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Report Highlights:

The UAE's chicken meat production is forecast to grow by 17 percent in 2025, supported by governmental initiatives such as feed subsidies and technological investments. Consumption is expected to rise by 6 percent due to population growth, increased consumer spending, and a thriving tourism sector. Imports will see a 4 percent increase with a significant surge in poultry purchases in early 2024, driven by regional geopolitical instability. Shipping disruptions in the Suez Canal, forcing shippers to reroute around the Cape of Good Hope, add further instability to trade dynamics.

Executive Summary

Production

Post forecasts that chicken meat production in the United Arab Emirates (UAE) will grow by 17 percent in 2025 fueled by government support through feed subsidies, investments in modern technology, and the construction of new facilities.

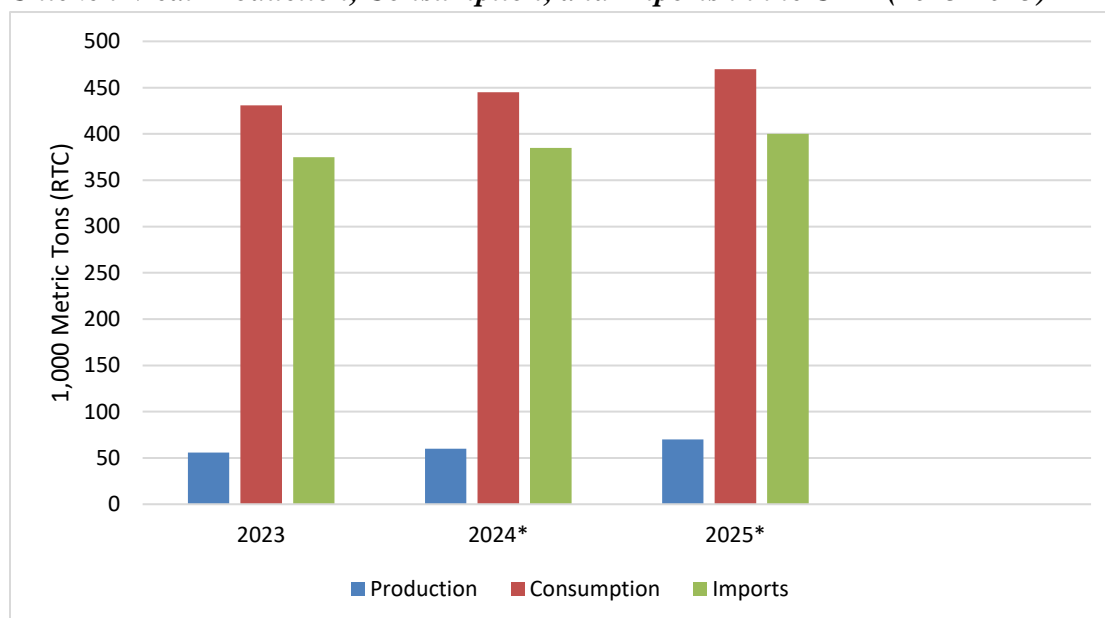
Consumption

Post forecasts that chicken meat consumption in the UAE will increase by 6 percent in 2025 driven by population and consumer spending increases, in addition to booming tourism, real estate, and construction sectors.

Imports

Post forecasts that chicken meat imports will increase 4 percent in 2025 to meet local demand, particularly as geopolitical instability in the Middle East spurs shipments. Heavy reliance on imports due to limited local production capacity, makes the UAE one of the world's largest importers of chicken meat. Post expects Brazil to continue to dominate the UAE market, benefiting from its competitive pricing, preferred packaging sizes, product offerings, and strong local presence. Constraints on Turkish shipments are also likely to further bolster Brazil's market share.

Chicken Meat Production, Consumption, and Imports in the UAE (2023-2025)



*Forecast

Notes: Not official USDA data. RTC is ready-to-cook equivalent.

