



UNITED ARAB EMIRATES
MINISTRY OF FINANCE

**UAE Federal
Budget
Yearbook**
Community Edition

2021

Investing in People, Securing the Future



2025

The UAE represents a world-class model in embedding human values and shaping the future, strengthening its global standing and leadership, with an ambitious vision placing people at the core of development and national directions.

Guided by this vision, the Federal Government adopts an integrated national framework for federal budgeting, in line with the directives of His Highness Sheikh Mohamed bin Zayed Al Nahyan, President of the UAE, and his brother His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai. This framework aims to achieve the highest standards of quality of life and decent living for the people, through an integrated human-centric strategy, recognizing people as the UAE's true capital and most valuable asset.

According to the UAE's 2026 **"Year of the Family"** vision, the budget emphasizes the role of family as the cornerstone and primary building block of society. Therefore, investing in people begins with investing in family, which plays a central role in raising generations to actively contribute to national development and instilling values, behavior, identity, and a sense of belonging. Empowering families strengthens social cohesion, reinforces the values of stability and well-being, and creates a supportive environment for nurturing generations capable of sustaining progress and shaping a brighter future.

The federal budget for the fiscal year 2026 introduces a renewed vision that reflects the leadership's commitment to a people-centered development approach, **positioning human capital as the cornerstone of a cohesive society and a prosperous future.** The Federal Budget supports development programs that empower all members of society, enhance quality of life, and improve government services. This marks a significant milestone in sustainable development efforts and translates the theme of this publication into practical action, strengthening families and deepening social cohesion.

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01 Federal Budget Framework

The UAE federal budgeting process represents a leading model that combines efficiency and effectiveness, continuously evolving to respond to strategic and economic shifts.

The budgeting process began with the adoption of the **line-item budget in 1972**

followed by the introduction of the

“Program and Performance based Budgeting” in 2001



The adoption of a program and performance based budgeting framework contributed to establishing an approach that links inputs (allocations) and outputs (strategic objectives). Enhancements continued with the introduction of the **Medium-Term Budget** in 2008, followed by the **Five-Year Budget** in 2017. Additionally, the implementation of the **automated budgeting system** in 2011, along with the adoption of the **functional classification of government spending** in 2014, improved transparency and precision in allocating spending across government functions, in alignment with national priorities and international best practices.

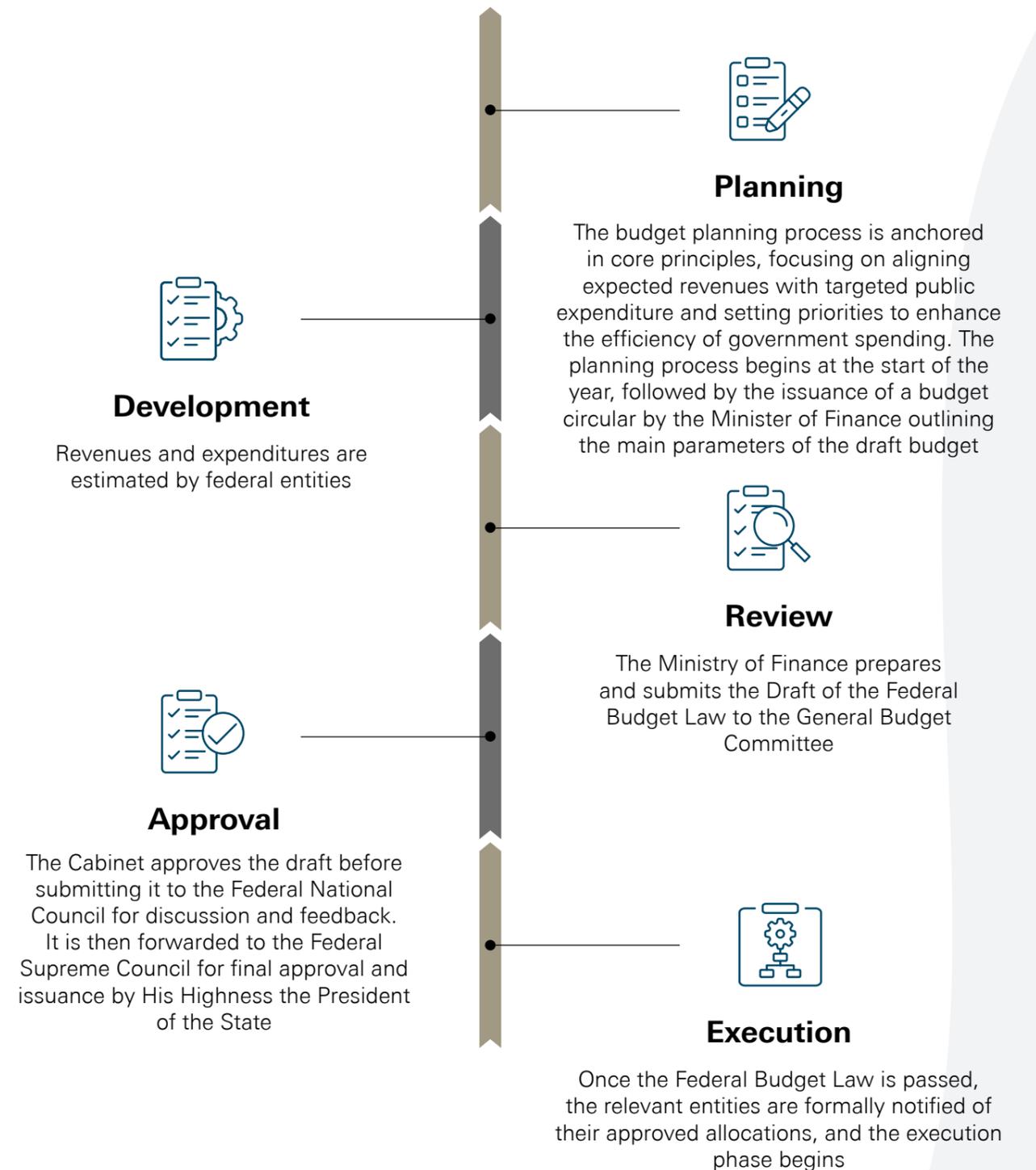
The federal budget has seen a dramatic increase from **AED 200 million in 1972 to AED 92.40 billion in 2026**, due to several key factors:

- **Strategic alignment of the budget** with federal entities’ strategies stemming from the UAE’s vision, ensuring the achievement of national objectives.
- **Effective financial planning** through the allocation of resources in line with priorities over the medium term.
- **Optimization of government spending** through the application of zero-based budgeting, which reassesses the cost of each activity to reduce waste.
- **Digital transformation and AI adoption** in enhancing the ability to continuously monitor and improve performance.

2026
AED **92.40**
Billion

1972
AED **200**
million

The Federal Government maintains transparency and accountability through a five-stage budgeting process, supporting sustainable development across sectors and contributing to national targets:



02 Achievements and Objectives of National Initiatives

Through the Federal Government, the UAE is implementing integrated national initiatives aligned with the UAE Centennial 2071 vision, reinforcing **investment in people and family as the cornerstone of a prosperous and sustainable future**. These efforts are driven by an approach centered on innovation, sustainability, and continuous development of government services, ultimately improving quality of life and enhancing society's ability to respond effectively to regional and global developments.



In this context, the UAE Federal Budget Yearbook highlights the qualitative achievements and strategic targets realized by federal entities, reflecting the allocation of resources toward priorities that **directly affect individuals' lives**, enhance spending efficiency, and improve public services across vital sectors. These achievements include developing government and digital services, advancing the healthcare and education ecosystems, supporting economic growth and environmental sustainability, strengthening social and cultural protection, reinforcing security and justice, and improving infrastructure and housing within an integrated ecosystem that **places people at the forefront and lays the foundation for a cohesive, secure society** capable of shaping a **prosperous and sustainable future**.

Initiatives data up to the end of November 2025.

2.1 Investing in People through Efficient Public Services

Through the budget allocated for **investment in people**, the Federal Government contributes to the development of the **public service ecosystem** with the aim of enhancing the efficiency of government services that impact the daily lives of individuals and institutions. This is achieved through accelerating digital transformation, streamlining procedures, and improving the quality of e-services in sectors such as education, health, and communications, ensuring ease of access, prompt delivery, and higher levels of reliability. This approach is grounded in a federal vision aimed at building a smart digital government that supports **innovation, eliminates bureaucracy**, and enhances customer experience, delivering an integrated service ecosystem that responds to the **needs of families and keeps pace with future requirements**.



In support of these efforts, a budget of **AED 30.82 billion** has been allocated to the sector in 2026, compared to **AED 22.59 billion** in 2025 and **AED 15.58 billion** in 2024.

Federal entities have contributed to achieving the sector's targets through the following pillars:

2.1.1 Digital Transformation and Zero Bureaucracy

Developing integrated digital services by restructuring procedures, digitizing manual services, and leveraging AI in key sectors:



Education:

- Upgrading technical systems and leveraging modern technology to enhance operational efficiency, improve services for students and parents, and support federal entity employees, including developing and improving **90% of systems and apps** in line with established technical standards.
- Accelerating recognition of domestic qualifications through **system integration with licensed educational institutions**, processing **12,847 requests**, and completing authentication **on the same day** of submission.
- Updating governance and licensing procedures for higher education institutions, institutes, and training centers by **streamlining licensing steps** and updating processes to ensure **efficiency** and transparency in education services.
- Promoting a culture of quality and institutional excellence in universities through self-assessment, institutional excellence initiatives, and service improvement, all within a zero-bureaucracy framework.
- Launching the **360 Services** initiative to **simplify procedures** and improve digital service efficiency by **minimizing bureaucratic steps, reducing average service completion times**, applying global standards for evaluating digital government services, and implementing mechanisms to measure service impact for continuous improvement.
- Developing digital infrastructure and **university IT** services by implementing technology projects that meet stakeholder expectations, increasing the completion rate of requests under service-level agreements, and ensuring the availability of essential IT infrastructure services.
- Redesigning the academic program licensing and accreditation system, which led to reducing program approval procedures by **97%**.
- Addressing academic challenges proactively by analyzing **129,000** student performance records using AI and ML, **reducing student dropout rates from 10% to 8%**, and increasing retention rates by 5% among targeted students.



Health:

- Unifying and streamlining the licensing process of healthcare professionals nationwide through a **unified national platform** that provides standardized assessments, a single employment system, and professional licenses valid across all Emirates.
- Enabling digital access to national health policies and legislation by **publishing them all** on a unified platform with summaries.
- Launching the AI-powered **Amana system** to analyze violations in healthcare facilities, make real-time decisions, and assist inspectors during healthcare facility inspections. The system identifies potential risks and provides proactive recommendations, enhancing oversight efficiency and improving inspection accuracy and transparency.
- Automating the review of engineering plans for healthcare facilities using AI, thus **reducing average review time by 40%** and accelerating report issuance to **5 minutes per plan**.
- Restructuring licensing services for healthcare facilities and professionals using AI by providing **80 services, covering 80% of licensing procedures**, serving over **100,000 users**, and reducing **processing times by at least 50%**.
- Regulating and licensing electronic and smart health systems by implementing a unified regulatory framework, increasing the number of licensed systems under the new framework by **20%**.



