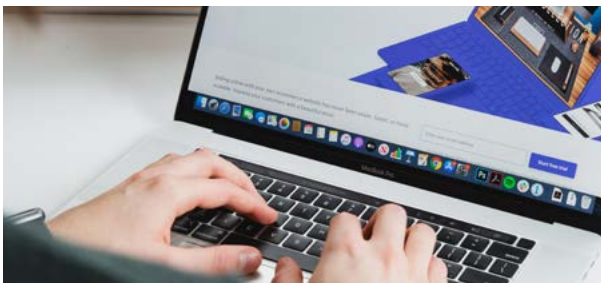
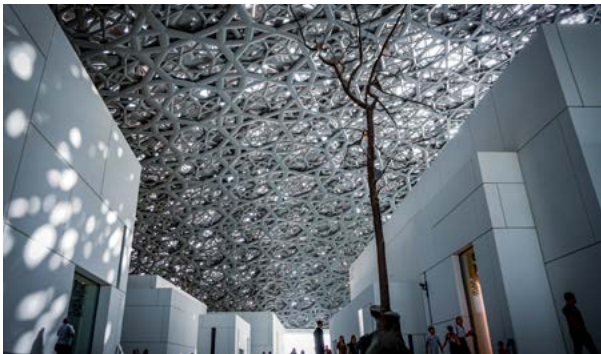


The FBC Weekly Briefing - Covid-19 Outbreak

25 JUNE 2020

This edition at a glance...

- *The UAE makes a strong return to the Foreign Direct Investment Confidence Index.*
- *The UAE announces completion of National Disinfection Programme.*
- *Dubai announced new protocols and conditions for citizens, residents and tourists travelling into or out of Dubai airports.*
- *Abu Dhabi, residents may now move freely within Abu Dhabi emirate.*
- *Saudi Arabia lifts nationwide curfew, resumes economic activities, and allows only 1,000 Hajj pilgrims this year.*
- *Oman is reopening malls, some businesses and industrial activities from Wednesday as the country eases coronavirus restrictions.*
- *“This is the moment that many retailers have been waiting for. They can now reach new customer segments, use more data to develop tailored marketing, and reduce costs.”*



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| IMPACT OF COVID-19 ON THE GCC ECONOMIES & ECONOMIC STIMULUS PLANS



| UAE - COVID-19'S IMPACT, RESPONSE TO THE CRISIS AND STIMULUS PACKAGES

| UAE

UAE announces completion of National Disinfection Programme.¹

| DUBAI

Dubai leads global FDI destinations in readiness and resilience. Despite the decline in greenfield foreign direct investment, FDI, globally at the beginning of 2020 due to the challenges posed by the COVID-19 pandemic, Dubai has maintained its leading position among the top three global FDI destinations during the first five months of the year, according to Financial Times FDI Markets data.²

On 21st June 2020, the Supreme Committee of Crisis and Disaster Management announces new air travel protocols for Dubai citizens, residents and visitors. Under the directives of Vice President and Prime Minister of the UAE and Ruler of Dubai His Highness Sheikh Mohammed bin Rashid Al Maktoum and the follow-up of Crown Prince of Dubai and Chairman of The Executive Council His Highness Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, the Supreme Committee of Crisis and Disaster Management headed by His Highness Sheikh Mansour bin Mohammed bin Rashid Al Maktoum, announced new protocols and conditions for citizens, residents and tourists travelling into or out of Dubai airports. The new announcement will allow thousands of people affected by the worldwide restrictions in passenger air traffic since the start of the pandemic to resume their travel plans. The Supreme Committee said it has taken a decision to allow foreign nationals holding residency visas issued in Dubai to return to the emirate starting tomorrow (Monday 22 June). It will also allow citizens and residents to travel

to any foreign country starting Tuesday, June 23 provided the destination countries agree to receive them. Furthermore, they should commit to observing precautionary measures outlined by the countries they are visiting. The Committee has also decided to start welcoming visitors and tourists from overseas beginning 7 July 2020. The new decisions are supported by protocols and preventive measures aimed at safeguarding the health and wellbeing of all passengers travelling into or out of Dubai Airports.³



British Airways to resume Dubai flights in July
Tourists are welcome to travel to Dubai again from July and British Airways is set to be among one of the first non-local airlines to fly passengers back to the emirate. The British airline will recommence flights from London Heathrow to Dubai International Airport on Friday, July 17.⁴

Dubai lifts movement restrictions. The Supreme Committee for Crisis and Disaster Management in Dubai announces the end of the national sterilization program in Dubai in line with the decision of the National Authority for Emergency, Crisis and Disaster Management. Residents of Dubai will be allowed the freedom to go out at anytime, with the need for everyone to adhere to various preventive measures such as wearing masks and social separation.⁵

1 <https://www.wam.ae/en/details/1395302851068>

2 <https://www.wam.ae/en/details/1395302851024>

3 <https://mediaoffice.ae/en/news/2020/June/21-06/Supreme-Committee-of-Crisis-and-Disaster-Management-announces-new-air-travel-protocols>

