

Dubai FDI Annual Results & Rankings

مؤسسة دبي
لتنمية الاستثمار
DUBAI FDI



**2021
Highlights Report**

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Leadership Message



Dubai's rise as the world's top ranked destination for foreign direct investment in 2021 has been driven by the visionary leadership of His Highness Sheikh Mohammed bin Rashid Al Maktoum.



Dubai's rise as the world's top ranked destination for foreign direct investment has been driven by the visionary leadership of Vice President and Prime Minister of the UAE and Ruler of Dubai His Highness Sheikh Mohammed bin Rashid Al Maktoum. Under His Highness's directives, Dubai has created a stable, sustainable economic environment and a vibrant business ecosystem for companies and entrepreneurs to launch new ventures, tap new opportunities and expand their businesses both in the country and beyond its borders. Over the years, Dubai has also demonstrated its resilience to global economic fluctuations, earning the confidence of global investors, and enhancing its reputation as one of the world's leading lifestyle and business destinations.

His Highness's vision fostered strong public-private partnerships that created a unique collaborative model for rapid sustainable development and led to the establishment of growth-friendly regulations and business-enabling services. Under his leadership, Dubai's government departments, free zones, and private sector partners combined their strengths to create a fertile ground for talent, enterprise, and investment in the emirate. As the winds of change sweep the world, foreign investors continue to gravitate to Dubai because of the supportive platform it has created for companies of all sizes to innovate, develop future-oriented technologies and add value to the economy.

HH Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum

Dubai Crown Prince and Chairman of The Executive Council of Dubai

Message from The Department of Economy & Tourism, Dubai

H.E Helal Saeed Almarri

Director General, Department of Economy and Tourism, Government of Dubai

Dubai's top global ranking in the vital economic indicator of FDI attraction has been made possible by the wise leadership of His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai; the guidance of His Highness Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of The Executive Council of Dubai; and the continued support of His Highness Sheikh Maktoum bin Mohammed bin Rashid Al Maktoum, Deputy Ruler of Dubai, Deputy Prime Minister and Minister of Finance, which elevated public-private sector partnerships - a key pillar of the emirate's sustainable development.

Dubai's remarkable performance in attracting FDI in 2021 reflects the confidence of investors, multinational companies, start-ups and global talents in the investment and business environment in the emirate, notably, Dubai's success in overcoming the pressures of global healthcare and economic challenges while promoting economic growth and creating new opportunities in the future economy. The remarkable success of Expo 2020 Dubai, the most internationally represented event in the history of the World Expo, which saw the participation of 192 countries and attracted more than 24 million visits by people from around the world and its enduring impact on facilitating varied trade and business partnerships, which are major drivers of economic recovery and growth globally, is a testament to our leadership's commitment to make Dubai the preferred global destination to work, live, visit and invest.

We look forward to supporting your success, growth, and expansion in Dubai and beyond for years to come.



Dubai FDI Message

Fahad Al Gergawi

Chief Executive Officer, Dubai Investment
Development Agency, (Dubai FDI)

Dubai's regional and global pre-eminence in FDI attraction indicators is the fruit of the vision and guidance of the leadership, which manifested in setting a clear goal in the Dubai Plan 2021 to make the emirate the preferred global FDI destination, and laying strong foundations for the emirate's economy that has proven its efficiency, resilience, stability and sustainability time and again despite global challenges.

