



Middle East & North Africa Regional Conference 2025

Overview of UAE:
Business Opportunities & Market
Insights in Dubai/UAE



Agenda

- Brief overview of UAE
- UAE Economic Outlook
- Importance of the UAE Market for Global Business

- Presented by:
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Brief Overview on UAE



The United Arab Emirates (UAE) is a federation of seven states that has grown from a quiet backwater to one of the Middle East's most important economic centers.

The states are Abu Dhabi, Dubai, Sharjah, Ras Al Khaimah, Ajman, Umm Al Quwain, and Fujairah

Although traditionally conservative and authoritarian in government, the UAE is one of the most liberal countries in the Gulf, with other cultures and beliefs generally tolerated.

Before oil was discovered in the 1950s the UAE's economy was dependent on fishing and a declining pearl industry. But since oil exports began in 1962, the country's society and economy have been transformed.

The UAE has diversified and has become a regional trading and tourism hub. UAE firms have invested heavily abroad and also firms in other countries has invested in UAE.

The country has a diverse landscape including rocky desert, wetlands, and coastlines along the Gulf of Oman and the Persian Gulf

UAE Economic Outlook



The GCC region is expected to see economic growth rebound to 2.8% in 2024 and 4.7% in 2025, with the UAE and Saudi Arabia driving this recovery. This growth is largely attributed to the forecasted increase in oil production during the second half of 2024 and a global economic recovery, as projected by the World Bank. The region's focus on diversifying its economies highlights its strategic approach to achieving resilience and sustainable development during global volatility.

The UAE is implementing various structural reforms and making strategic investments to diversify its economy and boost its industrial capabilities. Significant initiatives include Abu Dhabi's USD 10 billion investment in tourism infrastructure, ADNOC Gas's USD 13 billion plan to expand gas operations globally and locally over the next five years, and Dubai's approval of a public-private partnership portfolio valued at USD 10.9 billion.

Importance of the UAE Market for Global Business



The UAE offers an open economy and unmatched socio-political stability. There is ease of doing business and the availability of skilled labour, in addition to incentives to invest here.

The UAE is the 25th most competitive economy globally as per the Global Competitiveness Report 2019, leading the MENA region and works to enhance this status by diversifying its national income

Importance of the UAE Market for Global Business (cont...)



Features of the UAE's solid economy include:

- Strategic location
- Strong financial reserves
- Large sovereign wealth funds
- Healthy international relations
- Consistent government spending on infrastructure, digital transformation and innovation
- Progressive policy of economic diversification
- Multi-specialty free zones
- Increased foreign direct investments (FDIs)

Key Sectors and Industries with Growth Potential



Key Industries	Growth rate (2024)
Tourism	12.00%
Healthcare	8.73%
Renewable Energy	8.5%
Oil and Gas	6.30%
Technology and Digital Transformation	6.24%
Real Estate and Construction	6.00%
Retail	5.88%
Finance	4.00%

Key Laws and Regulations



- Federal Decree Law no. 32 of 2021 on Commercial Companies
- Business regulations related to free zone companies
- Anti-Money Laundering Regulation (AML and CFT)
- Labour Laws
- Corporate tax and VAT regulation

Common challenges when doing business in UAE



- Difficulty in Finding a Local Sponsor/Partner
- Applicability of VAT (Rise in cost)
- Social and Cultural Challenges (Social norms, Local holidays)
- Linguistic Challenges (Official Language is Arabic)
- Challenge in Obtaining Work Visas and Permit (Limitation in no of Visas)

How FARAHAT & Co Assist Service Requirement in the UAE



For over 35 years, Farahat & Co. has been a leading provider of audit, accounting, tax, and business advisory services in the UAE. As an active member of Leading Edge Alliance (LEA) GLOBAL, the world's second-largest international association, we uphold the highest standards of service excellence. We specialize in:

- Business Setup
- Auditing Services
- Accounting Services
- Expert Witness
- Liquidation Consultation
- VAT Consulting
- Corporate Tax Advisory

Agenda

- Market Insights – Key Sectors & Growth Opportunities
 - Market Insights – Key Regulations & Compliance Requirements
 - How Our Firm Can Assist with Service Requirements
- Presented by:
Syed Asif Zaman of Ahmad Alagbari Chartered Accountants