4 <https://www.thenational.ae/lifestyle/travel/british-airways-to-resume-dubai-flights-in-july-1.1038442>

5 <https://gulfnews.com/uae/government/covid-19-uae-sterilisation-drive-to-tackle-coronavirus-is-complete-movement-restrictions-lifted-1.1593019821418>



Dubai schools gear up to re-open after summer break. More than 500 principals and school leaders from private schools in Dubai attended an online session on the re-opening of schools in the new academic year. Hosted by the Director General of the Knowledge and Human Development Authority, Dr. Abdulla Al Karam, the session focused on the health and safety measures schools will take to keep everyone safe when they return to school. While health and safety protocols will apply to all schools equally, individual schools may come up with teaching and learning models that meet the needs of their own specific communities. School leaders are encouraged to be creative and innovative in designing the look and feel of their school in the new academic year.⁶

Dubai Sports Council discuss upcoming sports events with federations and organisers. Dubai Sports Council has been meeting with local and international sports federations, and event organisers to discuss organising of sports events in the coming months. The Council has received official communication from a number of international sports federations, with request to host their events in Dubai as more and more host cities express their inability to host international sports events due to COVID-19 concerns. The meetings are also being held to discuss possible dates for upcoming sports events and to draw up a schedule of events until the end of 2021.⁷

| ABU DHABI

Following the completion of the National Sterilisation Programme in Abu Dhabi, residents may now move freely within Abu Dhabi emirate. Exiting Abu Dhabi does not require a permit. The entry ban to Abu Dhabi remains in place, except for pre-exempted categories.⁸

Etihad Airways, Medicus AI to launch COVID-19 risk assessment tool across digital platforms that will empower guests to make informed decisions about travelling. Powered by Medicus AI's technology, the risk-assessment tool will guide Etihad's guests in evaluating the probability of having contracted the COVID-19 by responding to a set of 22 questions, the airline said in a statement on Monday. The self-administered assessment, which takes less than five minutes to complete, is based on World Health Organisation, WHO, guidelines that are updated daily. With this risk-assessment tool, guests will understand their individual probability of having contracted the virus alongside advisories and recommendations, allowing them to make informed decisions about travelling.⁹



Louvre Abu Dhabi to re-open June 24. Tickets can now be purchased on Louvre Abu Dhabi's website ahead of the museum's reopening this Wednesday, June 24. Manuel Rabaté, director of Louvre Abu Dhabi, assured that appropriate health and safety measures have been put in place - including thermal scanning, new opening hours, and limiting the number of visitors every hour. Masks and gloves will also be mandatory.¹⁰

6 <https://www.mediaoffice.ae/en/news/2020/June/23-06/Dubai-schools-gear-up-to-reopen-after-summer-break>

7 <https://www.mediaoffice.ae/en/news/2020/June/24-06/Dubai-Sport>

8 <https://twitter.com/admediaoffice/status/1275885264859279366> // <https://www.thenational.ae/uae/uae-lifts-night-time-movement-restrictions-1.1038821>

9 <http://wam.ae/en/details/1395302850389>

10 <https://www.wam.ae/en/details/1395302850180>

| RAS AL KHAIMAH

RAK outlines requirements for reopening entertainment halls in the emirate. The Ras Al Khaimah Department of Economic Development, RAKDED, has issued a circular on the requirements and procedures for reopening entertainment halls in the Emirate, in line with the precautions set out to curb the spread of the new coronavirus, COVID-19. Entertainment halls, such as children's soft play areas, may resume their economic activities as of Wednesday, 24th June, 2020, provided they meet the conditions and procedures outlined in the circular.¹¹

| SHARJAH

Sharjah's Economic Development Department (SEDD) has said that cinemas, auction houses, entertainment centres, valet services and fitness facilities in the emirate can reopen with 50 per cent capacity provided they follow the necessary safety guidelines. These guidelines include taking temperature checks, providing visitors with sanitisers and ensuring

safety distance of 2 metres in addition to limiting customers to 50 percent of store capacity. However, some services will continue to be halted, including massage, sauna and distribution of newspapers and magazines. The development comes as part of the gradual reopening of business activities nationwide.¹²

Sharjah Art Foundation to reopen some venues from 26 June. On 26 June 2020, Rain Room Sharjah and the exhibition Art in the Age of Anxiety will open to the public. To avail themselves of either of these venues, visitors must book in advance. Art in the Age of Anxiety The most ambitious exhibition in the Middle East to date about art in the age of the internet, this exhibition brings together over 30 international contemporary artists and art collectives to explore the way everyday devices, technologies and digital networks have altered our collective consciousness. Guests interested in visiting this exhibition can do so by booking an available slot in advance. Each slot will allow for limited visitor capacity in adherence to recommended social distancing guidelines, and viewings will be limited to 45 minutes.¹³

