Dubai EXPO 2020

- What is a World Exposition (or World EXPO)?
- What is the significance of hosting the EXPO?
- Apart from Dubai, which other cities have placed bids to host the EXPO in 2020?
- What is the theme of the proposed EXPO in Dubai?
- What is the potential impact of the World EXPO on Dubai?
- In what ways have the previous host cities/nations benefited from the EXPO?
- Which sectors are expected to benefit the most if Dubai wins the bid to host the EXPO?
INTRODUCTION

The UAE is bidding to host the World EXPO 2020 in Dubai. The EXPO 2020 logo is visible in all major locations in Dubai, including major landmarks, towers, airports, and even the national aircraft. The city is making tremendous efforts to win the bid to host the World EXPO 2020.

Exhibit 1: Dubai has caught the EXPO fever

Source: EXPO 2020 Dubai, Al Masah Capital Research

Recently, a 250-member delegation from the Bureau International des Expositions (BIE) – the international organization that supervises international exhibitions – visited Dubai to conclude the Theme Symposium, involving presentations on the proposed EXPO and its overarching theme. They were briefed about the city’s candidature by HH Sheikh Mohammed Bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and the Ruler of Dubai.

Dubai is competing with Ekaterinburg (Russia), Izmir (Turkey), and Sao Paulo (Brazil), for hosting the world’s largest fair in 2020.

Exhibit 2: Four cities are competing to host the World EXPO 2020

Source: ExpoBids.com, Al Masah Capital Research

Ekaterinburg, Russia

Russia has never hosted the World EXPO previously. Though Moscow had placed a bid to host EXPO 2010, it was won by Shanghai, China. Ekaterinburg, the city chosen for the EXPO, is a major center for education, research, culture, and industry. The government plans to develop a 500-hectare EXPO venue at Ekaterinburg, the second-largest site in the EXPO history. If Ekaterinburg wins, it will be the first Russian city to host a world fair. The proposed theme of the Ekaterinburg EXPO 2020 is “The Global Mind”.

Izmir, Turkey

Similar to Russia, Turkey has never hosted the World EXPO. Although Izmir, Turkey, had bid to host EXPO 2015, it narrowly lost to Milan, Italy. Izmir has allotted a 276-hectare site for the EXPO on the coast at Inciralti, a short distance from the city center. The
Dubai EXPO 2020

The proposed theme of the Izmir EXPO 2020 is “New Routes to a Better World/Health for All”. The theme involves a discourse on health and provision of affordable healthcare services.

<table>
<thead>
<tr>
<th>Country</th>
<th>Theme</th>
<th>Venue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dubai, UAE</td>
<td>Connecting Minds, Creating the Future</td>
<td>Dubai Trade Center – Jebel Ali: A 438-hectare site in Dubai</td>
</tr>
<tr>
<td>Ekaterinburg, Russia</td>
<td>The Global Mind</td>
<td>A 500-hectare site located in the Verkh-Isetskoy Pond district</td>
</tr>
<tr>
<td>Izmir, Turkey</td>
<td>New Routes to a Better World/ Health for All</td>
<td>A 276-hectare site in the Inciralti region</td>
</tr>
<tr>
<td>São Paulo, Brazil</td>
<td>The Power of Diversity, Harmony for Growth</td>
<td>A 502-hectare area at the Pirituba Convention &amp; Exhibition Center</td>
</tr>
</tbody>
</table>

Source: Various countries EXPOs, Al Masah Capital Research

São Paulo, Brazil

Brazil has chosen São Paulo as the venue. Brazil has never hosted the World EXPO previously. However, Brazil is a step ahead in the competition as it has already won the bid to host the 2016 Summer Olympics and the 2014 FIFA World Cup. Brazil plans to host the EXPO at the Pirituba Convention and Exhibition Center, located in the northwest of Sao Paulo. The exhibition site would cover an area of 502-hectares. The proposed theme of the São Paulo EXPO 2020 is “The Power of Diversity, Harmony for Growth”.

The BIE will announce the winner after voting\(^1\) from 167 member countries on November 27.

