

UAE GREEN ENERGY MARKET: OPPORTUNITIES FOR SINGAPORE COMPANIES

Diversification of energy sources to ensure a sustainable future and enhancing UAE's role as a global energy hub are key areas of focus for the UAE Green Energy Market.

UAE Energy Strategy 2050

The UAE renewable energy market was valued at USD4.8 billion in 2024 and is projected to reach USD9.0 billion by 2030.

- 50% clean energy by 2050
- Focus: Solar, Wind, Green Hydrogen, Nuclear Power

Key Growth Areas

- **Solar Power:** Mohammed bin Rashid Al Maktoum Solar Park, which aims for 5,000 MW of solar capacity by 2030
- **Wind Energy:** New offshore wind farm
- **Green Hydrogen:** Masdar Hydrogen Pilot Project
- **Nuclear Energy:** Barakah's four reactors now supply around 25% of the UAE's electricity needs

Opportunities

- Energy storage, solar tech, smart grids
- Green finance (green bonds, Islamic finance for renewable energy)
- Hydrogen production and export tech
- Building energy efficiency solutions (IoT and green buildings)

Investment & Incentives

- 100% foreign ownership in renewable sectors (Free Zones)
- Tax exemptions in green energy projects
- Dedicated green funds: Dubai Green Fund, Abu Dhabi Investment Authority (ADIA)
- Masdar City: Tax exemptions, 100% foreign ownership, and simplified regulations



Tips

- Strategic entry through partnerships and joint ventures
- Tap on to lower risk government-aligned investments
- Focus on innovation and ESG compliance

Regulatory Authorities

- Ministry of Energy & Infrastructure: national energy policies
- Dubai Electricity and Water Authority (DEWA) and Abu Dhabi Department of Energy (DoE): regulate renewable energy projects
- DEWA's Shams Dubai Initiative: incentivizes solar panel installations

BREAKING INTO THE UAE GREEN ENERGY MARKET

Learn first-hand insights from the existing operators!

(Insights curated from focus group discussions)

1

WHY DID THEY CHOOSE UAE?

- Strong demand for renewable solutions driven by UAE's Net Zero 2050 agenda.
- UAE serves as a gateway to the wider Middle East and North Africa (MENA) & Gulf Cooperation Council (GCC) markets (e.g. Saudi Arabia, Qatar, Egypt).
- Government actively supports sustainability projects and is looking to diversify away from oil dependency.

2

MARKET ENTRY STRATEGIES ADOPTED

- Direct entry with 100% foreign ownership (now widely allowed in free zones).
- Setting up in free zones like KEZAD (Abu Dhabi) for easy access to ports, customs, and logistical infrastructure.
- Strategic partnerships with tech/engineering firms in China and India.
- Start small, scale with proof of concept, particularly for capital-intensive businesses.

3

TIPS FOR SUCCESSFUL MARKET RESEARCH & SET UP

- Conduct on-the-ground market research by making many site visits to the market; avoid relying solely on desk-top research or third-party consultants.
- Understand and map regulatory, logistical and infrastructure conditions first-hand.
- Engage and tap on supporting organisations such as EnterpriseSG and UAE Business Council early.
- Tap on UAE government officials and local authorities to understand the business policies and regulations.

4

NAVIGATING BUREAUCRACY & LICENSING

- Be prepared for relatively long lead times for approvals (e.g. 6 months for a first-of-its-kind licence for a new product/service).
- Regulators might not be familiar with new technologies or processes and might need introduction to them.
- Relationship building and persistence play critical roles in helping to navigate bureaucratic hurdles.



THRIVING IN THE UAE GREEN ENERGY MARKET

Learn first-hand insights from existing operators!

(Insights curated from focus group discussions)

01

Key Challenges Faced

- Regulatory ambiguity for new green sectors (e.g., first-mover recycling companies must explain risks and processes in detail).
- High cost structure and capital required for infrastructure-intensive projects.
- Intense competition from well-funded overseas firms with strong government support and capital.
- Lack of track record and scale pose challenges when bidding for large government-linked projects.

