



Merger And Acquisitions

M&A BOOM IN MENA GETS CLOSE TO \$100 BILLION

Middle East and North Africa M&A deals rise by 66% in 2021 amid economic recovery with UAE and Saudi Arabia leading the surge with energy and tech sectors according to [EY MENA M&A Insights report](#). M&A levels in 2021 increased to 366 deals from just 192 in 2020, primarily driven by domestic deals. The value of all M&A transactions increased from \$85.2 billion in 2020 to \$99 billion in 2021, while the value of the top 10 deals totaled \$58.8 billion, or 59 percent of the announced deal value. Government-related entities, such as sovereign wealth funds and national oil companies, accounted for more than 60% of deal value in the Middle East and North Africa region. Private equity-backed (from 73 deals in 2020 to 165 deals in 2021) and domestic (intra-regional) deals contributed the most to the increase in the number of M&A transactions. The UAE had the highest volume of deals (303) and Saudi Arabia attracted the most capital (\$47.4 billion) by geography.

EY predicts continued robust M&A activity in MENA in 2022. The key deal themes include continued investments by government entities, digitization, and portfolio optimization. According to [a report from Morgan Stanley](#), the continued growth of GDP and the availability of capital markets in EMEA should support another strong year for M&A, especially considering supply chain optimization and improved integration of infrastructure or platforms across the continent.

The Middle East offers an attractive business environment and has continued to be an attractive part of the world to invest in, start or grow a business. The UAE economy is experiencing a fast recovery thanks to the implementation of investor-friendly programs such as the launch of long-term residency visas, double taxation agreements with several countries, and the implementation of 100% foreign ownership among onshore companies. M&A activity will continue to increase in the MENA region, and as always, it is important to seek expert local advice to avoid any drawbacks.

Strohal Legal Group is an international business law firm focusing on the Gulf region (GCC) and Southeast Asia (ASEAN) advising clients on local and cross-border M&A transactions and corporate, business, and labour law matters, company establishments, energy & climate law as well as tax law matters. Through our country desks and partner firms in Austria, the Ukraine, and Russia, the firm is also well connected in Europe.

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