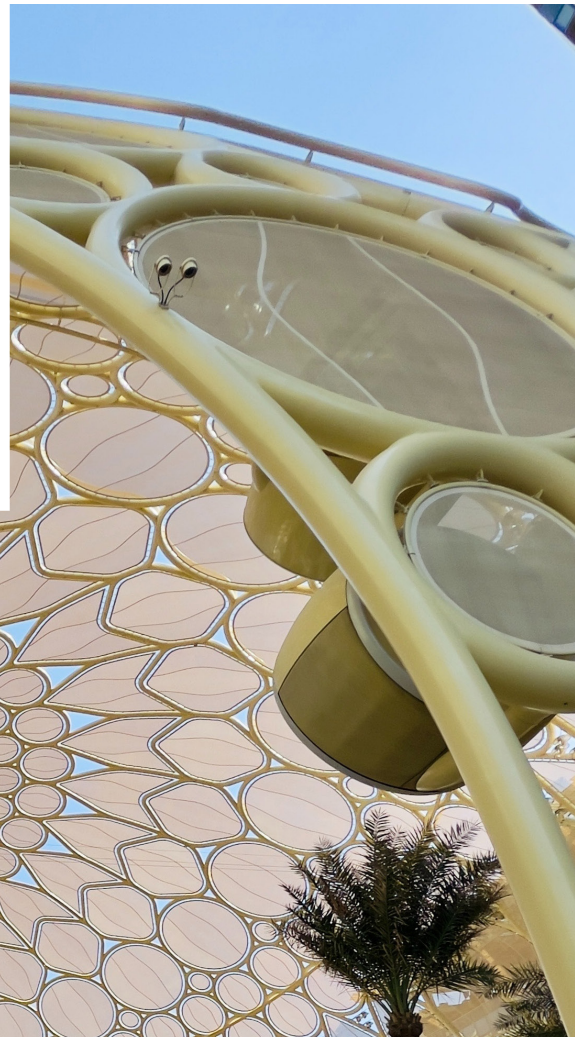


# Report

Roland Berger



## The UAE Tourism Strategy 2031

KEY PERSPECTIVES FOR PROPELLING GROWTH  
IN THE COUNTRY'S TOURISM SECTOR

## SUMMARY

R

ich heritage, modern development, natural beauty, strategic location, warm and welcoming culture, economic growth, combined with exceptional safety and security, have positioned the UAE as one of the most popular destinations for tourists from all over the world. The country's investments in tourism reflect a continued commitment towards the sector and a recognition of its vital role for the country's economy and global image.

Accordingly, the UAE Tourism Strategy 2031 aims to diversify and expand the country's tourism industry to address challenges in the international context. In addition to promoting a unified touristic identity, the strategy reflects growth and diversification of specialized tourism products, the targeting of underrepresented guest groups, and the integration of tourism product development with urban development objectives.

The Strategy has reinforced a number of aspects to ensure its relevance and effectiveness in the long term through diversification, affordability, sustainability, collaboration and forward-thinking. Realizing the importance of continuous review and aligning the strategy based on changing market trends, visitor preferences, and global challenges, the tourist authorities in the UAE have embarked on a journey to promote the travel and tourism industry, working closely with the private sector to forge global partnerships and attract investors from far and wide.

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# 1/

## Introduction - Context of The UAE Tourism Strategy 2031

Since its inception on December 2, 1971, the United Arab Emirates has made tremendous development strides thanks to its abundant human and natural endowments. The country has grown into a global powerhouse with a diversified economy grounded on breakthrough knowledge and long-term strategic vision.

The UAE has been a renowned tourist destination, luring millions of visitors each year with its world-class infrastructure, luxury shopping, heritage offerings, and iconic attractions like the Burj Khalifa and the Dubai Fountain. However, the country's tourism industry has encountered several challenges in recent years, requiring the implementation of new strategies to overcome increased competition from other destinations and adapt to the ever-changing demand.

In this vein, the UAE Tourism Strategy 2031 has been announced in November 2022 covering a series of developmental and economic initiatives to drive the country's growth across the tourism sectors. A key objective of the plan is to strengthen the UAE's position as a prime tourist destination in the world.

The UAE Tourism Strategy 2031, which comes under the 'Projects of the 50' as one of the most substantial projects of the coming years, was developed in collaboration with the UAE Ministry of Economy and other local and federal entities, including the Ministry of Foreign Affairs and International Cooperation and the Federal Authority for Identity, Citizenship, Customs, and Port Security. Key stakeholders also include the UAE Central Bank, the General Civil Aviation Authority, the UAE's airlines, the Federal Competitiveness and Statistics Centre, the World Tourism Organization, and multiple international companies.



The strategy consists of multiple initiatives and policies mainly anchored around four key pillars:

- 1. Strengthening the unified national tourism identity**
- 2. Developing and diversifying specialised tourism products**
- 3. Building tourism capabilities and encouraging the contribution of national cadres in the tourism sector**
- 4. Increasing investments in all tourism sectors.**

The new National Tourism Strategy 2031 is also designed to boost the tourism sector's GDP contribution to AED 450 bn by 2031 at an annual increase of AED 27 billion. Further, the strategy is targeting to attract new additional investments of AED 100 billion to the country by 2031.

Hence, the strategy will set the Gulf nation on track to creating an attractive and safe environment with a strong focus on sustainability, technology, and cultural exchange. The plan includes a roadmap for designing the optimal approach for maintaining competitiveness and a steady stream of tourists in the future.

## 2/

### **The 'UAE Tourism Strategy 2031' in review covering its four pillars.**

This article outlines the four key pillars of the UAE Tourism Strategy 2031 and provides a perspective of what considerations should be taken into account to successfully reach the strategic objectives developed for each pillar.

