

## **United Arab Emirates Freight and Logistics Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)**

Market Report | 2023-01-23 | 393 pages | Mordor Intelligence

### **AVAILABLE LICENSES:**

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

### **Report description:**

The UAE freight and logistics market is expected to record a CAGR of more than 5% during the forecast period. The UAE freight and logistics market has been growing steadily, mainly driven by the consistent and fast growth of e-commerce across the region and rising international trade.

The COVID-19 pandemic impacted overall supply chain operations in the United Arab Emirates. Road freight was affected due to the sealing of borders, and air freight due to flight cancellations. Companies have been struggling with employee infections and forced to move to a remote working setup for non-operational staff. The industry is gradually recovering from transport restrictions. Pharmaceutical logistics play an important part in the distribution of the COVID-19 vaccine. This factor is expected to lead to vertical market growth in the future.

Dubai's strategic location between Asia and Europe serves the East and the West, providing optimum trading conditions for the Emirate. To facilitate the trade and e-commerce market, Dubai has implemented initiatives to develop its infrastructure and technology to implement a well-integrated transport system and excellent logistics infrastructure.

Despite economic disruptions in the Arabian Gulf, the logistics sector continued to occupy the fast lane in recent years. Though the logistics sector outperforms other major industries, it is now a crucial enabler in the country's economic diversification efforts.

UAE Freight & Logistics Market Trends

Growing E-Commerce in the United Arab Emirates

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

The United Arab Emirates is ranked 11th in terms of being a logistics-friendly country, as per World Bank Logistics Performance Index (LPI) 2018 rankings, ahead of its middle-eastern counterparts, Saudi Arabia and Oman.

Dubai's strategic location between Asia and Europe serves both the East and the West, providing optimum trading conditions for the Emirate. To facilitate the trade and e-commerce market, Dubai has implemented initiatives to develop its infrastructure and technology and to implement a well-integrated transport system and excellent logistics infrastructure.

The UAE freight and logistics market has been growing steadily, driven by the consistent and fast growth of e-commerce across the region and rising international trade.

As per the Department of Economy & Tourism in Dubai (DED Dubai), from March 2018 to February 2019, the consumer shift to everyday e-commerce expenditure in the transport sector in the United Arab Emirates amounted to 41%. E-commerce sales in the United Arab Emirates are estimated to grow by an average of 23% annually between 2018 and 2022.

Governments in the region have undertaken policy measures to reduce their dependency on oil exports by strengthening economic diversification initiatives, tax reforms, improving the investment climate, increasing investment in food security, and encouraging private sector participation.

#### Growing Pharmaceutical Industry in the United Arab Emirates is Driving Logistics

Dubai recently decided to reduce its pharmaceutical imports by 18% (from USD 4 billion) by 2022.

With the recent approval of the Dubai Silk Road Strategy and outstanding logistics infrastructure, the United Arab Emirates is quickly turning into a source market in the supply chain, manufacturing and exporting pharmaceuticals to high-demand markets, such as Africa and Asia.

The UAE government has adopted long-term plans to achieve sustainable growth for the healthcare and pharmaceutical industry. The Dubai Industrial Strategy 2030 and the Abu Dhabi vision 2030 consider the pharmaceutical industry as one of the main sub-sectors to develop, considering its future growth prospects, export potential, and mid-to-long-term economic impact. A key long-term focus for the UAE government has been to reduce its reliance on imported pharmaceuticals.

The ease of doing business is a huge incentive for international companies looking to expand, and the United Arab Emirates excels in this area. To increase its infrastructure, the Emirate has created several free zones that act as hubs for the pharmaceutical industry, including Dubai Healthcare City, Dubai Science Park, and Jebel Ali Free Zone.

In October 2021, solidifying its position as a global leader in the field of handling and storage of pharmaceutical products and vaccines across all temperature ranges, Abu Dhabi Ports' Logistics, a subsidiary of AD Ports Group, was awarded the coveted Good Distribution Practice (GDP) accreditation by one of the world's leading testing, inspection, and certification bodies.

Etihad Cargo outlined its plans to focus on COVID-19-focused services, setting up a dedicated COVID-19 distribution team to distribute the vaccine for the virus. Amazon.ae announced the launch of the International Shopping Experience, delivering items from the United Arab Emirates to Bahrain, Kuwait, and Oman. The delivery includes import fees and customs clearance managed by Amazon's couriers. This move is likely to boost the growth of e-commerce across the Middle East.

#### UAE Freight & Logistics Market Competitor Analysis

The UAE freight and logistics market is competitive and fragmented, with many international and local players actively competing

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

for market share. The technology integration in the logistics sector is high, and the emergence of digital players in the pool is increasing. E-commerce growth has also helped in the emergence of digital players in the region. With the overall logistics infrastructure in the country developing rapidly, the rivalry within the industry is expected to be fueled further. Capacity expansion and infrastructure investment are expected to strengthen the competitiveness of logistics companies in the country. In the future, the market can see a consolidation or expansion of regional companies.