Industry:

- Developing **digital industrial service** platforms to continuously enhance the customer journey and meet evolving requirements for government services in the industry sector.
- Updating the Industrial Technology Transformation Index (ITTI) framework by conducting **173 assessments**, onboarding **30 industrial companies**, creating **800 high-tech jobs** in 2024, and generating around **AED 1.04 billion** investments as a result of the assessments.
- Enhancing digital accessibility for **people of determination** by **incorporating sign language** on the official website, ensuring compliance with digital accessibility standards.
- Achieving **zero bureaucracy** in industrial services by **restructuring 20 services and 10 processes** during 2024 and 2025.
- Developing the smart specifications model, which led to a **50% cost reduction**, completing integration with **55 national and regional systems**, and achieving a 93.2% product compliance rate with specifications.



Telecommunications:

- Launching a **digital channel to measure network coverage quality**, which enabled access to real-time indicators from request submission to closure, leading to **improved telecommunications service quality** and enhanced competition among operators.
- Conducting a large-scale national benchmarking survey of **mobile networks** across the UAE, assessing the quality of mobile networks and services, strengthening the quality and efficiency of telecommunications operators' networks and services, which contributes to improved overall sector performance, service sustainability, and maintaining the UAE's position **as a leading nation in information and communications technology**.
- Assessing the **digitization of telecommunications services** through online channels by measuring the efficiency of B2C and B2B services and identifying **areas of improvement** to accelerate digital transformation in the sector.
- Regulating and governing the **SMS market** by documenting sender codes and applying new regulatory controls to combat fraudulent messages and **protect users**.
- Developing an automated system to measure **fixed internet quality**, monitoring speeds and stability, and providing analytics to support infrastructure planning and improvements, therefore enhancing **service quality and performance**.
- Evaluating and classifying licensed service centers to unify service standards, ensure consistency, and **encourage competition** in providing telecommunications services.
- Establishing a modern, **AI-powered platform** to streamline and automate the registration, testing, and certification of telecommunications equipment, with real-time monitoring to enhance compliance with global standards and reduce manual intervention.
- Conducting a comprehensive assessment of competition in the mobile market using a price index to determine proactive commitments, strengthen competition, **improve service quality, and reduce prices**.
- Implementing independent audits of licensed operators' billing systems, **covering 14 direct and indirect aspects**, to improve **billing accuracy**, enhance transparency, and reduce disputes.





2.1.2 Innovation and Enhanced Government Performance

- Upgrading the digital infrastructure of the Federal Network (**FEDnet**) to enhance service efficiency and impact on beneficiaries, including:

- Operating the **Government Services Bus (GSB)**, enabling federal entities to exchange data and files seamlessly within an integrated framework. In 2024, the service processed 2.6 billion transactions, resulting in:

 **45 million hours** saved by the government

 **AED 6.3 billion** in cost savings

 **21,000 ton** reduction in carbon emissions

- Migrating federal entity systems and programs to a **high-performance national cloud infrastructure** on the FEDnet to achieve digital sovereignty and strengthen **cybersecurity**.
- Upgrading Cisco Systems on FEDnet.
- Enhancing the current IT Service Management (**ITSM**) system used across FEDnet.
- Digitizing legislative and regulatory integration tools between the government and the Federal National Council by digitizing **18** legislative and regulatory **processes**.
- Simplifying **employee self-service** procedures by reducing procedural steps and improving transaction efficiency through AI-powered digital solutions, such as **virtual assistants**, transforming the government employee journey **from recruitment to retirement** into a smart, digital experience.
- Accelerating and streamlining government correspondence management via a **unified digital platform** that enables electronic processing, real-time tracking, adherence to timelines, and integration with the **GovSign platform** to facilitate daily tasks.
- Accelerating AI adoption across federal entities by appointing **31 AI executives**.
- Promoting AI applications in government through a dedicated initiative **recognizing the best AI applications** and developing a roadmap to support effective deployment.
- Establishing a **national framework for professional AI use by activating the UAE AI Charter**, supported by specialized workshops involving more than 250 employees, enabling the effective and responsible adoption of AI.
- Building national AI capabilities through the implementation of a training program aimed at equipping one million **individuals** with essential AI skills and fundamentals, with the **participation of 20 senior officials**.



2.1.3 National Digital Infrastructure

- **Enhancing the national digital identity and digital wallet capabilities**, reaching nearly **11 million users**, integrating more than **322 public and private sector service providers**, and issuing over **17 million trusted digital documents through the digital wallet**, resulting in:

 **25.1 million hours** saved by the government

 **AED 3.5 billion** in cost savings

 **410,000 ton** reduction in carbon emissions

- **Improving digital accessibility for people of determination and senior citizens (digital inclusion)**, with 18 individuals with hearing, visual, and physical disabilities participating in testing the digital identity application, contributing to improved accessibility standards and greater inclusivity and ease of use for people of determination.
- **Developing the unified government services platform (U.ae)**, which recorded **141 million** visits in 2024, provided access to over **3,000** government **services**, and supported more than **50 languages**, which significantly improved user experience. The platform also includes **“U Ask,”** an AI-powered virtual assistant, offering an interactive and advanced experience for users.

2.2 Investing in People through Health Services

Through the budget allocated for **investment in people and the promotion of healthy longevity and quality of life**, the Federal Government is implementing an integrated package of preventive and smart health initiatives that place the health of individuals and families at the forefront of its priorities. These efforts reflect the UAE’s commitment to shifting **from treatment to prevention**, leveraging innovation and advanced technologies to enhance the quality, efficiency, and speed of healthcare services while reducing treatment costs. This approach empowers families to better care for their children and contributes to building a **cohesive society** characterized by preparedness and well-being, while supporting the comprehensive development journey **toward a prosperous and sustainable future**.



In support of these efforts, a budget of **AED 5.65 billion** has been allocated to the sector in 2026, compared to **AED 5.51 billion** in 2025 and **AED 5.02 billion** in 2024.

Federal entities have contributed to achieving the sector's targets through the following pillars:



2.2.1 Innovation in Public Health Services

- **Supporting the blood bank inventory by upgrading and providing** medically equipped **blood donation buses** featuring the latest technologies, **establishing a smart blood bank system**, and ensuring constant availability of all blood types at levels exceeding 95%.
- Improving the quality of nursing services, enhancing the work environment for nursing staff, and increasing compliance levels with accreditation standards to over **90%** through the **implementation of MAGNET program**.
- **Enhancing healthcare facilities' capacity to manage and** rapidly respond to **CBRNE hazardous materials incidents**, with relevant hospital readiness expected to exceed 80% by the end of 2026.
- Obtaining CARF accreditation (the international Commission on Accreditation of Rehabilitation Facilities) for all **physical therapy** facilities.
- Establishing the National Center for Regulating **Human Organs and Tissues Transplantation** which aims to develop prevention and treatment programs and promote a culture of human organ and tissue donation, where:



- **Developing** and monitoring the hospital **nutrition care system** through the implementation of a comprehensive electronic system to manage nutrition departments, food units, and food services in hospitals, in addition to ensuring food safety. This increased patient satisfaction to over **95%**.
- Enhancing **telemedicine** across healthcare services, including specialized outpatient clinics and mental health services. Telemedicine accounted for **approximately 25%** of all healthcare services, including primary healthcare, mental health services, and hospital care, serving more than **218,000** patients.
- Providing **virtual primary healthcare** services for initial medical diagnosis, emergency cases, appointment scheduling, and medication dispensing, achieving an adoption rate of approximately **17%** and serving more than **124,000 patients**.
- Enhancing the efficiency and safety of medication disposal through the automation of storage, preparation, and dispensing processes via **robotic pharmacies**. Automated dispensing reached approximately **86%** across pharmacies implementing the system, with more than **832,000 medication packages** in the first half of 2025 alone. The initiative is expected to reduce patient waiting time to around **five minutes**.
- Enhancing the efficiency of ambulance services through the establishment of an electronic platform to automate patient transport requests, as well as improving ambulance vehicle specifications and in-ambulance emergency medical intervention capabilities, which contributed to achieving a response time of less than **15 minutes**, with a **100%** on-time compliance rate.
- Developing proactive digital ambulance services to ensure safe patient transport between the organization's facilities and partner entities.



2.2.2 Enhancing Preventive Healthcare Services

- Enhancing the quality of school health services, improving students' health indicators, and strengthening early detection of health issues, through the following initiatives:



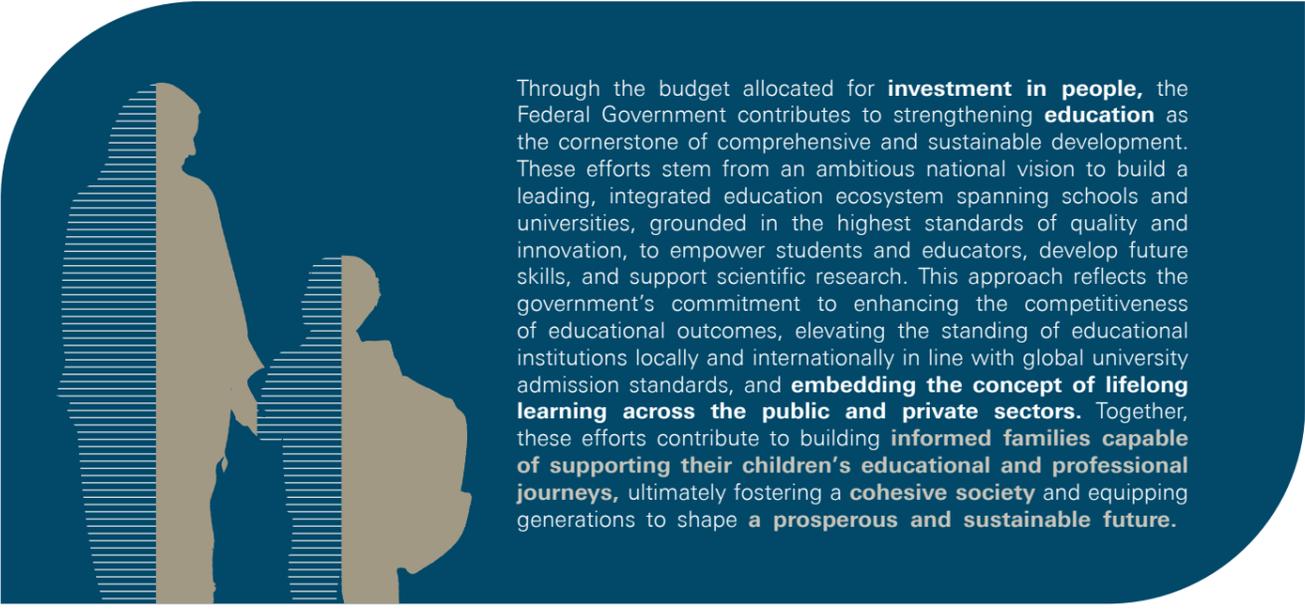
- Improving **dietary habits and behaviors in schools** by conducting school meal design labs in collaboration with chefs and nutritionists, as part of the National Nutrition Strategy.
- Enabling early detection of non-communicable diseases—including cardiovascular diseases, hypertension, diabetes, cancer, lung diseases, osteoporosis, and depression—through the comprehensive periodic screening program **"Itmi'nan."**
 - The first of its kind in the Middle East and North Africa, delivering comprehensive screening results within **20 minutes**.
 - Coverage reached **~63%**, with **+86,000 beneficiaries** served.
- Developing **specialized international medical fellowship programs** to enhance therapeutic services, achieving diabetes control rates exceeding **50%** among patients, heart attack mortality rates of less than **2%** for patients receiving catheterization, and readmission rates of less than **4%** for bariatric surgery patients.
- Applying AI in advanced diagnostic imaging for breast cancer and tuberculosis to strengthen prevention and early detection, resulting in the diagnosis of more than **150 breast cancer cases, 80% of which were identified at early stages, significantly improving treatment outcomes**. Achieving a diagnostic accuracy rate of **98%**, with image processing completed in just **one minute**, resulting in treatment cost savings exceeding **AED 30 million**.
- Enabling early detection of mental health disorders, including autism in children and depression in adults. More than **1.2 million** individuals benefited from mental health screening services, and **32,000 children** were screened for autism within a single year.



