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# The UAE Playbook

# STRATEGY AND OPPORTUNITY IN TIMES OF UNCERTAINTY

Lessons from the past  
UAE Crisis Management



# The “UAE Model”: **OPERATING THROUGH RESILIENCE**

The current regional context is creating a phase of uncertainty, with visible impact on logistics, supply chains and overall business sentiment across the region.

At the same time, the UAE has historically demonstrated a robust ability to adapt and respond to external shocks, by leveraging its status as a global business hub.

This intersection of short-term disruption and structural stability often creates unique entry points for companies capable of strategic positioning. Based on previous cycles—such as the 2008 financial crisis and the COVID-19 pandemic—

the government consistently adopts targeted actions to maintain market attractiveness and support business continuity.

This combination of short-term disruption and structural resilience has ensured the ability to overcome challenging moments, turning crises into opportunities for companies able to navigate the market with the right timing and positioning.



## Latest from the Government

*DUBAI: An AED 1 billion support package approved for Dubai's business sector:*

- **Customs relief** (grace period extended from 30 to 90 days)
- **Fee deferrals across sectors** (government fees, tourism dirham, hotel sales fees – up to 3 months)
- **Simplified residency procedures** (faster and easier visa processing for talent)

*Announced by HH Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai on the March 30th*

*ABU DHABI: resilience-focused approach to support business continuity and economic stability:*

- **Operational continuity measures** (ensuring uninterrupted activity across key sectors)
- **Liquidity support via the banking system** (facilitating access to credit and financial flexibility)
- **Emergency preparedness investment** (AED 100M to strengthen national resilience)

*Announced through coordinated government and institutional actions in response to current geopolitical developments*

# INSIGHTS FROM PREVIOUS CYCLES

Based on historical data, the UAE government typically introduces specific flexibilities to support business continuity.

FOCUS AREA	OBSERVED ACTIONS IN PREVIOUS CYCLES	STRATEGIC OPPORTUNITY
Business Setup	Fee reductions and more flexible setup conditions (implemented across free zones during COVID-19, 2020)	Easier market entry
Regulatory	Increased flexibility in licensing and permitted business activities (COVID-19, 2020)	More room to adapt
Operations	Introduction of remote and more flexible operating models (COVID-19, 2020)	Lower operating constraints
Workforce	Visa extensions and greater workforce mobility (COVID-19, 2020; labor flexibility measures post-2008)	Stronger workforce continuity
Financial	Liquidity support and facilitated access to banking services (SME support measures post-2008; targeted support in 2020)	Reduced financial pressure
Licensing	Extended renewal deadlines and more flexible processes (2008 and COVID-19, 2020)	Reduced risk of operational disruption
Sector Focus	Targeted support for strategic sectors aligned with national priorities (notably reinforced in 2020)	Clearer areas to invest in

## How to Adapt

# SOME STRATEGIC SECTORS ARE EXPECTED TO ACCELERATE DUE TO NATIONAL PRIORITIES AND SHIFTING REGIONAL DEMANDS

In the UAE market, foresight is a competitive asset: knowing what to expect enables the right timing to capture early-mover advantages.

## **Defense and security sectors are becoming crucial**

### ***Market context now***

- The UAE defense budget is expected to reach \$30.2 billion by 2030 (SIPRI).
- EDGE Group, UAE's leading advanced defense technology group, maintains a \$12.8B order backlog (SIPRI / company disclosures).
- The demand for counter-drone systems, cybersecurity and critical infrastructure protection is increasing.

### ***Actions to Gain Advantage***

- Position with key local players (EDGE ecosystem, contractors, gov entities).
- Explore joint ventures, supply agreements or technology partnerships within the locale ecosystem.
- Enter early in security and infrastructure-related projects

## **Energy routes are becoming central to the global landscape**

### ***Market context now***

- UAE maintains a pipeline capacity 1.5–1.8M barrels/day bypassing the Strait of Hormuz (UAE Energy Ministry).
- Increased reliance on alternative export routes like the Green Corridor with Oman and the overland corridor from Khorfakkan to Dammam.

### ***Actions to Gain Advantage***

- Building a position in energy logistics, storage, and infrastructure.
- Explore opportunities in Fujairah and related hubs.
- Align with projects linked to energy resilience.

## **Capital are reallocating across the region**

### ***Market context now***

- UAE expected ~9,800 HNWIs net inflow in 2025 (Henley Private Wealth Migration Report 2024).
- Over \$1.2T+ assets under management in Dubai ecosystem (DIFC / industry estimates).
- Continued capital inflows despite regional instability.

### ***Actions to Gain Advantage***

- Positioning to connect capital with opportunities (UAE ↔ Italy).
- Engaging investors seeking deployment in new markets.
- Structuring early cross-border partnerships and investments.

## **Digital infrastructure is becoming a key enabler in unstable environments**

### ***Market context now***

- Regional instability is increasing exposure to cyber risks and operational disruptions across infrastructure and logistics systems
- UAE is accelerating investments in sovereign cloud, data localization and AI infrastructure to ensure continuity of services
- Growing need for real-time monitoring and decision-making systems across key sectors

### ***Actions to Gain Advantage***

- Position in AI-driven monitoring and operational continuity solutions
- Partner with local platforms and government-backed ecosystems
- Develop solutions for real-time risk management and decision-making

## **Trade disruptions are reshaping regional logistics dynamics**

### ***Market context now***

- Ongoing tensions are forcing vessels to reroute away from high-risk corridors, increasing pressure on alternative hubs
- Over 500 vessels impacted by delays or rerouting in the region
- Freight costs remain elevated across key routes

## ***Actions to Gain Advantage***

Position in alternative routing, warehousing and distribution hubs  
Build presence in secondary ports and inland corridors  
Offer solutions for supply chain resilience and route optimization

## **Strategic Recommendations for Market Entry**

Evidence from previous disruptions suggests that market entry barriers are often lower during phases of uncertainty.

- **Phased Entry:** Structuring entry through local partnerships allows firms to test the market before scaling heavy investments.
- **Infrastructure Alignment:** Aligning business activities with projects linked to energy resilience and national security provides a clearer investment path.
- **Digital Integration:** Transitioning toward edge computing and distributed data structures addresses critical infrastructure needs during periods of high demand.

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