

NEWS RELEASE
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National Editorial

A Market Changing One Chip at a Time

It's the future of technology, and it will soon be produced in Abu Dhabi. As we report today, Globalfoundries, the customised microchip producer owned by the Abu Dhabi government's Advanced Technology Investment Company (ATIC), is building its newest facility in the capital. The state-of-the-art plant will produce microchips for the next generation of smartphones, laptops and even for space exploration.

It is estimated that the plant, near Masdar City, will generate more than \$4 billion in economic activity over the next 10 years, and should ensure that the capital's investment in non-oil exports continues to gather pace.

This news arrives weeks after the Department of Economic Development (DED) announced that Abu Dhabi has already reached targets for oil diversification that were set for 2015. Mohammed Omar Abdullah, the under secretary of DED, revealed that non-oil exports now account for more than 45 per cent of the emirate's output compared to 40 per cent in 2007, thanks to Abu Dhabi's investments in financial services, property and logistics.

Abu Dhabi's Vision 2030 has targeted a non-oil output of 64 per cent of the emirate's GDP. Three entities have been established to help achieve this target: an innovation centre set up by the DED as a link between universities and research centres; an Investment Promotion Agency (IPA) that will be dedicated to attracting foreign and domestic investment in the region; and the Export Credit Agency, set up to provide incentives to local companies looking to export to overseas markets.

Oil will remain critical to the UAE's economy for the foreseeable future even as it deepens its involvement in a combination of other industries. However, an increased focus on knowledge-based enterprises that require highly skilled labour, such as microchips, will help to forge the diversified economy that the country requires.

Microchips produced by Globalfoundries are currently used in space shuttles, and it's to this level of expertise that the Abu Dhabi plant will be aiming for. "Our chips are already in the space shuttle," Doug Grose, the chief executive of Globalfoundries said. "Up there, it's a very different atmosphere than it is down here." The jobs that the manufacture of microchips create will help

residents of the UAE, right here on the ground.