

MP-IDSA *Commentary*

Tech Deals and Trump's West Asia Trip

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Summary

Tech deals dominated in US President Donald Trump's first overseas visit of his second term to the Gulf region.

US President Donald Trump on his four-day tour to West Asia from 13 May to 16 May 2025, during which he visited the United Arab Emirates (UAE), Saudi Arabia and Qatar, signed several significant deals covering defence, aviation and minerals. However, the deals around technology and Artificial Intelligence (AI) have gained maximum traction.¹ The investments pledged in these deals is second only to defence.

At the Saudi-US Investment Forum held in Saudi Arabia on 13 May, Trump was joined by key figures in the domain of technology including Open AI’s CEO Sam Altman, Tesla’s head Elon Musk, Nvidia’s chief Jensen Huang, AMD’s CEO Lisa SU, Uber’s head Dara Khosrowshahi, Google’s chief investment officer Ruth Porat, amongst others. The event in Saudi Arabia was dubbed as the first ‘US-Saudi investment summit’. The event saw overwhelming participation of tech giants as compared to other industries including banking and finance.²

The tech investments agreed to with Saudi Arabia included a US\$ 20 billion financing pledge by DataVolt, a Saudi company for setting up data centres in the US for AI and energy infrastructure. The biggest deal was struck by Nvidia, as it pledged to supply its most advanced AI chips to Humain, an AI company launched by Saudi Arabia’s Public Investment Fund, in the next five years. Likewise, Advanced Micro Devices (AMD) also announced a US\$ 10 billion collaboration for chip design.

Amazon and Humain pitched to build an ‘AI zone’ in Riyadh with an investment of approximately US\$ 5 billion. Another firm to strike a deal with Humain was Qualcomm Inc, which signed an MoU to build a centre for developing central processor units (CPU). These deals will operate in the backdrop of Saudi Arabia’s ambition of reducing dependence on oil. It aims to become the centre of AI in the gulf region.³

The next stop for President Trump was the United Arab Emirates (UAE) where he continued his enthusiasm for tech deals. Both the countries initiated the ‘US-UAE AI Acceleration Partnership’ framework to increase cooperation in technology development and ensure their protection based on joint commitments.⁴ In addition, RTX Corporation signed an MoU with Tawazun Council and Emirates Global Aluminium (EGA) for a Gallium project. This is to secure the supply chain of critical

¹ [**“Trump’s AI Power Play: Deep Dive into US-Middle East Deals”**](#), *The Economic Times*, 19 May 2025.

² [**“Donald Trump is in Saudi Arabia for his Gulf Tour, and So Are Elon Musk and Sam Altman. But, Why?”**](#), *The Mint*, 15 May 2025.

³ [**Max A. Cherney and Stephen Nellis, “US Tech Firms Nvidia, AMD Secure AI Deals as Trump Tours Gulf States”**](#), *Reuters*, 15 May 2025.

⁴ [**“UAE/US Framework on Advanced Technology Cooperation”**](#), U.S. Department of Commerce, 15 May 2025.

minerals, as these inputs are a key component for developing semiconductors and defence technologies.⁵

Likewise, Qualcomm also announced the establishment of a ‘Global Engineering Centre’ in Abu Dhabi to support data centres, industrial Internet of Things (IoT) and AI. Apart from this, Qualcomm and e& will work together on cloud solutions and advanced 5G/edge-Ai communications to bolster UAE’s digital transformation.⁶ To further support this mission, Amazon Web Services, UAE Cybersecurity Council and e& have floated a ‘Sovereign Cloud Launchpad’ that would increase the adoption of public cloud services. This initiative is expected to yield US\$ 181 billion by 2033, and boost the demand of cloud infrastructure and cybersecurity technologies of the US.⁷

While majority of the deals with Qatar were related to defence and aviation, some found their way in the technology sector as well. A Joint Venture agreement between Al Rabban Capital and Quantinuum was signed. As a part of the deal, Qatar will make an investment of up to US\$ 1 billion for the development of quantum technology and workforce training. Moreover, Parsons, a US technology firm, managed to get 30 projects totalling US\$ 97 billion to advance IT capabilities.⁸

The value of all the deals signed during Trump’s West Asia trip was said to be close to US\$ 2 trillion.⁹ However, scepticism is brewing regarding this. President Trump during his first term had announced a deal of US\$ 450 billion with Saudi Arabia but analysts noted that the numbers did not quite match up or were not fully realised. In the current trip, Trump claimed the deals with Qatar to be worth US\$ 1.2 trillion, but the numbers quoted in the factsheet by the White House only amounted to US\$ 243.5 billion.¹⁰

The deals with Qatar, though, are significant given that during his first term, Trump was critical of Qatar and alleged that it funded terrorism and supported its blockade by Saudi Arabia and the UAE. But his second term has shown a renewed acceptance of Qatar, with its increasing role as a mediator of the Hamas–Israel conflict.¹¹

⁵ Ashar Jawad, “[RTX Corporation \(RTX\) Expands UAE Footprint with Gallium Production Project](#)”, *Yahoo Finance*, 18 May 2025.

⁶ “[Fact Sheet: President Donald J. Trump Secures \\$200 Billion in New U.S.-UAE Deals and Accelerates Previously Committed \\$1.4 Trillion UAE Investment](#)”, The White House, 15 May 2025.

⁷ “[AWS and e& Launch UAE Sovereign Cloud to Power Public Sector Digital Transformation](#)”, *Middle East Economy*, 16 May 2025.

⁸ “[Fact Sheet: President Donald J. Trump Secures Historic \\$1.2 Trillion Economic Commitment in Qatar](#)”, The White House, 14 May 2025.

⁹ Sara Dorn, “[U.S. Will Build Massive AI Data Center in Abu Dhabi: See the List of Deals Trump Announced in the Middle East](#)”, *Forbes*, 15 May 2025.

¹⁰ Sameer Hashmi, “[Did Trump Really Strike Gulf Deals Worth \\$2tn?](#)”, *BBC*, 21 May 2025.

¹¹ Mohamad Bazzi, “[Trump Once Condemned Qatar. How Things Have Changed](#)”, *The Guardian*, 19 May 2025.

Moreover, the deals entered in the West Asia align with Trump’s promise of ushering a ‘Golden Age’ of prosperity with ‘Made in America’. The increased focus on technology also comes at a time when the US is facing tough competition in critical technology from China. Following the tit-for-tat tariff tussle between the US and China, the Chinese government reacted with stricter export control measures on critical minerals which severely hampered global supply chains.¹²

Therefore, the Trump administration has been keen on diversifying its mineral pool with collaborations like the Gallium project that will establish capabilities of gallium production in UAE, and make it the second largest producer of this critical mineral. The current set of deals are pitched as a win-win situation for both the parties as the Gulf region is looking to expand its markets beyond oil, while the US is looking to offset Chinese technological influence and critical minerals control.

¹² Minoru Nogimon, “[The US-China Rivalry is Exacerbating the Critical Minerals Problem –China's weaponisation of mineral supplies and the danger of US supply chain restructuring without decarbonisation](#)”, Japan Research Institute, 20 May, 2025.

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