

The emirates that make up the UAE have a long history of international trade and commerce. As early as the 15th century, sailors from the emirates were making commercial voyages to India and along the coast of East Africa as far south as Mozambique. This tradition lives on today: the UAE boasts one of most modern transportation infrastructures in the world and has plans to spend billions of dollars to make it even better. Its strategic geographic location and business-friendly free zones have made the UAE a preferred shipping centre for East-West commerce, while the country's world-class airports and dynamic airline industry are fueling the tourism sector, facilitating business contacts, and creating a global hub for international aviation.

Ras Al Khaimah was already important for international trade five to six hundred years ago when it was a major hub for shipping between the Arab peninsula and Asia. It was even the birthplace of the famous navigator Ahmed bin Majid who was the author of a famous treatise on sea navigation and who showed the Portuguese the route from the eastern coast of Africa to India in 1498 and thus helped them to open marine trade routes between Asia and Europe. This tradition lives on and due to its location and well-developed transport infrastructure; Ras Al Khaimah can serve as a logistics hub for both the UAE, the Gulf and beyond.

### Ports and Shipping

Abu Dhabi and Dubai currently have the largest ports, but the other emirates are also expanding their port facilities.

Abu Dhabi's Mina Zayed port has historically been the UAE's main general cargo port, and the UAE's significant exports of oil and gas also pass through several port terminals. From 2011 Abu Dhabi expects to have a new port, Khalifa Port, capable of handling nearly three times the tonnage of Mina Zayed.

Dubai is already the world's ninth largest container port and its two principal ports – Port Rashid in Dubai City and Jebel Ali to the city's south – have been key factors in the UAE's growth as a transshipment hub. The Jebel Ali port traditionally handles bulk cargo and industrial material and primarily serves the Jebel Ali Free Zone. It is the UAE's busiest port and the largest man-made harbour in the world. To meet rising demand, a multi-phased expansion of Jebel Ali will result by 2020 in a port with 82 berths, 125 portside cranes, and a capacity to handle more than 21 million containers per year.

The Emirate of Sharjah has two major ports; Port Khalid can handle deep-water vessels and is adjacent to the Sharjah Airport Free Zone and the Hamriyah Free Zone. The Port of Khor Fakkan, the only natural deep-water port in the Emirates located on the coast of the Indian Ocean, is a dedicated container port. Recent expansion projects by the Government of Sharjah enable Khor Fakkan to handle the world's largest container ships.

Ajman Port, which serves the Ajman Free Zone, was recently dredged to handle deeper vessels. It has eight berths and two dry-docks for ship repair and maintenance.

Fujairah Port also expanded its fuel storage facilities to 12 million tons of fuel oil per year, making the port the world's second largest fuel storage facility in the world (behind only Singapore, and ahead of Rotterdam). Umm Al-Qaiwain has a four-berth deep-water port adjacent to its free trade zone. The FTZ offers such incentives to investors as 100 per cent foreign ownership, no sponsorship requirements, and no customs charges or export taxes.

### The Ports of Ras Al Khaimah

Saqr Port or Mina Saqr, located next to the RAK Free Trade Zone's Industrial Park, handles almost 90 per cent of the UAE's cement exports. It is the first port vessels encounter when passing through the Straights of Hormuz to enter the Gulf and thus is convenient for the distribution of imported goods to other countries of the GCC, especially to Iran, as its major port Bandar Abbas is only 70 miles from Saqr Port.

The port handles containers, general cargo, heavy lifts and bulk products such as cement, stone, marble and gravel. It accommodates ships up to 12 metre drafts and offers chandlery service and diving.

Kuwaiti firm KGL Ports International was awarded an AED 165.15 million (USD 45 million) contract to build, operate and manage the container terminal at Port Saqr in 2004. The contract, which expires in 2025, involves the investment of AED 55.05 million (USD 15 million) to build berths 8 and 9, AED 14.68 million (USD 4 million) to reconstruct berths 1, 2 and 3, and AED 11.01 million (USD 3 million) to build additional facilities for the port, including the roll-on/roll-off (ro-ro) berth. Another AED 84.41 million (USD 23 million) will be spent on equipment.

The recently-opened (2003) Al Jazeera Port located south-west of downtown Ras Al Khaimah, in the direction of Sharjah and Dubai, is mainly used for bulk cargo (aggregates) but has the potential for the development of a container terminal too. The port currently has 7 jetties and is being dredged to the depth of 9 metres. It offers open storage, berthing, bunkering and ship chandlery. The port will also focus on ship repair and maintenance services.

Ras Al Khaimah Customs and Ports Department has already spent AED 30 million (USD 8.17 million) to build a new 303-metre quay at Ras Al Khaimah Port which is located in the city of Ras Al Khaimah. The second phase will see the construction of a 400-metre berth at a cost of AED 28 million (USD 7.62 million). Work has also begun on warehouses, including two cold storage facilities and an accommodation block for port employees. The port allows transportation of general cargo and livestock and has draft up to 10 metres.

Approval was given in 2006 for construction of Ras Al Khaimah's fourth port at Al Jeer, north of the emirate at a total cost of AED 30 million (USD 8.17 million). The new port will have a 270-metre quay and will be dredged to 6 metres.

