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**Report Category:** Food Service - Hotel Restaurant Institutional

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**Report Highlights:**

The United Arab Emirates, the Arab world's second-largest economy, will continue to offer growing and dynamic market opportunities for U.S. exporters in the food service--hotel, restaurant, and institutional sector through the end of 2024 and beyond.

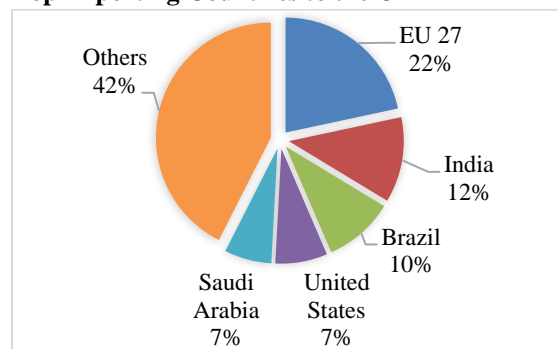
## Executive Summary

The United Arab Emirates (UAE) is the second-largest economy in the Arab world, with a GDP of \$536.83 billion and a projected growth rate of 4 percent in 2024. Foreign nationals make up nearly 90 percent of the population, and about 80 percent of agricultural products in the UAE are imported. In 2023, the United States exported \$1.28 billion in agricultural products to the UAE, making it the second-largest market for U.S. agricultural exports in the Gulf.

## Imports of Consumer-Oriented Products

The UAE imported \$13.6 billion in consumer-oriented products in 2023. Primary suppliers are the European Union, India, Brazil, the United States, and Saudi Arabia. The market is highly competitive but significant potential for U.S. export growth exists.

### Top Exporting Countries to the UAE



## Hotel, Restaurant, Institutional

### Food Retail Industry

In 2023, food service value sales increased by 13 percent to reach \$9.47 billion. The growth forecast for 2024 is expected to be 8 percent. The number of outlets is also expected to increase to 10,922. The UAE's food e-commerce retail sales reached \$1.07 billion in 2023.

### Food Processing Industry

Around 568 food and beverage processors operate in the country, producing 5.96 million metric tons (MT) annually with 2.3 million MT as staple foods.

### Food Service Industry

The UAE experienced a significant boost to tourism in 2023. Consumer food service through leisure increased by 17 percent to \$762 million and consumer food service through standalone increased by 10 percent to \$4 billion.

## Quick Facts in 2023

**Consumer-Oriented Products Imports:** \$13.6 billion

### Top 10 Consumer-Oriented Products Imports

Dairy	\$1.92 billion
Poultry meat and products	\$1.12 billion
Tree nuts	\$1.12 billion
Fresh fruit	\$912 million
Beef and beef products	\$866 million
Bakery goods	\$758 million
Soup and food preparations	\$708 million
Distilled spirits	\$569 million
Tobacco	\$416 million
Meat products (NESOI)	\$437 million

### Food Industry by Channels

Retail food industry	\$19.6 billion
Food service—hotel, restaurant, and institutional	\$18.78 billion
Food processing	\$7.63 billion
Food and agricultural exports	\$0.49 billion

**Top Retailers:** Carrefour, Lulu Hypermarket, Union Co-operative Society, Abu Dhabi Co-operative Society, Sharjah Co-operative Society, Emirates Cooperative Society, Al Madina Hypermarket, Nesto Hypermarket, Baniyas Co-operative Society, Al Maya, Spinneys, Choithrams, and Waitrose

**GDP:** \$536.83 billion

**GDP per capita:** \$52,410

**Population:** 10.243 million

Sources: Trade Data Monitor, Euromonitor, Market Data Forecast

Strengths	Weaknesses
Modern transit hub in the MENA region	Specialized labeling and restrictive shelf-life requirements
U.S. brand recognition among consumers	Long shipping time and high freight costs
Opportunities	Threats
Import regulations transparent and relatively straight forward	Proximity to India, Europe, and other MENA agricultural producers with lower prices