Production

Table 1: Chicken Meat Production, Supply, and Distribution in the UAE

Meat, Chicken	2023		2024		2025	
Market Year Begins	Jan 2023		Jan 2024		Jan 2025	
In 1,000 Metric Tons (MT) Ready-to-Cook Equivalent (RTC)	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post Forecast
Beginning Stocks	0	0	0	0	0	0
Production	60	56	60	60	0	70
Total Imports	420	375	420	385	0	400
Total Supply	480	431	480	445	0	470
Total Exports	0	0	0	0	0	0
Human Consumption	480	431	480	445	0	470
Other Use, Losses	0	0	0	0	0	0
Total Dom. Consumption	480	431	480	445	0	470
Total Use	480	431	480	445	0	470
Ending Stocks	0	0	0	0	0	0
Total Distribution	480	431	480	445	0	470

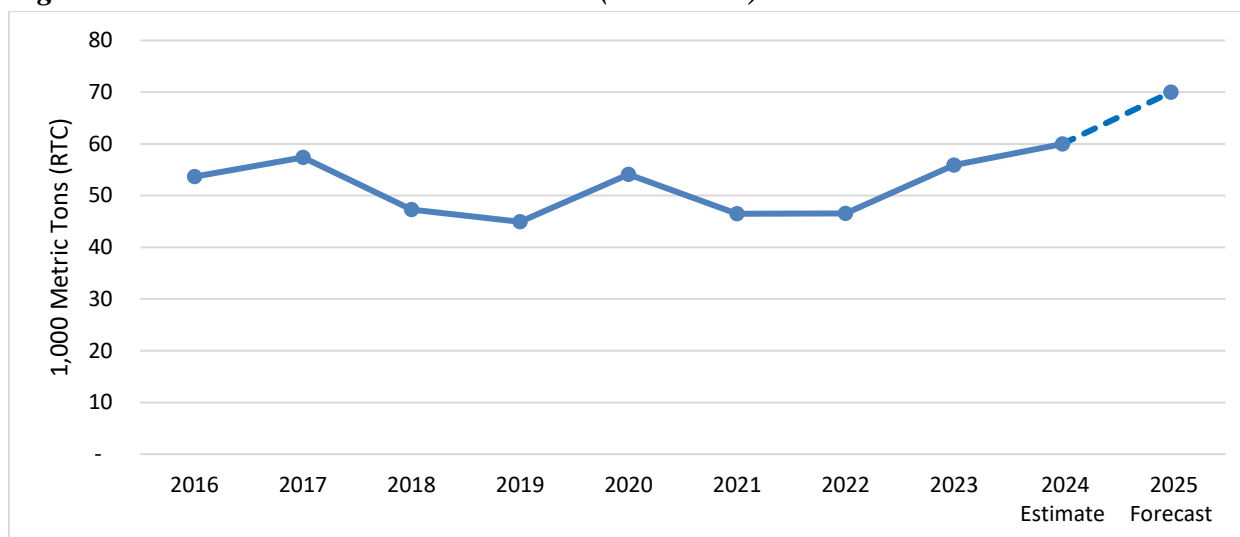
Notes:

- Not official USDA data.
- While privately held stocks likely exist in the UAE, USDA only reports government-held stocks or private stocks reported in official data.
- This report covers poultry product codes: HS 020711 (fresh or chilled fowls of the species Gallus Domesticus, not cut in pieces); HS 020712 (frozen fowls of the species Gallus Domesticus, not cut in pieces); HS 020713 (fresh or chilled cuts and edible offal of fowls of the species Gallus Domesticus); HS 020714 (frozen cuts and edible offal of fowls); and HS 160232 (meat or offal of fowls of the species “Gallus Domesticus,” prepared or preserved).

Governmental Support and Growing Domestic Demand Will Spur Growth in 2025

Post forecasts continued production growth at 17 percent in 2025, reaching 70,000 Metric Tons (MT) (Table 1). Chicken production in the UAE has shown notable recovery following the COVID-19 pandemic and reflects a strong expansionary trajectory (Figure 1).

Figure 1: Chicken Meat Production in UAE (2016-2025)



Source: UAE Federal Competitiveness and Statistics Center (2015-2021); post research and forecast (2022-2025). RTC is ready-to-cook equivalent.

