

# Unlocking Diversification In The GCC States

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# Executive Summary

The Gulf Cooperation Council (GCC) countries have the potential to become new engines of global economic growth. By capitalizing on the opportunities presented by national visions, project management offices (PMOs) can contribute to the transformation of the GCC's economy and help shape a brighter, more sustainable future for the region and the world.

Our report examines how GCC countries can benefit from economic diversification and centralized PMOs to develop capabilities and collaborate across boundaries. It features an insightful interview with Almoatasim Alyaqoobi, Executive Director of the National Program for Economic Diversification (Tanweea) in Oman.

## Highlights:



Global investment in the renewable energy space reached over **USD 1.3 trillion in 2022**, demonstrating the world's evolving energy priorities.



A significant portion of the population in the GCC is **under 30**, offering a dynamic workforce ready to fuel the economies of tomorrow while demanding the creation of diverse job opportunities.



Within the GCC consortium, each member state has crafted individualized strategic economic roadmaps, with notable undertakings such as the **Bahrain's Economic Vision 2030**, **Kuwait's Vision 2035**, **Qatar's National Vision 2030**, **Oman's Vision 2040** and **Saudi Arabia's Vision 2030**.

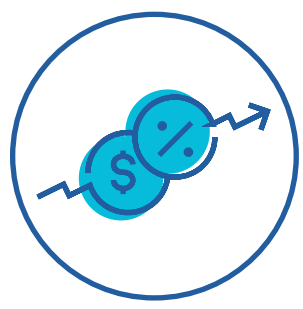


The UAE has presented comprehensive strategies like the **UAE Centennial 2071** and the **We the UAE 2031 vision**, augmented by regional endeavors such as the **Abu Dhabi's Vision 2030**.



The UAE has successively diversified its economy over the years, with oil accounting for approximately only **30% of the nation's GDP in 2022**. Core pillars of this transformation have been trade and infrastructure:

- ▶ In 2022 alone, Dubai hosted 14.36 million international overnight visitors, a reflection of its appeal as a global tourism hotspot.
- ▶ DIFC, established in 2004, now teems with over 2,500 companies. In 2022, the financial sector's vibrant pulse contributed 15% to Dubai's GDP.
- ▶ Real estate transactions in Dubai touched a staggering AED 528 billion in 2022.
- ▶ The Global Innovation Index 2022 placed the UAE 31st globally, acknowledging its investments in tech hubs and its leadership's forward-looking vision.
- ▶ The inauguration of the Noor Abu Dhabi solar plant, one of the world's largest solar projects, underpins the UAE's pledge to source 50% of its energy from clean avenues by 2050.
- ▶ Expo 2020 Dubai represented a major milestone in the development and diversification of the UAE, drawing nearly 25 million global patrons.



Economic diversification can shield the GCC from inherent vulnerabilities while laying a foundation for **robust economic growth**. At the heart of this transformation are three distinct yet interrelated pillars, including:

- ▶ Investment infusion and innovation advancement.
- ▶ Commercial enterprise and global supply chain management.
- ▶ Administrative governance and policy reforms.



Centralized PMOs offer multifaceted aspects that can augment and drive diversification plans forward. This includes **strategic alignment, standardization and governance, performance measurement, capacity building, coordination and monitoring, impact assessment, and continuous improvement**.



The distinctive challenges faced by PMOs operating in GCC countries include **navigating organizational dynamics and addressing skill gaps**.



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