

CONSTRUCTION & INFRASTRUCTURE



CANADA SECTOR STATS

- Canada is ranked 16th in the world in terms of infrastructure quality, efficiency, and connectivity.
- Canada is ranked 14th in the world terms of construction sales by top ranking global construction firms.
- The GDP of the Canada's construction industry was C\$141.6 billion in 2018, representing 7.3% of Canada's total GDP.
- Over 1.7 million workers are part of the construction industry labour force, making up 9.2% of Canada's total labour force.
- There are over 400,000 registered businesses working in Canada's construction industry, making up 10.8% of Canada's total businesses.

UAE SECTOR STATS

- The UAE is ranked 5th in the world in terms of infrastructure quality, efficiency, and connectivity.
- The UAE is ranked 15th in the world terms of construction sales by top ranking global construction firms.
- The GDP of the UAE's construction and building industry was C\$35.9 billion in 2016, representing 10.3% of the UAE's total GDP.
- Over 500,000 workers are part of the construction industry labour force, making up 8.0% of the UAE's total labour force.
- In 2016 foreigners invested C\$6.22 billion into the UAE's construction industry.

The overall well-being of a country's economy can often be determined by examining its construction sector. That being the case, both Canada and the UAE are performing at optimal levels; both seeing record investment and demand in developments driving growth in their respective construction industries.

Together, the two countries have synergies in their need for major infrastructure. As the world's second largest country, geographically, it has been critical for Canada to build the public works needed to move and connect its citizens and move its goods. The UAE, on the other hand, is ramping up its infrastructure to not only support its local population, but also in preparation for Expo 2020 Dubai—a major endeavour that will host 190 countries and see millions of visitors from across the globe.

Additionally, both countries are hot spots for private investment in residential and commercial development, particularly in their major cities. Toronto, Vancouver, and Dubai have seen rapid growth in the last decade and are continuing to see high levels of interest and investment from developers around the world.

THE CANADA-UAE SECTOR RELATIONSHIP

Canadian engineering, architecture, and construction firms are well represented in the UAE and have been involved in a number of large developments that reflect Canada's commitment to the region. Many have established local subsidiaries and have also expanded into neighboring markets in the Gulf Cooperation Council (GCC) region.

PROJECT NAME	UAE & CANADIAN FIRMS	PROJECT VALUE (\$US)	TYPE	DATE COMPLETE
Rosemont 5-Star Hotel & Residence Dubai	Curio & ZAS Architects + Interiors	\$550.0 Million	Hospitality/ Residential	2019
ICD Brookfield Place Dubai	Investment Corporation of Dubai & Brookfield Property Partners	\$1.0 Billion	Commercial/ Retail	2019
Dubai Hills Estates	EMAAR, MERAAS, & EllisDon	\$10.0 Billion	Residential	2024

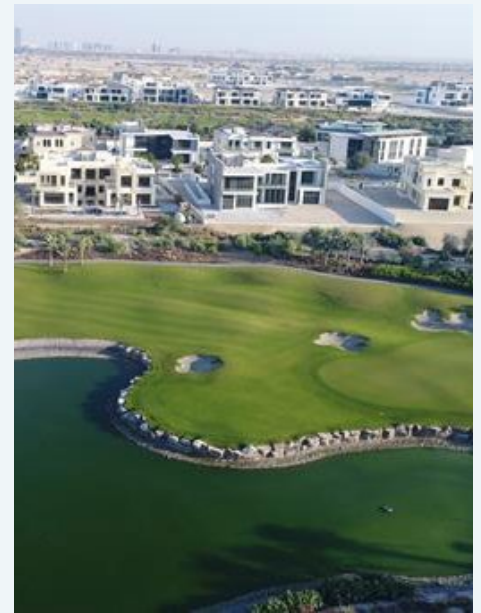
Resident Canadian firms in the UAE include: SNC Lavalin, NORR, ZAS Architects + Interiors, IBI Group, EllisDon, B+H Architects, gsmprjct, MHPM, Stantec, Forrec, Brookfield, WSP Parsons Brinckerhoff, Hatch, and Zeidler.



