

إحدى مؤسسات دائرة التنمية الاقتصادية - حكومة دبي
An Agency of the Department of Economic Development - Government of Dubai

مؤسسة دبي لتنمية الصادرات
DUBAI EXPORTS



UAE Furniture Industry Sector May 2012

UAE Furniture Industry Sector 2012

Manufacturing Capability

The furniture industry is an important industry in UAE, more than 600 furniture factories are in operation in UAE representing 13% of the total number of industries in the UAE and the capital investment in the UAE furniture industry is around 1 Billion AED representing 1.2% of the total investment in manufacturing

Value addition

The furniture industry contributes 3.6% to the manufacturing GDP

Products

Production include all wood works for the construction sector, domestic ,office, school and medical furniture

UAE Furniture Industry Profile

Fig(1)

No of Wood and Furniture factories	% of wood & furniture Total # of industries	Investment Million AED	% of wood and furniture investment to total UAE industry investment	Investment Per factory Million AED	# of Employee	Average # of employee per factory	% Contribution to GDP
615	13%	1000	1.2%	1.63	33606	55	3.6%

MoE

UAE Furniture Industry Sector 2012

Trade Capability

Imports & Exports

Dubai Furniture imports posted **5.6 Billion AED** in 2011 and exports and re-exports valued **529 Million AED** and **1.5 Billion AED** respectively

Fig(2)

	Furniture AED	All Trade AED	% Furniture to all trade
Direct Imports	4,745,798,602	441,666,084,359	1.1%
FZ Imports	862,628,375	213,093,359,536	0.4%
	5,608,426,977	654,759,443,895	0.9%
Direct Exports	416,505,989	98,064,413,685	0.4%
FZ Exports	113,420,588	10,629,352,314	1.1%
Total	529,926,577	108,693,765,999	0.5%
Direct Re-export	1,162,083,454	160,694,577,158	0.7%
FZ Re-exports	351,291,852	159,249,860,772	0.2%
Total	1,513,375,306	319,944,437,930	0.5%

Dubai Customs

Markets

We estimate the domestic market is taking around 85% of the domestic production and 15% of the production is exported

The furniture exports markets are fairly diversified as products are marketed to over 20 countries. The top 10 destinations taking a share of around 58% of the total value of direct exports. We note that among the top 10 destinations there are distant markets like USA and regional markets like Saudi Arabia, India and Pakistan

Fig(3)Top Furniture Exports 2010

Furniture HS 94		
Country	Value (AED)	%
PAPUA NEWGUINEA	94,755,067	23.04 %
SAUDI ARABIA	24,408,108	5.93 %
INDIA	24,157,771	5.87 %

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PAKISTAN	20,129,837	4.89 %
IRAN	19,612,869	4.77 %
USA	12,673,733	3.08 %
AFGHANISTAN	12,546,683	3.05 %
EGYPT	11,613,728	2.82 %
UK (UNITED KINGDOM)	11,360,612	2.76 %
ANGOLA	10,846,141	2.64 %
TOTAL TOP	242,104,550	58.86 %
TOTAL OTHER	169,194,243	41.14 %
GRAND TOTAL	411,298,793	100.00 %

Dubai Customs

Opportunities

World market potential

In addition to substituting the huge furniture imports which totaled **5.6 Billion AED in 2011**, the industry has a lucrative promising international market.

Value of world imports from furniture stood at **168 Billion US\$ in 2010**, which has increased by a significant rate of 17% over 2009 imports, suggesting that the furniture industry has not be affected significantly by the recent international crisis.

