs Haifa Fahoum Al Kaylani

For her work over many years, Mrs Al Kaylani has been widely recognised by Arab and international governments, and by private sectors and NGOs, as a high-impact change agent. The valuable work of the AIWF focusses on women's leadership and youth empowerment, working for progress, inclusion, peace and prosperity in the Arab region and internationally. Mrs Al Kaylani is also a Board member of the ABCC.

Mrs Al Kaylani described the impact of the 18 months of the pandemic as being like 18 years of change in terms of how education is delivered and the rapid growth in online delivery of education and microlearning, which was introduced as a matter of necessity in response to the lockdown.

The adoption of remote learning had improved the accessibility of education and widened access.

The session addressed some of the challenges for policy makers and education providers as the lockdown restrictions are lifted, such as the priority of improving presentation and delivery of online education and the need to maintain diversity, quality and inclusiveness.

Mrs Al Kaylani stressed the importance of learning from each other by pointing out that the MENA region had much to teach the rest of the world. The question to be considered should not simply be what the UK can offer the MENA, but what other regions can themselves learn from the experience and strengths of the educational practices of the MENA.

Some of the key lessons include the high investment in education across the MENA region by governments and the high respect for the value of education held by families and individuals.

A co-panellist in the education session was Mr Pierre Kairouz, Principal Consultant, with Mercuri Urval, who is a Swiss citizen of Lebanese origin, whose main focus is to support organisations in building performance and long-term sustainability through human assets, leadership and best-in-class corporate governance. He shared his expertise in the field of leadership and talent advisory based on his 25 years' experience as an international executive working in the Middle East and global markets.

Mr Ayman Al Awadhi, Managing Director, The Corporate Group (TCG), a member company of the ABCC, took part as a key speaker in the Summit.

In leading TCG, Mr Al Awadhi is responsible for delivering one-stop-shop professional services related to business start-up solutions and enabling both FDIs and foreign companies to do business in the UAE and the wider region. He has marked up considerable successes in attracting businesses of all sizes and industries in education, healthcare, technology, energy, professional services and others.

As a member of the chamber, TCG works with the ABCC to raise greater awareness of the opportunities that are constantly coming available to businesses seeking to set up operations in the UAE and the wider Gulf.

Mr Mansoor Hanif

Other leading speakers included Mr Mansoor Hanif, Executive Director of Emerging Technologies, Technology & Digital, NEOM, who shared his experiences of working on the Digital Masterplan for the ambitious Saudi NEOM project, a new construction that is adapting smart city technologies throughout its entire structure and which on completion is scheduled to become a major international tourist attraction leading to an influx of visitors to its location north of the Red Sea.

Mr Hanif has a wealth of expertise in emerging technologies such as mixed reality, space, satellites, advanced robotics and human-machine interfaces. While working with NEOM, Mr Hanif has been involved with facilitating research collaborations with leading global universities and think-tanks and drafting NEOM's regulations for connectivity and communications.

Professor Birgitte Andersen

Professor Birgitte Andersen, CEO at Big Innovation Centre, spoke of the work of the London based award-winning think-tank and innovation-communications consultancy that provides access to thought-leadership, knowledge transfer, and networking opportunities designed to shape the future with cutting edge emerging technologies such as Artificial

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Intelligence, Blockchain, and Digital Transformation.


David Jones

David Jones, Founder and CEO at The Talent Enterprise, is a senior advisor to policy makers and organisational leaders on human capital priorities. His contribution was informed by his 30+ years of human capital experience, including living in Dubai for 25 years. He has worked with clients in more than 40 countries on a broad range of talent, leadership, assessment, performance, transformation and inclusion projects.

Jones leads business growth and expansion efforts across global markets at The Talent Enterprise, heading research and innovation efforts to identify future human capital priorities. Jones was previously the Chief Consulting Officer at Aon Hewitt MENA and has held senior HR roles at Emirates Group, Dubai Civil Aviation and KPMG.

Jones spoke of the youthful population of the Arab countries as a significant asset for future development and a factor that meant there was an openness to innovation.


Joe Hepworth

Joe Hepworth, CEO and founder at the British Centres for Business, based in Dubai, another key speaker, works closely with the British and Dubai Governments to promote business and innovation.

From developing the original concept in 2013, Hepworth successfully established the BCB in 2014 and it has remained active ever since. During the past six years, the BCB has been the DIT's official delivery partner in the UAE and has delivered more than £100 million in recorded 'export wins' for UK companies across the Middle East and has also supported 46 company market entries through a unique incubator platform provided by the BCB.

Hepworth's client representational roles in the Middle East involve key UK clients such as Connected Places Catapult, Santander UK and Capita Scaling Partners.


H E Talal Abu Ghazaleh

H E Talal Abu-Ghazaleh, Founder and Chairman, Talal Abu-Ghazaleh Global (TAG. Global), shared his ideas in the session on innovation, entrepreneurship and digital disruption, which focused on what future business will look like. Mr Abu-Ghazaleh heads a company that is a leading global provider of professional and educational services with more than 100 offices worldwide.

He is widely recognised as one of the most influential business leaders in the world, with lifetime achievements, distinctions and major contributions in the areas of education, accountancy, intellectual property, business administration, technology and others too numerous to list.

H E Talal Abu-Ghazaleh is a leader in building institutions, a respected figure globally for his insights, who serves in the Jordanian Senate as well as chairing international committees related to ICT and sustainability at the United Nations. He is a leading international proponent of building capacity in technologies to produce knowledge workers that will serve the growing digital economy, as well as a prolific technology writer who is avidly sought for his expertise and wisdom globally.


Eng Walid A Abukhaled

Another key speaker from the Arab world was Eng Walid A Abukhaled, Chief Executive Officer, Saudi Arabian Military Industries (SAMI), who is also Chairman of Cranfield University Middle East Advisory Board.

A senior executive with a nearly three-decades-long distinguished career in the military industries, Eng Walid Abukhaled, has been in his current post since August 2020 where he is responsible for the management of the company's operational business and achievement of its business strategy and targets. He works to drive forward Saudi Arabia's military industries sector, delivering world-class military products and services, and attaining the company's vision of becoming a top-25 global military company by 2030, in line with the Saudi Vision.

Eng Walid Abukhaled described how Saudi Arabia had been proactive in its response to the global pandemic and had successfully risen to the challenges by adapting rapidly to the necessity of doing things differently.

He said that working remotely, for example, had previously been completely unheard of around the MENA region, but had become common practise during the lockdown. By saving time, office space and cutting down the need for travel, remote working and greater use of IT had actually opened up new opportunities.

The KSA, he stated, had been fortunate in the strong infrastructure that was already in place, including its IT infrastructure, which had enabled the Kingdom to achieve success in ensuring business continuity.


Mr Rabih Sabra

Mr Rabih Sabra, Director General, Chamber of Commerce, Industry and Agriculture of Beirut and Mount Lebanon, among whose special interests are developing agile management practices, within the context of sustainable development and digital transformation. Mr Sabra reflected on Lebanon's response to the pandemic and in particular how the Beirut chamber had acted to support SMEs and helped build business resilience during the crisis.

Professor Kevin Morrell, Rowlands Chair in Transformational Strategy, Cranfield School of Management, shared his expertise helping companies to carry out largescale change in their organisations.

He described how although the pandemic was global, the impact had been unequally distributed around the various regions and on different professions. The experience had shown the need for coordinating global responses to such crises to ensure success in building resilience. The past few months had accelerated changes that were already taking place in terms of how we operate in the global economy and the uptake of new technology.

The pandemic had also highlighted the value of acquiring and possessing the right leadership qualities, which would be critical for responding to any future challenges.


Professor Kevin Morrell

Professor Morrell believed that the key thing in relation to transformation is that theories are formalised predictions that act as the only guides to the future. He explained that the way to support transformation is to translate theories into accessible and practical tools and advice.

Other speakers from Cranfield University and its School of Management were Prof David Denyer, Leadership and Organisational Change, Prof David Oglethorpe, Pro-Vice-Chancellor and Dean, Cranfield School of Management, Prof Phil Hart, Director of Energy and Power, Dr Rosina Watson, Senior Lecturer in Sustainability, Prof Sue Vinnicombe CBE, Women and Leadership, Tareq Krayim, Associate Faculty for Executive Development and Prof Karen Holford, the university's CEO and Vice-Chancellor.

The summit was supported by the Libyan British Business Council (LBBC), whose Director General, Mr Robin Lamb, was a speaker at the event.

The CEO Summit had succeeded in highlighting the exciting possibilities developing out of the emerging infrastructure and underlined the vital importance of collaboration.

The ABCC was pleased to have worked in close collaboration with Cranfield University to deliver this ambitious event which succeeded in bringing together an impressive range of speakers who each shared invaluable insights on the overall theme of resetting the global economy: leading and learning in a crisis.

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Healthcare

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Mayo Clinic Healthcare, is an outpatient clinic that provides personalized health care ranging from preventive screenings and tailored wellness plans to second opinions for complex diagnoses, as well as several medical specialties including cardiology, gastroenterology and pulmonary medicine.

The clinic, located at 15 Portland Place in the Harley Street Medical Area in London, also serves as a gateway to Mayo Clinic's 4,000 physicians in the United States and a hub for virtual visits for patients who otherwise might need to travel to Mayo in the U.S. for care. Mayo Clinic Healthcare's wellness plans include genetic testing and programs tailored to corporations and executives.

Consultants at Mayo Clinic Healthcare are top in their fields. They will take the time to listen to your patients, collaborate with you and build a relationship resulting in expert care tailored to their needs.

"Mayo is the place to go for definitive answers. We excel at helping people live their healthiest lives and in caring for patients with serious, complex or unsolved medical needs," says G. Anton Decker, MBBCh, president of Mayo Clinic International. *"Anyone who goes to Mayo Clinic Healthcare has access to all of Mayo and its deep expertise. We aim to serve as a trusted resource and partner to patients and health care organizations across the U.K. and world."*

The cardiology team at Mayo Clinic Healthcare includes:

Elijah Behr, M.D., whose areas of focus include heart rhythm disorders, genetic heart disease, cardiomyopathy and sudden cardiac arrest.

Sanjay Prasad, M.D., whose special areas of expertise include heart failure, cardiomyopathy, coronary artery disease and high blood pressure.

Gosia Wamil, M.D., Ph.D., whose focus areas include heart failure, hypertension, heart valve abnormalities and inherited cardiomyopathies.

Gastroenterologists include:

James East, M.D., whose areas of interest include endoscopy, stomach cancer, gastroesophageal reflux disease, irritable bowel syndrome, anemia and swallowing disorders.

Bobby Prasad, M.D., whose focus areas include irritable bowel syndrome, gastric cancer screening, gastroesophageal reflux disease, obesity, pancreatic and biliary disease, and small intestinal bacterial overgrowth.

In pulmonology, the areas of focus of John Costello, M.D., include:

asthma, chronic obstructive pulmonary disease, COVID-19-related lung issues, shortness of breath, and early detection of lung cancer.

The clinic's physicians also include Kevin Fleming, M.D., an expert in personalized health care, wellness and chronic, age-related and stress-related conditions, and Sandeep Kapur, M.B.B.S., who has special interests in chronic disease management, complex care coordination and medical technology.

Mirroring the patient experience at Mayo Clinic's sites in Minnesota, Arizona and Florida, first-time patients to Mayo Clinic Healthcare can expect a pre-planned itinerary, with most of the needed tests performed and analyzed before they see their specialist.

The clinic offers a range of diagnostics including colonoscopies and other cancer screenings, ultrasounds, magnetic resonance imaging (MRI), X-rays and echocardiograms.

To learn more visit **mayoclinichealthcare.co.uk** or call +**44 20 7871 2575**

H E Eng. Saleh bin Nasser Aljasser, the Minister of Transport and Logistics Services, Saudi Arabia, (centre left) and Mr Bandar Reda, ABCC CEO & Secretary General, along with members of the top-level delegation at the Chamber.

Investment and Trade in Saudi Arabia - **a Nexus for Transport and Logistics**

The ABCC was honoured to host a top-level delegation from the Kingdom of Saudi Arabia headed by H E the Minister of Transport and Logistics Services, Eng. Saleh bin Nasser Aljasser, on 1 October 21.

The event, billed as *"Investment and Trade in Saudi Arabia – a Nexus for Transport and Logistics"*, was aimed at UK investors and operators within the transport industry. Details of many existing and emerging investment opportunities were discussed at the meeting.

In welcoming remarks, Mr Bandar Reda, ABCC CEO & Secretary General, expressed his pride in the achievements of the Kingdom, his home country, and in the rapidity of the transformation currently under way in all sectors driven forward by Vision 2030. Mr Reda stressed the ABCC's preparedness to support businesses and help open doors for closer cooperation.

Introducing the speakers, Mr Abdeslam El Idrissi, ABCC Deputy CEO & Secretary General, praised the Kingdom of Saudi Arabia as a powerhouse for trade and investment in the region.

The high-powered speakers each provided details of the Kingdom's vision for a sustainable future transport system to an audience of UK business leaders, investors, CEOs, directors and diplomats and responded to questions put to them.

H E the Minister Eng. Saleh bin Nasser Aljasser lauded the long and lasting friendship between the Kingdom and the UK. He described the purpose of their visit as strengthening the links between investors in the UK and in particular within the maritime sector.

The huge ambitions of Vision 2030 were opening up new opportunities for collaboration and partnership across the transport and logistics sector. The UK was regarded as a key strategic partner by the Kingdom, the Minister stressed, in words that were echoed by all other members of the delegation who took part in the event. The Kingdom had set itself some major targets to develop and expand transport and logistics whose details were outlined in the National Transport and Logistics Strategy unveiled a few months previously, the minister stated.

A formal presentation explaining the various aspects of the Kingdom's plans, which are designed to support the implementation of Vision 2030, was delivered by Dr Mansour Al-Turki, the Deputy Minister of Planning & Information, KSA.

Dr Al-Turki explained that the aim of the strategy was to enhance the connectivity of roads, aviation, maritime and logistics with other sectors in support of the vision. Transport, he said, was a vital component of the successful completion of Vision 2030 and the development of the Kingdom as a global hub and model of excellence *"on all fronts"*, as H M King Salman bin Abdul-Aziz Al-Saud had stated. To achieve the ambitious plans the Kingdom was actively seeking to attract investors and encouraging the private sector to become more involved.

The massive expansion of commercial and civil transport infrastructure demanded improvements in governance along with the closer integration of logistics and planning, Dr Al-Turki said.

The two hubs for aviation in Riyadh and Jeddah formed a key part of the expansion plans as the Kingdom aimed to triple the volume of passengers by 2030. Cargo by rail was going to be increased by eight times over the next nine years and the number of passengers increased by tenfold. The total investment in transport over these years to 2030 would amount to $147 billion (SR550 billion), Dr Al-Turki stated.

The recent renaming of the transport minister indicated the Kingdom's determination to integrate its strategy and indicated the key role that the ministry was playing in overseeing the transport sector and the delivery of efficient services. In addition, a special committee had been established at the highest level to ensure that the plans were going to be implemented on time.

H E the Minister Aljasser told the meeting that more details of new contracts on offer for investors would be announced in coming weeks.

H E Dr Rumaih Mohammed Al-Rumaih, President of the Transport General Authority (TGA), introduced some of the latest opportunities for investors in the road, rail and maritime sectors. He mentioned in particular a new project to develop intercity bus services to connect more than 400 of the Kingdom's cities. He stated that the Kingdom was keen to see British companies getting involved and winning contracts. The UK was renowned for its innovation in the transport sector.

In the maritime area, Dr Rumaih said that a project would soon be floated to develop a network of ferry services and indicated that the delegation had visited different regions of the UK to find out exactly how the UK managed and operated its port services. Dr Rumaih stated that the Kingdom's experience of working with the UK transport industry had been extremely positive in the past and he looked forward to greater UK involvement in future. He mentioned in particular the Landbridge project that aimed to connect the Red Sea and the Gulf by rail, as one key project where opportunities for investors were opening up.

The final speaker, Mr Omar Talal Hariri, President of Saudi Ports Authority (Mawani), described the improvements in the performance and infrastructure of the Kingdom's ports of which there were nine in total, with the main one being Jeddah Islamic Port.

The planned port expansion was in response to the forecast growth in transhipment. Mr Hariri stated that the SPA had long been a pioneer of private sector partnerships. He stated that 16 new concessions were on offer for operators and service providers in the ports industry. The Saudi authorities had already received expressions of interest from more than 70 international firms eager to become involved. More concessions for marine services would be announced within the next 18 months.

The formal contributions from the delegation were followed by questions from the audience that ranged widely over issues such as controlling costs of shipping, regulatory measures, training of new engineers and technicians, the need for R&D, meeting the climate challenge and Saudi Arabia's plans for electric vehicles. The event concluded with a networking lunch during which delegates were able to exchange ideas on a one-to-one basis with members of the Saudi delegation.

SOME KEY ASPECTS OF THE SAUDI TRANSPORT AND LOGISTICS STRATEGY

The Kingdom of Saudi Arabia has launched a new National Transport and Logistics Strategy. On 29 June 2021, HRH Crown Prince Mohammed bin Salman announced the new strategy in line with Saudi Vision 2030. The successful completion of the comprehensive strategy will see the Kingdom positioned as a global logistics hub connecting three continents and improving transport services for the public, freight and tourists.

The Strategy's Four Main Goals

The new transport strategy has four main goals: to transform Saudi Arabia into a logistics hub; boost the quality of life across the country; enhance fiscal sustainability; and improve the performance of public entities. The plan is to improve the Kingdom's logistics performance index so that it ranks among the top 10 countries in the world. Expanding connectivity and enhancing integration of the various transport systems are priorities.

"This strategy will strengthen human and technical capabilities in the transport and logistics sector in the Kingdom," HRH the Crown Prince stated at the launch.

The aim is for transport and logistics to contribute 10% to Saudi Arabia's GDP by 2030. At present, it stands at 6 percent.

The strategy is opening up new investment opportunities as its implementation entails building stronger partnerships between the public and the private sectors, both foreign and domestic. Completion entails tripling air transport movement, linking the Saudi cities of Makkah, Jeddah and Madinah through a 450-kilometre express train, connecting the eastern and western part of the Kingdom and the ports, and joining the Gulf-wide rail network, among other aims. To realise the ambitions, Saudi Arabia plans to invest $147 billion in transport and logistics over nine years with around 35 percent of the spending coming from private investors.

