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DHL Group to invest over EUR 500m in fast-growing Middle East markets

A Monitor Report



Dubai: DHL Group, one of the world's leading logistics providers, announced plans to invest more than EUR 500 million in the Middle East, with a strategic focus on the rapidly expanding Gulf markets of Saudi Arabia and the United Arab Emirates.

This investment, set to take place between 2024 and 2030, underscores DHL's commitment to the region and its importance for the future of global trade. DHL Group's Strategy 2030, launched in 2024, prioritizes growth regions and geographic tailwinds generated by shifts in global trade.

The Middle East is emerging as a vital trade hub, facilitating commerce between Asia, Europe, and the US while serving as a gateway to Africa. The region is witnessing growth not only due to attracting investments from multinationals expanding their operations but also because Gulfand Middle East-based businesses are growing and increasing their exports.

The investments will focus on the following areas across DHL's business units:

- (1) DHL Express: Investments will be made in hub and gateway facilities, as well as enhancing aviation capacity to improve service efficiency and delivery speed.
- (2) DHL Global Forwarding: The company will expand its overall presence in the region, invest in its fleet including electric trucks and pursue joint venture initiatives such as the recent joint venture with Etihad Rail to enhance connectivity and logistics capabilities.
- (3) DHL Supply Chain: There will be an expansion of the contract logistics offering in both the UAE and KSA, which includes increasing warehousing capacity, upgrading equipment, and integrating advanced technology to optimize operations.
- (4) DHL eCommerce: The acquisition of the delivery provider AJEX in Saudi Arabia will enhance DHL's e-commerce capabilities, facilitating better last-mile delivery services in a rapidly growing market.