



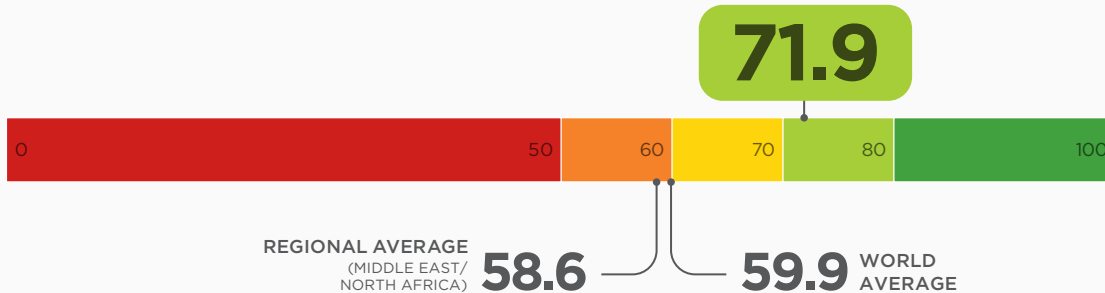
WORLD RANK:	REGIONAL RANK:
<b>23</b>	<b>1</b>
ECONOMIC FREEDOM STATUS: <b>MOSTLY FREE</b>	

# UNITED ARAB EMIRATES

The United Arab Emirates' economic freedom score is 71.9, making its economy the 23rd freest in the 2026 *Index of Economic Freedom*. Its rating has increased by 0.3 point from last year, and the UAE is ranked 1st out of 14 countries in the Middle East/North Africa region. The country's economic freedom score is higher than the world and regional averages. The United Arab Emirates' economy is considered "mostly free" according to the 2026 *Index*.

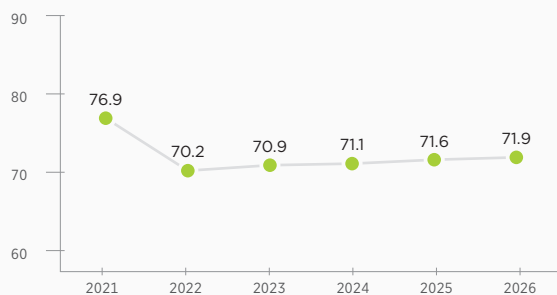
Efforts to strengthen the business climate, boost investment, and cultivate a more vibrant private sector underpin economic development. The generally open trade regime sustains momentum for growth. The modern financial sector is competitive. No minimum capital is required to establish a business, and licensing has been streamlined. Foreign direct investment is increasingly moving away from real estate and oil toward high-growth, technology-driven industries. Employment regulations are relatively flexible, and the non-salary cost of employing a worker is moderate. Monetary stability has been maintained with inflation under control.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1996): +0.3