**A / Strengthening the unified national tourism identity**  
- How can the UAE provide a consolidated approach for country-wide tourism growth with still maintaining the uniqueness of each emirate?

#### [Historical Overview – Forging the nation](#)

Archaeological evidence suggests that human settlement in the area can be traced back to as early as 125,000 years. However, the UAE is a relatively young country. Following a period of British protection as Trucial States, six of the seven Emirates (Abu Dhabi, Dubai, Sharjah, Ajman, Umm Al Quwain, and Fujairah) agreed to form a federation in 1971. A year later, Ras Al Khaimah joined the union of what is now the United Arab Emirates.

This process of unification was a significant milestone in the history of the region, as it brought together the emergent emirates under a single political entity, providing a framework for cooperation and development. Thanks to the

many similarities, namely common religion and traditions, as well as the shared strategic vision and aspirations, the seven emirates have been working hand-in-hand towards common goals, such as knowledge-driven economic diversification and competitiveness, sustainable development and world-class quality of living.

Despite these similarities, each emirate has a unique history, culture, and path of development, thus a different offering for visitors and residents.

No place spells luxury more than Dubai with its futuristic spectacle of skyscrapers and opulent lifestyle, largely driven by the city's global status as a business and innovation lighthouse. With its vast oil and gas resources and deeply rooted heritage, Abu Dhabi has emerged as the country's political and economic hub, offering a wealth of opportunities to those wishing to thrive at the highest standards of living. This diversity extends to other emirates, such as Sharjah, which boasts a vibrant arts and cultural scene, while Fujairah is endowed with picturesque mountain ranges and pristine beaches, making it a go-to destination for nature lovers. Although overlooked by tourists, Ajman offers a unique and authentic Emirati experience with its stunning beaches, historical landmarks, traditional souks, and lively local culture. If mountainous activities like hiking and climbing are your thing, then look no further than Ras Al Khaimah with its rugged terrain, coupled with traditional Emirati hospitality and luxurious resorts. Finally, with its laid-back atmosphere and diverse offerings, Umm Al Quwain is a perfect destination for those seeking a more authentic and off-the-beaten-path experience in the UAE.

Considering how the tourism industry performed before the Covid pandemic - In 2019, the tourism sector generated AED 180.4 billion for the national economy, a remarkable 11.6% of the country's GDP. → A

## A / Performance of the UAE's travel & tourism sector before the Covid-pandemic – Travel & tourism as a key contributor to the UAE's GDP

Key facts and figures pre Covid-pandemic – UAE tourism



11.6%

Contribution of travel & tourism to GDP in 2019



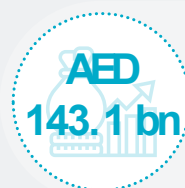
74%

Hotel occupancy rate in 2019



AED 180.4 bn.

Tourism revenue in 2019



AED 143.1 bn.

Total tourism expenditure in 2019

Source: UAE Ministry of Economy

The sector is expected to continue to play a significant role in the country's economy in the coming years, as the Emirati leadership looks to boost infrastructural investments and diversify tourism offerings in a bid to attract a wider range of visitors

## Status quo – A highly diverse tourism landscape across the UAE

Recognizing the importance of tourism as a key driver of economic growth, the UAE has prioritized this prominent industry through massive investments over the years, world-class infrastructure, and attractions to entice visitors from around the world. In this spirit, the country has sought diversification beyond traditional tourism offerings, focusing on cultural, adventure, and sustainable tourism. The Gulf nation has also successfully positioned itself as a popular destination for business and leisure travellers, with state-of-the-art MICE facilities and ultra-luxury hotels and resorts.

While a national tourism strategy (UAE Tourism Strategy 2031) has been developed under the “Projects of the 50,” each emirate designed a tailored strategy to emphasize its unique offerings and attractions to appeal to different tourist segments.

**Abu Dhabi:** Welcoming over 11 million visitors in 2019, Abu Dhabi is known for its cultural landmarks promoting Arabian hospitality and heritage. Impressively, the Emirati capital has one of the lowest crime rates in the world. Popular tourist attractions include the Sheikh Zayed Grand Mosque, Ferrari World, Yas Island, and the Louvre Abu Dhabi.

**Dubai:** As one of the most popular tourist destinations in the world (over 16 million visitors in 2019), Dubai is an iconic city famous for its modern and futuristic architecture, luxury shopping, and vibrant nightlife. It is hard to narrow down the multitude of attractions and activities visitors can engage in in Dubai, but Burj Khalifa, Dubai Mall, Palm Jumeirah, and the Dubai Fountain are just a handful.

**Sharjah:** Sharjah is a cultural hub and the third largest emirate in the UAE. While not as well-known as Dubai or Abu Dhabi, Sharjah features iconic architectural

designs and rich cultural offerings, including the Sharjah Museum of Islamic Civilization and Sharjah Art Museum. It is also home to beautiful beaches and nature reserves. **Ajman:** Ajman offers a more relaxed and laid-back experience for visitors, with a focus on beaches, cultural landmarks, and family-friendly activities, including the Ajman Museum and the Al-Zorah Nature Reserve.

