



TELECOMMUNICATIONS MARKET SNAPSHOT: UNITED ARAB EMIRATES (UAE)

Key Statistics

Population	5,148,664 (July 2010 est.)
GDP	\$199.8 billion (2010 est.)
Per capita GDP	\$40,200 (2010 est.)
Main lines	1.561 million (2009)
Teledensity	34% (2008)
Mobile subscribers	11.891 million (2010)
Mobile penetration	209% (2008)
Internet users	3.449 million (2009)
Internet penetration	65% (2008)
Broadband subscribers	761,901 (2010)
Spending on telecom equipment and services	\$6.12 million (2010 est.)
U.S. equipment exports to market	\$324 million (2010 est.)

Sources: CIA World Factbook, USITC, Worldwide Black Book, WB, and BMI

Market Overview

The UAE has the highest mobile penetration rate in the Middle East and most residents own two mobile phones, which means there is a great opportunity for operators. Currently, the mobile market is dominated by Etisalat, which held 64.2% of the market in 2010, and Emirates Integrated Telecommunication Company (du), which held 35.8%. 3G has been available in UAE since 2004, but use of this service really increased in 2007, when Etisalat waived all access fees for 3G. In 2011, Etisalat signed an agreement with Alcatel-Lucent to deploy an LTE network across the nation. Meanwhile, du plans to launch commercial femtocell services through a deal with Alcatel-Lucent as well.

While there has been growth in the broadband market, the increasing use of mobile internet access has recently caused an unexpected fall in the number of broadband subscribers. By the end of 2009, 49% of internet subscriptions were broadband. The broadband market is served by Etisalat and Du. Separate broadband and dial-up figures are not provided by either of these operators. In 2008 and 2009, Etisalat brought Fibre-to-the-Home (FTTH) to the UAE. The aim was to connect the entire city of Abu Dhabi to fibre by mid-2009. This plan was very ambitious as it would make Abu Dhabi one of the first cities in the world to be fully connected by FTTH and the first city and capital in the Middle East to have full FTTH connectivity. By the end of 2009, 60% of the city has been covered.

The fixed line market has been seeing a decline with both du and Etisalat losing subscribers. The UAE government has not opened the fixed-line market to foreign companies. The UAE is one of the few Middle Eastern countries not to have any major foreign telecoms operators present in its market.

Telecom Trade Agreements

WTO

The UAE is a signatory to the WTO Information Technology Agreement, which completely eliminates duties on a variety of info-communications technology products by January 2000.

Leading Service Providers

du

<http://www.du.ae/>

Etisalat

<http://www.etisalat.ae/>

Contacts

Regulatory

Telecommunications Regulatory Authority (TRA)

www.tra.ae/

Last updated May 6, 2011