

# UAE: Greenfield FDI reached USD 5.4bn in H1 2025

Economics | 31<sup>st</sup> July 2025

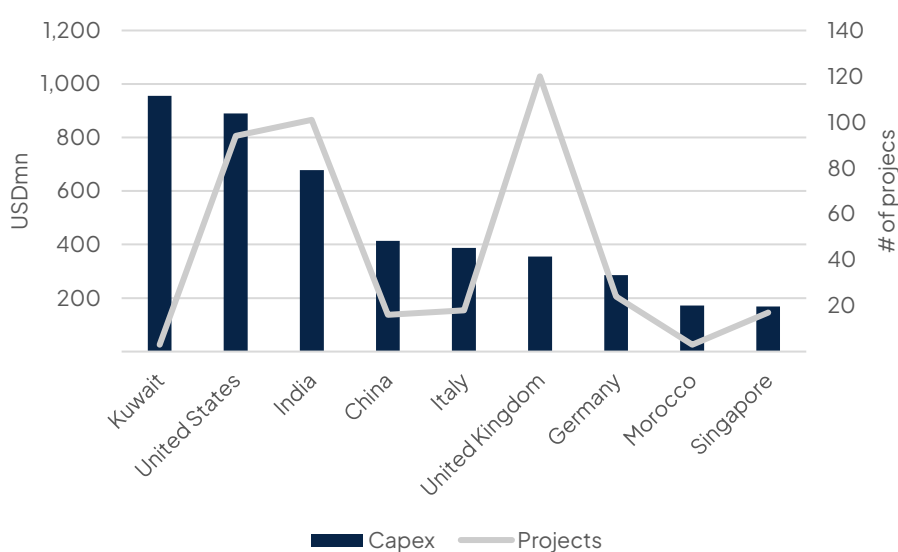
**Mayed ALRashdi**  
Economics Research Manager  
[mayed@emiratesnbd.com](mailto:mayed@emiratesnbd.com)

The UAE attracted 613 greenfield FDI projects in the first half of 2025, with total capital inflows reaching USD 5.42bn. Dubai continued to lead as the primary destination for greenfield FDI projects, attracting 526 projects (86% of total) with capital inflows of USD 3.03bn. Sharjah emerged as the second-largest recipient with 24 projects valued at USD 1.47bn, notably attracting high-value investments with an average project size of USD 61.1mn. Abu Dhabi secured 42 projects worth USD 595.8mn, while Ras Al Khaimah attracted six projects valued at USD 188.6mn.

## United Kingdom leads in project count, Kuwait tops capital investment

The United Kingdom emerged as the leading source of greenfield FDI projects with 120 projects, followed closely by India (101 projects) and the United States (94 projects). However, in terms of capital investment value, Kuwait led with USD 955.7mn from just three projects, driven by the USD953mn investment of Kuwait Real Estate Company in a mixed-use real estate development in Sharjah. The United States ranked second in capital investment with USD 889.5mn across 94 projects, while India came third with USD 677.9mn from 101 projects. China contributed USD 413.2mn through 16 projects, and Italy invested USD 387.6mn across 18 projects.

