China's trade with the UAE	$19bn	41%	750	500	3
	The value of trade last year	The amount China-UAE trade rose last year	The number of exhibitors at this year's trade show	The number of exhibitors at last year's trade show	The number of days the trade show will run

Economy // Trade

Chinese commerce blasts off

The UAE is China's biggest GCC partner

A Dubai trade show is the coming-out party for a country that insiders have long respected

Rania Abouzeid

DUBAI // Jaffar Almahdi scrupulously examined the row of shiny mobile phones on display at one of the several hundred booths at the China Sourcing Fair, before leaning in to pick up a slender pink model.

The Dubai-based Emirati businessman has been stocking his IT and mobile phone company, Innovation 4 You, with Chinese electronic products for more than five years. The managing director added that he travelled to China four times a year to meet up with suppliers.

"I go to find anything innovative, new products, something that will boost our market," Mr Almahdi said, as he eyed other booths at the trade fair in the Dubai International Exhibition and Conference Centre.

And he is not alone. The UAE has become China's largest trading partner in the GCC. Last year, bilateral trade broke the US$19 billion mark (Dh69.7bn), an annual surge of 41 per cent.

The total value of trade between China and the greater Middle East last year was $69bn, up from $51.3bn in 2005, the Chinese Ministry of Commerce reports.

The fast-growing economic ties between the two regions have been largely fuelled by oil imports from the Gulf, with Chinese electronics and home products moving in the opposite direction.

Mike Bellamy, the China operations director of the US-owned assembly and inspection company, PassageMaker, said that in addition to conducting more business in China, Middle Eastern traders were also increasingly cutting out the middlemen and dealing directly with Chinese manufacturers and suppliers.

"I'm seeing more and more faces from this part of the world going factory-direct," said Mr Bellamy, an American businessman who has worked in China for a decade. "Before, they might have used an intermediary or a Hong Kong broker, or a Taiwanese middleman, but now people from this part of the world are on the ground in China."

But Mr Bellamy had some cautionary advice for prospective traders.

"Start thinking about intellectual property before you buy in China. The same is true with quality control," he said. "Everyone knows you go to China for the price, but after you find a decent price how do you guarantee that your products will be shipped out of the country to the quality you desire, without having your supplier become your competition?"

The key, he said, was to register intellectual property concepts in China and vet prospective suppliers to ensure that their manufacturing processes were appropriate, "before asking for quotations".

"But you have to give the Chinese credit," Mr Bellamy added. "They've become sophisticated manufacturers in a short period of time. They're out there courting the business, they're coming to trade shows here in Dubai."

> ***China was important before and it continues to be an important market. If you look at the IT and mobile industries, they're 90 per cent made in China***
>
> *Jaffar Almahdi managing director, Innovation 4 You*

Straight to the point: Mike Bellamy (left), the China Operations Manager for Passage Maker, sees the Middle East 'going factory-direct'. Randi Sokoloff / The National

The three-day trade show, which was organised by Global Sources, a Hong Kong-based trade publisher that opened its first Middle East office in Dubai last year, is scheduled to end today.

This year's fair drew 750 exhibitors, 250 more than last year, organisers said, and attracted traders from the GCC, Europe, Africa and as far afield as Australia.

"The people who are coming to the show are here to sit down and do business," said Bill Janeri, the general manager in the Middle East for Global Sources. "[They are here] to sign contracts."

Mac Gangam, the overseas manager for MR, a Chinese-based LED display manufacturer, said that he was looking for a partner in the UAE.

"We already have businesses in Kuwait, Iran and Qatar, but we're looking for somebody to provide our products here," he said.

The Middle East accounted for about 10 per cent of his company's business, Mr Gangam said, a figure he was hoping to increase by five per cent this year.

David Xiao, an associate sales director at the Hong Kong-based electronics company, THTF, said that his television and mobile phone manufacturing company was doing very well in the Middle East.

"For TVs, it's roughly 250 per cent growth in the Middle East from 2007, compared to 2006," Mr Xiao said.

"Our business in the UAE was started two years ago, but business is booming year by year," he said. "It's not so big, roughly $10m. Hopefully this year it could be $20m."

Such growth figures do not surprise Mr Almahdi. "China was important before and it continues to be an important market. If you look at the IT and mobile industries, they're 90 per cent made in China. It's more important not only to my company, but to all companies."

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Transport // Regulations

New visa rules won't hit tourism

But some will have to pay Dh500 to visit family for a month

Amena Bakr

Show me the money: tourism analysts fear the loss in revenue fleeing visitors could bring. Randi Sokoloff / The National

The new, tightened UAE visa regulations that will come into effect in August will not affect regular tourists, a spokesman for Dubai Tourism and Commerce Marketing (DTCM) said yesterday.

Citizens of the 33 nations that are currently on the exempt list would not be affected by the changes, while non-exempt nationalities would continue to pay Dh100 (US$27) and book through a hotel or travel agency, as under existing rules, said the spokesman.

"The Dh100 was always the case for tourism visas; the new regulation only changes if you wish to come as a visitor and stay with a friend or family member," he added.

Starting from August 1, visitors to Dubai will have to pay Dh500, instead of Dh220. "We don't really deal with visitors visas. We only deal with tourism visas and so far we have not received any notification that the process for the tourist visas are changing," said the spokesman.

medical insurance details going to be assessed? I'm sure that such arbitrary visa requirements will deter

which was "currently being assessed... for progression during the second half of this year".

Visa requirements

Tourism // Carbon

Hotels to help Dubai breathe easier with lower CO_2 output

Amena Bakr

Dubai hotels have welcomed a plan to reduce their carbon dioxide emissions by 20 per cent by the end of 2011, which will help offset dramatic hikes expected in their energy costs.

The Department of Tourism and Commerce Marketing (DTCM) and Farnek Avireal, a Dubai facilities management company, unveiled the DTCM Environmental Awareness Programme during a three-day hotel conference in Dubai that ended yesterday.

"We want to create a partnership with Dubai's hotels, their engineers and energy providers," said Sheikha Ebrahim al Mutawa, the deputy director of business development at DTCM. "It is not compulsory to join, but reduced carbon emissions mean lower energy costs, so there is clearly a financial incentive as well as an environmental one."

The announcement follows the introduction of new tariffs by the Dubai Electricity and Water Authority (DEWA) in March. The new tariffs would mean a dramatic increase in energy bills – about Dh4.5m – which were already up

programme to save the environment," said Saeed Khan, the engineering director at JW Marriott.

He said that he found the programme's objective feasible, given that hotels in Dubai had some of the largest carbon footprints in the world.

The Jumeirah Group said it had already appointed a consultant to measure its carbon footprint, and a taskforce with representatives from key divisions to find ways to minimise it.

Fairmont was also interested in joining the environmental plan.

A study earlier this year by Farnek Avireal revealed that Dubai hotels had carbon emissions that were more than double those of their counterparts in Europe. Dubai hotels emitted 6,500 tonnes of CO_2 per year, compared to 3,000 tonnes for those in Europe.

The study also found that guests at Dubai hotels consumed 225 per cent more power than those in Germany.

"The combined output of CO_2 from Dubai's 300 hotels is approximately 500,000kg," said Markus Avireal, the general manager at Farnek Avireal. "We estimate that hotels can save be-