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\(^1\) At the end of the bidding phase, a vote by secret ballot takes place at a BIE General Assembly to grant the right to host an EXPO to a government for the chosen city and date. Each member state has one vote.
SIGNIFICANCE OF HOSTING THE WORLD EXPO

The World EXPO is a major event, considered to be the third-largest global non-commercial event in terms of economic and cultural impact, after the Olympic Games and the FIFA World Cup. The World EXPO is held every five years and attracts millions of visitors to the host city during its six-month duration.

What are World EXPOs?

The EXPO is a non-commercial Universal Exposition (not a trade fair) organized by the nation which wins the candidature, with other countries participating through the diplomatic channels of the hosting nation.

Each EXPO has a universal theme and is held in an area which is designed to function as a place of exchange of ideas to promote a unique experience for participants and visitors who discover and experiment with the theme. More than displaying major technological novelties, the EXPO’s role is oriented toward interpreting the collective challenges that humanity is faced with.

Source: EXPO Milano 2015

In the words of Vicente Gonzalez Loscertales, Secretary-General of the BIE, “The EXPOs are unique events of international cooperation dedicated to the communication of innovation and promotion of a global dialogue on themes that engage the entire world community.”

EXPOs have given the world some of its most memorable landmarks and inventions.

One of the most famous international structures, the Eiffel Tower, was commissioned as the entrance archway to the Paris EXPO in 1889, so were the Space Needle (Seattle EXPO in 1962) and the Atomium (Brussels EXPO in 1958).

EXPOs have been famous for introducing the public to telephone, commercial typewriter, automatic windows, superhighway system, sky train, and edible ice-cream cone.

Exhibit 4: Memorable landmarks

Source: Al Masah Capital Research

The last World EXPO was held between May 1, 2010 and October 31, 2010 in Shanghai, China. The Shanghai World EXPO, which cost USD4.2 billion according to government figures, set many records. It involved the largest number of countries (192 countries and 50 international organizations), received 73 million visitors, and was the most expensive World EXPO in history.
EXPOs are a catalyst for economic, cultural, and social transformation.

- EXPOs work as economic catalysts as they generate economic benefits for the host country in the form of increased tourism, job opportunities, and hospitality revenues. They also provide financial benefits, both during the run up to the event and after it, in terms of large construction activity, and investments from outside the country, among others.
- EXPOs have aided physical redevelopment of host nations and cities. EXPO Montreal 1967, for instance, led to the construction of structures such as the Décarie Autoroute and the Louis-Hippolyte Lafontaine Bridge and tunnel, which were essential to Montreal’s growth. The 1988 EXPO in Brisbane, Australia, witnessed the laying of nearly 2,000 kilometers of telecommunications wire.
- EXPOs have been useful for branding of the host country/city. For instance, the Eiffel Tower, one of the most recognizable structures in the world, was built as the entrance arch to the 1889 World EXPO in Paris, France.
Dubai EXPO 2020

DUBAI HAS PLACED A BID TO HOST THE WORLD EXPO 2020

Dubai aims to be the first city in the MENA region to host the World EXPO, the highly celebrated international exhibition. Following a carefully conducted feasibility study in 2011, the UAE launched the country’s campaign to host the 2020 World EXPO in Dubai in November 2011. The official intention to bid was submitted to the BIE under the patronage of HH Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and the Ruler of Dubai.

Connecting Minds, Creating the Future

Like all previous World EXPOs, Dubai too has chosen a theme for the event “Connecting Minds, Creating the Future”, realizing the importance of connected minds and collaborating efforts to overcome the challenges faced by the world today.

“Connecting Minds, Creating the Future” refers to three concrete domains that shape the priorities of each country: mobility, sustainability, and opportunity.

<table>
<thead>
<tr>
<th>Exhibit 5: Three sub-themes of the World EXPO 2020, Dubai</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mobility</strong></td>
</tr>
<tr>
<td>Mobility is the core driver of growth and prosperity since efficient logistics and transportation systems are the lifelines that connect people, goods, and services around the world.</td>
</tr>
</tbody>
</table>

Source: Expo 2020 Dubai, Al Masah Capital Research

Each of the above sub-themes supports Dubai’s future development.

Dubai possesses excellent mobility. Last year, Dubai International Airport witnessed passenger traffic of nearly 57 million people. The Emirate is also building the Al Maktoum International Airport. Once completed, the airport would have the capacity to handle 160 million passengers and 12 million tons of cargo annually.