## Greenfield FDI by Country (H1 2025)



Source: fDiMarkets, Emirates NBD Research

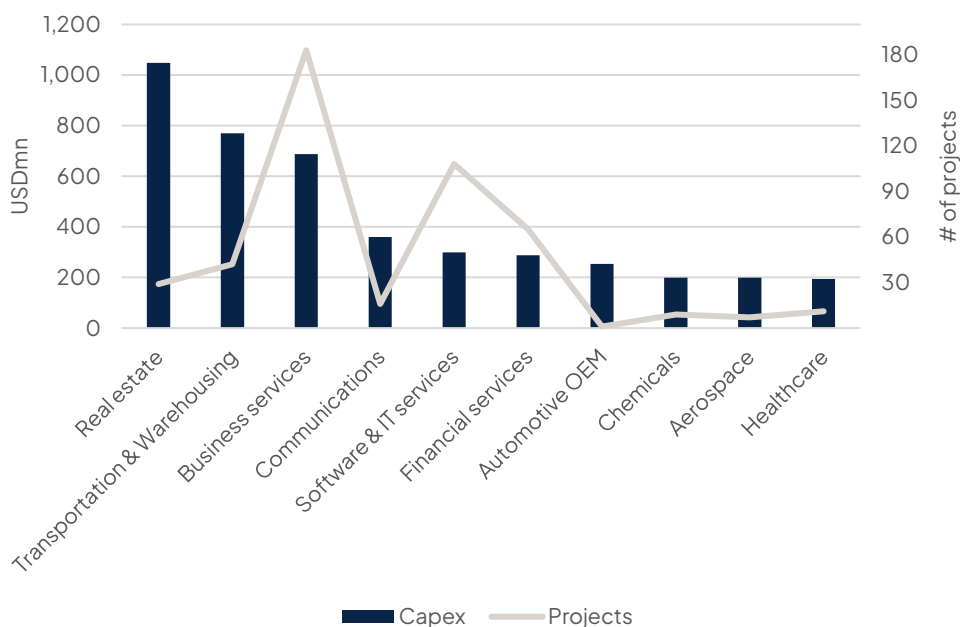
### Business services sector leads by project count

The business services sector led in the number of greenfield FDI projects with 183 projects, representing 30% of total projects. Within this sector, professional services, consulting, and waste management services were the major contributors. Software and IT services came second with 108 projects, driven primarily by the expansion of global technology companies establishing regional operations in the UAE. The financial services sector followed with 65 projects, reflecting the UAE's growing status as a regional financial hub. Transportation and warehousing secured 42 projects, while industrial equipment attracted 39 projects.

### Real estate attracts the largest capital investment

Despite having only 29 projects, the real estate sector attracted the highest capital investment at USD 1.05bn, accounting for 19% of total FDI inflows. This was largely driven by the major mixed-use real estate development project from Kuwait. Transportation and warehousing came second with USD 770.4mn, followed by business services (USD 687.2mn), communications (USD 359.5mn), and software & IT services (USD 298.9mn).

### Greenfield FDI by Sector (H1 2025)



Source: fDi Markets, Emirates NBD Research

### **Strong focus on high-value activities**

Manufacturing activities accounted for USD 1.06bn of total FDI inflows, despite having only 22 projects. This reflects the UAE's strategic focus on attracting high-value manufacturing operations, particularly in automotive, chemicals, and advanced materials sectors. Construction projects, though limited to three major developments, attracted USD 1.12bn in investment. Sales, marketing, and support functions dominated in terms of project numbers with 217 projects, though with relatively lower capital investment of USD 500mn. Business services activities attracted 282 projects worth USD 418.4mn. The establishment of 34 new regional headquarters with investments totaling USD 386.1mn underscores the UAE's growing importance as a regional business hub.

### **Several landmark investments characterized H1 2025:**

- Kuwait Real Estate Company & IFA Hotels announced the Al Tay Hills development in Sharjah, a USD 953mn residential community spanning 557,420 sqm. The project will feature 1,100 villas and townhouses, with first phase delivery scheduled for Q1 2028.
- Greenthesi Group (Italy) & BEEAH (UAE) partnered to establish a USD 346.6mn polyethylene film recycling facility in Sharjah's Al Sajaa area. The facility will process over 7,000 tonnes of plastic waste annually, advancing the UAE's circular economy objectives.
- Akdital (Morocco) committed USD 172.6mn to construct healthcare facilities in Dubai, as part of its strategy to establish two medical establishments in the UAE by 2030, strengthening the UAE's healthcare infrastructure.
- H.B. Fuller (United States) opened a USD 127.1mn adhesives and sealants manufacturing facility in Ras al Khaimah's Al Hamra Industrial Zone. The 15,000 sqm facility will produce high-performance construction adhesives for Middle East and North Africa markets.