UAE’s Government Feed Subsidies Support Production Expansion

Currently, UAE domestic production fills only 15 percent of chicken meat consumption and relies on the international market, primarily Brazil, to supply the remaining 85 percent. Given this reliance on imports and concerns about regional security, the UAE’s [National Food Security Strategy 2051](#) aims to develop a comprehensive national system based on enabling sustainable local food production through modern technology.

Although broiler meat has advantages over other meats in terms of production time, costs, and feed conversion efficiency, feed still accounts for 60-70 percent of total production costs. The UAE, being dependent on feed imports, faces challenges in this area. Most livestock and poultry production is concentrated in Abu Dhabi, where the Abu Dhabi Agriculture and Food Safety Authority (ADAFSA) has launched a [“Livestock Fodder Support Program.”](#) This initiative aims to provide UAE livestock and poultry producers with convenient access to high-quality feed at competitive prices, supporting and sustaining local production. Through the program, local livestock and poultry producers purchase subsidized fodder online through the [TAMM platform](#) or through ADAFSA’s fodder distribution centers using the [Agricultural Services Card](#). To ensure a reliable supply of high-quality feed, ADAFSA has partnered with 13 leading local companies to supply fodder, thereby enhancing the strategic stock of animal feed. Local poultry producers can then purchase feed at discounts of up to 25 percent (Table 2).

Table 2: Subsidized Feed Prices Compare to Market Prices

ADAFSA-Subsidized Price	Regular Market Price	Discount
1,600-1,900 AED/Ton	2,000-2,500 AED/Ton	Up to 25 percent

Source: Post research

3.67 Emirati Dirhams (AED) is equivalent to 1.00 U.S. Dollar.

New Operation Drives Production Growth in 2025

Poultry and Egg Retail Prices Stable in 2024 Following 13 Percent Increase in 2023

According to [Cabinet Decision No. 120/2022](#) on the rules and controls for pricing consumer goods, retailers are not allowed to raise the prices of nine basic commodities without approval from the Ministry of Economy. These products include cooking oils, eggs, dairy, rice, sugar, poultry, legumes, bread, and wheat.

In March 2023, the UAE's Ministry of Economy agreed to raise poultry meat and table egg retail prices by 13 percent at the request of retailers and producers who faced increasing shipping costs and unstable feed prices stemming from the war in Ukraine ([Ministerial Resolution No. 41 of 2023](#)). The ministry decided not to implement an increase for 2024.

The expansion of the local production is being driven by [Al-Ghurair Foods'](#) new poultry farm at [Khalifa Economic Zones Abu Dhabi \(KEZAD\)](#). As one of the largest egg producers in the UAE, Al-Ghurair is investing over 1 billion dirhams (US\$272 million) in this 680,000-square-meter facility, which spans 7.2 square kilometers. Set to become operational in 2025, the operation will focus on raising broilers with an annual production capacity of approximately 10,000 MT. This broiler operation will be followed by a starch processing plant, the first of its kind in the region, and another project within the Abu Dhabi Food Hub at KEZAD. According to KEZAD's CEO, this partnership is built on a common vision to support the UAE's food security.

Technology Investments to Increase Efficiency and Maximize Profits

The UAE's poultry sector is rapidly advancing through technological innovations, focusing on sustainability and efficiency. Companies are adopting technologies like robotics, and artificial intelligence to optimize operations, improve animal welfare, and reduce environmental impact. Major players like Al-Ghurair Foods and Al-Rawdah Farm are leading these efforts, contributing to the UAE's food security goals while addressing challenges such as disease control and rising costs.

Consumption

Post forecasts chicken meat consumption to reach 470,000 MT in 2025, up nearly 6 percent. This consumption is driven by real estate development, population growth, consumer spending, tourism performance, and macroeconomic growth.