Market potential by Region

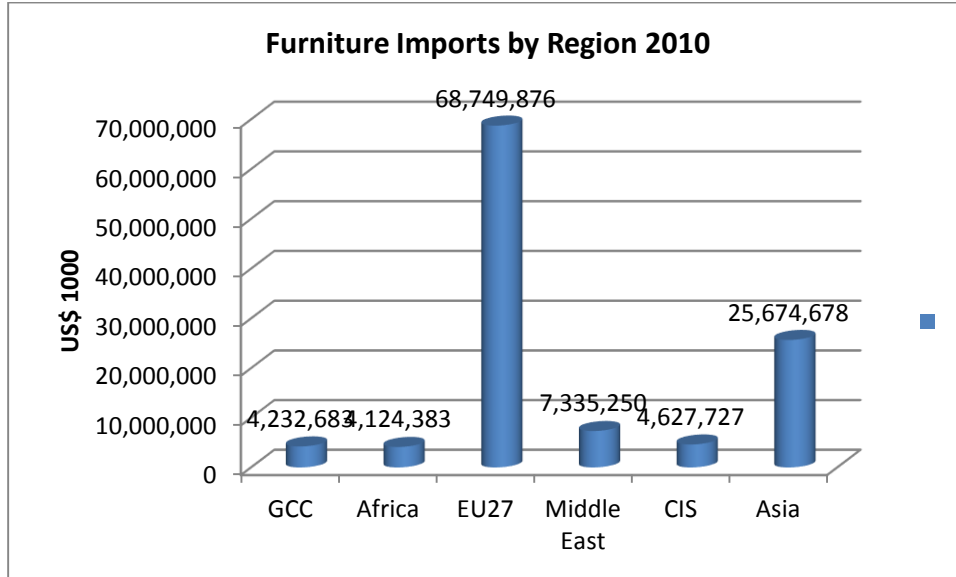
The nearby markets are not necessarily the top promising markets. The GCC market, imported about 4 Billion US\$ of furniture in 2010, and Africa imported a similar figure. However a very important market is the EU market which imported in 2010 a massive 68 Billion US\$ worth of furniture accounting for about 40% of world imports. The advantage of the EU market for exporters is also the low import tariff of 0.1 % only. The Middle East market is of medium size posting around 6 Billion US\$

Country-wise, USA is the top world market for furniture accounting for around 24.5% of world import and growing at a rate of 27% in 2010 over 2009 underscoring its unique potential for exporters.

Markets holding top shares of world imports are: **EU 27 41%, USA 25%**

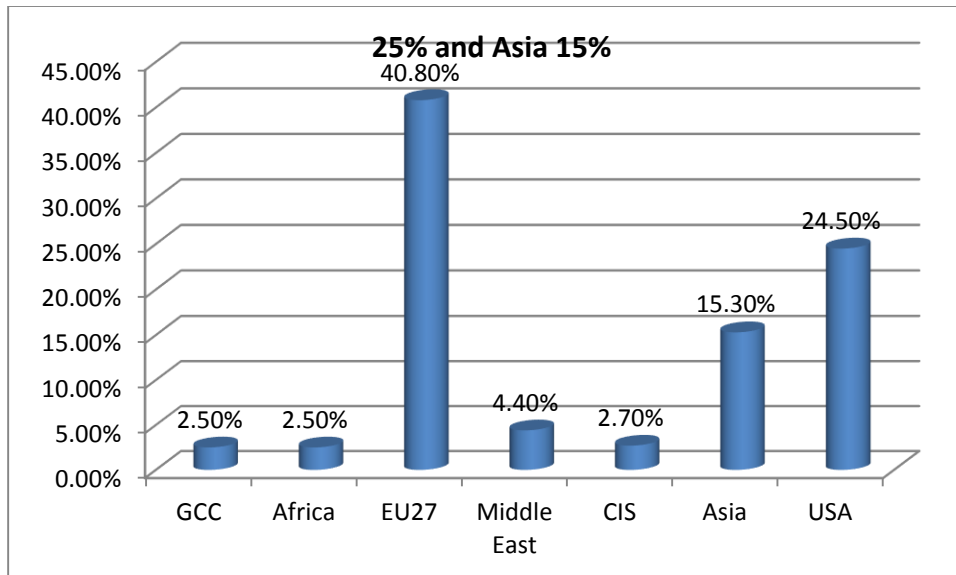
Fig(4)

UAE Furniture Industry Sector 2012



ITC

Fig(5)



ITC

Top potential country markets

There are excellent country markets in Africa and CIS which exporters can explore to supply. As given in the table below.