Rosemont 5-Star Hotel & Residence



ICD Brookfield Place



Dubai Hills Estates

CONSTRUCTION & INFRASTRUCTURE IN CANADA

Canada's construction sector is on an upswing, following the country's economy as a whole. With a growing population, an active workforce, and a thriving business environment, there is constant demand to build new and renewed residential, commercial, industrial, and institutional developments.

All major building types have seen almost uninterrupted growth over the past two decades in Canada. Within the last five years alone, the value of total building permits has grown by 4.3 per cent.

TYPE	PERMIT VALUES 2018	'13-'18 CAGR
Residential	C\$62.8 Billion	5.4%
Commercial	C\$21.5 Billion	2.7%
Industrial	C\$72.9 Billion	5.2%
Institutional	C\$80.2 Billion	0.4%
Total	C\$99.7 Billion	4.3%

OPPORTUNITIES FOR UAE COMPANIES IN CANADA:

- Partnerships for Mixed-Use, High-Density Development
- Green & Smart Developments
- Innovative Public Space
- Investing in Revenue-Generating Canadian Infrastructure

Some of the greatest opportunities for the sector are in Canada's major urban centres, particularly with high-density residential and mixed-use projects to combat issues of urban sprawl and affordability. Other opportunities exist in innovative public space development as well as green and smart commercial development.

The need for new and improved infrastructure is an essential driver of Canada's construction sector. Through the current *Investing in Canada Plan*, the Government of Canada has committed to C\$180.0 billion over 12 years across five priority infrastructure streams: public transit, green building, social infrastructure, trade and transportation, and rural and northern communities. The objectives of this plan are to create long-term economic growth, support a low carbon, green economy, and build inclusive communities.

The Canada Infrastructure Bank is another initiative that assists provincial, municipal, and Indigenous communities in building infrastructure across the country. The crown corporation was created in 2017 to address a gap in the

market between privately-funded projects and government-funded infrastructure, which is procured traditionally or as a public-private partnership. The Bank aims to invest up to C\$35.0 billion alongside private and institutional partners, creating opportunities for those interested in new, revenue-generating infrastructure projects in Canada.

Feature Project: Toronto Waterfront Revitalization Initiative

The Toronto Waterfront Revitalization Initiative aims to transform 800 hectares of brownfield lands on Toronto's waterfront into beautiful, accessible, and sustainable mixed-use communities. This includes the creation of 40,000 residential units, one million square metres of commercial property, and 300 hectares of parks and dynamic public spaces.

The project is led by Waterfront Toronto, a not-for-profit created in 2001 by the Government of Canada, the Government of Ontario, and the City of Toronto. With a mandate of 25 years and a projection of C\$30 billion in public and private funding, the Toronto Waterfront Revitalization Initiative is one of the largest infrastructure projects in North America and one of the largest waterfront re-development initiatives undertaken in the world.

A primary objective is to leverage the infrastructure project to deliver key economic and social benefits that enable Toronto to compete aggressively with other top tier global cities for investment, jobs, and people. To do this, Waterfront Toronto brings together the most innovative approaches to real estate development, urban design, and advanced technology infrastructure.

Revitalization Areas





CONSTRUCTION & INFRASTRUCTURE IN UAE

The UAE has, and continues to, push the boundaries on what is possible in the realm of construction, whether it is through its residential, commercial, industrial, or institutional projects. One only has to look at pictures of the nation two decades ago to see how far the UAE has developed in urban centres in such a short time—and it shows no signs of slowing down.

The UAE's construction sector has an estimated US\$800.0 billion worth of major projects in the pipeline, as of 2018. It is projected that an additional US\$40.0 billion worth of construction contracts will be awarded each year for the next three years in the country. The two largest emirates, Abu Dhabi and Dubai, make up the majority of this construction spending and investment.