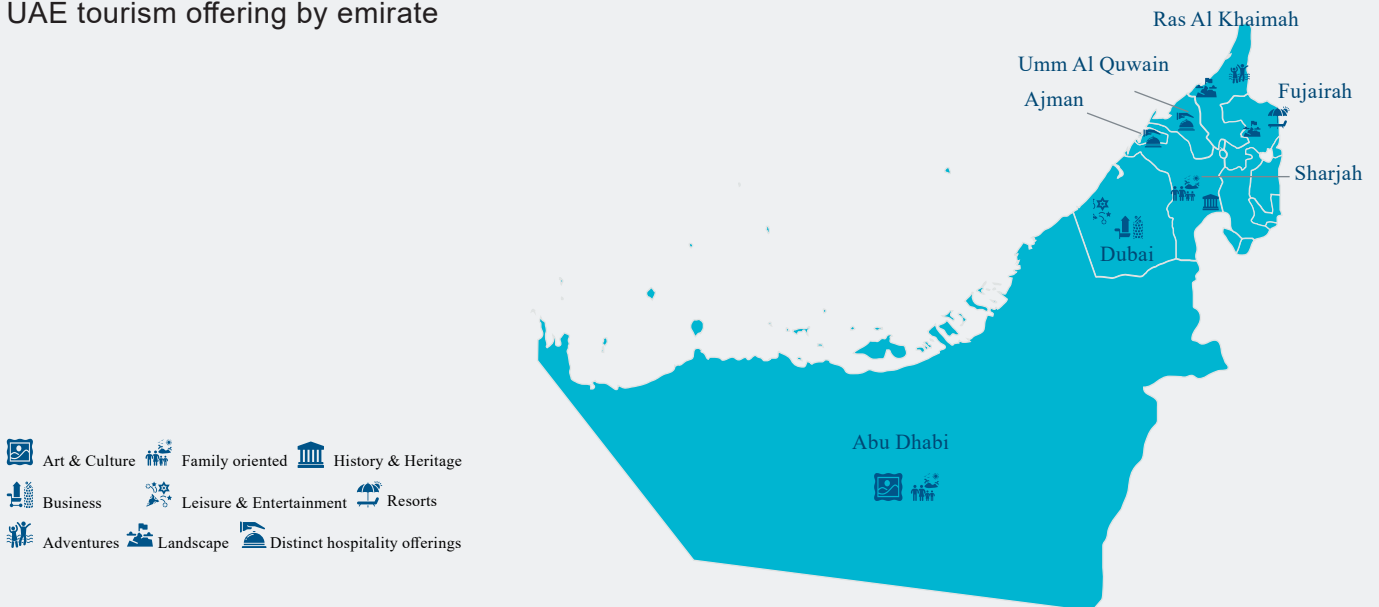
**Umm Al Quwain:** Umm Al Quwain is ideal for water sports and outdoors activities such as sailing, skydiving, falconry, and camel racing. The emirate is also known for its wildlife, with the Dreamland Aqua Park and the UAQ Marine Club offering unique experiences.

**Ras Al Khaimah:** Ras Al Khaimah boasts breathtaking and diverse natural landscapes, ranging from rolling sand dunes, pristine beaches, mangroves, and rugged mountains (including the Hajar Mountains and the Jebel Jais Mountain Range). It is a rare gem for adventure seekers and nature enthusiasts.

**Fujairah:** Fujairah is known for its stunning beaches, pristine waters and excellent scuba diving and snorkelling opportunities, along with many historical sites, including the Fujairah Fort, the Al Badiyah Mosque, and the Fujairah Museum. Despite these similarities, each emirate has a unique history, culture, and path of development, thus a different offering for visitors and residents. → **B**

## B / Each emirate in the UAE offers its own distinct tourism offering

UAE tourism offering by emirate



Source: Ministry of Economy, Government of Dubai, Abu Dhabi Department of Culture and Tourism, Sharjah Commerce & Tourism Development Authority (SCT-DA), Government of Fujairah



## Way forward - A single country-wide approach while still maintaining the uniqueness of each emirate

Cooperation and synergy across the seven emirates are crucial for the UAE's tourism industry to remain competitive and flourish. The emirates should develop a cohesive and appealing national tourism brand emphasizing the shared identity and values. At the same time, each emirate should be empowered to harness its inherent features and distinct offerings to target specific tourist profiles so that the UAE can cater for a vaster number of visitors.

In this vein, the emirates Tourism Council was founded in 2021 to expand the UAE's touristic portfolio through coordination among all tourism stakeholders. The Council is responsible for developing and approving new tourist policies and legislation to support national tourism development strategies and attract international investors into the local market. It also plans to create a comprehensive and unified national database for tourism information.

Additionally, government entities are undergoing digital transformation to streamline processes and promote transparency. The aim is to reduce paperwork by enabling investors to submit applications and registrations online. In this context, transparency is key to building trust among investors and ensuring a more conducive business environment.

Further initiatives and strategies are needed to reinforce coordination between emirate-level tourism authorities. This would involve alignment of tourism policies and processes, harmonization of taxes and fees, and providing holistic support for the investment community, and much more.

### **B / Developing and diversifying specialised tourism products - What should be the right touristic offering in the country to increase spending of tourists?**

#### Crafting experiences that boost visitor spending

Considering the newly developed tourism strategy from in terms of visitation and GDP contribution, it becomes evident that the UAE has set an ambitious target, especially when we look at historical data. Despite making significant progress in developing its tourism industry, it is of key relevance that the country continues to address some challenges to ensure sustained growth and prosperity in the future.

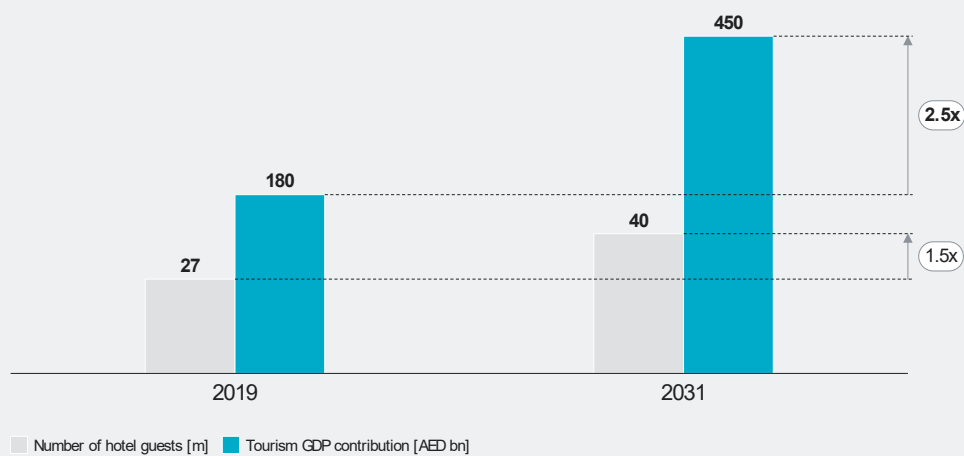
A leap from 27 million hotel guests in 2019 to 40 million by 2031 (1.5x increase) is a bold aspiration, but one that is feasible given the UAE's world-class infrastructure and offerings, along with its steady track record of attracting

tourists in pre-pandemic years.

