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Report Highlights:

The United Arab Emirates (UAE) is a developed nation with high per capita income and substantial opportunities for U.S. agricultural exports. Foreign nationals comprise almost 90 percent of its very diverse population. This document is meant as a guide for U.S. agricultural and food exporters interested in this dynamic and reliable billion dollar market.

Market Fact Sheet: United Arab Emirates

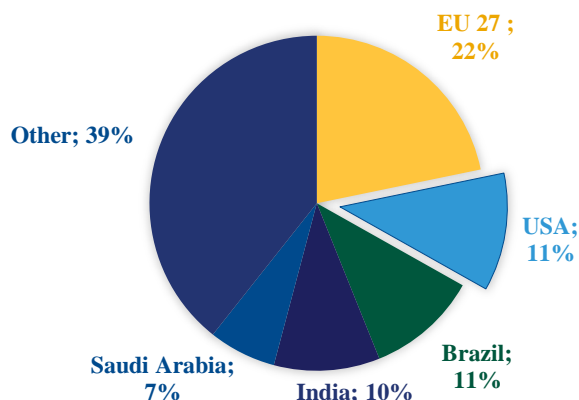
Executive Summary

The United Arab Emirates (UAE) is a developed nation with a federalist monarchy form of government. Foreign nationals comprise almost 90 percent of the very diverse population. Approximately 80 percent of the UAE's agricultural products are imported. In 2021, the United States sent \$1.13 billion in agricultural and related products to the UAE, making it the second largest export market for U.S. Agricultural products among the countries of the Gulf Cooperation Council (GCC) and 26th largest in the world.

Imports of Consumer-Oriented Products

The UAE imported \$6.4 billion in consumer-oriented products in 2021, accounting for 39 percent of total Agricultural imports. The market is highly competitive but there is great potential for U.S. export growth in this segment, including in dairy products, prepared food, fresh fruit, poultry, tree nuts, and beef products.

**IMPORTS OF CONSUMER ORIENTED PRODUCTS
(US\$ MILLIONS)**



Food Processing Industry

According to UAE government statistics there are 568 food and beverage processors in the country. These factories produce 5.96 million metric tons (MT) of food and beverage products annually, with 2.3 MT in staple food items. In 2021, imports of bulk and intermediate products were \$4.3 billion, five percent (\$207 million) of these imports came from the United States.

Food Retail Industry

Grocery retail industry sales exceeded \$24 billion in 2021, up 7.6 percent from the previous year. The food retail market remains dominated by several retailers with the majority of the UAE's market share. E-commerce sales continue to expand rapidly and reached \$4.8 billion in 2021, a 17.6 percent increase from 2020.

Quick Facts CY 2021

Imports of Consumer-Oriented Products
US\$ 6.4 billion

10 Top Consumer-Oriented Products Imports

Dairy	\$1.4 billion
Food preparations	\$1.1 billion
Fresh fruit	\$815 million
Poultry meat & products	\$804 million
Tree nuts	\$762 million
Beef & beef products	\$582 million
Chocolate & cocoa products	\$475 million
Fresh vegetables	\$430 million
Meat products (NESOI)	\$368 million
Wine & beer	\$375 million

Top UAE Retailers

Carrefour, Lulu Hypermarket, Union Co-operative Society, Abu Dhabi Co-operative Society, Sharjah Co-operative Society, Emirates Cooperative Society, Al Madina Hypermjarket, Baniyas Co-operative society, Nesto Hypermarket, Al Maya, Spinneys, Choithrams, Waitrose

GDP and Population

Population: 9.89 million
GDP: \$410 billion, 2.3 percent growth 2021
GDP per capita: \$38,661

Strengths	Weaknesses
UAE is a modern transit hub for the broader MENA region	Specialized labeling and restrictive shelf-life requirements
U.S. products are considered high quality	Long shipping time and high freight costs
USA brand recognition is prevalent among consumers	Requires dedicating significant resources to branding and consumer outreach
Opportunities	Threats
Import regulations are transparent and not complex	Developing rules, subject to change without prior notice
Health-conscious consumers with growing incomes	Proximity to India, Europe, and other MENA agricultural producers with cheaper prices
Expanding e-commerce and food delivery sectors	Market oversaturation and strong branding from competitors