Sustainability is part of the strategic vision for Dubai. The climatic conditions of Dubai are favorable for the development of solar energy projects. The project that best illustrates Dubai’s ambition in this direction is the Masdar city. Located 17 kilometers away from Abu Dhabi, Masdar city is the world’s first sustainable site. Dubai aims to meet 50% of the EXPO site’s electricity needs through solar power.
Opportunity is crucial for progress. It means identifying new economic models developed through innovation. The sub-theme seems apt for Dubai, which has allowed foreign investors in fields such as finance, services, transportation, digital technologies, and media to settle in the city, thus creating innovation clusters.

**Dubai Trade Centre – Jebel Ali is the planned venue**

Venue for the World EXPO 2020 Dubai would be Dubai World Central’s exhibition district (Dubai Trade Centre - Jebel Ali), a 438-hectare site equidistant from the centers of Abu Dhabi and Dubai.

Exhibit 6: Proposed venue for the World EXPO 2020, Dubai

Source: UAEINTERACT, Expo 2020 Dubai, Al Masah Capital Research

According to Helal Saeed Al Marri, Director General of DTCM and CEO of Dubai World Trade Centre, the EXPO site was chosen to reflect the theme of “Connectivity” while providing the best possible operational and logistical efficiencies for participants.

Dubai Trade Centre (Jebel Ali) is located next to the new Al Maktoum International Airport and in close proximity to a custom-bonded Sea-Air logistics corridor that would allow for rapid transit of people from airports and ports in both Abu Dhabi and Dubai.

**Partners**

Dubai EXPO 2020 has signed a number of partnerships. There are three tiers of partnerships: (1) Premier Partners, (2) Lead Partners, and (3) Official Partners. Six leading companies from the UAE – DP World, Dubai Airports, Emirates airline, Emirates NBD, Etisalat, and Jumeirah Group – are supporting the bid as Premier Partners.

Exhibit 7: Premier Partners for the Dubai EXPO 2020

Source: Expo 2020 Dubai, Al Masah Capital Research

The Dubai Department for Tourism and Commerce Marketing (DTCM) would be the Lead Partner, while numerous UAE government entities have also pledged their support for the bid, agreeing to take on the role of Official Partners.
Dubai has a strategic appeal

Dubai is a bustling metropolis with a diverse, multicultural population of just over two million people from more than 200 nationalities. Foreigners/expatriates make up around 90% of Dubai’s total population.

Dubai’s economy is no longer dependent solely on oil & gas. It has successfully transformed itself into a well-diversified economy based on trade, banking, tourism, real estate, and manufacturing.

Dubai has a world-class infrastructure

Dubai has world-class infrastructure facilities. The emirate features a network of seven industrial areas, three specialized free zones, two world-class seaports, a major international airport, a business park, a modern highway network, and a reliable public utility system. It continues to develop its infrastructure further.

Dubai is building the Al Maktoum International Airport at Dubai World Central (DWC), which, once complete in 2020, would be the largest airport in the world with five runways and a capacity for 160 million passengers and 12 million tons of cargo annually. The Al Sufouh Tramway project is in the final phase of construction. The 14.6-kilometer transit system that connects Jumeirah Beach Residence, Dubai Marina, and Al Sufouh is expected to be ready by the end of 2014.

Dubai is strategically located

Dubai is connected with 90% of the world’s population with non-stop flights. Over a third of the world’s population lives within a four-hour flying distance from Dubai, and two-thirds are within an eight-hour flying distance. In 2012, Dubai International Airport handled 57 million passengers from 225 destinations, travelling in on more than 140 different airlines.

Dubai is the perfect gateway between the East and West and the preferred hub for the MENA region’s imports and exports market.

Exhibit 8: Dubai enjoys a strategic location

Source: Al Masah Capital Research
Dubai EXPO 2020

The UAE (Dubai) ranks 23rd globally in the World Bank’s Ease of Doing Business report 2014. The UAE scores high on parameters such as starting a business, getting electricity, registering property, paying taxes, and trading across borders. The UAE is also favorably placed against the other cities that have placed bids for hosting the World EXPO 2020.

