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الشرق الأوسط وشمال أفريقيا

# ESCO Market in the UAE: *Challenges and Opportunities*

Global ESCO Network Webinar  
31 May 2022

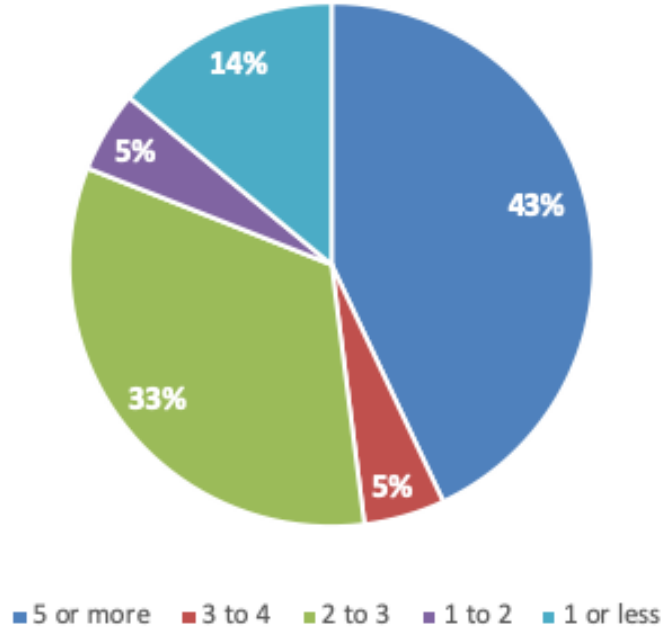
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# About Us: a regional non-profit organisation in clean energy



