



استثمر في الشارقة
invest in Sharjah

Sharjah FDI Future Trends & Sector Potential Executive Summary

in cooperation with
Pricewaterhouse Coopers (PWC)



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UAE Infrastructure & Foreign Investment

As one of the world's most open and investor friendly economies, the UAE has consistently attracted high FDI volumes

UAE'S EXCELLENT
INFRASTRUCTURE
AND STABILITY
ATTRACTS
HIGHEST FOREIGN
INVESTMENT
IN THE REGION

UAE's FDI reached

**USD
19.88 billion**

in 2020, growing at **44%** y-o-y

Ranked 1st

in MENA for new biotech FDI projects

and **3rd** in volume of capital invested
in biotech between **2003** and **2020**

UAE's FDI stock reached

USD 151 billion

in 2020



Largest recipient of
FDI in the Middle East,
accounting for

~50%

FDI inflows

Other key facts



46 Free-trade zones



Ranked 16th
in Doing Business Ranking 2020



Ranked 4th
in Global Entrepreneurship Index



USD 70,089 GDP
per capita based on PPP



Fitch Rating : AA-
Stable Outlook (NOV 2021)

Sharjah's Attractive FDI Destination

Building on UAE's strengths, Sharjah continues to be an attractive FDI destination

Sharjah observed renewed investor interest with a J-shaped recovery in FDI in 2021

Top performing sectors 2021



100% ↑

Culture, Media & Tourism



14.29% ↑

Food & Agriculture Sector



85.71% ↑

Retail & Wholesale Trade



FDI capital expenditure is likely to revive in 2022 after a slow recovery post the Covid-19 pandemic during the last two quarters of 2021



FDI backed capital expenditure stood at 237.25 Million USD (2021)



Countries with maximum FDI in 2021 include:

US

India

Lebanon

Switzerland

UK

France

Canada

133% ↑

Job Creation
Between
2020 & 2021

2,598

Jobs Created By FDI
in Sharjah (2021)

Sharjah Differentiators

In addition to its six differentiators, Sharjah benefits from UAE's national reforms

UAE Reforms

 <p>New Companies Law</p>	 <p>Golden Visa and Citizenship</p>
 <p>Changes to IPO Limits</p>	 <p>Bankruptcy Law</p>



A Highly Talented Workforce

- University City with strong partnerships between industry and academia
- High-caliber talent from leading universities
- Ease of bringing in talent from abroad



A Market Gateway to the GCC

- Access to broader GCC economy worth ~USD 1.6 trillion
- Center of UAE's largest metropolitan area
- Only emirate that borders all 6 other emirates



A Thriving Entrepreneur Hub

- Incubators, accelerators and research labs to launch and scale start-ups
- 60,000+ number of SMEs and start-ups
- 6 free zones and 33 industrial zones

A Business-Friendly Environment

- Ease of setting up (2-3 business days (onshore), 2 hours (free-zone))
- Lower operating costs than neighbouring emirates
- Abundance of industry specific free zones



A Globally Connected City

- Only emirate with seaports on the Gulf of Oman and the Arabian Gulf
- Etihad Rail to connect major ports across the region
- International airport connecting Sharjah to the world



A Future Ready City

- Digital Sharjah: e-government transformation initiatives
- World-class innovation and research parks with specialized manufacturing labs and makerspaces
- Innovation testbed for pilot projects with leading global technology companies



Health & Wellbeing



Ageing, rising populations, and medical advances are driving spending in the health sector



Government committed to the promotion of life science sectors particularly in local production of generic drugs



Medical Free Zone – Sharjah Healthcare City (SHCC) - an established and fully-facilitated venue for investment in tertiary healthcare



Eight-hour flight away from two-thirds of the world's population making it an accessible destination for medical tourism



UAE health expenditure per capita (2019)

1,643 USD



AMONG TOP

10

Key Investment Opportunities



Pharmaceutical manufacturing & precision medicine



Specialized healthcare institutes



Wellness & medical tourism

7.3%

GROWTH by 2024

Pharmaceutical market to become **\$4.7** BILLION USD

International healthcare destinations as per Medical Tourism Index 2020-21 (UAE)



Mobility & Logistics

Gateway to the GCC and shorter access to the far east with ports on both sides of the coastline



43% of Sharjah's 2021 budget earmarked for **developing and improving infrastructure** including roads



Expansion of ports (air, land and sea) operations providing **end-to-end supply chain offerings** with enhanced quality of services



Industrial hubs supporting **large-scale temperature controlled storage and distribution** facilities

Key Investment Opportunities



Smart mobility solutions



Freight automation



Cold chain facilities

UAE logistics market forecast for 2025

30 BILLION USD

6.6% CAGR GROWTH

Cold Chain market in UAE (2014 - 19)



18 MILLION

Passenger capacity at Sharjah International Airport by **2027**

Culture & Tourism



Diverse natural landscapes present opportunities for varied tourism offerings



Natural reserves for ecotourism attractions (Wadi Al Helou, Meliha and Wasit) along with one of the best adventure sites for **watersports, desert safaris and camping in the UAE**



