

# Recent trends and developments in FDI in the Asia-Pacific region

Meeting of the Asia-Pacific Foreign Direct Investment Network for Least  
Developed and Landlocked Countries

29 November , 2012

Bangkok, Thailand



# Outline

---

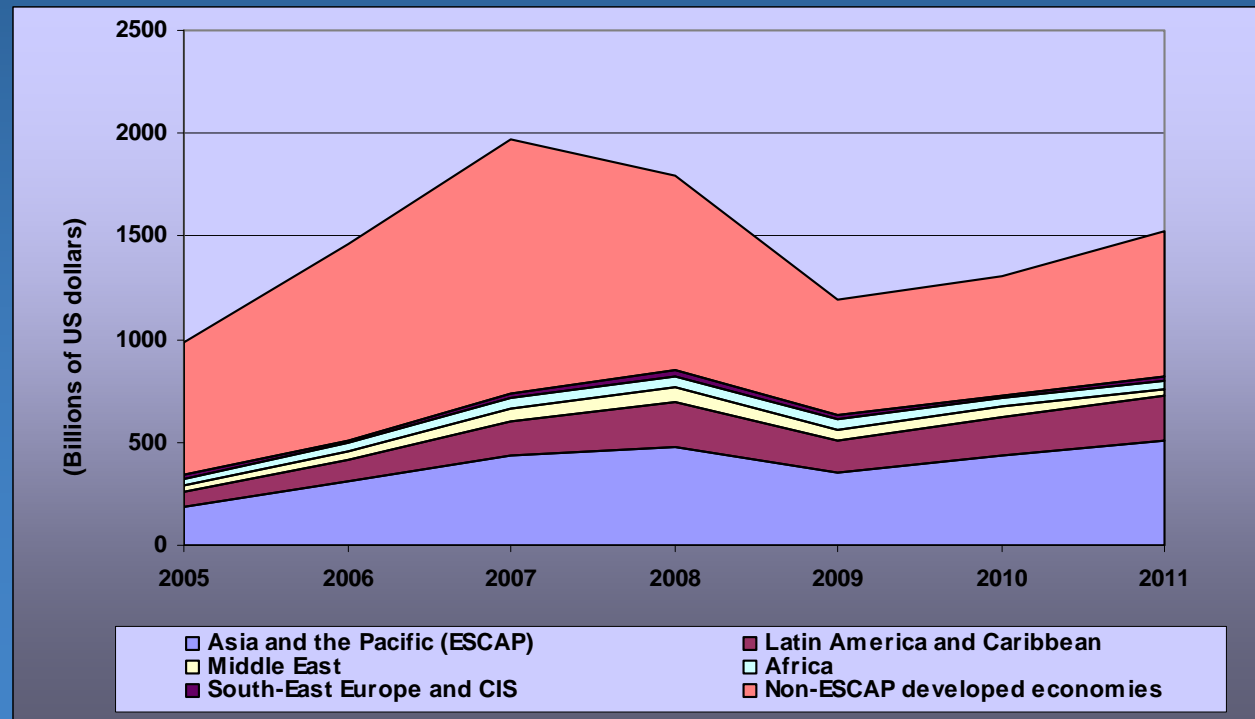
- Global trends
- Main trends in the Asia-Pacific region
- Subregional trends
  - East and North-East Asia
  - South-East Asia
  - South and South-West Asia
  - North and Central Asia
  - Least Developed Countries (LDCs)
  - Landlocked Developing Countries (LLDCs)
- Intraregional FDI
- Conclusions



# Global trends

- After having hit a peak of close to \$2 trillion in 2007, world FDI inflows began to decline in 2008 due to the global financial crisis. Inflows rebounded in 2010 and continued to increase in 2011 by 16%.
- In 2011 FDI inflows to developed countries grew more than those to developing countries, however, in the first half of 2012 developing countries for the first time attracted over half of global FDI.
- Global FDI outflows grew by 17% in 2011, driven mainly by the increase in outflows from developed countries, which remain the main suppliers of global FDI outflows.