### **Technology and sustainability drive investment trends**

In H1 2025, the convergence of technology and sustainability emerged as a key investment theme. The communications sector— including data centers and AI infrastructure – secured USD 359.5 mn across 16 projects. In March, Microsoft partnered with Core42 (a G42 company) to develop sovereign cloud and AI infrastructure in support of Abu Dhabi's 2025–2027 strategy to become the world's first AI-native government. In May, G42 announced Stargate UAE, a 5GW AI data center campus in collaboration with OpenAI, Nvidia, Cisco, SoftBank, and Oracle, with phase one (200MW) expected by 2026.

Simultaneously, the environmental technology sector saw notable momentum. A strategic partnership between Greenthesys Group and BEEAH was announced to establish the Middle East's first polyethylene (PE) film recycling facility in Sharjah. This initiative supports the UAE's Net Zero 2050 agenda by reducing landfill dependency through innovative waste-to-resource technologies.

### **Free zones cement role as investment magnets**

Free zones attracted USD 1.62bn (29.9% of total FDI) across 107 projects in H1 2025, demonstrating their strategic importance despite hosting only 17.5% of total projects. This concentration of high-value investments underscores free zones' appeal for capital-intensive operations.

### **Key free zone investments:**

- Jebel Ali Free Zone led with USD 474.1mn
- Dubai South attracted USD 280.9mn in aerospace and logistics investments
- Al Hamra Industrial Zone secured USD 127.1mn, anchored by H.B. Fuller's adhesives manufacturing plant
- Dubai Industrial City drew USD 114.4mn in manufacturing projects
- Dubai International Financial Centre captured USD 89.0mn in financial services investments

The investments reveal free zones' effectiveness in attracting manufacturing and logistics investments. While accounting for less than one-fifth of projects, free zones captured nearly one-third of total capital investment, with average project sizes significantly exceeding non-free zone investments. Free zones' 100% foreign ownership, tax exemptions, streamlined licensing, and world-class infrastructure continue to prove particularly attractive for manufacturing, technology, and logistics sectors – key pillars of the UAE's economic diversification strategy.

## Disclaimer

PLEASE READ THE FOLLOWING TERMS AND CONDITIONS OF ACCESS FOR THE PUBLICATION BEFORE THE USE THEREOF. By continuing to access and use the publication, you signify you accept these terms and conditions. Emirates NBD reserves the right to amend, remove, or add to the publication and Disclaimer at any time. Such modifications shall be effective immediately. Accordingly, please continue to review this Disclaimer whenever accessing, or using the publication. Your access of, and use of the publication, after modifications to the Disclaimer will constitute your acceptance of the terms and conditions of use of the publication, as modified. If, at any time, you do not wish to accept the content of this Disclaimer, you may not access, or use the publication. Any terms and conditions proposed by you which are in addition to or which conflict with this Disclaimer are expressly rejected by Emirates NBD and shall be of no force or effect. Information contained herein is believed by Emirates NBD to be accurate and true but Emirates NBD expresses no representation or warranty of such accuracy and accepts no responsibility whatsoever for any loss or damage caused by any act or omission taken as a result of the information contained in the publication. The publication is provided for informational uses only and is not intended for trading purposes. Charts, graphs and related data/information provided herein are intended to serve for illustrative purposes. The data/information contained in the publication is not designed to initiate or conclude any transaction. In addition, the data/information contained in the publication is prepared as of a particular date and time and will not reflect subsequent changes in the market or changes in any other factors relevant to their determination. The publication may include data/information taken from stock exchanges and other sources from around the world and Emirates NBD does not guarantee the sequence, accuracy, completeness, or timeliness of information contained in the publication provided thereto by or obtained from unaffiliated third parties. Moreover, the provision of certain data/information in the publication may be subject to the terms and conditions of other agreements to which Emirates NBD is a party.