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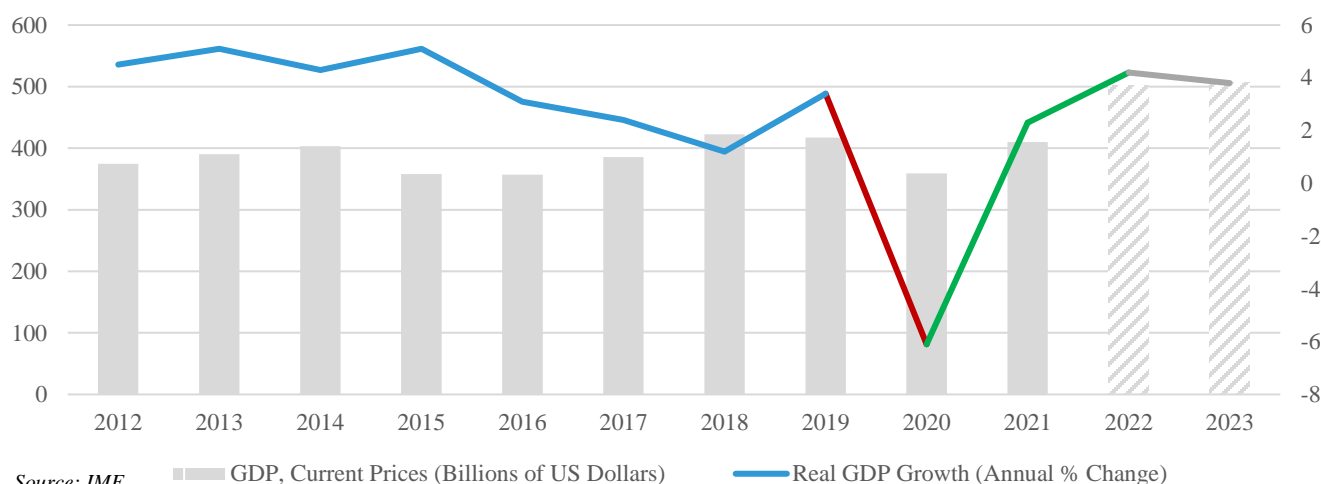
Data and Information Sources: Trade Data Monitor, LLC and Euromonitor International

SECTION I. MARKET OVERVIEW

The United Arab Emirates (UAE) is a developed nation with a high standard of living and a diverse population of 9.89 million. Abu Dhabi is the political capital and has the greatest oil wealth, while Dubai is the economic capital and regional hub for tourism and trade. Foreign nationals comprise almost 90 percent of the population and are drawn to the UAE for employment opportunities, socio-political stability, high wages, and favorable exchange rates.

The UAE is the second largest economy in the Arab world after Saudi Arabia, with a gross domestic product (GDP) of \$410 billion and a growth rate of 2.3 percent in 2021. The UAE's real GDP is forecast to grow by 4.2 percent in 2022 and stay close to that percentage in 2023¹ due to strong oil rents, a growing population, and resumption of international travel.

Figure 1: UAE Economy and GDP Growth



The UAE is the second largest export market for U.S. Agricultural products among the countries of the Gulf Cooperation Council (GCC) and 26th largest in the world. In 2021, U.S. exports of agricultural and related products to the UAE reached \$1.13 billion with almost 73 percent coming in the form of consumer-oriented goods. Due to the arid climate, approximately 80 percent of the UAE's agricultural products are imported. In 2021, the UAE's total imports of agricultural products reached \$16 billion, a 1.2 percent increase from 2020. The UAE is the major regional trade hub for the Middle East and North Africa due to a favorable geographic location and modern infrastructure. It is also a member of the Pan-Arab Free Trade Agreement (PAFTA), which has eliminated nearly all tariffs among its signatories, and a founding member of the GCC. Economic friendly regulations, low duties, and extensive free trade zones throughout the country have enabled the UAE to become one of the world's leading re-export hubs.