Expansion of Real Estate Development and Construction Sectors

Most imported U.S. chicken meat (leg quarters) is sold in bulk and consumed in facilities where workers in labor-intensive industries reside. As the real estate sector is one of the largest labor-intensive industries in the UAE, its development has a direct impact on poultry consumption.

- According to the [Central Bank of the United Arab Emirates \(CBUAE\) quarterly economic review](#), from January to April 2024, apartment sales transactions in Dubai increased by 34 percent year-over-year (YOY).
- The total number of residential sales transactions in Dubai rose by 28 percent YOY, with growth in the off-plan segment surpassing that of ready unit sales: 37 percent versus 16 percent YOY.
- The median residential real estate sales price in Dubai increased by 14 percent YOY in the first four months of 2024.
- In Abu Dhabi, apartment sales transactions soared by 48 percent YOY from January-April 2024, with the median residential sales price increasing by 3 percent YOY during the same period.

Market experts predict a significant surge in the real estate and construction sector in 2025, spurred by the government's announcement of upgrades to the drainage system following major flooding in April 2024. Dubai's ruler, Sheikh Mohammed bin Rashid Al Maktoum announced in June 2024 that Dubai would invest \$8.2 billion to construct a stormwater drainage network. This infrastructure project aims to increase Dubai's rainwater drainage capacity by seven-fold, bolstering the emirate's preparedness for future climate-related challenges.

Population Growth

Two of the main factors driving poultry consumption in the UAE are its expanding population and the annual rise in foreign visitors. The International Monetary Fund (IMF) has projected that the UAE's population will grow from 10.0 million in 2023 to 10.2 million in 2024, an increase of 2 percent. The population is expected to continue growing annually, reaching 11.0 million by 2028.

The UAE's population growth is largely driven by its economic prosperity and strategic location, attracting a diverse expatriate workforce. Rapid development in sectors like oil, gas, finance, and real estate, along with favorable immigration policies, have led to a significant influx of international professionals and laborers seeking opportunities. This economic boom, coupled with a high standard of living and modern amenities, makes the UAE an appealing destination for expatriates.

Consumer Spending

Post assumes continued growth in consumer spending through 2024 and 2025, and various UAE business sectors will drive strong performance.

Overall, consumer spending in the UAE increased by 13 percent in 2023 compared to 2022, according to Majid Al Futtaim's "State of the UAE Retail Economy" [report](#).¹ This growth was fueled by a 12 percent rise in spending within the non-retail sectors, such as government services, airline tickets, gas stations, and education. Hypermarkets and supermarkets, general retail, leisure and entertainment, and fashion expenditures drove a 14 percent retail spending increase.

¹ Majid Al Futtaim is a leading integrated lifestyle provider with brands across industries such as shopping malls, hotels, movie theaters, hypermarkets, and more.

USDA's [Hotel Restaurant Institutional \(HRI\) annual report](#) notes that the UAE is a global hub for tourism, trade, and transportation, with world-class hotels and restaurants. Tourism alone accounts for 10 to 15 percent of the country's annual economic activity.

Vibrant Performance of Travel and Tourism Sector: More Visits, Longer Visits

The UAE tourism industry is well-poised to continue to flourish in 2025. [Dubai Department of Economy and Tourism](#) reports that from January to June 2024, Dubai hosted 9.3 million international overnight visitors, marking a 9 percent rise compared to the 8.5 million tourists in the previous year. After achieving a significant benchmark in 2023 with a record 17.0 million international visitors, the city's tourism sector in the first half of 2024 is set for another record-breaking year. Oxford Economics predicts that this rise in arrivals is expected to coincide with higher spending, with visitors projected to spend a total of \$21 billion in 2024, up from \$14 billion in 2019 (pre-pandemic), thereby boosting the city's economy and boost overall consumption.

In early 2024, occupancy rates for Dubai hotels saw a significant rise, reaching nearly 97 percent in February. According to the [Dubai Department of Economy and Tourism Annual Visitor Report](#), visitors are staying longer in Dubai, with average guest nights rising by 10 percent from 3.4 in 2019 to 3.8 in 2023. This suggests a stronger engagement with Dubai's attractions, which have expanded significantly in recent years to appeal to a broader range of market segments and visitor demographics.