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
10.7 million

**GDP (PPP):**  
\$871.7 billion  
4.8% growth in 2025  
3-year average growth rate: 4.4%  
\$84,403 per capita

**UNEMPLOYMENT:**  
2.2%

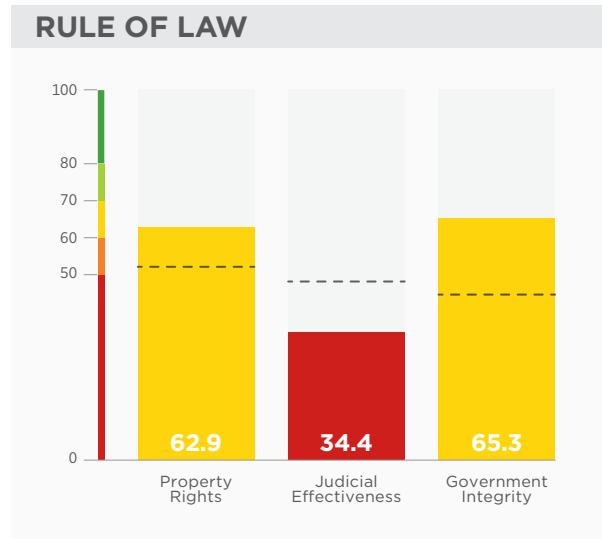
**INFLATION (CPI):**  
1.7%

**TRADE AS % OF GDP:** 202.3%

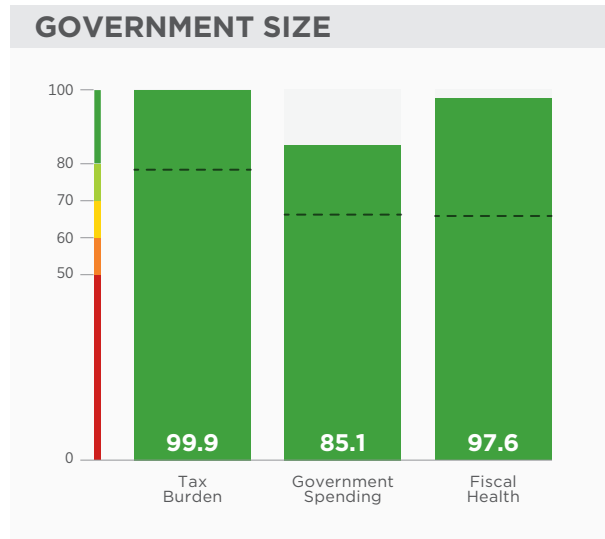
**PUBLIC DEBT:**  
34.9% of GDP

2025 data unless otherwise noted. Data compiled as of January 2026.

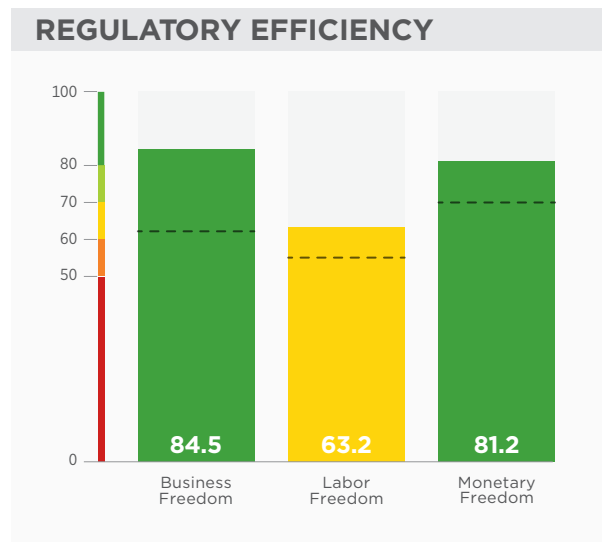
# 12 ECONOMIC FREEDOMS | UNITED ARAB EMIRATES



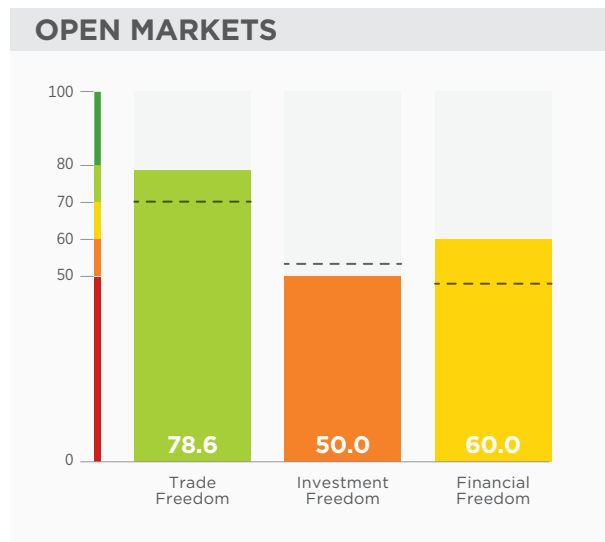
The overall rule of law is relatively well respected in the United Arab Emirates. The country's property rights score is above the world average; its judicial effectiveness score is below the world average; and its government integrity score is above the world average.



The top individual income tax rate is 0 percent, and the top corporate tax rate is 0 percent. The tax burden equals 0.6 percent of GDP. Three-year government spending and budget balance averages are, respectively, 22.3 percent and 7.3 percent of GDP. Public debt amounts to 34.9 percent of GDP.



The United Arab Emirates' overall regulatory environment is well institutionalized and relatively efficient. The country's business freedom score is far above the world average; its labor freedom score is above the world average; and its monetary freedom score is well above the world average.



The trade-weighted average tariff rate is 3.2 percent, and nontariff barriers add to the cost of trade. The overall investment framework has been made more streamlined and open. The financial sector provides a full range of services, but the state's presence is considerable.