



Putting ESG at the heart of the national agenda

**Survey of Sustainability Reporting 2022:
United Arab Emirates**



March 2023

KPMG Lower Gulf

About the survey

There has been a noticeable rise in sustainability reporting in the UAE, including reporting aligned with the Global Reporting Initiative standards. This is due to the UAE national agenda putting emphasis on ESG investment and sustainability reporting. Its numerous commitments and national vision reflect its leadership ambitions: **UAE Net-Zero 2050, Abu Dhabi Vision 2030, UAE Energy Strategy 2050 and the UAE Vision 2021.**

Of the countries surveyed, the UAE saw one of the most significant increases in sustainability reporting, representing growth of:

22% 

Companies are developing strategies and roadmaps to contribute to the agenda and sustainable development. An uptick in sustainability reporting enables companies to record, assess and publish their progress against national and individual criteria.

In 2023, the global climate summit, COP28, will be hosted in UAE. Companies of all sizes should increase their ESG disclosure over the coming year to support the UAE's efforts to be a global leader in ESG and climate action.

Ahead of the curve



The UAE has made several strides in embracing the sustainability agenda, with key developments highlighted as follows.

- The UAE was the first country in the MENA region to invest more than AED 600 billion in renewable energy as part of their **Net Zero by 2050 initiative**.ⁱ The announcement was made at Expo 2020 Dubai by his His Highness Sheikh Mohammed bin Rashid Al Maktoum, vice president, prime minister and ruler of Dubai.
- His Highness Sheikh Mohamed bin Zayed Al Nahyan also announced that the UAE's international efforts to promote sustainability development will drive economic growth and promote working together to build a better future^l
- Dubai Electricity & Water Authority (DEWA) is executing the world's largest single-site solar park, the **Mohammed bin Rashid Al Maktoum Solar Park**ⁱⁱⁱ
- The park has a production capacity of 5,000MW by 2030 and total investment of AED 50 billion, reducing more than 6.5 million tonnes of carbon

emissions annually. It also supports the **Dubai Clean Energy Strategy 2050** and the **Dubai Net Zero Emissions Strategy 2050** which aims to provide 100% of its energy production capacity from clean energy sources by 2050.^{iv}

- In 2012, the UAE initiated the construction of the **Barakah Nuclear Energy Plant** in Abu Dhabi to supply approximately 25% of the UAE's electricity needs and reduce the country's carbon footprint. The plant is also expected to avert up to 22 million tons of annual carbon emissions.^v
- According to the Minister of Energy and Infrastructure, His Excellency Suhail Al Mazrouei, the UAE's environmentally friendly energy mix is gearing the country towards clean energy transition. These initiatives are providing sustainability, diversification and security for future generations.^{vi}
- **The Dubai Green Fund** is the first specialized green investment fund in the Middle East and North Africa providing financing opportunities for initiatives that support clean energy transition. The investment firm was established by Dubai government and sponsored by DEWA.^{vii}

- In 2015, His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai, launched **Dubai Clean Energy Strategy**. This initiative aims to make Dubai a global centre of clean energy and green economy by producing 75% of its energy requirements from clean sources by 2050.^{viii}
- **The five pillars that make up the Dubai Clean Energy Strategy include:**
 1. Infrastructure (Mohammed Bin Rashid Al Maktoum Solar Park)
 2. Legislation
 3. Funding (Dubai Green Fund)
 4. Building capacities and skills
 5. Environmentally friendly energy mix: 25% solar energy, 7% nuclear power, 7% clean coal and 61% gas by 2030.^{ix}
- **The Dubai Chamber of Commerce** hosted a ceremony to recognize companies' corporate social responsibility (CSR) efforts. During the event, 28 firms were awarded the **Dubai Chamber of Commerce CSR Label** for their CSR achievements in the first half of 2022. ^x