← **Geographical focus: MENA Region** →

# 2021 ESCO Survey

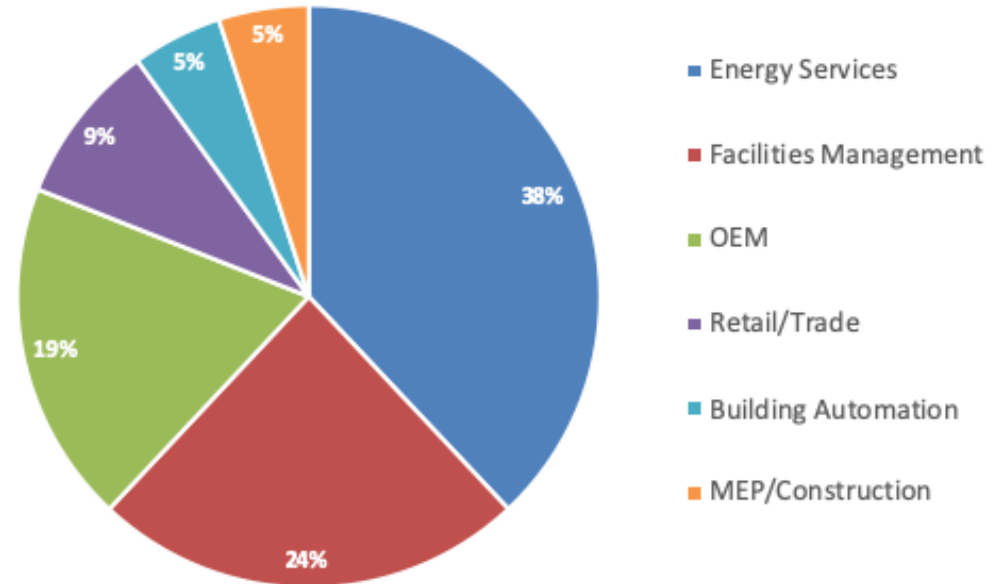


## How old are ESCOs?

- 57% are less than 5 years old
- 43% operate for more than 5 years

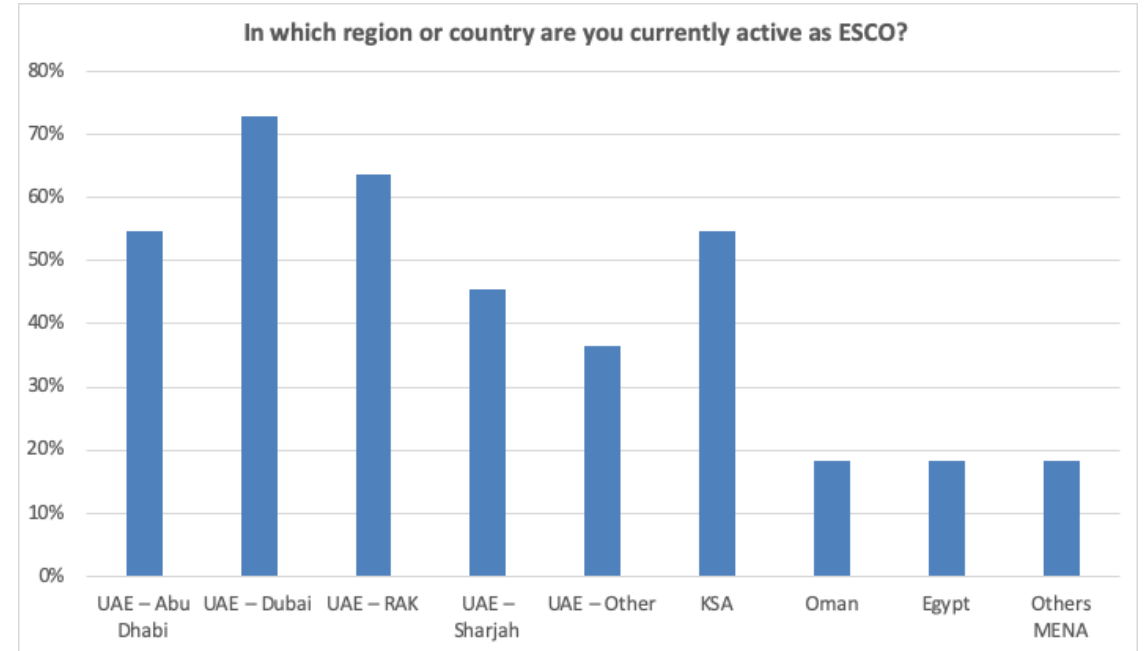
## What is the primary business of UAE ESCOs?

- 38% of the companies are pure ESCOs
- 25% come from the Facility Management business
- 19% are Product Manufacturers
- 9% are Products Retailers