None of the content in the publication constitutes a solicitation, offer or recommendation by Emirates NBD to buy or sell any security, or represents the provision by Emirates NBD of investment advice or services regarding the profitability or suitability of any security or investment. Moreover, the content of the publication should not be considered legal, tax, accounting advice. The publication is not intended for use by, or distribution to, any person or entity in any jurisdiction or country where such use or distribution would be contrary to law or regulation. Accordingly, anything to the contrary herein set forth notwithstanding, Emirates NBD, its suppliers, agents, directors, officers, employees, representatives, successors, assigns, affiliates or subsidiaries shall not, directly or indirectly, be liable, in any way, to you or any other person for any: (a) inaccuracies or errors in or omissions from the publication including, but not limited to, quotes and financial data; (b) loss or damage arising from the use of the publication, including, but not limited to any investment decision occasioned thereby; (c) UNDER NO CIRCUMSTANCES, INCLUDING BUT NOT LIMITED TO NEGLIGENCE, SHALL EMIRATES NBD, ITS SUPPLIERS, AGENTS, DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES, SUCCESSORS, ASSIGNS, AFFILIATES OR SUBSIDIARIES BE LIABLE TO YOU FOR DIRECT, INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES EVEN IF EMIRATES NBD HAS BEEN ADVISED SPECIFICALLY OF THE POSSIBILITY OF SUCH DAMAGES, ARISING FROM THE USE OF THE PUBLICATION, INCLUDING BUT NOT LIMITED TO, LOSS OF REVENUE, OPPORTUNITY, OR ANTICIPATED PROFITS OR LOST BUSINESS. The information contained in the publication does not purport to contain all matters relevant to any particular investment or financial instrument and all statements as to future matters are not guaranteed to be accurate. Anyone proposing to rely on or use the information contained in the publication should independently verify and check the accuracy, completeness, reliability and suitability of the information and should obtain independent and specific advice from appropriate professionals or experts regarding information contained in the publication. Further, references to any financial instrument or investment product is not intended to imply that an actual trading market exists for such instrument or product. In publishing this document Emirates NBD is not acting in the capacity of a fiduciary or financial advisor.

Emirates NBD and its group entities (together and separately, "Emirates NBD") does and may at any time solicit or provide commercial banking, investment banking, credit, advisory or other services to the companies covered in its reports. As a result, recipients of this report should be aware that any or all of the foregoing services may at times give rise to a conflict of interest that could affect the objectivity of this report.

The securities covered by this report may not be suitable for all types of investors. The report does not take into account the investment objectives, financial situations and specific needs of recipients.

Data included in the publication may rely on models that do not reflect or take into account all potentially significant factors such as market risk, liquidity risk and credit risk. Emirates NBD may use different models, make valuation adjustments, or use different methodologies when determining prices at which Emirates NBD is willing to trade financial instruments and/or when valuing its own inventory positions for its books and records. In receiving the publication, you acknowledge and agree that there are risks associated with investment activities. Moreover, you acknowledge in receiving the publication that the responsibility to obtain and carefully read and understand the content of documents relating to any investment activity described in the publication and to seek separate, independent financial advice if required to assess whether a particular investment activity described herein is suitable, lies exclusively with you. You acknowledge and agree that past investment performance is not indicative of the future performance results of any investment and that the information contained herein is not to be used as an indication for the future performance of any investment activity. You acknowledge that the publication has been developed, compiled, prepared, revised, selected, and arranged by Emirates NBD and others (including certain other information sources) through the application of methods and standards of judgment developed and applied through the expenditure of substantial time, effort, and money and constitutes valuable intellectual property of Emirates NBD and such others. All present and future rights in and to trade secrets, patents, copyrights, trademarks, service marks, know-how, and other proprietary rights of any type under the laws of any governmental authority, domestic or foreign, shall, as between you and Emirates NBD, at all times be and remain the sole and exclusive property of Emirates NBD and/or other lawful parties. Except as specifically permitted in writing, you acknowledge and agree that you may not copy or make any use of the content of the publication or any portion thereof. Except as specifically permitted in writing, you shall not use the intellectual property rights connected with the publication, or the names of any individual participant in, or contributor to, the content of the publication, or any variations or derivatives thereof, for any purpose.