Sharjah is **growing as a popular choice** among film producers and commercial producers given its natural surroundings in the east coast and central region



World class **business events facilities** at Sharjah Expo Centre and a focus on **business clusters** in free zones- Sharjah Media City (SHAMS) and Sharjah Publishing City

Key Investment Opportunities



Ecotourism & adventure tourism- east coast and central region



Film shooting locations



Events – business (mice), festivals & live entertainment

Investment forecast in Travel & Tourism by 2027

20.3 BILLION USD

1.3 MILLION

Number of hotel guests received (2019) (5% increase from 2018)



156 MILLION USD

Total revenue from hotel guests 2019

Agri-Food Technology



Leverage innovations to strengthen Sharjah's contribution to food security



Sharjah Food Park serving as regions' first and largest integrated center for food and commercial industries.

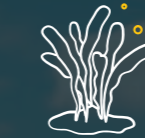


Investing in innovative agricultural technologies and research to meet national vision of becoming number 1 in the Global Food Security Index by 2051



Strategic location of Food Park in Hamriya Free Zone Authority (HFZA) that connects three continents

Key Investment Opportunities



Aquaculture & seaweed cultivation facilities on east coast



Food processing & packaging



Alternative farming & agricultural biotechnology

Expected size of the UAE agricultural product market by 2024

1.1 BILLION USD

9.8%

CAGR of revenue from agricultural products in the UAE (2019)



626 MILLION USD

UAE agricultural product market 2019



GreenTech

Sharjah is a regional champion for driving innovations in sustainability



Sharjah is on track to have the **first waste-to-hydrogen project in the region**



Solar park and Waste-to-Energy plant by Bee'ah, Middle East's leading environment management company in Sharjah, & Masdar to power **nearly 67,000 households**



Increased focus towards **energy efficient community developments** like Aljada for **smart and sustainable homes**

Key Investment Opportunities



Waste recycling and waste-to-energy systems



Clean energy generation & storage



Smart buildings and green construction

UAE's share in GCC municipal solid waste generation

19%

15%

UAE Solar Energy Market Growth Forecast (2022-25)



40% ↑

Increase in budget for developing and improving infrastructure from 2020



Human Capital & Innovation

Sharjah provides a talent-rich cluster of world class universities & leading innovation centres



Growing importance of **vocational education across industrial sectors** for effective talent and labour market engagement as well as enhanced youth competitiveness



Nearly a third (31%) of the population is Under-19 **driving demand for schooling and higher education**



Partnerships with industry and academia on research and innovation supported by **accelerator programs and angel investor networks (SAIN)**

Key Investment Opportunities



Specialized vocational academies & future upskilling



Early years learning & childcare centers



Makerspaces, research and innovation labs

Number of higher education students

47 K+

5%

Estimated annual growth of UAE Education market (2020-24)



1.5 MILLION USD

Sharjah's annual investment in education and research

Advanced Manufacturing



As UAE's manufacturing hub, Sharjah continues to invest in innovative technologies



Sharjah is home to the **first metal additive** manufacturing facility in the region



Established advanced manufacturing units for **defense, marine, aerospace, automotive, food processing**, etc. using advanced industrial automation technologies



UAE Policy for Advanced Industries focusing on adopting new technologies by enhancing cooperation between public sector, private sector and free zones

Key Investment Opportunities



Additive manufacturing - spare parts and components



Industrial automation hardware



Intelligent automation

Size of UAE's Additive Manufacturing Sector by 2025

599 MILLION USD

MORE THAN

35%

Manufacturing industries of UAE are based in Sharjah





10.3 BILLION USD

Size of GCC's Industrial Automation Market by 2023



Our tailored services aim to promote and position Sharjah in the **Global Marketplace.**

Offerings to Investors

-  Expert market knowledge and intelligence
-  Bespoke advice and step-by-step guidance
-  Access to investment opportunities across a range of sectors and industries
-  Aftercare services

Getting to know Invest in Sharjah

-  Sharjah's flagship investment promotion brand
-  Strategic partner for global investments into the emirate
-  Informative support on processes and sectoral insights

How can **Invest in Sharjah** help you?

Invest in Sharjah facilitates the investment process by fostering close collaboration between the public and private sector. By bringing investors and opportunities together, we fuel growth and prosperity, and we streamline an end-to-end solution to investing in the emirate.



Invest in Sharjah has established 'Saeed' - an investor friendly services center - to facilitate business setup. It helps investors and entrepreneurs set up their business in the Emirate of Sharjah with speed and efficiency.

Invest in Sharjah

would like thank the following stakeholders for their contributions to the report



H.E. Sheikh Fahim Al Qasimi

Chairman, Department of Government Relations in Sharjah

"One of the key components of an administrative function in a large corporation, whether it's call centers, IT, finance HR backend, these are functions, if you will, that can move to Sharjah and especially now in terms of remote work, companies will have less pressure to optimize costs."