As part of the process, the KSA Ministry of Transport has been renamed as the Ministry of Transport and Logistics Services.

Maritime Industry

"The strategy enables us to reach a capacity of more than 40 million containers annually," HRH the Crown Prince stated.

On World Maritime Day – which is held annually on 30 September - the Kingdom marked its sustainable marine development, noting that it is a country surrounded by vast coasts, the Arabian Gulf and the Red Sea, through which 13% of the global trade passes. The Kingdom is ranked 20th globally in the world maritime transport industry among the 174-member states of the UN International Maritime Organisation.

Railways

The Kingdom's railways currently provide passenger and freight services through a network of 5,330km of track, 450km of which is the Haramain high-speed railway between Mecca and Madinah, the largest high-speed transport project in the region.

The new strategy will increase the total length of the rail network to an estimated 8,080km. This includes a *"land bridge"* project that will span more than 1,300km and connect the Kingdom's ports on the coast of the Arabian Gulf with those on the Red Sea coast. On completion of the planned projects, the Saudi railways network will have the capacity to transport more than 3 million passengers and 50 million tons of freight annually, opening up new opportunities in the areas it passes through.

Environmental Impact

The environmental impact of this major expansion of transport is a priority, and includes enhanced sustainability, an aimed reduction in fuel consumption by 25 percent, and the adoption of smart solutions through innovative technologies to meet all the transport challenges and support the completion of the ambitions embodied in Vision 2030.

SOME CONTACTS

Ministry of Transport & Logistic Services
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Transport General Authority (TGA)
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Saudi Ports Authority (MAWANI)
Email: **mawanicare@mawani.gov.sa**
https://mawani.gov.sa/en-us/pages/default.aspx

Above left: H E Mr Nayef Al-Fayez, Jordan Minister of Tourism & Antiquities

Above: Rt Hon Baroness Symons of Vernham Dean

Above right: Mr Abdeslam El-Idrissi, ABCC Deputy CEO & Secretary General

Left: H E Mr Nayef Al-Fayez (second right) with Rt Hon Baroness Symons and Dr Abed Al Rassaq Arabiyat, H E Mr Manar Dabbas and Mr Abdeslam El-Idrissi.

From left: H E Mr Nayef Al-Fayez, Dr Abed Al Rassaq Arabiyat, Managing Director, Jordan Tourism Board and H E Mr Manar Dabbas, Jordanian Ambassador to the UK.

Jordan Unveils Kingdom of Time Brand at the ABCC

Jordan's Tourism Minister and Chairman of the Jordan Tourism Board (JTB), H E Mr Nayef Al-Fayez, visited the Arab-British Chamber of Commerce premises on 3 November 2021 to discuss tourism issues with potential investors and industry professionals from the UK.

Speaking at a Ministerial Roundtable at the Chamber, which was held following the World Travel Market (WTM) in London, where Jordan was well represented, the Minister highlighted the Kingdom's vision to improve visitor numbers in the aftermath of the COVID-19 pandemic and the disruption that this had caused to tourism.

Rt Hon Baroness Symons, Chairman of the ABCC, set the positive tone of the meeting by speaking warmly of the remarkable hospitality of the Jordanian people and praised the Kingdom's rich tourism offer.

Speaking from personal experience, Baroness Symons recalled her visits to the Kingdom and urged more people to see the country for themselves now that the country had reopened, and it was safe to travel again.

In opening remarks, Mr Abdeslam El-Idrissi, Deputy CEO & Secretary General, ABCC, drew attention to H M King Abdullah of Jordan's strong support for the country's tourism sector and how he had urged the private and public sectors to work together to revive the industry.

His Majesty had underlined the need to promote international tourism to the *"Golden Triangle"* of Petra, Wadi Rum, and Aqaba, as well as promoting more domestic tourism, Mr El-Idrissi stated.

In a JTB statement, cited by the Jordan News Agency, Petra, H E Mr Al Fayez stated that the discussions highlighted the latest developments in Jordan's tourism sector, pointing to the importance of the hospitality industry as *"a main pillar"* of the national economy.

Jordan Tourism Board Managing Director, Dr Abed Al Rassaq Arabiyat, unveiled Jordan's new Kingdom of Time tourism brand with which it aims to revive the sector by attracting new visitors.

The new campaign stressed the strengths of Jordan's authentic and diverse tourism offering, the official stated.

The Minister further mentioned that Jordan was seeking to become a hub for medical tourism, and it was proud to attract visitors from as far afield as Canada and Switzerland who were seeking to avail themselves of the Kingdom's expertise in medical and health treatment.

The strengths of Jordan's health system had been revealed during the pandemic by its success in combating the spread of the virus, he said.

Jordan had been proactive in obtaining supplies of the vaccine and had achieved full vaccination of staff in the tourism and hospitality, which ensured that the country was safe to visit. This was restoring visitor confidence in the tourism sector.

It was also mentioned that Jordan was signing contracts with more low-cost airlines to open up new flight routes serving more international destinations and making the country accessible to more global travellers.

Commenting on the tourism industry's response to the pandemic, the Minister referred to the procedures and health safety protocols that Jordan has successfully implemented, *"which have earned the confidence of British and foreign visitors to the Kingdom's tourist destinations"*.

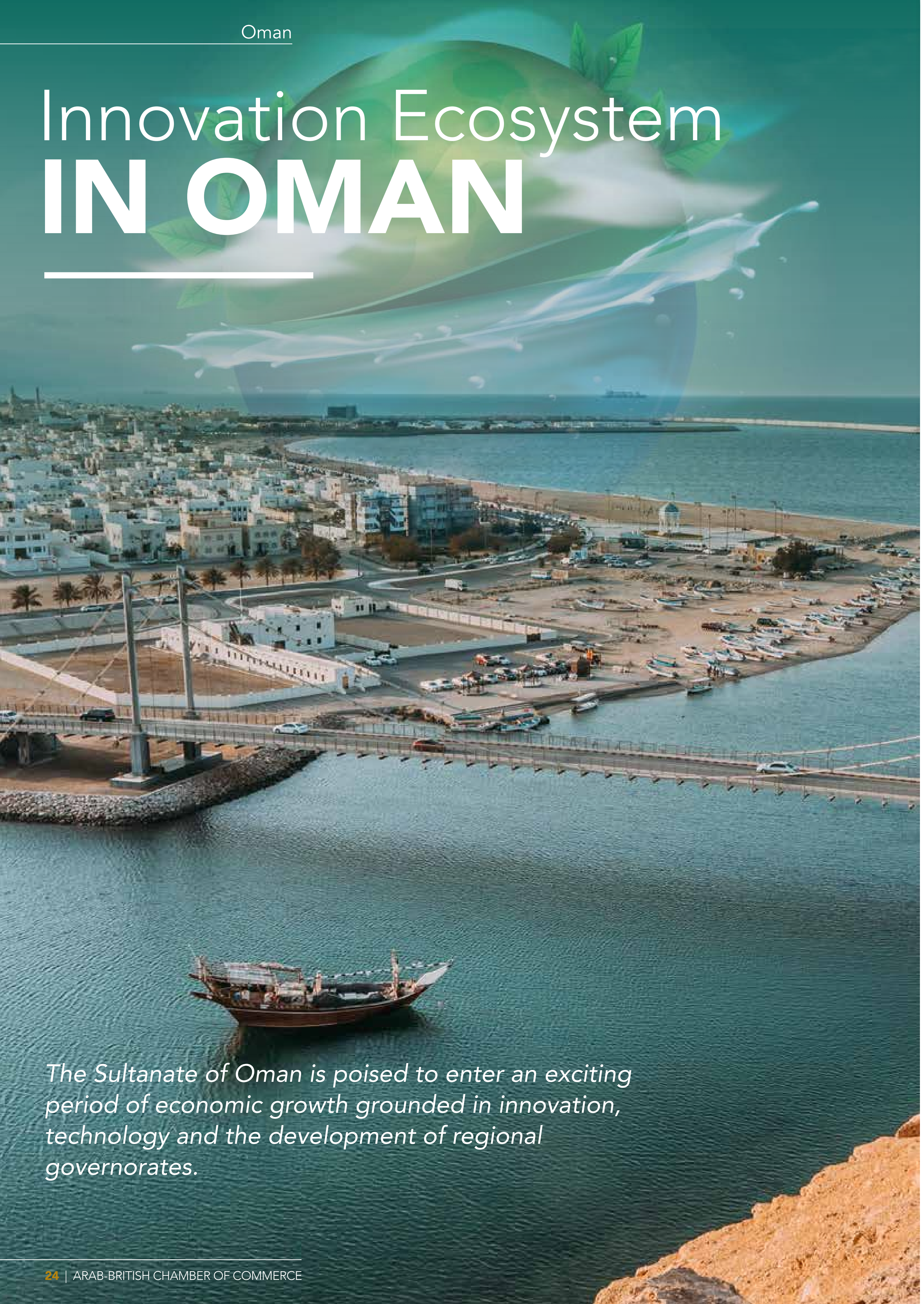
Dr Arabiyat underlined the importance of tourists from Britain to Jordan, highlighting the outcomes of its participation in the WTM, which heralded the launch of the JTB's new institutional brand campaign.

The new Kingdom of Time campaign was aimed at enhancing the Kingdom's position on the world tourism map, Dr Arabiyat pointed out.

The Kingdom's Ambassador to the UK, H E Mr Manar Dabbas affirmed the embassy's keenness to contribute *"effectively"* towards promoting the Kingdom's tourism product and attracting more tourists from the UK.

At the conclusion of the meeting, Baroness Symons presented the Minister and Dr Arabiyat with an honorary ornamental shield in appreciation of their efforts to stimulate Jordanian tourism and their commitment to building a stronger partnership with the UK.

Innovation Ecosystem IN OMAN



The Sultanate of Oman is poised to enter an exciting period of economic growth grounded in innovation, technology and the development of regional governorates.

With guidance from Oman Vision 2040, and support from the Oman National Spatial Strategy, the country is well positioned to accelerate the Smart City urbanisation of its various governorates and tap into the wealth of potential for social, economic, and environmental development.

Oman has all the raw materials to become a leading Smart City player. But as with all Smart City programmes, there are always opportunities to be leveraged to accelerate and optimise their successful delivery.

When looking at areas of opportunity to develop Smart Cities in Oman, legislation, policy, standards and regulation help guide the development and growth of the sector and extend regional development.

Physical infrastructure, such as roads, and digital infrastructure, such as broadband penetration and communication networks, are essential for all governorates to support business, academia, and innovators, while also providing a key attraction to foreign investors looking to tap into regional potential.

National and local government in Oman can offer a variety of incentives to foster private sector involvement in Smart Cities projects, and encourage businesses to take ownership where appropriate, invest and find sustainable ways to make these developments commercially viable.

OMAN NATIONAL SPATIAL STRATEGY

The objective of Oman's key national spatial strategy that supports the realisation of Vision 2040, is to have a framework for land use strategy that supports socio-economic development at national and regional levels. It will allow Oman to organise and implement sustainable, high quality urban and rural development and to incentivise environmentally friendly development. This will help preserve the environment, natural resources and cultural heritage, while prevention against natural hazards and environmental pollution can all now be considered when planning further developments in the country.

The eight main objectives of the strategy are:

- Developing cities and communities
- Preserving Omani identity
- Responding to climate change and the need to adapt to it and mitigate its impacts
- Promoting growth and economic diversity based on the local conditions of each governorate
- Sustainable use of resources, the production of power and the management of renewable resources
- Water and waste management
- Protection of the environment through the control of impacts on environmentally delicate areas
- Developing a sustainable transport system and the creation of transport alternatives.

The strategy takes account of factors such as the expected population rise, increases in skilled labour, GDP growth, rise in public leisure space, increasing demand for housing and the amount of public space and its utilization. The strategy understands that close collaboration of ministries will be essential to the delivery.

VISION FOR THE GOVERNORATES

Oman comprises 11 governorates: Muscat, Al Batinah North, Al Batinah South, Al Sharqiyah North, Al Sharqiyah South, Dhofar, Musandam, Al Dhakiliya, Al Dhahira, Buraimi and Al Wusta.

Guided by Oman Vision 2040, and with support from the National Spatial Strategy, Oman's governorates are well positioned to accelerate Smart City urbanisation and tap into the wealth of potential for social, economic, and environmental development.

Each governorate offers distinct opportunities for growth, development and partnership.

CAPITAL GOVERNORATE AND MAIN HUB OF INNOVATION AND GROWTH

Muscat governorate contains the capital and seat of Oman's government, as well as other large cities such as As-Sib, Bawshar and Muttrah. Wealth and talent in Oman are concentrated in Muscat as most of Oman's trade flows through the city and all major companies are based in Muscat.

The primary focus areas of the economy are trade and tourism, as Muscat is an important visitor destination and cruise ship stop.

Muscat is also home to important development and business zones such as the Knowledge Oasis. Current ambitions revolve around creating new and regenerated districts, such as new business districts; strengthening the knowledge and innovation economy; and creating alternative transport systems that prioritise pedestrians, cyclists and public transport.

GOVERNORATES WITH CITIES DRIVING THEIR GROWTH PATH

Al Wusta, a large but sparsely populated desert governorate in the south of Oman, is the hub of the country's oil reserves, and plans to become a hydrocarbons and petrochemicals processing and hydrogen energy hub in the coming years.

The Duqm special economic zone is located in Al Wusta, which is turning the coastal region into an industrial and fisheries hub. Port and special economic zone development are being prioritised to accommodate workers, enhance processing capacity, and develop economic complementarities with neighbouring governorate Dhofar. Duqm's Green Hydrogen port is located in the special economic zone and will contribute to the decarbonisation of regional industry in Oman.

Dhofar is the southernmost governorate, on the border with Yemen and is the largest governorate by land area. Dhofar appears to have more autonomy than many other governorates and is often selected as a testbed for policies that are subsequently rolled out to other regions.

Salalah, the capital of Dhofar, is the only southern city with a population over 100,000 and has a relatively young and well-educated population. It is home to two special economic zones, Salalah free zone and Al Mazunah free zone, which specialise in chemicals, manufacturing and logistics. Current plans aim to establish Salalah as one of the main entry points to Oman for freight and passengers via development of the port and free zone and strengthen the region's status as a global transhipment hub generating added value and downstream activities in logistics, advanced manufacturing and renewable energy.

Al Batinah North, located in the North of the country, contains the important

CONTINUED

port town of Sohar. Sohar is the designated port for all freight in the North of the country including cargo for the capital, Muscat. Investment in the port has been accompanied by an airport expansion and a $2.6bn highway construction, designed to transform the governorate into a major gateway centre for international trade, industry and logistics.

Sohar is a focus for steel and aluminium production, receiving over $5bn in investments from the government. The governorate is also rich in precious mineral resources and fertile agricultural land and has abundant fish stocks.

LOWER DENSITY AND RURAL GOVERNORATES

Ad Dhahirah governorate is a large and sparsely populated governorate in the West of Oman, where around 40% of the population live outside the main urban areas. Ibri, the largest city, has become well known for its logistics and engineering design specialisms, although most of the governorate's most prominent economic activities (such as oil and gas) are dispersed away from cities.

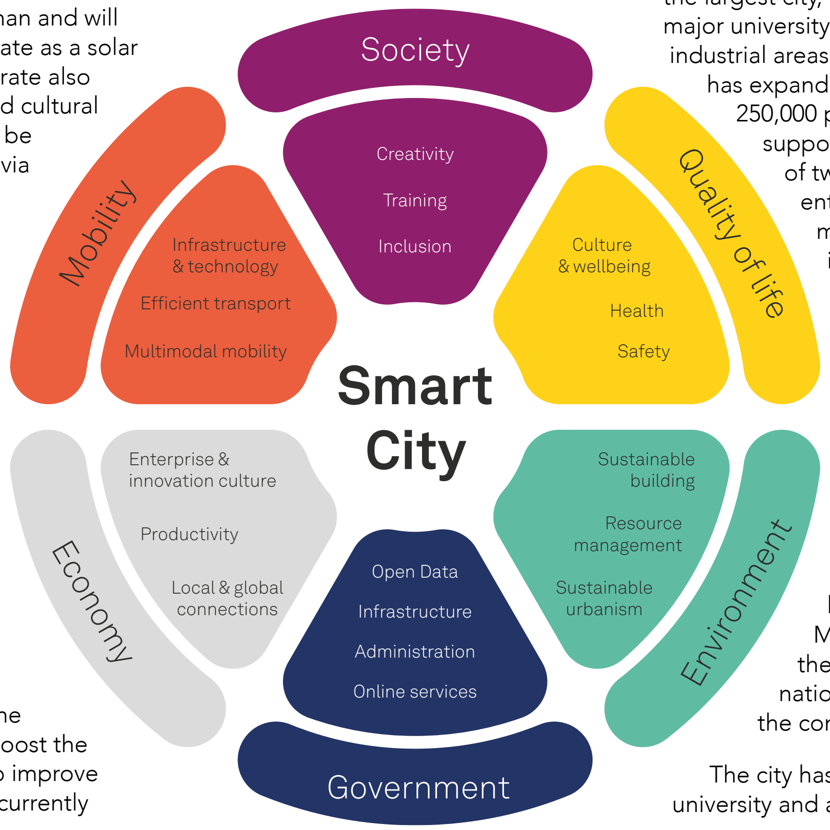
The forthcoming Ibri industrial city will support the construction industry, while the Ibri II solar plant is set to become one of the largest Belt and Road supported projects in Oman and will help establish the governate as a solar energy hub. The governorate also has a wealth of natural and cultural heritage assets which will be protected and enhanced via the introduction of new Special Planning Zones.

Musandam is the northernmost governorate, an enclave in the UAE that overlooks the strategically important Strait of Hormuz. The state was historically largely underdeveloped and accessible only from the mainland by ferry or by road via the UAE. However, as the main driver of growth in the region is tourism, the government is eager to boost the area's connectivity links to improve access to the area and is currently drafting a development strategy for the governorate.

