

DISTRIBUTION

Commerce in the Arab Gulf States has a long history of free enterprise. Although prior to oil as an income source, most of the population was engaged in subsistence living and trading was an important economic activity in the region. Situated around the Arabian Gulf, the Gulf of Oman, and the Arabian Sea, the Arab Gulf States have been involved in international trade activities dating millennium. In most of the Arab Gulf States, very little distinction is made between economic activities and public duties. Often government officials who themselves hold public office, are also engaged in the private sector. This is generally not considered as a conflict of interest, but rather an unique blend of bureaucracy and free enterprise.

Specializing in trade alone is not commonly found in the Arab Gulf states private sectors. Like most Arab business communities, trading firms typically combine the functions of importer, wholesaler, exclusive distributor, and retailer. Canadian fish and seafood exporters must be sure to select an agent or broker that can give their particular product(s) maximum distribution. The local importer/retailer for example may have the product in his stores, but access to other retailers might be limited. Common problems that hamper commercial relations and that discourage Arab Gulf business from seeking Western products include failure to provide proper shipping documents, improper labelling, and delays in delivery.

Distribution of food products and consumer goods has increased significantly between Arab Gulf States since the formation of the Gulf Cooperation Council in 1981. Inter-state trade activities have flourished as land routes between Arab Gulf States and to Saudi Arabia have been improved dramatically. Fish and seafood products have also benefited from better access through informal, but active trade between Arab Gulf States via small refrigerated trucks.

Agents and trading representatives within the region often purchase container loads of fish and seafood and then distribute the products in smaller shipments to individual customers in the region. In addition, a few of the Arab Gulf States have processing plants running at under-capacity which also require imported fish and seafood products. Arab Gulf State agents and trading representatives are also capable of handling distribution of value-added seafood products to retail and wholesale businesses on a specialized niche basis.

Business Centres

Capital cities in the individual Arab Gulf States generally act as the business and government centres for the country, including Manama in Bahrain, Kuwait City in Kuwait, Muscat in Oman, Doha in Qatar, and Abu Dhabi in the United Arab Emirates {UAE}. However, in the UAE, Dubai holds the undisputed number one position in commerce while Abu Dhabi continues as the centre of financial and government activities. Dubai has a long historical tradition of serving as the shipping hub of an extensive Persian Gulf-Indian subcontinent trading network. Many corporations and foreign firms have established regional headquarters in Dubai.