02

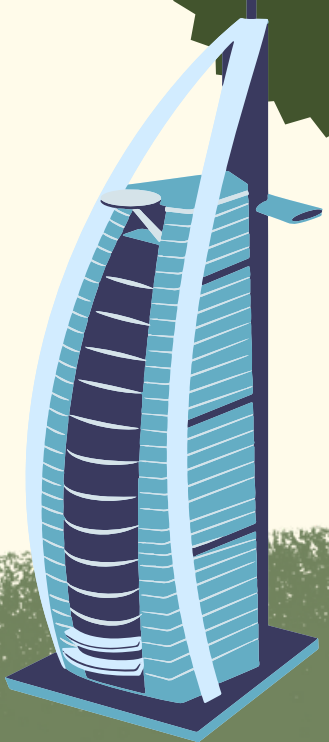
Support Needed from Singapore Ecosystem

- More government guidance and grant navigation (e.g. helpful to appoint a relationship manager for grant applications).
- Financing tools: market-entry funds, bridging loans, or guarantees to help SMEs overcome upfront capital burdens.
- G2G or partnerships between companies would be helpful to compete with large conglomerates in megaprojects.
- Support by government required for ecosystem-building efforts (e.g. developing a Sustainability Hub in UAE with multiple Singapore players).

03

Lessons & Advice for Singapore Companies

- First-hand market immersion is key.
- Choose location strategically: Abu Dhabi is better for green manufacturing; Dubai is preferable for office-based services and talent attraction.
- Be realistic: SMEs going into the market alone may struggle to compete; consortia or partnerships can improve chances of success.
- Leverage niche strengths, customisation and bilingual capabilities (e.g. language proficiency can help to win subcontract work).



CASE STUDY: UAE Renewable Energy Company

(Insights curated from focus group discussions)

- 20 YEARS OF UAE PRESENCE WITH SINGAPORE ROOTS
- STARTED IN TRADITIONAL MECHANICAL AND ELECTRICAL CONTRACTING, GRADUALLY PIVOTED INTO SOLAR ENERGY AND UTILITY-SCALE RENEWABLES
- NICHE SUBCONTRACTOR FOR LARGE-SCALE SOLAR FARMS
- BUILT PRESENCE ACROSS MULTIPLE UAE EMIRATES, AS WELL AS QATAR, SAUDI ARABIA, JORDAN AND OMAN

Success Factors

- Early mover advantage in UAE, with existing project track record
- Fluent in Mandarin, enabling smoother coordination with key Chinese contractors
- Integrated into the ecosystem by focusing on local registration, licensing, and relationship-building
- Demonstrated regional scale and mobility beyond UAE

Key Challenges

- Dominance of state-linked UAE entities limits partnership opportunities for SMEs
- International players bring state-backed financing and entire supply chains, squeezing out smaller competitors
- More government support is required to match scale of capital needed for billion-dollar tenders as compared to competitors

Support Required

“You need serious commitment and capital. Individual SME efforts won’t work—there must be a coordinated, government-backed consortium approach if we want to compete.”



FOR MORE INFORMATION

SUPPORT SCHEMES & PROGRAMMES

- Singapore Global Enterprises initiative
- Market Readiness Assistance Grant
- Enterprise Development Grant
- Enterprise Financing Scheme

Initiatives such as **GlobalConnect@SBF**, **Scale-up SG** and **iTalent Solutions Map** enable companies in their journey towards internationalisation.

Visit [SBF Singapore Business Institute \(SBI\)](#) for the list of available training for your respective areas of interest.

CONTACTS

Global Connect@SBF

 globalconnect@sbf.org.sg

Please also visit our website at [GlobalConnect@SBF](#) for more information.

SBF Research & Publishing

 research@sbf.org.sg

Singapore Business Institute (SBI)

 institute@sbf.org.sg



DISCLAIMER

The information herein is published by the Singapore Business Federation (SBF) and is for general information only. This publication is intended for SBF's subsidiaries, affiliates and members to whom it has been delivered and may not be reproduced, transmitted or communicated to any other person without the prior written permission of SBF. This publication is not and does not constitute or form part of any offer, recommendation, invitation or solicitation to you to subscribe to or to enter into any transaction, nor is it calculated to invite or permit the making of offers to the public to subscribe to or enter into any transaction and should not be viewed as such. This publication is not intended to be a comprehensive study or to provide any recommendation or advice on commercial decisions, personal investing or financial planning. Accordingly, they should not be relied on or be treated as a substitute for any advice concerning individual situations. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. Any forecast on the economy or any business sectors and/or their related trends is not necessarily indicative of the future or likely performance of the markets/sectors/instruments as the case may be. Any opinion or estimate contained in this infographic is subject to change without notice. No warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the recipient or any class of persons/businesses acting or relying on such information or opinion or estimate. Any views, opinions or figures contained herein may have been obtained from various sources and neither SBF nor any of their respective directors or employees make any warranty, expressed or implied, as to their accuracies or completeness and thus assume no responsibilities of them whatsoever. The information herein may be subject to further revision, verification and updating and SBF undertakes no responsibility thereof.

This infographic is a publication of the Singapore Business Federation.
Research & Publishing Department
September 2025