11 <https://www.wam.ae/en/details/1395302850614>

12 <https://www.wam.ae/en/details/1395302850219>

13 <https://www.wam.ae/en/details/1395302850623>

| KSA - COVID-19'S IMPACT, RESPONSE TO THE CRISIS AND STIMULUS PACKAGES

Saudi Arabia lifts nationwide curfew, resumes economic activities. Protocols and preventive measures, such as social distancing, have been put in place as commercial activity resumes across the country. Restaurants and cafes have reopened again for indoor trade. Gyms, barbershops and beauty salons are also welcoming back clients.¹

Saudi sports' centers, halls to return to normalcy as of Sunday 21st June 2020. In a statement, the ministry re-affirmed the importance of abiding and committing to the

guiding directory of the special protocol related to the centers and halls return to normalcy. The decision for resumption of sports' activities is based on the Ministry of Interior's statement announcing the return of all commercial and economic activities to normalcy, across the Kingdom of Saudi Arabia.²

Amazon unit launches AED1m initiative to help start-ups in UAE, Saudi Arabia and Egypt Payfort, a subsidiary of retail giant Amazon, has launched a AED1 million initiative in the UAE aimed at supporting start-ups and small-to-medium sized businesses (SMB). The initiative, which will also roll out to Egypt and Saudi Arabia, targets start-ups from more than ten

1 <https://www.arabnews.com/node/1693461/saudi-arabia>

2 <https://www.wam.ae/en/details/1395302850035>

categories including, grocery, food & beverage, home services, fashion, beauty, entertainment, health & fitness, automotive and e-learning. Payfort will fund a three-month digital marketing campaign across multiple media channels, including organic, paid and influencer social campaigns, video content production, email marketing campaigns and internal marketing promotions.³



Saudi Arabia to allow only 1,000 Hajj pilgrims this year. The pilgrims will be tested for coronavirus before arriving in the holy city of Mecca and will be required to quarantine at home after the ritual.⁴

³ <https://www.arabianbusiness.com/startup/447752-amazon-unit-launches-aed1m-initiative-to-help-start-ups-in-uae-saudi-arabia-egypt>
⁴ <https://www.arabianbusiness.com/travel-hospitality/448650-saudi-arabia-to-allow-only-1000-hajj-pilgrims-this-year>

| KUWAIT - COVID-19'S IMPACT, RESPONSE TO THE CRISIS AND STIMULUS PACKAGES

Sports activities in Kuwait will resume as of June 28 according to a plan announced by the Public Authority for Sport (PAS) on Monday. Last week, the country's cabinet decided to ease curfew hours and start from 7 p.m. until

¹ <https://www.arabnews.com/node/1694116/sport>

5 a.m. Kuwait will also allow travel for patients with critical health conditions and students for exams.¹

| OMAN - COVID-19'S IMPACT, RESPONSE TO THE CRISIS AND STIMULUS PACKAGES

Oman emerges from coronavirus lockdown. Oman is reopening malls, some businesses and industrial activities from Wednesday as the country eases coronavirus restrictions. More than 50 commercial and industrial activities will be reopened following a decision on Tuesday by the Supreme Committee tasked with tackling the Covid-19 pandemic. Businesses covered by the decision include real estate offices, travel agencies, maintenance businesses and dry cleaners. Social distancing of at least two metres must be maintained by customers.¹

Oman offers emergency interest-free loans for firms hit by virus. Oman will offer interest-free loans to help small and medium-sized firms and other business owners that have suffered losses

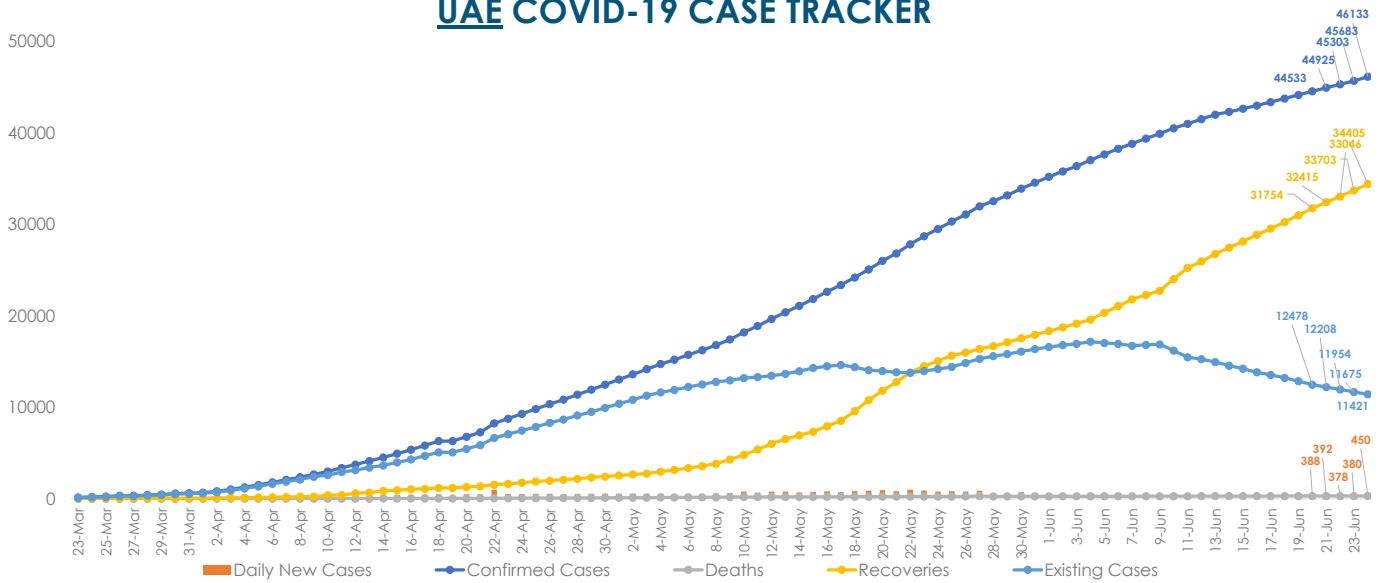
¹ <https://www.thenational.ae/world/gcc/oman-emerges-from-coronavirus-lockdown-1.1038411>
² <https://www.arabianbusiness.com/banking-finance/448660-oman-offers-emergency-interest-free-loans-for-firms-hit-by-virus>
³ <https://www.arabianbusiness.com/politics-economics/448665-moodys-downgrades-oman-for-second-time-in-2020-as-oil-dips>

