



BUSINESS IN ABU DHABI

Is art the new oil? **Rose Dykins** reports on how the emirate's diversifying economy is enticing the local Emirati workforce

When you are given a blank canvas, you can set your imagination free," reads a phrase from the video at "The Saadiyat Story" exhibition at Abu Dhabi's Manarat Al Saadiyat museum. Scenes flash by of Emirati architects and landscapers hard at work developing Saadiyat Island, followed by clips of traditional musicians performing at contemporary venues, and idyllic images of baby turtles crawling across pristine sand with luxury beach resorts in the background. The message is clear – Abu Dhabi has big plans for the future, but not to the detriment of its culture and environment.

Though there have been significant delays to starting construction, the design of the emirate's three major upcoming museums – all of which will be located in Saadiyat's cultural district – reflect this ethos too. The Jean Nouvel-designed Louvre Abu Dhabi (pictured) will have a domed roof with traditional Arabic patterns cut into it, allowing scattered light into the space below – the hotly anticipated gallery is due to open its doors in 2015.

The five steely towers that protrude from the Norman Foster-designed Zayed National museum – each one curved to mimic a falcon's wing – will represent the five pillars of Sheikh Zayed's vision for his country, and will be surrounded by a lush park, a testament to the late president's passion for preserving the natural landscape. The venue will present exhibitions about Emirati culture, and will open in 2016.

Lastly, the Guggenheim has been designed by Frank Gehry and is modelled on *barajeel* (Arabian wind towers), echoing the cooling systems of traditional housing. A surreal-looking structure composed of irregular silver and gold shapes, it is set to open in 2017.

The heavy investment in art and culture on Saadiyat is part of Abu Dhabi's push to attract a greater number of tourists. "We are definitely seeing a positive shift towards culturally inclined travellers who are looking for high-end experiences," says Jasem Al Darmaki, deputy director-general of the Abu Dhabi Tourism and Culture Authority (tcaabudhabi.ae/en). "The cultural segment has a defining role to play when it comes to sustainability."

Although the names "Louvre" and "Guggenheim" have been taken, these museums will not just be extensions of the Parisian and New York institutions, but galleries in their own right with their own collections that they have sourced. The reason these brands were adopted was to indicate the calibre of the international artwork they will house and to, hopefully, mark Abu Dhabi out as a must-visit destination.

While there are teams of curators in both Abu Dhabi and Paris working on acquiring a permanent

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Pictured:
Jean Nouvel's
Louvre Abu Dhabi

collection for the UAE's Louvre, it's the Emirati team that has the final say. It's also a firm priority to make sure that Emiratis are staffing and leading the museum themselves, and that local citizens feel engaged with the cultural landmarks on their doorstep.

And it appears that they already do. Last year, Abu Dhabi Art – the capital's annual contemporary art fair, now in its fifth year – saw 50 international galleries display pieces at Manarat Al Saadiyat. It attracted an unprecedented amount of visitors (22,000), a large number of whom were Emirati nationals – a panel discussion alone, with Nouvel, Gehry and Foster, drew in a crowd of 1,000 spectators. "Just because there's not a history of high art here, it doesn't mean that there's not an appetite for it," an Abu Dhabi Tourism and Culture Authority spokesperson says.

Local Emiratis see public-sector jobs as more attractive

the private sector continues to be dominated by expats.

It's been identified as something that could hinder Abu Dhabi's economic progress in the future. Last year, despite boasting GDP growth of 7.7 per cent, the Statistics Centre Abu Dhabi (scad.ae) revealed that the unemployment rate was 11.9 per cent among nationals (in the UK, it is 7.7 per cent). A gap has been acknowledged between the needs of the labour market and the educational skillset of young Emiratis and, with a finite number of public roles they can compete for, this is a key factor in the unemployment rate.

Abu Dhabi's oil supply remains the backbone of its economic success – last year, oil accounted for 56.5 per cent of the emirate's GDP. Since its reserves of black gold are only forecast to last for the next 150 years, the emirate has put together a back-up plan. Abu Dhabi's *Economic Vision 2030* states: "The emirate's drive for a

initiatives have been implemented to inspire young Emiratis to consider careers in industries that they may have had a negative perception of, by enlisting the help of private-sector companies to offer grants, training or even employment. A law has also been in place for a few years that dictates that Emiratis must make up at least 1 per cent of employees in a company.

"The UAE has to get its young workforce employed – not everyone can just create a government job," says Doris Greif, general manager of the Jumeirah at Etihad Towers hotel. "There's a need to provide role models – here at Jumeirah, we have a couple of great Emirati ladies working for us. One is the director of human resources, and she publicly says: 'Look, this is a great job.' I think word of mouth here is far more important than advertising in the papers. It will take a little bit of time, but I think we are en route to making it a bit more popular."