2.2.3 Enhancing Healthcare Statistics Services

- Implementing the **National Health Survey (NHS)** in collaboration with the World Health Organization, with plans to launch the **National Nutrition Survey (NNS)**.
- Establishing a national healthcare data repository combining **more than 40 dashboards** to support decision-making through **400 health-related KPIs**, in addition to a national disease registry system covering **10 disease registries**.
- Providing government services statistics and forecasts of future demand trends through **comprehensive dashboards that track, analyze, and evaluate service performance**: clinic capacity, vaccinations/immunization, autism, people of determination, zero harm, and venous thromboembolism (VTE) in hospitals.

2.3 Investing in People through Education



Through the budget allocated for **investment in people**, the Federal Government contributes to strengthening **education** as the cornerstone of comprehensive and sustainable development. These efforts stem from an ambitious national vision to build a leading, integrated education ecosystem spanning schools and universities, grounded in the highest standards of quality and innovation, to empower students and educators, develop future skills, and support scientific research. This approach reflects the government's commitment to enhancing the competitiveness of educational outcomes, elevating the standing of educational institutions locally and internationally in line with global university admission standards, and **embedding the concept of lifelong learning across the public and private sectors**. Together, these efforts contribute to building **informed families capable of supporting their children's educational and professional journeys**, ultimately fostering a **cohesive society** and equipping generations to shape a **prosperous and sustainable future**.

In support of these efforts, a budget of **AED 16.89 billion** has been allocated to the sector for 2026, compared to **AED 10.03 billion** in 2025 and **AED 9.74 billion** in 2024.

Federal entities have contributed to achieving the sector's targets through the following pillars:
Improving the Education Environment through:

2.3.1 Optimizing the Education System and Learning Environment

- Enhancing the **quality of the educational environment and fostering innovation** through:
 - Enhancing the readiness of **learning resources, scientific research, and innovation** in schools by equipping **427 schools** with modern learning resources, increasing the update rate to **85%**, and raising the percentage of schools with dedicated research and innovation resources to **40%**.
 - Developing the infrastructure for **scientific experimentation** by establishing and equipping science laboratories in **18 schools**.
- **Introducing and enhancing academic and training programs**, as well as continuous education initiatives, in alignment with global trends.
- Enhancing students' skills and capabilities to prepare them for university specializations and future careers, particularly in the following areas:
 - **Robotics, technology, and AI** (**2,000** students participated in robotics and artificial intelligence competitions)

- **Scientific and economic disciplines** through participation in local and international **Olympiads** in chemistry, physics, mathematics, and economics, with **5,010 students** participating locally and in the International Chemistry Olympiad.

- **Reviewing and enhancing admission criteria in higher education institutions** to improve accessibility and increase acceptance opportunities.
- **Anticipating the future of higher education** by identifying new opportunities for academic and research excellence.
- Steering higher education toward technical and vocational education and training (TVET), in line with labor market requirements within a **lifelong learning framework**.

In its efforts to **support families** in empowering their **children with determination** and enhancing their educational opportunities, the Federal Government provided assistive devices, technologies, and smart learning tools. This contributes to improving their ability to actively participate in the educational process and supports their presence in an inclusive learning environment that meets their educational needs and fosters their academic and social development.

It also contributed to qualifying **healthcare facilities** to become accredited educational centers for medical and health training, aiming to enhance the efficiency of healthcare professionals—particularly Emiratis—and strengthen the sustainability of the healthcare workforce. A total of **76** facilities is expected to be accredited by the end of 2026.



2.3.2 Enhancing Staff Efficiency

- Implementing programs to build the skills of educational and administrative staff in **AI technology**, training a total of 29,000 participants.
- Attracting and equipping talent with necessary skills through the **Pre-Service Teacher Diploma Program**, the Induction Program for New Teachers (**Bidaya**), and the **Teacher Grant** Project.
- Upskilling current teachers through the "**Kafa'at Program**," which enables the adoption of the latest educational practices from advanced countries.

These initiatives led to the **improvement of the professional performance of both current and new teachers by at least 25%**, based on pre- and post-assessment results, and the **adoption of new educational practices in at least 80% of educational institutions**. Additionally, **85% of newly appointed teachers were retained after 12 months**.

The government also **supports** upskilling of government employees and citizens by providing a rich and comprehensive digital learning experience through the **Digital Academy Platform in collaboration with LinkedIn**, which is available for free to the public and offers content that enhances digital readiness in line with the latest technological trends. These efforts resulted in the **Digital Academy receiving the Silver Award for Best Training Platform at the Brandon Hall Awards**. In addition, **AI capabilities** were developed among all Federal Government personnel.





2.3.3 Strengthening the UAE's Position within the International and Regional Education Ecosystem

- Consolidating the global position of educational institutions through:



Enhancing research collaboration and increasing the number of research publications and citations by academic staff (**Research Strategy – R2**).



Establishing and activating **comprehensive strategic partnership** agreements **with international universities** aligned with the specializations of local educational institutions, such as Anwar Gargash Diplomatic Academy's partnership with Johns Hopkins University - School of Advanced International Studies (JHU-SAIS) and Sciences Po.

This enhances the position of educational institutions within international competitiveness and scientific research indicators and improves university rankings in global classifications (QS, THE, etc.).

- Hosting international academic events (the **57th International Chemistry Olympiad 2025**, with the participation of **93 countries** and **300+ talented high-school students**).
- Increasing the number of international students through partnerships with educational consultants to provide guidance and encourage international students to enroll in the UAE's universities, including the Higher Colleges of Technology (Go Global initiative).



2.3.4 Strengthening the Scholarship Ecosystem

- Developing and reengineering the monitoring mechanism for scholarship and international students, streamlining procedures and reducing the required steps and documents by **50%**.
- Implementing automatic recognition of university qualifications for students studying abroad and establishing connections with **more than 15 scholarship entities** within the country, benefiting **341 scholarship students**.
- Sending **100 teachers** on a **12-month** international fellowship to Singapore under the "**EdBridge**" program.
- Sponsoring **270 students** from grades 10 and 11 to six countries (Japan, Russia, China, Malaysia, Singapore, and South Korea) under the supervision of **30 mentors**, with the aim to sharpen their planning, goal-setting, and decision-making skills, and align their abilities with academic and career pathways.

2.4 Investing in People Through the National Economy



Through the budget allocated for **investment in people**, the Federal Government contributes to establishing an attractive and sustainable **economic and investment** environment that empowers families, creates job opportunities, and promotes long-term living stability and growth. This is guided by a national vision focused on attracting high-quality investments, supporting start-ups and medium-sized enterprises, and fostering innovation and entrepreneurship, which in return enhances the competitiveness of the national economy and **supports societal prosperity**.

These efforts have contributed to building a more efficient and flexible labor market that ensures a smooth transition from education to employment, enhances graduate readiness, and boosts human capital productivity. They also support the objectives of the **National Investment Strategy 2031** and reinforce the UAE's position among the **world's top destinations** for foreign direct investment and in investor confidence. This, in turn, has a **positive impact on household income and stability**, laying the foundation for a **prosperous society** and a sustainable economy.

In support of these efforts, a budget of **AED 1.44 billion** has been allocated to the sector for 2026, compared to **AED 2.54 billion** in 2025 and **AED 3.44 billion** in 2024.

Federal initiatives have contributed to achieving the sector's targets through the following pillars:



2.4.1 Investment Environment Enhancement

- Increasing the UAE's attractiveness for foreign direct investment by launching **international promotion campaigns** across **100 countries** and hosting **10 international seminars and events**.
- Strengthening the unified investment identity and streamlining investor journey by **transforming the Invest in UAE** platform into a fully integrated digital hub, and by developing a comprehensive national platform for **investor engagement (iHub 2.0)** that connects foreign investors with small and medium-sized enterprises. In addition, facilitating investment decision-making through an internal platform for **bilateral investment** and **double taxation avoidance agreements**.
- Stimulating sectoral investment, covering:



Health Sector:

Attracting **50 investors** and increasing the number of healthcare facilities by **10%**.



Industrial Sector:

Boosting investment through the **Make it in the Emirates Forum**, with **122,000 visitors**, signing over **187 agreements and memoranda of understanding**, and announcing **4,800 local products** with purchase opportunities valued at **AED 168 billion** in 2025. In addition to promoting Emirati craftsmanship and heritage industries by engaging **216 Emirati artisans** as part of the **Year of Community 2025**.



2.4.2 Innovation and Entrepreneurship Support

- **Promoting innovation and supporting innovative companies** through the **Mohammed Bin Rashid Innovation Fund** across key sectors in line with national directions to support innovation and build a diversified, knowledge-based economy, delivered through several programs:
 - **Guarantee Scheme**, which targets innovative companies with proven revenues and growth, and seeks to accelerate their expansion by facilitating **access to the required financing for their projects at lower cost**, supported by government-backed guarantees.
 - **Innovation Accelerator**, which aims to enhance the growth potential of innovative companies by **providing world-class services** and specialized training programs to develop skills and **create networking opportunities with the public and private sectors**, contributing to growth and paving the way for success for program members.
 - **Innovation Trailblazers**, a national competition designed to empower the next generation of **innovative students** and young entrepreneurs by supporting the **transformation of ideas into products or startups**, in addition to creating opportunities to connect with investors and partners.

The Fund expanded its application outreach to **99 countries**, and the programs of the **Mohammed Bin Rashid Innovation Fund** have supported **more than 190 members** across 10 cohorts, contributing to the creation of **over 1,000 jobs** within the UAE, reinforcing its role as a key driver of innovation-led economic development.

