

# UAE weathers global financial storm – FCCI

12 April 2009

The UAE economy navigated safely and confidently through the rough sea of the 2008 global financial crisis which rocked most of the world economies, according to a report by the UAE Federation of Chambers of Commerce and Industry (FCCI)

“The UAE economy has made economic gains in various sectors despite obstacles the global trade faced in terms of non-oil exports and imports,” said Salah Al Shamsi, chairman of the FCCI, in the federation’s 2008 report.

“Despite the diverse impact of the global financial meltdown on world economies, the UAE has managed to contain the crisis by taking a set of economic, financial and monetary precautionary measures which cushioned the domestic economy,” the report said.

Among these is the Dh120billion pumped by the UAE government into the banking sector to maintain liquidity, fund vital projects and ensure the growth of national economy.

The report said the private sector contributed 39%, or Dh50billion to gross domestic product in 2008.

According to preliminary data, GDP grew by 13.8% in 2008 to Dh929.4billion while GDP per capita was projected to grow 7.1% at current prices to Dh143,000. The oil sector surged by 24.2% to Dh305.5billion in 2008 from Dh246billion in 2007, the report indicated.

Industry figures showed that Dh72billion was pumped into manufacturing industries as part of a policy to diversify the economy and lessen reliance on oil revenues, following huge declines witnessed in the last quarter of 2008.

The report noted that the construction sector continued its robust performance in the first half of 2008. The sector implemented projects worth Dh1.100 billion which were motivated by surging demand for residential and commercial units.

Tourism’s GDP contribution rose from 22.6% to Dh282.2billion in 2008 from Dh144 billion in 2007