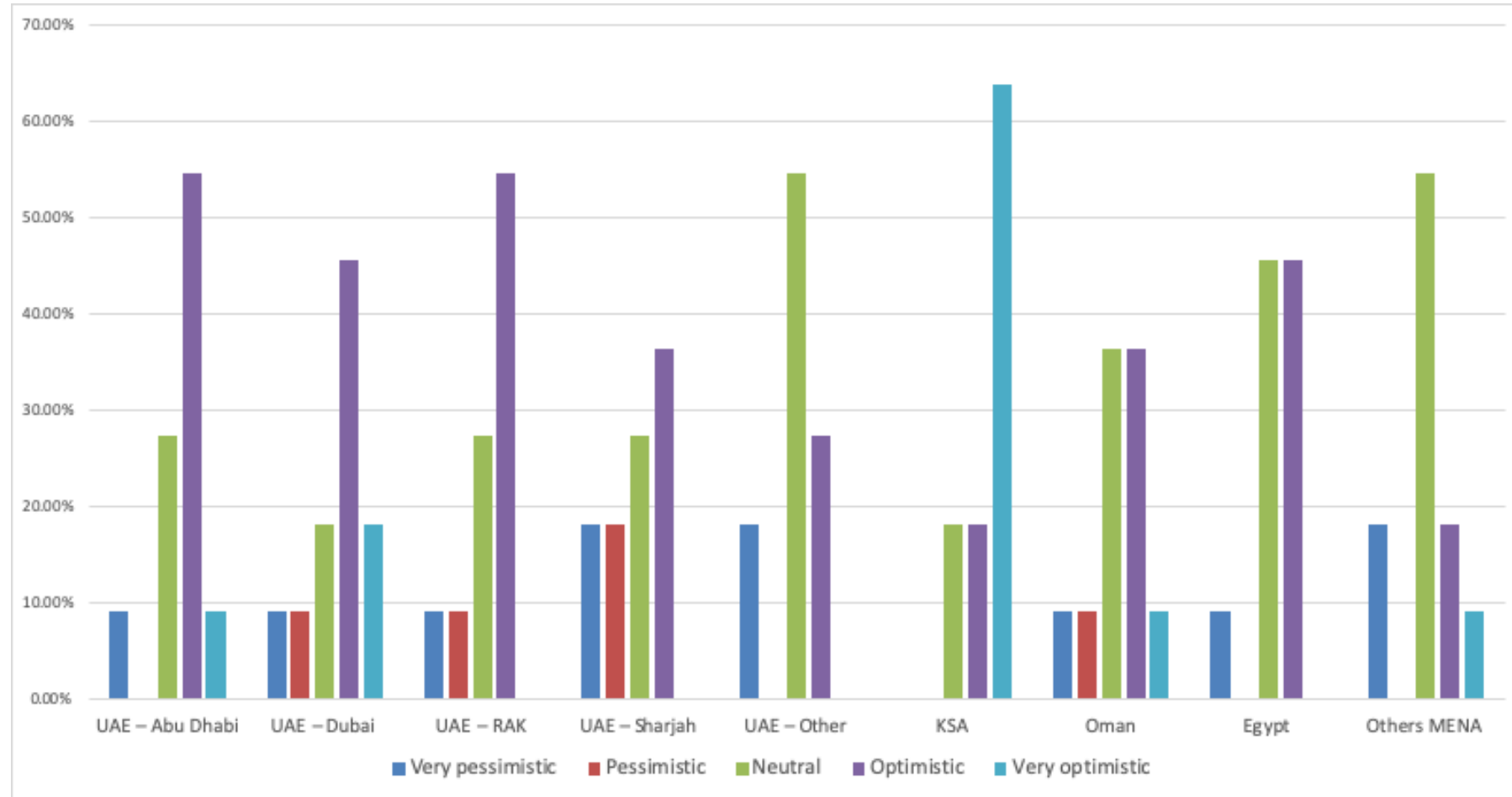


# Where are they based?

- Within the UAE, ESCOs are most active in **Dubai, Abu Dhabi, and RAK**
- **50%** of the UAE ESCOs plan to open, or have already opened, a branch in MENA with **Saudi Arabia** being the preferred location by far (70% of respondents), followed by **Egypt** and **Oman**.
- Other GCC countries such as **Bahrain, Kuwait, and Qatar** currently have a very low interest from ESCOs.



# What is your outlook for the MENA ESCO market for the next 3 years?



# ESCO Market Outlook: UAE

How do you evaluate your business performance over the last 2 years?

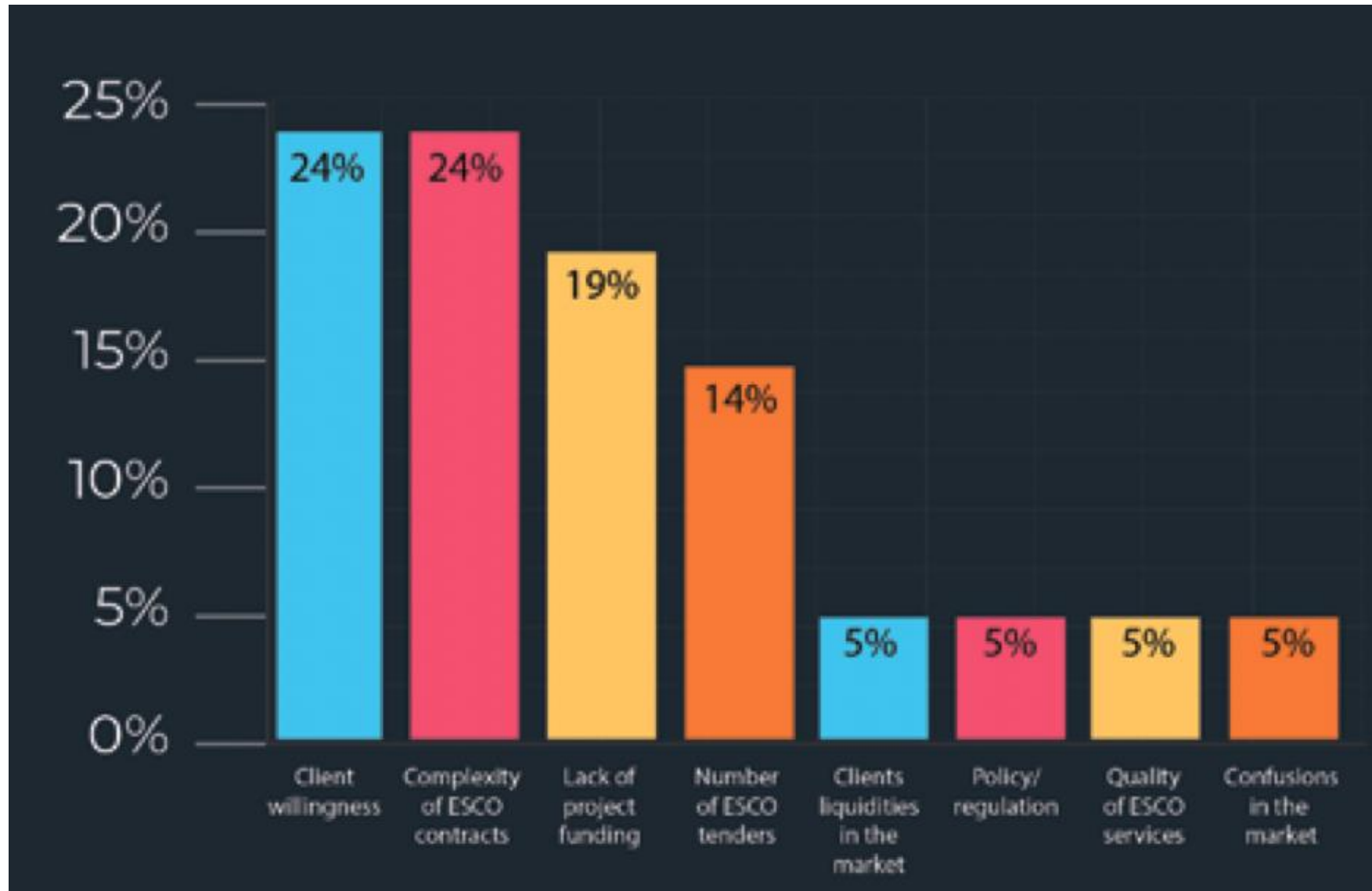
**2/3** of the ESCOs qualify their performance as “Good” or “Very good”

