

# Emirates and Sweden

**203** thousand passengers on Emirates' flights to and from Stockholm in 2016-17

**76** percent seat factor on Emirates' flights to and from Stockholm in 2017

**11,300** tonnes cargo carried on Emirates' flights to and from Stockholm in 2016-17

**€60** million direct, indirect and induced GDP impact\*

**680** jobs direct, indirect and induced, supported through Emirates' operations

\*Frontier Economics (2015): Emirates' Economic Impact in Europe

Emirates first commenced daily non-stop passenger flights to Stockholm in September 2013. As a result of steady growth in demand over the years, the route was supplemented by an additional three-weekly frequency in December 2017.

Since it was launched in 2013, Emirates has carried over 822,000 passengers between Stockholm and Dubai. Annual passenger carriage on this route has grown by 12% over the past three years.

## Impact on Swedish employment and GDP

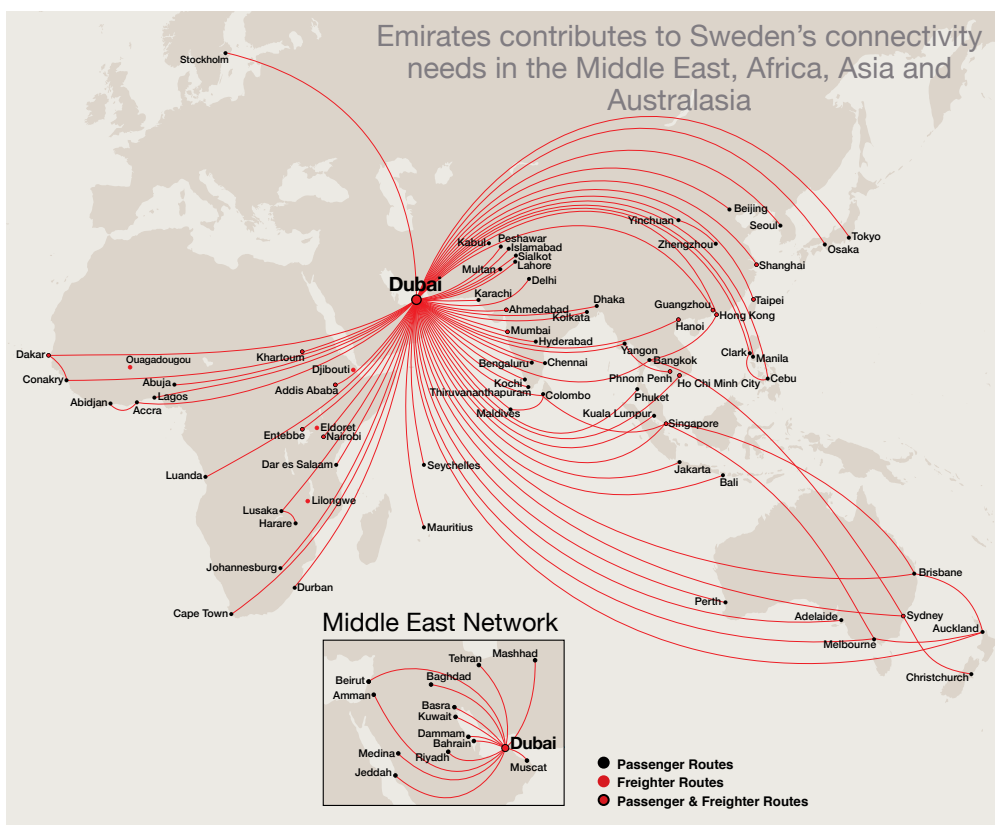
A 2015 study by Frontier Economics found that Emirates' flights to and from Stockholm had an annual GDP impact of €60 million and supported more than 680 direct, indirect and induced (DII) jobs. This number not only takes into account Emirates' employees in Sweden, but also employment across the supply chain such as ground handling and catering jobs as well as induced employment through the economic activity generated by these direct and indirect employees. Currently 195 Swedish nationals are employed directly by Emirates.

## Emirates' unique connectivity

Connectivity plays an important role in enabling tourism, international business relationships, Foreign Direct Investment (FDI) and international trade. In Europe, connectivity is mainly provided by a few large hub airports such as Frankfurt and Paris, as a result of which intercontinental connections from other cities in Europe often require an additional stopover. This creates a connectivity gap. Emirates helps bridge that gap by serving more non-hub centres throughout its global network. Emirates not only connects passengers and cargo between Stockholm and Dubai, but also provides efficient connections via Dubai to 77 destinations in Asia, Africa and Australasia that are not directly served from Stockholm by any other carrier. According to Frontier Economics, Emirates' unique connectivity created an annual catalytic GDP impact of €4 million for the Swedish economy in 2013-14. Furthermore, this increased connectivity facilitates FDI and international trade. Emirates' unique connections had an annual catalytic impact of €2 million on FDI and supported €10 million in trade.

