HSBC

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HSBC research highlights partnership-led Japanese interest in MENAT infrastructure

83% of Japanese business leaders expect their exposure to MENAT to increase by 2030, with 55% preferring joint ventures with local partners

TOKYO, 4 November 2026 – Japanese businesses and investors see growing long-term potential in infrastructure across the Middle East, North Africa and Türkiye (MENAT), but are likely to pursue opportunities through partnerships, risk-sharing and greater legal certainty, according to new HSBC research.

The findings form part of HSBC's New Networks of Capital: MENAT Infrastructure report, which examines how businesses and institutional investors across 16 markets view the region's infrastructure opportunity and future capital flows.

While 60% of Japanese business leaders consider MENAT critical or very important to their growth and infrastructure strategy, the research highlights a distinctive approach to market participation. More than half – 55% – prefer joint ventures with local MENAT partners, compared with 45% globally. Only 1% of Japanese business leaders would prefer to deliver infrastructure opportunities independently.

Finding trusted local partners is the main barrier identified by Japanese business leaders, with 48% citing this challenge, compared with 32% globally. Japanese firms also place a strong value on on-the-ground regional expertise, identified by 50% as an important attribute in a banking partner.

Takeo Kaneko, Japan CEO and Head of Banking, HSBC Group Japan said: "Japanese companies bring a partnership-led approach to international growth and see meaningful potential in MENAT infrastructure. As HSBC marks 80 years of operations in the Middle East this year, we believe we are well placed to help connect clients with trusted local partners across the region."

Despite a cautious near-term outlook, Japanese business leaders expect their MENAT exposure to increase over time. Some 83% anticipate an increase by 2030, compared with 90% globally. Planned or expected infrastructure capital expenditure among Japanese business leaders is projected to rise by 9%, from an average of US$874 million for 2023–2025 to US$956 million for 2026–2028.

The research also points to the importance of the policy and operating environment in unlocking further investment. Some 61% of Japanese business

leaders say better dispute-resolution frameworks would encourage more activity in MENAT, compared with 36% globally. In addition, 58% identify improved risk-sharing as an important enabler, while 35% name government guarantees or risk-sharing as the single most impactful change, compared with 22% globally.

The findings suggest that Japanese businesses view MENAT not only as an investment destination, but also as a bridge to wider growth markets. India–MENAT is the corridor Japanese business leaders most expect to grow, selected by 29% as their top answer. India–MENAT is also included among the top three corridors by 58% of Japanese business leaders, followed by Southeast Asia–MENAT at 54% and Sub-Saharan Africa–MENAT at 48%.

The UAE is identified as the leading entry point. It is rated attractive for infrastructure investment by 99% of Japanese business leaders and all Japanese investors surveyed. The UAE is also regarded as the most attractive risk-adjusted market by 43% of Japanese business leaders and 48% of Japanese investors.

Japanese institutional investors also express positive longer-term intentions towards MENAT. Given an additional hypothetical US$100 million to allocate to infrastructure, Japanese investors would allocate an average of US$36 million to MENAT, above the global investor average of US$34 million. In addition, 92% expect MENAT to become a significantly larger share of their portfolios by 2030.

These findings represent forward-looking survey intentions rather than committed capital. Average infrastructure capital expenditure among Japanese investors is expected to decline by 3%, from US$1.05 billion in 2023–2025 to US$1.01 billion in 2026–2028.

The research also identifies areas where execution capacity and project readiness will need to improve. Japanese business leaders estimate that 4.6 out of 10 infrastructure opportunities meet their investment requirements, compared with a global average of 6.2. Talent and skills shortages are cited as a risk by 50% of Japanese business leaders, compared with 30% globally.

“Japan’s interest in MENAT is long term, but it is selective and highly focused on execution. Businesses want to understand the local context, share risk appropriately and work with partners they can trust. Banks can help by bringing together regional expertise, international connectivity and the financing capabilities needed to support well-structured projects,” commented Kaneko.

The findings underline the opportunity to strengthen connections between Japan and MENAT through trusted partnerships, improved project frameworks and greater transparency around risk allocation. For Japanese businesses and investors, these factors will be central to converting long-term interest into practical participation in the region’s infrastructure growth.

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Editor's notes

The New Networks of Capital 2026 insights are based on an online survey of 1,626 business decision-makers and 818 global institutional investors across 16 markets: the UAE, Saudi Arabia, Kuwait, Oman, Qatar, Egypt, Türkiye, France, Germany, the US, the UK, Japan, South Korea, Mainland China, Hong Kong and India.

The Japan findings comprise 101 business leaders and 50 institutional investors. Fieldwork was conducted by FTI Consulting between 18 September and 5 October 2026, with figures re-checked against the data tables on 12 October 2026.

Business decision-makers were senior corporate leaders, with 87% at director level or above, including 50% at C-suite level. Respondents represented privately owned and publicly listed companies across eight industry sectors.

Institutional investors represented the full capital stack and included banks, real estate funds, wealth managers, fintechs, asset managers, private equity, venture capital, financial sponsors, hedge funds, insurers and reinsurers, broker-dealers, sovereign wealth funds, central banks, governments and family offices.

The US$100 million allocation question was hypothetical. The figures represent survey means and should be described as forward-looking intentions, not committed capital.

All monetary amounts are in US dollars.