The governorate is now accessible via daily domestic flights from Muscat and by modern ferry services, while a direct road connection that will bypass the UAE is also under construction. There is also a promising innovation ecosystem to build on relative to other governorates.

Ash Sharqiyah South was split from Ash Sharqiyah North in the 2011 governorate reforms. It is on the east coast of the country with its coastal capital Sur. The province has a maritime history with India and Africa. Its port-based traditions mean it has a high level of urbanisation (80%) and more compact development than other agriculturally based regions.

Despite national investments such as Madayn's Sur Industrial Area, most employment is currently in lower productivity sectors. Current ambitions focus on growing the marine, fishing and tourism industries via the creation of national centres related to tourism management and marine protection and leveraging the diversity of its urban agglomerations; wild and desert environments; and World Heritage sites.



Al Buraimi is a small governorate on Oman's western border with the UAE, home to numerous historic forts, mosques and monuments. Economic activities are in public administration, wholesale and retail trade, agriculture and manufacturing. The town hosts Buraimi industrial city, an area which benefits from its close border with the UAE and where investment is focused on furniture, cement, fibreglass, aluminium, food industries, pharmaceuticals and electrical industries.

Current ambitions focus on developing the governorate as a Greentech and solar energy hub, strengthening agriculture and mining activities, and improving connectivity to nearby Sohar.

GOVERNORATES WITH NATURAL AND HISTORICAL ASSETS

Ad Dakhiliyah is in the centre of the country and contains the ancient historical capital of Nizwa. It benefits from its proximity and good national road links to Muscat, and a wide range of historic, cultural and environmental assets which underpin large parts of its economy.

Most of the workforce is employed in education, public administration, defence and manufacturing, and the largest city, Nizwa, is home to a major university and several successful industrial areas. The governorate has expanded the airport to host 250,000 passengers a year and is supporting the development of two tourism and entertainment zones and multiple luxury hotels in order to establish Greater Nizwa as a hub for higher education, fashion and culture and innovation.

Ash Sharqiyah North is located just south of Muscat and its capital is Ibra, a city located along an important road link between Sur and Muscat, and which has the potential to expand its national and regional role in the coming years.

The city has a recently formed university and a well-developed technology college, and investment in public services have helped it to fulfil its role as a regional administrative centre. Employment is currently concentrated in agriculture and basic manufacturing, with potential to grow advanced manufacturing and tourism.

Al Batinah South borders Muscat and Al Batinah North. It is a major producer of agricultural products, although investments in the area have focused on communications and the connectivity infrastructure to link the governorate to Muscat and develop the city of Barka as a key regional hub by growing Khazaen Economic City – a new district, dry port and free zone that will be connected by rail to Sohar port. Sites of natural beauty, tourist attractions and public parks have also been investment focuses for the government in recent years.

Major economic projects such as the special economic zones are overseen and directed by the ministries and state-owned enterprises, with limited governorate involvement in decision-making so far. This creates important strategic questions about how these projects can best tap into unique strengths of regions and the associated potential.

Most of Oman's governorates inherit spatial forms that are fairly low density as their urban areas have been growing outwards consistently in the latest cycle of development. The ingredients of smart growth, such as densification, public transport, walkability and technology services, have not yet materialised at scale. This presents an obvious area of development in their smart cities journey. Current sector specialisms vary from financial and corporate services in Muscat, to logistics, chemicals and manufacturing in rapidly developing city-driven governorates such as Al Batinah North and Dhofar, to tourism in more rural governorates.

SMART CITIES IN OMAN

Smart Cities initiatives in Oman have been mostly led by a proactive government. The Oman 2040 strategy has made it clear that Smart Cities are a national ambition, as a source for growth, jobs, and a tool to diversify its economy away from oil exports. As such, the government has been deploying several pilots and tools to support their emergence throughout the country, and increasingly in collaboration with the private sector.

The 2017 launch of the Smart City Platform underscored the importance of this sector for the country. It has developed to become a hub for knowledge sharing, solution enablement and capacity building. Oman has spearheaded efforts with the creation of Special Economic Zones in Duqm, Salalah and Sohar.

Duqm special economic zone has received significant Chinese investment focused on an 11 square kilometre industrial park, which includes a methanol power plant, an SUV production plant, a desalination plant and a 5-star hotel. Other significant projects include A 500MW electrolyser to create a large-scale green hydrogen production plant; Maysan Square, a residential and entertainment complex; and Duqm's new oil refinery capable of processing 230,000 barrels of oil per day.

The Sohar free zone contains over 26 companies and an oil refinery and aims to become the first green hydrogen generation hub in the Middle East.

An agreement was signed with Eagle Ceramics, an India tile manufacturer, to open a new manufacturing facility in the region. Salalah free zone received $5.6bn in investments since its opening in 2006 and specialises in chemicals, logistics and manufacturing.

Khazaen economic city, built from scratch on a PPP model, is positioning itself as a leading hub for logistics, food processing and light industrial. The city has completed 96% of the rollout of phase 1 infrastructure, despite the impact of COVID-19, and has recently signed 3 new tenancy agreements worth $7.8m.

The majority of significant investment projects and innovation assets remain concentrated in Muscat and Al Batinah North, although there is also a rapidly growing pipeline of investments located in Dhofar and Duqm.

RESEARCH IN TECHNOLOGY

Oman has at least 33 identified universities and colleges, with nearly 100,000 students, as well as several technology parks and industry research areas.

Oman's research is concentrated in Muscat, with just under half of the identified universities and colleges located in the capital. Al Batinah North is however also emerging as a centre for research and innovation, with four universities and research institutes which together host over 10,000 students.

The main focus of public research is technology and applied science. The six colleges of applied science established by royal decree in 2007, and the seven colleges of technology, all established throughout the 1980s and 90s, have now been combined into the University of Technology and Applied Science. This aligns with Oman's industrial vision which aims to make the country a significant player in heavy industry, with expertise in petrochemicals and manufacturing.

On top of providing a framework for innovation and business initiatives to thrive, the Oman government has also been leading on several Smart City hackathons aimed at fostering the youth, entrepreneurs and businesses to generate applications and proof of concepts leveraging data in key areas of growth in line with the Vision 2040.

As an example, the Smart City Platform organised a hackathon to use the data of the cultural city of Matrah to create smart tourism applications, digital content and services. The digital transformation of key public services (e-government) is also a priority with plans to bring more than 80% of services online in the next few years.

During the COVID-19 pandemic, all universities in Oman switched to e-learning. The global pandemic accelerated the pace of technology adoption in the country and acted as a smart city booster for both public and private sectors.

Oman launched its first 5G network to home subscribers in Muscat, Al Batinah North and Al-Batinah South, who can now obtain access to speeds of up to 1Gbps. The involvement of the main telecommunications companies such as, Omantel and Ooredoo, were instrumental in investing and delivering the infrastructure.

This is a key part of the infrastructure needed to increase Oman's connectivity and allow it to take advantage of the latest technologies, such as IoT enabled manufacturing and logistics, across key industries, core technologies that will underpin the Smart City developments.

INNOVATION HUB

Al Jabr Innovation Hub and Phaze Ventures offer support to high growth potential entrepreneurs and private sector investment and partnerships. Al Jabr has been helping the Oman innovation ecosystem to become more mature and sustainable by providing business

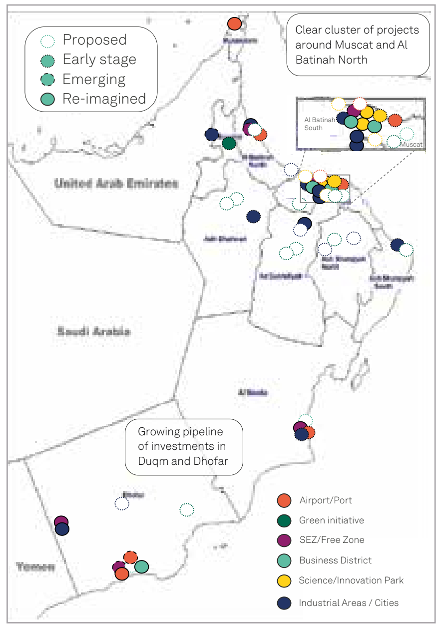
In conducting research for this report, we looked at four main stakeholder groups that have key roles to play in the development of the Smart Cities sector in Oman.

CONTINUED

support, co-working space and brokering synergies between government, large businesses and start-ups.

Phaze Ventures has been successfully developing and running start-up accelerator programmes by partnering with large businesses (like BP, OQ, Petroleum Development Oman) to invest in innovative start-ups with solutions adapted to the energy sector but also with potential to impact the Smart Cities sector.

The year 2020 saw the launch of the Eco-Innovate Oman (EiO) accelerator programme which supports SMEs specialising in environmental sustainability and waste management, a key programme in introducing innovation into Oman's circular economy.



INDUSTRIAL ZONES WITH AMBITIONS TO BECOME NEW CITIES

Duqm Smart City is planned to meet the demand for residential areas when projects such as the Duqm Oil Refinery are completed which will add tens of thousands of jobs to the area. If successful, the city will be a model for future developments in Oman.

NEW MIXED-USE DISTRICTS

Madinat Al Irfan will house 300,000 residents as well as hotels, shopping centres and parks, all of which are planned to be managed as part of a smart ecosystem. Innovations will include using smart metres to reduce resource demand, water recycling, urban farms and buildings that use thermal cooling architectural techniques.

HIGH-TECH KNOWLEDGE PARKS

The Knowledge Oasis Muscat is home to over 190 future-focused domestic, regional and global organisations including a business incubator programme, HP, Microsoft, and an undergraduate population of 3000 from Sultan Qaboos University; Innovation Park Muscat is home to an innovation centre, social centre and fabrication workshop aimed at augmenting Oman's entrepreneurial, economic and knowledge base.

BUSINESS AND INDUSTRY HUBS

The largest and most successful hubs are in Al Batinah North, Muscat, Dhofar, Ash Sharqiyah South, Al Buraimi and Ad Dhahirah. Rusayl Industrial City, Oman's largest industrial park, was established in 1983 and is now home to 334 businesses of various sectors. Aimed at enhancing Oman's position as a leading regional centre of innovation, ICT, manufacturing and entrepreneurship, the city received private funding in 2018 to manage and develop AI in the area.

The Ibri Industrial City will support the marble and chrome industries and generate job opportunities for the national cadres, in line with the Oman 2040 vision.

DATA AND TECH DEMONSTRATOR ZONES

Salalah Free zone, which signed a $350m deal in 2020 for the creation of a tech city which will feature a Data Park, technology academy and supporting facilities covering an area of 500,000 square metres and providing a focus on innovation and 4G technology.

AREAS OF OPPORTUNITY

Infrastructure

Oman has already started work on improving both its physical infrastructure, such as roads, and digital infrastructure, broadband penetration and communication networks. It is essential that this infrastructure reaches all governorates to support business, academia, and innovators, while also providing a key attraction to foreign investors looking to tap into Oman's regional potential. For instance, while Internet penetration in Oman is about 95%, fibre penetration is under 20% nationally. Many Smart City solutions and investors will require high speed internet as a key factor of locating outside of Muscat.

Incentives

To support regional development and spread of investment into Oman, national and local government can offer a variety of incentives to foster private sector involvement in smart cities projects (like decentralisation tax breaks, freedom to form new financial models to unlock Smart City projects, subsidised electricity) and thus encourage businesses to take ownership where appropriate, invest and find sustainable ways to make these developments commercially viable including, Foreign Direct Investment.

Procurement

A key global opportunity in the Smart City sector is that of bridging the gap of small businesses and government. Structures around national and local government procurement of SME services should be looked at to ensure access to public contracts, and equally, that the procurement systems in place are appropriate for SME engagement. This creates sustainable revenue streams for them and allows for them to scale both nationally and regionally.

Transport & Logistics

Oman has promised to become a leader in smart and clean mobility, underpinned by an ambitious cycle of transport and logistics investment as part of the Oman Logistics Strategy 2040. Airports in Muscat, Sohar, Salalah and Duqm are in a key growth, expansion and innovation stage, as are ports in Muscat, Sohar, Salalah, Duqm, Al Batinah and Khasab. Although this sector is full of growth potential, transport is a key area that needs investment: not only public transport but also transportation links (roads, rail) between the governorates and Muscat. Muscat is at the centre of these plans, with the government envisaging it as the hub of a new, globally connected aviation ecosystem.

Ports

Port development in Oman is a major opportunity area, as ports are expanding into special economic zones capable of setting their own laws, such as allowing 100% foreign ownership, in the hopes of expanding into major industrial hubs.

Sohar Port and free zone is the designated port for all cargo in the North, with Muscat port focusing on tourism. Salalah, in Dhofar governorate, is the largest port in Oman, thanks to its strategic location on the trade crossroads between Europe and Asia, processing a record breaking 4.34m TEUs in 2020 despite the pandemic.

Details of current roads, ports and ICT projects in Oman:

https://www.ita.gov.om/itaportal/Our_Projects/Our_Projects_List.aspx?svc=657&NID=154&Odt=37

Based on, Towards Oman's First National Smart Cities Stack, a 2021 report published by the Ministry of Transport, Communications and Information Technology, Oman, and produced by the Connected Places Catapult, the British government's innovation agency for the transport industry.

CONTACTS

Ministry of Transport, Communications and Information Technology (MTCIT), Sultanate of Oman

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www.ita.gov.om

Connected Places Catapult

Email: **cp.catapult.org.uk**
https://cp.catapult.org.uk/

Pics: MTCIT/Connected Places Catapult

A Taste of **Morocco**

Morocco launched a new agri-food commercial campaign to highlight the attractions of its agricultural and food produce to British buyers and consumers.

Morocco launched the new food and drink export campaign in the summer of 2021 to inspire British businesses and consumers alike to explore its diverse food products, as well as promoting its offering as a quicker, more reliable and credible trading alternative to the European markets.

The multi-faceted campaign includes a series of both B2B and business-to-consumer activities designed to highlight the importance of Moroccan agriculture and foodstuffs to their respective audiences, with a heavy emphasis on the quality and diversity of its food and drink sector, as well as Morocco's sustainable farming practices, competitive prices and reliability of the logistics involved in the transportation of goods between the two countries.

The new initiative coincided with the opening of a new direct shipping route between the two countries that bypasses Brexit border obstacles.

NEW SHIPPING ROUTE

The new shipping route connects Tangier in Morocco and Poole in Dorset, reducing journey times from more than six days by road to less than three. Previously, maritime trade between the two countries had to take place via two crossings, with the shipping route passing through Spain.

A country with a long-standing relationship with the UK and Europe, Morocco offers modern, secure and high quality manufacturing processes which meet top British standards at competitive prices, allowing buyers to access credible, reliable alternatives at lower prices without compromising on quality.

"The special relationship between Morocco and the UK dates back over 800 years and it continues to get stronger every year," said El Mehdi El Alami, Director of Export Promotion and Development at Morocco FoodEx.

"And now, we have a real opportunity to take our economic and trade relations to a new level. Food is such an important part of Morocco's history and identity and we're passionate about the high-quality produce, authentic cuisine and sustainability of our food and drink offering. That's what we want to celebrate and promote to the UK through this campaign."

Morocco, a key exporter of produce including citrus fruits and market vegetables, fish and other processed and local produce, has a rich heritage in agriculture and agribusiness, a key component of its economy. With approximately 33,000 square miles of arable land and a temperate Mediterranean climate, the agricultural potential of Morocco is enormous.

BILATERAL TRADE

An Association Agreement between Morocco and the UK, aiming to preserve bilateral partnerships after Brexit, entered into force on January 1, 2021.

This bilateral agreement maintains all the benefits that the two countries accorded to each other under the Morocco-EU Association Agreement, and now Rabat and London are exploring ways to push economic and trade relations further.

Investment relations will also continue, with the Association Agreement providing reciprocal protection for investors.

Bilateral trade between Morocco and the UK was valued at £1.6 billion (MAD 19.8 billion) during the four quarters towards the end of Q3 2020, according to the UK's Department for International Trade.

HISTORIC PARTNERSHIP

The special relationship between Morocco and the UK dates back over 800 years and it continues to improve.

Morocco World News recently interviewed Vlada Shilina, Deputy Director of the British Department of International Trade in Morocco, about the prospects for Moroccan-British trade relations.

Shilina told MWN that *"the 300th anniversary celebration marks a truly remarkable milestone for the bilateral cooperation of the two countries,"* adding that *"the 1721 treaty has set the legal framework of the economic exchange between the two kingdoms. And now, we have a real opportunity to take our economic and trade relations to a new level."*

The trade official observed that *"food and vegetables are the number one good being imported to the UK from Morocco, amounting to £246 million."*

The UK was seeking to import more fruit and vegetables from trade partners like Morocco, as it seeks to reduce reliance on sourcing goods from EU member states.

According to statistics released by UK's HM Revenue and Customs (HMRC), and compiled by Fruit and Vegetable Facts, imports of Moroccan produce for January 2021 grew by 51% compared to January 2020.

By far the biggest growth area was in Moroccan courgettes, which saw imports increase from 95 tons in January 2020, to 878 tons in January 2021, a percentage rise of 822%. Demand for Moroccan strawberries also recorded a marked increase, from 231 tons in January 2020, to 1,292 tons the following year, a growth of 459%.

Morocco Foodex's food promotion campaign marks the beginning of a wider awareness initiative to promote quality Moroccan agricultural produce.

On its website, Morocco Foodex describes itself as the country's *"Autonomous Export Control and Coordination Institution"*.

The campaign reflects a desire to renew ties with a historical economic partner that has been unfairly neglected due to prevailing EU regulations. In the wake of Brexit, the UK and Morocco have become direct bilateral trading partners, enjoying advantages in terms of ease of communications, logistics, transport and transparency.

For more on this see:
https://frommoroccotouk.co.uk

> *"The special relationship between Morocco and the UK dates back over 800 years and it continues to get stronger every year"*

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> *"NBE boasts the highest financial results in the Egyptian banking market for several years running."*

NBE enjoys a substantial international rank, as reflected through its presence in London (NBE United Kingdom Limited), Khartoum (NBE Khartoum), and its branches in New York and Shanghai. The bank also has representative offices in Johannesburg, Addis Ababa, and Dubai.

NBE boasts the highest financial results in the Egyptian banking market for several years running. This outstanding performance attests to the bank's crucial contribution and cardinal function in society.

