Press Release

International Credit Rating Agency Fitch affirms Ras Al Khaimah’s ‘A’ rating; Outlook ‘Positive’

- The Emirate’s estimated real GDP increased by 6.3% in 2022, surpassing the 3.3% growth recorded in 2021
- Positive Outlook built on strong foundations of solid fiscal metrics; the benefits of membership of the UAE; high GDP per capita; and low public-sector debt
- Ras Al Khaimah’s ‘prudent fiscal strategy’ and record of budget surpluses, considered to be structural, providing the Emirate with ‘exceptional spending flexibility’ with which to make further strategic investments

May 26, 2023, Ras Al Khaimah, United Arab Emirates: For the second year in succession, Ras Al Khaimah’s credit rating has been affirmed at ‘A’ with a Positive Outlook, according to international credit rating agency Fitch.

U.S.-based Fitch Ratings, one of the ‘Big Three’ credit ratings agencies, stated that the Emirate’s positive outlook reflected strong foundations of ‘solid fiscal metrics; the benefits of its membership of the United Arab Emirates (UAE); high GDP per capita and low public-sector debt’.

The report by Fitch directly referenced Ras Al Khaimah’s “prudent fiscal strategy” and record of budget surpluses, which are considered to be structural and provide the Emirate with “exceptional spending flexibility” with which to make strategic investments. It also points to a number of additional strengths that have influenced the Positive Outlook, namely the fact that Ras Al Khaimah has a “diversified economy for its size” and low public debt.

A spokesperson for Ras Al Khaimah Government said: “Ras Al Khaimah’s Positive credit rating outlook by Fitch reflects the successful economic strategy of the Emirate, derived from the vision and leadership of His Highness Sheikh Saud bin Saqr Al Qasimi, UAE Supreme Council Member and Ruler of Ras Al Khaimah. The strong foundations we have created have helped embed Ras Al Khaimah’s resilient, diverse and buoyant economic model. Moreover, the Emirate has firmly established itself as an exceptional location for international and regional investment, alongside its reputation for livability.”

The international credit agency estimates real GDP growth of 6.3% in Ras Al Khaimah in 2022, surpassing the 3.3% growth recorded in 2021. The report also referenced the “exceptional spending flexibility” due to its large share of profit-orientated SOEs (State-Owned Enterprises), which help provide the platform for additional strategic investments to spur further growth.

Ras Al Khaimah, the northernmost of the UAE’s seven Emirates, is home to a thriving manufacturing and industrial sector, which is the main contributor to overall GDP, representing about 30%. The rest of the Emirate’s GDP composition is split over a variety of complementary sectors, highlighting the diverse nature of the economy and its ability to attract and retain businesses, from SMEs to large international companies.
About Ras Al Khaimah
Ras Al Khaimah (RAK) is the northernmost of the seven Emirates that make up the United Arab Emirates. It is known for its diverse landscape, from 64km of pristine beaches, to terracotta deserts and an imposing mountain backdrop, as well as its rich history, dating back 7,000 years. It has many archaeological sites, four of which have been shortlisted on UNESCO’s tentative list of World Heritage Sites.

The Emirate is home to the highest peak in the UAE, Jebel Jais, which features the world’s longest zip line, at almost 3km, and 1484 by Puro, the UAE’s highest restaurant, as well as a host of other adventure pursuits.

Ras Al Khaimah was named the Gulf Tourism Capital for 2021 by the Gulf Cooperation Council – a title it won for the second consecutive year – while in recognition of its safe environment for visitors, the Emirate became the first city in the world to be certified as ‘safe’ by Bureau Veritas and the first Emirate to receive the World Travel and Tourism Council’s (WTTC) ‘safe travels’ stamp.

Ras Al Khaimah is also centrally located at the modern crossroad between Europe, Asia and Africa, with one third of the world’s population within four hour’s flying time, making it an ideal location for businesses to expand into the UAE, the Middle East and Africa and beyond.

At the Emirate’s economic heart lies multiple major companies and diverse sectoral interests, including manufacturing and tourism. Major companies include: RAK Ceramics, RAKBANK, Julphar Pharmaceuticals, RAK Ports, RAK Rock, Stevin Rock, RAK Economic Zone, RAK Gas. Supporting these industries is a modern infrastructure, state-of-the-art industrial areas and business parks and world-class hotels, facilities and attractions for tourists.

For more than a decade, Ras Al Khaimah has been consistently rated in the ‘A’ range by Fitch and Standard & Poor’s international ratings agencies and already the Emirate is home to more than 38,000 businesses from 100 countries representing over 50 industries.

With year-round sunshine, straightforward business set-up and a competitive and affordable cost of living, Ras Al Khaimah is the informed choice for business, lifestyle and travel.

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