due to the coronavirus pandemic. The emergency programme announced on Tuesday is among the first measures taken by a committee set up by Haitham bin Tariq Al Said to counter the economic fallout of Covid-19, according to Oman Television.²

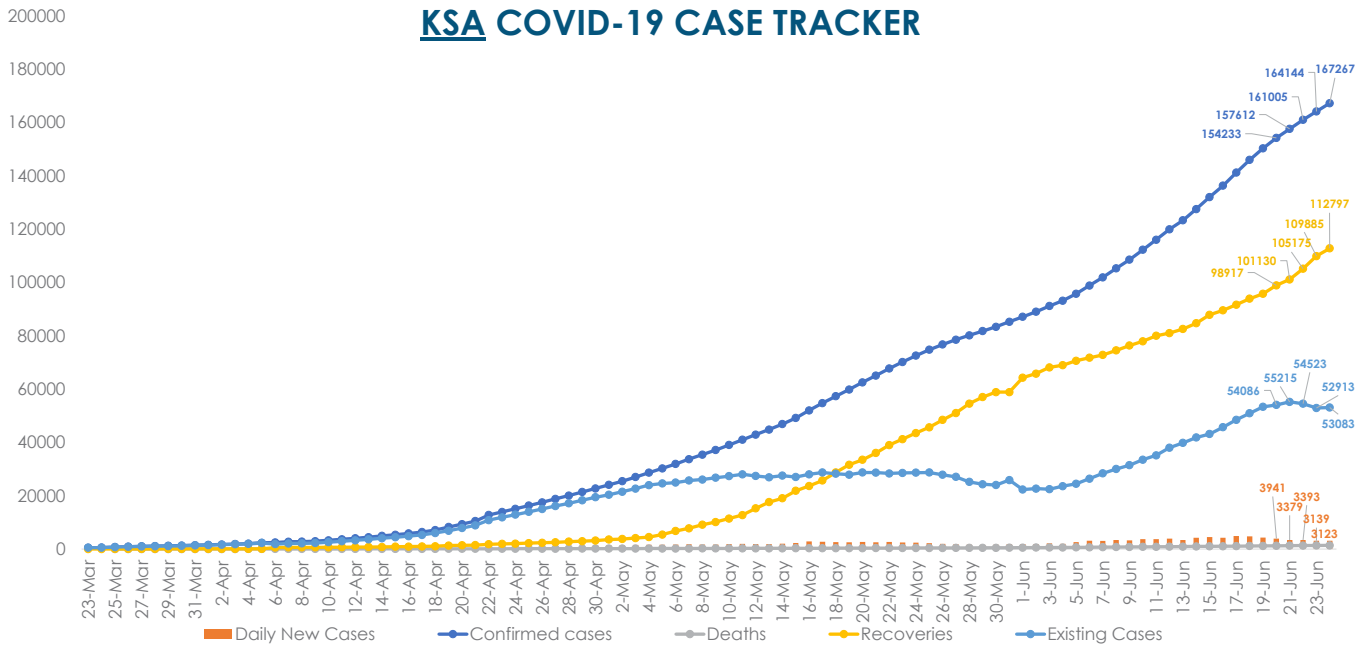
Oman's sovereign rating was cut for a second time this year by Moody's Investors Service as a lower crude price environment will likely slash the Gulf nation's oil revenue. The rating company downgraded the sovereign a notch lower to Ba3 - three levels into its non-investment grade scale, and changed its outlook to negative, according to a statement Tuesday. In March, Moody's put Oman on review for the downgrade, saying the country's low fiscal strength will likely place pressure on its finances. Its assessment is now on par with S&P Global Ratings and one level below that of Fitch Ratings.³



