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Report Highlights:

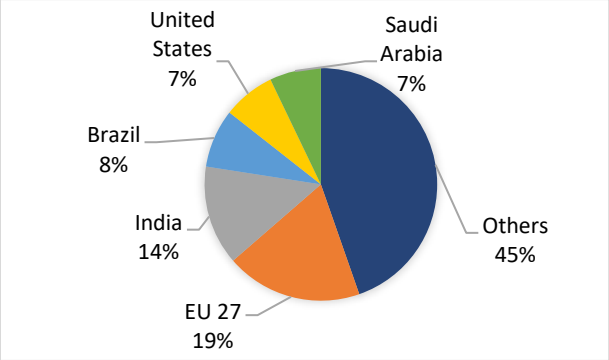
Despite heightened geopolitical tensions, UAE food retail remained on a strong growth path in 2025. Consumer-oriented food imports reached $17.7 billion, up 9.3 percent, with the United States supplying $1.3 billion (7.3 percent) of the market. Grocery retail sales exceeded $20 billion, growing 6.3 percent, while online grocery grew more than 14 percent to $1.5 billion. Growth was supported by tourism, food security initiatives, stronger supply chain resilience, and new trade agreements. The grocery market is expected to continue expanding in 2026 with retail sales projected to grow by nearly 3 percent and online grocery retail at $1.6 billion.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

MARKET FACT SHEET

Executive Summary
The United Arab Emirates (UAE) is the second-largest economy in the Arab world after Saudi Arabia, with a gross domestic product (GDP) of $571.6 billion and a projected growth rate of 3.1 percent in 2026. Foreign nationals comprise almost 89 percent. Approximately 80 percent of the UAE's agricultural products are imported. In 2025, the United States exported $1.5 billion in agricultural and related products to the UAE, making it the largest export market for U.S. agricultural products in the Gulf Cooperation Council (GCC) region.

Consumer-Oriented Agricultural Imports
The UAE imported $17.7 billion in consumer-oriented products in 2025. Primary suppliers are the European Union, India, Brazil, the United States, Saudi Arabia, and China. The market is highly competitive but significant potential for U.S. export growth exists, including in dairy products, beef and beef products, poultry meat and products, fresh fruits, tree nuts and food preparations.



Food Retail Industry
The UAE's food e-commerce retail sales reached $1.5 billion in 2025. The UAE's grocery retail market reached over $20 billion in 2025.

Food Processing Industry
Over 570 food and beverage processors, relying heavily on imported commodities and ingredients, operate in the UAE and produce 5.96 million metric tons annually.

Food Service Industry
Food service sales rose by 2 percent in the UAE for 2025, to approximately $18.5 billion. Outlets grew by 2 percent to reach 17,751.

Quick Facts in 2025

Consumer-Oriented Products Imports: $17.7 billion

Top 10 Consumer-Oriented Products Imports

Dairy	$2.4 billion
Fresh fruits	$1.4 billion
Poultry meat and products	$1.4 billion
Beef and beef products	$1.2 billion
Tree nuts	$1.2 billion
Bakery goods, cereals, and pasta	$938 million
Soup and food preparations	$902 million
Chocolate and cocoa products	$822 million
Spices	$676 million
Fresh vegetables	$524 million

Top Retailers: Carrefour, Lulu Hypermarket, Nesto Hypermarket, Union Co-operative Society, Sharjah Co-operative Society, Al Madina Hypermarket, Emirates Co-operative Society, ADCOOOP

GDP: $571.6 billion
GDP per capita: $50,230
Population: 11.5 million

Sources: Trade Data Monitor, Euromonitor, Market Data Forecast, International Monetary Fund

Strengths/Weaknesses/Opportunities/Threats

Strengths	**Weaknesses**
UAE is a modern transit hub in the MENA region	Specialized labeling and restrictive shelf-life requirements
USA brand recognition is prevalent among consumers	Long shipping time and high freight costs
Opportunities	**Threats**
Import regulations transparent and straightforward	Proximity to India, Europe, and other MENA agricultural producers with cheaper prices