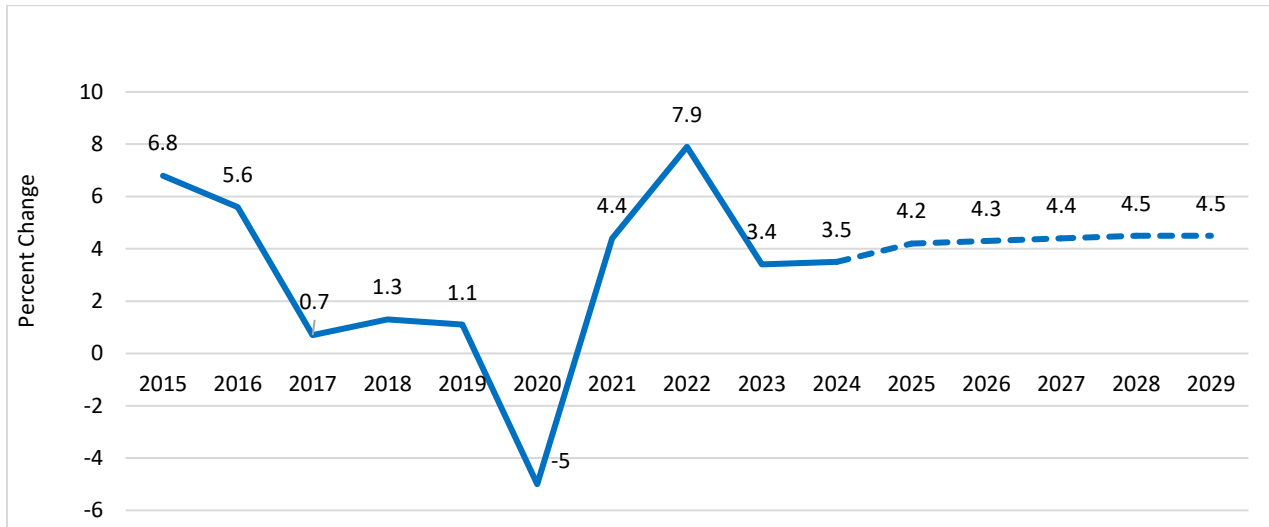
Citizens of more than 80 countries can visit the UAE without a visa. Less administrative friction facilitates and encourages tourism. Visitors from India, Oman, Saudi Arabia, the United Kingdom, the European Union, Russia, and the United States largely drive tourism.

Gross Domestic Product Growth

The [CBUAE](#) anticipates strong foreign trade performance will continue through 2024 and 2025, projecting real gross domestic product (GDP) growth at 3.9 percent in 2024 and an acceleration to 6.2 percent in 2025.

Similarly, the [IMF](#) estimates that the UAE's overall real GDP will grow by approximately 4.2 percent in 2025, with average inflation expected to stay close to 2 percent (Figure 2). Robust activity in the tourism, construction, manufacturing, and financial services sectors has driven the country's broad-based economic growth. Additionally, strong foreign demand for real estate and increased bilateral and multilateral ties are contributing to the rapid rise in housing prices and rents, while also enhancing domestic liquidity.

Figure 2: UAE Real GDP Growth (Annual Percent Change)



Source: IMF

Note: Dotted line indicates projection.