In the UAE:

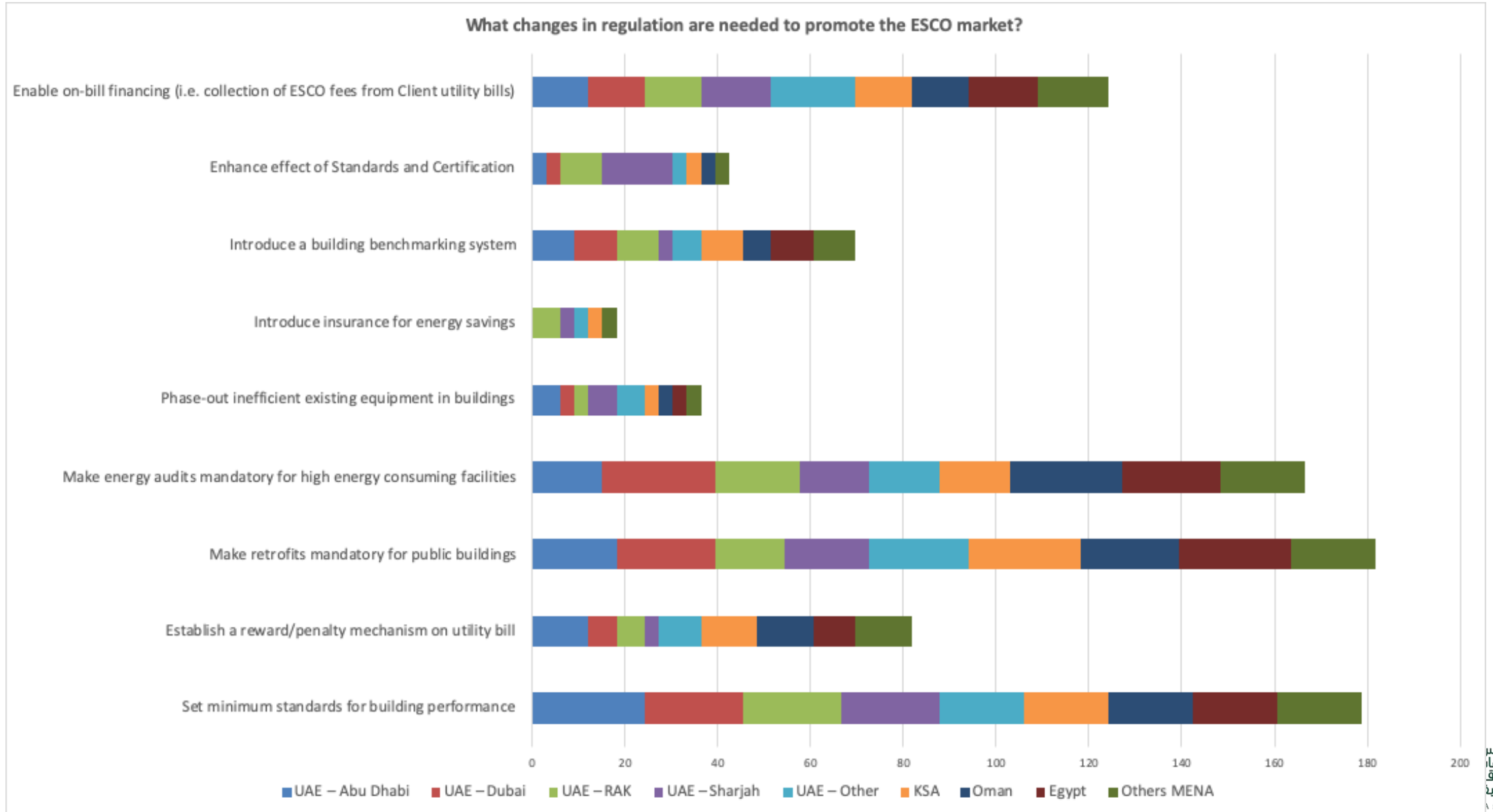
**57%** of ESCOs think the UAE market was not good in the last 2 years (very bad, bad or neutral).