Fig(6)

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GCC	Saudi Arabia, Qatar
Africa	Kenya, South Africa, Egypt, Nigeria
CIS	Azerbaijan, Russia, Kazakhstan, Turkumstan
EU	Sweden, Spain, UK
Americas	USA

ITC

Appendix

Fig(7) World Imports of Furniture

Importers	Trade Indicators					Average tariff (estimated) applied by the country (%)
	Value imported in 2010 (USD thousand)	Trade balance in 2010 (USD thousand)	Annual growth in value between 2006-2010 (%)	Annual growth in value between 2009-2010 (%)	Share in world imports (%)	
World	168,318,994	-1970674	1	17	100	
United States of America	41279536	-32697403	-4	27	24.5	0.9
Germany	15220279	-802675	3	10	9	0.1
France	10414062	-6549345	3	9	6.2	0.1
United Kingdom	9139571	-6701209	-4	11	5.4	0.1
Canada	7627878	-3401995	1	23	4.5	3.1
Japan	6230811	-4658336	0	11	3.7	0.2
Netherlands	4175846	-1651904	2	6	2.5	0.1
Spain	4123975	-1658504	-2	13	2.5	0.1
Belgium	3995390	-846815	-1	-2	2.4	0.1

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Switzerland	3807283	-2958752	4	6	2.3	0.2
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ITC

Fig(8) GCC Imports of Furniture

Importers	Trade Indicators					Average tariff (estimated) applied by the country (%)
	Value imported in 2010 (USD thousand)	Trade balance in 2010 (USD thousand)	Annual growth in value between 2006-2010 (%)	Annual growth in value between 2009-2010 (%)	Share in world imports (%)	
World	168318994	-1970674	1	17	100	
Gulf Cooperation Council (GCC) Aggregation	4232683	-3631304			2.5	
United Arab Emirates	1829368	-1498386	11	-6	1.1	4.7
Saudi Arabia	1285409	-1115070	-7	721	0.8	4.7
Qatar	417615	-415994	10	25	0.2	4.7
Kuwait	329771	-318655	1	11	0.2	4.7
Oman	192833	-151898	9	8	0.1	4.7
Bahrain	177687	-131301	25	4	0.1	4.8

ITC

Fig(9) Africa Imports of Furniture

Importers	Trade Indicators					Average tariff (estimated) applied by the country (%)
	Value imported in 2010 (USD thousand)	Trade balance in 2010 (USD thousand)	Annual growth in value between 2006-2010 (%)	Annual growth in value between 2009-2010 (%)	Share in world imports (%)	
World	168318994	-1970674	1	17	100	
Africa Aggregation	4124383	-2962640			2.5	
South Africa	659393	-42888	0	35	0.4	11.5
Libya	419252	-419086	36	1	0.2	0
Angola	389388	-386874	17	-14	0.2	13.6
Algeria	335604	-335456	19	15	0.2	27.6
Morocco	315536	-235292	19	-9	0.2	26.3
Egypt	257387	-11823		27	0.2	23.1
Nigeria	188484	-157319	25	25	0.1	19

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Sudan	140886	-140805	6	18	0.1	30.4
Kenya	93799	-58556	12	51	0.1	19.8
Equatorial Guinea	84256	-84137	28	74	0.1	26.6
Botswana	84028	-79970	10	-5	0	13

ITC

Fig(10) EU Imports of Furniture

Importers	Trade Indicators					Average tariff (estimated) applied by the country (%)
	Value imported in 2010 (USD thousand)	Trade balance in 2010 (USD thousand)	Annual growth in value between 2006-2010 (%)	Annual growth in value between 2009-2010 (%)	Share in world imports (%)	
World	168318994	-1970674	1	17	100	
European Union (EU 27) Aggregation	68,749,876	2122519			40.8	
Germany	15220279	-802675	3	10	9	0.1
France	10414062	-6549345	3	9	6.2	0.1
United Kingdom	9139571	-6701209	-4	11	5.4	0.1
Netherlands	4175846	-1651904	2	6	2.5	0.1
Spain	4123975	-1658504	-2	13	2.5	0.1
Belgium	3995390	-846815	-1	-2	2.4	0.1
Italy	3547441	9277524	1	11	2.1	0.1
Austria	3135000	-483155	3	-2	1.9	0.1
Sweden	2592569	230117	-2	15	1.5	0.1
Poland	1851975	6705845	5	9	1.1	0.1
Denmark	1824373	560463	-2	8	1.1	0.1