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Arbitration in the Arab World: A Popular Choice for Dispute Resolution

By Peter Smith

Arbitration has a long history in the Arab world. Indeed, Arabic embeds the concept within its language. The word for arbitration, tahkeem, comes from the same root as the Arabic words for the adjective wise, hakeem, and the nouns wisdom, hikmah; referee, hukm; and government, hakumah. These notions are historically related. Many disputes were once dealt with by a 'wise man' chosen at the behest of the parties to listen to the competing sides and seek resolution of the dispute, acting as a referee. Today, in places like the Emirate of Dubai, the Ruler's Court will assist families whose members are in disagreement by appointing a senior local figure, perhaps the head of a family business or a public body, to meet with the disputants separately and together and act as a conciliator, mediator and arbitrator.

DOMESTIC AND INTERNATIONAL COMMERCIAL ARBITRATION

British and Arab companies engaged in international trade rarely want informal arbitration to solve their disputes, however. Instead, they want efficient, cost-effective and transparent forms of dispute resolution that lead to binding judgments that provide certainty and can be enforced against assets in different jurisdictions. Modern arbitration offers the protections that businesses want. It exists in two types. Broadly, international commercial arbitration exists between companies or individuals in different states, whereas domestic arbitration operates between parties within the same state, although many ostensibly domestic disputes often have aspects sufficient to make them international arbitrations.

Parties must opt into arbitration, usually by express terms in their contracts and normally prior to the crystallisation of any dispute. By agreement, parties agree to take their disputes out of the courts of the territory that would otherwise have jurisdiction by default. This can have a number of advantages: parties are not stuck with the judge allocated to deal with their case but can select their own arbitrator or arbitrators who may have expert knowledge in the subject matter at the heart of the conflict. They can vary the dispute resolution process to make it faster or slower than the more inflexible court process, with positive effects on the management of the dispute and the time and costs incurred.

Privacy is also valued in commercial arbitration. Courts in the Arab world are generally far more private than the English Courts, with anonymised judgments and controls on court reporting. Arbitration goes even further in ensuring party confidentiality, reducing the risk of embarrassment through media reporting. This has a particular benefit when doing business in the Arab world. Family businesses are a prevalent form of private enterprise across the region, but particularly in the GCC where they are the dominant form of non-state commercial activity. By their nature, families tend to value their privacy and prefer that disputes between family members not be conducted in public, where reputational harm would add to the damage suffered to the family's personal relations as well as its business.

Arbitration provides confidentiality of process and outcome. If assistance is needed from the court, either in support of the arbitration process or to enforce an award or decision rendered by the tribunal, then those proceedings are usually private and any published judgment is anonymised.

Arbitration awards are far easier to enforce than judgments rendered by courts. State signatories of the 1958 United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards, known as the New York Convention, agree to impose legal regimes friendly to arbitration, which reduce to a bare minimum the barriers to enforcement that may be raised by the award debtor. The only permitted challenges are on certain, limited defences such as the invalidity of the arbitration agreement; improper notice of the arbitration; an improperly-constituted tribunal; defects in the award that make it unenforceable because it deals with matters outside the contemplation or scope of the arbitration agreement or

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> *British and Arab companies engaged in international trade rarely want informal arbitration to solve their disputes, however. Instead, they want efficient, cost-effective and transparent forms of dispute resolution that lead to binding judgments that provide certainty and can be enforced against assets in different jurisdictions*

arbitral process, because it is not yet binding on the parties, or because the subject matter of the award was not capable of resolution by arbitration; or enforcement barred by public policy.

Arab states and territories that have signed, ratified and adopted the New York Convention include Algeria, Bahrain, Egypt, Jordan, Kuwait, Lebanon, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Syria, Tunisia, and the United Arab Emirates. Iraq only acceded to the Convention in March 2021. Libya and Yemen are not Convention parties, but the United Kingdom is.

INVESTOR-STATE DISPUTE SETTLEMENT

Commercial parties doing business with a State may engage in a specific arbitration process called investor-state dispute settlement, usually under the auspices of the International Centre for Settlement of Investment Disputes (known as ICSID). All Arab states (plus the UK) are parties to the Convention except for Libya; again, Iraq was the most recent Arab country to join, in 2017.

An alternative mechanism for investor-state dispute settlement lies in arbitration under a bilateral investment treaty (BIT), an agreement establishing the terms for private investment by nationals and companies of one State in another. A BIT usually provides foreign investors with a suite of protections for investors such as fair and equitable treatment, protection from expropriation, free transfer of the means (funds) of investment, and full protection and security of the investment assets. The main advantage of a bilateral investment treaty from the perspective of dispute resolution is that the process takes place under the auspices of an independent arbitration outside either of the parties' courts, limiting the interference that may be exerted on the tribunal by either state.

The UK has a number of BITs with Arab states, including Bahrain, Egypt, Jordon, Lebanon, Morocco, Oman, Tunisia, United Arab Emirates and Yemen. The UK has also concluded and signed treaties with Kuwait, Libya and Qatar but these agreements are not yet in force. BITs have obvious benefits on businesses trading between the two states, increasing investor confidence, reducing discrimination and allowing access to a powerful, treaty-based set of rights that carries the force of international as well as domestic law.

ACCESSING ARBITRATION

The key to accessing arbitration is to have a binding agreement to arbitrate in your contract. That agreement should set out several key components including what disputes are covered by the agreement to arbitrate; whether any institutional rules apply; the number of arbitrators who should sit on the tribunal in adjudication of the dispute; the court system or seat that should act as the legal supervisor of the arbitration; and the language of the arbitration. A more sophisticated arbitration agreement would also set out the law governing the arbitration if it is different from the law governing the rest of the contract. Businesses thinking of including arbitration agreements in their contracts should take legal advice on the different factors to consider when choosing the ingredients of the arbitration clause, as there are many potential permeations.

For example, *'institutional rules'* refers to the bodies that have been set up, mainly by governments, to provide administrative support for arbitrations. Parties agree to subject their arbitrations institutional rules in order to provide an overarching framework for the process determining the dispute. There are a large number of arbitration institutions in the Arab world including the Casablanca International Mediation and Arbitration Centre (CIMAC), the Cairo Regional Centre for International Commercial Arbitration (CRCICA), and the Saudi Center for Commercial Arbitration (SCCA). Some centres adopt rules found elsewhere, such as the Dubai International Financial Centre and the Bahrain Chamber for Dispute Resolution have adopted rules from arbitration institutions in the UK and US respectively, namely the London Court of International Arbitration (LCIA) and American Arbitration Association.

There are also more *'local'* arbitration institutions like the Dubai International Arbitration Centre (DIAC) and the Abu Dhabi Commercial Conciliation and Arbitration Centre (ADCCAC). Some of these centres provide for default seats of the arbitration, i.e., the courts who will supervise the arbitration unless the parties choose the courts of another jurisdiction.

As some of the names (like ADCCAC) suggest, arbitration centres can also provide mediation and conciliation services, and it is not unusual for parties in disputes bound by arbitration agreements to seek alternative dispute resolution through other means at a stage in the dispute lifecycle.

CONCLUSION

There are disadvantages to arbitration: they can potentially be delayed or derailed more easily than litigation in many court systems, there is no right of appeal to the decision of the arbitral tribunal, and the evidential rules for the production of documents and cross-examination are often more limited, for example. Nevertheless, in all, modern arbitration is a good way for Arab and British businesses to protect their commercial relations.

Peter Smith is a barrister at Outer Temple Chambers, working in Dubai. He frequently acts in domestic and international arbitrations for businesses in disputes across the GCC.

Al-Khair FOUNDATION
BALANCE WITHOUT COMPROMISE

2020 has seen the poorest people in the world suffer. Even further 2.37 billion people globally go to bed hungry and more than 2 million children die from malnutrition every year. **Hunger is known as *"The World's Greatest Solvable Problem"* and Al-Khair Foundation has been working tirelessly to find a solution.**

Al-Khair Foundation, one of the UK's leading Muslim charities, has been working around the world for 18 years to provide food packs to society's most vulnerable, who have been left hungry. 50 million people have benefited through its humanitarian work.

The innovative charity regularly sends aid to 74 countries including Bangladesh, Pakistan, Gaza, India, Kenya, Somaliland, Yemen and across.

Through generous donations Al-Khair Foundation is currently orchestrating food-pack appeals in India, Palestine and Haiti to some of the world's most vulnerable people.

Al-Khair has been tirelessly working since 2003 to deliver food to those who are in need world-wide. They have helped feed those who've struggled financially for a multitude of reasons. Some can't afford to feed themselves or their families due to job loss, domestic abuse and even lack of affordable housing.

Al-Khair focuses their efforts globally, offering aid to any who needs it most, from Syrian refugees in Europe to Rohingya refugees in South Asia, to impoverished communities in South Africa, Bulgaria, Pakistan, Palestine, Afghanistan, Ethiopia, Kenya, Lebanon and beyond.

Food packs are made of essential staple items that can feed a family of 6 for an entire month. Al-Khair teams across the world carry out distributions to those most susceptible to the current global crisis.

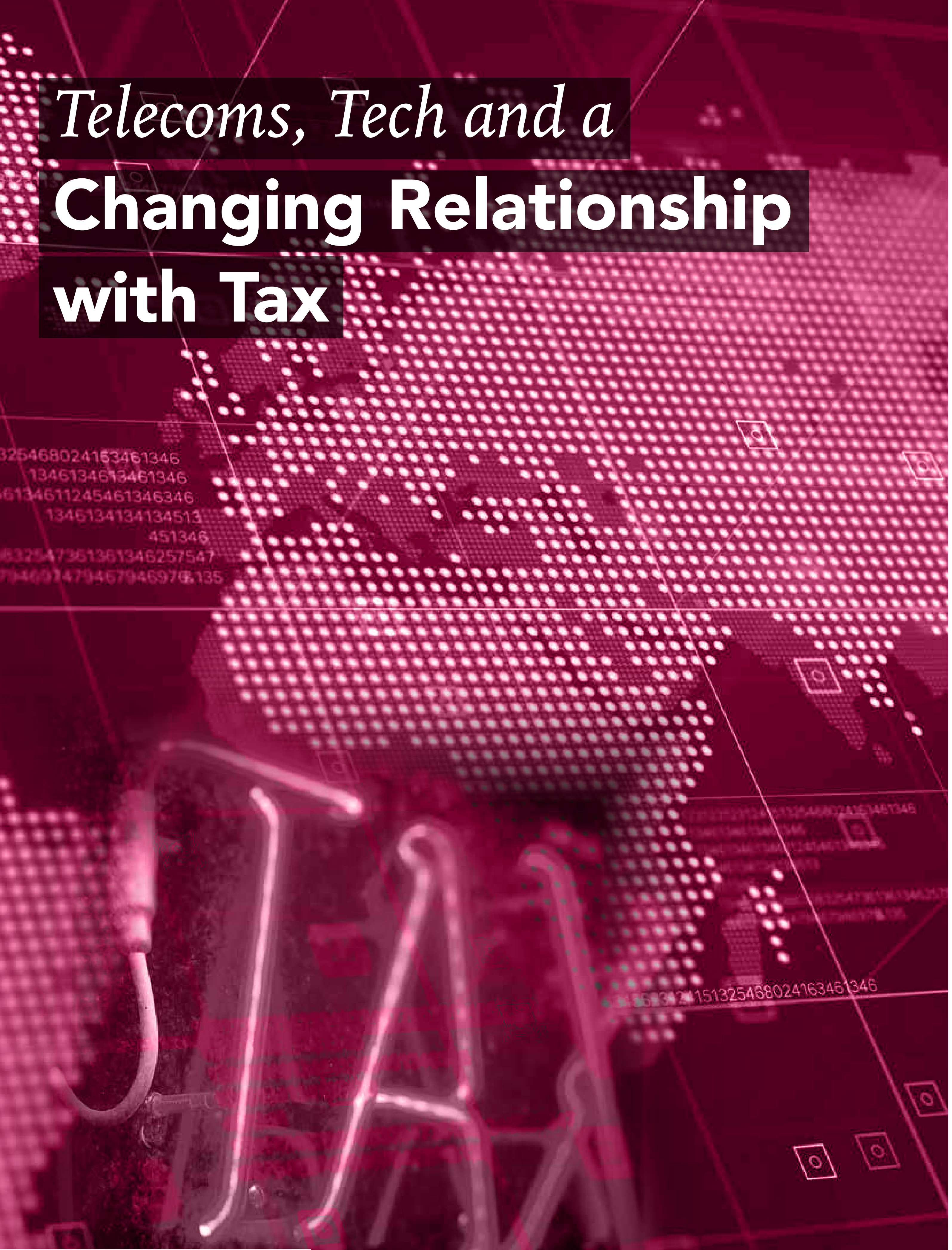
Al-Khair not only provides communities with food packs, but also with the tools they need to feed themselves year after year. In Somaliland, Al-Khair partnered with Global One and Aqua Gardens of Africa to train 80 farmers in Islamic Farming. This equipped them with life-long skills to deal with hunger in the future.

Al-Khair Foundation, based in London, has teams working across the country supporting food banks; providing shelter to the homeless and vital contact and help for people in self-isolation.

It also tackles unemployment, education, women's empowerment and domestic violence, and delivers international humanitarian aid to disaster-hit and war torn areas. Over the last ten years Al-Khair has delivered £200m of aid.

Al-Khair Foundation relies on the generous donations of its supporters to carry on their incredible work globally and continue to help put an end to world hunger.

Telecoms, Tech and a Changing Relationship with Tax



By Catherine Robins, Partner, Pinsent Masons and Eloise Walker, Partner, Head of Corporate Tax, Pinsent Masons.

Agreement has been reached on changes to the international tax system to deal with the digitisation of the economy. These changes will have significant implications for telecoms and technology multinationals.

The changes are likely to result in a significant administrative burden as well as extra tax bills, especially for those using low tax jurisdictions to hold intellectual property (IP).

In July 2021 over 130 of the world's major economies* agreed a landmark deal to change the international tax system to address the tax challenges arising from the digitisation of the economy. The countries agreed a global minimum tax rate of at least 15% and the reallocation of some taxing rights to countries where multinationals do business.

Under the current system, companies operating in another country are taxed in that other country to the extent that their profits are attributable to a permanent establishment there, such as a branch or dependent agent. This concept dates back to the 1920s when companies could not do significant business overseas without having a fixed base and personnel in that location. The internet has changed this, but the tax system has not kept pace.

Tech companies have been able to generate substantial revenues, particularly from the sale of advertising which targets customers in the countries where they operate, but because they do not need a fixed base in those market jurisdictions to generate revenues their tax liabilities in those countries are often small. Governments in market jurisdictions have been keen to increase the tax revenues from these companies. This has resulted in a proliferation of unilateral digital sales taxes (DSTs). These have been imposed on the revenues of social media and other digital companies by countries including the UK and France.

Over recent decades we have also seen offshore financial centres competing to attract multinationals with low corporate tax rates. Previous high rates of US tax for overseas profits repatriated to the US, in particular, encouraged complex offshore ownership structures for the overseas activities of US owned multinationals, resulting in low levels of tax and sometimes profits escaping tax altogether.

The countries where the multinationals are based, and the US in particular, consider they are losing out on tax revenues as a result of this *'race to the bottom'* of corporate tax rates. Seeing profits derived from activities in their jurisdiction taxed at very low rates has also encouraged market jurisdictions, typically in Europe, in their demands for a share of the tax revenues.

Agreement on a solution has been difficult to achieve because of the differing vested interests of the countries concerned. The US thinks it should get the tax revenues from US owned multinationals, while market jurisdictions in Europe, where a large number of technology users are based, think they should have a share of the revenues, and lower tax jurisdictions such as Ireland want to maintain their low rates of corporate tax to keep the jobs and economic activity they have attracted. Developing countries also want to make sure they do not lose out from any new system.

PILLAR ONE – REALLOCATION OF TAXING RIGHTS – THE NEW TWO-TIER SYSTEM

The deal, brokered by the Organisation for Economic Cooperation and Development (OECD), is a two 'pillar' solution. Under pillar one, multinational enterprises operating in whatever sector, with a couple of specific exceptions, with a global turnover above €20 billion and profitability above 10% will be subject to tax on a portion of their profits in the countries where they operate. It is thought that those thresholds will bring around 100 of the world's most profitable multinational groups into scope of the new tax regime initially, but the agreement envisages the threshold being reduced to €10 billion after seven years. If this happens many more groups will be in-scope.

Countries which will benefit from the new taxing right will be those where the multinational derives at least €1 million in revenue. To enable less developed countries to get a share of the revenues, for jurisdictions with GDP lower than €40 billion, the threshold will be set at €250,000.

In exchange for the pillar one taxing rights, part of the deal is that countries, such as the UK and France, which have adopted unilateral digital services taxes, will drop those taxes. However, it is not yet clear when this will happen, so a period of double or more taxation across these countries is likely in the short term.

When pillar one was originally devised, it was intended to apply only to digital businesses. This was extended to other consumer-facing businesses as the proposals were developed, and now applies to all businesses other than financial services and extractive industries. It also covers business-to-business supplies as well as business-to-consumer supplies. This means there will be more challenges in working out which country is the market for the goods or services and therefore which country gets the taxing rights.

For example, if a multinational is supplying goods or services to another business, is the market jurisdiction where the recipient business is based or where the ultimate consumers of the goods or services are based? In the tech field, this could be relevant in multiple areas, such as where cloud services are sold to a business customer which uses them in supplying its customers.

The new taxing right will be over a percentage of what is referred to as 'Amount A'. This will be the top tier of a company's profit before tax – any profit in excess of 10% of revenue. Between 20-30% of this will be reallocated to market jurisdictions – the precise percentage has not yet been agreed. It will be divided between market jurisdictions based on their local revenues. However, the amount allocated to a particular country will be capped if marketing and distribution profits are already taxed in that country.

Pillar one will mean that the biggest multinationals – and especially in the tech and telecom sectors – will have some of their profits taxed in jurisdictions where they operate regardless of whether they have a fixed base there. The deal is designed to increase tax take and not merely to reallocate it, so more tax is likely to be paid overall. However, if the new system works, once the inevitable teething issues are sorted out, it could bring more certainty than the current position.