## Sweden-UAE trade relations

The UAE is a key trading partner of Sweden with €629 million worth of goods exchanged between the two countries in 2016, making the UAE Sweden's second largest trading partner in the Middle East. With an estimated 200 Swedish companies operating in the UAE, including ABB, Atlas Copco, Scania, Volvo, Sandvik and Electrolux, the exchange of goods and services between the two countries continues to grow year on year. Dubai, having strong links across the Middle East, Africa, Asia and Australasia, is an ideal destination for Sweden as a re-export hub in order to diversify and expand trade opportunities with fast growing economies outside the EU. With 23 tonnes of cargo capacity to and from Stockholm, Emirates' flights will help facilitate even more trade of goods and services for Sweden. Some of the commodities frequently transported to



€629 billion  
bilateral trade between the UAE  
and Sweden in 2016

200 Swedish companies  
operating in the UAE

4,000 Swedish nationals  
living in the UAE

195 Swedish nationals  
employed by the Emirates Group

and from Stockholm on Emirates' flights include pharmaceuticals, construction equipment, electronics, perishable food items, textiles, leather goods, plants and flowers.

## The importance of tourism for Sweden

Tourism is a significant contributor to Sweden's economy. According to the World Travel & Tourism Council, tourism's total contribution to Sweden's GDP in 2016 was US\$49.2 billion, or 9.6% of total GDP. Moreover, tourism's contribution to GDP is expected to rise to 10.3%, or US\$62.3 billion by 2027. Emirates helps to facilitate and

the UAE on an annual basis.

## Open Skies for a stronger Europe

International aviation competition is currently high on the European Union agenda. Opening markets with main trading partners is an urgent necessity if the EU is to bridge its connectivity gap with the rest of the world. Liberalised aviation markets create new routes for people to travel, work and goods to be exchanged. It is not surprising that key representative bodies, including Airports Council International (ACI Europe) with 44 Swedish airports among its members recently called on policy-makers to prioritise free aviation market access, including with Gulf countries. Some European legacy carriers in France and Germany disagree with this. But why should valuable direct international air links, which are so important for business and tourism, be limited to a few European airlines and a few European hubs with higher ticket prices, longer travel times and passenger inconvenience as consequences?

Several Swedish multinational companies have a large presence in Dubai

ABB



SCANIA

SANDVIK

Atlas Copco

Electrolux

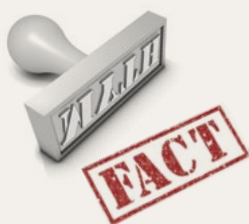
## About Emirates

Emirates is the largest airline in the world in terms of international passenger kilometres. Established in 1985, the company's growth has been measured in line with the demand for air travel. With 269 efficient aircraft in service today, Emirates operates a global network of over 150 destinations in 84 countries across six continents, independently of the three global airline alliances. Emirates launched passenger services to three new destinations in 2017 – Newark in the US, Phnom Penh in Cambodia and Zagreb in Croatia.

stimulate Sweden's tourism economy by providing connectivity particularly to markets that are not directly served from Sweden. While the additional capacity to Stockholm to and from Dubai will be introduced as a direct result of increased demand for travel between the two countries, it also expected to stimulate more inbound traffic from key tourism source markets in the Far East and Australasia. The UAE is an increasingly popular expatriate location for Swedes with an estimated 4,000 currently residing there, while around 15,000 Swedes visit



## Myth vs. Fact: Setting the record straight



Some of our competitors claim that Emirates competes unfairly or negatively impacts the aviation market. Such misconceptions, when repeated often enough, can ultimately be accepted as fact. Below we aim to address some of these allegations levelled against Emirates.

**Myth:** Emirates is heavily subsidised by the Dubai Government.

**Fact:** Emirates is a consumer-focused, commercial airline, operating a financially transparent and non-subsidised business model. Our funds are raised on a fully commercial basis through a wide range of sources including operating leases, commercial asset-backed debt and equity from investors. Our financial accounts are audited by PricewaterhouseCoopers in full compliance with International Financial Reporting Standards, and are publicly available at [http://www.emirates.com/english/about/investor\\_relations/investor\\_relations.aspx](http://www.emirates.com/english/about/investor_relations/investor_relations.aspx) and have been since 1993-94.

Emirates has been profitable for the last 29 years and rather than receive subsidies as erroneously alleged, Emirates has in fact paid its state shareholder over US\$3.9 billion in dividends up to and including its 2016-17 financial year.

**Myth:** Emirates receives free fuel and does not pay to use infrastructure in Dubai.

**Fact:** In the 2016-17 financial year, Emirates' fuel costs totalled US\$5.7 billion and comprised 25% of operating costs, wholly comparable with other large long-haul carriers. Shell, one of Emirates' main fuel suppliers in Dubai and abroad, recently confirmed that it does not give Emirates preferential treatment. Emirates also pays the full published landing charges at Dubai International Airport – as do the 100 other airlines that fly to and from this airport. Similarly, Emirates pays the same airport handling fees to the ground-handling agent as would a similar high volume airline customer.

**Myth:** The social conditions in which some of Emirates' employees work are unacceptable.

**Fact:** As a responsible multinational company, Emirates complies with the labour laws in each of the countries that we operate in. To attract and retain top talent Emirates offers competitive salaries and benefits. Emirates currently employs over 64,000 staff of over 170 nationalities worldwide. Emirates' status as an excellent employer is shown by its high staff retention rates with more than 15,000 staff having worked for the company for 10 years or longer, of which 3,000 have worked for over 20 years.

Please visit our website to read more on "Airlines and Subsidy: Our position"