

Healthcare Resource Guide: United Arab Emirates



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United Arab Emirates (UAE) statistics :

Country: United Arab Emirates

Capital: Abu Dhabi

Population: 9,397,000 (Million)

GDP*: 408.2 billion

Currency: Arab Emirate Dirham (AED)

Language: Arabic

Summary

The creation of a world-class healthcare infrastructure is a top priority for the government of the United Arab Emirates (U.A.E.) and, as a result, the sector has advanced and expanded significantly during the past few years. The World Health Organization determined that a third of adults in the U.A.E. are obese, and one out of five people live with diabetes. As the incidences of lifestyle diseases increase, these populations, supported by relatively high levels of income, will demand greater quality of healthcare. The government's focus is on developing a healthcare infrastructure to address this demand.

Healthcare in the U.A.E. is regulated at both the federal and emirate levels. Federal-level legislation dates back to the 1970s and 1980s and there are pending legislative reform initiatives to facilitate the development of the healthcare industry. The U.A.E. Government is liberalizing policies to attract foreign investments in order to improve the healthcare standard and boost the healthcare industry.

The U.A.E.'s health expenditure reached a value of AED 59.15 billion (\$16.1 billion) in 2016. This includes healthcare expenditure from all the seven emirates in addition to their contribution to the federal budget. In 2017, according to Business Monitor International (BMI) health expenditures increased by +5.2%, reaching AED 62.2 billion (\$17 billion), it is forecast to rise to AED 78.1 billion (\$21.3 billion) by 2021, which translates to a compound annual growth rate (CAGR) of 5.7 percent. Overall healthcare spending is expected to account for 4.6 percent of a country's GDP by 2026 from 4.2 percent in 2016.

In June 2015, the U.A.E. government launched a new health insurance program in Dubai to support nationals not covered under any other government funded health insurance scheme. This scheme

is expected to benefit 130,000 by offering healthcare at 23 private hospitals and more than 500 medical clinics in and around Dubai. The Dubai Health Authority (DHA) announced in June 2016, that all Dubai residents should be covered by health insurance that will be tied to the renewal and issuance of their U.A.E. residence visas.

The U.A.E. government wants to boost the number of medical tourists coming to the U.A.E. by establishing Dubai as a center of healthcare excellence in the region. The country has a robust transportation and logistics infrastructure and is geographically well positioned to be the center of a transportation network that links the economies of India and China to Europe and the United States. These factors also make the country an attractive location for establishing a regional distribution center for medical devices. Though the U.A.E. is a zero tax country in 2017, the government is expected to implement a 5 percent value added tax (VAT) in 2018.

According to investment experts, some of the biggest U.A.E. opportunities are likely to be found in healthcare projects. For instance, “Unison”, a public-private partnership between GE Healthcare, the U.A.E. Ministry of Health (MOH) and Abu Dhabi International Medical Services (ADI) aims to bring together the best of healthcare technology, hospital management, and patient care into one group of eleven radiology departments spread across the U.A.E. These types of partnerships are emblematic of the government’s efforts to privatize the public healthcare sector in the country.

Market Entry

As a general rule, a foreign company intending to conduct business in the U.A.E. must do so by one of the following:

- Incorporating a local entity “Onshore”
- Incorporating an entity in one of the U.A.E.’s many free zones
- Establishing a branch of representative office (either “onshore” within the U.A.E., or in one of the free zones
- Establishing a Local commercial agent

Restrictions on foreign ownership limit foreign companies’ participation to a maximum of 49 percent of the equity in a U.A.E. “onshore” company. While an entity within one of the U.A.E.’s free zones can be wholly owned by a foreign company.

Supporting Documents Required by the Medical Devices Committee

The applicant (exporter / company / manufacturer / distributor) must provide the committee with the following documents:

1. The application form duly filled, signed and stamped by the responsible person in the company

2. Notarized letter issued by the company on its original letterhead, signed and stamped by the responsible person in the company, authorizing a person or a local establishment to submit the registration files on their behalf to the Drug Department & Distribution Rights
3. Notarized Valid ISO13485 certificate issued by the competent authority in country of origin for each site involved in the manufacturing process
4. Legal and valid business licenses (manufacturing license issued by the competent authority in country of origin and attested true by the U.A.E. Embassy in Washington, DC) for legal manufacturer, final releaser & assembling site, if the site different than legal manufacturer
5. List of the products manufactured and/or assembled by the site
6. Detailed company profile

Current Market Trends

Healthcare expenditure as percentage of GDP represented an estimated 3.9 percent in 2015, equal to \$14.8 billion, and will continue at that level in the coming years. Per capita health expenditure will remain high regionally and globally. Although spending increased, reports indicate that the U.A.E. still needs to increase health expenditure, particularly in the Northern Emirates.