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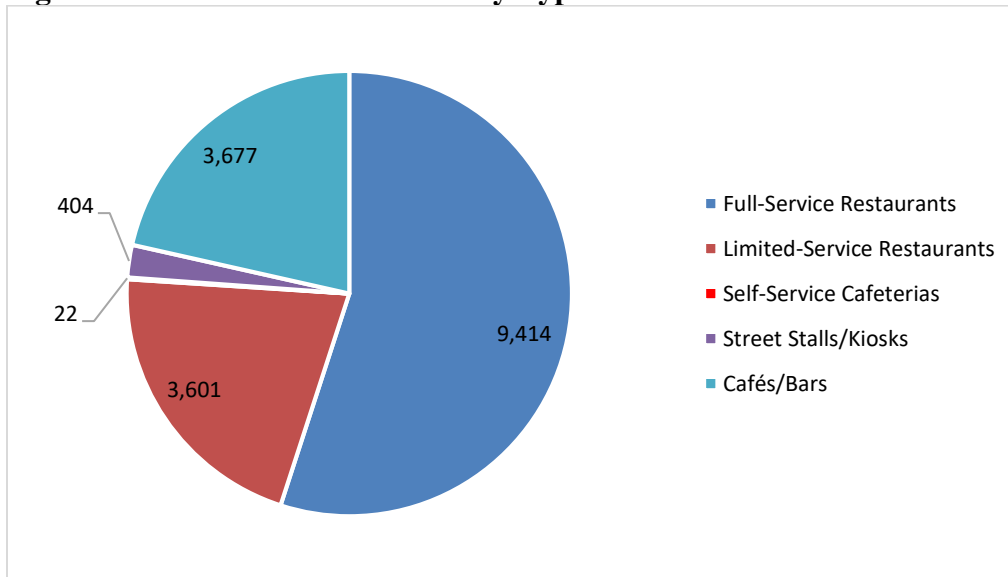
## SECTION I. MARKET SUMMARY

The United Arab Emirates (UAE) has the second-largest economy in the Arab world after Saudi Arabia. It stands out as a well-developed nation, strategically positioned at the heart of the Arabian Peninsula, boasting exceptional infrastructure facilitating the smooth import, export, and transit of goods within the region and beyond.

The UAE benefits from its membership in the Pan-Arab Free Trade Area and the Gulf Cooperation Council (GCC) as it enjoys favorable tariff arrangements in the Middle East and robust economic ties with Arab nations. It actively works to enhance its stature within the Arabian Gulf's political and regulatory landscape. According to the International Monetary Fund, the 10-million-strong inhabitant gross domestic product (GDP) will increase by 4 percent in 2024. The UAE relies heavily on food imports, with around 90 percent of its food coming from abroad. Agriculture contributes minimally to the GDP at just 0.1 percent.

Dubai Municipality reports that 90 percent of all food and beverage imports destined for the UAE passes through Dubai, equating to 8 million tons of food annually. Food service value has increased by 13 percent in 2023 to \$9.4 billion, in the same year the number of outlets grew by 3 percent to 9,414. This number is expected to reach 10,922 by the end of 2024.

**Figure 1: Consumer Food Service by Type in 2023**



Source: Euromonitor

The projected population of the UAE is expected to reach 10.5 million in 2024. The local Emirati population is less than 10 percent of the overall population. In 2023, Dubai received 14.8 million visitors. According to Dubai's Annual Tourism Report for 2023, the emirate's business tourism, as well as mega-events, festivals, and the continued popularity of shopping and luxury tourism drove visitor

counts. This number is predicted to reach 16 million visitors by the end of 2024. Dubai also hosts events, conferences, and international shows, attracting a significant number of guests and solidifying its position as a global hub for major international events, attracting business leaders and tourists from across the world.

In 2023, value sales of full-service restaurants in the United Arab Emirates fully recovered to pre-pandemic levels. The UAE’s strong economy, well-developed infrastructure, and diverse culture have established it as the culinary hub of the region. It has become a global travel center, earning high rankings in international tourism competitiveness indexes. The food service sector showcases a variety of cuisines from over 200 different nationalities. Culinary guides, such as the Michelin Guide and Gault&Millau, have continued to enhance the popularity and sales of full-service restaurants in the UAE. Dubai Municipality has launched an annual restaurant food safety rating program, certifying “elite” eateries. The “DM Food Elite” title will be awarded to restaurants that meet high food safety and nutrition standards while also demonstrating environmental sustainability, social responsibility, and innovation.<sup>1</sup>

The UAE food service market is worth \$9.5 billion divided into full-service restaurants, limited-service restaurants, quick service restaurants, cafés and bars, and street stalls and kiosks. According to Euromonitor, full services restaurants have the largest share of the total sector sales (Table 1).