## Airports and Aviation Services

The UAE is now experiencing an airport boom fuelled by the growing economy, the expanding tourism industry, and the country's dynamic young airlines, which are successfully extending their route systems across the globe. The fact that two billion people live within four hours flying time from the UAE makes the country a strategic passenger transport hub. During the coming 20 years, the UAE is planning to spend at least AED 20 billion on airport expansion and modernisation.

Abu Dhabi International Airport handled over six million passengers in 2006. An AED 8 billion expansion program will bring new runways, passenger terminals and cargo facilities. By 2010, Abu Dhabi International will be able to handle 20 million passengers and two million tons of freight per year.

Dubai International Airport, the Middle East's busiest, handled over 25 million passengers in 2006, flying on 113 airlines to over 160 global destinations. An ongoing expansion project, including new terminals and concourses for Emirates Airlines, will bring ultimate capacity to 70 million passengers. Cargo handled by the airport's "Cargo Village" approached 1.5 million tons in 2006, and that number is expected to grow significantly in the next few years.

Construction of the Dubai World Central International Airport near Jebel Ali on the other side of the city is under way. Once completed, the airport will be the world's largest passenger and cargo hub with a design capacity of over 12 million tons of cargo and over 120 million passengers annually. Adjacent to it is the Dubai Logistics City, designed to handle 12 million tons of air cargo annually.

Sharjah International Airport was recently expanded to handle up to eight million passengers per year, and new warehouses were added to the cargo area. Passenger traffic increased 36 per cent in 2006 – due in large part to the expansion of Air Arabia, the Sharjah-based budget airline that began operations in 2003. Using Sharjah International as its hub, Air Arabia already offers discount flights to 18 countries, from Sri Lanka to Turkey.

In early 2008, Ajman announced plans to build its own airport by 2011.

## Ras Al Khaimah International Airport and RAK Airways

The Ras Al Khaimah International Airport opened in 1976 and has one of the longest runways in the Gulf region – 3,600 metres. The airport is open 24 hours a day and has no restrictions on frequencies and time of arrival and departure. It handles some 700 flights per month to and from a variety of destinations in the Middle East, North and East Africa, Central Asia and India.

The Ras Al Khaimah government is spending AED 272 million to expand RAK International Airport in anticipation of increased tourism traffic in coming years. With interest in Ras Al Khaimah as a tourist destination gaining momentum, traffic rose by 124,000 passengers in 2006 to more than 200,000 passengers in 2007. The airport handled 11,600 tons of cargo in 2007.

RAK Airways began operations in 2007 and aims to serve 13 international markets by 2010. It has two passenger and seven cargo aircrafts. It has regular flights to India, Bangladesh and Sri Lanka and plans to open routes to Saudi Arabia, Egypt, Jordan and Syria.

## Cargo Traffic at UAE Airports, September 2006 - September 2007

Airport	Total cargo handled, tonnes	Change on previous year
Abu Dhabi	309,946	27.8%
Dubai	1,627,764	11.6%
Fujairah	29,876	11.7%
Ras Al Khaimah	9,469	0.8%
Sharjah	290,854	11.4%

## Road Transport

The UAE's road network has registered 100 per cent growth over the last six years. According to the International Road Federation, the UAE has added well over 500 km of roads since 1997. The total length of roads (outside of towns and cities) thus exceeds 1,000 km. All seven emirates and major towns and cities are linked by modern dual carriage motorways which are often fenced and have street lighting along the entire length.

Emirates Road which connects all emirates of the UAE federation except Fujairah has had a huge impact on traffic in the UAE. Currently, Emirates Road is extended to the Oman border north of the city of Ras Al Khaimah.

Ras Al Khaimah now has an excellent road connection to all parts of the UAE federation, as well as the neighbouring Oman. The most important connection to Sharjah and Dubai has been shortened to some 45 minutes by the new Emirates Road. The old dual carriageway along the coast and smaller roads in the desert interior provide alternative routes.

The emirate is implementing an ambitious road development programme to upgrade its road infrastructure with an estimated investment of AED 2 to AED 3 billion. Plans are in place to upgrade the emirate's road network to cater to a predicted population of 500,000 - 600,000 by 2015. The government has prepared a RAK Road Network Development Strategy, which is designed to cope with the proposed growth plans for the entire emirate. Apart from the proposed extension of Emirates Road, the other development plans include creation of new highways, widening of existing roads, building of flyovers and improving congested junctions. It would also include development of the Siji to Shokah road and RAK Coastal Road as well as building the new Al Jais Mountain Road. The Road Improvement Programme has been drawn up on the basis of a transportation and traffic study commissioned by the Government of Ras Al Khaimah last year.

There is significant activity in the free trade zones near the ports and the airport. The Government of Ras Al Khaimah has unveiled plans to develop a modern logistics park located near the fast-growing industrial zone in Al Jazeera Al Hamra, a development that will substantially enhance the emirate's logistics infrastructure.

The development which includes an inland container depot and warehousing space is the first of several potential developments targeting the cargo sector. For example, RAK Global Logistics is planning to establish a one-million square metre RAK Logistics City.