Exhibit 9: Dubai is ranked well in the “Ease of Doing Business index”

The index is compiled based on the rankings of each country in ten different categories: starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts, and resolving insolvency.

Dubai offers political stability

Dubai offers a higher degree of political stability compared to its regional peers. This was visible during the “Arab Spring” when a large number of expats in the neighboring countries sought asylum in Dubai, adding value to its safe-haven status.

Dubai is a part of the UAE, which enjoys a high degree of political stability in the MENA region. The UAE’s federal structure includes a Supreme Council (comprising the Rulers of each emirate), a Council of Ministers, and a semi-appointed Federal National Council with an advisory role. Each emirate is governed by its own ruler, with its own local government and courts.

The UAE (Dubai) is among the 30 least corrupt countries in the world

Public frustration with corruption was one of the leading factors for the “Arab Spring”, which shook the Middle East in 2011–12. However, Dubai remained safe. The UAE was ranked 27th out of 176 countries surveyed in Transparency International’s 2012 Corruption Perceptions Index.

The Corruption Perceptions Index measures the perceived levels of public sector corruption in countries across the world.

Dubai bid has received strong support

The Dubai bid has received strong support from the British Prime Minister David Cameron, London Mayor Boris Johnson, Italy’s Prime Minister Enrico Letta, Canada’s Foreign Affairs Minister John Baird, Former US President Bill Clinton, and Microsoft Chairman Bill Gates, among others.
The emirate’s bid to host EXPO 2020 has received strong support even from the general public. Dubai is also the most popular choice for hosting the EXPO on social media platforms such as Facebook and Twitter.

**Exhibit 10: Dubai is leading on social media like Facebook and Twitter**

<table>
<thead>
<tr>
<th>City</th>
<th>Facebook Likes</th>
<th>Twitter Followers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dubai, UAE</td>
<td>714,712</td>
<td>57,296</td>
</tr>
<tr>
<td>Ekaterinburg, Russia</td>
<td>1,411</td>
<td>537</td>
</tr>
<tr>
<td>Izmir, Turkey</td>
<td>70,246</td>
<td>6,096</td>
</tr>
<tr>
<td>São Paulo, Brazil</td>
<td>4,149</td>
<td>160</td>
</tr>
</tbody>
</table>

Source: Facebook, Twitter (accessed on November 22, 2013), Al Masah Capital Research

Note: Facebook data represents “likes”; Twitter data represents “followers”

Dubai’s EXPO bid has received over 710,000 likes on Facebook and more than 57,000 followers on Twitter – the highest among all bidders.
WHAT IS THE POTENTIAL IMPACT OF THE WORLD EXPO ON DUBAI?

Hosting the World EXPO 2020 would have a domino effect on trade, investment, technology, construction, and other related sectors and sub-sectors in Dubai and the UAE. Several agencies/research houses have tried to quantify the potential impact of the World EXPO on Dubai.

According to Bank of America Merrill Lynch, a successful Dubai EXPO 2020 bid could boost the emirate’s GDP by USD23 billion, or 24.4%, over 2015–21. Dubai’s successful bid for the EXPO 2020 would add 0.5% to the GDP growth during 2016–19 and 2% during the event in 2020–21.

There would be an obvious boost to construction since Dubai has earmarked a large amount for infrastructure development out of its total spend of USD8.7 billion for the EXPO. The EXPO would also help accelerate tourism and job creation.

Oxford Economics, a UK-based consultancy, expects around 277,000 new jobs to be created as a direct result of the EXPO. Standard Chartered places this figure at 300,000. Job creation would be robust for most of the sectors, particularly hospitality, construction, transportation, logistics, retail, and services.

Exhibit 11: Job creation due to Dubai EXPO 2020

Source: Oxford Economics, Dubai World Trade Centre, Al Masah Capital Research

In the last four decades, Dubai has significantly developed its hard infrastructure including schools, universities, medical clinics, and hospitals, as well as roads, ports and airports. Hosting the World EXPO would help show the world that Dubai and the UAE are shifting their focus from "hard" to "soft" projects. Moreover, if Dubai wins the EXPO bid, it also stands to gain a chance to improve its brand value. According to Brand Finance, a brand valuation and marketing consultancy, if Dubai hosts the World EXPO 2020, it would increase the brand value of the city by USD8 billion to USD257 billion.