However, increasing the sector's GDP contribution by 2.5 times from AED 180 billion in 2019 to AED 450 billion by 2031 is an even bolder endeavour, requiring a potential shift in how investments are channelled. In other words, The UAE should find a way to either increase spend per guest and/or prolong the guests' length of stay. → C

## C / The volume and value of the tourism and hospitality industry is expected to grow significantly in the coming decade

UAE tourism GDP contribution and number of hotel guests, 2019-2031



Source: Ministry of Economy



### Taking stock of past achievements

Owing to its rich cultural heritage, modern infrastructure, and diverse attractions, the UAE has placed tourism as a key pillar of its economy. The country has gradually positioned itself as leading tourist market that attracts millions of visitors every year, primarily families or couples visiting for leisure and likely to enjoy the sun and sea.

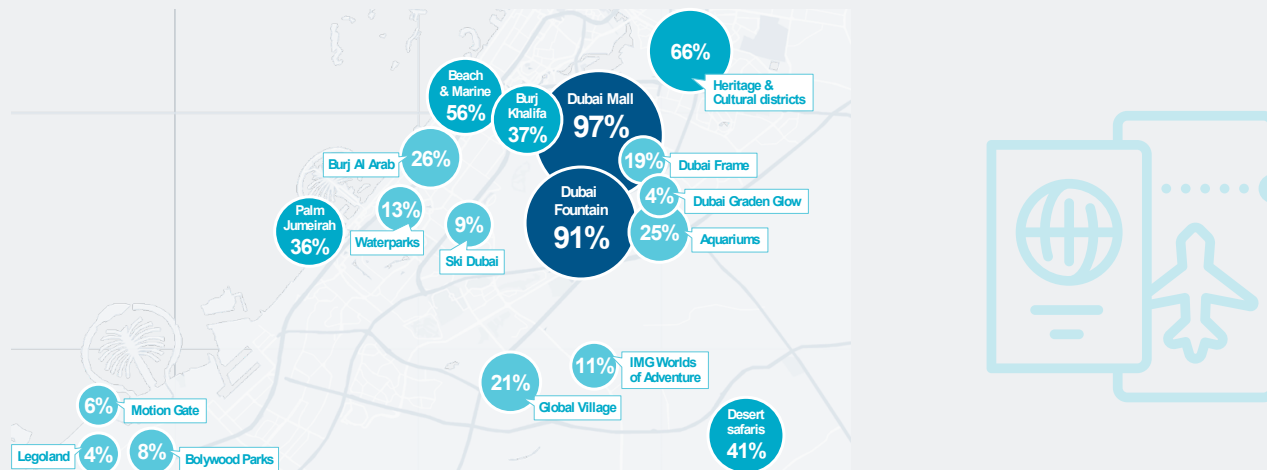
Certainly, the UAE has poured considerable investments into developing world-class tourist sites, cultural landmarks, and entertainment theme parks that appeal to a wide variety of visitors. These attractions have been instrumental in improving the overall tourism experience.

Looking at Dubai alone for instance, Dubai Mall is one of the most iconic attractions in the country, luring 97% of Dubai's tourists. The mall, which includes an indoor aquarium and an ice rink among many other offerings, is a popular destination for families and shoppers. → D

## D / Whilst emirates such as Dubai have several offerings, select sites attract the vast majority of visitors

Share of visitors experiencing Dubai's key attractions

% of travellers visiting Dubai's key attractions



Source: Dubai International Visitors Survey 2019

Other prominent cross-UAE examples include the world's tallest building, the Burj Khalifa; the Sheikh Zayed Grand Mosque, a spectacular cultural icon in Abu Dhabi; and the Dubai Miracle Garden, a vast floral park that draws visitors from all over the world. The UAE has also managed to host major global events, such as Expo 2020 and the F1 Abu Dhabi Grand Prix, which have helped to raise the country's profile as a premier tourism destination.

Undoubtedly, the UAE has numerous options to grow its tourism market and cater for wider tourist segments with its existing assets and natural strengths, from sustainable tourism to wellness, cultural, and adventure offerings.

### Unlocking value by targeting a diverse set of traveler profiles

Pillar 2 of the Strategy «Developing and diversifying specialized tourism products» has been designed to address the challenges stated above. Indeed, diversification is key to the future success of the UAE's tourism industry, as tourism authorities should consider expanding and diversifying beyond current products.

In this respect, decisions should be taken on whether to focus on underrepresented guest groups or create more value from existing ones. Similarly, it is particularly relevant to consider the current market demand and potential for growth in terms of building more affordable mid-market hotels versus investing in more luxury properties.

Equally important is to venture into new products and find the right way to highlight the unique aspects of each offering and the added value it provides to visitors. This should go hand in hand with an effective strategy of promoting new product offerings such as Heritage, Adventure, Desert, MICE, Agritourism, and other niche products.

Likewise, balancing tourism product development with independent urban development plans can be a daunting task, but one that is key for the long-term growth of the UAE tourism industry. For instance, there should be a clear perspective on how the tourism strategy would tackle urban master plans and independent private developer plans in manner that goes in line with the local community's needs.

