

Saudi and Softbank Solar Project Setback Ends With Separate Investment

By Liz Bramley, J.D. Candidate 2021 | October 10, 2018

The Saudi Arabian government's [plan](#), spearheaded by Saudi Crown Prince [Mohammed bin Salman](#) (MbS), to reduce their dependency on oil and diversify their economy has upended the tech community with an influx of cash.

Over the past two years, the Public Investment Fund of the Kingdom of Saudi Arabia ([PIF](#)) has nurtured a relationship with [Softbank](#) Group Corp. Through this effort, PIF has dumping money into [Softbank Vision Fund](#) and successfully broke into the United States tech industry. Softbank founder and CEO Masayoshi Son has readily accepted the backing, using the gargantuan fund to aggressively transition the Japanese telecom company into investments.

In [March](#), Son and MbS turned their attention towards Saudi soil, announcing at a New York press conference an agreement wherein SoftBank would build the world's largest solar power project in Saudi Arabia. With a 200-gigawatt goal in mind at the price of \$200 billion – the stage was set.

However, the Wall Street Journal [reported](#) last week that PIF tabled the deal and is instead “working up a broader, more practical strategy to boost renewable energy.” Softbank was quick to [retort](#), stating that it remains “working closely with PIF...to deliver on the New Solar Energy.”

Both actors have an emergent [notoriety](#) in the tech industry for flashy deals and substandard diligence. And while most of us recoil in horror at the thought of a \$200 billion agreement falling through, this recent “setback” hasn't seemed to affect the parties relationship or reputation. In fact, MbS just announced that PIF would invest an [additional \\$45 billion](#) in Software Vision Fund.

With seemingly endless amount of oil money involved, it appears that PIF and Software Vision Fund's relationship will continue to flourish.