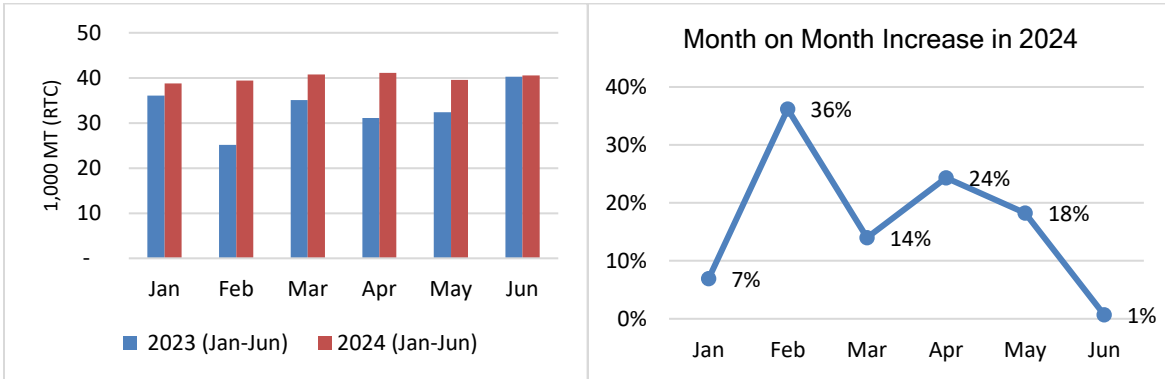
Trade (Imports)

Post forecasts chicken meat imports to rise to 400,000 MT in 2025, reflecting a 4 percent increase. Given that approximately 85 percent of the UAE’s chicken meat consumption is imported, the same factors driving local production—population growth, increased consumer spending, and a booming tourism sector—also fuel import demand. Brazil’s market share is expected to expand in 2024 and 2025, primarily due to constraints on Turkish shipments and the challenges for the United States to maintain price competitiveness. Consequently, while U.S. market share is anticipated to remain stable, Brazil is poised to capture a portion of Türkiye’s market share.

Surge in Poultry Purchases in Early 2024

Industry experts attribute the surge in UAE chicken meat imports in the first half of 2024 to regional uncertainties, [particularly with the geopolitical instability in the Red Sea](#). In the first half of 2024 (January to June), the UAE became the leading purchaser of Brazilian chicken meat, with a notable 17 percent average increase compared to the same period last year, totaling 240,000 MT. The highest volume increases were recorded in February and April 2024, at 36 percent and 24 percent, respectively (Figure 3). Similarly, UAE poultry imports from the United States showed significant increases in the first half of 2024, with an average growth of 33 percent. January and February registered the highest growth, at 48 percent and 40 percent, respectively (Figure 4).

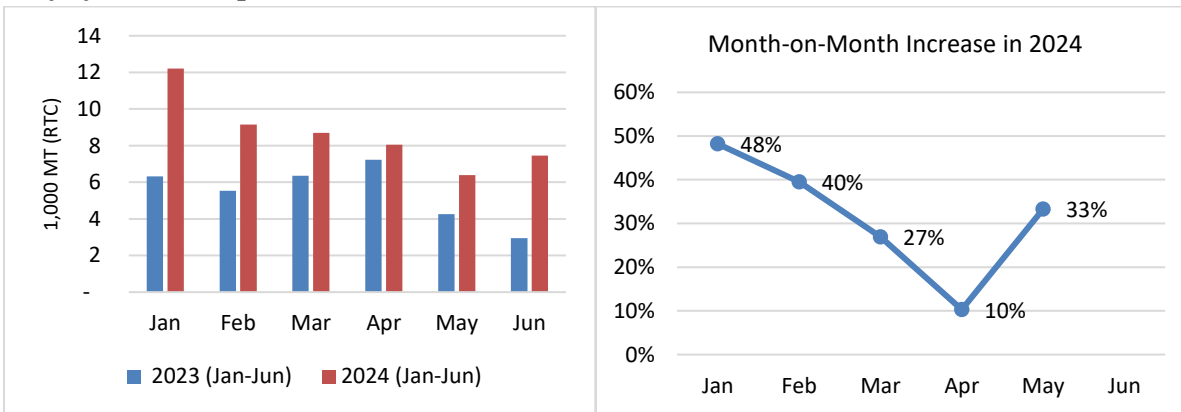
Figure 3: UAE Chicken Meat Imports from Brazil Significantly Higher in the First Half of 2024 Compared to the Same Period 2023



Source: Trade Data Monitor

Note: RTC is ready-to-cook equivalent.