**Table 1: UAE Food Service Sales by Sub Sector, 2020 to 2024 (In Thousands U.S. Dollars)**

Sub Sector	2020	2021	2022	2023	2024*
Full-Service Restaurants	5729	6982	8385	9466	10208
Limited-Service Restaurants	2306	2664	3134	3398	3593
Cafés/Bars	2386	2959	3725	4157	4578
Self-Service Cafeterias	55	62	67	81	88
Street Stalls/Kiosks	61	66	73	80	86
Total	10537	12733	15384	17182	18553

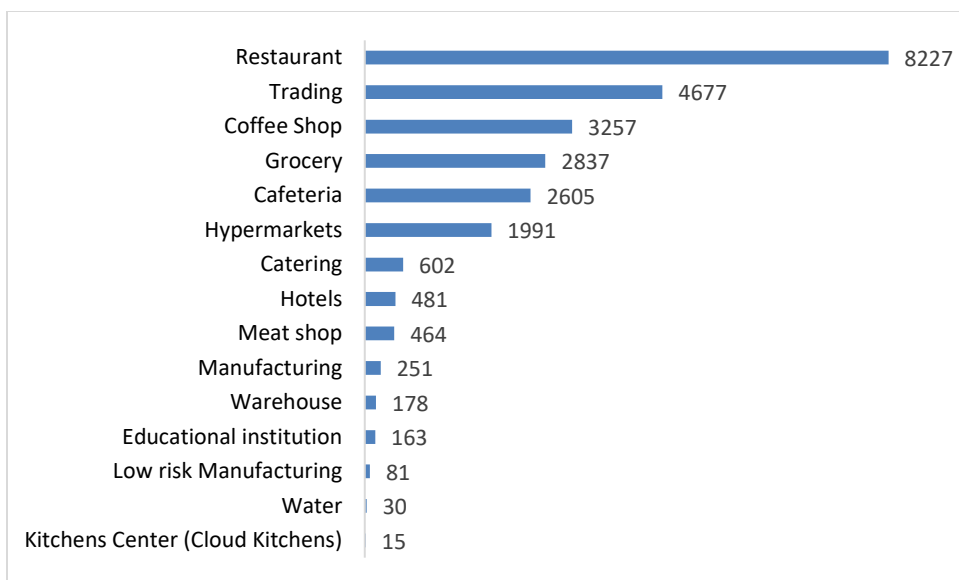
Source: Euromonitor

\* Projected

According to Dubai Municipality, Dubai has a total of 25,859 food service establishments, including 8,227 restaurants, 3,257 coffee shops, 2,605 cafeterias, 481 hotels, 602 catering services, and 163 schools (Figure 2). Online food services have continued to grow following the pandemic in 2020, which at the time had driven a substantial increase in online food service sales. This trend is set to continue its upward trajectory in the coming years.

**Figure 2: Food Service Establishments**

<sup>1</sup> Consumer Food Service in the United Arab Emirates, Euromonitor.



Source: Euromonitor

According to Euromonitor, consumer food service through leisure was the top-performing non-standalone category in 2023, with a 17 percent increase in sales to \$762 million. Meanwhile, standalone food service saw a 10 percent increase in sales, reaching \$4 billion. Over the forecast period, consumer food service through travel is expected to be the best-performing non-standalone category, growing at a current value (compound annual growth rate or CAGR) of 11 percent (9 percent in constant value) to \$517 million. Standalone food service will also grow at a current value CAGR of 7 percent (5 percent in constant value), reaching \$5.71 billion.<sup>2</sup>

In the UAE, healthy fast-food concepts are gaining traction as health-conscious consumers seek affordable, nutritious meal options amidst rising living costs. Fast-food chains are responding by offering healthier choices. Fine dining is also on the rise, driven by the influx of tourists who are keen to experience the luxurious dining culture in cities like Dubai. Trendy culinary platforms spotlight the city's diverse food scene, drawing consumers to explore new cuisines.

The pandemic accelerated the adoption of e-commerce platforms, leading to increased reliance on online food ordering. UAE restaurants are investing in e-commerce, with aggregators like Noon, Talabat, and Careem providing reliable food delivery services to food service companies. This shift towards online ordering is expected to remain a long-term trend. Additionally, the multicultural environment in the UAE, with over 200 nationalities, contributes to the growing demand for diverse international cuisines, encouraging residents to spend more on food, both delivery and dining out.

### **Advantages and Challenges for U.S. Products in the UAE's Hotel, Restaurant, and Institutional Sector**

<sup>2</sup> Consumer Food Service in the United Arab Emirates, Euromonitor.