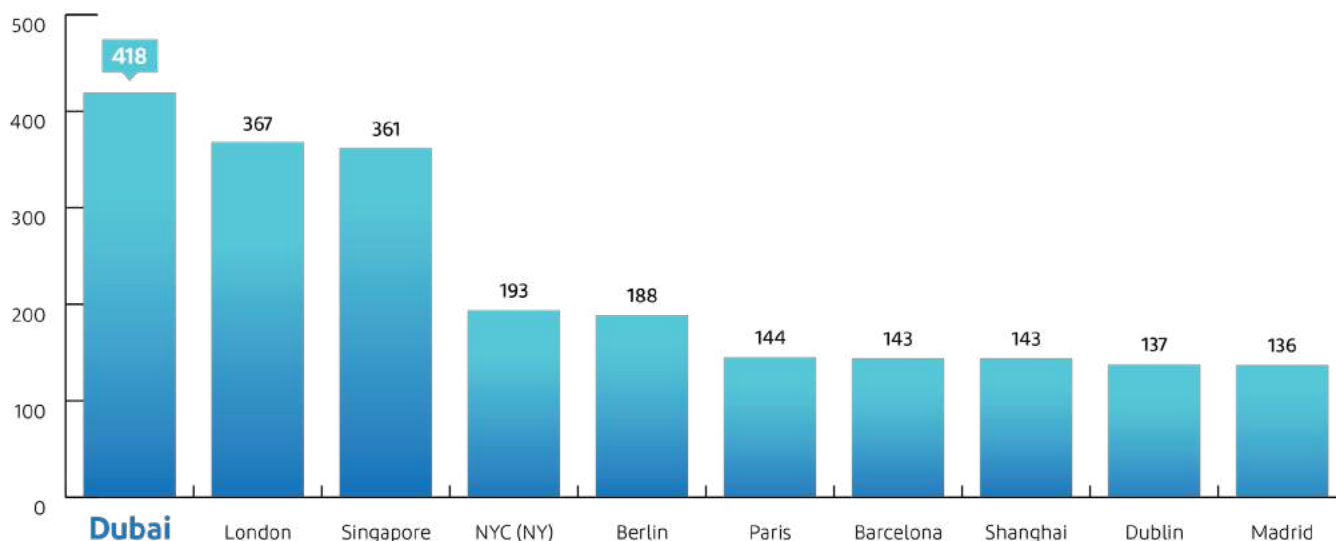
The 'DUBAI FDI Results & Rankings Highlights Report 2021' showcases Dubai's success in attracting a record share of the total greenfield FDI projects globally for the second year in a row. The share of greenfield FDI projects attracted into Dubai exceeded the 2% mark for the first time in 2020 with 2.1%, and reached a new high of 2.8% share in 2021. While we celebrate these unprecedented achievements with all our partners and stakeholders, it is important to acknowledge that it comes from the sharp focus of our leadership on public health, business continuity and resilience, which enabled Dubai to be the first city to bridge businesses throughout the pandemic and further to recovery and growth in a record time.

We look forward to charting a path to a better future together with investors, global businesses and start-ups looking to thrive and grow in Dubai and beyond.



Dubai's New Highs

Global Ranking by FDI Projects 2021



Source: Financial Times Ltd. "fDi Markets" data

Dubai ranked first globally in greenfield FDI project attraction in 2021, up from the third-place last year, with a staggering 418 greenfield FDI projects, according to data from the Financial Times Ltd. "fDi Markets", the world's leading source of data on greenfield FDI projects. Moreover, the data revealed that Dubai continued to maintain and improve on its lead position across key FDI attraction indicators, ranking first in the Middle East and North Africa region (MENA), and third globally, up from fourth place last year, in FDI capital inflows among others.

Dubai's rise to the top position globally in attracting greenfield FDI projects in 2021 is an unprecedented achievement. Greenfield FDI projects flow, a key indicator of Dubai's attractiveness as a global FDI location, increased by 52% compared to 2020 according to data from the Financial Times Ltd. "fDi Markets".

Dubai's regional and global prominence in FDI attraction indicators, revealed the strong fundamentals of Dubai's investment environment that have proved time and again the efficiency, resilience, stability, and sustainability of Dubai's economy despite global challenges.

FDI Projects into Dubai

Analysis

Total announced FDI projects into Dubai reached 618 in 2021, a 36% increase compared to 2020, based on Dubai FDI Monitor data which records, in addition to Greenfield FDI projects, data on FDI Reinvestment projects, Mergers & Acquisitions, Joint-Ventures, New Forms of Investments (NFIs) along with its latest addition of Venture Capital (VC) Backed FDI.

Dubai has successfully attracted a record share of the total greenfield FDI projects globally for the second year in a row, reaching 2.1%, exceeding the 2% barrier for the first time in 2020, and reaching a new high of 2.8% share in 2021. Notably, Dubai attracted 43 Headquarters (HQ) FDI projects in 2021, leading the regional ranking of the category and ranking second globally behind Singapore, surpassing major cities such as London and New York, in hosting global and regional headquarters of international companies, while ranking third globally in terms of HQ FDI capital flows, which amounted to AED 2.8 billion, according to the Financial Times Ltd. "fDi Markets" data.