**60%** of ESCOs think the UAE market is going to be good or very good in the next 3 years.

# Barriers for ESCOs in the UAE



# Needed Regulatory Changes







## Super ESCOs in the GCC region



UNITED ARAB EMIRATES



SAUDI ARABIA



OMAN



هيئة كهرباء ومياه وغاز الشارقة  
 Sharjah Electricity, Water and Gas Authority



هيئة تنظيم الخدمات العامة  
 Authority for Public Services Regulation



بلدية رأس الخيمة  
 Ras Al Khaimah Municipality





## Super ESCOs in the region



Year of Establishment

2013

2017

2017

2018

2019

2020

Region

Emirate of Dubai

Emirate of Ras Al-Khaimah

Kingdom of Saudi Arabia

Emirate of Sharjah

Sultanate of Oman

Emirate of Abu Dhabi

Role

Signing entity with ESCO

Facilitator

Signing entity with ESCO

Facilitator

Facilitator

Signing entity with ESCO



## Super ESCOs in the region



Project financing

Yes

No

Yes

No

No

Yes

On bill

Yes

No

-

-

-

Yes

Target Savings 2030

1.4 TWh  
4.9 BIG

55 GWh  
48 MIG

-

-

-

2.7 TWh  
2.0 BIG



## Super ESCOs in the region



Nr. Of tenders

100+	18	200+	-	1	1
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Value Projects awarded

USD 218 million	USD 7 million +	USD 266 million +	-	-	-
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Savings from projects

USD 32 million per year	USD 2 million per year	-	-	-	-
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## Super ESCOs in the region



Retrofit vs solar

80% Retrofit  
20% solar

85% Retrofit  
15% solar

100% Retrofit

-

-

-

Market Segments addressed

91% residential  
5% Gov. Bld  
4% Comm. Bl

70% Comm  
30% Gov.

100% Gov. Bld

-

100% Gov. Bld

100% Gov. Bld



## Super ESCOs in the region



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# Energy Efficiency in MENA: Status and Outlook



Download the white paper:

[https://www.cebcmena.com/ABOUTUS/working\\_groups/energy-efficiency](https://www.cebcmena.com/ABOUTUS/working_groups/energy-efficiency)

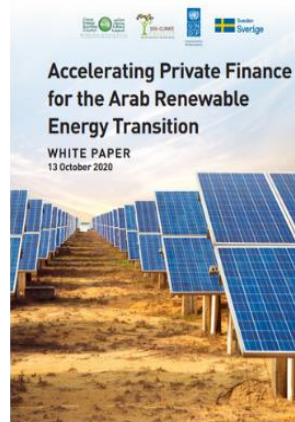
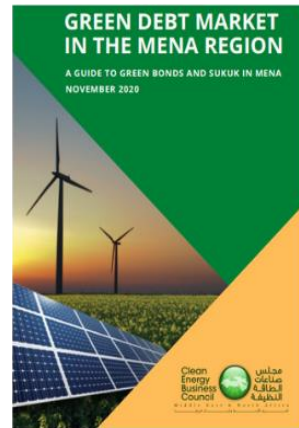
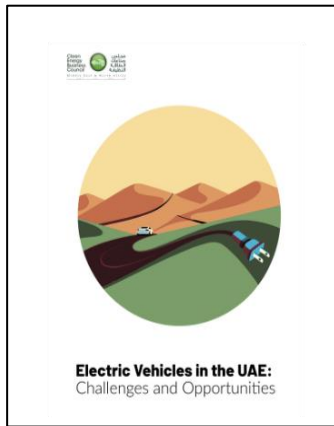
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# Thank You

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