CONTINUED

At present multinationals are subject to a plethora of unilateral DSTs, which are all slightly different, are based on revenue rather than profits and where there is a significant chance that two jurisdictions will be trying to tax the same profits because of the different approaches of each country with a DST.

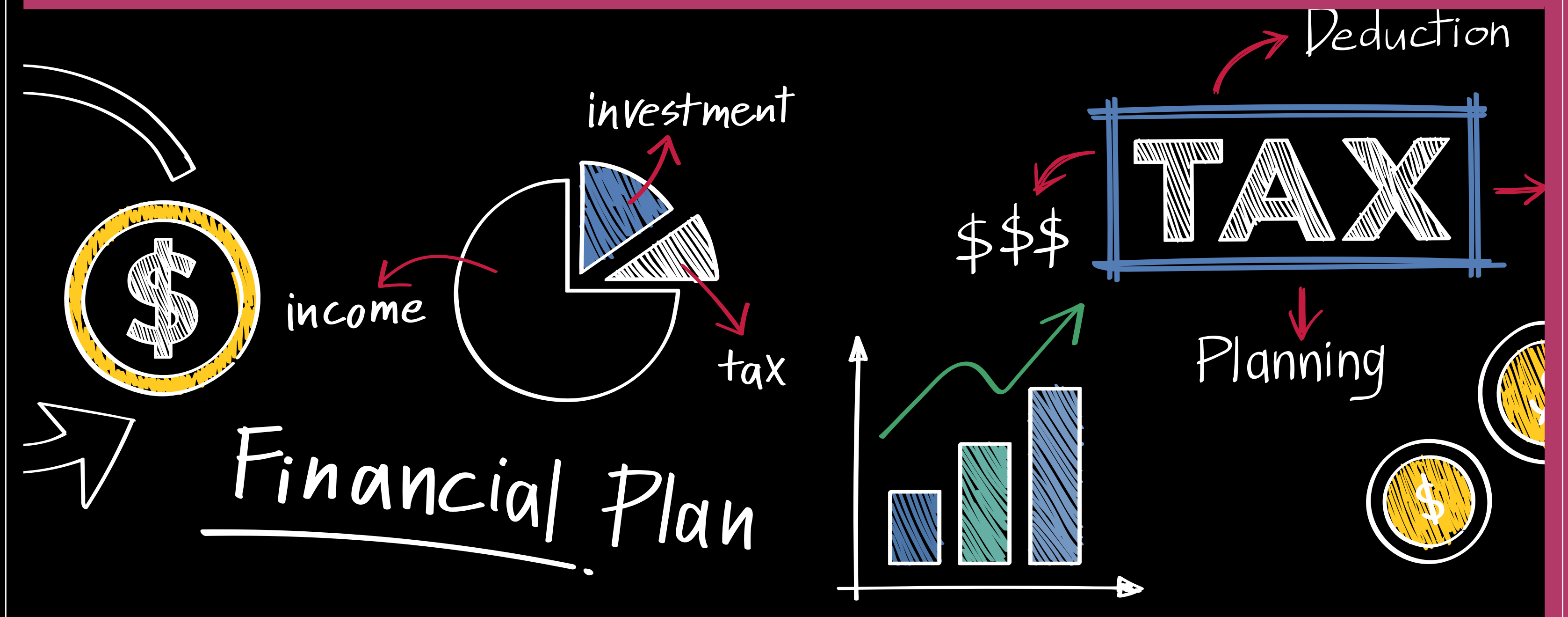
However, the detailed proposals for establishing which profits may be taxed where are complex. Not everything has been thrashed out yet – most importantly the hotly-debated revenue-based allocation key which divides up 'Amount A' between market jurisdictions with nexus, and the source rules for specific categories of transactions. Such a major change to the international tax system will inevitably bring a degree of uncertainty and significant added administrative costs for multinationals. Added tax costs are likely to also feed into increased consumer costs. There will be arrangements to resolve disputes between countries over taxing rights, but whilst the OECD is keen to try to minimise double taxation in principle, inevitably in practice there will be instances of double or more taxation, at least in the short term.

The new taxing rights effectively turn what has until now been a tax pie, in which countries fight over their slice under double tax treaties and existing international principles, into a two-tier gateau in which the top tier is the new 'Amount A' split between countries on the new basis. The bottom tier continues to be mostly calculated and divided according to existing tax rules, although another aspect of the agreement in relation to pillar one, which could apply to all multinationals, not just those above the €20 billion threshold, is a new simplified rule for calculating the attribution of profits within a group for baseline marketing and distribution activities. This is referred to as 'Amount B'.

Whilst the OECD are keen to keep the compliance process as streamlined as possible, there is no denying that pillar one, for the largest multinational tech and telecoms groups, signals a sea-change in international tax rules. This will impose a significant administrative burden as well as extra tax bills and, most likely, a decade or so of new tax disputes with market jurisdictions until the rules settle dow

PILLAR TWO – MINIMUM TAX RATE

Although packaged up with pillar one, pillar two is really a completely separate matter. It tackles a different problem – the assumption that tax authorities are engaged in a race-to-the-bottom tax rate competition to stimulate investment from offshore.



Pillar two of the agreement tackles this with the Global anti-Base Erosion rules (GloBE) whereby multinationals can be forced to pay a minimum level of tax of at least 15%, regardless of where they are headquartered or the jurisdictions in which they operate. This applies to multinationals with group revenue of more than €750 million. However, countries can choose to apply the rules to their headquartered multinationals even if their profits are below this level, so the rules could apply more widely.

Changing Relationship with Tax

Under the GloBE regime countries will not be required to increase their corporate tax rate to at least 15%. However, if they do not do so, parent companies in jurisdictions which decide to apply the rules will be subject to a top up tax to the extent that their subsidiaries have paid tax in another jurisdiction at less than 15% or deductions may be denied on payments to group members in low tax jurisdictions.

The rationale for the GloBE is to make low tax jurisdictions less attractive to multinationals by challenging the benefits to be gained in routing group profits through an offshore financial centre. Some low tax jurisdictions, such as Ireland, Estonia and Hungary, have not yet signed up to the deal.

Since the whole point of the exercise is to level the playing field, countries that have built their reputation on low tax rates without being out-and-out tax havens could face difficulties in retaining current levels of offshore investment. They might look to address this with exit taxes and other measures to disincentivise migration, but they may struggle to continue to attract new investment at previous levels unless they have other points in their favour, such as a highly skilled local workforce in key areas such as IT or data-analytics.

Even if a country's usual standard tax rate is above 15%, government incentives such as patent box and other IP regimes, such as the UK's patent box which lowers the corporation tax rate to 10%, could result in the GloBE applying. It is likely that countries which offer tax incentives to encourage IP development will move away from lower tax rates in the direction of other incentives such as R&D tax credits. They will have to be subtle about it, though, because the OECD is keen to make sure such reliefs are not used to circumvent the GloBE rules.

Consequently, tech and telecoms multinational enterprises should be wary of getting too excited about R&D tax credit alternatives as a long-term fix to replace low headline tax rates.

For established tech and telecoms sector companies headquartered in places like the UK and used to applying an existing long and exhausting list of anti-avoidance measures, the new GloBE rules may well turn out to be just one more compliance burden that does not necessarily add that much to their overall tax bill when all is said and done.

For those who have migrated their HQ to places which have relied on very low tax rates, it may take a while for the glitches to be ironed out and there may still be time to take advantage of the existing system, but in the long run these changes will have much more impact. For such multinational tech and telecoms companies, pillar two is likely to result in higher tax bills, especially if they have taken advantage of tax structuring using low tax jurisdictions to hold key IP assets, and the cost versus benefit analysis of continuing operations in those countries becomes more acute if there is no other reason to be there.

The current agreement was for at least a 15% minimum tax rate, but this was the result of a compromise: the US originally wanted the rate to be 21%, so as well as the rate not being definitely fixed at 15%, there is also a chance of future increases.

THE WAY FORWARD

There is still much detail to be agreed, but signatories to the deal have set an ambitious timeline for conclusion of the negotiations. This includes an October 2021 deadline for finalising the remaining technical work on the two-pillar approach, as well as a plan for effective implementation in 2023.

The deal will also need to be ratified in the US and there are likely to be challenges in getting it through Congress. The US favours pillar two but is more lukewarm about pillar one, which some US politicians see as handing over US tax revenues to other jurisdictions.

Assuming the deal ultimately does get ratified, whilst it could eventually bring welcome certainty, there is likely to be uncertainty and confusion in the short term. Telecoms and tech companies operating internationally need to take specialist advice on the implications of the proposals in the countries where they operate or have key markets once the rules are battened down. Whilst the headline proposals only affect the biggest global companies, some of the changes will impact on those with more modest operations.

**Signatories to the agreement announced by the Organisation for Economic Co-operation and Development (OECD) on 1 July 2021 include the United Kingdom, Bahrain, Djibouti, Egypt, Jordan, Morocco, Oman, Qatar, Saudi Arabia and the UAE.*

With thanks to Pinsent Masons, the law firm behind Out-Law.

www.pinsentmasons.com/out-law

H E Abdulla bin Touq Al Marri (centre), the UAE Minister of Economy, visits DP World in London.

H E Sultan Ahmed Bin Sulayem, Group Chairman and CEO of DP World, at the launch of the Thames Freeport.

UK and UAE seek a closer partnership **with new opportunities**

The two countries are seeking to develop their cooperation in the areas of trade, investment, and SMEs; healthcare; renewable energy; food security; financial and banking sector; transportation and logistics; education; innovation and technology; and intellectual property.

A high-level UAE delegation headed by Abdulla bin Touq Al Marri, Minister of Economy, visited the United Kingdom in September to discuss the development of economic relations and explore more opportunities to enhance cooperation between the two countries.

The UAE earlier announced that it is seeking to seal a comprehensive economic agreement covering trade and foreign investment with the UK.

The UAE also announced that it had expanded an investment partnership with the British government, committing £10 billion ($13.7 billion) to invest in the UK over five years.

H E Sultan Ahmed Bin Sulayem, (centre) joined by UK Chancellor, Rt Hon Rishi Sunak and Transport Secretary, Rt Hon Grant Shapps, along with senior officials.

During the visit, the two sides discussed the expansion of partnerships at both public and private sector levels in addition to the development of new frameworks for cooperation across all fields to serve the comprehensive development visions of the two friendly countries.

'PROJECTS OF THE 50'

They will review the ambitious plan launched by the UAE government within the framework of the 'Projects of the 50' that is set to pave the way for a new phase of economic growth. It will facilitate direct efforts and partnerships between the government and the private sector to serve the UAE's new economic model, which is based on flexibility, proactivity and pioneering vision. Furthermore, the UAE delegation will also highlight the latest developments in the country's trade legislation before its British counterparts.

The UK and UAE are focused on enhancing their cooperation in various fields, including trade, investment, and SMEs; healthcare; renewable energy; food security; financial and banking sector; transportation and logistics; education; innovation and technology; and intellectual property.

During the visit, the UAE delegation held discussions with British ministers, senior government officials and private sector representatives.

On top of the agenda were ways to facilitate trade; what needed to be done to double the non-oil trade exchange between the two countries; practical measures that can drive forward investments in vital and future sectors; and the encouragement of entrepreneurs from both sides to take advantage of promising opportunities in their respective markets.

The UAE delegation included officials from nine government and private entities: the Ministry of Economy, the Abu Dhabi Department of Economic Development, Dubai FDI, Dubai Industries and Exports, the Sharjah Investment and Development Authority (Shurooq), the Sharjah Foreign Direct Investment Office (Invest in Sharjah), Abu Dhabi Investment Authority, Masdar, and Dubai Ports.

The UK is the UAE's third largest European trade partner in non-oil merchandise and the volume of non-oil trade between the two countries in 2020 amounted to nearly $8.1 billion, ranking 15th globally in terms of the value of foreign trade, and accounting for 2% of the UAE's total non-oil foreign trade, according to Emirates News Agency (WAM).

UAE TO INVEST £10 BILLION IN PRIORITY UK INDUSTRIES

The UK Office for Investment (OfI) and Abu Dhabi's Mubadala Investment Company signed an agreement at Downing Street to significantly expand the UAE-UK Sovereign Investment Partnership (UAE-UK SIP), a framework for investment that was first announced in March 2021.

Over a five years period, the UAE-UK SIP will drive a significant increase in investment across three key sectors: technology, infrastructure, and energy transition, as well as building on the existing programme of life sciences investment.

As part of this agreement the UAE has committed £10 billion via the UAE-UK SIP, overseen by the OfI and Mubadala, one of the world's leading sovereign investors. This builds on Mubadala's £800 million commitment and the UK Government's £200 million to UK life sciences when the partnership was originally established in March.

The UAE-UK SIP has become the central investment platform under the new Partnership for the Future bilateral framework, which was agreed at a meeting between UK Prime Minister Boris Johnson and H Sheikh Mohamed bin Zayed al Nahyan.

Khaldoon Al Mubarak, Mubadala Managing Director and Group CEO, commented that *"expansion of our Sovereign Investment Partnership will help accelerate funding and innovation in key sectors that are foundational to economic growth of both nations."*

He continued, *"It is a testament to the UK's innovation economy that we are ahead of target with the UAE-UK SIP life sciences programme. We are already developing ambitious energy transition, technology and infrastructure investment programmes that create new jobs and strengthen commercial ties between our nations."*

For his part, UK Minister for Investment, Gerry Grimstone, stated, *"Attracting investment has become globally competitive, and there's never been a better time to be taking part and investing in the UK. This partnership has gone from strength to strength and its expansion is evidence of its effectiveness and what we can achieve with important trade and investment partners like the UAE through investment. The partnership will expand the exchange of knowledge, skills and ideas that will drive prosperity in both nations."*

Lord Grimstone said that the investment would, *"drive economic growth across the UK"*.

The UK and the UAE share an important trade and investment relationship, with total trade of £18.6bn in 2019, and two-way investment of £13.4bn in 2019.

The Partnership for the Future builds on historical ties to formalise and guide trade, investment, and innovation relations between the UAE and the UK. It will also establish new collaborations across priorities, including climate change, education, regional stability, and food security.

A UK government press release explained that multiple UAE and UK institutions will now invest under the UAE-UK SIP overseen by the OfI and Mubadala, with opportunities prioritised against investment criteria and the potential to support job creation in both countries, strengthen national research and development capabilities and originate new areas of investment collaboration and economic links.

The decision to commence all four investment programmes and increase the scale also recognises the quality of opportunities identified and developed by the UAE-UK SIP. To date, over £1.1 billion has been deployed since the SIP was launched in March 2021.

DP WORLD LONDON GATEWAY

In a related initiative, DP World announced the development of a fourth berth at London Gateway as part of its £300m investment in the UK's integrated logistics hub. The successful launch was formally announced by Sultan Ahmed Bin Sulayem, Group Chairman and CEO of DP World at a press conference on 16 September. The presence of UK Chancellor of the Exchequer, Rt Hon Rishi Sunak and Transport Secretary Rt Hon Grant Shapps underlined UK government support for the investment.

The new berth will raise capacity by a third and completion will coincide with the delivery of a new wave of 24,000 TEU vessels in 2023-2024. The investment builds on the $2.76bn investment that DP World has made in the UK over the last decade.

Dubai-based DP World said that along with the Port of Tilbury and Ford's Dagenham plant, DP World London Gateway will form Thames Freeport after being awarded freeport status by the UK government earlier this year. The company confirmed that the partners were currently progressing the business case with a view to receiving formal accreditation.

"expansion of our Sovereign Investment Partnership will help accelerate funding and innovation in key sectors that are foundational to economic growth of both nations."

The Influence **of Scents**

Perfumes can be far more than merely 'pretty' – certain scents can truly impart a feeling of wellness, uplift our moods and remind us of happy memories.

Increasingly, people are turning to aromatherapy and using smell to soothe stress, add a sense of comfort or revive their spirits. But fragrances you wear have the benefit of being emotionally restorative all day.

In fact, we're pre-conditioned to have smell preferences, and our response is based partly on our individual genetic make-up (our DNA), and partly on our life experiences. So: that crushed tomato leaf note that reminds you of a beloved grandmother and her greenhouse – or the jasmine that was growing round a door when you were poorly on holiday, and which you can now hardly stomach.

Many people use fragrance as a boost for their spirits, perhaps without realising they're doing so.

'It's been scientifically proven that different aromas can impact on mood and emotions – not just personally but affecting those around you: Bergamot is a feel-good ingredient, peppermint makes you perkier and more alert, and grapefruit – believe it or not – apparently makes others believe you're younger than you are!'

Understanding the way differing notes in a fragrance can make us feel is one reason so many of us have a 'wardrobe' of fragrances, rather than just one signature scent: a perfume to make us feel ready to wind down, after a hard day staring at a computer screen; a scent to give us a weekend vibe – or simply something that we spritz on for work, in the morning, which makes us feel more focused and professional, in the same way as a smart suit or a crisp white shirt.

If you love the smell of a fragrance, allow yourself the luxury of a few minutes each day: inhaling the changing aromas as they warm on your skin and focusing on the smell alone.

Spray a scent on a blotter, preferably; close your eyes and keep sniffing for several seconds, then take the blotter away, inhale deeply, and re-sniff the blotter again. Repeat this for a minute or so, and then begin writing a few words in a notebook. It doesn't have to be a description, and it shouldn't 'list' notes – try to use words that make you think of other things. For example…

– If this scent were a fabric, what would it be? What colour? If you made someone an outfit from that fabric, who would they be, where would they be going?

– If it were a piece of music, what instruments would be playing? Is it classical, rock music, pop, rap or jazz?

When you're smelling a fragrance this way, attempt to get past thinking 'I do / don't like this' and focus instead on the mood it's creating, the place or person it reminds you of. Lock a happy image in your mind, and whenever you wear that fragrance – or even think of it again – the joy of that memory or daydream will be yours to relish in, forever.

It's genuinely life-changing!

To aid your fragrant wellness explorations, we recommend trying samples of several differing scents – even ones you wouldn't perhaps be normally drawn to. Diversifying the range of fragrances you try will actively improve your sense of smell over time – just as eating a wider range of foods expands your palate.

At Abdul Samad al Qurashi, we create smells very meticulously, taking into account what is it going to be and who is the person wearing it.