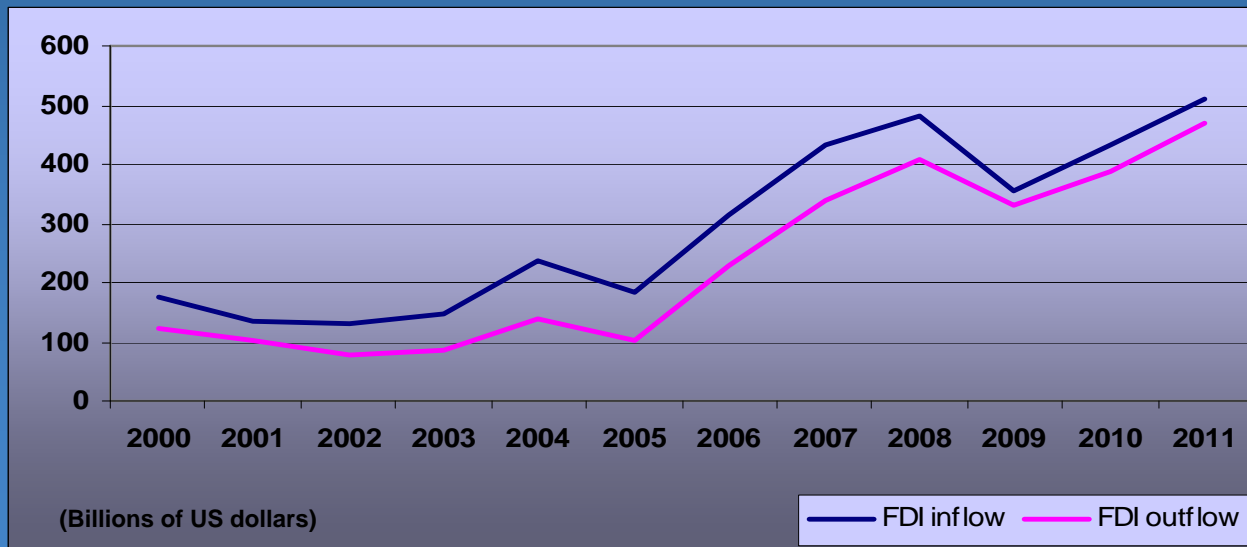
FDI inflow by world regions, 2005-2011



# Asia-Pacific region

- FDI inflows to the region have grown from \$131 billion in 2002 to \$509 billion in 2011. The Asia-Pacific region accounts for a third of global FDI inflows.
- The recent recovery in FDI inflows can be threatened by a deepening recession in Europe, volatile capital flows, or a marked slowdown of the Chinese or Indian economy.
- In the Asia-Pacific region, the five largest industries attract close to half of greenfield FDI inflows to the region.

**Total FDI inflows and outflows to and from the Asia-Pacific region, 2000-2011**



**Top 5 sectors attracting greenfield FDI, 2009-2011**

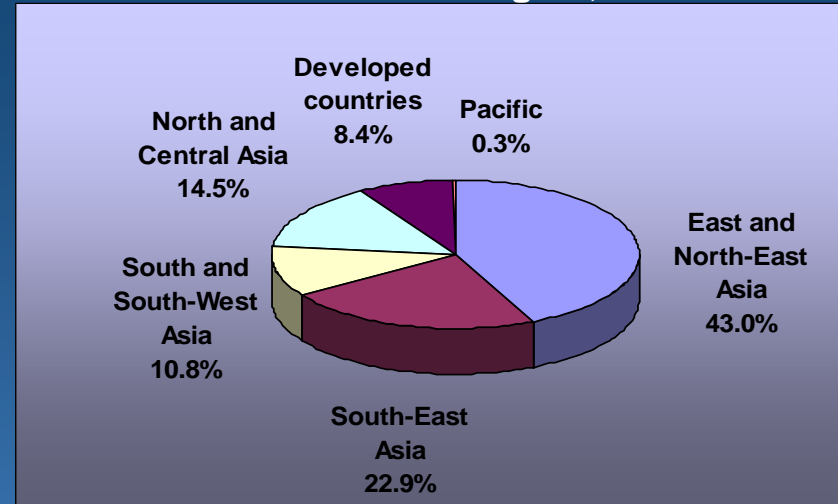
Sectors	Share of total greenfield FDI
Coal, oil and natural gas	17.5%
Metals	9.2%
Automotive OEM	6.5%
Real estate	6.3%
Chemicals	5.9%

Note: OEM=original equipment manufacture

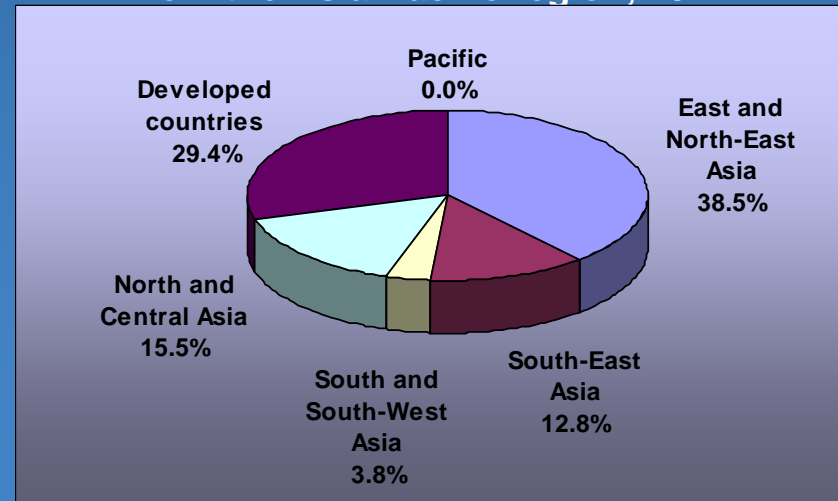
# Asia-Pacific region cont.

