

Opportunities are everywhere - why the Middle East & North Africa?

This article series, *Opportunities are everywhere - why the Middle East & North Africa?* by Dearin & Associates managing director Cynthia Dearin, explores trade opportunities in the Middle East & North Africa (MENA). Over the next three months, Cynthia will share her insights into the cultural and economic diversity of the MENA region and the many trade and economic opportunities there are available for Australian firms, especially for the service industry.

ASR Conversation Series

Doing business in the MENA exposes individuals to a world of socio-cultural differences that may act as impediments to succeeding in this market. As a part of ASR's *conversation* series, Cynthia recently presented to ASR members and industry about cross-cultural issues specifically in the MENA region and how to overcome them. See a [snapshot](#) of Cynthia's insights.

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Diversity of the Middle East & North Africa

Part one of this three part series looks at the diversity of the MENA region with specific parts growing into economic hubs which are exemplified by cultural differences all across the borders and the importance of addressing these issues

Unless you've been living under a rock, you'll know that Australia's trade with Asia has been in the spotlight a lot recently, because (other than some ChAFTA teething problems) it's going very well.

Since 2014, Australia has signed Free Trade Agreements (FTAs) with Japan, China and Korea, and trade with Asian economies accounted for more than 55% of our total trade in 2014. Services exports to China alone were worth \$7.5 billion in 2013-14, of a trade-in-services total of \$57.4 billion.

A continent away, Iraq and Syria appear to be burning to the ground at the hands of ISIS, hundreds of thousands of people are fleeing the region, and the price of oil is fluctuating wildly. The idea that Australian businesses should consider expanding to the Middle East is a little unorthodox, to say the least. But those in the know, know that despite the region's negative media image, there are huge opportunities in the Middle East.

That's why Minister for Trade, the Hon Andrew Robb MP AO has made three trips to there in the last eighteen months. He is also working hard to restart the [Gulf Cooperation Council \(GCC\) -Australia FTA negotiations](#), which have been stalled since 2009.

So what's the deal? Why should anyone consider taking their services to the Middle East?

Not all Middle Eastern countries are the same

While most of the media coverage of the Middle East is pretty bleak, it's also very one-sided. The truth is that not all Middle Eastern countries are the same and while things are going badly in some places, in others they are going very well.

Take, for example, the United Arab Emirates (UAE), which has turned into a regional economic power over the last decade. Despite a volatile oil market, the small, oil-rich federation's economy grew between 4% and 5% in 2014. And its economic capital, Dubai, became



one of the top five fastest growing cities in the world, according to a [survey](#) of 300 cities by the Brookings Institute and JP Morgan Chase, released in January 2015.

Add to that the fact that Dubai will host the 2020 World Expo and you have a pretty potent combination for economic expansion and international business opportunities. Dubai is expected to host more than 25 million visitors during the Expo alone and is racing to build state-of-the-art facilities to accommodate them all. Projects like these generate significant business opportunities for international firms, particularly in the design, construction, tourism and hospitality sectors.

This is just one case-study, but you see what I mean... it's not all bad news.