The UAE hosted the World Expo in 2021, the first Expo in the Middle East. Small and medium-sized enterprises (SMEs) played a key role in the success of the World Expo, which awarded \$436 million to UAE-based SMEs. The World Expo also earned an Excellence in Procedure Award from the Chartered Institute of Procurement & Supply. The UAE will be the host nation of the 2023 UN Climate Change Conference (COP 28) in 2023 and plans significant global engagement.

¹ International Monetary Fund (IMF)

Table 1: UAE's Agricultural Imports by Category (thousands USD)							
Product Category	From the World			From the United States			
	2021	2022*	Growth*	2021	2022*	Growth*	2021 Market Share
Agricultural & Related Products Total	17,695,404	20,216,195	11%	1,150,808	1,330,816	14%	7%
Consumer Oriented Agricultural	10,791,105	11,853,405	9%	893,036	1,073,448	17%	8%
Bulk Agricultural	2,589,180	3,279,814	21%	71,006	47,472	-50%	3%
Intermediate Agricultural	2,687,745	3,171,797	15%	153,564	168,242	20%	6%
Ag Related Products	1,627,374	1,911,179	15%	33,202	41,654	20%	2%

Source: USDA's Global Agricultural Trade System (GATS) and Trade Data Monitor, LLC. *2022 is a post forecast based on historic data.

Advantages	Challenges
A wealthy consumer market with high per capital incomes.	Expats have access and preference to their home-country products.
UAE is a modern transit hub for the broader MENA region.	Specialized labeling and restrictive shelf-life requirements.
Import regulations are transparent and non-complex.	Developing rules, subject to change without prior notice.
Excellent infrastructure, facilities, and state of the art ports.	Proximity to Indian, European, Arab, and Iranian agricultural products with cheaper prices.
Expanding online retail sector for food.	International and local food brands are available at competitive prices.
USA brand recognition is prevalent among consumers.	Competitors dedicate significant resources for product branding and marketing.
Product visibility through market promotion is widely available.	Suppliers often required to bear the cost of market promotions.
American products are considered high quality by UAE consumers	Long shipping time and high freight cost.
The UAE dirham is stable, secure, and pegged to the US dollar.	Saturated market and highly competitive.
UAE importers are frequently searching for new to market products to update portfolio	U.S. suppliers are not always willing to consolidate shipments and sell smaller quantities
Well established trade relationship with major UAE retailers.	Unwillingness of U.S. supplier to provide small product quantities due to limited size of the UAE market.

SECTION II: EXPORTER BUSINESS TIPS

A. Market Research:

Before entering the UAE market, U.S. suppliers are advised to conduct preliminary research covering both marketing and regulatory issues to determine if there is potential for their products. It is recommended to understand the overall business climate, market size and dynamics, consumption trends, food import procedures and regulations.

USDA's Regional Office of Agricultural Affairs in Dubai (OAA Dubai) offers free valuable information about the food market in the UAE, Kuwait, Afghanistan, Oman, and Qatar through reports to help U.S. suppliers stay current on latest news, trends, and regulations. USDA FAS OAA reports can be found here: [United Arab Emirates | USDA Foreign Agricultural Service](#)

New to market U.S. suppliers should apprise themselves of relevant UAE government regulations. Interested exporters are strongly encouraged to visit UAE government websites for latest updates, whose links can be found in Section VI of this report.

It is also advisable to read the UAE's Country Commercial Guide published by the U.S. Department of Commerce, as it provides important information on the UAE market including import tariffs, customs regulations, trade barriers, etc. It can be found here: [United Arab Emirates - Market Overview | International Trade Administration](#)

B. Local Business Customs and Trends:

To sell food products in the UAE, you need to find a reliable importer, agent, or distributor. Please contact OAA Dubai as the office maintains an up-to-date regional importer directory arranged by product category and country. Although the UAE has a rich Arabic culture and Islamic values, it is a cosmopolitan country and follows international business practices. Importers come from different nationalities and established family trading businesses that have grown over many years. It is imperative to visit the market to build connections with the industry, evaluate partnerships, and identify new opportunities. The effort to make personal contact demonstrates commitment to the market. For more information about the business culture, please consult the UAE Embassy to the United States website here: [UAE Embassy to the United States | Doing Business | General Information and Cultural](#)

OAA Dubai supports a wide range of food trade exhibitions in the UAE designed to facilitate market entry for U.S. suppliers. Every February USDA/FAS endorses and organized a pavilion at [Gulfood](#), the largest annual food show in the world. For information on how to join the USA Pavilion, please visit the pavilion website found here: [Gulfood USA](#). Exporters are also encouraged to contact the [USA Pavilion organizer](#) directly.

