



France's Strategic Outreach to the Gulf

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France is actively targeting increased foreign direct investment (FDI) from the Gulf region. To facilitate this capital flow, the French government has created a dedicated ambassadorial position tasked specifically with attracting investments from key sovereign wealth funds in the Gulf Cooperation Council (GCC). This diplomatic and economic push will focus heavily on engagement with the Kuwait Investment Authority (KIA), the Saudi Public Investment Fund (PIF), the Qatar Investment Authority (QIA), and the Abu Dhabi Investment Authority (ADIA).

The Paradox of African Private Wealth

According to a report published by the UK-based consultancy Henley & Partners, private wealth in Africa is highly concentrated, with just five countries accounting for 56% of the continent's total \$2.1 trillion in private holdings. South Africa leads the list with \$651 billion, followed by Egypt (\$307 billion), Nigeria (\$228 billion), Morocco (\$125 billion), and Kenya (\$91 billion). The report projects that Africa's private wealth will expand by 38% over the next decade, with the most rapid growth occurring in East Africa—surging by 60% in Uganda and Rwanda, and by over 50% in Kenya and Zambia. Currently, the small island nation of Mauritius boasts the continent's highest wealth per capita at \$34,500.

These staggering concentrations of private wealth stand in stark contrast to the continent's broader socioeconomic realities, where 25% of the population faces starvation and hundreds of thousands of people risk their lives at sea in search of better opportunities in Europe. To avert future political instability, African leaders and policymakers must urgently address three critical, systemic issues: severe income inequality, rampant corruption, and a pervasive lack of institutional opportunity.

Institutional Milestone for Kuwait's PIFSS

Kuwait's Public Institution for Social Security (PIFSS), which manages the nation's \$134 billion social security fund, recorded an exceptional performance in 2021 by yielding a 35.9% investment return. Following this landmark institutional success, the fund's director, Meshal Al-Othman, formally stepped down from his position,

stepping away at the peak of the fund's performance.

Qatar's Agri-Tech Investment in France

The Qatar Investment Authority (QIA) has invested €250 million in the French agricultural technology giant Innovafeed. The company specializes in producing insect-based proteins for animal feed and sustainable plant nutrition for human consumption. This capital injection will be used to scale Innovafeed's proprietary technology, accelerate research, and expand development. Other major participants in this funding round included global agribusiness leaders ADM and Cargill.

The Emergence of the Africa Sovereign Investors Forum

The Africa Sovereign Investors Forum (ASIF) was officially established following a milestone agreement signed in Rabat, Morocco. The newly formed alliance aims to foster greater intra-African cooperation, strategic partnerships, and co-investments across the continent.

The inaugural meeting brought together sovereign funds from Egypt, Morocco, Angola, Djibouti, Ghana, Nigeria, Rwanda, Senegal, and Gabon, alongside institutional observers from Qatar, Kuwait, and the United Arab Emirates who are actively seeking investment opportunities in the region. Notably, Libya was the only major sovereign wealth fund on the continent that was entirely absent from the proceedings.

The Sovereign Fund of Egypt (TSFE) and Global Capital Inflows

Saddled with \$316 billion in national debt, the Egyptian government is working relentlessly to stimulate economic momentum and avert a systemic collapse. To facilitate this recovery, the government, utilizing its newly formed investment vehicle, announced the creation of a specialized sub-fund. This entity is explicitly tasked with preparing state-owned enterprises for listing on the Egyptian Exchange (EGX). Through these listings, Cairo aims to attract \$10 billion in foreign direct investment over the next four years, targeting sovereign and institutional investors from the Gulf Cooperation Council (GCC).

Significant progress has already materialized. Saudi Arabia's Public Investment Fund (PIF) recently injected \$1.3 billion into four major Egyptian corporations.

Simultaneously, Abu Dhabi's developmental holding company, ADQ, executed a \$2 billion investment across Egypt's fertilizer sector and successfully acquired a 90% stake in Sixth of October Development and Investment (SODIC), a leading Egyptian



real estate firm. Strikingly, Egypt's aggregate public debt of \$316 billion now roughly equals the nation's total domestic private wealth, which stands at \$307 billion.

Global Expansions and Interventions of the Saudi PIF

Expanding its international administrative footprint beyond existing branches in London and Hong Kong, the Saudi PIF announced the establishment of a new corporate office in New York City. The branch will be dedicated to forging strategic partnerships and identifying high-value deal origination opportunities. The PIF has already deployed over \$30 billion into the U.S. market and plans to expand this capital allocation.

However, corporate governance remains centralized: all final investment decisions will continue to be executed directly from Riyadh. With this move, Saudi Arabia joins a highly concentrated ecosystem, as New York City hosts over 22 foreign sovereign wealth fund offices employing more than 1,100 specialized professionals.

In a separate landmark capital market deployment, the PIF became the first major sovereign wealth fund to issue green bonds to finance environmentally sustainable development projects. Debuting on the London Stock Exchange, the issuance generated over \$20 billion in investor demand, ultimately securing \$3 billion in closed orders. The bond structure features three distinct tranches, maturing in 2027, 2032, and an ultra-long-term 100-year tranche set for 2122 at a yield of 6.75%.

Despite strong market reception, some global financial analysts remain skeptical of the long-term terms. Critics argue that the debt instrument may prove unsustainable, expressing concern that the raised capital could be diverted into Saudi Arabia's highly controversial \$300 billion megacity project, NEOM. Many experts worry that the unprecedented scale and soaring costs of NEOM pose a high risk of execution failure.

Qatari Capital Support for Regional Economies

The Qatar Investment Authority (QIA) has unveiled comprehensive financial rescue frameworks to support both Egypt and Pakistan, two nations grappling with acute fiscal constraints, depleting foreign reserves, and a critical need for external aid.

In Islamabad, the Qatari fund has committed to investing more than \$3 billion across various sectors of the Pakistani economy, focusing heavily on infrastructure, renewable energy, and the hospitality sector. Concurrently, the QIA plans to inject between \$5 billion and \$20 billion into the Egyptian economy. This capital



deployment will be executed by purchasing equity stakes in publicly traded companies on the EGX, working in close cooperation with the Sovereign Fund of Egypt.

The Debut of Ethiopian Investment Holdings (EIH)

Ethiopia has introduced one of the world's newest sovereign wealth vehicles, Ethiopian Investment Holdings (EIH). The fund consolidates the country's 27 largest state-owned enterprises, establishing a total portfolio valuation of \$38.5 billion and generating \$7 billion in current annual revenues.

The mega-fund is structured into eight specialized sub-sectors, including hospitality, telecommunications, transportation, and finance. Collectively, the enterprises under EIH management generate roughly 10% of Ethiopia's total gross domestic product (GDP). The current executive roadmap aims to aggressively scale the fund's operational revenues to \$10.4 billion in the near term.