Figure 4: UAE Chicken Meat Imports from the United States Increased Significantly in the First Half of 2024 Compared to the Same Period 2023



Source: Trade Data Monitor

Note: RTC is ready-to-cook equivalent.

Brazil Continues to Dominate UAE Market

Brazil is expected to increase its market share in 2024. Its dominance is attributed to its preferred pack sizes, competitive pricing, and strong local presence of Brazilian companies.

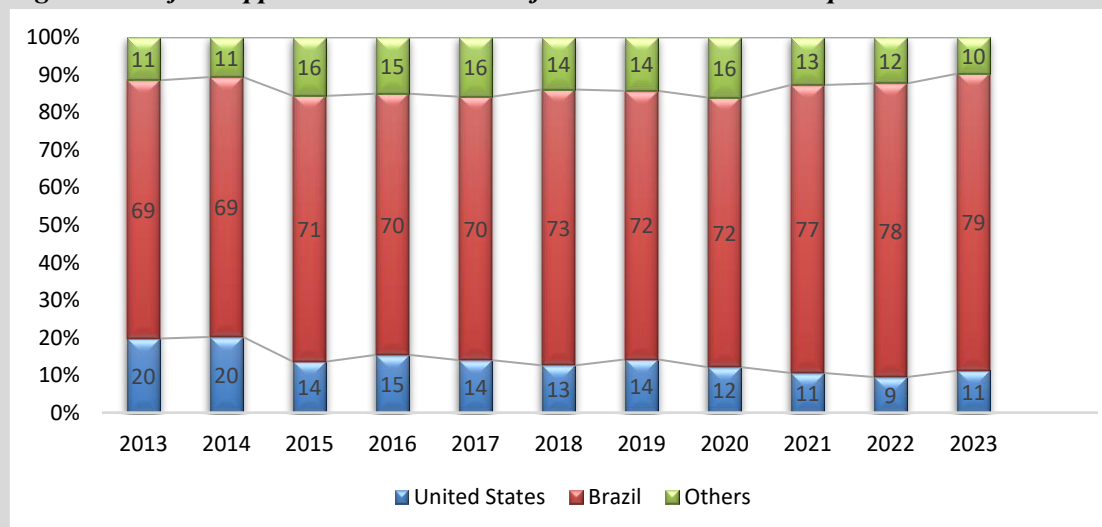
Pack Size: U.S. shipments to the UAE are mostly large supersacks of dark meat (chicken leg quarters) targeting facilities serving migrant labor, as well as major processing facilities. Local importers state that supersacks put U.S. poultry at a disadvantage compared to smaller packaging sizes available from Brazil. This is because smaller packaging can feed multiple channels, such as HRI, whereas supersacks can only supply major processing facilities.

Prices: U.S. chicken meat (leg quarter) prices have increased due to elevated shipping costs and production disruptions. When the price of U.S. leg quarters reaches around 75 percent of the price of a Brazilian whole chicken, UAE demand for U.S. chicken meat begins to weaken.

Product Offering: Consumer behavior and cultural considerations play a role, as many UAE consumers may prefer a full or half chicken, which includes white breast meat, over just a leg quarter, regardless of its weight or size. Brazil offers a wider range of products compared to its competitors like the United States.

Local Presence: The presence of Brazilian processing facilities in the UAE also raises Brazil's competitiveness. For example, Brazil Foods, which exports chicken meat and describes itself as "the world's largest halal animal-protein company," opened a new factory at KIZAD. Another Brazilian poultry producer, JBS, acquired two plants in the UAE in 2022 to produce prepared foods and serve as a regional hub for halal products.

Figure 8: Major Suppliers' Market Share of UAE Chicken Meat Imports



Source: Trade Data Monitor; Post

Comprehensive Economic Partnership Agreement with Türkiye

Türkiye and the United Arab Emirates signed the [Comprehensive Economic Partnership Agreement \(CEPA\)](#) on March 3, 2023, and it took effect on September 1 of that same year. According to the Emirates News Agency, trade between the UAE and Türkiye grew by 40 percent in 2022, marking the highest growth rate among the UAE's top 10 export markets. The UAE-CEPA aims to boost the value of non-oil bilateral trade to \$40 billion within five years by eliminating or reducing customs duties on 82 percent of goods.