- When comparing subregions, the East and North-East Asian subregion is the largest especially in attracting FDI inflows.
- Among the developing countries in the Asia-Pacific region, five economies stand out in terms of attracting FDI inflows. These five “FDI giants” consist of China; Hong Kong, China; India; The Russian Federation and Singapore. They also account for a large share of the outflows from the developing Asia-Pacific region.
- The developed countries in the region are an important source of FDI outflows.

**Subregional shares of total FDI inflows to the Asia-Pacific region, 2011**



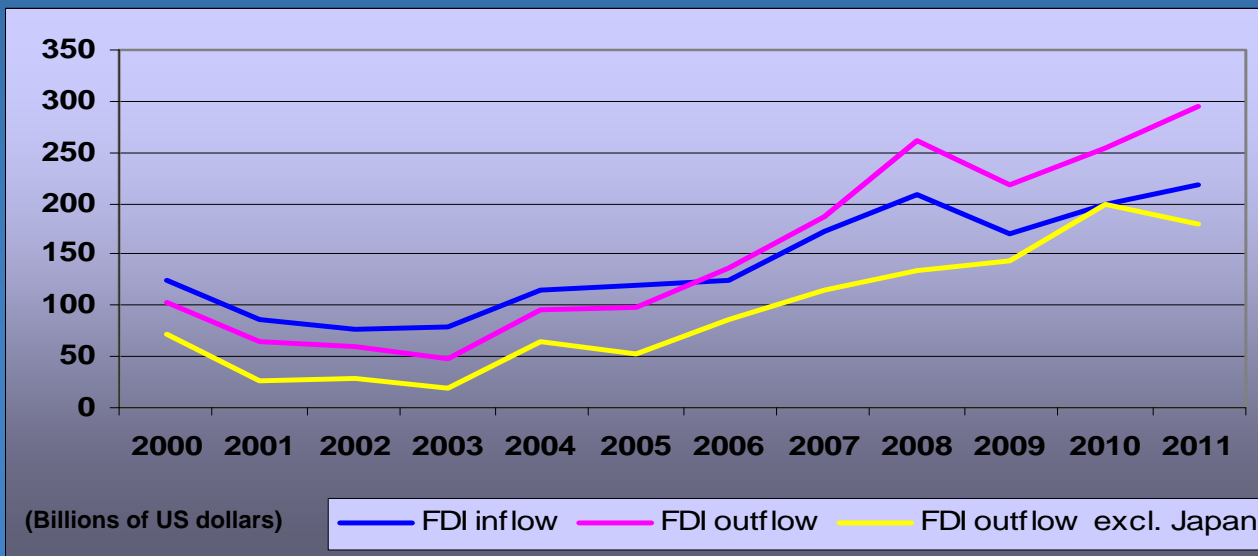
**Subregional shares of total FDI outflows from the Asia-Pacific region, 2011**



# East and North-East Asia

- Total FDI inflows to the East and North-East Asian subregion have bounced back following a dip in 2009. In 2011, inflows to the subregion exceeded the previous peak of 2008.
- China is the largest recipient of FDI flows and surpassed the United States to become the main destination for global FDI inflows in the first half of 2012.
- Due to large FDI outflows from Japan, outflows from the subregion have been larger than inflows to the subregion since 2006.

