



UAE district cooling companies to grow by 18% in the next 5 years as demand surges

One of leading players – Emicool to boost market share to 20% in the UAE, with plans to expand capacity to 500,000 TR and foray into Saudi Arabia and Qatar

Dubai, January 9, 2016: The UAE district cooling sector, which pioneered the concept of hassle-free, eco-friendly, maintenance-free and energy-efficient solutions with its electric-powered and solar interface cooling services, is set to take its pride of place on a regional and global scale amidst rapid construction and surging demand for power and cooling.

The UAE district cooling companies, which include top names such as Emirates District Cooling LLC [Emicool], Empower and Tabreed among others, are expected to play pivotal roles in the growth of the industry across Middle East and Africa, and projected to grow by over 18% in the next five years, if industry estimates are any indication.

Moreover, the Middle East and Africa district cooling companies are expected to dominate over 40% of the overall demand globally by 2019, which is expected to reach US\$ 29 billion in value terms in the next four years, the research said. New projects are witnessing a steady shift from traditional air-conditioning to comprehensive district cooling that help save energy, and cut down on maintenance and environmental damages.

District cooling comes with manifold advantages and is highly sustainable as it uses 40% to 50% less energy than traditional air-conditioning systems, which can account for 70% of a building's electricity bill. Producing one tonne of refrigeration using conventional air conditioning takes 1.8 kw of electrical power, while district cooling can consume as little as 0.85 kw per tonne.

With the ongoing construction boom in the UAE and across the region, it is not only good news for companies in the sector, but also for the district cooling industry with each vying for more market share, if the performance and expansion plans – both capacity and geographical footprint – of the leading players in the segment are any indication.

One of the leading players, Emicool – a joint venture of Dubai Investments and Union Properties, is set to boost its market share from the current 12% to 20% amidst this surging demand. In line with the projected growth, Emicool is targeting expansion of its plant capacity in Dubai Investments Park to 250,000 tonnes of refrigeration [TR] in the coming years from the existing 115,000 TR.



This is part of the Emicool's overall growth plans which will see it increase its capacity to 500,000 TR by 2020 as DIP plans to build over 1,150 residential units in the near future. The company has also unveiled plans to expand its geographical presence to Saudi Arabia and Qatar in the coming years.

"UAE and regionally, there is a huge commitment to the cause of sustainability, and no wonder district cooling industry has a profound role to play in eco-friendly infrastructure of districts, cities and countries. The benefits of district cooling are evident and master planners are increasingly incorporating district cooling systems in future projects. As a company, Emicool is eyeing strong growth as residential projects and demand picks up in the region," said Adib Moubadder, CEO of Emicool.

Moubadder added: "Recently, we have managed to change concept design of many projects by convincing Master Developers for low-rise buildings & villas that District Cooling is now the most viable solution."

Emicool, which currently offers district cooling in DIP as well as Dubai Motor City, Dubai Sports City, Uptown Mirdiff and Palazzo Versace & D1 Tower at Al Jaddaf, has also witnessed 21% increase in overall consumption in 2015 in comparison to 2014 consumption.

In DIP alone, the Emicool district cooling plant has helped to save electricity by 312.95 million kWh per annum (34 per cent less than conventional air-conditioners), which is the equivalent of reducing 159,028 tonnes of CO2 yearly – thus reinforcing its key role in reducing the overall carbon footprint.



- Plant capacity to increase to **250,000 TR** in DIP
- Plans to raise it to **500,000 TR** by **2020**
- **21%** surge in consumption YTY 2014/2015
- Currently operational across **5** geographic locations in UAE

"It is a known fact that developers and the governments alike appreciate district cooling as it drastically reduces building maintenance costs and electricity consumption. Emicool's centralized systems, and its partnership with world-class metering technology such as Aquametro, has proven to be far more economical and sustainable than conventional air conditioning. District cooling is here to stay as the demand heats up – locally, regionally and globally," said Moubadder.

ENDS



- ENDS -

About Emicool

Emirates District Cooling LLC (Emicool) is a leading district cooling service provider in the UAE. The company was established as a joint venture between Dubai Investments PJSC and Union Properties PJSC in 2003 with headquarters at Dubai Investments Park [DIP]. The company is rapidly emerging as a strategic player among top-tier district cooling services providers in the region. Emicool ensures continuously exceeding customer expectations by providing district cooling services through its competent work force which delivers world-class levels of reliability, efficiency, safety and environmental sustainability. Since its inception in 2004, the company has achieved considerable success and currently provides services to the Green Community at DIP, Dubai Motor City and Dubai Sports City, among others.

For media inquiries, please contact:

Venkat Iyer | Public Relations & Media Assistant Manager



PO Box 28171, Dubai, UAE ● T: +9714 8122400 ● D: +9714 8122426

F: +9714 8122424 ● Mob: +97150 7187383 ● www.dubaiinvestments.com