- **Promoting innovation for a digital future and support youth** through initiatives that turn creative ideas into actionable projects, most notably the **UAE Hackathon**, under the theme **"Data for Happiness and Quality of Life."** The hackathon attracted **13,347** participants and engaged **236** strategic partners from both public and private sectors, generating **430** innovative projects over the past seven editions and contributing to digital innovation and the growth of the national economy.
- **Designing and implementing an effective governance and management system for scientific research, innovation, and entrepreneurship**, fostering a supportive environment for faculty members, students, and external partners. These efforts contribute to boosting research productivity, improving the quality of outputs in vital sectors, and advancing the UAE's **sustainable economic development**.



2.4.3 Labor Market Development

- Developing the **labor market information system** to provide an integrated central database of labor market requirements in the UAE, supporting analysis, research, policy development, and decision-making.
- **Promoting partnerships with priority sectors** to prepare students and graduates for the future labor market, equipping them with practical and specialized skills, and fostering entrepreneurship and applied innovation to support economic growth in both public and private sectors. The efforts of federal educational institutions included:
 - Redesigning the **scholarship** program to better align with **labor market needs** and signing **six strategic partnerships** with national employers (Emirates Airlines, Etihad Airways, Emirates Nuclear Energy Company, Ministry of Human Resources & Emiratisation, Emirates Global Aluminium and Dubai Electricity & Water Authority).
 - Delivering proactive graduate employment services by automatically creating and linking job-seeker profiles to opportunities on Nafis platform, which contributed to the employment of **57%** of active job-seeker profiles.
 - Launching a multidisciplinary micro-credentials system based on the analysis of local and global labor market needs and trends, ensuring alignment with evolving labor market requirements.
 - Enabling students and graduates to gain practical experience through applied platforms and initiatives, including:



AI-Powered Career Services Enhancement Program to improve the efficiency of career guidance provided to students. It contributed to an **80%** employment rate for graduates in 2025.



Maharat Platform to develop practical skills and connect the education sector with the labor market. By mid-2025, **79** students had registered, and **8** actual projects were implemented.

- **Establishing a smart digital platform** by 2026 to directly connect healthcare professionals with healthcare facilities and provide a comprehensive reference database of accredited competencies supporting faster employment and mitigating challenges related to workforce sourcing and licensing or renewal delays.
- **Developing the Digital Economy Package (four initiatives)** to facilitate access to jobs and promote the growth of the digital economy sector. The package includes:



Digital Jobs Platform, in collaboration with LinkedIn, to aggregate digital economy job opportunities and match technical skills with vacant positions.



Digital Academy Platform, in collaboration with Jahiz, to develop core and advanced digital skills through future-oriented learning pathways.



Incentive Program for Digital Economy Companies, providing AI-powered tools and benefits to support **over 100,000 startups by 2029**.



Technology Manager Service for Digital Economy Companies designed to enable startups to seamlessly access specialized technical expertise.



2.4.4 Space Sector Development

- Developing highly skilled Emirati workforce in space technology, advancing knowledge, scientific research, and space applications that benefit humanity, and laying the foundation for a knowledge-based, sustainable economy that promotes diversification and innovation through the **Emirates Mars Mission**. Achievements include the publication of more than 100 scientific research papers, over **50** scientific contributions in international conferences, and winning the Team Achievement Award from the International Academy of Astronautics.
- Enhancing the national journey and capabilities in the private space sector in innovation and advanced technological development through **the Emirates Mission to the Asteroid Belt 2028**, which aims at **exploring deep space and unraveling the origins of the solar system**. Key milestones include **the launching of a spacecraft to explore the asteroid belt**, as well as the participation of **over 60** Emirati students from four U.S. universities in a research campaign with NASA, and official **COSPAR** approval for the asteroid protection plan, with launch scheduled in 2028 in collaboration with Japan's **MHI**.



The UAE has also strengthened its international presence in the space sector and its impact on the national economy by expanding strategic partnerships and international cooperation. This includes signing memoranda of understanding and agreements with leading space agencies such as **the European Space Agency (ESA), NASA, JAXA, Roscosmos**, and other regional and international players, in addition to establishing new partnerships with **four international space agencies** and moving toward concluding a partnership with **the African Space Agency**. The Agency also strengthened its international presence through active participation in **Space Economy Leaders Meetings (SELM) of the G20, BRICS** meetings, and relevant **United Nations** engagements. It further supported participation in specialized international forums and events such as **the International Astronautical Congress (IAC), the Space Symposium, and Expo Osaka 2025**, and assumed the chairmanship and organization of the annual meeting of **Artemis Accords** officials, as well as the Space Leaders' Summit held on the sidelines of COP29, among other initiatives. Moreover, the Agency enhanced Arab cooperation in the space sector and activated the role of national partners, contributing to consolidating the state's position on the international space landscape.

The UAE Space Agency achieved significant regulatory milestones, including **licensing the National Space Science and Technology Center (NSSTC)** by issuing the first non-commercial license to support scientific research and space experiments, as well as granting launch permits for **three strategic satellites** for Space42 to enhance national capabilities in space data and operations. **The space object registration ecosystem** was further developed, and **six space objects** were registered in the national registry in compliance with international treaties. The **MBZ satellite** was also registered according to the highest international regulatory standards.



2.5 Investing in People through Environmental Protection

Within the framework of **people investment and in pursuit of national leadership in environmental and climate action**, the Federal Government plays a key role in advancing the transition toward a green economy, reducing carbon emissions, improving waste management, and reinforcing the country's global presence and international cooperation on climate change and natural resource sustainability, including the protection of animal and agricultural resources. This aims to empower **households**, support **community health**, and enhance the quality of life in the UAE.



In support of these efforts, a budget of **AED 111 million** has been allocated to the sector for 2026, compared to **AED 316 million** in 2025 and **AED 227 million** in 2024.

Federal entities have contributed to achieving the sector's targets through the following pillars:



2.5.1 Livestock and Agricultural Wealth Protection

- Implementing new laboratory tests accredited by the **UK Accreditation Body (UKAS)** and adhering to strict **ISO/IEC 17025** international standards.
- Qualifying **13 branch laboratories** affiliated with the national laboratories, ensuring a comprehensive environmental ecosystem dedicated to the protection and safety of animals, agriculture, and food. These measures enhance biosecurity, strengthen epidemic response readiness, and support food security.
- Implementing preventive programs, including vaccinating **80% of livestock** against foot-and-mouth disease and peste des petits ruminants, and controlling disease-carrying insects, such as those responsible for bluetongue and Crimean-Congo hemorrhagic fever. In addition, **100%** of imported camel shipments are screened for camel coronavirus, enabling veterinary authorities to isolate infected cases and prevent disease transmission. The fulfillment rate for operational supply requests for the Epidemiological Surveillance Program reached **100%**, reflecting continuous nationwide readiness.





2.5.2 Green Economy Promotion

- Supporting the UAE's transition toward a **green economy** and **sustainable development** through the **Smart Map of Natural Capital of the UAE**, which established an innovative national approach for assessing and linking ecosystem services to economic and development decisions. Its outputs are integrated into national planning and decision-making, helping achieve a sustainable balance between economic development and environmental conservation.



2.5.3 Carbon Emission Reduction, Waste Management, and Environment Protection

- Developing biological treatment systems for organic waste using insects and establishing **standards for the resulting products** to support the reduction of waste sent to landfills.
- Establishing a national framework for implementing the **Extended Producer Responsibility (EPR)** principle, targeting priority waste streams such as electronic waste, batteries, and packaging materials, and enhancing private sector participation in the waste management ecosystem.
- Developing national automated systems to monitor and measure greenhouse gas emissions and air pollutants (**MRV**), enabling real-time analysis and alerts. This supports the implementation of the National Climate Change Plan and the achievement of climate neutrality, in line with the targets of the **Paris Agreement**.

2.6 Investing in People through Culture and Community Development



In support of these efforts, a budget of **AED 2.03 billion** has been allocated to the sector for 2026, compared to **AED 11.03 billion** in 2025 and **AED 10.78 billion** in 2024.

This sector reflects the government's commitment to developing the **religion, culture and arts, and social affairs sectors**, supporting the preservation of the UAE's national identity and addressing community needs.

Federal entities have contributed to achieving the sector's targets through the following pillars:



2.6.1 Community Protection and Needs Coverage

- Providing financial support to eligible groups under emergency and social support programs to mitigate the impact of inflation. In 2024, **179 beneficiaries** received direct support, with **12,532** targeted in 2025 and 2026, enhancing the ability to meet basic needs, alleviating living burdens arising from economic shifts, and ensuring a more structured and transparent delivery of support with effective program governance.
- Supporting the achievement of national agenda targets to increase marriage rates among Emirati citizens by offering financial assistance to **nearlyweds**, in line with approved grant terms and conditions. This contributes to building cohesive Emirati families and fostering socially and economically stable households.
- Promoting gender balance in public and private sectors through the following:

Recognizing and honoring outstanding efforts through the **Federal Government's Gender Balance and SDG5 Pledge Awards**.

Establishing the **SDG5 Pledge Platform** aimed at advancing gender equality and women's empowerment and leadership in the private sector to **30% by 2028**.



2.6.2 Support and Sustainability of Food Security and Local Product Safety

- Implementing annual programs **to support farmers** by providing agricultural production supplies at half cost, easing financial burdens and enhancing the sustainability of agricultural activities.
- Applying integrated packages to support **palm cultivation, date production**, and related industries, enhancing their contribution to GDP and improving product quality through the **Nakheelna** (Our Palm Trees) initiative, which achieved its main target by reducing red palm weevil infestation to no more than **1.5%**.
- Implementing annual programs **to support fishermen** by providing high-efficiency marine engines, ensuring the sustainability of the fishing profession and the preservation of fishery resources.
- Expanding the National Product Conformity Program by strengthening connections with key national, regional, and international systems, facilitating access to product safety data, increasing transparency and trust, ensuring market safety, and enhancing the global competitiveness of local products. Achievements include:



Attaining **93.27%** product conformity with standards



Reaching **85%** public trust in conformity marks



2.6.3 National Identity, Youth Culture, and Social Engagement

- **Implementing national programs promoting Emirati youth values** through interactive and community-based initiatives, including:

Organizing dialogue sessions with senior citizens to benefit from their experience and transfer knowledge, heritage, and traditional values to younger generations.

Hosting gatherings in Emirati homes and neighborhood councils to reinforce Emirati values and foster social cohesion with residents.

Documenting youth social experiences to encourage values of giving, cooperation, and solidarity.

- Implementing youth cultural programs, including governance of **youth councils**, and awarding the **“Done by Youth”** mark to national social projects fully designed and delivered by youth.
- Organizing seasonal student camps, with participation of over 7,000 students, focusing on self-reliance, time management, and building relationships based on cooperation and mutual respect.
- **Supporting Emirati youth participation at the regional and global levels** through national and international programs and initiatives that build young leadership and enhance interaction with peers across the Arab world, the GCC, and globally, including the Youth Social Missions Program under UAE aid, the UN Youth Delegate Program, the Nation Ambassadors Forum, and the Global Initiative for Emirati Youth.
- Conducting training programs and courses in various fields to raise awareness, knowledge, and skills among **national service recruits**.
- **Promoting the Arabic language** through expanded competitive reading programs engaging **813,000 students** from **1,000 schools**, honoring **90 winners**, enabling **500,000 students** to read **50 books**, and qualifying **71 students** in creative writing.