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Section 1: Market Summary

The UAE is the second largest economy in the Arab world after Saudi Arabia with a GDP of $571.6 billion and projected growth of 3.1 percent in 2026.[1] Its population reached 11.5 million in 2025, a 0.8 percent increase from 2024[2] with foreign nationals comprising nearly 89 percent. This creates a diverse and dynamic consumer base. The retail industry serves four major consumer groups: Emirati, Asian, Arab, and Western expatriate. Retailers must address varied preferences and incomes.

With limited domestic agriculture, the UAE relies on imports for around 80 percent of its agricultural products. In 2025, consumer-oriented food imports reached $17.7 billion, accounting for 64 percent of total agricultural imports, a 9.3 percent increase over 2025.[3] Growth was supported by tourism, food security initiatives, supply chain solutions, and new trade agreements. The United States supplied $1.3 billion (7.3 percent) of consumer-oriented food imports,[4] with American products well regarded for quality particularly in tree nuts, poultry, beef, dairy, and food preparations.

In 2025, UAE grocery retail sales reached $20 billion, a 6.3 percent increase compared to 2024. Growth is expected to continue at nearly 3 percent in 2026,[5] reflecting steady expansion of the retail food sector. Consumers increasingly prioritize value, convenience, private labels, fast online delivery, quick-commerce formats, and healthier, high-quality options. Digital adoption and omnichannel retail experiences continue to transform consumer behavior. Over the past decade, the UAE's food retail sector has evolved with large hypermarkets, supermarkets, convenience stores, online retailers, and home delivery services.

The UAE's strategic location between East and West, combined with world-class ports and airports, a business-friendly environment, low tariffs, and extensive free zones, has established the country as a major global trade and re-export hub. Nonetheless, geopolitical developments, starting with the Red Sea crisis in 2025 and the conflict in Iran in 2026 increased shipping costs, disrupted trade routes, and added uncertainty to food imports. With more than 80 percent of food consumed in the UAE imported, retailers strengthened sourcing diversification, inventory buffers and alternative supply routes, while government price monitoring helped protect essential food prices. Despite these pressures, the UAE has maintained stable food availability throughout 2025.