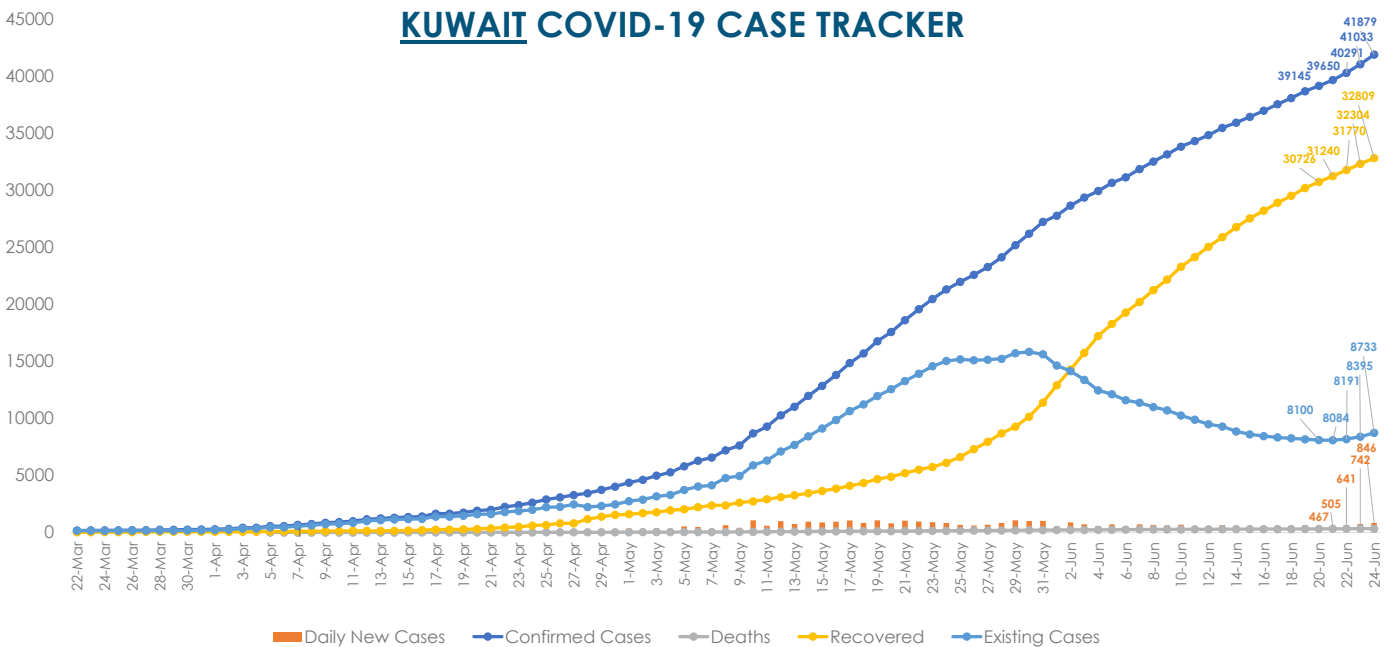
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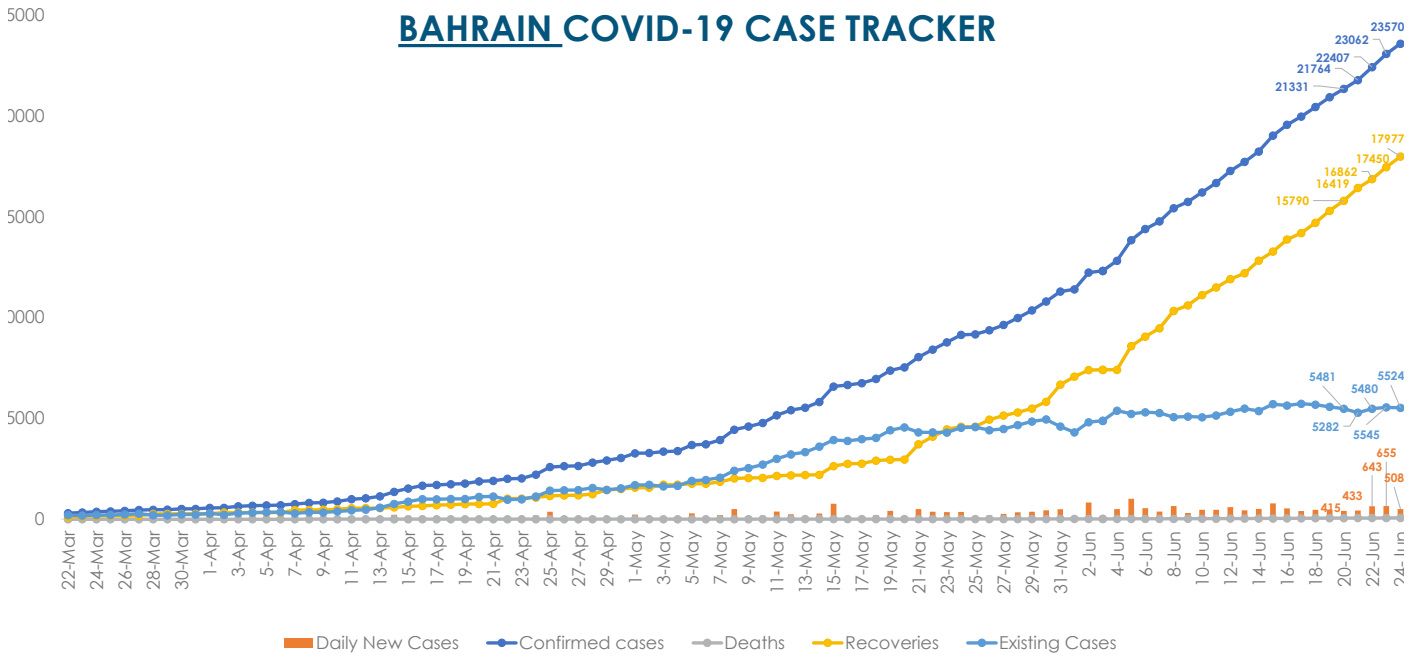
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