



From Economic Diversification to Workforce Transformation: Building an Inclusive and Competitive Clean-Energy Labor Market in the UAE

1. Name of proposing Party or organization.

Frontier25 (1)

2. Brief description of the proposed study:

The transition to a low-emissions economy is not only a question of replacing high-carbon activities; it is also a question of how economies create new sources of growth, productive employment and opportunity. This case study will examine the United Arab Emirates' experience of economic diversification and the development of new clean-energy and green-growth sectors, with particular attention to the workforce, skills, gender and inclusion dimensions of economic transformation. The UAE provides a distinctive case of policy-led economic transformation in a hydrocarbon-producing economy to a more diversified, lower carbon intensive system. Over several decades, the country has pursued diversification beyond oil and gas through investment in infrastructure, industrial capabilities, technology, trade, tourism and knowledge-intensive sectors. More recently, climate and energy strategies have increasingly linked diversification with clean energy, advanced industry, hydrogen, sustainable mobility and other emerging green-economy opportunities. National strategies also place increasing emphasis on human capital, future skills, women's participation and employment in higher-value sectors. The study will examine how economic diversification strategies are translated into implementation, including how governments sequence policy and investment, create enabling conditions for emerging sectors, develop domestic capabilities and align workforce development with changing economic demand. It will explore the extent to which investment in new sectors can generate decent and quality employment, support transitions into new occupations and create opportunities for groups that have historically been underrepresented in particular industries, including women. A particular focus will be the intersection between economic diversification and workforce transformation: how skills systems, education and training, labour-market policies, entrepreneurship and private-sector demand can be coordinated to ensure that new economic opportunities are accessible to the workforce. The study will also consider the role of gender and



inclusion in determining who benefits from emerging green-growth sectors and where gaps may persist. Beyond identifying successful approaches, the case study will identify implementation challenges, including skills mismatches, gender inclusion, coordination across institutions, translating investment into domestic economic value and quality employment, and ensuring that diversification strategies remain resilient to fiscal, trade and technology pressures. The objective is to showcase practical lessons for other economies facing transition pressures: how diversification pathways can be designed and sequenced; how investment and enabling policies can be aligned with workforce transformation; and how gender, inclusion and decent work can be embedded from the outset rather than addressed after new sectors and labour markets have developed.

3. United Nations region to be covered by the case study:

Asia-Pacific;

4. Country or countries to be covered by the case study

United Arab Emirates

5. Area of the case study:

The design and implementation of economic diversification strategies ;

6. Expected duration for completion of the case study (in months):

1

7. Contribution of the submitting organization

Authorship;Data;Financial contribution;Technical inputs;

8. Can the study be developed without financial support from the UNFCCC?

No

9. If no, please provide the estimated range of required financial support in USD (Please note that the UNFCCC is not a donor organization and has limited funding):

50000



10. Please provide the status of any preliminary work undertaken that could serve as a basis for the study, including a link to any available reports, if available.

25 to 2050: Ideas to Impact (<https://frontier25.com/our-insights/research/25-2050-ideas-impact>): This report draws on discussions among government, industry, finance and civil society and focuses explicitly on translating climate ambition into implementation and impact. Sovereign Wealth Funds as Drivers of Climate Resilience in the MENA Region (<https://frontier25.com/our-insights/research/sovereign-wealth-funds-drivers-climate-resilience-mena-region>): Particularly for the relationship between sovereign investment, emerging sectors, capital allocation, diversification and climate-related economic transformation. Powering the Energy Nexus (<https://frontier25.com/our-insights/research/insights-report-powering-energy-nexus>): Baseline for understanding investment and transition dynamics around the emerging energy economy.



Framework Convention on
Climate Change