2.6.4 Physical Health, Community Sports, and Talent Development

- Developing a school sports system targeting **200 students** across **11 sports**, aimed at nurturing athletic talent and connecting students with local clubs and federations.
- Empowering community sports coaches by training **60 coaches** to support events and promote sports as a lifestyle.
- Developing the Summer Camp Program for sports activities.



2.6.5 Tolerance and Coexistence Values

- Implementing the annual Tolerance Festival, launched in 2018, involving over **67 entities** and hosting an average of **30 cultural events annually**, in addition to holding **intellectual forums** to promote tolerance.
- Promoting tolerance and coexistence globally by fostering collaboration among individuals, organizations, and research centers, with participation of over **22 members**, supporting the launch and implementation of impactful initiatives to advance tolerance and peace within and outside the UAE.
- Establishing over **35 tolerance clubs** in universities and engaging more than **50 schools in activities**, delivering approximately **200 student and community events annually** to promote tolerance locally and globally.
- Launching the world’s first standard for tolerance and coexistence through a system for assessing and classifying institutions of all types, according to tolerance principles and behaviors.



2.6.6 Religious Awareness and Smart Services & Platforms

- Developing smart digital systems and tools to support religious awareness, including monitoring and analyzing religious content and societal trends, and evaluating the performance of speakers using AI technologies.
- Developing **the digital religious library** to include safe and authentic books and references that promote values of moderation and tolerance across all religious domains, alongside a **smart platform for Quran learning** that connects learners with teachers in a secure digital environment.
- Organizing a series of lectures, workshops, and publications across all digital channels to raise religious and cultural awareness among younger generations through the Geelna Waey Project (Aware Youth Project).



2.6.7 Mosque & Endowment Development and Social Impact

- Enhancing the visual identity and aesthetic unity of mosques nationwide, reflecting UAE’s civilized image through the **Mosque Lighting Project**, using innovative, energy-efficient lighting systems to improve the worshipper experience and elevate the urban landscape.
- Developing innovative approaches to invest in and expand endowments, applying FinTech solutions to ensure transparency for stakeholders and channeling endowment funds to support educational, health, and social projects.



2.7 Investing in People through Public Safety

Within the framework of people investment and the promotion of public safety for families, the Federal Government contributes to strengthening the rule of law, protecting rights, and promoting social security and stability, through the development of justice and security systems and the use of smart technologies to expedite judicial procedures, reduce crime, enhance market safety, and increase confidence in traded products. These efforts positively impact **the quality of life of Emirati families**, strengthen public trust in the justice system, and support a stable economic and social environment.



In support of these efforts, a budget of **AED 16.39 billion** has been allocated to the sector for 2026, compared to **AED 16.31 billion** in 2025 and **AED 16.61 billion** in 2024.

This sector underscores the government's commitment to strengthening **defense, public order, and public safety**, and aims to promote investment in people and safeguarding families.

Federal entities have contributed to achieving the sector's targets through the following pillars:



2.7.1 Digital Ecosystems for Security, Justice, and Rights Protection

- Developing remote litigation systems (smart courts) to enhance judicial efficiency and improve the quality of rulings.
- Developing advanced e-systems to monitor law firms, ensuring rapid response in decision-making and measures to prevent and deter criminal and economic offenses.
- Establishing an integrated e-system to manage human trafficking cases, including monitoring and follow-up on cases, coordinating national efforts, providing care and rehabilitation services, and supporting reintegration into society.
- Enhancing the effectiveness of anti-money laundering, counter-terrorism financing, and arms proliferation ecosystems, improving compliance with international standards, protecting the financial system, and raising the UAE's ranking in relevant international reports and assessments.
- Activating AI-powered Security Operations Centers (SOCs), enabling real-time threat monitoring, cyberattack analysis, and accelerated response to security incidents.

2.8 Investing in People through Facilities and Infrastructure

Within the framework of people investment and efforts to promote family stability, the Federal Government enhances the efficiency of the federal road network, contributing to smoother traffic flow, higher road safety standards, and a reduction in accidents, with positive effects on individual mobility and the overall quality of daily life. These efforts are complemented by the establishment of government buildings to provide safe and productive work environments for employees. The Federal Government also aims to provide secure housing for **Emirati families** by alleviating the financial burdens on low-income households, particularly those facing special social circumstances, such as the loss of a breadwinner or a decline in income. This enables Emirati families to achieve a dignified and stable standard of living, while safeguarding a **prosperous and sustainable future for society**.



In support of these efforts, a budget of **AED 19.07 billion** was allocated for facilities, infrastructure, and financial investments in 2026, compared to **AED 3.19 billion** in 2025 and **AED 2.67 billion** in 2024.

This reflects the government's commitment to supporting the continued growth and efficiency of infrastructure, providing the necessary financial flexibility to fund newly introduced programs, and strengthening the government's financial position.

Federal entities have contributed to achieving the sector's targets through the following initiatives:



2.8.1 Federal Building Development and Operational Efficiency

- Implementing annual projects to construct federal buildings and enhance operational efficiency to meet the needs of beneficiary entities, achieving **83%** completion of the masterplan in 2024 and setting a target of **91%** by the end of 2025.
- Carrying out maintenance and upgrades for federal buildings to reduce future maintenance costs and extend the service life of government assets.



2.8.2 Federal Road Network Development

- Implementing projects to construct and upgrade federal roads, including lane expansions and additional intersections, achieving **90%** completion in 2024 and setting a target of **94%** by the end of 2025.
- Achieving **100% remediation of all black points** on federal roads.



2.8.3 Dam Development and Management & Water Security Enhancement

- Conducting regular dam maintenance to increase water storage efficiency by over **20% annually**.
- Enhancing groundwater recharge by maintaining the storage capacity of reservoirs, achieving an annual recharge rate of **15-20%**.
- Extending the service life of dams by more than **25%**.



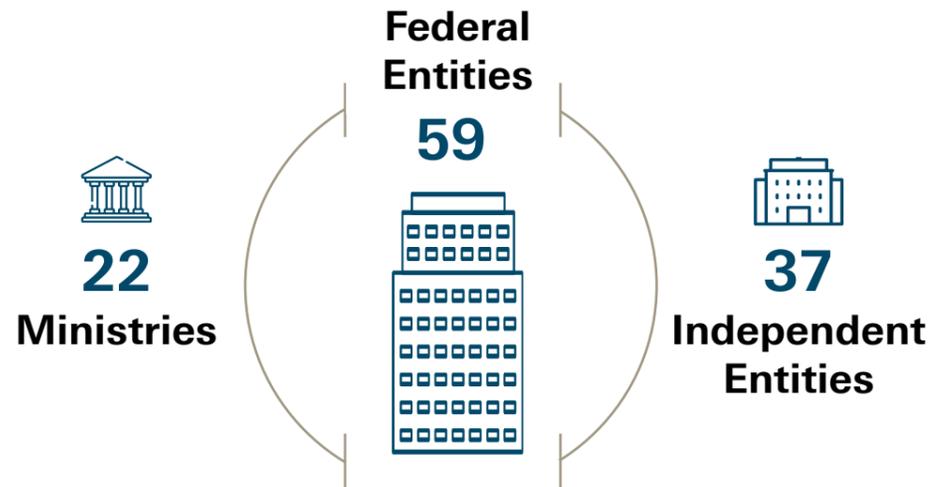
2.8.4 Housing and Family Stability

- Implementing housing finance mechanisms in partnership with banks and financial institutions, resulting in the issuance of **1,830 housing finance decisions** under the Sheikh Zayed Housing Program.
- Sustaining the homeownership rate among Emirati citizens at **92%**, despite the significant increase in demand.
- Providing housing loan assistance to **156** citizens during 2024-2025.



03 UAE Federal Budget Overview

3.1 UAE Federal Budget Overview

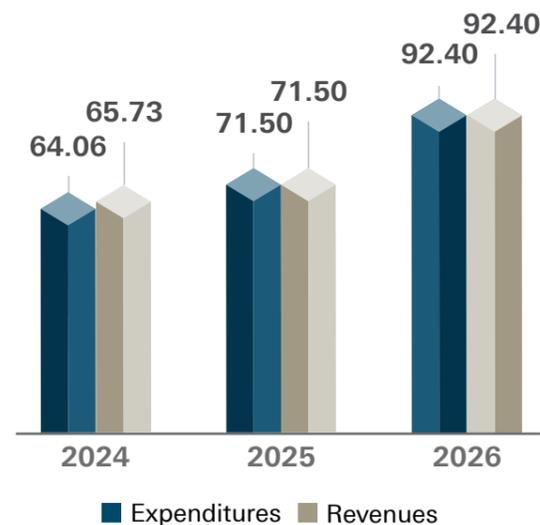


The UAE federal budget represents an advanced model of public finance management, **achieving its** second consecutive year of **fiscal balance**. This balance between **revenue and expenditure** demonstrates the resilience of the UAE economy and its ability to maintain financial sustainability.

Data from 2024 to 2026 indicates a significant improvement in financial performance, with full fiscal balance achieved in both 2025 and 2026. This highlights the success of the Federal Government in rationalizing expenditure, growing revenues, and strengthening financial sustainability.