ITC

Fig(11) Middle East Imports of Furniture

Importers	Trade Indicators					Average tariff (estimated) applied by the country (%)
	Value imported in 2010 (USD thousand)	Trade balance in 2010 (USD thousand)	Annual growth in value between 2006-2010 (%)	Annual growth in value between 2009-2010 (%)	Share in world imports (%)	
World	168,318,994	-1970674	1	17	100	
Middle East Aggregation	7,335,250	-4256094			4.4	
United Arab Emirates	1829368	-1498386	11	-6	1.1	4.7
Saudi Arabia	1285409	-1115070	-7	721	0.8	4.7
Turkey	1080935	705821	6	37	0.6	0.1
Israel	623211	-396689	11	20	0.4	17.3
Iraq	444525	-444226	22	42	0.3	...
Qatar	417615	-415994	10	25	0.2	4.7

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Kuwait	329771	-318655	1	11	0.2	4.7
Egypt	257387	-11823		27	0.2	23.1
Iran (Islamic Republic of)	219391	-171606	62		0.1	46.5
Lebanon	197044	-100829	24	3	0.1	20.9
Oman	192833	-151898	9	8	0.1	4.7

ITC

Fig(12) CIS Imports of Furniture

Importers	Trade Indicators					Average tariff (estimated) applied by the country (%)
	Value imported in 2010 (USD thousand)	Trade balance in 2010 (USD thousand)	Annual growth in value between 2006-2010 (%)	Annual growth in value between 2009-2010 (%)	Share in world imports (%)	
World	168318994	-1970674	1	17	100	
Commonwealth of Independent States (CIS) Aggregation	4,627,727	-3534399			2.7	
Russian Federation	2826875	-2480709	16	41	1.7	23.1
Kazakhstan	650623	-646069	8	33	0.4	29.1
Ukraine	368997	-57340	5	25	0.2	1.9
Turkmenistan	188905	-188787	67	33	0.1	0
Belarus	144816	228005	10	5	0.1	23.2
Georgia	94814	-88541	4	19	0.1	0
Azerbaijan	87319	-82812	2	43	0.1	13.6
Uzbekistan	76946	-74917	18	3	0	51
Republic of Moldova	67780	-26851	7	19	0	7.3
Armenia	49009	-48283	17	14	0	8
Tajikistan	48990	-48925	29	-28	0	9.6

ITC

Fig(13) Asia Imports of Furniture

Importers	Trade Indicators					Average tariff (estimated) applied by the country (%)
	Value imported in 2010 (USD thousand)	Trade balance in 2010 (USD thousand)	Annual growth in value between 2006-2010 (%)	Annual growth in value between 2009-2010 (%)	Share in world imports (%)	
World	168318994	-1970674	1	17	100	
Asia Aggregation	25,674,678	44447562			15.3	
Japan	6230811	-4658336	0	11	3.7	0.2
China	3060824	47523208	31	66	1.8	12.9
United Arab Emirates	1829368	-1498386	11	-6	1.1	4.7

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Republic of Korea	1777723	-811990	0	30	1.1	3.6
Saudi Arabia	1285409	-1115070	-7	721	0.8	4.7
Hong Kong, China	1205384	-405549	-5	11	0.7	0
Singapore	1179519	-766084	12	23	0.7	...
Turkey	1080935	705821	6	37	0.6	0.1
Kazakhstan	650623	-646069	8	33	0.4	29.1
India	642872	63952	12	26	0.4	9.3

ITC

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