OPPORTUNITIES FOR CANADIAN COMPANIES IN UAE:

- 3-4 Star Hospitality Developments
- Designing & Building Landmarks
- Downtown Developments
- Green & Smart Developments
- Public-Private Partnership in Infrastructure Development
- Supplying Building Materials

The UAE's strategic location, well-developed financial and tourism sectors, and large consumer base continue to make it an attractive market for private investment in construction development. The nation has also invested an unprecedented amount of public funds into development, ramping up more recently in an effort to build major infrastructure for Expo 2020. In 2017, an annual budget of US\$12.9 billion was approved for the emirate of Dubai, which included a 27.0 per cent spending increase on infrastructure. In 2018, the annual budget was increased again, to a total expenditure worth US\$15.4 billion—the largest public budget in its history. This budget also saw an increase in infrastructure spending, with key investment going into Expo 2020 Dubai (US\$6.8 billion) and the expansion of Dubai Metro (US\$2.9 billion).

Abu Dhabi, the capital of the UAE, is also a growing focal point for infrastructure development. With the aim to diversify its economy away from oil and gas reliance, the emirate has created an ambitious urban plan—Plan Abu Dhabi 2030—that will focus on modernizing old infrastructure and prioritizing new industry in the downtown core.

Some of the greatest opportunities for the sector are in the UAE's tourism industry. As a nation that is continuing to diversify its economy, tourism has become a focal point for the country's growth. Projects include the design and building of landmarks as well as the development of 3- and 4-star hotels. Another opportunity for Canadian firms is in supplying construction materials. As a small country, the UAE relies on international imports for building products such as ready-mix concrete, gypsum products, glass, flooring, lighting systems, interior finishes, and green

building products. Canadian products are known for their superior quality and Canada is seen as a provider of high-tech, innovative, and niche building materials.

Feature Project: Dubai Creek Harbour

Dubai Creek Harbour is a 600-hectare master planned waterfront development being built overlooking the historic Dubai Creek and the Ras Al Khor Wildlife Sanctuary. Preserving both the culture and environmental aspects of the site puts the project at the forefront of development--integrating a smart, green city, whilst building on cultural heritage.

The project includes nine districts, each a mix of high-end residential, retail, and recreational space. Overall, the development will have 7.3 million square metres of residential space, 750,000 square metres of retail space, and 700,000 square metres of parks and open spaces. At the centre will be another iconic landmark for the city, Dubai Creek Tower, which is expected to become the world's tallest tower upon its completion in 2020.



Rendering of Dubai Creek Harbour

The project is a joint venture between Dubai Holding and EMAAR Properties, one of the largest real estate developers in the UAE. The development began in 2014 and is expected to take 30 years to build out in its entirety.

GOVERNMENT RESOURCES

- **Infrastructure Canada:**
www.infrastructure.gc.ca
- **Canada Infrastructure Bank:**
cib-bic.ca
- **U.A.E. Ministry of Infrastructure Development:**
www.moid.gov.ae
- **Infrastructure and Vision 2021:**
www.government.ae/en/information-and-services/infrastructure/infrastructure-and-vision-2021
- **Canadian Trade Commissioner Service in the United Arab Emirates:**

The Canadian Trade Commissioner Service has been helping Canadian companies navigate international markets for more than 120 years. Canadian trade commissioners are located in more than 160 cities worldwide, including Abu Dhabi and Dubai. Canadian trade commissioners in the UAE are each responsible for one or more key sectors. Their offices are at the Embassy of Canada to the United Arab Emirates (located in Abu Dhabi) and the Consulate General of Canada in Dubai.

www.tradecommissioner.gc.ca/united-arab-emirates-emirats-arabes-unis

E-mail: uae-eau.infocentre@international.gc.ca
- **Consulate General of the United Arab Emirates in Toronto:**

The Consulate General of the UAE in Toronto has a business development team that can point you in the right direction in Canada. The Consulate General of the UAE and the Embassy of the United Arab Emirates in Ottawa work together with key partners to support UAE companies interested in the Canadian market.

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