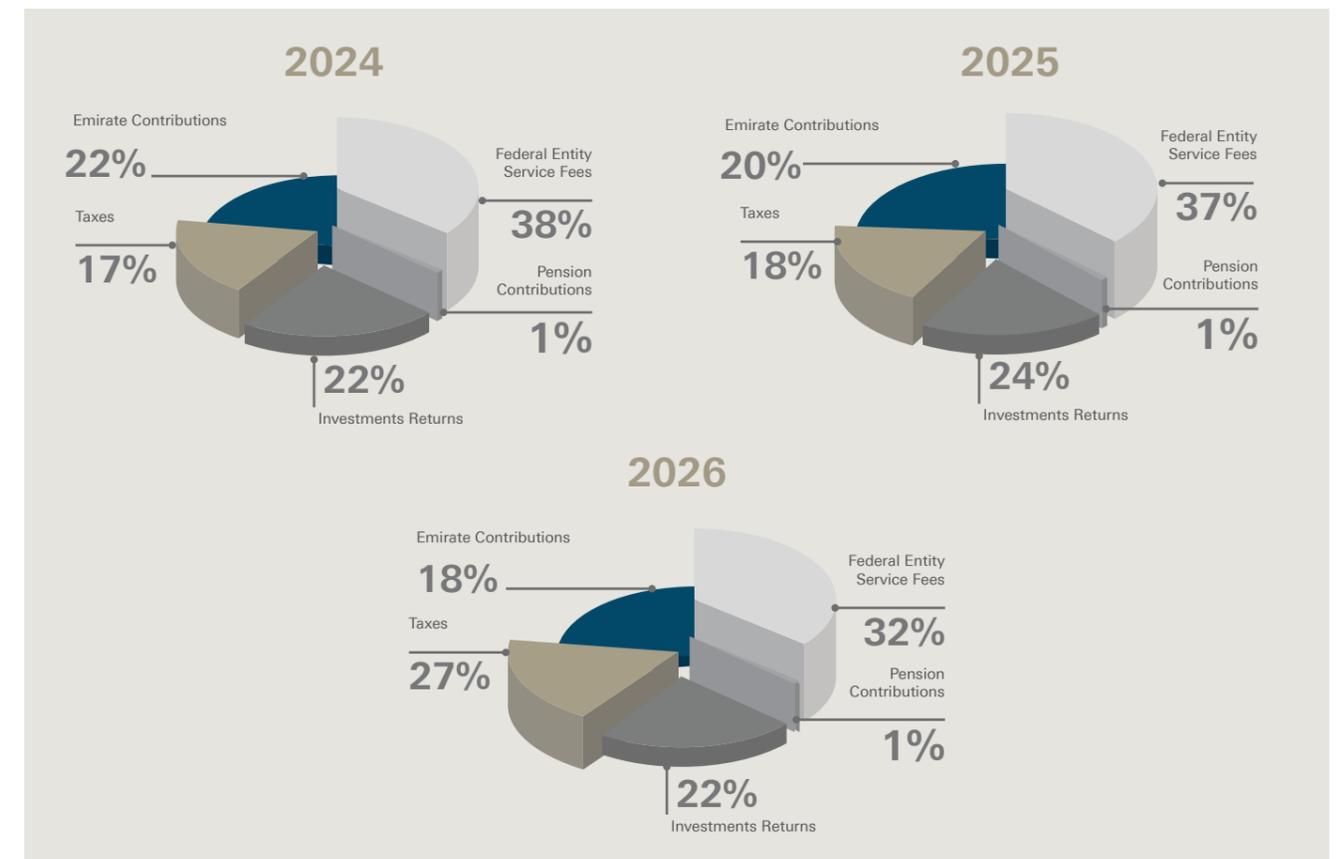
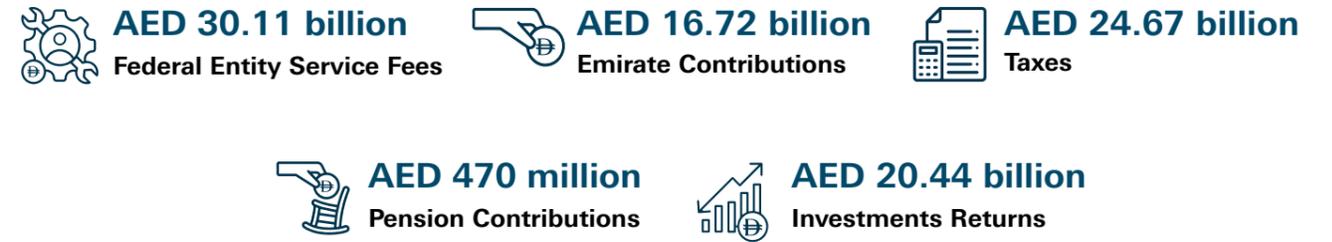
This balanced financial performance not only reflects the strength of fiscal policies but also reinforces the government's ability to allocate resources to sectors that directly impact the **core of society**, such as education, health, environment, social affairs, energy, and infrastructure. These efforts contribute to enhancing the UAE's readiness to continue **investing in a sustainable future for Emirati families and residents, ultimately supporting the development of a cohesive and prosperous society.**

UAE Federal Budget - in AED Bn



3.2 Federal Government Revenues

Estimated revenue sources for the Federal Government in the 2026 fiscal year are categorized into: federal entity service fees, investment returns, contributions from Emirates, taxes, and pension contributions.

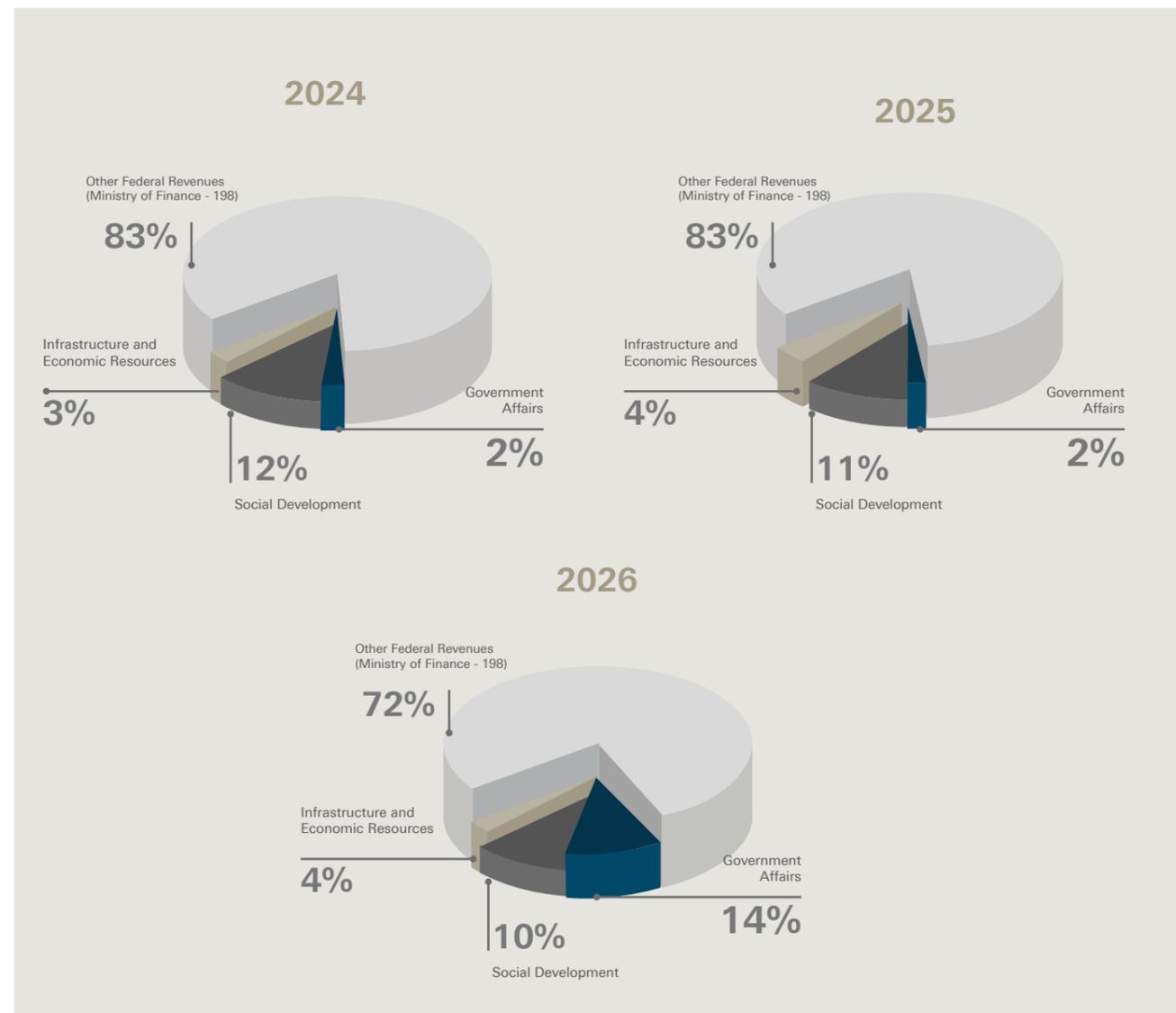


Federal entity service fees represent the largest share of total Federal Government revenues for the 2026 fiscal year, amounting to AED 30.11 billion, up from AED 26.29 billion in 2025 and AED 24.83 billion in 2024. These revenues constitute the self-generated revenues of federal entities. Taxes are the second largest projected revenue sources for the 2026 fiscal year, totaling AED 24.67 billion, followed by investment returns amounting to AED 20.44 billion. Emirates contributions, represented by Abu Dhabi, Dubai, and the Presidential Court, amount to approximately AED 16.72 billion, up from AED 14.61 billion in the 2025 fiscal year. Pension contributions remain stable at AED 470 million for the 2026 fiscal year.

As part of strengthening the principles of **financial transparency and economic sustainability**, the **UAE Federal Government** is developing a revenue estimation plan that ensures balance across various sectors and entities. This approach aims to:

- Enhance the efficiency of financial resource management by ensuring an **effective allocation of revenues** across sectors, which supports sustainable economic growth.
- Achieve **balanced and holistic development** that strengthens the performance of vital sectors such as **health, education, and infrastructure**.
- Mitigate **economic and financial risks** by diversifying revenue sources and reducing reliance on a single source, which contributes to the strengthening of national economic stability.

Estimated revenues of the Federal Government for the 2026 fiscal year reflect notable growth across multiple sectors, with particularly strong performance in the government affairs sector, which recorded a significant increase in revenues. In addition, the infrastructure and economic resources sector, along with the social development sector, contributed to the growth in total revenues, supported by the efforts of independent entities and key ministries. Presented below is an overview of revenue distribution by sector across federal entities, structured around four key sectors:



Infrastructure and Economic Resources Sector

Estimated revenues for the infrastructure and economic resources sector amounted to **AED 2.88 billion** in the **2025** fiscal year, representing 4% of total Federal Government revenues. Meanwhile, estimated revenues for the **2026** fiscal year increased significantly to **AED 3.19 billion**, primarily driven by **federal entity service** fees. Independent entities recorded a notable increase in estimated revenues for the 2026 fiscal year, led by the Telecommunications and Digital Government Regulatory Authority, with estimated revenues of AED 1.11 billion, followed by the Federal Authority for Nuclear Regulation, which reported revenues of AED 318 million. The Ministry of Economy and Tourism estimated its revenues at AED 920 million, followed by the Ministry of Energy and Infrastructure, with revenues totaling AED 671 million.

This growth contributes to strengthening the infrastructure and economic resources sector through the following areas:



Promoting economic growth and investment

by enhancing UAE's competitiveness, attracting additional foreign investment, and supporting startups and SMEs, which in return contributes to economic diversification and job creation.



Strengthening strategic infrastructure

through financing initiatives and vital sectors that support the delivery of major projects such as Etihad Rail, alongside the development of road networks, airports, and ports. These investments also strengthen electricity and water infrastructure, supporting higher productivity and competitiveness.



Enabling the future through digital infrastructure development

by supporting digital transformation efforts and building an advanced digital ecosystem that enhances the efficiency of government services and streamlines procedures for citizens and residents, in line with future requirements.

Social Development Sector

The social development sector recorded steady growth in estimated revenues over recent years. Estimates amount to AED 7.72 billion in the 2024 fiscal year, increasing by 4% to reach AED 8.03 billion in 2025. Revenue estimates for the sector continued to rise, reaching AED 9.54 billion in the 2026 fiscal year, accounting for 10% of total Federal Government revenues. Estimated revenues are driven primarily by federal entity service fees. The Ministry of Human Resources and Emiratisation contributed the largest share of the estimated revenues, amounting to AED 8.07 billion (from work permit fees and fines), followed by the Ministry of Health and Prevention amounting to AED 150 million (from fees and licensing

of medical establishments, as well as attestation fees). Meanwhile, independent entities contributed to the estimated revenues, led by Emirates Health Services, which generated AED 647 million. This was followed by the UAE Drug Corporation, which introduced its services to support the future of the healthcare sector and strengthen pharmaceutical regulation to ensure the delivery of services to citizens and residents with the highest levels of efficiency; its revenues amounted to AED 315 million, primarily from treatment fees and licensing fees for healthcare facilities. United Arab Emirates University also recorded estimated revenues of AED 100 million.

