

30 Sharjah-based Floor System Company's second phase expansion plan costing Dh44 million will ensure up to 8,000 square metres of warehousing capacity.

Dh44M

BRIEFS

DIB Named Best Bank for Fifth Year

DUBAI — Dubai Islamic Bank, or DIB, announced on Saturday that it received four awards at the 2009 Annual Islamic Finance News Awards, including the coveted Best Islamic Bank in the UAE award.

DIB received awards for Syndicated Deal of the Year, Wakalah Deal of the Year and Best Shariah Advisory Firm.

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Adnec Eyeing More UAE Talents

ABU DHABI — The Abu Dhabi National Exhibitions Company, or Adnec, is taking part in a series of recruitment events in the coming weeks aimed at highlighting the range of career opportunities offered at Adnec to UAE nationals.

Adnec will be spearheading a career session at the Abu Dhabi University on March 29, followed by career fairs at Al Hosn University on April 7, Zayed University on April 12, and a larger recruitment show in Al Ain on May 3.

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Aramco, Petrochina to Receive Citations

JEDDAH — Saudi Aramco and Petrochina are to be honoured as energy companies of the year by Hart Energy Publishing.

Aramco will be awarded the Energy Company of the Year award, while Petrochina will accept the International Award

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AfDB Lends \$225m to Egypt Oil Refiner

TUNIS — The African Development Bank, or AfDB, has lent \$225 million to the Egyptian Refining Company, or ERC, the bank said.

Two loans approved by the AfDB will enable the ERC to build and operate a new hydro-cracking and coking facility at its Cairo Oil Refinery Company, or CORC, the bank said in a statement.

— Reuters

# UAE to Lead Raised-floor Industry

INTERVIEW

Sharjah-based firm sees demand for raised-floor products as construction activities pick up in Abu Dhabi and Dubai

Muzaffar Rizvi

SHARJAH — Floor System Company, a Sharjah-based manufacturer of raised-floor products, aims to be a world leader in the industry upon completion of a three-phased expansion plan by 2012, its Managing Director said.

The manufacturer of 100 per cent green products, deriving four-and-a-half decades of experience in the sector from its mother company — Nesite in Italy — looks at expanding its operations in India and China in the wake of growing demand and awareness about the advantages of raised floor in residential and commercial buildings.

“Phase one involving Dh18.2 million investment has already been completed with the inauguration of first production facility in May last year,” Augusto Di Pietro told *Khaleej Times* on Saturday.

He said the first production line has a manufacturing capacity of 600,000 square metres of the product per annum on a single shift basis. “The state-of-the-art plant can boost production up to 1.8 million square metres annually, if required,” Di Pietro said.

In response to a question, the Italian entrepreneur said his newly-established company has received tremendous response from the market, paving the way for implementing a fast track expansion plan despite the recession in global economies.

“We have 12,000 square metres raised floor sales in last quarter of 2009, although production facility operated below capacity since its inauguration in May due to low demand in the market,” he said.

He said major countries are coming out of recession, consequently will have a positive impact on the region's construction and real estate sectors. “There is lot of construction activity in Abu Dhabi, and Dubai may also revive some of the mega construction



Floor System Company has a planned Dh70 million expansion at the Hamriyah Free Zone in Sharjah, which will make the company a world leader marketing ‘Made in UAE’ products. — KT photo

STRATEGY AT A GLANCE

- ◆ **DH70 MILLION** expansion plan to be implemented by 2012
- ◆ **HAMRIYAH FREE ZONE** factory will be the largest manufacturing facility of raised-floor products in the Middle East
- ◆ **PLANT CAN BOOST** production up to 1.8m square metres annually
- ◆ **MAJOR MARKETS** in the region are Saudi Arabia, Kuwait and Qatar
- ◆ **COMPANY TARGETS** Chinese and Indian markets

projects that will generate demand for raised floor.”

He said a planned Dh70 million expansion at the Hamriyah Free Zone factory in Sharjah will enable the company to become a world leader, proudly marketing a “Made in UAE” product.

Di Pietro said the ambitious project will put the UAE as an icon on the world map in the raised floor industry ahead of Europe and China.

“It will be the largest manufacturing facility in the Middle East that can also meet the demand in Middle East, Africa, South East Asia and Far East,” he said.

The Italian entrepreneur said second production facility, expected to be ready by end of 2011, will boost the capacity up to 1.1 million square metres on single shift basis. “We have al-

ready launched the second phase under which 2,000 square metres shed for the warehousing of all raw materials will be completed by November.”

He said the second phase costing Dh44 million will ensure up to 8,000 square metres warehousing capacity to store products before dispatch them to local and export markets.

He said third and last phase involves Dh6 million-investment to build new regional offices. “It will be the smallest phase expected to be complete by first half of 2012,” he said.

**Export Market**

Di Pietro said Saudi Arabia, Kuwait and Qatar are the major regional markets for raised-floor industry as lot of infrastructure and construction projects are

underway. He said the company is in talks to grab some big orders in Saudi Arabia and Kuwait that may absorb the full production of the factory (on single-shift basis) up to next six years.

“We have been exporting our products across the Middle East and Africa by taking the advantage of strategically-located manufacturing facility in Hamriyah Free Zone,” he said.

He said China was dominating the raised-floor industry, but the company is making inroads even in the Chinese market by offering competitive price range.

“We were unable to grab the Middle East and Asian markets through our Italian manufacturing facility due to higher costs of shipments, giving Chinese competitors an undue advantage,” he said adding proudly that the company now gets orders from Chinese customers just because of strategic location of its facility in the UAE.

