



‘The Challenges of Raising Financing/Capital for International Real Estate Investments from the GCC’

IREF 2008

GSH_{UK}

Gulf Co Operation Council

The Arabian Peninsula consists of Saudi Arabia, Kuwait, Bahrain, Qatar, the United Arab Emirates, the Sultanate of Oman, and the Republic of Yemen.

Together, these countries (excluding the Republic of Yemen) constitute the Gulf Cooperation Council (GCC). Yemen seeks to join in 2016.

Founded on 26 May 1981, the aim of this collective is to promote coordination between member states in all fields in order to achieve unity.



GSH_{UK}

GCC Key Indicators

- **Key Indicators** (thanks Wikipedia)

Name	Population	Area (km ²)	GDP (mil. US\$)	Per capita (US\$)	Currency
Bahrain	1,046,814	716	15,354	23,604	Bahrain Dinar
Qatar	1,307,229	11,437	52,722	80,870	Qatari Riyal
Kuwait	2,460,000	17,818	95,924	39,300	Kuwaiti Dinar
Oman	2,534,000	309,500	35,990	19,879	Omani Rial
Saudi Arabia	26,417,599	2,240,000	572,200	21,200	Saudi Riyal
United Arab Emirates	4,588,697	83,600	163,296	55,200	UAE Dirham



GSH_{UK}

The GCC Market -

- **GCC is by no means a homogenous market**
- **Local markets have very local structure**
 - Tax,
 - regulation, legislation
 - expectations,
 - currency
- **Expertise in international markets differ from customer to customer**

Currency Matters

- **GCC Single Currency ?**
- **USD Peg**
- **Kuwaiti Dinar basket**



GSH_{UK}

Sharia Compliant

- **GCC investors are increasingly interested in Sharia compliant products**
- **To quote Badlisyah Abdul Ghani, CEO at CIMB Islamic,**
 - **“The pie is getting bigger and bigger”**

Demand for Expertise

- **Unfamiliarity with workings of UK, Euro or other commercial markets does not equate to an easy selling environment**
- **GCC investors are cautious**
- **Investors demand increasingly detailed knowledge of markets they may enter overseas.**
 - **tax, legal, sectoral**
- **Offshore structures**
- **Treating Customers Fairly**



GSH_{UK}