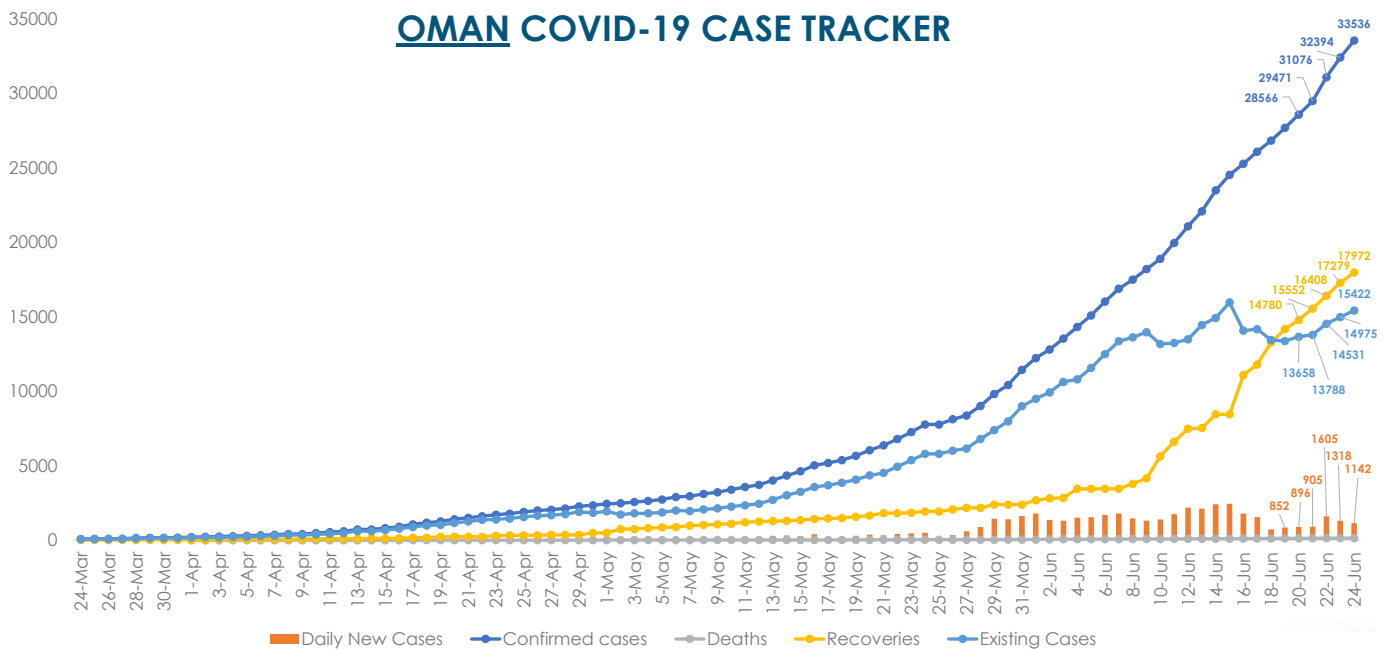
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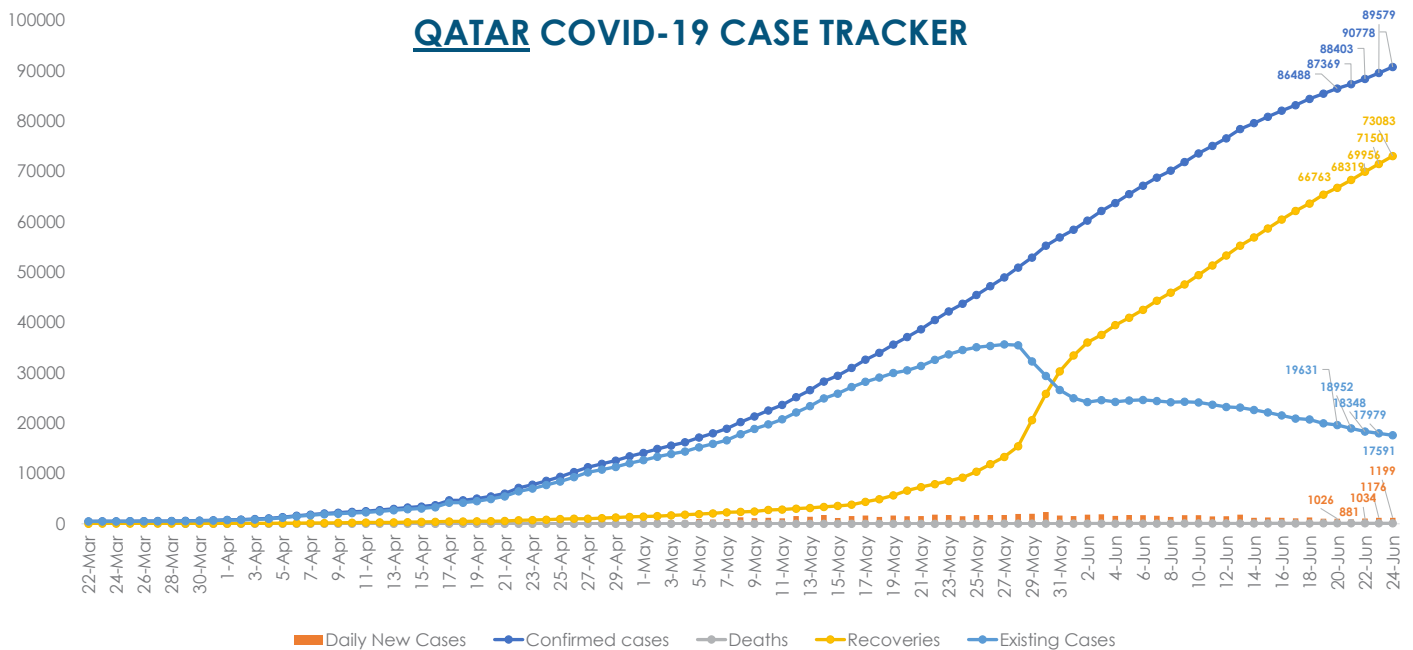
BAHRAIN COVID-19 CASE TRACKER