Although the U.A.E. is a zero tax country in 2017, it is important to underscore that the U.A.E. is expected to implement 5 percent value added tax (VAT) in 2018. The country has an excellent transportation and logistics infrastructure and is geographically well positioned to be the center of a transportation network that links vibrant economies like India and China to Europe and the United States.

These factors make it an attractive location for establishing a regional distribution center for medical devices. U.A.E. Healthcare system is regulated at both the federal and Emirate level.

Main Competitors

The U.A.E. market is totally dependent on imports for medical devices; while U.S. suppliers enjoy some advantages, including competitive price's, language, and exchange rate, European suppliers are aggressively gaining market share with their close proximity to the market and perceived better customer support.

Current Demand

The U.A.E. suffers from a shortage of trained medical personnel. There are numerous hospital construction and renovation programs underway as a result of public and private investment. A growing medical tourism sector is generating demand for modern facilities with state-of the-art medical equipment. Medical device production will continue to be low, and only limited to basic items such as various types of syringes, and IV sets will be locally produced.

Registration Process

Current U.A.E. medical device regulations are based upon EU, Australian TGA and U.S. (FDA) regulations. Products with EU, Australian, Canadian, and U.S. approval are eligible for a shortened registration process in the U.A.E. Furthermore, once the exporter company/manufacturer or distributor has been approved by the MOH committee, a registration number will be given that is valid for five years. The application approval issuance depends on the completion of the required documents by MOH.

Qualification of Registration of Medical Devices

An application to register a medical device in the U.A.E. must be made by the device manufacturer or its local representative or distributor. The local representative or distributor must be formally authorized by the manufacturer to handle the application process and the manufacturer's legal obligations and responsibilities with regard to placing the medical device in the U.A.E. market. The authorized representative or distributor must be available to interact between the medical device manufacturer and the MOH.

Reimbursement

A mandatory health insurance model funds the national healthcare system in the UAE.

The main sources of funding in Abu Dhabi are:

- Employers or sponsors: employers are responsible for insuring their staff. Those who are not in employment must be funded by a sponsor.
- Government: the single-payer health insurance scheme for nationals is funded by the government, administered by the national health insurance company and regulated by the Ministry of Health (MOH).
- Individuals: individuals pay out-of-pocket payments and insurance premiums.

Barriers

• • Registration

The U.A.E. Commercial Companies Law requires that each company established in the U.A.E. have one or more U.A.E. national partner(s) who hold at least 51 percent of the company's capital. Foreign companies may engage in a commercial agency arrangement whereby a foreign company is represented by a U.A.E. agent to distribute, sell, offer, or provide goods or services within the U.A.E. The agent must either be a person holding U.A.E. nationality or a company that is 100 percent owned by U.A.E. nationals.

• • Customer Price Sensitivity

Most patients who travel to the U.A.E. for healthcare are from the Middle East and North Africa, Jordan, Thailand and India – all of which are cheaper healthcare destinations than the U.A.E. The

U.A.E. maintains an advantage over these competitor nations vis-à-vis middle-to-high income patients. The U.A.E. must attract patients from the wealthy upper tier of Africa, the Middle East and Asia, which is not easy as many of them can afford to go to Europe for treatment. Where the U.A.E. will be able to outperform European providers is in offering culturally-suitable care for Muslim patients and high quality specialized services.

Dubai Health Authority Procurement Contacts:

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U.A.E. Government Health Care Procurement Tenders:

Tejari Solution: www.esupply.dubai.gov.ae

Trade Events

Health related trade events, shows and exhibitions that will take place in the United Arab Emirates during 2018 are:

Arab Health

Date: 29th Jan. – 1st Feb. 2018

Venue: Dubai World Trade Center, Dubai - U.A.E.

Website: www.arabhealthonline.com

Organized by: Kallman Worldwide Inc.

Med Lab

Date: 5th Feb. – 8th Feb. 2018

Venue: Dubai World Trade Center, Dubai - U.A.E.

Website: www.medlabme.com

Organized by: Scherago International

OBS –GYNE

Date: 5th Feb. – 8Feb. 2018

Venue: Dubai International Convention & Exhibition Center, Dubai – U.A.E.

Website: www.obs-gyne.com

Organized by: Informa Life Science Exhibitions

Building Healthcare

Date: 11th Sept. – 13th Sept. 2017

Venue: Dubai World Trade Center, Dubai - U.A.E.

Website: <http://buildinghealthcare-exhibition.com>

Organized by: Informa Life Science Exhibitions

Access Abilities Expo

Date: 7th Nov. – 9th Nov. 2017

Venue: Dubai World Trade Center, Dubai - U.A.E.