Additional Benefits:

The market estimate (ME) sheet in Excel format

3 months of analyst support

## **Table of Contents:**

### 1 INTRODUCTION

#### 1.1 Study Assumptions and Market Definition

#### 1.2 Scope of the Study

### 2 RESEARCH METHODOLOGY

### 3 EXECUTIVE SUMMARY

### 4 MARKET INSIGHTS

#### 4.1 Current Market Scenario

#### 4.2 Technological Trends

#### 4.3 Government Regulations and Initiatives

#### 4.4 Impact of COVID-19 on the Market (Short-term and Long-term Effects on the Industry and Economy)

#### 4.5 Insights into E-commerce and Impact of E-commerce Growth on the Logistics Market

#### 4.6 Spotlight on Cross-border Trade

#### 4.7 Brief on Logistics Infrastructure Development in the United Arab Emirates

#### 4.8 Courier, Express, and Parcel (CEP) Market in the United Arab Emirates (Market Size (2016-2026), Trends, and Future))

#### 4.9 Cold Chain Logistics Market in the United Arab Emirates (Market Size (2016-2026), Trends, and Future)

### 5 MARKET DYNAMICS

#### 5.1 Market Drivers

#### 5.2 Market Restraints

#### 5.3 Market Opportunities

#### 5.4 Industry Attractiveness - Porter's Five Forces Analysis

##### 5.4.1 Threat of New Entrants

##### 5.4.2 Bargaining Power of Buyers/Consumers

##### 5.4.3 Bargaining Power of Suppliers

##### 5.4.4 Threat of Substitute Products

##### 5.4.5 Intensity of Competitive Rivalry

### 6 MARKET SEGMENTATION (Market Size By Value)

#### 6.1 BY FUNCTION

##### 6.1.1 Freight Transport

###### 6.1.1.1 Road

###### 6.1.1.2 Rail

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

- 6.1.1.3 Sea
- 6.1.1.4 Air
- 6.1.2 Freight Forwarding
- 6.1.3 Warehousing
- 6.1.4 Value-added Services and Other Functions
- 6.2 BY END USER
  - 6.2.1 Manufacturing and Automotive
  - 6.2.2 Oil and Gas, Mining, and Quarrying
  - 6.2.3 Agriculture, Fishing, and Forestry
  - 6.2.4 Construction
  - 6.2.5 Distributive Trade (Wholesale and Retail Segments - FMCG Included)
  - 6.2.6 Other End Users (Telecommunications)
- 6.3 BY EMIRATE
  - 6.3.1 Dubai
  - 6.3.2 Abu Dhabi
  - 6.3.3 Sharjah
  - 6.3.4 Ras Al Khaimah
  - 6.3.5 Fujairah
  - 6.3.6 Ajman
  - 6.3.7 Umm Al Quwain

## 7 COMPETITIVE LANDSCAPE

- 7.1 Overview (Market Concentration and Major Players)
- 7.2 Company Profiles
  - 7.2.1 Deutsche Post DHL Group
  - 7.2.2 United Parcel Service Inc.
  - 7.2.3 Ceva Logistics
  - 7.2.4 Agility Logistics
  - 7.2.5 Gulf Agency Company (GAC)
  - 7.2.6 Gulf Warehousing Company (GWC)
  - 7.2.7 Al-Futtaim Logistics
  - 7.2.8 Aramex
  - 7.2.9 Freight International LLC
  - 7.2.10 ATC Allied Transport
  - 7.2.11 RSA Global
  - 7.2.12 RAK Logistics
  - 7.2.13 Emirates Logistics LLC
  - 7.2.14 Bell & John Logistics
  - 7.2.15 Fleet Line - Shipping LLC\*
- 7.3 Other Companies (Key Information/Overview)
  - 7.3.1 Emirates Post, DP World, Al Hilal Transporting and Contracting Company, Jenae logistics, Gulf tainer, Mac World Logistics LLC, Mac World Logistics LLC, CSS Group, DTDC Eurostar Courier & Cargo LLC, IAL Logistics Emirates LLC, and Century Express\*

## 8 FUTURE OF THE MARKET

## 9 APPENDIX

- 9.1 Macroeconomic Indicators (GDP Distribution by Activity, Transport and Storage Sector-contribution to Economy)

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

9.2 Insights into Capital Flows

9.3 External Trade Statistics - Export and Import, by Product

9.4 Insights into Key Export Destinations

9.5 Insights into Key Import Origin Countries

10 DISCLAIMER

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)

**United Arab Emirates Freight and Logistics Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)**

Market Report | 2023-01-23 | 393 pages | Mordor Intelligence

To place an Order with Scotts International:

- Print this form
- Complete the relevant blank fields and sign
- Send as a scanned email to support@scotts-international.com

**ORDER FORM:**

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

\*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

\*\* VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	<input type="text" value="2026-02-28"/>
		Signature	

**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com



**Scotts International. EU Vat number: PL 6772247784**

tel. 0048 603 394 346 e-mail: [support@scotts-international.com](mailto:support@scotts-international.com)

[www.scotts-international.com](http://www.scotts-international.com)