In Roland Berger's perspective, the UAE should diversify into the middle market tourist segment to achieve the goals of Pillar 2. Although the country has started attracting a mix of premium and middle-segment tourists, it can be advisable to attract the middle market segment even stronger with affordable luxury options that could unlock value from longer stays and higher expenditure. This approach also has the potential to draw more tourists from untapped European and other markets that may have initially overlooked the UAE for being too expensive.

Investing in more affordable luxury hotels and promoting new product offerings like Heritage, Adventure, Desert, MICE, Agritourism, and other specialty products can help to diversify the UAE tourism market and appeal to a broader spectrum of visitors.

The recent pilot initiative to reduce alcohol taxes for the year 2023 is an indication of the government's attempts to make the country more accessible and attract a wider segment of tourists. This project is in line with the UAE tourism industry's diversification efforts.





To recap, diversifying the tourism industry and targeting the middle market tourist segment with affordable luxury options seems to be the most effective approach for achieving the aims of The UAE Tourism Strategy 2031, designated as one of the country's most ambitious projects over the forthcoming years

## **C / Building tourism capabilities and encouraging the contribution of national cadres in the tourism sector - What could be initiatives to boost Emiratization levels in the UAE tourism sector?**

### Addressing low Emiratization rates in the UAE tourism sector

Over the past two decades, the UAE earned international praise for its tremendous economic and social developments, rising to a leader status thanks to its innovation, competitiveness, and sustainability practices. The tourism sector was no exception. To cater for its remarkable growth, the Ministry of Economy has been keen on nurturing national human capital and encouraging talented individuals to engage in the tourism industry, as part of the Emiratization agenda.

Uptake in the private sector remains low with only 1% of the currently active workforce in the UAE's tourism sector being made up of Emiratis, while private sector companies are expected to fill 10 percent of their positions with Emiratis by 2025. MoE is seeking to enable tourism-related businesses and entrepreneurship in a bid to boost nationalization levels through initiatives like Nafis, a federal program to increase the competitiveness of Emirati human resources in the private sector, and Medyaf, an initiative dedicated to attracting nationals to Dubai's tourism industry.

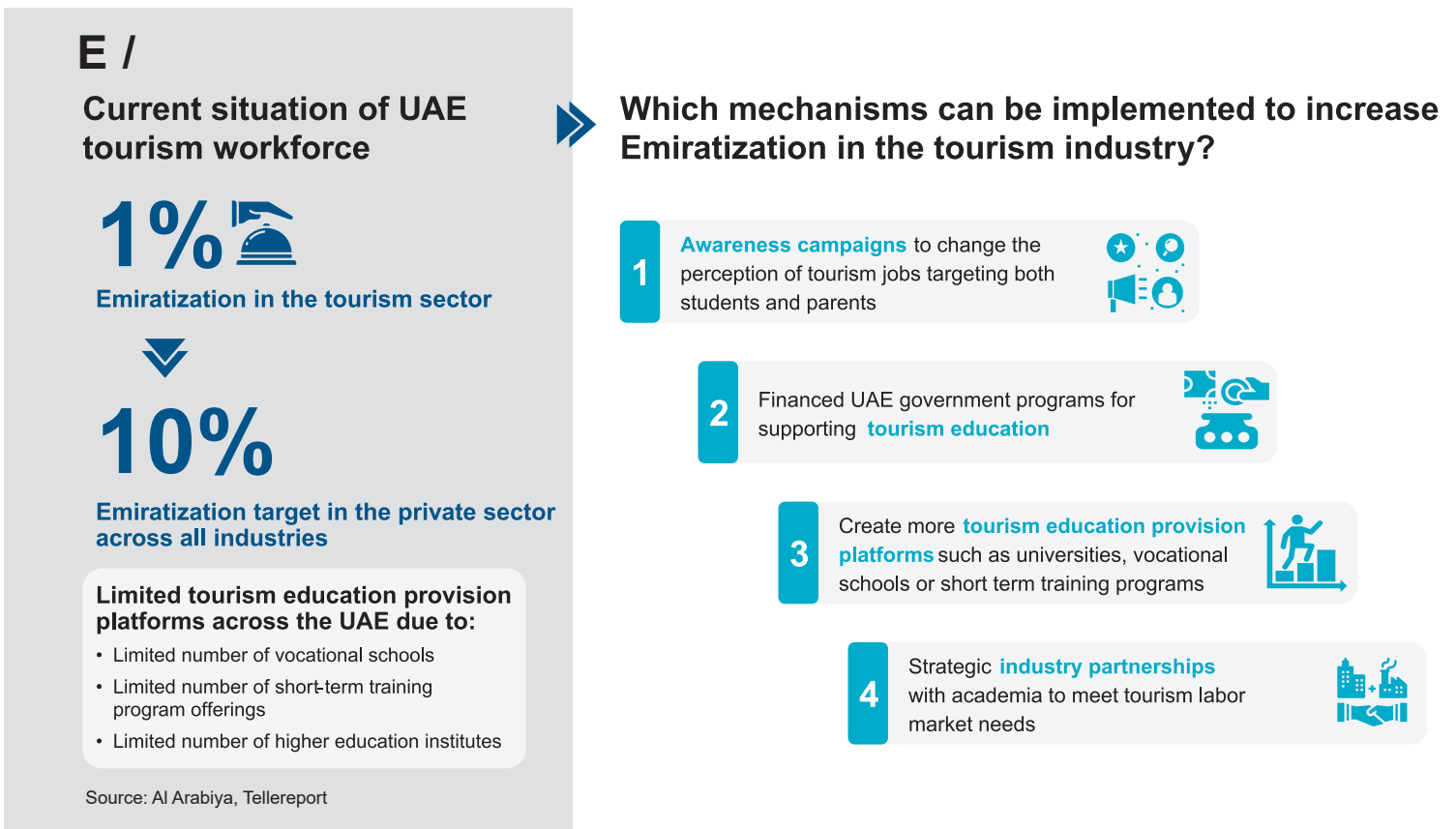
Accordingly, the UAE National Tourism Strategy 2031 has designated the development of human resource capabilities in the tourism sector as one of its fundamental pillars. Federal and emirate-level authorities are exerting significant efforts to grow the size of Emirati workforce by rendering the flourishing tourism industry more attractive and promising.