Website: <http://www.accessabilitiesexpo.com/home>

Organized by: Reed Exhibitions

Local Associations

Emirates Medical Association: www.ema.ae

Dubai Autism Center: www.dubaiautismcenter.ae

Emirates Autism Center: www.emiratesautism.ae

U.A.E. Government Health Care Links:

Dubai Health Authority: www.dha.gov.ae

Dubai Ministry of Health: www.moh.gov.ae

Dubai Healthcare City (Free Zone): www.dhcc.ae

Abu Dhabi Health Authority: www.haad.ae

Abu Dhabi Health Service Co.: www.SEHA.gov.ae

Sharjah Health Care City: www.shcc.gov.ae

FAQs

Who are the Regulatory Authorities for Pharmaceuticals in the UAE?

1. UAE Ministry of Health (MOH)
2. Health Authority-Abu Dhabi (HAAD)
3. Dubai Health Authority (DHA)
4. Emirates Health Authority (EHA)

These authorities monitor the licensing of pharmacists and pharmacies, the registration of pharmaceuticals and advertising guidelines for drugs. The MOH formulates nationwide health policies and regulates the healthcare market in the Northern Emirates. The healthcare system of the country's two largest Emirates, Dubai and Abu Dhabi, are governed by DHA and HAAD respectively.

There was no separate entity to regulate the healthcare system in the Northern Emirates before 2009. The healthcare system of these Emirates fell under the ambit of the MOH before the formation of the Emirates Health Authority (EHA) by Federal Law No. 13 of 2009. This institution was primarily organized with the aim of facilitating inter-departmental co-operation between the authorities. EHA is based in Sharjah.

What is the regulation of the packaging and labeling of medical products in the UAE?

- Packaging and labelling of medicinal products is governed by the Pharmaceuticals Law 1983 and overseen by the relevant health authorities (Regulatory Authorities)
- Information and date must be written in both Arabic and English on leaflets and containers of medicines and other pharmaceutical preparations
- Name of the medicine or pharmaceutical preparation, and its registration number
- Compounds of the medicine and their amounts
- Name of the factory producing the medicine or pharmaceutical preparation
- Directions for use and cautionary warnings

What has been planned in UAE's Health care expansion?

- Information Technology is on a huge growth – the UAE Government has introduced that all providers must be on some form of electronic medical record (EMR) by 2018.
- Medical education is a major focus for investment. Training for Emiratis in the fields of medicine, nursing and pharmacy is needed. Three new medical schools, five nursing programs and pharmacy training program are in the pipeline for construction.
- UAE Government wants to get involved in Medical Research but research infrastructure is expensive and huge to interest the brightest research projects would take years.

U.S. Commercial Service Contact Information

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Best Prospects:

As for the sub-sectors of medical devices such as hospital beds and medical personnel, the U.A.E. is relatively well provided for in terms of hospitals and hospital beds, although it does suffer from a shortage of trained medical personnel. There are numerous hospitals under construction and renovation programs underway as a result of public and private investment. A growing medical tourism sector is generating demand for modern facilities with state-of-the-art medical equipment. Domestic medical device production will continue to be low, and only limited to basic items such as various types of syringes, and IV sets will be locally produced.

U.A.E. Market Size (2016 Data)

U.A.E. Healthcare spending	
... as percent of GDP	4.2% (1)
... of which spent on inpatient services (including long-term care)	4.8% 2016 (2)
... of which spent on pharmaceuticals	16.3% (7)
... of which spent on outpatient services	7.5% 2016 (2)

Hospitals, Procedures, Healthcare Professionals UN:

Number of hospitals	128 (1)
...Public	38
...Private	90
Number of U.A.E. hospital beds	12,532 (1)

... available beds per capita 1.35 per 1000 population (2)	
Number of surgical procedures	117.72 per '000 population (2)
...of which [top procedure] (3) <ul style="list-style-type: none"> • Orthopedic Surgery • Gynecology • General Surgery 	
Physicians	17 818 (2)
Dentists	3943 (2)

Demographics

U.A.E. Population	9,397.000 million (1)(6)
Life expectancy men/women	80 years (1)(5)
Infant mortality	5.2% per 1000 births (1)(5)
Percent of population older than 65	1.25% (4)
...projection, 2030	10,977million (5)
Annual deaths	7.8% (1)
...caused by [highest disease burden] : Cardiovascular and Neuro Psychiatric (2)	
...caused by [second highest]: Non-Communicable diseases (2)	
Prevalence of [fastest growing disease burden]: Communicable diseases (2)	

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