1st

Globally

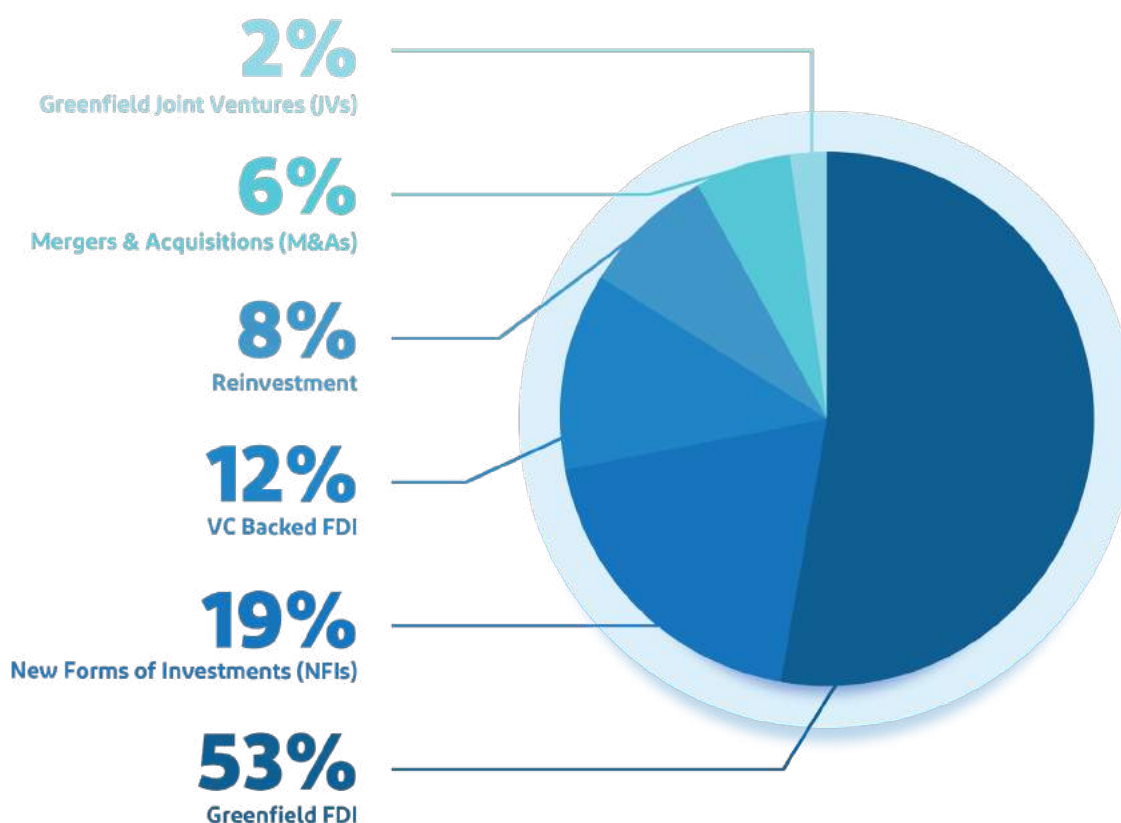
Global Greenfield
FDI Projects ¹

618

Total announced FDI projects
(Including non-greenfield) ²

Sources:
Financial Times Ltd. "fDi Markets" data ¹
Dubai FDI Monitor ²

FDI Projects into Dubai: Investment Types



Sources: Dubai FDI Monitor data

Analysis

Dubai FDI Monitor data revealed that Greenfield FDI into Dubai amounted to 53% of the total number of FDI projects recorded in 2021. New Forms of Investments (NFIs) followed with 19% of the projects, then Venture Capital-backed FDI projects with 12%, Reinvestment FDI projects at 8%, Mergers & Acquisitions projects at 6% and Joint Ventures at 2%.

