

# ETIHAD RAIL AND DHL ESTABLISH JV TO OPTIMIZE UAE'S SUPPLY CHAIN

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Etihad Rail, the developer and operator of the UAE National Rail Network, has entered into a 20-year partnership agreement with DHL Global Forwarding, a subsidiary of Deutsche Post DHL Group, to establish a joint venture aimed at bolstering the country's freighter network. Under this new partnership, DHL will utilize Etihad Rail's extensive network to conduct its primary operations within the UAE.

With the joint venture in place, DHL will integrate rail as a key mode of transportation for distributing goods across the UAE via the railway network, which conveniently connects the nation's major industrial centers. This move aligns with the UAE's ongoing efforts to strengthen its freight capabilities and enhance logistical efficiency.

Etihad Rail inaugurated its first freight line in Abu Dhabi back in 2016, facilitating the transportation of

sulphur from gasfields to the Ruwais port. In February, freight services were officially launched, introducing a comprehensive network comprising 38 locomotives and over 1,000 wagons. These freight trains now seamlessly connect all seven emirates, major ports, and logistics centers across the country.

According to Etihad Rail, this partnership with DHL will deliver significant benefits to businesses by optimizing resource utilization, reducing costs, and streamlining asset management. Additionally, it will contribute to the overall enhancement of end-to-end logistics and supply chain services, while alleviating the burden on road transport. This strategic collaboration is poised to invigorate trade, commerce, and logistics throughout the UAE.

The newly formed joint venture company not only reinforces sustainable freight options within the UAE but also plays a crucial role in supporting the country's environmental responsibility commitments. By capitalizing on rail transportation, the partnership aims to optimize time, resources, and cost efficiency, ultimately benefiting businesses operating within the UAE.

**Iryna Telychko** (pictured), general legal counsel at Etihad Rail, oversaw the transaction for Etihad Rail.