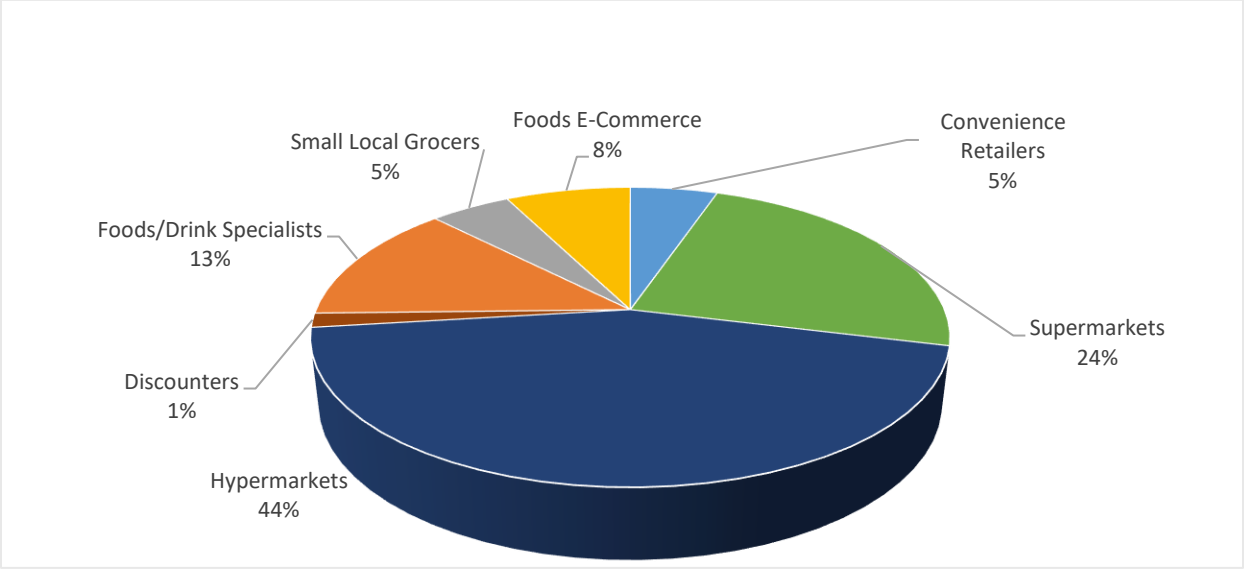
Table 1: Advantages and Challenges

Advantages	Challenges
Retailers use foreign goods to differentiate, tap niche markets, and attract high-end consumers.	Imported goods are seen as premium, and Europe's association with sophistication gives its brands an edge.
Price is not always the determining purchasing criteria for high-end consumers.	High-end consumers seek innovation, premium packaging, status, and trends, while millennials expect greater product variety.

[1] International Monetary Fund.
[2] International Monetary Fund.
[3] Trade Data Monitor.
[4] USDA Global Agricultural Trade System.
[5] Euromonitor.

Importers constantly seek new-to-market products to keep their portfolios competitive.	Importers often buy small test quantities, but U.S. companies are typically reluctant to accommodate this.
The U.S. food industry can quickly meet consumer demand across all product segments.	Consumers perceive U.S. food products to be overly processed and relatively unhealthy.
U.S. exporters are inclined to work with high volumes and different partners.	Retailers and distributors tend to be cautious, starting with smaller orders.

Figure 1: Retail Market by Channel 2025



Source: Euromonitor

Section 2: Road Map for Market Entry

2.1: Entry Strategy

Entering the UAE food market requires a strategic approach that considers regulation, competition, and demand for high-quality, diverse, and health-conscious products. U.S. suppliers should conduct market research to target high-growth categories such as tree nuts, poultry, dairy, beef, food preparations, and pet food, while evaluating local preferences, pricing, and competition from global suppliers. Market entry often involves partnering with established distributors for smoother access to retail chains and food service operators, though some companies may also establish joint ventures or local offices. Tailored marketing such as bilingual packaging and emphasis on quality and health benefits can appeal to the UAE's culturally diverse and tech-savvy consumers. Continuous monitoring of market trends allows suppliers to adopt strategies and maintain a sustainable presence.

For assistance in connecting with established UAE import distributors and food retail buyers, it is recommended to contact the U.S. Department of Agriculture (USDA) Foreign Agricultural Service's (FAS) Office of Agricultural Affairs in Dubai (contact details at end of this report). The office maintains a comprehensive regional importer directory that covers the UAE, Kuwait, Oman, and

Qatar. FAS Dubai provides valuable guidance to U.S. suppliers, along with an array of marketing tools and trade facilitation support. For additional insight into market entry strategies and tools tailored to the UAE market, consult:

- United Arab Emirates Exporter Guide: Food market sector overview, market structure, food import trends, exporter business tips, and market entry guidance.
- United Arab Emirates FAIRS Report: UAE government regulations and standards on imported food and agricultural products.
- UAE Country Commercial Guide: Published by the U.S. Commercial Service, important information on the UAE market including import tariffs, customs regulations, trade barriers, and more.

2.2: Market Structure

In 2025, hypermarkets remained the leading grocery retail channel in the UAE with almost $9.6 billion in retail value due to their convenience, a growing population, and their ability to keep up with changing consumer preferences. Carrefour and Lulu Hypermarkets continue to be the primary players, with both expanding their presence and growing their store networks across the country. Alongside this expansion, hypermarkets are also widening their product ranges to meet the needs of different types of shoppers. This includes a stronger focus on premium and health-conscious products, as well as a wider range of private-label products. This helps hypermarkets attract higher-income expatriates looking for quality and variety while still offering affordable options for more price-conscious consumers. Hypermarkets are also putting more focus on the in-store experience as they compete with e-commerce and discount retailers. Ready-to-eat and prepared food, in-store dining, and exclusive products are becoming more common, giving customers more reasons to visit stores beyond simply doing their grocery shopping.