Lastly, organizing the World EXPO would be a defining moment for Dubai, marking its transformation into a top global center for tourism, trade, and finance.
HISTORICAL IMPACTS ON OTHER HOST CITIES

From a purely financial aspect, the World EXPOs may seem to be loss-making ventures as recovering all the costs related to hosting the EXPO in a short span of six months is difficult. Yet, several cities bid to host the EXPO each time the BIE announces plans for the next EXPO. The reason is that EXPOs have a spillover effect on the overall economy, leading to a spur in almost all the sectors and sub-sectors, including construction and real estate activity, hospitality and tourism, transportation, food and restaurants, and employment.

Discussed below are the historical impacts of last five world EXPOs on their host cities.

<table>
<thead>
<tr>
<th>Year</th>
<th>City</th>
<th>Country</th>
<th>Participant countries</th>
<th>Visitors (million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>Shanghai</td>
<td>China</td>
<td>192</td>
<td>73</td>
</tr>
<tr>
<td>2000</td>
<td>Hannover</td>
<td>Germany</td>
<td>187</td>
<td>18</td>
</tr>
<tr>
<td>1992</td>
<td>Seville</td>
<td>Spain</td>
<td>108</td>
<td>42</td>
</tr>
<tr>
<td>1970</td>
<td>Osaka</td>
<td>Japan</td>
<td>78</td>
<td>64</td>
</tr>
<tr>
<td>1967</td>
<td>Montreal</td>
<td>Canada</td>
<td>62</td>
<td>50</td>
</tr>
</tbody>
</table>

Source: BIE Paris, Al Masah Capital Research
Refer to the appendix for details of World EXPOs held across ten countries since the 20th century

EXPO 2010 in Shanghai, China

The Shanghai EXPO took place from May 1 until October 31, 2010. It drew 73 million visitors, surpassing the previous record of 64 million visitors held by the Osaka 1970 EXPO. Shanghai allocated a 528-hectare plot on both the banks of the Huangpu River for the site. The EXPO site was formerly an old industrial area that comprised more than 250 pollution-heavy factories, which were closed down. Billions of dollars were invested into infrastructure and urban renewal projects. The official estimated cost of the Shanghai EXPO was USD4.2 billion. The event attracted a record 192 participant countries and 50 international organizations to showcase their cultural and national character under the theme "Better City, Better Life".

Shanghai benefited in several ways. The city built new roads, tunnels and bridges; six new subway lines; and a new airline terminal which helped ease congestion and air pollution in Shanghai. The city also revamped its waterfront, the Bund (a 1.8-kilometer long boulevard along Shanghai’s Huangpu River) that now houses luxury hotels, designer boutiques, and high-end restaurants and bars. The EXPO provided a short-term boost to the local retail and hospitality sectors. According to the CNTA (National Tourism Administration), the direct tourism income from the Shanghai EXPO was more than USD12 billion. To sum up, the EXPO contributed 5% to the city’s GDP. Shanghai’s economic growth jumped to 12.7% from 9.7% in 2008 and 8.2% in 2009.

Hosting the World EXPO was a turning point for Shanghai as it raised the city’s profile and pushed it up in ranking among the world’s top metropolitan cities.

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2 On the Expo Paved Way (Shanghai Flash)
EXPO 2000 in Hannover, Germany

The World EXPO 2000 held at Hannover, Germany, opened on June 1 and ran for five months until October 31. Nearly 187 countries and international organizations participated in the EXPO, the venue for which spread over a 160-hectare site in the southern outskirts of Hannover. Featuring the theme of “Humanity – Nature – Technology”, the Hannover EXPO displayed how humans could maintain a harmonious relationship with nature while developing its technological prowess.

The Hannover EXPO was dubbed a financial failure – it was estimated to have lost over USD1 billion. The EXPO drew only 18.1 million visitors versus an estimate of 40 million. However, the EXPO brought several other long-term economic benefits to Germany. It created nearly 100,000 jobs, marked up Germany’s international reputation, and improved the investment environment in Germany.