If it is a feminine fragrance, we employ a variety of different ingredients to make the woman feel feminine and sensual. For example, the fragrance Safari Le Femme – employs such ingredients as vanilla, cedar wood and white flowers among others. The vanilla makes the fragrance a feminine smell with blackcurrant giving it a bit of a piquant and spicy edge but add a hint of cedar wood and it gives the wearer a strong and confident feeling of beauty and strength.

Safari for men fragrance, from Abdul Samad al Qurashi includes such ingredients as bergamot, heliotrope, lavender, almond, amber and sandalwood. These ingredients are

stronger and provide a sense of masculine strength, confidence, and sensuality.

The unisex perfume, Al Qurashi Blend, is a more powerful scent with such ingredients as bergamot, citrus, cedar wood, spice, amber, musk and pure aged agarwood oil. This perfume is one of the best-selling perfumes due to its fiery scent and has been known to bestow a more powerful presence to its wearer, be it a man or a woman.

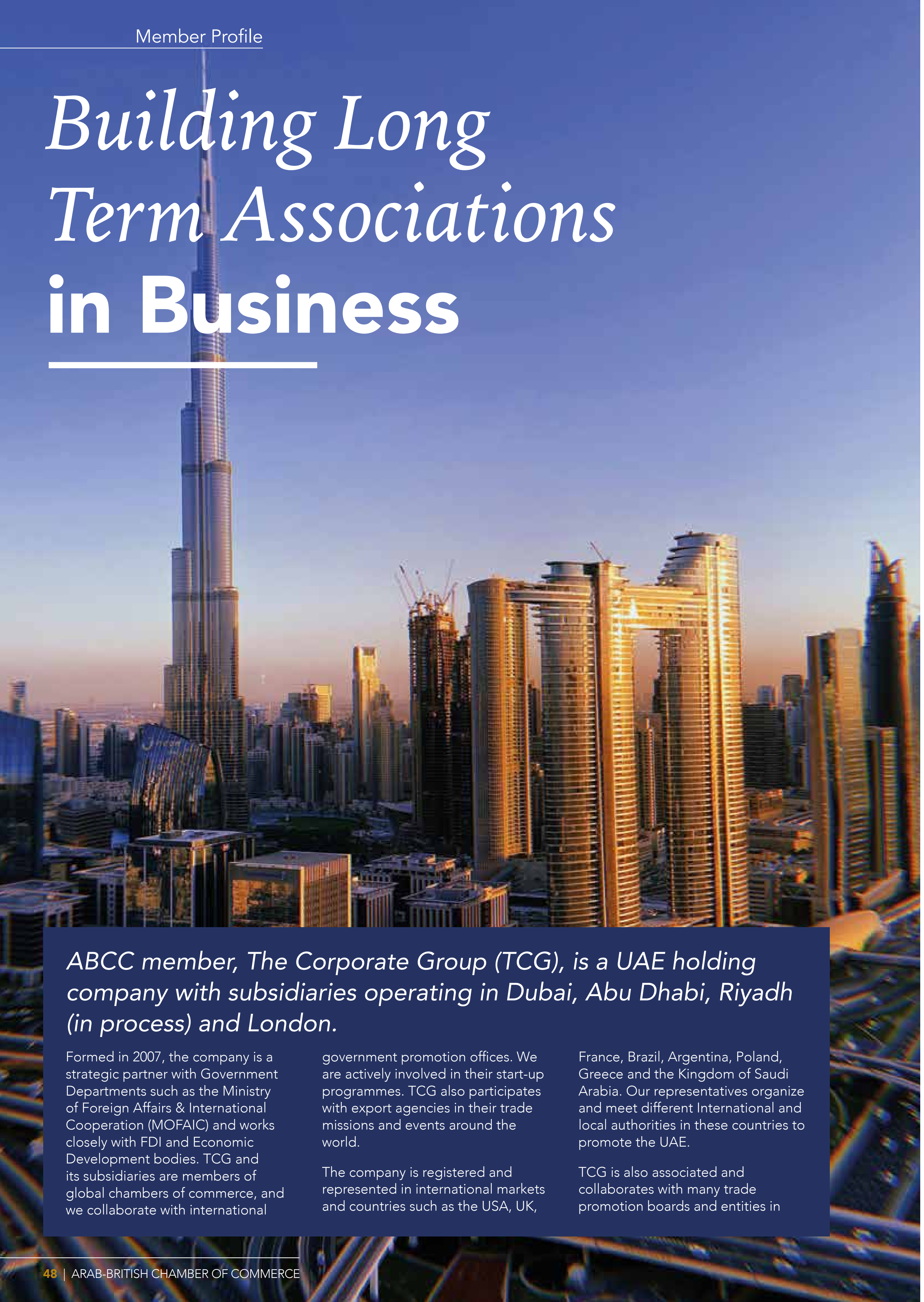
Depending on the ingredients of the perfume we choose the moment we first smell it, we know if this is the one and we immediately have associations of the scent. We feel the undertones of the fragrance even without knowing the actual notes of it. Some fragrances give us a sense of peace and calm; some - sense of energy and movement and some give us power, strength and confidence.

Each occasion in life calls for different scent and in this modern day, there is a huge variety of scents to choose from.

Abdul Samad al Qurashi offers a wide range of scents in perfumes and in oils. The fragrances are designed for people with different tastes – from fresh and floral scents to strong sweet and aoud smells. From winter scents to spring, from autumn to summer, at Abdul Samad al Qurashi we offer them all.

Come and try our perfumes and enjoy the 50% off on any aoud fragrances and bakhours – home incenses.

Visit us at 353 Oxford street, London, Mayfair, W1C 2JG.



Building Long Term Associations **in Business**

ABCC member, The Corporate Group (TCG), is a UAE holding company with subsidiaries operating in Dubai, Abu Dhabi, Riyadh (in process) and London.

Formed in 2007, the company is a strategic partner with Government Departments such as the Ministry of Foreign Affairs & International Cooperation (MOFAIC) and works closely with FDI and Economic Development bodies. TCG and its subsidiaries are members of global chambers of commerce, and we collaborate with international government promotion offices. We are actively involved in their start-up programmes. TCG also participates with export agencies in their trade missions and events around the world.

The company is registered and represented in international markets and countries such as the USA, UK, France, Brazil, Argentina, Poland, Greece and the Kingdom of Saudi Arabia. Our representatives organize and meet different International and local authorities in these countries to promote the UAE.

TCG is also associated and collaborates with many trade promotion boards and entities in the business community in the UK such as the Arab British Chamber of Commerce, Birmingham Chamber, Scottish Enterprise, Invest Northern Island, Aberdeen Chamber of Commerce, London Chamber of Commerce, the Departmental for International Trade UK, Asia House UK, British Expertise UK and Glasgow Chamber of Commerce.

In addition, TCG possesses a large network of business partners in the private sector, enabling strategic partnership in business areas outside its core competencies. Through all of the above collaborations, partnerships, associations and representations, TCG has an expansive access to a wide set of networks around the world.

TCG has conducted more than 100 roadshows, workshops, events and business missions across the world. TCG has conducted trade missions by bringing business delegations from countries like England, Scotland, Northern Ireland, Italy, Brazil, Argentina and Portugal. Every year, TCG organizes more than 25 webinars regionally and internationally with renowned speakers covering different sectors targeting youth, sustainability and the future.

The Corporate Group operates with wholly-owned subsidiaries across different business verticals. Corporate Business Services (CBS) is a key player in the UAE corporate services industry, proudly working and advising large international corporates, small and medium-sized enterprises (SMEs) and entrepreneurs.

Our expertise provides all-in-one tailor-made solutions for both established and new organizations. Areas of expertise include:

- Business setup & company formation
- Corporate support services
- Government relations management
- Company Secretarial Services
- VAT Consultancy
- Bookkeeping & Accounting Services
- Event Management Corporate Business Hub (CBH) offers an integrated range of services such as

- Serviced offices
- Business/ incubation centre
- Smart facilities rental
- Co-working space
- Venue & meeting room rental.

Our subsidiary, Corporate Business Enterprises (CBE), introduces clients to UAE partners who bring their expertise and knowledge of the local market and business environment.

- Partnerships
- Strategic alliances
- Local agent/partner
- Joint ventures
- Investments.

Subsidiary, Corporate Trade House (CTH), is an International Trading House with services, such as:

- Product Distribution
- Commercial Agent
- Product Registration
- Trade Support Services

One subsidiary, Corporate Consultancy and Development (CCD), offers bespoke, tailored consultancy services as outlined below:

- Business & Management Consultancy
- Marketing Consultancy
- Market Research & Feasibility Studies
- Human Resources Consultancy
- Corporate & Technical Training
- Environmental Consultancy
- Sports Consultancy

International Corporate Business Services focuses on technology and cutting-edge consulting services, such as

- Technology Solutions
- Digital Transformation
- Blockchain, AI & IoT Solutions.

Ayman Al Awadhi
Group Managing Director (left)

Adel Al Awadhi
Founder & Executive Chairman (right)

CONTACT

To find out more about any of these services please contact The Corporate Group representative in the UK, whose details are below.

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Mobile: **+44 77 4341 8518** | Email: **fayha.sultan@cbs-uae.ae**
www.thecorporategroup.ae

Update to Covid-19 safety measures **at Trinity Secure English Language Test (SELT) points**

The last year and a half have been a challenge for many organisations as we have all adapted to new ways of working. Trinity College London has worked hard during this time to make sure that all our test centres were Covid safe by following all government guidelines in relation to wearing masks, strict social distancing, and regular deep cleaning of all items in each centre. The safety of our candidates, examiners and staff has always been at the heart of everything we do.

We continue to be committed to ensuring that every candidate who comes to take their Secure English Language Test (SELT) does so in a safe and supportive environment. As government guidance on Covid-19 continues to change across the four home nations and restrictions begin to ease, Trinity SELT has decided to continue to operate our SELT test centres under the current guidelines, to ensure the continued safety of everyone. Whilst the easing of restrictions means that some safety measures will no longer be a legal requirement, we acknowledge that many people will be cautious about the lifting of restrictions.

FACE COVERINGS

Although the legal requirement to wear a face covering in England ended on 19 July, the government recommends that people continue to wear a face covering in crowded and enclosed spaces. We strongly encourage all candidates to continue to use masks within our centres.

For our candidates in Scotland, Wales and Northern Ireland, face coverings remain mandatory at the time of writing unless exempt, as set out in government guidance.

ENHANCED CLEANING AND SAFETY MEASURES

All current measures with regards to cleaning and social distancing will remain in place. We will continue to provide hand sanitiser at the entrance to centres, there will be screens at our registration desks and cleaning of surfaces and materials will take place between each exam.

EXAM FORMAT

To minimise face to face contact SELT exams have been undertaken via one-to-one video conferencing with an examiner. Exams will continue to run in this format.

We look forward to continuing to support all our candidates on their English language journey, as they navigate the next steps and move forward with their life here in the UK. If anyone is concerned about any aspect of the exam experience please do contact our Customer Care team on **0333 358 3183**, who will do everything they can to support you.

TRINITY COLLEGE LONDON | Secure English Language Tests

Bringing together leaders from the East and West: **key learnings from the CEO Summit**

Many events which bring together leaders from the East and West tend to focus on what the East can learn from the West. This September, a collaboration between the Arab British Chamber of Commerce (ABCC) and Cranfield School of Management shifted that dial. They delivered a wholly virtual conference for senior leaders entitled "Resetting the global economy: leading and learning in a crisis". Delegates were treated to invaluable practical knowledge from prominent CEOs, business leaders and subject matter experts from across the Middle East regions and beyond.

Centred around four important themes; Arab-British trade and investment, the future of education, sustainability for industries in transformation, and innovation and digital disruption, it provided a forum where business owners, chief executives and policy makers could share business practices and forge new collaborations.

CEO Middle East Summits have been held in the past, but this fully-virtual event was a first. Creating an interactive virtual world for hundreds of leaders was a huge challenge for the ABCC and Cranfield teams, but with restrictions to international travel seemingly constant for the foreseeable future they felt it imperative to demonstrate that virtual events can create connections for impactful business relationships.

Their *"Attendee Hub"* platform enabled full access to keynote speakers, interactive thought-leader panels, and subject matter expert workshops, including one hosted solely in the Arabic language. Knowing that conference delegates gain tremendous benefits from making new connections, the day contained several sessions for networking. The team created flexibility in the Attendee Hub so that people could connect via large group Zoom-rooms, and also request being placed in smaller breakout rooms for one-on-one conversations.

The Rt Hon Baroness Symons, Chairman of ABCC, opened the day saying she was delighted with a virtual opportunity to make a difference by opening up new business contacts and highlighting opportunities for commercial co-operation. Dr Kamal Hassan, Assistant Secretary-General (Economic Sector) of The League of Arab States said the summit was particularly important for the League of Arab States as they continue to aspire for a better future for the States and the surrounding regions, and that the event directly fell within their strategy to further collaborate with their partners around the world.

Professor Karen Holford, CEO and Vice-Chancellor of Cranfield University said she recognised that new and important partnerships would be forged as a result of the Summit and they would have her full support. Mr Bandar Reda, Secretary General and CEO of ABCC highlighted that as Britain was no longer part of the European Union, the MENA region was becoming increasingly attractive for UK exporters, and recognised as a top investment destination particularly in cutting-edge industries such as innovative technology and the green economy.

The thought-leader panels and subject matter expert workshops were all hugely interactive. The chat function of the virtual rooms enabled delegates to pose their questions, and share their ideas and reactions. Moderators of the sessions reported that delegates were also using the chat function to enter into lively side discussions of their own, and, as Professor Karen Holford predicted in her opening address, new business relationships were being forged every minute.

Delegate feedback highlighted that the context as well as the overall concepts presented in the panels and workshops was particularly useful. Panel moderators reported that delegate questions and comments frequently centred on future possibilities. There was a sense that rather than being constrained by these concerns, delegates were determined to discover what could be done.

Kevin Morrell, Cranfield's Chair in Transformational Strategy, and thought-leader in the Sustainability session commented *"In Covid we have the 1st pandemic in the era of globalization and instead of the global economy we have different economies; with distortions and inequalities some of which Covid has intensified. But there is cause for optimism because this crisis has shown that individual countries and regions – like the Middle East - are still very powerful actors. Perhaps how we respond to Covid can be a template for responding to other threats such as climate change."*

Professor David Oglethorpe, Pro-vice Chancellor and Dean of Cranfield School of Management felt certain the future-focussed nature of the conversations in this Summit will have created a groundswell of people who will help organisations make a difference to both communities and the lives of individuals.

Mrs Haifa Al Kaylani, President & Founder of The Arab International Women's Forum, a thought-leader within the session on the future of education shared her belief in the need to embrace 'learning with purpose'. She felt that we need to move learning and development away from learning for the sake of learning, towards learning for sustainable impact that benefits both people and planet, and that initiatives such as this place education at the heart of Arab economic development.

This was a Summit which welcomed disruptive topics. Cranfield Professor Sue Vinnecombe OBE led a workshop on busting myths about women as leaders, namely *"Women aren't ambitious, don't have the right leadership style or experience, lack confidence, and that children stop women from getting to the top"*, presenting the data that challenged these myths.

Digital Disruption was the theme of the final session, chaired by Wafa Saud Alharbi, Human Capital Development Partner with the national Saudi Information Technology Company, and member of Cranfield Middle East Advisory Board.

In this session HE Dr Talal Abu-Ghazaleh, the founder and chairman of TAG Global, likened the existence of the digital world to the nervous system in our own bodies; a central force that operates and influences every part of our lives.

Dr Ahmed Altheneyan, the Saudi Deputy Minister for Future Jobs and Digital Entrepreneurship acknowledged the explosion of digital during the pandemic but felt it was KSA Vision 2030, not just the pandemic which had driven activity, by harnessing the country's infrastructure. Vision 2030 had helped the country deal with the pandemic.

Industry leader Mansoor Hanif - Executive Director of Emerging Technologies in NEOM echoed the importance of infrastructure. He felt digital entrepreneurs will chart the way for success, but large organisations need to build the enablers and framework to support them.

Tareq Krayim, Cranfield Associate Faculty, whose Arabic-language workshop on *"The four perspectives of Leadership in Today's World"* was described by a delegate as a *"must-have topic"* summed up the Summit very simply as *"Great day, great participants, great outcome."*

For Dr Imran Zawwar, the Cranfield Middle East Regional Director, it is the outcomes of such a disruptive and exciting summit which are the most important.

"Over the past decade, countries across the world and in the Middle East have witnessed seismic shifts in their economies, societies and environment. Governments across the Middle East have launched ambitious national transformation plans, to address their own economic, social and environmental challenges.

However, to initiate any change, the most difficult part is changing the mind-set. It is progressively contended, and echoed by every one of our esteemed Summit speakers, that versatility depends not just on the physical framework to empower their advancement, but on their 'soft' infrastructure - their human capital and intellectual assets. Hence, we want to make genuine contributions to the growth of human capital development in the region. I believe the conversations and connections created in this Summit are exactly the outcomes needed to support the transformational change across the Middle East and beyond."

David Deegan, *Executive Development Director, Cranfield Executive Development*

Nine Benefits of International Education for Students

By TASIS England

In today's global and interconnected world, schools and universities play a vital role in equipping students for their future as global citizens. Many families are not only looking for the best learning opportunities for their children in their local area; they are also looking for a school that will enhance their children's learning experience and provides them with an international-mindedness that will stay with them throughout their lives.

You might be an internationally mobile expatriate family that is relocating to another country. Perhaps you are looking for a different option than the local school offering the national curriculum. Or you might be a student looking to broaden your horizons, improve your language skills, enhance your learning experience by studying abroad. In all of these cases, international education has a lot to offer.

WHAT IS INTERNATIONAL EDUCATION?

The criteria for an international education offered by the International Baccalaureate® (IB) might be summarized as a *"comprehensive approach to education that intentionally prepares students to be active and engaged participants in an interconnected world."* This approach to teaching and learning incorporates a global perspective by providing several different views of the same topic or learning experience.