Pep Lozano, general manager of the Ritz-Carlton Abu Dhabi Grand Canal, says: "We have hosted some career days where Emiratis have come to get a sense of

emerging markets in India and the Indian subcontinent – we're looking forward to the completion of our equity investment in Jet Airways."

Work has begun on the new Midfield Terminal at Abu Dhabi airport – due for completion in 2017, it will boost capacity to 30 million passengers per year. In the meantime, to handle the ever-growing influx of passengers at the existing facility, Knight says the airline is working with the airport to "develop the terminal structure, which will enable us to accommodate our growth between now and 2017".

This will include streamlining customs and security. He says: "We're also implementing a US pre-clearance facility towards the end of the year. People transiting will be able to clear customs and immigration here, so that when they arrive in the US they'll be arriving in the same way as domestic passengers."

As part of its plan to attract international business travellers and target overseas investment, in May, the government announced the establishment of a new financial free zone. Named Global Marketplace, the



From left: Guggenheim museum; Abu Dhabi Art fair; Zayed National museum



AN EXPAT PERSPECTIVE

"I lived in Abu Dhabi for seven years and worked as a general manager of a construction company. Setting up a company out there was an incredibly bureaucratic experience – it took us four to five months to do it. Working in construction was amazing – you would never work on projects in the UK that were the size of those in the Middle East – but sometimes you did wonder, 'Do they need this?'"

"Giving 51 per cent of my business to an Emirati partner worked for me. You always have side agreements, and you give that percentage of ownership, not the profit. We

were sponsored by a sheikh, and he gave us all control of the business – as a lot of Emiratis will. In reality, all they are is a name on a bit of paper and they get a retainer or a percentage of the payment.

"Within the expat community, everyone tries to help each other because it's a transient society. If something goes wrong, you don't have a family network around you, so everyone is there for each other in both a business and a social sense.

"Living in Abu Dhabi can be like living in a village, it's such a small place. You could be having a discussion with a client on Thursday afternoon and then on Friday morning you're sitting around the pool with him having a beer, or bumping into him in the supermarket – you can't hide."

As Abu Dhabi matures, its modern art scene is evolving to include both established international and emerging homegrown talent. "There are more and more local artists coming forward," says Michelle Farrell, exhibitor relations manager for Abu Dhabi Art. However, ensuring that Emiratis are involved in the management of their own cultural institutions for generations to come is a challenge that the government now faces.

There are a variety of other areas, too, such as hospitality, law, banking, research and technology, where Emiratis are under-represented in the national workforce. With a total population of 2.5 million (the vast majority being expats), only 8.7 per cent of private-sector jobs in Abu Dhabi are held by Emiratis, 92 per cent of which are office or administration posts. This is because public-sector jobs are seen by nationals as more attractive – they generally offer shorter working hours, bigger salaries, and a sense that it's the "thing to do", as

more sustainable and diversified economy is intended to reduce the relatively high dependence on oil... The aim is to reach equilibrium in non-oil trade by 2028... Human capital will be enhanced through the improvement of education, training, and other methods to improve both the employability of nationals and the productivity and competitiveness of the workforce."

Aims such as reducing unemployment among the national population to 5 per cent by 2030, and expanding Abu Dhabi's economic performance in sectors other than oil are also mentioned. These fields include metals; aviation, aerospace and defence; pharmaceuticals, biotechnology and life sciences; tourism; healthcare equipment and services; transportation, trade, and logistics; education; media; finance; and telecommunications.

As a step towards realising its vision, 2013 has been crowned the year of "Emiratization". Government

what it's like to work here. And from these we already have some candidates for jobs. I think there's a much higher interest from nationals in careers in the tourism sector than there used to be."

Abu Dhabi's national carrier, Etihad, also plays a crucial part in Emiratization. Kevin Knight, chief strategy and planning officer for the airline, says: "It's a big focus for us. Our job is to develop this business and the capabilities of Emiratis so they can run it and take it over – it's their airline. We have graduate management schemes, as well as pilot and engineering programmes for nationals."

Etihad's rapid expansion illustrates how Abu Dhabi is continuing to work towards opening up the emirate to the rest of the world. "We're fortunate that we're seeing growth across the whole network," says Knight. "Our expansion in South America is going very well and we're well-positioned to take advantage of some of the

Abu Dhabi has established a new tax-free financial free zone

114-hectare, mixed-use development is located on Al Maryah Island, between downtown and Saadiyat, and is planned to be the city's new central business district. It will offer foreign business owners a tax-free environment for the next 50 years, and will allow them to own 100 per cent of their company (in general, foreigners in Abu Dhabi cannot own more than 49 per cent of a business and require a local Emirati partner – see panel above).

Ultimately, the emirate's aspirations are about balance. Adopting cultural landmarks from European countries does not mean it is simply importing what it doesn't have – it's also about communicating its own culture to the rest of the world. Equally, the Emiratization of Abu Dhabi is not about keeping foreigners out – it's about ensuring that national citizens are able to play an active part in it for years to come.

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