### Bridging the current gap in tourism education and training in the UAE

Developing the human resources in the tourism industry is a crucial aspect of the industry's plans and programs. The goal is to encourage the participation of skilled, dedicated Emirati professionals. To achieve this, the government is urged to work closely with tourism schools to ensure strategic alignment between the education/training sector and the tourism labor market needs and devise

effective training methods and curricula to cultivate a talented and qualified workforce.

Currently, there are limited options for tourism-focused colleges, with only a few institutions such as Dubai College of Tourism (DCT) and The emirates Academy of Hotel Management, as well as vocational programs like Abu Dhabi Vocational Education and Training Institute (ADVETI) offering degrees in the field. Therefore, it is imperative to take immediate action and implement a comprehensive tourism training plan as part of a long-term strategy for professional development within the industry – this includes setting up more UAE based tourism education platforms such as tourism/hospitality universities as well as vocational schools. → E



### Empowering the next generation: Igniting passion for tourism jobs across UAE's youth

To expand the workforce in the tourism industry, it is necessary to implement targeted measures and actions that improve the perception of tourism jobs and encourage workers to find fulfilment in their careers within this promising industry. Emiratis typically prefer to work in the public sector due to the attractive benefits available, such as salaries and annual leave. However, there is a shift

in the mindset of young professionals who are increasingly interested in pursuing new and diverse occupations.

Therefore, personalized communication initiatives in the UAE can target and persuade individuals who are interested in pursuing a career in the thriving tourism industry. The «Le Tourisme recrute» campaign in France utilized various media platforms to enhance the appeal of tourism professions, promote viable career paths, and fulfill recruitment needs. Similarly, the UK launched the world's largest hospitality recruitment campaign, «Rise Fast, Work Young,» which prioritized fun work environments, rapid career progression, and success stories of hospitality workers. By considering cultural and socioeconomic peculiarities, these tourism promotion initiatives can help the UAE in developing effective programs.

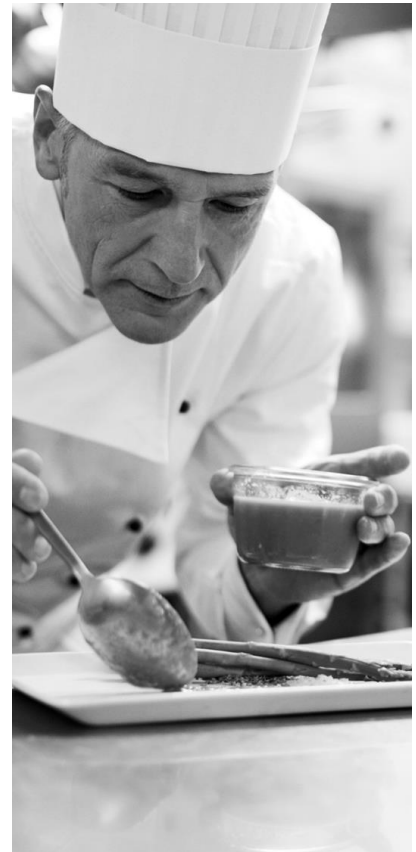
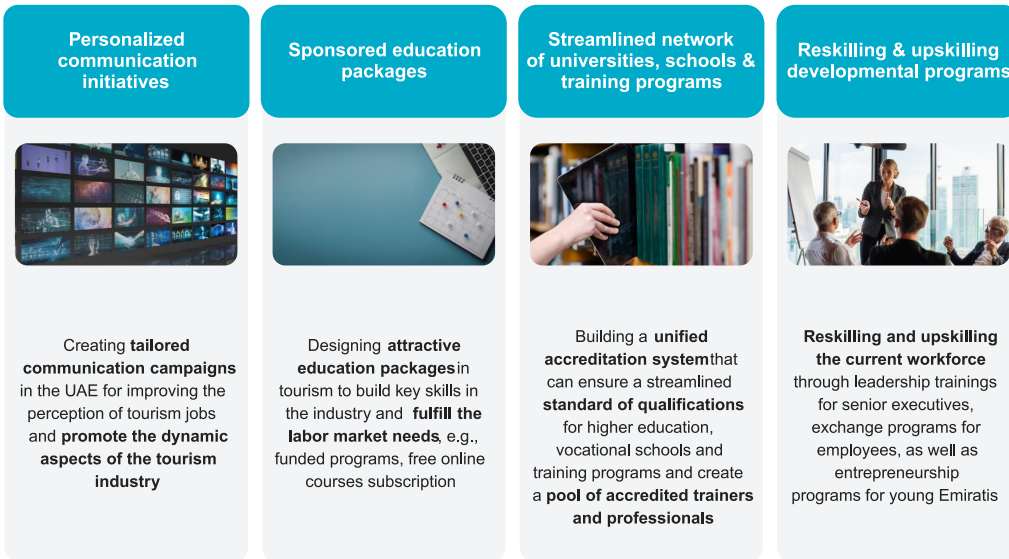
To increase the number of young Emiratis pursuing an education in tourism and related fields, it is crucial to create appealing education packages and effectively promote them. This objective can be accomplished by sponsoring programs for Emiratis enrolled in hospitality and tourism courses abroad (or via remote learning) where they can acquire critical tourism skills to meet labor market needs.