The **19%** increase in Social Development Sector revenues in 2026 is driven by each of the following areas:



Empowering families and strengthening social cohesion:

by supporting social and housing programs and empowering women, Emirati families, and residents, in a manner that enhances economic and social stability and contributes to building a cohesive and sustainable society.



Enhancing education and building national capacities:

by advancing the education system through targeted investment in educational infrastructure and modern technologies, enhancing education quality, and developing national talent to support future development.



Enhancing quality of life through health sector development:

by supporting health services and expanding investments in hospitals and advanced medical technologies, ensuring the provision of holistic healthcare that improves community health and stability.



Upgrading the quality of social services:

by improving service delivery mechanisms and developing innovative digital platforms that facilitate access to social services and enhance beneficiary satisfaction.

3.2.2.3 Government Affairs Sector:

Total estimated revenues for the government affairs sector amounted to **AED 1.66 billion** in the **2025** fiscal year, representing 2% of total Federal Government revenues. Meanwhile, estimated revenues for the **2026** fiscal year increased by more than AED 11.38 billion, reaching **AED 13.04 billion**, representing 14% of total revenues, primarily driven by **federal entities' service fees**. The Federal Authority for Identity, Citizenship, Customs, and Port Security accounts for approximately 84% of total estimated revenues within the government affairs sector and contributed to the substantial increase between the two years, following the separation of its budget from other federal revenue sectors. On the other hand, the

Ministry of Foreign Affairs contributed an estimated AED 1.33 billion in revenues, generated from attestation fees, certificates of origin, visa applications, and other related revenues. This was followed by the Ministry of Justice, with revenues amounting to AED 325 million, derived from judicial fees, fines, attestation fees, and bank interest.

This increase in revenues contributes to **enhancing the efficiency of government services** and improving the performance effectiveness of federal entities by **eliminating bureaucracy and streamlining administrative procedures** across the Federal Government. It also improves operational efficiency and expenditure. (*Appendix – Table 3.2.2.3*)

3.2.2.4 Other Federal Revenues:

This sector represents the largest share of Federal Government revenues. Revenues recorded under the Budget Law amounted to **AED 58.90 billion** in the **2025** fiscal year, and estimated revenues increased in the **2026** fiscal year to **AED 66.60 billion**, representing 72% of total revenues. In 2026, estimated **tax** revenues accounted for the largest share of this sector, amounting to **AED 24.67 billion**, up from AED 12.64 billion in 2025. This increase is primarily attributable to the introduction of the Corporate and Business Tax, with estimated revenues of AED 11.40 billion. Contributions from Abu Dhabi and Dubai are estimated at **AED 16.73 billion**. **Federal service fees** contributed AED 4.32 billion within this sector, represented by the estimated revenues from interest income and returns on bonds and sukuk. Meanwhile, estimated **investment income** revenues in 2026 reached AED 20.44 billion, comprising concession rights revenues and profits from Emirates Telecommunications Group

company (e&), the Central Bank, the Emirates Integrated Telecommunications Company - du, as well as returns on government investments in companies in which the Ministry of Finance holds equity stakes. (*Appendix – Table 3.2.3.4*)

This sector represents the **largest share** of Federal Government revenues and serves as a key pillar in supporting **financial stability and achieving fiscal sustainability**. It does so by providing the Federal Government with adequate fiscal space and the capacity to finance major initiatives and strategic projects that **empower society**, while reducing reliance on alternative financing methods such as public debt. Sustained revenue growth will strengthen the Federal Government's capacity to contribute to the achievement of the UAE's ambitious economic and social vision, which focuses on comprehensive development and economic prosperity in line with the **UAE Centennial 2071**.

3.3 Federal Government Expenditures

As part of the Federal Government's commitment to enhancing transparency and improving the efficiency of financial planning, federal expenses are grouped into four main categories in line with international **economic classifications**. This approach contributes to the organization of expenditure items and supports sound financial planning, while also improving resource allocation and expenditure prioritization, whether related to operating expenses, employee compensation, or capital projects. This classification serves as a key tool for monitoring financial performance, assessing trends across fiscal years, and ensuring that expenditures align with development objectives, which in result enhances the optimal use of government resources. Accordingly:



Employee Compensation

accounted for 34% of the total budget, estimated at AED 31.66 billion in 2026, compared to AED 25.50 billion in 2025 and AED 24.88 billion in 2024.



Commodity and Service Supplies & Subsidies

accounted for 28% of the total budget, estimated at AED 25.68 billion in 2026, compared to AED 22.89 billion in 2025 and AED 21.91 billion in 2024.



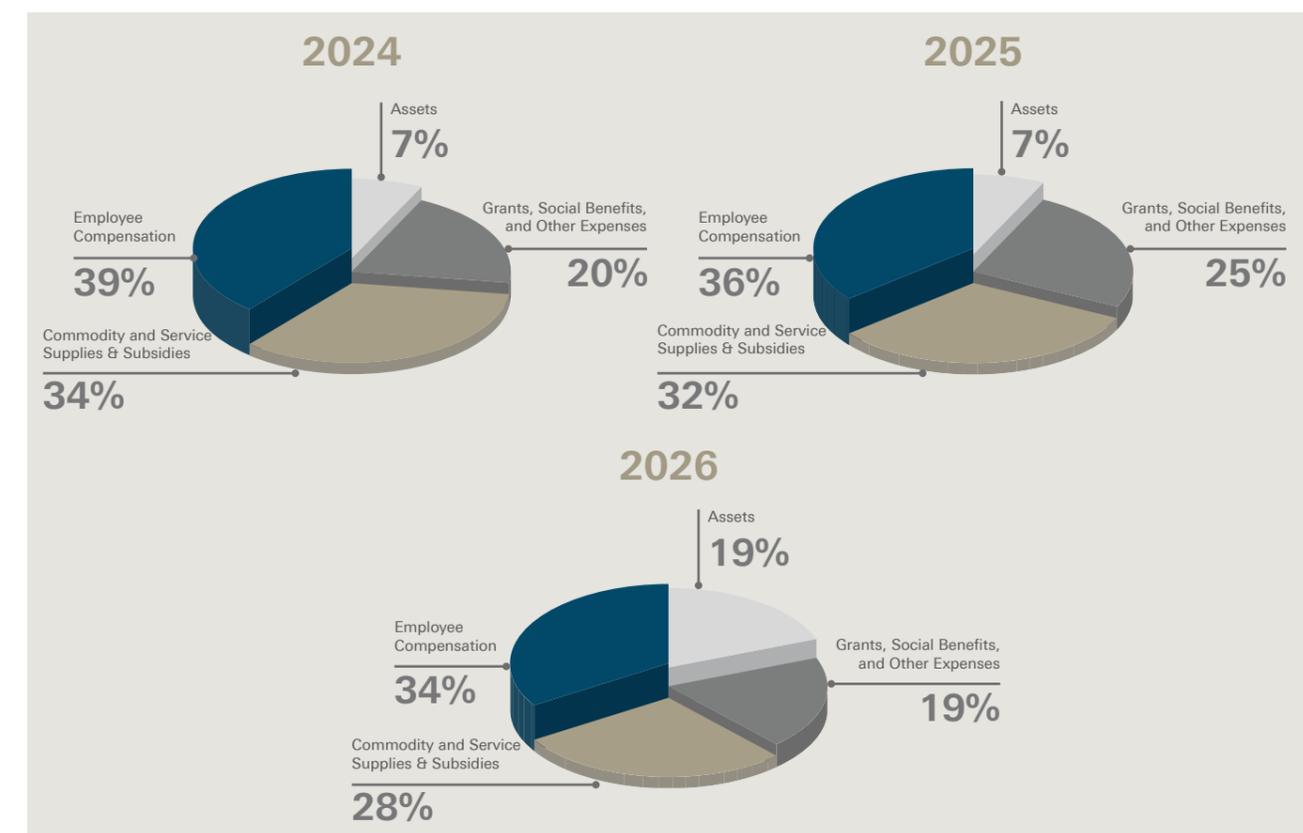
Grants, Social Benefits, and Other Expenditures

accounted for 19% of the total budget, estimated at AED 17.16 billion in 2026, compared to AED 18.04 billion in 2025 and AED 12.66 billion in 2024.



Assets

accounted for 7% of the total budget, estimated at AED 17.90 billion in 2026, compared to AED 5.07 billion in 2025 and AED 4.60 billion in 2024.



The UAE Federal Government is committed to directing public expenditure in a manner that reflects socio-economic development priorities and supports sustainable growth. This is achieved by allocating resources according to approved **sectoral priorities** and in alignment with the mandates of federal entities, which include **22 ministries and 37 independent entities**. This allocation aims to enhance the efficiency of public finance management, strike a balance between infrastructure needs, social services, and economic sectors, and support financial investment programs. **It reflects the government's commitment to transparency and performance efficiency, ensuring that resources are directed toward activities that empower individuals and communities and improve quality of life.**



Infrastructure and Economic Resources Sector

Represents **2.8%** of total public expenditures amounting to **AED 2.63 billion** in 2026

The Ministry of Energy and Infrastructure recorded expenditures of AED 1.19 billion, followed by the Ministry of Climate Change and Environment, with expenditures of AED 289 million. Among independent entities, the Federal Authority for Nuclear Regulation recorded expenditures of AED 318 million, followed by the Securities and Commodities Authority, with expenditures of AED 187 million. This distribution highlights the concentration of expenditures in entities directly linked to economic resources and infrastructure.

The Ministry of Education recorded expenditures of AED 11.84 billion, followed by the Ministry of Community Development, with expenditures of AED 2.97 billion. Among independent entities, the Emirates Health Services registered expenditures of AED 5.00 billion, followed by the United Arab Emirates University, with expenditures of AED 1.87 billion. This distribution highlights the concentration of federal expenses in the education, health, and social sectors.



Social Development and Pensions Sector

Represents **37.5%** of total public expenditures amounting to **AED 34.63 billion** in 2026



Government Affairs Sector

Represents **29.3%** of total public expenditures amounting to **AED 27.10 billion** in 2026

The Ministry of Interior recorded expenditures of AED 7.29 billion, followed by the Ministry of Defense, with expenditures of AED 6.49 billion. Among independent entities, the Federal Authority for Identity, Citizenship, Customs, and Port Security registered expenditures of AED 4.94 billion, followed by the State Security Apparatus, with expenditures of AED 1.33 billion. This distribution highlights that the largest share of expenditures is concentrated in entities directly responsible for government operations, security, and administrative services.