YOU AGREE TO USE THE PUBLICATION SOLELY FOR YOUR OWN NONCOMMERCIAL USE AND BENEFIT, AND NOT FOR RESALE OR OTHER TRANSFER OR DISPOSITION TO, OR USE BY OR FOR THE BENEFIT OF, ANY OTHER PERSON OR ENTITY. YOU AGREE NOT TO USE, TRANSFER, DISTRIBUTE, OR DISPOSE OF ANY DATA/INFORMATION CONTAINED IN THE PUBLICATION IN ANY MANNER THAT COULD COMPETE WITH THE BUSINESS INTERESTS OF EMIRATES NBD. YOU MAY NOT COPY, REPRODUCE, PUBLISH, DISPLAY, MODIFY, OR CREATE DERIVATIVE WORKS FROM ANY DATA/INFORMATION CONTAINED IN THE PUBLICATION. YOU MAY NOT OFFER ANY PART OF THE PUBLICATION FOR SALE OR DISTRIBUTE IT OVER ANY MEDIUM WITHOUT THE PRIOR WRITTEN CONSENT OF EMIRATES NBD. THE DATA/INFORMATION CONTAINED IN THE PUBLICATION MAY NOT BE USED TO CONSTRUCT A DATABASE OF ANY KIND. YOU MAY NOT USE THE DATA/INFORMATION IN THE PUBLICATION IN ANY WAY TO IMPROVE THE QUALITY OF ANY DATA SOLD OR CONTRIBUTED TO BY YOU TO ANY THIRD PARTY. FURTHERMORE, YOU MAY NOT USE ANY OF THE TRADEMARKS, TRADE NAMES, SERVICE MARKS, COPYRIGHTS, OR LOGOS OF EMIRATES NBD OR ITS SUBSIDIARIES IN ANY MANNER WHICH CREATES THE IMPRESSION THAT SUCH ITEMS BELONG TO OR ARE ASSOCIATED WITH YOU OR, EXCEPT AS OTHERWISE PROVIDED WITH EMIRATES NBD'S PRIOR WRITTEN CONSENT, AND YOU ACKNOWLEDGE THAT YOU HAVE NO OWNERSHIP RIGHTS IN AND TO ANY OF SUCH ITEMS. MOREOVER YOU AGREE THAT YOUR USE OF THE PUBLICATION IS AT YOUR SOLE RISK AND ACKNOWLEDGE THAT THE PUBLICATION AND ANYTHING CONTAINED HEREIN, IS PROVIDED "AS IS" AND "AS AVAILABLE," AND THAT EMIRATES NBD MAKES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AS TO THE PUBLICATION, INCLUDING, BUT NOT LIMITED TO, MERCHANTABILITY, NON-INFRINGEMENT, TITLE, OR FITNESS FOR A PARTICULAR PURPOSE OR USE. You agree, at your own expense, to indemnify, defend and hold harmless Emirates NBD, its Suppliers, agents, directors, officers, employees, representatives, successors, and assigns from and against any and all claims, damages, liabilities, costs, and expenses, including reasonable attorneys' and experts' fees, arising out of or in connection with the publication, including, but not limited to: (i) your use of the data contained in the publication or someone using such data on your behalf; (ii) any deletions, additions, insertions or alterations to, or any unauthorized use of, the data contained in the publication or (iii) any misrepresentation or breach of an acknowledgement or agreement made as a result of your receiving the publication.