OMAN COVID-19 CASE TRACKER



QATAR COVID-19 CASE TRACKER



How GCC e-Commerce can lay the foundations for sustainable growth

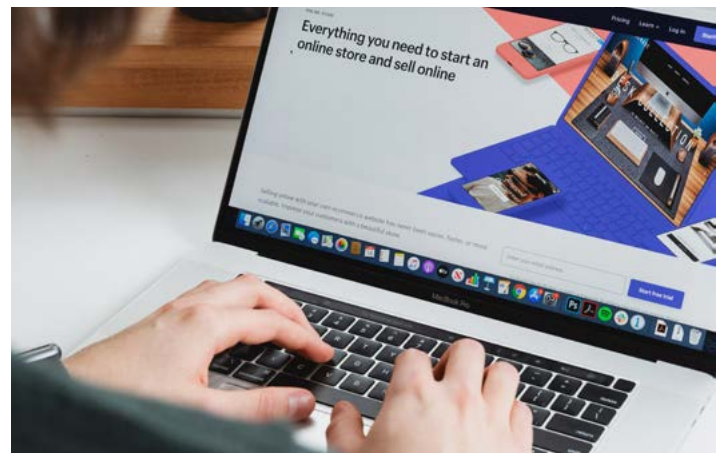
The Covid-19 pandemic has led to tremendous growth in certain areas of e-commerce. Online retailers, however, must resist complacency and premature feelings of success. Instead, they must grasp the unique opportunity before them. That does not just mean maximizing profits in the short term. Rather they must invest some of those gains to establish an e-commerce strategy that strengthens customer satisfaction and loyalty for many years to come.

The government-imposed lockdowns have led to two significant changes in consumer behaviour. First, consumers are prioritizing different products. Many have deferred outlay on discretionary spending on items such as clothing and gadgets, instead buying products that can make quarantine easier, such as fast-moving consumer goods, groceries, medicines, educational products, and toys.

Second, many consumers are shifting from brick-and-mortar to online shopping. Globally, there is a spike in online orders. While there has been an upsurge in online shopping for groceries and fast-moving consumer goods, seasoned e-commerce users are also purchasing a range of online products. Meanwhile, new segments—notably, older consumers—now use online retail in unprecedented numbers.