The Ministry of Finance manages this sector by allocating federal expenses to ensure the financing of operational and financial obligations, as well as supporting federal entities and national initiatives. Expenditures cover public debt servicing, international obligations, operating expenses, and reserves earmarked for federal programs. This highlights the Ministry's pivotal role in ensuring the continuity of government activities and fulfilling federal commitments, which in return enhances spending efficiency and sustains government operations to serve the community and secures a prosperous future. *(Appendix – Table 3.3.2.4)*



Other Federal Expenses Sector

Represents **13.7%** of total public expenditures amounting to **AED 12.67 billion** in 2026



Financial Investments Sector

Represents **16.7%** of total public expenditures amounting to **AED 15.38 billion** in 2026

This sector comprises a portfolio of long-term investments in national projects. Following the Federal Financial Support Program, the main components of this sector in 2026 include investments directed toward the Etihad Rail project and various national entities. This growth underscores the critical role of financial investments in supporting fiscal stability and financing federal projects with strategic impact.



04 National Economy Overview

The UAE has successfully strengthened the resilience of its economy and its capacity to withstand global shocks, supported by robust federal policies that have advanced economic diversification and significantly increased non-oil revenues. Government investments, legislative advancements, and expanded trade partnerships have further cemented the country's position as a global economic hub, enabling sustainable growth in line with the objectives of the 'We the UAE 2031' vision.



GDP:

The growth rate reached approximately **3.8% in 2024** and it is expected to rise to **4.1% in 2025**, driven by the expansion of non-oil activities, which accounted for more than **78% of GDP**.



Inflation rate:

Inflation remained low at **2.1%** in 2024 due to accommodative monetary policies and stable energy and commodity prices.

Key Economic Sectors Driving Growth



Transportation and Storage

- Emerged as one of the fastest-growing sectors, driven by the expansion of e-commerce and the high performance of port and airport logistics services.



Financial Services and Insurance

- Continued to expand, supported by increased banking activity, the development of capital markets, and the adoption of green financing.



Building and Construction

- Maintained growth via major infrastructure, housing, and free zone projects.



Tourism and Hospitality

- Sustained momentum, with international visitors surpassing **29 million in 2024**, supported by major events and federal promotional initiatives such as **"The Most Beautiful Winter in the World"** campaign.

Business Environment and Government Incentives for Economic Development



Full foreign ownership



Long-term residency (Golden and Green visa)



Digitalization of business setup



Support for SMEs, innovation funds, and entrepreneurship



Fee exemptions and deferrals for strategic sectors



Comprehensive economic partnership agreements (CEPA)



Logistical and trade integration through strategic projects (e.g., Jebel Ali Port, airports, and the Etihad Rail project)

These initiatives have increased the UAE's rankings in global competitiveness and ease of doing business indices, positioning it as one of the world's **top destinations** for innovative and startup companies.

Drivers of Future Growth

- **Advanced technology, AI, and renewable energy** are leading medium-term growth, supported by national strategies (e.g. National AI Strategy 2031 and UAE Net Zero by 2050 Strategic Initiative).
- **Pharmaceuticals, biotechnology, sports, and entertainment** represent promising areas for sustainable economic diversification, enhancing the UAE's capacity for knowledge- and innovation-based growth.

This diversification of the production base reflects the UAE economy's transition to sectoral plurality and innovation, where economic growth relies on multiple drivers, including industry, services, trade, tourism, and clean energy, thus consolidating the UAE's position as one of the most diversified, sustainable, and competitive economies in the region and globally.

05 Financial Sustainability Overview

The financial sustainability ecosystem in the UAE represents an integrated model, built collaboratively by various federal entities to ensure the efficient management of public resources and promote economic growth. This secures a solid and durable financial foundation, and is achieved through:



Diversifying revenue sources and enhancing collection efficiency, including:



Implementing corporate and business taxation to strengthen the sustainability of the national economy and diversify sources of income.



Introducing deferred payment channels "Buy Now, Pay Later" to enable users to settle federal service fees and fines through instalment-based payments.



Implementing a revenue collection policy through commercial banks to improve collection efficiency and user experience.



Managing federal fines and outsourcing collection to third-party providers, as a strategic measure to enhance the generation of public revenue.



Public Debt Management

The UAE government reaffirms its steadfast commitment to financial sustainability by maintaining balanced budgets without the need to issue debt to finance deficits. Therefore, in line with its strategic vision, the Federal Government is developing domestic debt markets, in accordance with international best practices, to strengthen financial stability and expand the investor base.

The visionary leadership has undertaken strategic measures, including:

- **Developing AED-denominated T-Bonds and T-Sukuk programs** to establish a robust local yield curve, providing a risk-free benchmark to support domestic financing activities across both the banking and private sectors.
- **Strengthening the USD-denominated international bond program** to reinforce the country's position as a leading regional and global financial hub, capable of attracting international investors.
- **Launching the Retail Sukuk Initiative** as the first-of-its-kind experience, enabling individual investors to directly participate in fractional sovereign sukuk, thus enhancing financial inclusion and expanding the base of participants in sovereign debt instruments.

The UAE continues to demonstrate its leadership in financial innovation through its readiness to issue:

- **Digital bonds** that contribute to deepening capital markets, improving issuance efficiency, and integrating fintech into sovereign debt management.
- **Green debt instruments** designed to finance eligible environmental and social projects within the ESG framework and in alignment with strategic sustainability objectives.



Public-Private Partnership

The Federal Government, represented by MoF, **developed an integrated PPP** framework by establishing clear and transparent regulations that ensure clarity of roles and responsibilities and strengthen the legal environment supporting joint projects. This approach aims to **rationalize public expenditures** and attract **private investments** to federal projects of strategic impact through the following targets:

- Enhancing financial sustainability by reducing the financial burden on the Federal Government budget and ensuring long-term financial resource sustainability
- Achieving the highest Value for Money by implementing high-yield projects vs. traditional public sector projects
- Ensuring operational efficiency by enhancing service delivery effectiveness, improving output quality, and accelerating implementation to strengthen overall performance and achieve tangible results for beneficiaries
- Supporting national economy and local content by empowering national companies, contributing to local economic development, and achieving sustainable impact through job creation and economic and social gain development.

The ecosystem achieved **gradual and systematic progress** in recent years to establish effective governance mechanisms that enhance coordination among parties and ensure decision-making efficiency, across several key phases:

2023

Issuance of PPP Law (Federal Law 12 of 2023), which established the fundamental legislative framework for federal entities to regulate contractual relationships and ensure transparency and sustainability in implementing PPP projects

2024

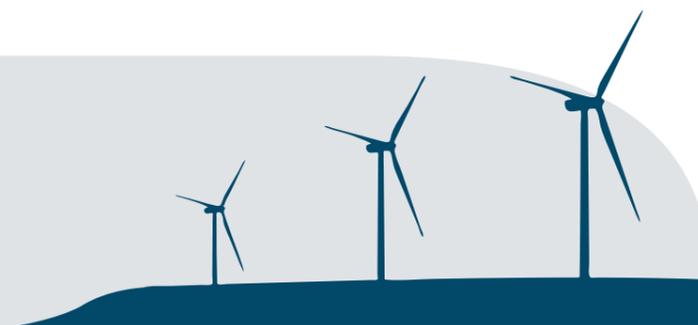
Development of PPP Manual, which serves as a procedural reference for standardizing practices and defining the required documents, from the planning phase through implementation to monitoring and evaluation.

2025

Establishment of PPP Department within MoF to activate the institutional framework and monitor PPP project implementation by applying effective governance and oversight mechanisms, building federal entity capabilities, and supervising the application of best practices, thereby enhancing public resource efficiency and improving UAE appeal to private investments in Federal Government projects.

Achievements of the Federal Government across vital and developmental sectors under the Public–Private Partnership (PPP) framework:

Renewable energy sector enablement



Federal building upgrade (rehabilitation and efficiency improvement):

A PPP was concluded to rehabilitate, install, test, and operate systems to reduce energy and water consumption in government buildings, by rehabilitating the most resource-intensive buildings to:

- reduce consumption by at least **27%**
- and reduce OPEX by **20%**.

The project enhanced government building sustainability and supported UAE energy, water security, and climate neutrality targets. It also promoted the adoption of advanced technologies and reinforced PPP role in achieving energy efficiency.

Education sector enablement



Student Housing Project

(currently in the detailed feasibility study phase):

A PPP was concluded using **DBFOMT model** for student housing to provide modern and integrated residences that enhance student experience by improving housing management quality and student services and providing advanced residential facilities with international specifications, thus elevating student wellbeing and quality of life and enhancing university appeal and capacity.



Health sector enablement

Quantitative VFM
AED 380 Mn

via projects that increase direct social impact by enhancing healthcare services, thus improving individual and community wellbeing. This includes raising medical service quality and accessibility, reducing waiting periods, and upgrading and expanding healthcare facilities. Additionally, these initiatives strengthen the operational capacity of healthcare facilities, provide safer and more effective treatment centers, and support long-term community health by building a sustainable healthcare system that meets current and future population needs.



Map of UAE illustrating service distribution across Dubai, Sharjah, Ajman, Ras Al Khaimah, Umm Al Quwain, and Fujairah

Abu Dhabi, Dubai, Sharjah, Ajman, Umm Al Quwain, Ras Al Khaimah, Fujairah



Project: Lab service rehabilitation and operationalization

A PPP was concluded using ROT model with PureLab to raise EHS lab service quality and efficiency. The project achieved tangible financial savings and improved medical diagnostic capabilities.

Private investments



AED 177 Mn

Benefits

- Reduced service OPEX.
- Improved service quality.
- Reduced service delivery TAT.
- Support in obtaining international accreditations.

Sharjah , Ajman, Umm Al Quwain, Ras Al Khaimah, Fujairah



Project: Dialysis unit rehabilitation and operationalization

A PPP was concluded using ROT model with GDTS to improve EHS dialysis service quality and efficiency. The project achieved tangible financial savings and enhanced clinical service quality.

Private investments

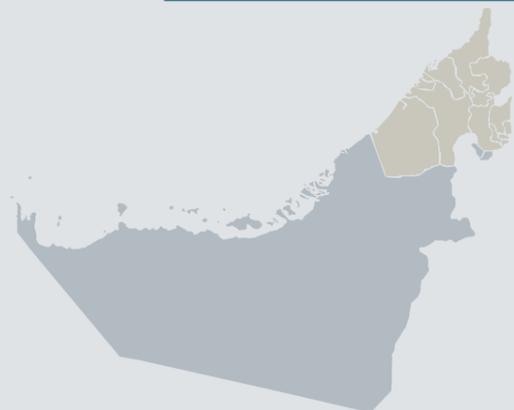


AED 26.5 Mn

Benefits

- Reduced service OPEX.
- Improved dialysis patient conditions.
- Support in obtaining international accreditations.

Dubai, Sharjah , Ajman, Umm Al Quwain, Ras Al Khaimah, Fujairah



Project: Radiology service rehabilitation and operationalization

A PPP was concluded using ROT model with Unison to elevate EHS medical imaging service quality and efficiency. The project achieved tangible financial savings and improved diagnostic capabilities.

Private investments



AED 120 Mn

Benefits

- Reduced service OPEX.
- Improved service quality.
- Reduced service delivery TAT.
- Support in obtaining international accreditations.

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