Market Insights - Key Sectors & Growth Opportunities

Introduction

- The UAE continues to exhibit strong economic growth and diversification.
- This presentation covers:
 - Key sectors with growth potential
 - Economic trends and consumer behavior
 - Regulatory frameworks
 - Challenges and solutions

Market Insights – Key Sectors & Growth Opportunities

Key Sectors and Industries with Growth Potential

1. Real Estate Sector
2. Technology and Innovation
3. Renewable Energy
4. Healthcare and Biotechnology
5. Tourism and Hospitality
6. Financial Services and FinTech

Market Insights - Key Sectors & Growth Opportunities

Real Estate Sector

- **Strong market performance** driven by economic fundamentals & foreign investments.
- **Key Trends:**
 - **Record-breaking transactions:** AED 522.5 billion in 2024 (+27.2% from 2023)
 - **Off-Plan Sales:** Increased by 60.5% in volume, 43.5% in value
 - **Price Growth:** Dubai (+21%), Abu Dhabi (+7%)
 - **Rental Yields:** Dubai apartments (7.66%), villas (5.59%)
 - **Supply Constraints:** Lower deliveries in 2024, but upcoming projects will boost supply

Market Insights - Key Sectors & Growth Opportunities

Technology and Innovation

- UAE leads in AI, blockchain, and digital infrastructure.
- **Key Statistics:**
 - ICT market valued at **USD 66 billion (2024)**, projected to reach **USD 85.24 billion by 2030**.
 - Smart city projects (**Smart Dubai, ADGM**) attract major investments.

Market Insights - Key Sectors & Growth Opportunities

Renewable Energy

- The UAE is investing heavily in sustainable energy:
 - **Masdar City** – a global leader in clean energy.
 - **Goal:** 50% clean energy by 2050.
 - Major investments in **solar & wind energy projects.**

Market Insights - Key Sectors & Growth Opportunities

Healthcare and Biotechnology

- UAE aims to be a **medical tourism hub by 2025**.
- **Market Projection:** USD 30 billion by 2025.
- Growth in **telemedicine, biotechnology, and medical technology**.

Market Insights – Key Sectors & Growth Opportunities

Tourism and Hospitality

- **Industry Growth:** 5.4% CAGR through 2025.
- **Key Figures:**
 - **Tourism GDP Contribution (2024):** AED 236 billion (USD 64.2 billion)
 - **Dubai Visitors:** 16.79 million (9% increase)
 - **Hotel Revenues:** AED 33.5 billion (+4% YoY)
 - **Dubai Airport (DXB):** 92.3 million passengers (record high)

Market Insights - Key Sectors & Growth Opportunities

Financial Services and FinTech

- UAE strengthening its financial hub status.
- **Market Projection:** FinTech market to reach **USD 1.5 billion by 2025.**
- **Key Trends:**
 - Increased adoption of **blockchain and digital banking.**

Market Insights - Key Sectors & Growth Opportunities

Economic Trends and Consumer Behavior

- **Economic Growth:** Projected 4% in 2025.
- **Consumer Shifts:**
 - Increased **sustainability & digital adoption.**
 - **E-commerce growth** reshaping retail.

Market Insights - Key Regulations & Compliance Requirements

1. **Foreign Ownership:** Since 2021, **100% foreign ownership allowed** in most sectors.
2. **Value-Added Tax (VAT):** **5% VAT** since 2018.
3. **Corporate Tax:** **9% corporate tax** introduced in 2023.
4. **Minimum Top-Up Tax:** **15% tax** for multinational firms (from 2024).
5. **Economic Substance Regulations (ESR):** Compliance with **international tax standards**.
6. **AML & CFT Regulations:** Strict **anti-money laundering & counter-terrorism financing laws**.
7. **Data Protection:** Businesses must comply with **strict data collection laws**.

Market Insights - Key Regulations & Compliance Requirements

Common Challenges and Solutions

- 1. Market Competition → Focus on innovation & differentiation**
- 2. Regulatory Compliance → Engage legal/business consultants**
- 3. Cultural Sensitivity → Invest in cultural competence & inclusive marketing**
- 4. Economic Diversification → Conduct market research & remain adaptable**

Market Insights - Key Regulations & Compliance Requirements

Conclusion

- The UAE offers **substantial growth opportunities**.
- Success requires **innovation, compliance, cultural awareness, and adaptability**.
- Businesses should align with **market trends and regulatory frameworks** to thrive.

How Our Firm Can Assist with Service Requirements

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