EXPO 1992 in Seville, Spain

The Seville EXPO took place between April 20 and October 12, 1992, and drew nearly 42 million visitors. A 215-hectare site on La Cartuja Island served as the venue for the EXPO in which 108 countries participated.

The theme of the EXPO was “The Age of Discovery” since it celebrated the 500th anniversary of Columbus’ first voyage in 1492. Moving cinemas, 360° view presentations, and other technologically advanced media were exhibited at the EXPO. The Turkish and the Canadian pavilions were a big hit. The Turkish pavilion allowed visitors to interact with multimedia software via large touch screen monitors. The Canadian pavilion showcased a high-definition IMAX film, entitled Momentum. Japan created the world’s largest wooden structure for the fair.

The Seville World EXPO pushed forward the development of the southern region of Spain. The run up to the EXPO witnessed the construction of a new high-speed railroad from Madrid to Seville. It also pushed the construction of eight new bridges and several new highways throughout southern Spain. The high-speed train link, motorways, and bridges have made travel easier for both tourists and residents.

EXPO 1970 in Osaka, Japan

The Osaka EXPO took place from March 15 until September 13, 1970. A total of 78 countries attended the event. The EXPO drew 64.2 million visitors to a 330-hectare site in Senri Hills, Osaka. The theme “Progress and Harmony for Mankind” showcased how technology can contribute to peace and a high quality of life on a global scale. Revolutionary design and innovative technologies were the highlights of the 1970 Osaka EXPO. The first wireless telephones, electric vehicles, and IBM computers were exhibited at the EXPO.

Japan spent more than ¥3 trillion (~USD9.5 billion) on the venue and on improving public transport, constructing high-end residential quarters, and developing commercial, cultural, and tourist facilities. With the EXPO as a beginning, a Kansai city cluster with Osaka at the center started developing along the Pacific Coast; it later became one of the top six city clusters in the world.
The 1970 EXPO in Osaka served as a morale-booster for Japan and transformed the country into a powerhouse with cutting-edge technology. The Osaka EXPO is believed to have pushed up the employment rate of Osaka to 64.1% in 1970 from 47.5% in 1960.

**EXPO 1967 in Montreal, Canada**

Canada hosted the 1967 Montreal World EXPO from April 28 to October 27. The EXPO coincided with the nation’s centennial celebrations. The EXPO drew 50.3 million visitors to a 400-hectare site (created by extending two man-made islands in the St. Lawrence River), developed at a cost of USD415 million. Approximately 847 buildings were erected and 12,000 trees were planted on the site. The event brought together 62 participating nations, international organizations, and other groups under the theme "Man and His World".

Montreal showcased the Expo Express transit system, which was the first fully automated rapid transit system in North America. Visitors to the Montreal EXPO were unaware that the trains which transported them back and forth between two islands were controlled entirely by a computer.

In addition, the EXPO led Montreal to accelerate work on three major expressways – Décarie, Ville-Marie, and Bonaventure – as well as the Louis-Hippolyte-La Fontaine bridge-tunnel. Montreal also constructed several buildings such as Place Bonaventure, the Alexis Nihon Plaza, and the Château Champlain for the EXPO.

The event gave Montreal a tremendous boost and enhanced its international presence. Montreal went on to host the Olympic Summer Games in 1976.

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1 **EXPO 2010 and Building of Three Centers**, Chen Yin, Fudan University
Dubai EXPO 2020

WHICH SECTORS ARE EXPECTED TO BENEFIT THE MOST?

Dubai is believed to have allocated a total spend of USD8.7 billion for the EXPO. The amount includes investment of USD7 billion and operating expenses of USD1.7 billion. The organizers have predicted that the operating expenses would be covered for by ticket sales and other revenues from the event.

We believe this amount would have a domino effect on the overall economy leading to growth for companies operating in construction and real estate, hospitality and tourism, transportation, and food and restaurants.

Construction and real estate

The construction and real estate sector is likely to be the immediate beneficiary of the Dubai EXPO 2020. Firstly, both domestic and international construction companies would be allocated work for the development of the proposed 4.3 million square-meter exhibition area at the EXPO site in Jebel Ali. As this gets underway, several real estate projects would come up around the proposed EXPO site, leading to a rise in land prices. Several property developers are already believed to have expressed interest in projects around the proposed EXPO site. Residential property, especially to cater to the housing needs of expatriates and laborers who would come to Dubai, is also likely to witness enormous growth. The event may also have a positive impact on office space, as logistics and marketing companies are likely to rush in to make benefits out of the EXPO business.