1. Learn or master a language

Studying abroad or in an international school accelerates fluency in speaking, reading, and writing a foreign language by providing students with the opportunity to hone their language skills in the classroom and through interaction with their multilingual peers. International schools may offer a bilingual programme, or a wide variety of languages taught through their curriculum. Students can not only become fluent in more than one language but will also be academically prepared for future study in another language.

2. Experience different styles of education

Most international schools offer curricula that are recognized around the world; however, each country has its own education system. Moved out of their *"comfort zone,"* students are helped to adapt within a new but supportive learning environment. This early experience will serve them well in the future by making them more versatile in the workplace, with the confidence to meet new challenges and the ability to adjust to different management styles.

3. Learn about other cultures and perspectives

An international experience allows students to expand their worldview and develop cross-cultural awareness and international-mindedness by enhancing their understanding of different cultures, perspectives, and views.

By interacting with peers and teachers with different backgrounds and upbringing, students will begin to value each one's unique story and develop a more holistic approach to life's experiences, both at school and in the future. Understanding and appreciating the diversity of cultures and perspectives worldwide helps students become compassionate, open-minded, global citizens who can lead change in the world.

International education promotes a healthy questioning of personal beliefs, and the influence of their own culture and upbringing. It helps students create and maintain bonds with others who may be from a different culture. Students learn to value the diverse contributions of others as they hone their problem-solving and communication skills. The development of self-confidence, self-awareness and an enhanced ability to adapt to diverse environments and perspectives will provide them with long-term benefits.

4. Develop a global network of life-long friends and connections

Both in and out of the classroom, an international education experience enables students to develop friendships and build lasting relationships with the entire school community and beyond.

Developing and maintaining a network of friendships or professional relationships with people from all over the world is undoubtedly a life-enriching experience that will stay with students forever. The wider the network, the greater the likelihood that students will be exposed to exciting career and social opportunities.

5. Discover the world

International education offers a wide range of exciting experiences to see and understand the world through travel, engagement with schools from other countries, and connections with people from around the world.

International schools often develop academic travel programs as an integral part of their curriculum, enabling students to experience a new country and culture. International schools may be connected to and engage with other schools globally, offering opportunities to interact with their linked communities. Organized events celebrating different customs, cuisines, holidays, and more are part of daily school life. Exposure to these activities is intrinsic to an international student's development.

6. Impress universities and future employers

Universities and employers highly value experience in international environments as they search for candidates with transferable learning skills and the ability to collaborate.

According to figures from a study by the Institute of International Education (IIE-Abroad Survey) and the University of California, between 90% and 95% of students with an international education found work in their sector within the six months following their graduation.

Students can use their international school experience to demonstrate to future employers that they have the open mind, adaptability, resourcefulness, and drive needed in an ever-changing work environment. These attributes improve employability and give a competitive edge in the workforce.

7. Identify opportunities for leadership development and community service

Through co-curricular activities, academic travel programmes, and community service initiatives, international schools offer a vast array of opportunities for students to develop leadership skills and contribute to society, locally and globally. Students are encouraged to use their knowledge and talents to make an impact and lead change.

8. Interact with faculty and staff with a global perspective

International schools are usually rich with teachers and staff from all over the world. At TASIS England, for example, over 30 languages are spoken on campus. Students' learning is enhanced by the different perspectives that each member of the faculty and staff brings.

9. Be part of a truly diverse community

The lives of students and their families are enhanced through engagement with an international community that nurtures global understanding, compassion, and a curiosity to learn about different cultures. While nearly 60 countries are represented at TASIS England, the community comes together to welcome newcomers and help them make the transition to a school that provides students and families with an experience that is as inclusive as it is diverse.

WHY IS INTERNATIONAL EDUCATION IMPORTANT?

Recent data gathered by ISC Research revealed a growing global trend for international education. As of January 2019, there were 10,282 international schools with 5.36 million students, and 503,000 staff members around the world. A demand for a *"Western-style"* education and the increasing prominence of the International Baccalaureate and Cambridge Assessment system means the education landscape globally is undergoing a progressive transformation.

More and more, families are embracing international education to enrich their children's lives by exposing them to a multicultural learning environment that fosters understanding, promotes an appreciation for different cultures and perspectives, and supports positive change in the world.

The TASIS England mission is to nurture intellectual curiosity and embolden each learner to flourish as a principled, open-minded, and compassionate member of a global community.

We shape the academic journey for each learner, supporting and challenging them to reach their full potential. As an international school, we offer our students a choice between Advanced Placement (AP) and the International Baccalaureate Diploma Programme (IBDP) and work with them to forge their individual learning experience. TASIS prepares students for the future, whatever path they choose to pursue – on average, 96% of our graduates receive offers from their 1st or 2nd choice university.

TASIS England - The American School in England is a member of the ABCC. For more about the company visit the website:

www.tasisengland.org

Real Estate Legislation in the Gulf and its Relevance to International Investment

By Thomas Wigley, Partner, Trowers & Hamlins and Sam O'Doherty, Associate, Trowers & Hamlins.

The past twelve to eighteen months have been, unsurprisingly, times of change. Looking at the Gulf in particular the pandemic has brought with it some uncertainty, some regulatory change and certain shifts in how the built environment serves people. Pre-existing those changes however was a broad movement towards opening up parts of the real estate market to non-local inward investment. Whilst implementation may have been stalled by the unusual circumstances which we have all been experiencing, we are seeing some welcome developments in the sector that could offer opportunities to investors across the world.

This article sets out some of the headline changes which have taken place in the real estate sector in the region, and in particular will highlight changes in legislation of interest to non-national investors, developers, and business owners.

KINGDOM OF SAUDI ARABIA

The ongoing changes to Saudi Arabian development policy are spurred on by the Kingdom's Vision 2030 strategies. The real estate sector has been highlighted as an area where further foreign investment should be sought.

The current regulations are contained in the Law of Real Estate Ownership and Investment by Non-Saudis and ownership laws in the KSA are currently the subject of discussion, and changes so far have been to permit foreign investment in the holy cities of Mecca and Medina. This considerable shift in access for investment may mark the beginning of broader changes.

The most recent legislative change that affects the broader market however has been a move towards modernisation of registration formalities. The Saudi Cabinet has begun the process of amending the regulation of the General Real Estate Authority so that its primary role going forward will be to register properties and property ownership with a view to supporting the development of non-governmental real estate activity.

An important feature of the new project is the granting of title documents which are unappealable and so will demonstrate a clear ownership right.

This reform of real estate reflects the investment goals of the Kingdom more broadly, aiming to encourage real estate investment (which currently can be by GCC nationals, licensed foreign vehicles or residents) by making the process clearer and more efficient. With numerous megaprojects underway in the country, and with further reform promised, the market is making significant steps to attract international investment.

BAHRAIN

The island nation of Bahrain has, since the introduction of the Real Estate Regulatory Authority (known as RERA) in 2017 developed a series of cohesive, and development focussed real estate laws which aim to govern everything from leasehold management to owners' associations. This legislative backbone has allowed confidence to grow in the sector.

The most recent legislative changes revolve around joint property ownership.

Firstly 'Resolution 1 of 2020 Regulating Owners Associations of Joint Properties' provides a development management framework for both simple and complex developments. It appears that RERA is moving away from structures where there is little input by the end users in the upkeep and maintenance of common infrastructure and moving towards schemes which give the actual owners and end users a level of control over the common areas within a development. This Resolution permits developments to have a number of management layers (with up to three layers) including a Central Owners' Association, Main Owner' Associations and Subsidiary Owner Associations. New and existing developments are required to change their structure to fall in line with this Resolution and there is the possibility to permit existing projects to convert to joint properties where it was not the developer's original intention.

More recently 'Resolution No 5 Of 2021 Regarding A Special Registry for Joint Properties' under which an obligation is created for the registration of joint property ownership, and powers are granted to the Survey and Land Registry Bureau (the SLRB) to administer the process. The centralised register is designed as a repository for information on development land for joint property, any dispositions made in respect of that land or units built on it and any judgments made in relation to that land. The SLRB will be able to issue title documentation for shared/common areas and to formally administer related applications.

The broad thrust of property legislation in Bahrain is to develop and more actively administer development property, the end result of which should be a more navigable and clearer system of property management.

ABU DHABI

Abu Dhabi has historically taken longer than Dubai to liberalise its property market. However, the changes in legislation that were implemented mid-way through 2019 are notable in that they bring their parity in ownership rights across Dubai and Abu Dhabi. There appears to be a concerted effort to attract investors who are not UAE or GCC nationals.

With the passing of 'Law No. (13) of 2019, amending certain provisions of Law No. (19) of 2005 on Real Estate Ownership' the Abu Dhabi government made changes to real estate laws allowing foreigners to own freehold property and is applicable in designated zones.

Freehold ownership carries with it the ordinary meaning (i.e., ownership of land to the exclusion of others) and there are no inherent reversionary rights, as investors would have been familiar in seeing (for example musataha or usufruct purchases). Along with this change comes the ability for foreign investors to mortgage real estate, which was previously disallowed.

Part of the ongoing initiative to attract investment into the sector has included the recent appointment of "real estate conciliators". The role of such a person in real estate disputes is to arbitrate between parties at approved mediation centres, with a view to neutral and professional resolution. The goal is to inspire a confidence for foreign investors that, in the event of a dispute, there is a transparent and efficient dispute resolution mechanism.

QATAR

With the decree of 'Cabinet Resolution No. 28 of 2020' the Office for Non-Qatari Real Estate Ownership was created, with a remit to enable non-Qatari persons to own real estate in nine areas in the country. This can be on an individual or corporate basis. The resolution grants foreign nationals the right to own a detached unit in a residential complex while owning a second detached unit (an office or a shop) in a commercial mall, provided that the owner does not modify the nature, shape or appearance of either unit. As with elsewhere in the region, the aim behind this legislation is to attract expatriates, foreign investors, and international funds to Qatar's real estate market.

In additional to the above resolution, was the introduction of the Qatar Financial Centre (QFC) Real Estate Ownership Regulations, which allow for investors to use QFC entities to own or acquire usufruct rights in the relevant designated areas. Of note also is that purchasers of a property worth 3.65 million riyals ($1 million) or above will be automatically eligible for permanent residency in Qatar.

OMAN

The Sultanate has, similarly to most regional states, been making legislative changes to attract foreign capital. To date this has focused largely on corporate investment but there have been certain changes affecting real estate.

Most recently the Ministry of Commerce, Industry and Investment Promotion has outlined a new scheme for 'Investor Residence' visas, which would offer non-Omanis the opportunity to make investments in property with a five- or ten-year residency in exchange. Fuller details have not been made available at the time of publication, but it is expected that thresholds and conditions will soon be provided.

This new initiative comes less than a year after 'Ministerial Decision 357 of 2020' under which the Sultanate now permits the ownership of usufruct rights by individual expatriates. Non-Omanis are able to purchase property to live in, rent out (after an initial period of four years), or to use as collateral for any financial transactions. The Decision permits expatriates to acquire usufruct rights for an initial term of up to 50 years which can be extended up to 99 years. In order to qualify under the scheme, the buyer must be purchasing a property in a multi-storey (4+ floors), residential or commercial mixed-used building within specified locations. There is a minimum purchase price of OMR 45,000 for licensed units in the Governorate of Muscat and OMR 35,000 when the scheme is introduces to other Governorates. In terms of who can benefit from the scheme, the usufruct rules will apply to non-Omani buyers aged 23 or over, who have been resident in Oman for at least two years.

This snapshot of legislative updates across the region related to real estate paints a broadly cohesive image that inward investment is to be promoted, and that environments for safe, sophisticated opportunities to arise are being worked out. Although not without its imperfections the sector continues to develop, and with certain uniform characteristics geared towards inviting foreign interests.

Future articles will consider other developments in this sector.

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UK Trade with the Gulf Cooperation Council: call for input

The Department for International Trade has launched an open consultation on a future trade agreement with the countries of the Gulf Cooperation Council.

The DIT is seeking views from business and from a wide range of stakeholders on the aspects of the United Kingdom's current trading arrangements with the GCC that the government should look to improve or amend.

CONSULTATION DETAILS

The DIT wants to know:

- What you think about our current trading arrangements with the GCC nations?
- Where could negotiators make changes or improvements?

Areas of particular interest in the consultation include:

- Which areas of a potential future free trade agreement provide the most opportunities in trade talks with the GCC?
- Are you facing challenges or constraints when attempting to trade or invest in the GCC, and if so, how significant is this to your business or organisation's activity?
- How do you expect your business or organisation to respond to a comprehensive FTA? For example, might you begin exporting to, or importing from, the GCC? Or look to invest in the GCC or attract investment from the GCC, increase output or hire more workers?
- How do you expect your business or organisation to respond to the removal of GCC tariffs in an FTA with the GCC?
- Is your business or organisation trading products related to the environment and/or a low-carbon economy with the GCC?

The DIT will use any information received to help inform the UK's approach for starting negotiations on a free trade agreement (FTA) with the GCC in the future.

All responses should be submitted via the online consultation platform. Details below.

BACKGROUND

In an information note accompanying the consultation, the UK Government states that its ambition is to secure free trade agreements (FTAs) with countries covering 80% of UK trade by the end of 2022. The DIT aims to secure an ambitious programme of FTAs to benefit the whole of the UK and support businesses of all sizes across different sectors of the economy. The consultation will inform the UK's negotiation objectives and understanding of the economic, environmental and social impacts of an FTA with the Cooperation Council for the Arab States of the Gulf (GCC).

The UK was the 6th largest economy in the world in 2019, while the combined economies of the GCC would have ranked 13th in 2019, according to World Bank Development Indicators.

Total trade in goods and services between the GCC and the UK reached £41.4 billion in 2019, which would place the bloc as the UK's 10th largest trading partner if it were a single country, according to ONS.*

The UK and the GCC are strong investors in each other's economies, bringing long-term benefits to both partners.

The GCC's GDP at purchasing power parity (PPP) was marginally lower than the UK's in 2019. The total population of the bloc was also lower, leaving the GDP per capita slightly higher. Trade (imports and exports) were equivalent to 93% of the GCC's GDP in 2019, with the equivalent UK figure at 63%.

Services make up a larger proportion of the UK's economy than in the GCC, while industry represents a far higher proportion of the GCC's economy. Agriculture is a small part of value added in both economies.

In 2020, the World Bank's Ease of Doing Business index ranked GCC economies between 16th (United Arab Emirates) and 83rd (Kuwait) among 190 economies, where 1 is the best and 189 is the worst. The United Kingdom was ranked 8th on the same basis.

It has been estimated that in 2016, nearly 6.5 million jobs across the UK were directly and indirectly supported by exports. UK exports to Saudi Arabia – the largest economy in the GCC – were estimated to support directly and indirectly around 129,000 UK jobs in 2016.

The UK total trade with the GCC has been growing since 2010, reaching £41.4 billion in 2019. From 2010 to 2019, United Kingdom imports in goods and services from the GCC increased by 54% from £9.9 billion to £15.2 billion.

In comparison, UK exports to the GCC increased by 48% from £17.6 billion to £26.1 billion over the same period. In 2020, UK imports from the GCC were down 44.8% from 2019 levels, compared with an 18.3% reduction in UK imports from the world over the same period. Conversely, UK exports to the GCC were down 16.3% over the same period, compared to a 16.1% reduction in UK exports to the world, based on ONS data.

Between 2019 and 2035, the GCC's imports are projected to grow by around 35% in real terms. That equates to around £200 billion in additional demand in real terms (i.e. in constant 2019 prices).

The extent to which higher import demand in the GCC translates into higher UK exports to the GCC will depend on how the UK's market share develops. If the UK's share of the GCC import market falls to 3.6% by 2035 - in line with the more general decline in the UK's share of global imports projected in the DIT's Global Trade Outlook - UK exports would stand at £28 billion in 2035 (in 2019 prices), or 6% higher than their 2019 level.

However, this scenario assumes there are no major structural changes to the GCC-UK dynamic, such as a new FTA, which would be expected to keep the market share higher than it would otherwise be. If the UK were to maintain its current market share of 4.6% out to 2035, this would translate to £35 billion in UK exports to the GCC by 2035 (in real terms) - 35% higher than their 2019 level.

In 2019, the UK imported £9.7 billion worth of goods from the GCC and exported £14.8 billion, leading to overall goods trade of £24.5 billion. Between 2010 and 2019, UK imports of goods from the GCC have increased by 41.6%, whilst UK exports of goods to the GCC have increased by 63.6% over the same period.

The UK primarily exported mechanical power generators (intermediate), jewellery and cars to the GCC in 2019. Refined oil and mechanical power generators (intermediate) and gas were the main UK imports from the GCC in 2019.

GCC member states have been attempting to diversify their economies away from hydrocarbons for some time through investing in new sectors, such as tourism and green energy. For the moment, fossil fuels remain an important source of their national income. Total regional trade flows between the UK and the GCC are largest for London and the South East, followed by the East of England and the West Midlands.

In 2019, the UK imported £5.6 billion worth of services from the GCC and exported £11.3 billion, leading to total services trade of £16.9 billion. Since 2010, UK imports of services from the GCC have increased by 83.5% while UK exports of services to the GCC have increased by 32.4%.

Between the members of the bloc, the largest share of the exports went to the UAE (£4.5 billion) followed by Saudi Arabia (£2.6 billion), with the remaining £4.3 billion split between the other four members. In terms of imports, £4.1 billion of the £5.6 billion came from the UAE and £0.7 billion from Saudi Arabia. The other four economies were responsible for the remaining £0.8 billion.

GUIDANCE FOR RESPONSES TO THE CONSULTATION

The Department for International Trade states:

"As with all other new FTAs, the DIT is committed to negotiating an agreement which delivers benefits to stakeholders across the whole of the UK. The responses to this consultation will inform our policy making and negotiating positions for engaging with the GCC, and so it is important to us that you respond and set out your priorities for the shape of a future FTA.

ABCC Role in Supporting Negotiations for a GCC-UK Free Trade Agreement

A consultative joint meeting between the GCC Ministers of Commerce and the heads of the GCC Chambers of Commerce took place on 19th October in Bahrain. Mr Bandar Reda, Secretary General & CEO, ABCC, attended the meeting that was held in the presence of Their Excellencies the Ministers of Commerce and Industry of the GCC, and the Presidents and Trustees of the Gulf Chambers of Commerce. The meeting agreed that the Arab British Chamber of Commerce would coordinate and support the GCC in relation to the proposed Free Trade Agreement (FTA) between the GCC member countries and the United Kingdom.