Additionally, a network of outstanding tourism/vocational schools and training programs can be established from institutions that offer significant tourism training. A unified accreditation system should be developed to ensure a consistent standard of qualifications awarded by the Ministry, which would create a pool of accredited trainers and professionals.

Moreover, to improve leadership skills and enhance business partnerships, developmental programs should be implemented for senior executives and heads of tourism establishments and small to medium-sized enterprises (SMEs). This would also allow for upskilling and reskilling of the current workforce, resulting in increased competitiveness in the industry. Specialized training programs can be designed for employees to gain valuable experience and knowledge through on-the-job training at one of the company's global branches, exposing them to global practices and expanding their skillset.

Human capital is the nation's most valuable asset to attain its goals and strategies. Human Resources departments should prioritize the process of training and preparing employees to enhance their performance and productivity. To this end, it is essential to develop a «Learning Map» that evaluates employee competencies and identifies the necessary training methods and techniques to cultivate experienced and qualified employees who can bring added value to the tourism industry in the country. → F

## F / There are several avenues to effectively build tourism capabilities within the UAE



Source: Al Arabiya, Tellereport

## D / Increasing investments in all tourism sectors - What is the investment landscape when it comes to tourism in the UAE and how to drive further investments into the country's tourism sector?

### UAE national tourism strategy – new goals, high-reaching ambitions when it comes to investments

Sheikh Mohammed bin Rashid, Vice President and Ruler of Dubai, has accorded particular attention to strengthening the UAE's tourism sector's standing. He has recently launched one of the "biggest projects" for the country for the next nine years in the form of a tourism master plan aimed at attracting AED 100 billion in new investments and 40 million hotel visitors by 2031.

Before exploring the details of the strategy and key levers for attracting capital, it is crucial to comprehend the UAE's background in terms of tourism investments. The tourism sector is being seen as a part of a holistic strategic vision that incorporates all the social, cultural, political, and economic components of a nation eager to embrace future generations of success and prosperity.



## UAE's and Dubai's position as the leading Middle East destination in recent years for foreign direct investment

From 2017 to 2022, the UAE was the top recipient of foreign direct investment (FDI) projects and capital investment in both the Middle East and Africa. This achievement can be attributed to the UAE's robust financial markets and government-backed business environment, which have been instrumental in promoting economic growth, especially in Dubai. The country's attractiveness stems from several factors, including its stable economy, tax benefits, and the availability of multiple free-trade zones.

As far as FDI investment in tourism is concerned, Dubai stands out among the UAE's emirates. In this respect, Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of Dubai's Executive Council, stated that "The emirate's world-class infrastructure, flexible regulatory framework, and dynamic business ecosystem that supports innovation and attracts global talent are factors that cement Dubai's position as the world's leading investment destination."

## A glimpse into Dubai's FDI across all sectors

Between 2017 and 2022, Dubai recorded an impressive total of 3,156 FDI projects with a capital investment of USD 58 billion (AED 212.9 billion). Dubai's economy is diverse and sophisticated, with sectors spanning from tourism and hospitality to electric power generation and software publishing.

→ G

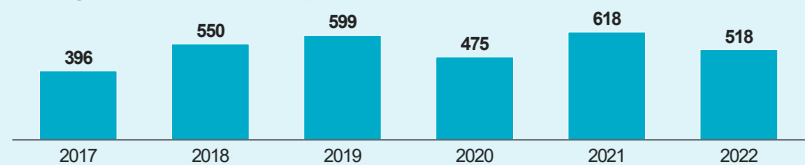
### G / Since 2017, more than USD 50 bn of FDI into Dubai has been delivered across 3,000+ projects in multiple industries

Total Dubai FDI inflow and number of projects (cross industry)

Total Dubai projects,  
2017-2022 [#]

3,156

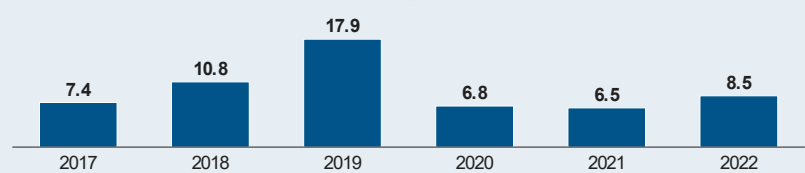
Dubai projects p.a., 2017-2022 [#]



Total Dubai FDI  
inflow, 2017-2022  
[USD bn]

58

Dubai FDI inflow p.a., 2017-2022 [USD bn]



Source: UAE Ministry of Economy, Dubai FDI monitor, Roland Berger

## Dubai sectors – Tourism vs. Non-tourism

Although Dubai is often associated with its outstanding tourism infrastructure, the emirate's economy is much more multifaceted than commonly believed. In fact, other sectors of Dubai's economy have garnered more FDIs in recent years than the tourism industry.

FDI in tourism has historically generated a significant share of Dubai's total FDI inflows, ranging from 42% to 69% between 2017 and 2019. However, due to the impact of the coronavirus pandemic, FDI in tourism has rapidly declined since 2020, falling from USD 3.0 billion and a 44% share to USD 0.8 billion and a 10% share. Consequently, FDI in tourism is presently at an unprecedented low.