Supermarkets grew by 5.6 percent in 2025, with a further 5.2 percent increase expected in 2026, supported by a similar strategic approach to hypermarkets. This includes outlet expansion, premium positioning, and a broader focus on private-label and fresh food ranges. Spinneys led the segment with a 15 percent market share while further differentiating its stores through cafes and dining areas that enhance the shopping experience.

Discounters remain a relatively small part of the UAE grocery market, reaching $330 million in 2025 compared with $9.6 billion for hypermarkets and $5.1 billion for supermarkets. However, the channel grew by 24.5 percent in 2025 and is expected to increase 10.6 percent. Demand is also broadening beyond mid-to lower-income areas with 47 percent of UAE shoppers planning to increase their visits to discount stores. VIVA is the leading and fastest-growing retailer in this segment.

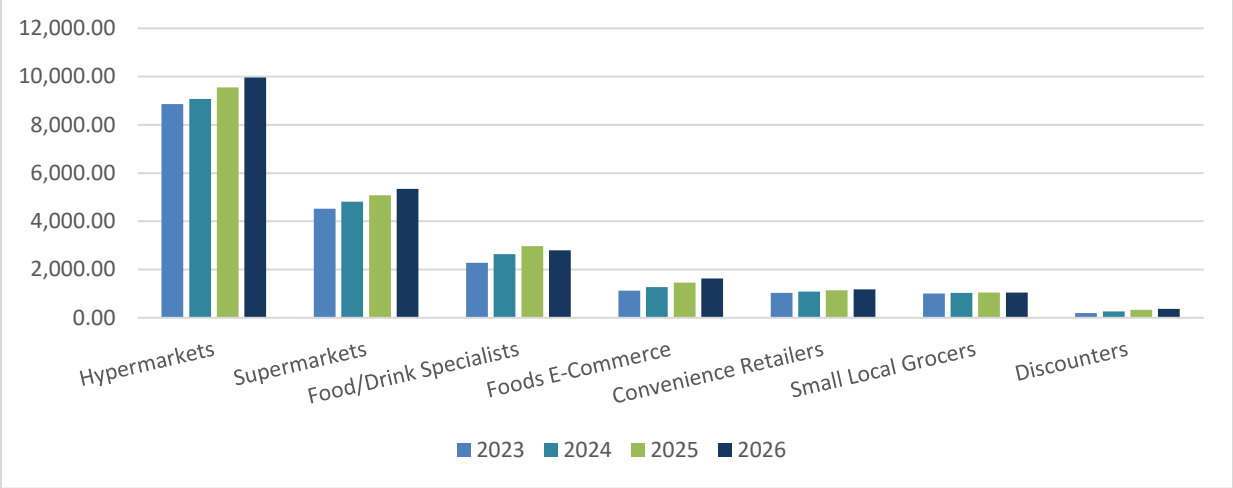
Food e-commerce in the UAE reached nearly $1.5 billion in 2025, up 14.4 percent from 2024, and is expected to reach $1.6 billion in 2026. The channel continued to thrive, driven by tech-savvy consumers, improved digital infrastructure, and expanding marketplace platforms like Amazon, Noon, Talabat, and Careem. Major grocery players boosted convenience by launching fast, express delivery services featuring extensive product selections and loyalty rewards.