Developments in the GCC region have mirrored global patterns. E-commerce penetration had previously been limited—comprising less than 4%

of retail sales (compared to 28% in China and 15% in the U.S.). However, the pandemic has prompted a rapid migration of consumers to online shopping. For example, the Saudi retail group Bin Dawood reported a 400% increase in downloads of its shopping app, and a 200% increase in online sales in the space of just ten days in March.



The regional market has been responding swiftly to this demand. New platforms, such as Dubai Store in the UAE, are emerging. Simultaneously, existing retailers are expanding to meet consumer needs. At the end of March, Saudi Arabia's start-up online grocery store Nana Direct raised \$18 million to fund ambitious plans to capitalize on this rapid change in shopping culture. Food ordering apps are aggressively marketing an increased number of restaurants and cafés. Platforms such as Noon are introducing new cashless payment methods to safeguard consumers and delivery workers.

This is the moment that many retailers have been waiting for. They can now reach new customer segments, use more data to develop tailored

marketing, and reduce costs. Moreover, changes in demand may be structural and long term. While some current online shoppers could revert to their old shopping habits when the crisis is over, others will have permanently overcome their inhibitions about e-commerce and will remain comfortable with digital purchasing.

Rather than be complacent, e-commerce retailers should use this windfall to develop winning strategies for the short and long term. There may be some easy pickings right now, with grateful consumers willing to overlook delays and service imperfections. However, as things return to normal, retailers will need a robust online proposition to succeed in what will then be a much more competitive and less forgiving climate.

Given high consumer demand and tolerance for problems in the delivery process, there has never been a better time for offline retailers to take the plunge into e-commerce for the first time. They can quickly build their online platforms, actively market their e-proposition, and in the meantime set up, test, and refine their logistics capabilities.

Experienced online retailers should act to extract maximum benefit from increased online shopping traffic at the moment, while boosting their resilience in the face of uncertainty. They should invest in marketing, targeting business-to-business and business-to-consumer segments. They need to relieve pressure on their supply chain by prioritizing

the sales of essentials, managing the availability of stock and especially boosting their fulfilment and delivery capabilities.

Investments to secure customer satisfaction and loyalty for the long term should be a parallel priority. There are several elements to this strategy, including designing convenient and seamless online customer journeys. Companies should consider the different needs of existing and new customers, invest in data analytics solutions for tailored content and experience, while simultaneously pursuing aggressive customer acquisition strategies. Companies can also improve operational efficiency with cashless payments, drop-off points, notification of exact delivery times, and automated and flexible location tracking of deliveries. There will also be long-term gains from focusing now on robust and agile supply chains, with effective and flexible stock management, fulfilment, and efficient and flexible last-mile delivery capabilities.

One of the major obstacles to the growth of the GCC e-commerce market—the reluctance of many consumers to shop online—has crumbled, almost overnight. Online retailers will never have a better chance than now to consolidate their gains and build a solid platform for sustained success.

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Returning to work and psychosocial risks - what actions to take

The crisis has drastically altered our way of living, working and behaving in society. The latest studies on this subject have revealed a worrying statistic: 44% of French employees are experiencing psychological distress due to confinement. So how should companies act? What tools and methods should be implemented to support employees as they return to work?

UNDERSTANDING AND ANTICIPATION

It is important to anticipate the situation, this means understanding what needs to be assessed, i.e. what are the psychosocial risks. Psychosocial risks (or PSR) are factors that harm the mental, physical and social health of employees within the work environment. These can include stress, discontent, harassment, burnout and even violence at work. Their causes can be due to working conditions, organisation of work and relationships at work.

PSRs are therefore a consequence of a person's interaction with their work environment. A PSR assessment looks first of all at the perceptions and feelings of the person in the situation, their way of managing stress and what their work means to them. In these recent weeks, some may have felt a loss of meaning, others may have questioned themselves. Some have discovered and enjoyed a completely new field of interest as they have been assigned to different activities than usual.

Others, conscious of the human impact of this situation, may have questioned their own usefulness and felt the need to give their life a more human dimension and a feeling of doing something good.

IDENTIFYING RISKS

This is about understanding the PSRs that your employees are exposed to, by defining and measuring them. You may not even know it but a wealth of information is available in your company.

There are two types of indicators to analyse: those that are measurable, which you can objectively quantify, and perception indicators to do with employees' experiences, where the measurements will be less objective.

Among the quantifiable indicators to do with how the company operates, organisation and working conditions, we can include working hours, absenteeism, pay, staff turnover, organisational performance, important changes, etc.

COMMUNICATING AND REASSURING

Although companies are mostly continuing to operate remotely, it may be a good idea to start preparing for the return. This gives you time to think about the best ways of going about it and to reassure your employees and help them to prepare while limiting the stress.

It is important to be sensitive to your employees' experience during this time and to their questions about life 'after'.

Talking about it can be liberating and will help some people to share an experience that may have been tough on them during this period. Others may see this as an opportunity to give some sense to this situation. This should help to give ideas for what actions to implement and to understand your employees' state of mind as they return to work. Being there to listen to them will reassure them and they will feel they are being listened to and supported.



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