Turkish poultry exports to the UAE surged significantly in 2022, reaching 11,678 MT, a 64 percent increase. However, exports dropped to 7,305 MT in 2023, a 37 percent decrease, due to the earthquake in Türkiye that year.

For 2024, Türkiye's Ministry of Commerce has imposed a [temporary export restriction on chicken meat from May 1 to December 31, 2024](#) due to rising domestic market prices. Given that the restrictions will significantly constrain Turkish exports, shipments to the UAE will likely fall for the remainder of 2024. However, if this restriction is lifted in 2025, Turkish poultry is expected to gain more market share, benefiting from the significant reduction of customs duties.

Developing World's Largest Logistics Hub for Foodstuffs in Dubai

Sheikh Mohammed bin Rashid Al Maktoum, Dubai's ruler, announced on July 10, 2024, the creation of the world's largest logistics hub for foodstuffs, fruit, and vegetable trade. This facility aims to become the world's largest market for these products. Dubai Municipality and ports operator [DP World](#) will collaborate to develop this global logistics hub, which will be managed by DP World and connected to international markets.

This initiative aligns with Dubai's strategic goals to boost investment and economic opportunities, contributing to the [Dubai Economic Agenda D33](#). The agenda aims to double the size of Dubai's economy and position it among the top three global cities by 2033. The project also supports the UAE's efforts to enhance food security and improve the entire food value chain.

Ongoing Turbulence in the Middle East Disrupts Global Trade

The global supply chain faces ongoing logistical uncertainties due to the geopolitical instability in the Middle East, with the Houthi terrorist group in Yemen attacking shipping vessels in the Red Sea, disrupting one of the world's most crucial waterways, the Suez Canal (Figure 5). In response to these attacks, which began following the outbreak of war in Israel and Gaza, a coalition of western countries have retaliated against Houthi targets and deployed naval forces to safeguard commercial ships.

Figure 5: Houthi Controlled Area and Bab Al-Mandab Strait



Source: Central Intelligence Agency World Factbook

The [IMF](#) reports that trade volume through the Suez Canal fell by 50 percent YOY, while traffic around the Cape of Good Hope surged by approximately 74 percent compared to the previous year. This disruptions in the Suez Canal and the Red Sea, critical for about 30 percent of the world’s container traffic, have forced companies to reroute around the Cape of Good Hope. This has increased delivery time by 10 days on average, causing shipping rates to increase and significant impacts on global trade networks.

[Xeneta](#) reported that the ocean freight container shipping market is set to surpass the peak levels of the Red Sea crisis, reaching heights not seen since the COVID-19 pandemic. To protect their supply chains, importers are shipping as many goods as quickly as possible. Consequently, freight forwarders are facing new surcharges and are being pushed to use premium services to guarantee space on ships, forcing them to pass these costs onto their customers. To address the diversions in the Red Sea, ocean freight carriers have increased transshipments in the western mediterranean and Asia, leading to severe port congestion in several key hubs.

Policy

Technical Regulation for Animal Slaughtering According to Islamic Rules

On November 30, 2022, the UAE published the updated mandatory technical regulation [UAE.S. 993/2022 “Animal Slaughtering Requirements According to Islamic Rules,”](#) with an effective date of December 1, 2023. The new technical regulation, also known as the “halal standard,” replaces regulation UAE.S. 993/2015. The regulation allows for poultry stunning if it will not lead to death or stop the animal’s heart from beating, or if it reduces the amount of bleeding before the slaughter. An Islamic slaughter certificate (called “Halal”) is required for export to the UAE. The exporter must obtain a halal certificate from an approved halal certifier. The USDA Food Safety and Inspection Service’s [export library](#) provides additional guidance for U.S. exports.

Post recommends that U.S. exporters seek additional guidance from USDA’s Food and Agricultural Import Regulations and Standards [annual report](#).

Attachments:

No Attachments