Advantages	Challenges
Strong post-pandemic recovery following the removal of all restrictions.	Highly competitive landscape, which could be a challenge for smaller and independent businesses.
Thriving tourism sector that brings in a high volume of international visitors as well as a diverse population of over 200 nationalities, bringing the demand for variety.	Operational costs are high, especially rents that have seen a significant raise over the last year.
Attractive business environment with the UAE is focused on sustainability.	Reliance on third party platforms for delivery service can affect the operating costs substantially and can introduce issues such as the limited control over the customer experience.
Strong infrastructure and logistics that facilitate smooth operations for food service, as well as growing integrated digital platforms supplying a larger customer base.	Lack of interest from some U.S. exporters unwilling to accept small orders and consolidate shipments. Significant competition from Europe, Asia, Australia, New Zealand, and local regional processors exists due to more flexible pricing and lower freight costs.
High a high disposable income, driving demand for premium dining.	All imported food products to the UAE must comply with strict GCC standards including, but not limited to, product registration, Arabic labeling, and halal certificates for meat products.

## SECTION II. ROAD MAP FOR MARKET ENTRY

### Entry Strategy

The Foreign Agricultural Service's Regional Office in Dubai (FAS Dubai) offers [resources](#) to assist U.S. suppliers in staying informed and up to date about the latest news, trends, and regulations. U.S. suppliers are encouraged to conduct market research to assess the potential for their products in the UAE. It is advisable to gain an understanding of the overall business environment, market size, dynamics, consumption patterns, food import regulations, and procedures. Following a comprehensive market analysis, it is recommended to visit the country and engage directly with local industry stakeholders through in-person meetings.

Attending and participating in UAE trade shows is another good opportunity for U.S. suppliers to build contacts with local industry and meet potential buyers. [Gulfood](#) is the largest annual food show in the world and is attended by countries all over the region and globe. [Gulfood Manufacturing](#) is the largest trade show to the UAE that specializes in food ingredients for further processing. Finally, the Future Food Forum is a small but impactful annual gathering for local food processors in Dubai.

## Market Structure

In the UAE market, the flow of U.S. food products starts with U.S. suppliers who export goods to consolidators. These consolidators act as intermediaries, managing logistics and ensuring cost-effective shipping. Upon arrival in the UAE, they distribute the goods to local wholesalers, importers, and retailers, who handle customs clearance and warehousing.

The UAE also serves as a re-export hub, facilitating the distribution of U.S. products throughout the Middle East, Africa, and Southeast Asia. The strong UAE hospitality industry drives demand for high-quality, imported ingredients in the hotel, restaurant, and institutional (HRI) sector. Hotels and restaurants prioritize premium U.S. products to meet consumer expectations for diverse and fresh offerings. Ultimately, these products reach consumers through fine dining, hotel meals, or institutional services, creating a seamless supply chain that connects U.S. suppliers to consumers across the region.

## Distribution

Small independent restaurants source supplies from butcher shops, fresh food markets, and smaller wholesalers. In contrast, larger chain restaurants obtain their supplies from wholesalers and distributors. Wholesalers that focus on the HRI market are consolidating to better meet their clients' demands. These wholesalers typically operate their warehouses and use distribution trucks to deliver products. UAE Chef Middle East, Aramtec, Bid Food, M.H. Enterprises LLC, SAFCO, HK Enterprises, Transmed, Fresh Express, JM Food, FANTCO, are examples of the many distributors in the UAE.

## Company Profiles and Company Products

Yum! Brands Inc. held the largest share of the UAE food service market in 2023, with a share of 3.0 percent. The top five companies that accounted for a combined total of 9.3 percent of the food service market in the UAE are Yum! Brands Inc., McDonald's Corp., Restaurant Brands International Inc., Starbucks Corp., and Doctor's Associates Inc. (Table 2).