Other international food trade shows popular among UAE buyers include [Fancy Food Show](#), [National Restaurant Association Show](#), [Natural Products Expo West](#), [SIAL Paris](#), and [ANUGA Germany](#). OAA Dubai regularly recruits regional buyers to attend these shows.

New to market U.S. suppliers are advised to connect with the [State Regional Trade Groups](#) (SRTGs) as they provide training and education, market analysis, trade shows and buyer missions, as well as product promotion activities funded through the [Market Access Program](#). SRTGs work closely with State Departments of Agriculture. Additionally, some states and USDA cooperators have representative offices or marketing contractors in the UAE and may offer market entry assistance. To contact a USDA cooperators regional office, please contact said cooperator here: [USDA FAS Apps | Cooperator Partners Search](#), or reach out to OAA Dubai.

C. General Consumer Food Tastes and Consumption Trends

There is a wide range of needs for varied international ingredients due to significant differences in income between the lowest and highest earners in the UAE, as well as the large diversity of ethnic groups that call the UAE home. The Gulf region has a significant preference for Western foods, especially when dining-out or snacking-in. U.S. consumer-oriented products exports to the UAE grew by 23 percent in 2021 as demand increased across convenience stores, entertainment centers, cinemas, hotels, restaurants, parks, and resorts. The growth experienced in 2021 also reflects recovery from COVID-19.

The growing millennial population is a key factor driving food trends and services in the UAE. Not only do millennials want healthy ingredients but they also favor convenience. This younger generation is more open to trying new cuisines and prefers the convenience of online platforms for grocery shopping and ordering food. Young consumers are looking for ways to cut costs and this was noticeable in 35 percent increase in visits to discount stores and 18 percent decrease in overall purchases of products and services. The rise in the number of working women and singles living in the UAE is another factor driving expansions of the dining-out, food delivery, and demand for prepared or semi-prepared meals. In 2021, healthy frozen food was among the top five food trends in the UAE, as well as plant-based and vegan food, collagen drinks, and probiotic supplements.

The UAE government has put effort into addressing alarming rates of obesity, diabetes, and cardiovascular diseases among the UAE population. Tied to wellness initiatives has been rising consumer health-consciousness and increased demand for healthier food options, natural and organic food products, and free-from packaged food. Healthy-for-you products are now available not only in big hypermarkets but also in small convenience stores.

Table 2: Sales of Health and Wellness by Type 2016-2021 (millions USD)

USD million	2016	2017	2018	2019	2020	2021
Better for You	117	127	140	146	151	153
Fortified/Functional	609	677	780	749	769	776
Free From	20	24	27	30	28	29
Naturally Healthy	784	823	876	898	943	953
Organic	22	22	26	28	31	33
Health and Wellness	1548	1671	1847	1849	1922	1944

Source: Euromonitor International

SECTION III. IMPORT FOOD STANDARDS & REGULATIONS

Agricultural products entering the United Arab Emirates are subject to the country's federal food regulations and standards governing the importation and sale of such goods. FAS OAA Dubai's Food and Agricultural Import Regulations and Standards Country Report (FAIRS) provides an overview of relevant standards and regulations, while the FAIRS Export Certificate Report identifies certificate requirements for U.S. food and agricultural products destined for the United Arab Emirates.