New Forms of Investments (NFIs), also referred to as non-equity modes (NEM) of investments, demonstrates the level of domestic market maturity in Dubai and the diverse non-equity-based partnership opportunities across joint ventures, strategic alliances,

sub-contracting, licensing, production sharing, franchising, and turnkey projects in the Dubai market. Dubai FDI Monitor introduced data on NFIs in 2018, to track and validate FDI projects from this new market entry form. In 2021, a new category was introduced, Venture Capital (VC) backed FDI, making Dubai FDI Monitor the only comprehensive source of real time data on FDI flows into Dubai across all FDI categories.

FDI Projects: Technology Level

Analysis

High and Medium technology FDI projects witnessed significant growth, reaching 67% of the total FDI projects recorded in 2021, compared to 56% in 2020. Dubai FDI Monitor data further revealed that FDI Job creation from High and Medium-Tech projects in 2021 was 11,900 Jobs compared to 10,761 Jobs in 2020, an increase of 10.6%.

The rise in FDI projects using High and Medium technology further highlights Dubai's leading position as a preferred destination for high-tech FDI projects and a global center for specialized talent in the digital economy.



67%

High and Medium-Tech projects
share of total FDI projects in 2021

Sources: Dubai FDI Monitor

FDI Capital Flows into Dubai

3rd
Globally
Global Greenfield
FDI Capital ¹

1st
Regionally
MENA Greenfield
FDI Capital ¹

26.07
bn AED

Total estimated FDI Capital
(Including non-greenfield) ²

Sources:
Financial Times Ltd. "fDi Markets" data ¹
Dubai FDI Monitor ²

Analysis

Dubai continued to rank among the top 3 global FDI locations in 2021 and 1st in the Middle East & North Africa region (MENA) and 3rd globally in attracting Greenfield FDI Capital, according to data from the Financial Times Ltd. "fDi Markets".

Despite the global pandemic's lingering negative impact on Greenfield FDI flows worldwide, Dubai maintained a high-level of investor confidence in 2021, with the total estimated FDI Capital flows exceeding AED 26 billion in 2021, with a growth rate of 5.5% compared to 2020.

Dubai's remarkable FDI capital attraction in 2021, reflects the confidence of investors, multinational companies, start-ups and global talents in Dubai's investment and business environment, notably Dubai's success in overcoming the pressures of global health and economic challenges, while promoting economic growth and creating new opportunities in the future economy.

Re-Investment FDI Flows

Reinvestment FDI Capital

7th

Globally

Global Reinvestment
FDI Capital ¹

1st

Regionally

MENA Reinvestment
FDI Capital ¹

3.8
bn AED

Total estimated FDI capital ²

Reinvestment FDI Projects

3rd

Globally

Global Reinvestment
FDI Projects ¹

1st

Regionally

MENA Reinvestment
FDI Projects ¹

57

Reinvestment
FDI Projects ²

Sources:
Financial Times Ltd. "fDi Markets" data ¹
Dubai FDI Monitor ²

Analysis

Dubai ranks first in the Middle East and North Africa (MENA) region and third globally in Reinvestment FDI projects up from fourth place last year, and ranked seventh globally, up from the 11th place last year, in Reinvestment FDI capital inflows. As for FDI job creation, Dubai ranked first in the MENA region and fifth globally, up from sixth place last year.

FDI capital flows from Reinvestment FDI projects reached AED 1.6 billion in 2020, exceeding the one billion AED mark for the first time since 2016. Dubai FDI Monitor data revealed the continued rise of Reinvestment FDI flows in Dubai with an increase of 58% in projects to reach 57, up from 36 in 2020, as well as a record 137.5% in capital, totaling AED 3.8 billion.

Venture Capital FDI Flows into Dubai

Analysis

In a testament to Dubai's ever-evolving investment environment, the emirate ranked first in the Middle East and North Africa (MENA) region and climbed up to 10th place globally in Venture Capital FDI Projects, according to the "Global Venture Capital FDI Ranking 2022" report published by "fDi Intelligence" a Financial Times Ltd., publication and based on data covering the period 2003 to 2021.

Further data from "Dubai FDI Monitor" supported by MAGNiTT, a Dubai-based firm, which captures and analyzes startup data, revealed that 84 Dubai-based startups have successfully attracted Venture Capital (VC) Backed FDI, amounting to AED 2.34 billion in 2021, highlighting the attractiveness of Dubai's global startup scene.