"Prior to submitting your response, we encourage you to talk to a range of experts in your business/ organisation to understand the fullest picture of current trading priorities. A PDF version of the full set of questions is available before you complete the online questionnaire. When responding, we would advise you to think about what you would want to see in an FTA that is designed for the future.

"Tell us which areas you think provide the most opportunities, and where we can secure provisions to help you overcome any barriers that you are currently experiencing whilst trading and investing with the GCC. Note where these opportunities or concerns relate to specific member states to support our negotiations with the GCC.

"When responding to the consultation you may find some questions are more applicable to you/your business/ organisation than others. Aim to answer these questions accurately, and in as much detail as possible. This may include suggestions on what you would like to see included in certain chapters, or examples of where other agreements have strong provisions that we could look to replicate. Where it is relevant, we welcome the inclusion of figures or data to illustrate the examples you give in your response. Remember that more detailed answers will help us to best understand your needs."

DEADLINE FOR RESPONSES TO THE CONSULTATION

This consultation closes at 11:45pm on 14 January 2022.

FOR MORE INFORMATION

For more information on FTAs and context on UK-GCC trade, please see the accompanying information note that is available on the UK government website at the link below.

https://www.gov.uk/government/consultations/trade-with-the-gulf-cooperation-council-call-for-input

** The trade flow and gross domestic product (GDP) statistics in the information note are based on the period 2019. While data are available for trade in 2020 and early 2021 these have not been used as the reference period because of the coronavirus-related impacts on the economy of the United Kingdom and its trading partners.*

WELCOME TO NEW MEMBERS...

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- Webinars
- Regular Members' Meetings

Up-To-Date Insights & Information.

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- Initiatives,
- Business opportunities,
- Reports,
- Surveys
- Changes in commercial regulations and legislation

Advertising & Exposure

- Printed copy of our publications along with the e-book version.
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Contact us on Tel: **020 7235 43 63**

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BRITISH CHAMBERS OF COMMERCE

QUARTERLY ECONOMIC SURVEY Q3 2021

The British Chambers of Commerce's Quarterly Economic Survey is the UK's largest independent survey of business sentiment and a leading indicator of UK GDP growth. The most recent results show that while businesses continue to recover from the deepest recession on record, persistent weakness in several indicators highlight concerns over the strength of the recovery, with one in five firms reporting a decrease in cash flow, with a further two fifths seeing no improvement.

"Our latest data indicate only a modest uptick in underlying economic conditions in the third quarter as the boost from the end of restrictions was increasingly stymied by mounting headwinds.

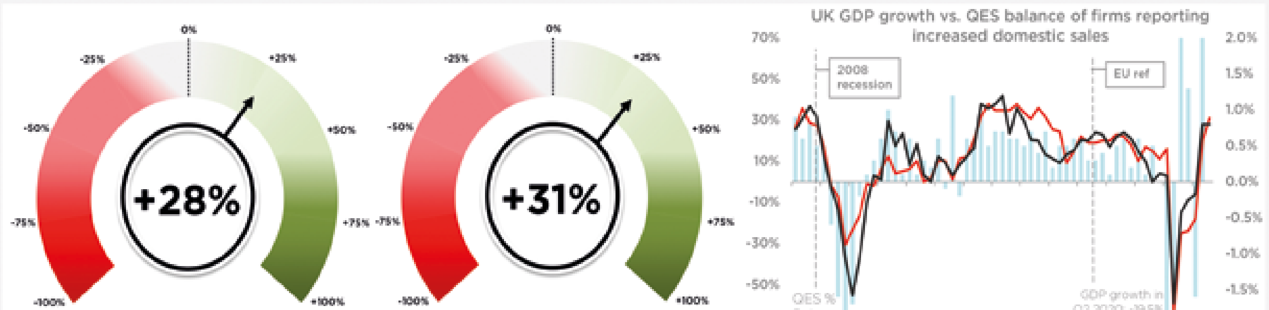
The key services sector recorded the strongest improvements in the quarter as consumer-focused firms, including hotels and hospitality, received the biggest boost from the easing of social distancing. Manufacturing firms saw more limited gains as increasingly acute supply chain disruption limited their ability to fulfil orders and meet customer demand. The underwhelming uptick in investment intentions means that it may be weak point of the recovery because it would weaken our ability to boost productivity and lift the UK's long-term growth trajectory."

Suren Thiru Head of Economics, British Chambers of Commerce

AT A GLANCE

Positive balance (+) = **growth** | Negative balance (-) = **contraction**

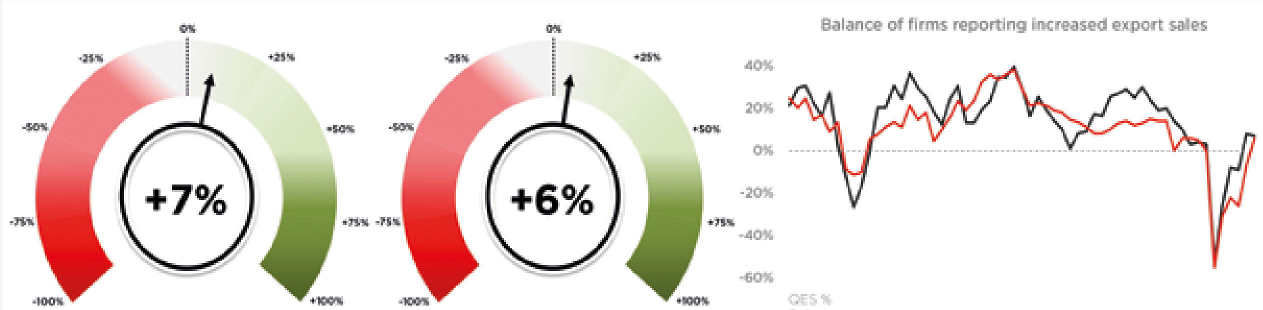
Domestic Sales



...of **manufacturers** reported increased domestic sales in Q3 2021, unchanged from Q2 2021

...of **service firms** reported increased domestic sales in Q3 2021, up from +20% in Q2 2021

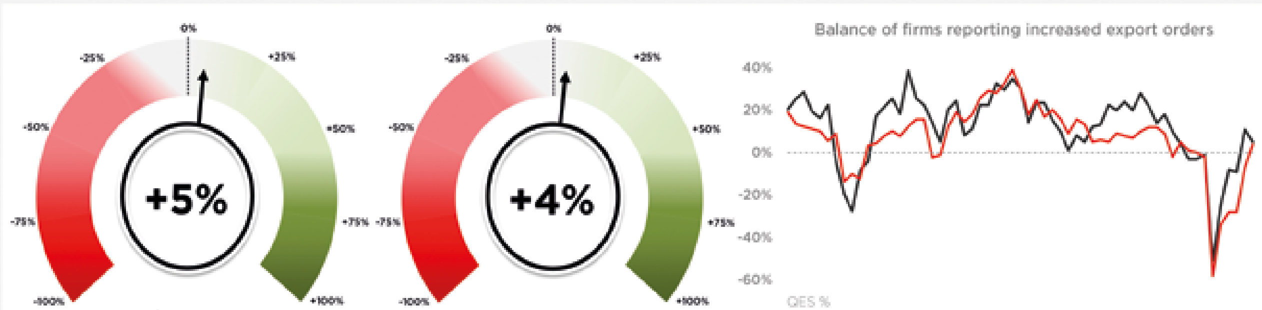
Export Sales



...of **manufacturers** reported increased export sales in Q3 2021, down from +8% in Q2 2021

...of **service firms** reported increased export sales in Q3 2021, up from -7% in Q2 2021

Export Orders



...of **manufacturers** reported increased export orders in Q3 2021, down from +11% in Q2 2021

...of **service firms** reported increased export orders in Q3 2021, up from -7% in Q2 2021

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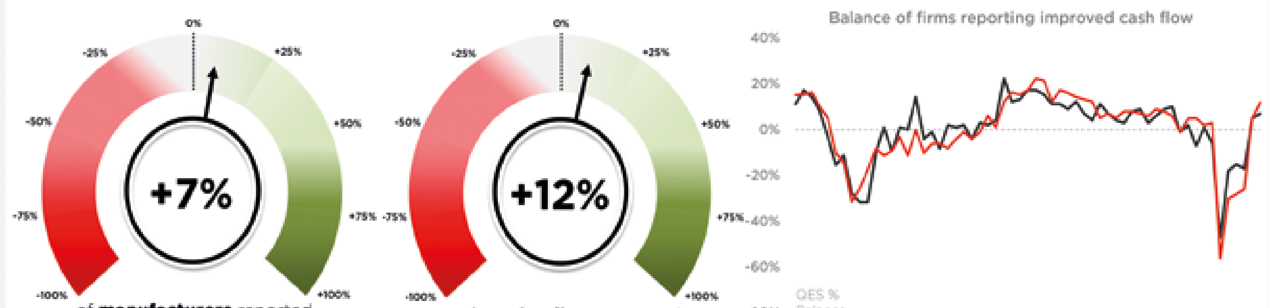
LOOKING AHEAD

The survey of 5,737 finds that despite business activity improving as more firms report increased domestic sales, indicators for structural business health such as investment and cash flow are lagging. Inflation expectations also hit record highs as 62% of manufacturers expect their prices to rise in the next three months while only 2% expect a decrease, giving a percentage balance of +60%. Around 9 in 10 (88%) manufacturers cite raw materials costs as the driver of price increases. In contrast, just 1 in 5 (22%) manufacturers cite pay settlements as a driver of price increases, still below its pre-pandemic level.

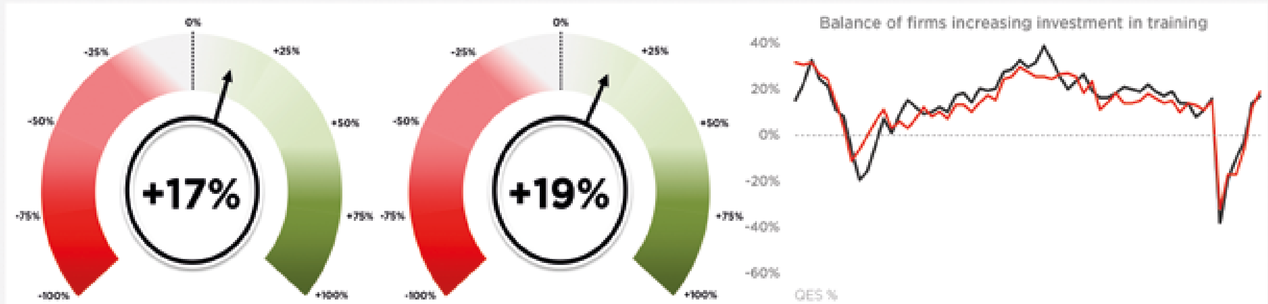
Cash Flow



...of **manufacturers** reported increased cash flow in Q3 2021, up from +5% in Q2 2021

...of **service firms** reported increased cash flow in Q3 2021, up from +5% in Q2 2021

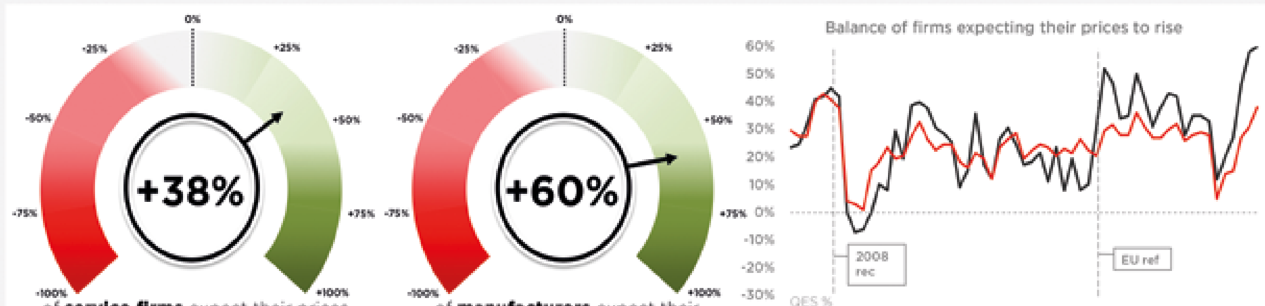
Investment



...of **manufacturers** increased investment in training in Q3 2021, up from +14% in Q2 2021

...of **service firms** increased investment in training in Q3 2021, up from +12% in Q2 2021

Prices



...of **service firms** expect their prices to increase over the next three months, up from +31% in Q2 2021

...of **manufacturers** expect their prices to increase over the next three months, up from +57% in Q2 2021

Confidence

...of **manufacturers** are confident turnover will increase in the next 12 months, unchanged from Q2 2021

...of **service firms** are confident turnover will increase in the next 12 months, up from +49% in Q2 2021

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CONTINUED

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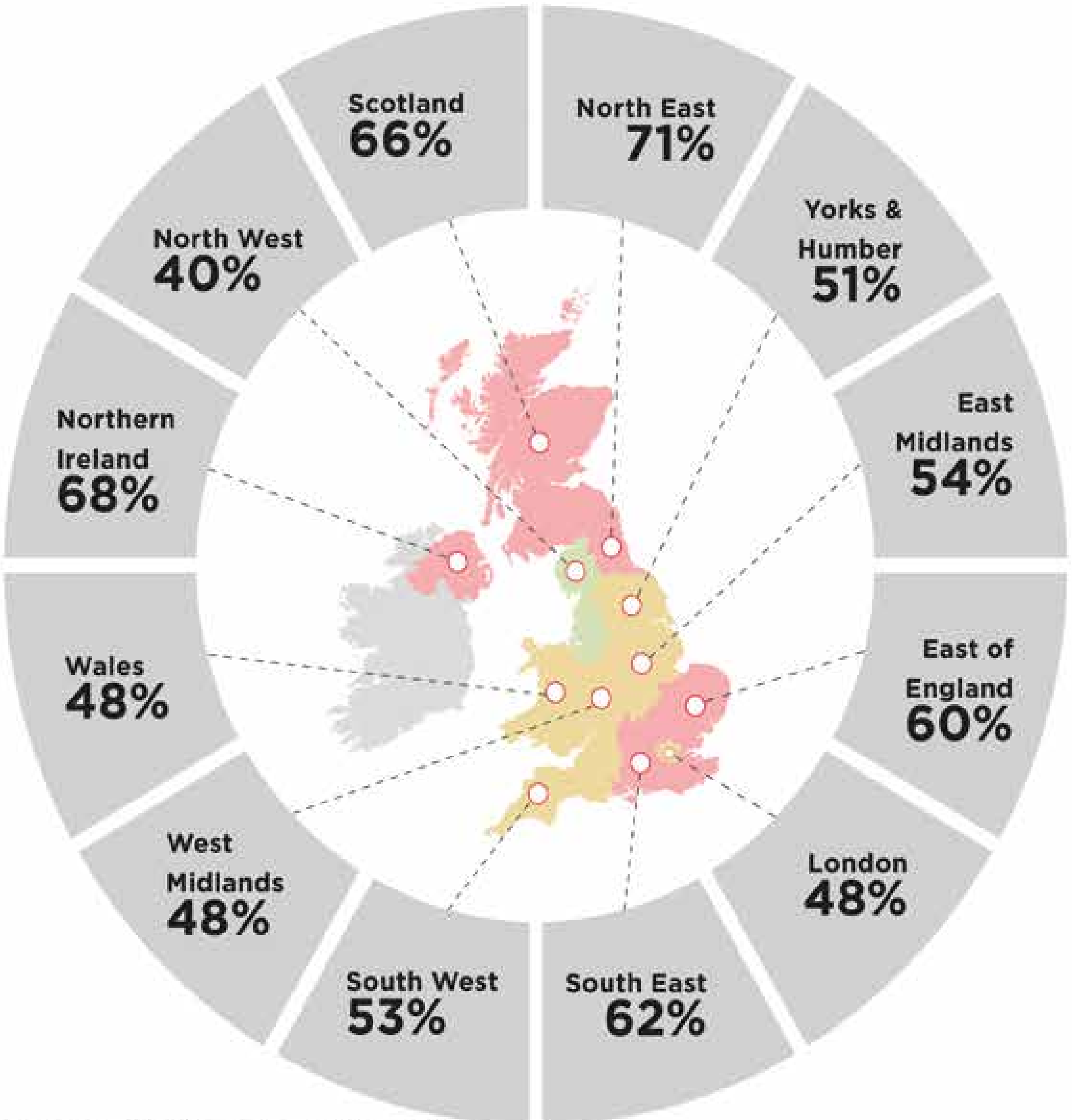
INFLATION AS A CONCERN

In Q3 2021, the balance of manufacturing firms expecting prices to increase over the next three months rose to its highest level on record. Furthermore, when asked which factor was more of a concern to their business than three months ago, 'inflation' is now cited as the top answer. 52% of firms overall and 62% of manufacturers cited this as a concern above other factors listed including 'interest rates', 'exchange rates', 'business rates', 'competition', and 'taxation'. This is the highest since records began for this indicator in 2009.

The below chart shows the geographical breakdown of the percentage of firms citing inflation as an external factor of concern.



"We have pushed an immediate 8% price increase through but feedback from retail is that this is the median of increases expected from all suppliers who import into the UK due to high (very high) shipping costs."

Small retailer in Kent

"The biggest problem is the increase in sea containers from China which have increased for a 40 foot container from ~£2,100 last year to ~£15,000 this year."

Micro retailer in Lincolnshire

"We have experienced dramatic increases in many raw materials the most concerning of which are steel products which in some instances have risen by more than 150%"

Mid-sized construction firm in Aberdeen

"we're missing out on growth due to customs, increased costs and border delays. We're also seeing massive increases in costs for raw materials, shipping container costs and huge delays in transit times from China."

Micro retailer in East Lancashire

"Out of control and still rising container shipping prices are having major impact on our business. We have no choice but to pass these costs on to industrial buyers resulting in higher final product prices across wide spectrum of industries. Major inflation seems inevitable from our perspective."

Small services firm in Kent

The ABCC thanks BCC for permission to publish this extract from their Quarterly Economic Survey of UK businesses. **www.britishchambers.org.uk**

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