Di Pietro is upbeat about the future of raised-floor industry and said its rising demand in Asian countries investing heavily on infrastructure and construction, may expand our manufacturing base to South East Asia.

“We may consider setting up a manufacturing facility in India if the demand for raised-floor industry for the industry,” he said.



“The ambitious plan will put the UAE as an icon on the world map in the raised-floor industry ahead of Europe and China

— Augusto Di Pietro  
Managing Director, Floor System Company

**UAE-Italy Trade**

Di Pietro, who is also a board member of Italian Industry and Commerce Office in the UAE, said bilateral trade between the two countries will get further boost following growing interests of Italian entrepreneurs in the UAE.

“More Italian businessmen are willing to set up manufacturing facilities, especially in Hamriyah Free Zone, to re-export their products to Middle East, Africa and other East Asian countries,” he said attributing the credit to Paolo Dianisi, Italian Ambassador to the UAE.

He also appreciated the role of Sharjah Chamber of Commerce and Industry in facilitating the Italian investors and exchanging trade and cultural delegations between the two countries.

Italy is considered the UAE's second largest partner in terms of value after Germany. Bilateral trade dropped to Dh22.5 billion last year from Dh30 billion in 2008 due to slowdown in global economies.

Di Pietro is of the view that concentrated efforts of Italian Embassy, consulate, trade commission and chamber of commerce will help regaining the past glory by boosting the bilateral trade relations this year.

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## Region should Look at Other Currencies to Counter Depreciation in Greenback

Adel Arafa

ABU DHABI — Gulf Cooperation Council states could withstand contingent shocks of the US dollar depreciation if they opt to a basket of currencies instead of mainly depending on the greenback, a US researcher proposed.

Such a regime, he said, could mitigate impact of big shocks sparked by dollar fall which is represented today in the global financial crisis.

“The US dollar remains the world's dominant currency, accounting for a substantial part of global foreign exchange reserves,” Eswar Prasad, Senior Professor of Trade Policy of Cornell University, said in a lecture on “The US Dollar's Role in the New World Economic Order,” hosted on Wednesday by the Emirates Centre for Strategic Studies and Research.

The international financial crunch has negatively affected both the US and global economy. About 8 million jobs were lost, depressing appetite for consumption and shutting down many plants in the steel, aluminium and cement industries and other plants based on the construction and building sector, he said.

As a result, he noted, China has lost over 20 per cent of its monetary reserves. In his lecture, Prof. Prasad analysed



The US dollar remains the world's foremost currency, accounting for a substantial part of global foreign exchange reserves. — AFP

the dollar's future prospects in light of some of the major shifts in the world economy — particularly the rising importance of emerging markets.

He also discussed the possible effects of recent developments in global financial markets as well as high and rising levels of US public debt on the dollar's future.

A key structural determinant of the demand for foreign exchange reserves, he said, is related to the export-led growth model of Asian emerging markets, especially China, and emerging markets' desire to self-insure against balance of payments crises by building up reserves.

He reviewed developments in the global financial architecture and shifts in global economic power in the aftermath of the financial crisis, both of which have implications for the growth model and reserve accumulation motives of Asian and other emerging markets.

Finally, he discussed the implications of the analysis of the dollar's future for currency and other macroeconomic policies in the GCC countries.

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## Sharjah – A Choice Destination for Russians

Staff Report

SHARJAH — Following its successful participation in the International Tourism Bourse in Berlin, where the emirate of Sharjah received the Best Arab World Exhibitor Award for 2010, the Sharjah Commerce and Tourism Development Authority, or SCTDA, has also successfully concluded its involvement in the 17th Moscow International Travel and Tourism, or MITT, exhibition, which took place from March 17 to 20 in the Russian capital.

During the event — the SCTDA's 11th participation — the Authority continued its efforts in the international domain to enhance the emirate's already prominent position on the global tourism map.

While Sharjah has already become a tourism destination of choice for tourists due to its diverse attractions, its participation in the 2010 edition of the show formed part of the emirate's strategy to encourage international tourism, and reflected the SCTDA's keenness to secure a leading position for the emirate on the international tourism map while pushing the wheels of the emir-

ate's tourism growth forward.

SCTDA Director General Mohamed A Al Noman headed the Sharjah delegation, which included representatives from the SCTDA, Sharjah International Airport Authority, Radisson Blu Hotel and Resort and Al Khalidiah Tourism.

Sharjah's participation was aimed at increasing the influx of Russian tourists into the emirate in order to further enhance the record number of Russian tourists that have visited the emirate over the last four years.

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A PLACE TO BE



The SCTDA booth at the MITT exhibition in Moscow.

### Planning to set up an industry ? Check these facts before deciding the place.

- ☐ Does it offer the lowest set-up & operations cost?
- ☐ Is it strategically located with easy access to emerging Middle East, Asian & African markets?
- ☐ Is it well connected by Land, Sea Port & Airport?
- ☐ Does it allow 100% foreign ownership?
- ☐ Does it offer 0% corporate, sales & income tax benefits?
- ☐ Does it offer a single window clearance for all licences, permits & consents?
- ☐ Does it have a captive power plant for uninterrupted power supply?
- ☐ Does it have state-of-the-art infrastructure & business friendly environment?
- ☐ Does it give you the option to build your warehouse & labour accommodation within your plot?
- ☐ Does it allow complete freedom in hiring expatriates?
- ☐ Does it offer a high quality of life and a low cost of living?

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