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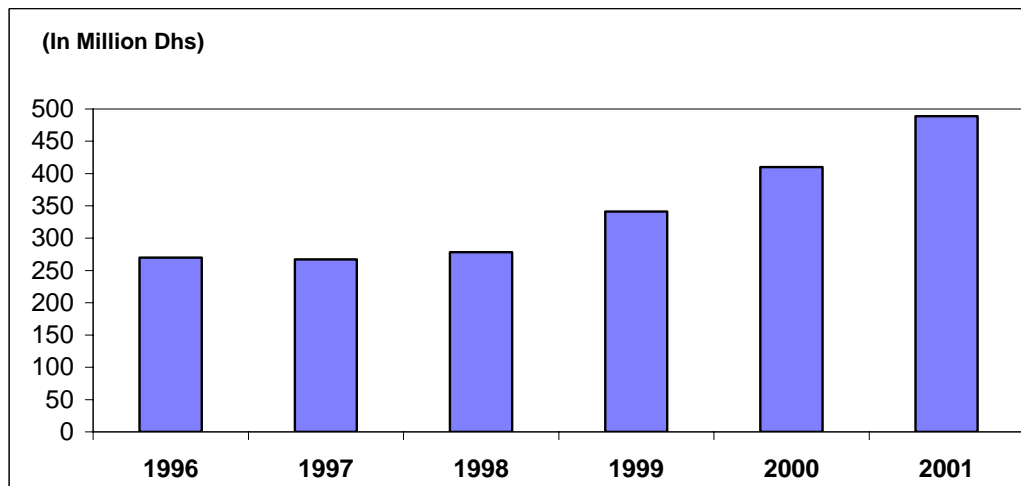
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التوسع المضطرد في قطاع الطباعة في دولة الإمارات **Rapid Expansion in the U.A.E. Printing Industry**

The printing industry in U.A.E. has undergone explosive expansion in the last two years, which has not only seen a 42% increase in these two years, but also major qualitative changes and technological improvements. There have been several reasons for this boom, but undoubtedly the announcement and the advent of the Dubai Media city has been a major cause, which has contributed to attracting more publishers to the U.A.E. as well as harnessing regional demand for printing into the U.A.E.

Graph 1 – Growth of Printing Industry's Output, U.A.E., 1996-2001



Increasing demand – Demand for printing has been increasing slowly and steadily throughout the nineties at an around rate of 10% per year. In the last two years 2000 and 2001, however the growth rate has doubled at approx. 20% in each of these years. While no production figures are available, the import and usage of the key raw material (newsprint and printing paper) is a reliable guide to production, as demonstrated in Table 1. The industry is entirely dependent on imported paper, this enables us to make an estimate of the production output of the industry (Graph 1.)

Table 1 – Growth in Raw Material Demand for Printing, U.A.E. 1996-2001, Mn. Dhs.

Year	Newsprint	Printing Paper	Total
1996	59.4	76.5	135.9
1997	39.7	95.1	134.8
1998	49.7	91.4	141.1
1999	44.4	119.6	164.0
2000	57.0	139.6	196.6
2001	86.1	146.8	232.9
Average Growth	7.71%	13.9%	11.4%

Sources: Custom Departments of Abu Dhabi, Dubai and Sharjah

Causes for increased demand - In recent years, and particularly with the opening of the Dubai Internet and Media City, U.A.E. has become a major center of printing and publishing activity in the region, attracting many foreign publishers into the country. From mere handful publishers 15-20 years ago, currently there may be as many as 80 publishers in the country. The number of periodicals published and produced domestically has increased. At the same time several Western magazine publishers are printing and distributing the Middle East editions of their core publications from U.A.E. For such foreign publishers, publishing from within the region brings in considerable savings in printing, handling and postage costs.

Population and demand - Demand has also steadily risen with the needs of a rising and larger population, as well as an increase in educational institutions (universities, colleges and schools) which has led to increased demand for printing activity. This, coupled with the fact that the expatriate population has increasingly leaned towards white collar workers, has led to improved population literacy rates and causing greater demand for printed products.

Domestic production and market size – Domestic production of the printing sector is currently an estimated Dhs. 490 million, as calculated on the basis of raw material imports. With imports of finished printed products worth about Dhs 290 million, market size for printed products in U.A.E. currently stands around Dhs. 780 million. The imports are still significant, but are mostly non-substitutive materials like printed books, magazines etc.

Table 2 – Foreign Trade in Printed Products. U.A.E., Million Dirhams.

Year	Imports	Re-exports	Net Imports
1996	291.6	39.4	252.2
1997	266.0	48.2	217.8
1998	301.4	47.5	253.9
1999	294.4	51.5	242.9
2000	290.3	30.8	259.5
2001	328.7	38.9	289.8
Average Growth	0.2% per annum	0.0%	2.8%

Sources: Custom Departments of Abu Dhabi, Dubai and Sharjah

Imports and re-exports – There was a time when the country was dependent on foreign presses for its printing requirements. Printing presses were as far away as Singapore, Cyprus and Lebanon. This has changed enormously and now U.A.E.

itself has become a major printing center. Import of printed material has remained constant over the past several years. Re-exports are relatively small and are mostly in the areas of exercise books, stationary and the like.

Exports – The increasing specialization of U.A.E.’s printing industry has attracted jobs from outside the country. Exports have primarily been in the region (AGCC and Africa), however jobs have been executed for EU countries as well as some of the larger and better firms now possess state of art technology. Export demand comes for some high quality jobs which are not available in the destination countries. Domestic firms have also made inroads into regional markets for printed products, viz. products like school books, exercise books, diaries etc. Meanwhile, the advantage for Western countries to outsource printing work to U.A.E. lies in leveraging the low labour cost activity, namely those related to layout and design.

Industry size - The printing industry in U.A.E. is estimated to comprise of a very large number of small printing presses. However, the number of organized, modern firms is small. There are 65 such firms formally registered with the Ministry of Finance and Industry. The remainder printing activity comprises of small scale printing presses, operating as workshops with less than 10 employees and thus not a part of the formal industrial sector. There could be several hundred such printing workshops executing small jobs with small capacities.

Supply – The 65 printing establishments formally registered with the U.A.E. Ministry of Finance and Industry are relatively large sized (average employee size of 88). Half of these firms are located in Dubai which has the largest number of printing firms, followed by Sharjah and then by some distance by Abu Dhabi. In the remaining Emirates, printing activity is really very small. We estimate that the smaller Emirates may have more of the small scale workshop type of printing presses.

Table 3 – Distribution of Printing Activity (Printing Presses) in U.A.E., Nos.

Emirate	Establishments	Employees	Size *
Abu Dhabi	7	307	44
Dubai	33	3165	96
Sharjah	19	1811	95
Other Emirates	6	458	208
Total	65	5741	88

Source: Ministry of Finance and Industry.

(* Size by No. of employees per Establishment)

Outlook – The opening and expansion of an Internet and Media city in the country will generate further demand for the printing industry. Currently, the new publishing companies are small ones, but this may change in the future. With the improvement in telecommunications and increased computerization, offshore printing is on the rise and there is no reason why U.A.E. printing presses cannot take on more jobs from high cost regions like the USA and EU. With considerable mechanization and computerization seen after the exit of the letter block printing process, the industry is not labour intensive anymore. Top companies using modern technology, particularly have a relatively low labour requirement with respect to their output. The employee content in printing is becoming more white-collar with the need for support activities

for printing, like layout, art design, visualizing, editing, scanning and proofreading. These services can be offered more competitively from U.A.E.