**Table 2: Top 10 Consumer Food Service Chains in the UAE by Market Share**

Company Name	2019	2020	2021	2022	2023
Yum! Brands Inc	2.7	3.7	3.3	3.1	3.0
McDonald's Corp	2.2	2.5	2.3	2.2	2.4
Restaurant Brands International Inc.	2.0	2.3	2.1	1.6	1.6
Starbucks Corp.	1.6	2.1	1.9	1.2	1.2
Doctor's Associates Inc.	1.1	1.3	1.1	1.1	1.1
Brinker International Inc.	0.8	0.9	0.8	0.8	0.7
Coca-Cola Co.	0.5	0.7	0.6	0.5	0.6
Al Khaja Group	0.5	0.5	0.5	0.5	0.5
Inspire Brands Inc.	0.0	0.5	0.4	0.5	0.4

Papa John's International Inc.	0.3	0.6	0.5	0.4	0.4
Others	79.9	76.4	86.5	88.1	88.1

Source: Euromonitor

### SECTION III. COMPETITION

The food service sector in the UAE relies heavily on imported food products due to low domestic agricultural production. The main competitors in sourcing consumer-oriented products include the European Union, Brazil, India, and Saudi Arabia. Although operational costs are high in Dubai, the thriving tourism industry attracts many international visitors and a diverse population of more than 200 nationalities, creating a strong demand for variety in dining options. The arrival of internationally-acclaimed culinary guides such as the Michelin Guide and Gault&Millau has fostered a greater appetite for fine dining and raised expectations among diners, leading to increased competition among restaurants.

For more information on trade statistics, visit the Foreign Agricultural Service's [Global Agricultural Trade System](#), [Trade Data Monitor](#), [UAE Federal Competitiveness and Statistics Centre](#), and [Dubai Government Data Statistics Center](#).

### SECTION IV. BEST PRODUCT PROSPECTS

#### A: Products Present in the Market That Have Good Sales Potential (In Millions of U.S. Dollars)

Product Category	2023 Imports from the United States	2023 Total Imports	Key Constraints for Market Development	Market Attractiveness for U.S. Exporters
Beef and Beef Products	\$63	\$1050	Australia, India, Pakistan and Brazil are the top competitors.	The United States has an increasingly diverse portfolio of top-quality beef.
Seafood Products	\$11	\$680	Price competition from India, Thailand, Norway, China, and the EU.	There is a growing demand for high-quality and varied seafood products in the UAE, driven by the expanding number of hotels and the rise of fine dining establishments.



Dairy Products	\$59	\$1940	Strong competition from the EU and limited consumer awareness of the diverse range of U.S. dairy products.	The United States has an expanding portfolio of premium dairy ingredients, while the UAE imports significant volumes of dairy products, offering substantial potential for U.S. dairy across all sectors.
Fresh Fruits	\$30	\$1097	Strong price competition from neighboring countries.	With a growing preference for fresh food products, retailers have also noted that consumers are willing to pay a premium for good-quality fruits and vegetables.
Poultry Meat and Products	\$62	\$1125	There is strong competition from Brazil.	U.S. competitive price and high quality of chicken leg quarter especially in catering services.
Tree Nuts	\$427	\$1136	Competition from other tree nuts suppliers.	U.S. tree nuts offer competitive pricing and exceptional quality. The UAE is a key re-export hub, distributing tree nuts.
Bakery goods, cereals, and pasta	\$35	\$748	Strong competition from the EU and Saudi Arabia stems from their large-scale production, low-cost shipping cost and competitive pricing.	There is a preference for U.S. products because of their safety and high quality.

Source: Trade Data Monitor

**Category B. Products Not Present in Significant Quantities but Have Good Sales Potential (In Millions of U.S. Dollars)**

Product Category	2023 Imports from the United States	2023 Total Imports	Key Constraints for Market Development	Market Attractiveness for U.S. Exporters
Coffee, Roasted and Extracts	\$5	\$234	Price competition from other coffee-producing countries.	The number of coffee shop chains in the UAE and an increasing interest in specialty coffee are growing.
Organic Products <sup>3</sup>	\$6	\$8 (organic packaged food)	Growing competition from the EU.	Increased health awareness has led to a consumer preference for organic and healthy products.

Source: Trade Data Monitor and Euromonitor

## SECTION V: KEY CONTACTS AND FURTHER INFORMATION

### USDA Foreign Agricultural Service Regional Office of Agricultural Affairs

U.S. Consulate General Dubai  
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Website: <https://fas.usda.gov/>

### USDA Cooperators, State and Regional Trade Groups, and Chambers of Commerce

[U.S. State Regional Trade Groups](#)  
[American Business Council of Dubai and the Northern Emirates](#)  
[Abu Dhabi Chamber of Commerce and Industry](#)  
[Dubai Chamber of Commerce and Industry](#)

<sup>3</sup> The data available for U.S. exports of organic products is limited due to the lack of HS codes assigned to organic products.

**Attachments:**

No Attachments