



UNITED ARAB EMIRATES  
MINISTRY OF INDUSTRY  
& ADVANCED TECHNOLOGY

# Industrial Investment Opportunities



# Switchgears

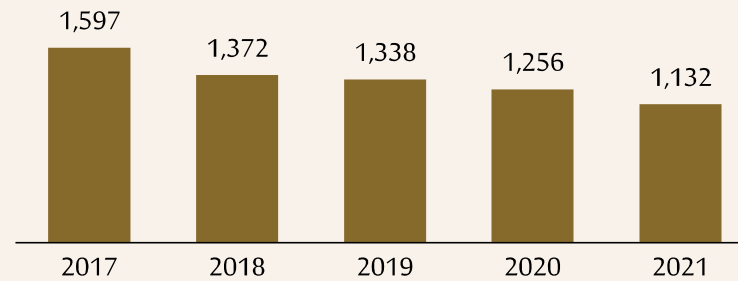
## Switchgears

Switchgears are an integrated assembly of circuit breaker, fuses and switches that protect, control and isolate electrical equipment

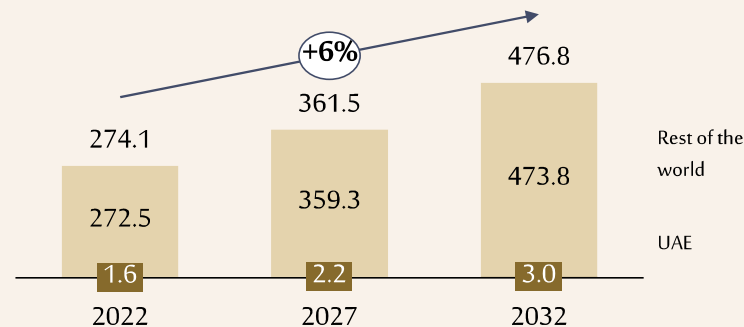
### Investment case

- Develop 3 medium size facilities to manufacture LV/ MV switchgears
- Investment size = AED 24 Mn
- Plant capacity = 2,450 units per year
- Expected IRR = 16%
- Expected NPV = AED 16 Mn

### Imports to UAE 2017 – 2021 (Mn AED)



### Global and UAE market size 2022 – 2032 (Bn AED)



### Global trends & demand drivers

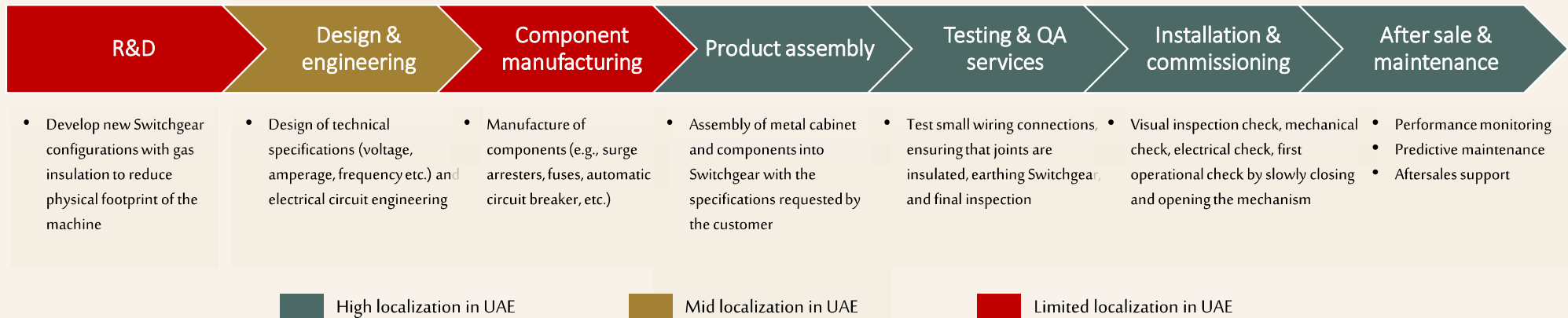
- Rapidly growing electrification need in remote areas coupled with increasing power generation will positively affect growth of switchgears market globally
- Increased deployment of smart grids globally will increase demand for switchgears
- Upgrading aging power infrastructure will drive growth globally
- Positive outlook for generating renewable power will fuel growth for switchgears
- The launch of new UAE renewable energy projects will require switchgears to go from generation, distribution, to transmission





# Switchgears

## Value chain analysis



## Value proposition

- Concentrated demand and potential offtake from ICV participating entities (e.g., TAQA, ADNOC, EGA, etc.)
- Backward integration into busbars and enclosures is possible given available raw material
- UAE ranked 16<sup>th</sup> globally in Ease of Doing Business (WB)
- UAE ranked #10 globally for world class infrastructure in (LPI)
- Strong logistics infrastructure – UAE has busiest port in MENA
- High quality of life attractive for skilled talent
- 100% foreign business ownership and low VAT (5%)

## Enablers

- Up to 80% project financing by Emirates Development Bank
- 2-year grace periods and low interest-rate loans for CAPEX, working capital, and supply chain financing
- Export credit and insurance via Etihad Credit Insurance and Abu Dhabi Exports
- Access to Free Trade Agreements with high-growth markets such as GCC, Arab countries, India, Israel, Indonesia, and others
- Customs exemptions for raw materials