Table 2: Retail Value (USD Millions)

Segment	2022	2023	2024	2025	2026
Hypermarkets	8,707	8,855	9,067	9,551	9,967
Supermarkets	4,302	4,527	4,818	5,086	5,349
Food/Drink/Tobacco Specialists	1,822	2,287	2,642	2,970	2,798
Foods E-Commerce	979	1,125	1,273	1,457	1,629
Convenience Retailers	985	1,037	1,088	1,137	1,186
Small Local Grocers	979	1,014	1,035	1,047	1,051
Discounters	117	197	265	330	365

Source: Euromonitor

Figure 2: Shifts in Sales by Retail Industry Segment, 2023-2026



Source: Euromonitor

2.3: Top Host Country Retailers and Company Profiles

Carrefour: The UAE's largest hypermarket chain since 1995, Carrefour operates more than 320 stores across 12 countries under the Majid Al Futtaim Group. Serving more than 750,000 customers daily, Carrefour offers food, non-food, and household products, in addition to private labels "First 1" and "Carrefour Bio" (organic options).

LuLu Hypermarkets: Established in 2000 and part of Abu Dhabi-based Emke Group, LuLu is the UAE's second-largest food retailer with more than 260 stores and an online platform. In 2024, it generated $6.7 billion in revenue and drew 690,000 shoppers daily.

Nesto Hypermarket: Founded in 2004 by K.P. Basheer, Nesto maintains more than 100 outlets across the GCC and India, covering over 6 million square feet and attracting 250,000 daily customers—75 percent of whom are repeat customers. The chain manages 600,000 stock keeping units across its stores.

Table 3: Major Hypermarkets in 2025

Company or Brand	Chain Type	Market Share
Carrefour	International	26.1
LuLu Group International LLC	International	24.1
Nesto Hypermarket	International	10.2
Union Co-operative Society	National	5.5
Sharjah Co-operative Society	National	4.5

Source: Euromonitor

Table 4: Major Supermarkets in 2025

Company or Brand	Chain Type	Market Share
Spinneys	International	15.0
LuLu	International	10.8
West Zone	International	10.8
Al Madina	National	10.6
Al Maya Supermarket	National	10.3

Source: Euromonitor

Table 5: Major Discounters in 2025

Company or Brand	Chain Type	Market Share
Viva	International	100

Source: Euromonitor

Table 6: Major Convenience Retailers in 2025

Company or Brand	Chain Type	Market Share
Zoom	National	28.9
ADNOC Oasis	National	25.6
Fresh Plus	National	13.1
Carrefour City	International	9.8
Emarat	National	9.4

Source: Euromonitor

2.5: Import Procedures

For a detailed overview of the UAE's food import procedures, including registration, licensing, labeling certification, customs clearance, and regulatory requirements, refer to the United Arab Emirates FAIRS Report, which provides comprehensive guidance on government regulations and compliance for food imports.

Section 3: Competition

The UAE retail food sector is highly competitive, even saturated, with a wide range of local, regional, and international food products. Its strategic location near major food-producing regions in the Middle East, Asia, and Europe facilitates rapid access to both affordable and high-quality consumer-oriented

goods. In 2025, global exports of consumer-oriented products to the UAE reached nearly $17.7 billion, marking significant growth of 8.6 percent compared to 2024.[6] Primary U.S. competitors are the European Union, India, Brazil, Saudi Arabia, and China. All of these suppliers' countries enjoy strong trade relationships, geographical proximity (especially Asia), often lower prices, or preferential trade access. U.S. exporters seeking to expand will need to focus on high-quality differentiation, competitive pricing, and strategic partnerships to overcome both regulatory and market share hurdles.

Table 7: Global Consumer-Oriented Products Exports to the UAE (USD Millions)

Country	2022	2023	2024	2025
Total	13,295	14,343	16,298	17,696
EU 27 External Trade (Brexit)	2,715	2,982	3,180	3,357
India	1,499	1,657	1,997	2,449
Brazil	1,338	1,359	1,730	1,441
United States Consumption	1,036	1,008	1,179	1,286
Saudi Arabia	818	913	1,039	1,262
China	566	669	854	981
New Zealand	469	452	491	639
Australia	488	434	533	617
United Kingdom	504	486	543	606
South Africa	358	410	456	559