**Total FDI inflows and outflows to and from the East and North-East Asian subregion, 2000-2011**



**Top 5 sectors attracting greenfield FDI, 2009-2011**

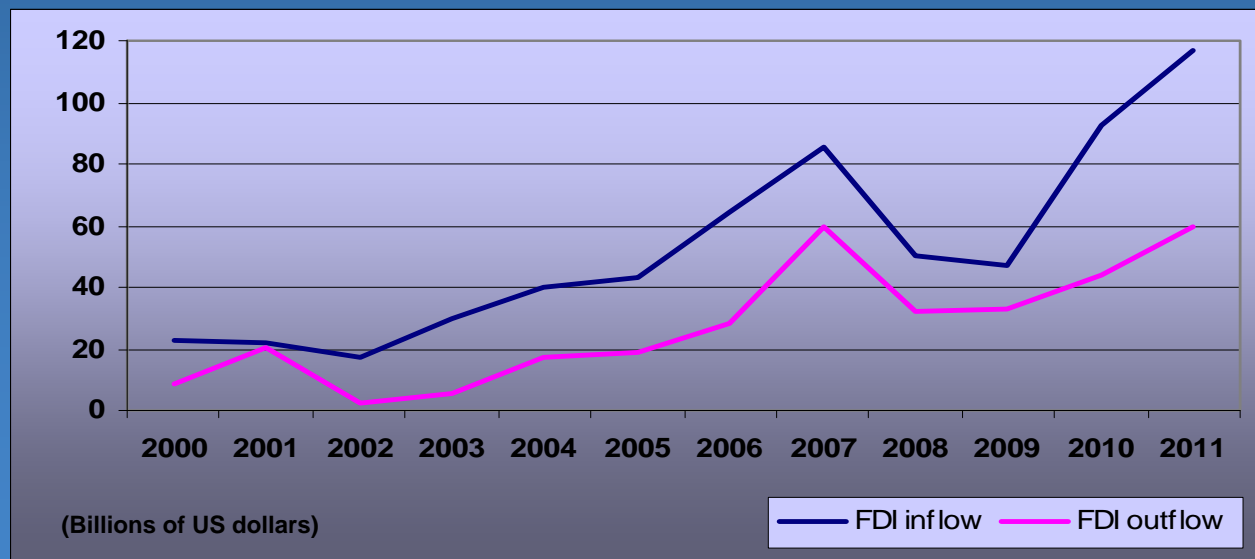
Sectors	Share of total greenfield FDI
Chemicals	9.1%
Automotive OEM	8.5%
Electronic components	8.3%
Financial services	8.2%
Transportation	7.7%

Note: OEM=original equipment manufacture

# South-East Asia

- Singapore remains the main destination for FDI in the subregion and FDI flows to the country have grown both in 2010 and 2011. However, there has been a more variation in inflows among other South-East Asian countries.
- FDI outflows from the subregion lag behind inflows. Recent growth in outflows has been driven by increasing greenfield investments from Indonesia and an increase in cross-border mergers and acquisitions (M&As) from Thailand.

**Total FDI inflows and outflows to and from the South-East Asian subregion, 2000-2011**



**Top 5 sectors attracting greenfield FDI, 2009-2011**

Sectors	Share of total greenfield FDI
Coal, oil and natural gas	25.1%
Metals	13.8%
Real estate	6.3%
Chemicals	5.5%
Financial services	5.1%

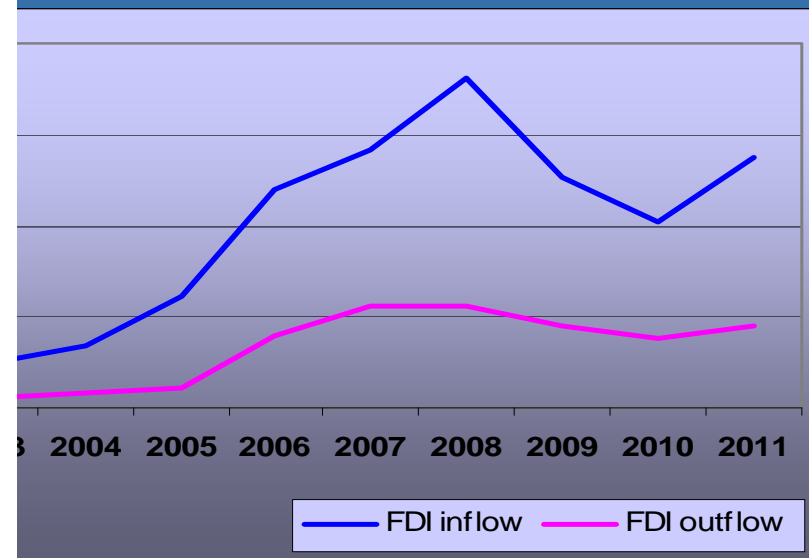
# South and South-West Asia

South and South-West Asian subregion began to recover in 2011.

7% of the FDI to the subregion followed by Turkey and the  
an.

the subregion are considerably lower than inflows. Over 80% of  
subregion originate in India, although outflows from Turkey and  
1.

FDI inflows to and from the South and South-West  
Asian subregion, 2000-2011



Top 5 sectors attracting  
greenfield FDI, 2009-2011

Sectors	Share of total Greenfield FDI
Coal, oil and natural gas	15.6%
Metals	13.9%
Automotive OEM	9.0%
Communications	6.0%
Real estate	5.1%

Note: OEM=original equipment manufacture

预览已结束，完整报告链接和二维码如下：

[https://www.yunbaogao.cn/report/index/report?reportId=5\\_7222](https://www.yunbaogao.cn/report/index/report?reportId=5_7222)