- His Excellency Abdul Aziz Al Ghurair, Chairman of Dubai Chambers, announced the launch of the **Dubai Centre for Family Businesses** before the end of this year. The organization will enable family businesses to contribute to the UAE's economy and ensure sustainability and mobilization. ^{xi}
- DUBAL Holding and Imdaad have also joined forces to enable a more sustainable future in the UAE and worldwide. The two organizations will invest in sustainability projects that support the UAE's recycling and sustainability sector. The partnership aims to:
 1. Achieve zero waste in landfills by 2030.
 2. Evaluate and fund opportunities that support the Dubai Industrial Strategy 2030 Dubai and the Energy Strategy 2050.
 3. Position Dubai as one of the global leaders in this sector. ^{xii}

How KPMG can help

We can support you in developing an ESG strategy that supports your business growth objectives, while balancing your business' needs with those of the environment, external stakeholders (e.g. investors) and society. Our team of experts work with you to:



Understand the ESG landscape

We help you understand ESG trends and drivers that could impact your business, and how your business compares with direct peers and best in class ESG companies. This helps you to decide where to focus your efforts.



Assess your ESG maturity and ambition

Our ESG strategy maturity assessment and ambition development tools will assess where you are on your ESG journey, and your strengths and weaknesses. We can also benchmark your ESG maturity against industry frameworks and good market practice.



Conduct materiality assessments

We can identify ESG risks and opportunities that are material to your business using our proprietary ESG Landscape Assessment Tool, or a bespoke assessment customized to your budget. Options include depth of internal engagement and incorporating your external stakeholder views, such as customers, suppliers, lenders and shareholders.



Develop ESG strategy and strategic options

We help you develop a sustainable value strategy that will create long-term value and competitive advantage, outlining strategic options and platforms that could allow you to access key opportunities and mitigate priority risks.



Adopt circular economy practices

We help evaluate your circular economy targets and ambitions against your operating models and performance metrics. We can then help you eliminate waste and reduce costs throughout the product lifecycle and across your supply chain.



Communicate a compelling ESG story

We understand the issues that matter to your stakeholders, and what they expect from you. And we can help you communicate your ESG practices, enhancing your brand perception among customers, employees, lenders and shareholders. We specialize in capital markets communications and have deep experience in working with businesses at inflection points, such as IPOs, bond issues and private equity ownership.

Additional services

In addition, our climate risk and decarbonization services include:



Climate risk advisory: We can help you identify, measure, and assess risks and opportunities across your business' functions under a wide range of scenarios and understand the impact on business performance. Related services include climate risk stress-testing and financed emissions analysis.



Decarbonization pathways to net zero: We can help you gain strategic foresight and operational value in your decarbonization journey, from emissions measurement to implementation, monitoring and reporting. All of this is supported by an array of options, such as renewable energy procurement, energy efficiency, circular economy, supply chain management and many others



Low carbon value creation: We advise companies on how they can capitalize on new low carbon business opportunities, specifically helping to optimize the value of low carbon goods and services in the global economy.



Low carbon financing and investment opportunities: We advise clients on the financing and investment aspects of the low carbon agenda, including fundraising and identifying investment partners and merger and acquisition opportunities. This includes both debt and equity solutions.



Digital climate services: We are able to provide various climate services, including the data and technology aspects of decarbonization strategies and climate due diligence.



Sources

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- vi. [UAE powers up sustainability on World Energy Day 2022 | UAE](#)
- vii. [Investment Committee Message - Dubai Green Fund \(DGF\)](#)
- viii. [Dubai Clean Energy Strategy - The Official Portal of the UAE Government](#)
- ix. [Dubai Clean Energy Strategy - The Official Portal of the UAE Government](#)
- x. [Dubai Chamber of Commerce presents 28 companies with CSR Label in H1-2022 – Dubai Chamber of Commerce](#)
- xi. [Engage Forum expands private sector role in shaping strategic plans to boost Dubai's economy](#)
- xii. [Emirates News Agency - DUBAL Holding, Imdaad join hands to foster sustainability projects in UAE](#)

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