H.E. Khalid Jasim Al Midfa

Chairman, Sharjah Commerce and Tourist Development Authority

"With enormous growth across the emirate, we continue to be motivated to make still greater efforts to deliver and keep pace with Sharjah's transformation into a unique tourist, cultural and family destination."



H.E. Hussein Al Mahmoudi

CEO, Sharjah Research, Technology and Innovation (SRTI) Park

"Sharjah aims to provide more vocational training, with a focus on smart industries. But we are also keen to merge technology and education by using emerging technologies to bring mixed reality applications to learning."



H.E. Dr. Khaled Omar Al Midfa

Chairman, Sharjah Media City (Shams)

"Being one of the most important economic sectors, media has played a pivotal role in guiding public opinion. After COVID-19, the media sector's epicenter shifted from big corporations to individuals, where a new generation of content creators has emerged. As a leading media free zone, we feel responsible at heart to adapt to the changing environment, nurture new dynamic ideas to enable entrepreneurs, and embed the media sector deep into the integrated economic system both in Sharjah and the UAE."



H.E. Sultan Abdullah bin Hadda Al Suwaidi

Chairman of Sharjah Economic Development Department

"Sharjah is working to stimulate various economic sectors, especially the new sectors in the knowledge-based and digital economy, where various sectors are witnessing a huge growth in the number of investments. He added that Sharjah looks forward to attract more investments in various fields by encouraging national companies. Likely, HE pointed out that UAE in general and Sharjah in particular are characterized by a stable investment and economic environment that enables the continuous achievement of economic growth. This is due to its strategic location and distinctive free zones that contributed to stimulating foreign direct investment. Also, it has unique competitive advantages that helped to improve the investment environment and encourage investment in various economic sectors."



H.E. Saif Mohamed Al-Midfa

CEO, Expo Centre Sharjah

"He pointed out that the Covid-19 pandemic repercussions have shown the importance and correlation between the exhibitions industry and the economic recovery. This stems from the fact that the exhibitions industry intersects with all economic sectors, especially the retail trade, tourism and hospitality sector. With that in mind, the Expo Centre has been keen to ramp up its efforts to regain the momentum of the exhibition and conference sector in Sharjah so as to play its part in revitalizing the commercial and industrial movement and diversifying sources of income."



H.E. Ahmed Al Qaseer

Acting CEO, Sharjah Investment and Development Authority (Shurooq)

"Today, Sharjah is home to many investment opportunities in various fields, especially in the new economy sectors, advanced industries, tourism, agriculture, innovation and others. With advanced infrastructure and agile legislation, the emirate has become a premier destination for businesses and a capital of industry in the region. We look forward to welcoming new companies to Sharjah that will undoubtedly benefit from the accelerating growth and ongoing support of creative projects in the emirate and the UAE."



H.E. Khaled Al Huraimel

Vice Chairman & Group CEO, BEEAH Group

"Innovations in waste management can help us drive towards a zero-waste to landfill, net-zero emissions future, from AI-enabled material recovery to waste-to-energy solutions that produce low-carbon power from unrecyclable waste."

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H.E. Abdul Aziz Al Muhairi

Chairman , Sharjah Health Authority

"We have seen the potential of technology in the healthcare sector from the COVID-19 pandemic. New technologies have a very important role in the healthcare field. We would welcome investors to be a part of this area."



H.E. Mohamed Al Musharrkh

CEO, Sharjah FDI Office (Invest in Sharjah)

"In the post-COVID world, investments in technology will outpace any other sector. Sharjah's unveiling of the first 3D printing house in the region signals its competitiveness in advanced manufacturing."



Mr. Peter Richards

CEO, GulfTainer Co.

"Sharjah needs a high quality innovative gateway port for industry specific cargo capabilities like ecommerce, pharmaceuticals, temperature controlled goods, etc. coming in Sharjah and northern emirates."



H.E. Najla Al Midfa

CEO, Sharjah Entrepreneurship Center (Sheraa)

"One of our core beliefs at Sheraa is that entrepreneurs are a force for lasting impact and positive change, and that was reinforced during the pandemic. We witnessed start-ups reimagine the world and develop solutions that fueled the nation's post-Covid recovery. Start-ups are the backbone of a diversified and resilient economy, and Sharjah is the home of innovative founders creating the jobs of the future."



Mr. Abdulaziz Shattaf

Assistant Director-General of the Communication and Business Sector, Sharjah Chamber of Commerce and Industry (SCCI)

"The SCCI's new plan aims to provide an umbrella for the entire commercial events and activities organized by the Chamber, develop a marketing strategy working to create effective communication channels between shopping centers and the people to achieve the desired goals of the offers. The strategy also seeks to promote the advantages of Sharjah that places it among the most prominent tourist and commercial destinations regionally and globally."



Mr. Ahmed Al Khoshaibi

Group CEO, Arada

"Sharjah's real estate sector has overcome with the effects of the pandemic, with increasing investor interest both from within the UAE and overseas, who have been drawn to the world-class integrated communities that are steadily reshaping the Emirate into a truly global destination for residents, workers and visitors."