2.34 bn AED

Total estimated Venture Capital FDI Flows into Dubai-based Start-ups³

Source: Dubai FDI Monitor – MAGNiTT data³

1st
Regionally⁴

10th
Globally⁴

Source: "Global Venture Capital FDI Ranking 2022" report by "fDi Intelligence" Financial Times Ltd.⁴

FDI New Job Creation in Dubai

Analysis

Dubai ranked 1st in the Middle East and North Africa (MENA) region and 5th globally, up from 6th place in 2020, in creating new jobs through Greenfield FDI in 2020, according to Financial Times Ltd. "fDi Markets" data, the leading global source of data on Greenfield FDI.

Dubai FDI Monitor data further revealed that FDI job creation witnessed a significant increase of 36 % in 2021 compared to 2020, with an estimated 24,868 jobs created in 2021, compared to 18,325 jobs in 2020.

1st

Regionally

MENA new jobs
created through
FDI in 2021 ¹

Source:

Financial Times Ltd. "fDi Markets" data ¹
Dubai FDI Monitor ²

24,868

Estimated new jobs created
through FDI in 2021 ²

5th

Globally

Global new jobs
created through
FDI in 2021 ¹

Top 5 Source Countries: FDI Capital into Dubai



27%
UK



18%
USA



13%
France



11%
Germany



6%
India

Source: Dubai FDI Monitor

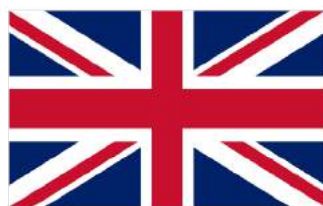
Analysis

Dubai FDI Monitor data revealed that the top 5 source countries by FDI capital accounted for 75% of the total estimated flows into Dubai in 2021. The United Kingdom has become the leading source country with a 27% share of the total FDI capital inflows in 2021. The United States came second with 18%, France 13%, Germany 11% and India 6%.

Top 5 Source Country: FDI Projects into Dubai



19%
USA



18%
UK



13%
India



6%
France



5%
Germany

Source: Dubai FDI Monitor

Analysis

Dubai FDI Monitor data revealed that the top 5 source countries by FDI projects accounted for 61% of the total recorded FDI projects in Dubai in 2021. The United States maintained its lead position among top FDI source countries with 19% share of the total FDI projects, followed by the United Kingdom with 18%, India 13%, France 6% and Germany 5%.

Top 5 Sectors: FDI Capital into Dubai

28%

Accommodation
& Food services



15%

Residential building
construction



10%

Electric power
generation



6%

Management of
companies
& enterprises



5%

Data processing,
hosting, & related
services



Analysis

Dubai FDI Monitor data revealed that the top 5 sectors accounted for 64% of the total estimated FDI capital flows into Dubai in 2021. The Accommodation & Food Services sector led the top 5 sectors with a dominant share of 28% of the total estimated FDI capital in 2021, followed by Residential building construction 15%, Electric power generation 10%, Management of companies & enterprises 6%, and Data processing, hosting, & related services 5%.

Source: Dubai FDI Monitor

Top 5 Sectors: FDI Projects into Dubai

10%

Software
publishers



8%

Finance
& Insurance



7%

Accommodation
& Food
Services



7%

Management of
companies
& enterprises



6%

Retail &
Wholesale
Trade



Analysis

Dubai FDI Monitor data revealed that the top 5 sectors by FDI projects accounted for 38% of the recorded FDI projects into Dubai in 2021. Software publishing led the top 5 sectors with 10% share of the total FDI projects, highlighting the growth of FDI inflows into advanced technology and the digital economy sectors. Traditional sectors followed with Finance & Insurance taking 8% share of FDI projects, Accommodation & Food Services 7%, Management of companies & enterprises 7%, and Retail & wholesale trade 6%.

Source: Dubai FDI Monitor

About This Report

The “DUBAI FDI Results & Rankings Highlights Report 2021” is published annually by Dubai Investment Development Agency (Dubai FDI), an agency of the Department of Economy & Tourism (DET) in Dubai. The data in this report is based on “Dubai FDI Monitor”, which tracks, validates, and reports on foreign direct investment (FDI) flows into Dubai across key FDI indicators including capital, projects, sectors, source countries, technology level, among others.