The FAIRS report can be found here: [United Arab Emirates: FAIRS Country Report | USDA Foreign Agricultural Service](#)

The FAIRS certificate report can be found here: [United Arab Emirates: FAIRS Certificate Report | USDA Foreign Agricultural Service](#)

SECTION IV. MARKET SECTOR STRUCTURE AND TRENDS

Figure 2: UAE Food Supply Chain



Because the UAE is dependent on agricultural imports it has an advanced supply chain that involves multiple layers. U.S. suppliers and manufacturers export products directly or through consolidators, products are then received by UAE importers, agents, or distributors for sale to retailers, food processor, hotels, or restaurants where they finally reach end-consumers. In recent years, major distributors have started selling directly to end consumers through online applications. The expansion of e-commerce has only accelerated due to COVID-19.

Most consumer ready products enter through Jebel Ali Port in Dubai, the world's tenth busiest seaport, and the biggest and the busiest port in the Middle East. A container takes roughly 30 days from the Eastern U.S. and 50 days from the Western U.S. to arrive in the UAE. Transportation from the UAE to other GCC countries takes roughly one week by air or sea. High-value

products and perishables that come in small volumes are usually brought in via air cargo through Dubai International Airport, located in the heart of Dubai city.

Dubai and Abu Dhabi account for over 70 percent of the total retail sales and 52 percent of the UAE population, and while the retail sectors in the other Emirates are not yet as advanced, they are only an hour and half drive away.

A. Retail Food Sector

In the past ten years, there has been massive expansion in food retail driven by hypermarkets, supermarkets, grocers, online retail, home delivery services, and related customers loyalty programs. Hypermarkets are the most popular retail sector among consumers because of discount and promotional programs. Food retail caters to a tech-savvy international population and e-commerce food and drink grew by 25 percent in 2021 to reach \$515 million and is expected to increase over 23 percent in 2022 due to further innovation and strong demand.

The UAE retail food market is extremely competitive and overly saturated with local, regional, and international products. Proximity to other food supplying countries in the Middle East, Asia, and Europe allows easier and, in most cases, faster access to cheaper consumer-oriented products with fair quality. Global exports of consumer-oriented products to the UAE in 2021 reached \$10.8 billion. In the

C. Food Processing Sector:

The United Arab Emirates' food processing sector is expanding due to significant public and private sector investments, low regional tariffs, and a convenient geographic location bolstered by excellent infrastructure. There are over 568 food and beverage processors and manufacturers in the UAE, most of which are small to medium size. The food processing sector not only feeds UAE demand but is also focused on meeting needs regionally and throughout the world. These firms are almost entirely dependent on imported ingredients due to the UAE's low production of intermediate, commodity, and lightly processed agricultural products. Significant opportunities exist for U.S. companies to expand their business with this growing sector of the UAE economy.

The majority of the food and beverage factories are based in Dubai (315) factories and the rest are distributed between the other six emirates. The UAE food processing sector plays a major role in the government's efforts to enhance food security and self-sufficiency in basic commodities. In 2021, imports of bulk and intermediate products were \$4.3 billion, five percent (\$207 million) of these imports came from the United States.

For additional details, please review FAS Dubai GAIN Report [United Arab Emirates: Food Processing Ingredients](#)

SECTION V. THE UAE'S AGRICULTURAL & FOOD IMPORTS

Table 6: Top 15 UAE Imports of Consumer Oriented Products and Market Share (USD)

Product Category	Gross Imports	1st Supplier	2nd Supplier	U.S. Ranking
Dairy Products	1,527,402,784	EU 27 External Trade (Brexit) 35%	New Zealand (27%)	5 (4%)
Poultry Meat & Prods. (ex. eggs)	917,635,032	Brazil (76%)	Saudi Arabia (7%)	3 (5%)
Tree Nuts	754,841,136	USA (52%)	India (23%)	1 (52%)
Fresh Fruits	694,108,705	South Africa (34%)	India (16%)	7 (4%)
Beef & Beef Products	589,711,459	Brazil (37%)	India (19%)	4 (10%)
Bakery Goods, Cereals, & Pasta	586,904,492	EU (31%)	Saudi Arabia (27%)	4 (7%)
Soup & Other Food Preparations	495,468,171	EU 27 Brexit (33%)	India (19%)	3(17%)
Spices	448,693,075	India (44%)	Guatemala (23%)	12 (1%)
Chocolate & Cocoa Products	385,385,532	EU 27 External Trade (Brexit) (46%)	Malaysia (8%)	5 (6%)
Fresh Vegetables	370,301,756	China (25%)	India (25%)	14 (4%)