Hospitality and Tourism

The EXPO 2020 Dubai has been projected to attract 25 million visitors over a period of six months. Since a large part of these tourists would come from outside the UAE, they would require accommodation. Although Dubai already has a large number of international world-class hotels, very few are close to the EXPO site.

Exhibit 13: Number of hotels rooms in Dubai vis-à-vis tourist inflow

Source: Dubai’s Department of Tourism and Commerce Marketing, EXPO 2020 Dubai, Al Masah Capital Research
Around 45,000 new hotel rooms would need to be added to the existing 82,000 room supply based on the government’s calculation that 70% of the visitors would come from abroad.

Hospitality and tourism are key contributors to Dubai’s economy and have added to the city’s economic growth, success, and diversification.

**Transportation**

Dubai is spending billions of dollars to expand and upgrade its existing air infrastructure. Dubai International Airport (DIA) is undergoing renovation costing USD7.8 billion, including the construction of Concourse 3 and Concourse 4 and expansion of Terminal 1 and 2. Dubai is also building the new Al Maktoum International Airport, which once complete, will have the capacity to handle 160 million passengers per year.

Separately, Dubai’s transport authority has announced that it would expedite plans for a USD1.4 billion extension of its metro rail line if the Emirate wins the EXPO bid. In addition, 24 kilometers of the proposed Dubai Metro would be operational by 2020.

**Exhibit 14: Dubai Metro 2030**

Source: dubaimetro.eu

**Food and Dining**

Dubai has over 5,000 restaurants serving diverse cuisines, catering to all budgets and tastes. If the emirate wins the bid to host EXPO 2020, it would have a positive impact on the restaurants, cafeterias, snack bars, food carts, and other eateries as they would have the opportunity of catering to visitors from all corners of the world.

Dubai is expected to receive approximately 25 million visitors during the six-month long EXPO 2020.
CONCLUSION

The competition is tough and it is difficult to predict which country will win the bid for hosting the World EXPO 2020. Yet, it is good to note that the Dubai bid has received strong support from a number of countries and renowned people including the British Prime Minister David Cameron, London Mayor Boris Johnson, Italy’s Prime Minister Enrico Letta, Canada’s Foreign Affairs Minister John Baird, Former US President Bill Clinton and Microsoft Chairman Bill Gates. Dubai is also the loudest on social media platforms like Facebook and Twitter.

Although hosting of this event would be a natural fit for Dubai’s core sectors such as tourism, trade, and transportation. Even if Dubai does not win the bid, it would keep most of the development plans in place as they fit perfectly into the Emirate’s growth strategy.
## APPENDIX

### Exhibit 15: World EXPOs in the 20th century

<table>
<thead>
<tr>
<th>Year</th>
<th>City</th>
<th>Country</th>
<th>Participant countries</th>
<th>Visitors (million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1900</td>
<td>Paris</td>
<td>France</td>
<td>58</td>
<td>50</td>
</tr>
<tr>
<td>1904</td>
<td>Saint Louis</td>
<td>US</td>
<td>62</td>
<td>20</td>
</tr>
<tr>
<td>1905</td>
<td>Liege</td>
<td>Belgium</td>
<td>31</td>
<td>7</td>
</tr>
<tr>
<td>1906</td>
<td>Milan</td>
<td>Italy</td>
<td>25</td>
<td>10</td>
</tr>
<tr>
<td>1910</td>
<td>Brussels</td>
<td>Belgium</td>
<td>26</td>
<td>13</td>
</tr>
<tr>
<td>1911</td>
<td>Turin</td>
<td>Italy</td>
<td>30</td>
<td>4</td>
</tr>
<tr>
<td>1913</td>
<td>Ghent</td>
<td>Belgium</td>
<td>26</td>
<td>10</td>
</tr>
<tr>
<td>1915</td>
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</tr>
<tr>
<td>1929</td>
<td>Barcelona</td>
<td>Spain</td>
<td>20</td>
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*Source: BIE Paris, Al Masah Capital Research*