

# Middle East: Exploring avenues in sustainable infrastructure and forestry

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**Levels of nature and biodiversity integration are expected to increase among many Middle Eastern respondents.**

According to our survey\*, respondents in the Middle East are currently the least likely across EMEA to integrate nature and biodiversity into their investments: 43% confirm they do not integrate such considerations, compared with 23% across EMEA. However, 50% of Middle Eastern respondents say they expect the proportion of their assets under management (AUM) integrating nature- and biodiversity objectives to increase over the next 12 to 24 months.

In addition, 35% say they are reallocating capital from other strategies to fund dedicated nature- and/or biodiversity-related investments.

## Areas of interest

In terms of asset classes, Middle Eastern respondents are most likely to integrate biodiversity considerations into listed equities and real estate, with nearly two-thirds (65%) citing each of these asset classes. Additionally, Middle Eastern respondents who currently integrate nature and biodiversity cite sustainable forestry and land use, as well as nature- or biodiversity-friendly infrastructure, as the areas of most interest for nature and biodiversity investment (Figure 1).

**35%**

of Middle Eastern respondents say they are reallocating capital from other strategies to fund dedicated nature- and/or biodiversity-related investments.

**74%**

of Middle Eastern respondents who currently integrate nature and biodiversity in their investments are incorporating indicators related to drivers of nature change (such as greenhouse gas emissions, pollution, and resource use) when integrating nature and biodiversity.

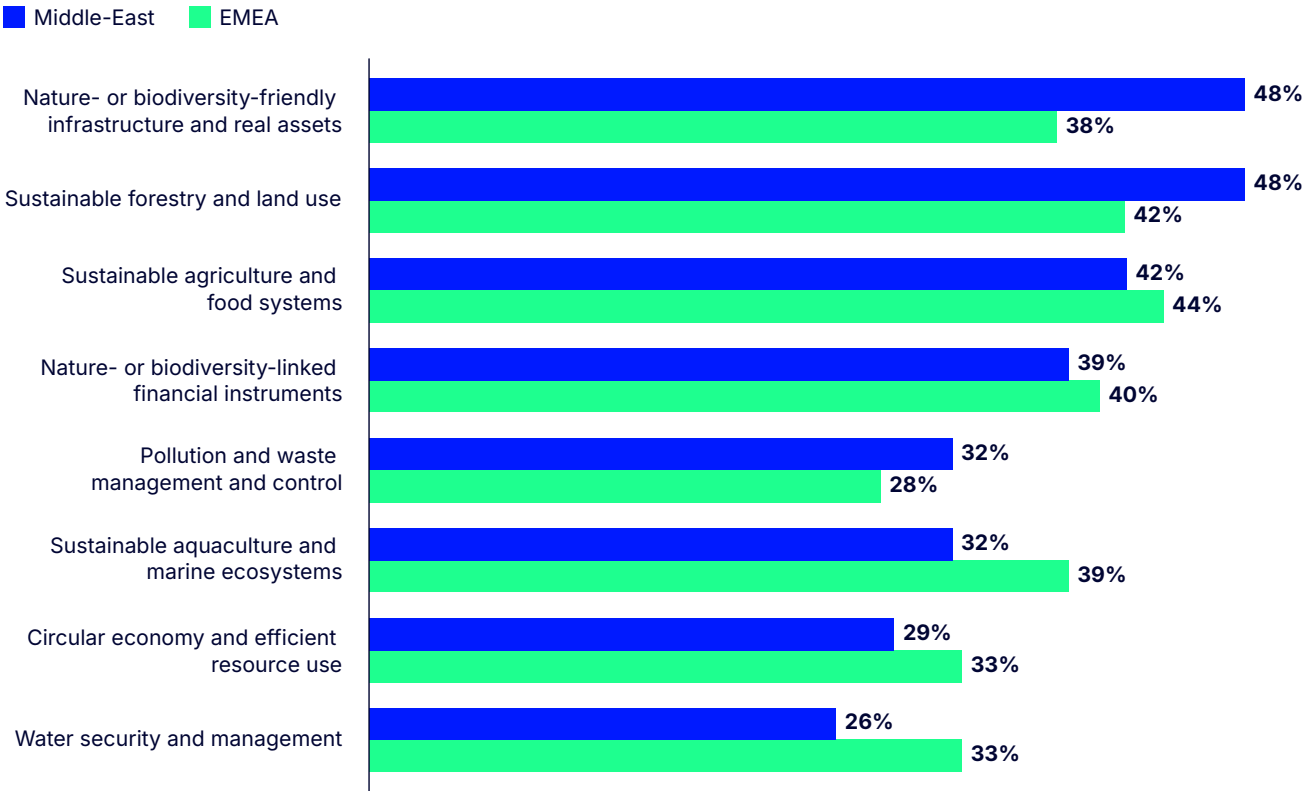
Middle Eastern respondents who integrate nature and biodiversity focus on drivers of nature change, with 74% incorporating related indicators (such as greenhouse gas emissions, pollution, and resource use).

Based on the survey results, they make use of frameworks such as the CDP or Science Based Targets Network.

## Data headwinds

For Middle Eastern respondents who currently incorporate nature and biodiversity objectives, a lack of scalable and reliable data is most cited as a top three significant challenge to integration. Middle Eastern respondents also mentioned that existing investment strategies are difficult to adjust to consider nature and biodiversity (42% cite this as a barrier compared with 29% across EMEA).

**Figure 1: Surveyed asset owners in the Middle East see opportunities in nature-friendly infrastructure, real assets, and sustainable forestry**



Source: FT Longitude survey.  
Percentage of survey respondents currently integrating nature and biodiversity who prioritise or planning to prioritise these themes over the next 12 months.

In addition, reputational risks associated with nature- or biodiversity-related investment (such as greenwashing), limited investable options and long term horizons to environmental and/or financial benefits are concerns among Middle Eastern respondents who currently decline to integrate nature and biodiversity considerations, each cited by 44% of them.

**The bottom line**

Middle Eastern respondents are currently the least likely in EMEA to integrate nature and biodiversity into investments, but many are exploring possibilities, notably in sustainable infrastructure and forestry.

**\*About the survey**

In May 2025, State Street Investment Management, in collaboration with FT Longitude, surveyed 330 senior investment decision-makers working at asset owners (including pension funds, insurance firms, endowments, and sovereign wealth funds) across the EMEA region (Belgium, Denmark, Finland, Germany, Ireland, Italy, Kuwait, Luxembourg, the Netherlands, Norway, Qatar, Saudi Arabia, Sweden, Switzerland, the United Arab Emirates, and the United Kingdom). There were 40 Middle Eastern asset owners who participated in this survey. The survey explored how these investors are approaching the challenges and opportunities of integrating nature and biodiversity objectives into their investment portfolios.

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