Source: Euromonitor International

Table 7: U.S. Exports of Agricultural and Related Products to the UAE (thousands USD)

Product	2017	2018	2019	2020	2021	Jan-Sept 2021	Jan-Sept 2022	Period/ Period % Change (Value)
Agricultural & Related Products	1,218,106	1,224,518	1,296,379	962,493	1,132,923	834,043	948,163	14

Table 7: U.S. Exports of Agricultural and Related Products to the UAE (thousands USD) Cont'd.

Product	2017	2018	2019	2020	2021	Jan-Sept 2021	Jan-Sept 2022	Period/ Period % Change (Value)
Consumer Oriented	854,527	802,194	954,327	733,672	897,569	642,845	752,540	17
Intermediate	274,795	315,687	272,904	162,415	139,825	110,234	143,964	31
Agricultural Related Products	54,777	54,568	44,545	27,049	33,256	22,021	29,516	34
Bulk	34,007	52,069	24,603	39,356	62,273	58,944	22,143	-62

Source: USDA Global Agricultural Trade System (GATS)

Table 8: Global Agricultural and Related Products Exports to the UAE (USD)

Country	2017	2018	2019	2020	2021
Total	15,602,550,626	13,906,264,643	13,906,264,643	13,350,101,401	16,066,928,046
EU	3,237,338,722	2,940,815,082	2,969,841,803	2,682,578,209	3,077,029,385
India	2,186,490,159	2,100,598,558	1,874,861,048	1,908,485,160	2,611,307,534
Brazil	1,650,859,660	1,306,148,319	1,237,667,293	1,146,992,542	1,450,158,779
United States	1,218,834,356	1,224,557,794	1,296,379,211	962,493,406	1,132,923,273
China	813,805,433	775,650,362	807,897,301	716,124,920	925,219,801
Saudi Arabia	881,408,437	843,911,857	898,179,426	790,861,698	925,159,704
Canada	813,805,433	775,650,362	807,897,301	716,124,920	925,219,801
Australia	813,805,433	775,650,362	807,897,301	716,124,920	925,219,801
Pakistan	397,961,789	419,776,378	566,499,429	527,265,321	552,683,175
New Zealand	563,342,251	501,169,241	449,337,409	439,381,782	499,512,727

Source: Trade Data Monitor, LLC

SECTION VI. KEY FAS/USDA CONTACTS AND FURTHER INFORMATION

USDA Foreign Agricultural Service Regional Office of Agricultural Affairs

Address: U.S. Consulate General in Dubai, 8 Al Seef St - Umm Hurair 1 - Dubai

Telephone: +971 4 309 4000 Fax: +971 4 354 7279

E-mail: agdubai@usda.gov

Host Country Government:

- Ministry of Climate Change and Environment: For information on federal laws, ministerial decrees, regulations as well as available business services.
[UAE | Ministry of Climate Change & Environment](#)
- Dubai Municipalities: For issues related to food safety, central laboratory, and accreditation in the Emirate of Dubai.
[Dubai | Dubai Municipality](#)
- Municipalities in the other six Emirates:
[UAE | Government of Ras al Khaimah Links to UAE Municipalities](#)
- [Ministry of Industry and Advanced Technology/Standards Store](#): For UAE national standards and regulations.

AMCHAM in UAE and Local Chambers of Commerce and Industry in the Seven Emirates:

- [Abu Dhabi Chamber of Commerce and Industry](#)
- [Dubai Chamber of Commerce and Industry](#)
- [Fujairah Chamber of Commerce and Industry](#)
- [Ras Al Khaimah Chamber of Commerce and Industry](#)
- [U.S.-UAE Business Council](#)
- [Sharjah Chamber of Commerce and Industry](#)
- [Um Al Quwain Chamber of Commerce & Industry](#)
- [Ajman Chamber of Commerce](#)
- [American Business Council of Dubai and the Northern Emirates](#)