Dubai’s global FDI rankings are based on data and analysis by Financial Times Ltd., “fDi Markets” data, and periodic and special reports published by fDi Intelligence. The rankings are based on investment destinations with 10 or more FDI projects during the reporting period considered and includes Greenfield FDI only.

For further information on Dubai FDI Monitor and FDI Data Reports, please contact:

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Dubai FDI Monitor

Dubai FDI Monitor is the first FDI monitoring, and reporting open data service offered, on city-level, globally, since 2015. Dubai FDI Monitor has set a new standard among investment promotion agencies, triggering the adoption of similar initiatives across countries and cities worldwide and named a global best practice for innovation in investment promotion.

Dubai FDI Monitor's online portal provides access to FDI inflows data, in real-time, and around the clock, providing data, analytical reports, and interactive maps, as well as reliable and updated information on the investment environment, which includes policies, legislation, sectoral strategies, incentives, and initiatives that promote and facilitate investing in Dubai.

Dubai FDI continues to develop Dubai FDI Monitor, introducing new features like self-service and analytics to provide real-time data and insights to the investor community, FDI professional service providers and other stakeholders in Dubai and beyond.

- You can visit Dubai FDI Monitor portal and register as a user at: www.DubaiFDIMonitor.ae
- You can request a Custom Data Report by email to: Develop@fdidubai.gov.ae

FDI Data Definitions, Types and Sources

Dubai FDI Monitor tracks, validates, and provides analysis on all types of FDI projects into Dubai, which includes in addition to Greenfield FDI projects, data on FDI Reinvestment projects, Mergers & Acquisitions, Joint-Ventures, New Forms of Investments (NFIs) along with its latest addition of Venture Capital (VC) Backed FDI, using a proprietary technology platform to aggregate and analyze the FDI projects' data based on international classification standards (NAICS) as well as other international standards and best practices in trend analysis.

Dubai FDI Monitor captures 6 types of FDI projects data, representing the entirety of Foreign Direct Investments (FDI) flows into Dubai.

1. Greenfield FDI (New FDI projects and business ventures)
2. Re-Investment (Existing FDI projects' expansion)
3. Mergers & Acquisitions (M&A)
4. Greenfield Joint-Venture (JV)
5. New Forms of Investments - NFIs, (non-equity modes "NEM" of investment)
6. VC Backed FDI (FDI into Dubai-based Startups)

Dubai FDI Monitor uses FDI project data tracking, mining as well as aggregation from the most credible data sources including:

- FDI projects data Tracking, aggregation, validation and trend analysis services from Wavteq, www.Wavteq.com
- Greenfield FDI Projects data from fDi Markets, a service by Financial Times Ltd. www.fDimarkets.com
- VC Backed FDI data from MAGNiTT, www.Magnitt.com

Use of This Report

The Dubai FDI Monitor is not a statistical data source. For official statistics on FDI stocks in Dubai, please contact: Dubai Statistics Center (www.dsc.gov.ae). For official statistics on FDI stocks in UAE, please contact: Federal Competitiveness and Statistics Centre (www.fcsc.gov.ae)

Dubai FDI takes reasonable steps to ensure that the Dubai FDI Monitor data is updated in real-time, and is accurate and current. Please take into consideration that some data may vary based on the date of publishing, due to the updates of both FDI capital and FDI projects numbers that occur during the ongoing project qualification and validation process. The data published in this report is accurate as of 14th April 2022.

Acknowledgements

On behalf of the Dubai Investment Development Agency (Dubai FDI), I would like to extend our sincere appreciation to all Dubai investors for their support to Dubai FDI Monitor mission. I would like to thank our partners for their significant contribution in compiling this report and providing comprehensive and accurate FDI data and analysis, namely our trusted technology partner and advisors WAVTEQ and MAGNiTT our Dubai-based partner and regional leader in tracking and analyzing start-ups data.

I would like also to recognize the tremendous efforts of the Dubai FDI team behind the Dubai FDI Monitor and this report, led by Hassan Mohalal, Director of Investment Development Department, and Bhumi Sagar, the Program specialist.

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