

Abu Dhabi 'to invest billions' in British business



An Abu Dhabi investment fund has agreed to pay £800m into UK life sciences, in what could be the first of billions of pounds of investment in the UK. - Getty Images

Mubadala, one of the UAE's most active funds, will invest the money over five years.

Abu Dhabi is set to invest heavily in British health, tech, green energy, and infrastructure, according to the Financial Times.

It is thought investments in the other sectors will be of a similar scale.

The exact size of the total investment is not yet clear, the FT said but could be worth up to £5bn.

The UK government said Mubadala's investment in UK life sciences would be "deployed alongside the UK's £200m Life Sciences Investment Programme", which was announced last year.

“This partnership will enable the UK life sciences sector to develop cutting-edge technologies and research while retaining homegrown innovation and jobs,” said the UK Minister for Investment, Gerry Grimstone.

“It will also leverage the UK and UAE’s mutual priorities in building better and stronger economies through investment.”

On Tuesday, the minister had told the FT: “We think the future opportunities are very, very sizeable.”

Abu Dhabi is trying to diversify its economy away from oil and gas.

Khaldoon Khalifa Al Mubarak, group chief executive of Mubadala, said: “Mubadala is already a long-term investor in UK innovation and growth, and our new partnership now provides a platform to allocate stable capital to priority sectors as part of a future-focused investment relationship.”

Investment hubs

The move follows recent news that the UK is creating four regional trade and investment hubs to boost economic growth across the UK, as well as dropping tariffs on some US goods, put in place over a related dispute about US subsidies to Boeing.

Secretary of State for International Trade Liz Truss said on Monday that the hubs would be located in Edinburgh, Cardiff, Belfast, and Darlington.

The government says the new hubs will provide support and advice to help regional businesses to access major trade markets and boost exports, as part of its efforts to boost pandemic recovery. Some experts, however, said that the choice of location was misguided.

At the chancellor’s recent Budget, emphasis was also placed on investment in the life sciences, clean energy, and technology industries.

Mr. Sunak announced the creation of a national infrastructure bank that would mainly invest in green projects ahead of the COP26 climate change summit in the UK later in November.

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