Even though the total number of tourism activities fluctuates between 14 and 28%, tourism projects, on average, attract a higher volume of investment, as

# H / Within the tourism sector, FDI is yet to recover from the effect of the pandemic

Deep-dive into tourism subsectors

## Tourism subsectors



Tourism & Hotels

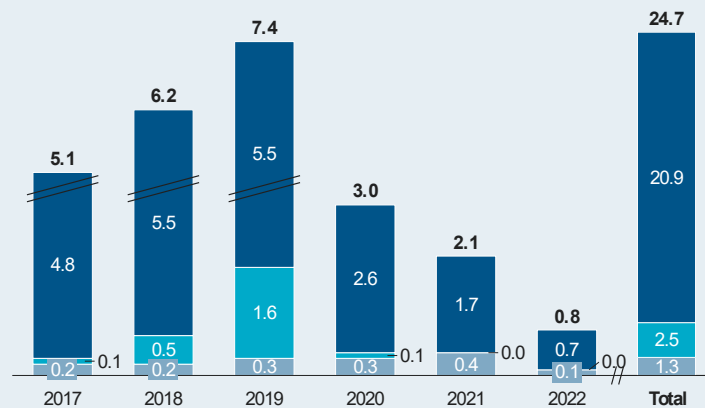


Leisure & Entertainment



Food & Beverage

Dubai FDI in tourism subsectors, 2017 - 2022 [USD bn]



- **Tourism & Hotels** is the major investment subsector, constituting **85% of total investments**
- As for other subsectors, **Leisure & Entertainment** and **Food & Beverage** follow with **10%** and **5%** respectively of total inflow
- **FDI inflows** have **suffered a drastic decline** since the pandemic and are yet to fully recover

Source: UAE Ministry of Economy, Dubai FDI monitor, Roland Berger

Between 2017 and 2022, hotels and tourism received the majority of the USD 24.7 billion in investment, constituting 85% of the total investment. Leisure and entertainment made up 10%, while F&B made up 5%. However, FDI inflows have not fully rebounded from the pandemic, with a 72% decline in 2021 compared to 2019. → H

Out of the 634 tourism projects, F&B has secured the lion's share, making up 65% of the total. H&T followed at a respectable 26%, while L&E trails behind at 9%. However, the figures unveil a different story as hotels and tourism spearhead the industry, commanding a disproportionately greater investment despite their lower percentage of projects. In essence, while F&B may dominate in quantity, it's the H&T subsector that has been the industry's driving force.

In the region, the Hotels & Tourism subsector reigns supreme, with industry giants such as Hyatt International, Marriot Bonvoy, Wyndham Hotels & Resorts, Accor, Bulgari Hotels & Resorts, and many others venturing into new territories. While Leisure and Entertainment, along with Food and Beverage, still play a vital role in the tourism economy, they contribute to a far lesser extent when it comes to overall FDIs.

The pandemic's impact is still palpable today, as indicated by the steep decline that began in 2019. Despite new projects being announced and FDIs continuing to pour into the UAE, the region has yet to reclaim its pre-pandemic momentum.

## Investment promotion entities as key enablers to drive investments

Attracting investments in the UAE remains an ongoing and steadfast endeavor, with a concentrated focus on each emirate. The relevant authorities act as central entities responsible for the attraction of capital and the launch of new companies. Each emirate boasts its key tourism authority, serving as the cornerstone for local economic growth and prosperity when it comes to tourism:

- Department of Culture and Tourism – Abu Dhabi
- Department of Economy and Tourism – Dubai
- Sharjah Commerce and Tourism Development Authority
- Ras Al Khaimah Tourism Development Authority
- Ajman Tourism Development Department
- Department of Tourism and Archeology Umm Al Quwain
- Fujairah Tourism and Antiquities Authority

Tourist authorities in the UAE are in the constant pursuit of promoting the travel and tourism industry, working closely with private sector entities to form global partnerships and attract investors from far and wide. The range of services offered by these authorities is all-encompassing, including assistance with permit acquisition, business registration, and investor interaction. Recently, the UAE took an innovative step by establishing the emirates Tourism Council, a single government agency comprised of all emirate authorities. The council's objective is to develop a comprehensive tourism system across the nation while reviewing and creating new policies and legislation to support the country's national tourism development plans.

In addition, numerous accelerators and incubators in the UAE have a strong focus on tourism and logistics, with the ultimate aim of drawing further investment to the region. Key players among others in this domain include for instance:

- Intelak
- Middle East Venture Partners
- Dubai Angel Investors
- Wamda capital

## Redefining tourism with bold ambitions

The timeline translates into a yearly investment target of USD 3 billion - Dubai as a pioneering force in the tourism industry is likely to play a leading role in attracting key investments while other emirates should also have a key role to contribute the seeking investments.



As the world emerges from the pandemic era, it's imperative that all emirates work in unison to maintain a seamless influx of investments into the thriving tourism economy. By doing so, the UAE can achieve its long-term strategic objectives, paving the way for sustainable growth and economic prosperity.

## 3/

### Concluding remarks going forward

In the face of a global economy grappling with intricate and interwoven crises, the UAE's approach in pro-actively pursuing a new country-wide tourism strategy is a remarkable undertaking. The successful implementation of the new strategy will require the public and private sectors to join forces to devise an innovative and dynamic long-term alignment that will boost the country's tourism competitiveness.

Although the UAE has made remarkable progress in expanding its tourism repertoire, there should be a constant strive to design fresh and innovative products and experiences that can entice a more diverse and far-reaching audience. Achieving this objective demands not just an improved infrastructure but also investment in sustainable tourism practices such as renewable energy and water conservation. By adopting these eco-friendly measures, the UAE can safeguard its natural and cultural heritage while catering to the growing number of environmentally conscious travelers who prioritize responsible and sustainable tourism.

To unlock its full potential as a global tourism hotspot, the UAE should increase its tourism workforce, ensuring that it is well-equipped to support the industry's growth and progress. This entails a two-pronged approach, channeling investments into both the infrastructure and attractions that fuel tourism as well as in the education and training of the workforce to sustain the edge. Through this dual focus, the UAE can cement its status as a thriving and coveted tourism destination, brimming with talented and knowledgeable professionals who are fully equipped to take the sector to new heights.

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