Source: Trade Data Monitor

Section 4: Best Product Prospects

The UAE consumer-oriented product market presents a mix of opportunities and competitive challenges for U.S. exporters. Products already present in the market with strong sales potential include tree nuts where the United States is the top supplier. U.S. tree nuts command 52 percent of the import market, primarily led by almonds, pistachios, and walnuts. The United States is also the third-largest supplier of poultry meat, holding a 6 percent share, and the market shows potential for growth given Brazil's current 67 percent market share.[7] Soup and other food preparations, where the United States hold a 12 percent market share, is a growing segment. Dairy standing at 3 percent, chocolate and cocoa at 4 percent, and distilled spirits at 9 percent all show strong potential due to rising demand and shifting consumer preferences.

Products not yet significantly present in the market but with good sales potential include fresh fruits (10th market share ranking) and bakery goods, cereals, and pasta (fifth ranking). These categories are currently dominated by South Africa, India, the EU, and Saudi Arabia, although rising health awareness and demand for high-quality produce open the door for premium U.S. offerings. Beef, on the other hand, faces strong competition, with Brazil and India holding 55 percent of the market. The United

[6] Trade Data Monitor.
[7] Trade Data Monitor.

States, ranked fifth, saw a 14 percent import increase in 2025, showing market share growth despite price and preference challenges.

Table 8: Top UAE Consumer-Oriented Product Imports and Market Share (USD Millions)

Product Category	Gross Imports	Primary Supplier (Market Share)	Secondary Supplier (Market Share)	U.S. Ranking (Market Share)
Dairy Products	2,371	EU 27 External Trade (Brexit) (31%)	New Zealand (24%)	7 (3%)
Fresh Fruits	1,432	South Africa (29%)	India (11%)	10 (3%)
Poultry Meat and Products (excluding eggs)	1,411	Brazil (67%)	Saudi Arabia (8%)	3 (6%)
Beef and Beef Products	1,245	India (34%)	Brazil (21%)	5 (5%)
Tree Nuts	1,236	U.S. Consumption (52%)	China (18%)	1 (52%)
Bakery Goods, Cereals, and Pasta	938	EU 27 External Trade (Brexit) (27%)	Saudi Arabia (24%)	5 (4%)
Soup and Other Food Preparations	902	EU 27 External Trade (Brexit) (30%)	U.S. Consumption (12%)	2 (12%)
Chocolate and Cocoa Products	822	EU 27 External Trade (Brexit) (52%)	Singapore (6%)	8 (4%)
Spices	676	India (53%)	Guatemala (12%)	18 (0.07%)
Distilled Spirits	615	United Kingdom HMRC (38%)	EU 27 External Trade (Brexit) (29%)	4 (9%)
Fresh Vegetables	524	China (29%)	India (25%)	15 (0.8%)

Source: Trade Data Monitor

Table 9: Top U.S. Consumer-Oriented Products Exports to the UAE (USD Millions)

Country	2022	2023	2024	2025
Total	1,037	999	1,173	1,277
Tree Nuts	489	426	554	640
Poultry Meat and Prods (excluding eggs)	54	62	81	91
Food Preparations	72	51	75	85
Beef and Beef Products	71	63	56	64
Dairy Products	71	57	50	57
Distilled Spirits	48	60	47	55
Condiments and Sauces	43	47	50	48

Processed Vegetables	31	37	38	39
Fresh Fruit	22	31	37	36
Bakery Goods, Cereals and Pasta	35	36	36	36

Source: USDA Global Agricultural Trade System

Section 5: Key Contacts and Further Information

Office of Agricultural Affairs Address: U.S. Consulate General 8 Al Seef St - Umm Hurair 1 Dubai United Arab Emirates	Phone: +971 4 309 4000 Fax: +971 4 354 7279 Email: agdubai@usda.gov http://www.fas.usda.gov

Host Country Government

See the UAE Exporter Guide for contact details.

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

Attachments:

No Attachments