



مركز الإحصاء
STATISTICS CENTRE



Foreign Investment Statistics

in Abu Dhabi

2010-2011

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Introduction:

This publication presents statistics of foreign investment in the Emirate of Abu Dhabi as at the end of 2010 and 2011. These data have been sourced from a field survey which covered all known establishments with inward foreign investment in the Emirate of Abu Dhabi. The publication highlights the relative importance of Foreign Direct Investment (FDI), Portfolio Investment and Other Investment.

Foreign investment data are presented according to the international standards for the dissemination of foreign investment statistics, adopting the guidelines recommended in the Balance of Payments manual of the International Monetary Fund. Foreign investment statistics are presented by economic activity, geographic region and source country.

This publication provides a commentary on the key foreign investment statistics alongside analytical tables and graphs. The technical notes at the end of this report provide an explanation of the key terms and technical concepts used in the compilation of foreign investment statistics. Readers are encouraged to refer to this section while reading the statistics and information outlined in the report.

Key Points

- Foreign Direct Investment (FDI) into the Emirate of Abu Dhabi increased from AED 48,446 million at the end of 2010 to AED 52,232 million at the end of 2011 or by 7.8 %.
- European countries accounted for the largest proportion of FDI into the Emirate of Abu Dhabi. Investment from these countries increased from AED 13,030 million at the end of 2010 to AED 13,664 million at the end of 2011, or by 4.9 %.
- Australia ranked top among countries with FDI into the Emirate of Abu Dhabi with investments amounting to AED 4,831 million or 10.0 % of total FDI and AED 6,164 million or 11.8 % in 2010 and 2011, respectively.
- Portfolio Investment into the Emirate of Abu Dhabi consisting of equity securities but excluding debt securities, increased by 24.1 % in 2011 and amounted to AED 3,874 million, up from AED 3,122 million in 2010.
- Other Investment (including debt securities) into the Emirate of Abu Dhabi increased to AED 179,662 million in 2011 from AED 160,943 million in 2010 or by 11.6 %.

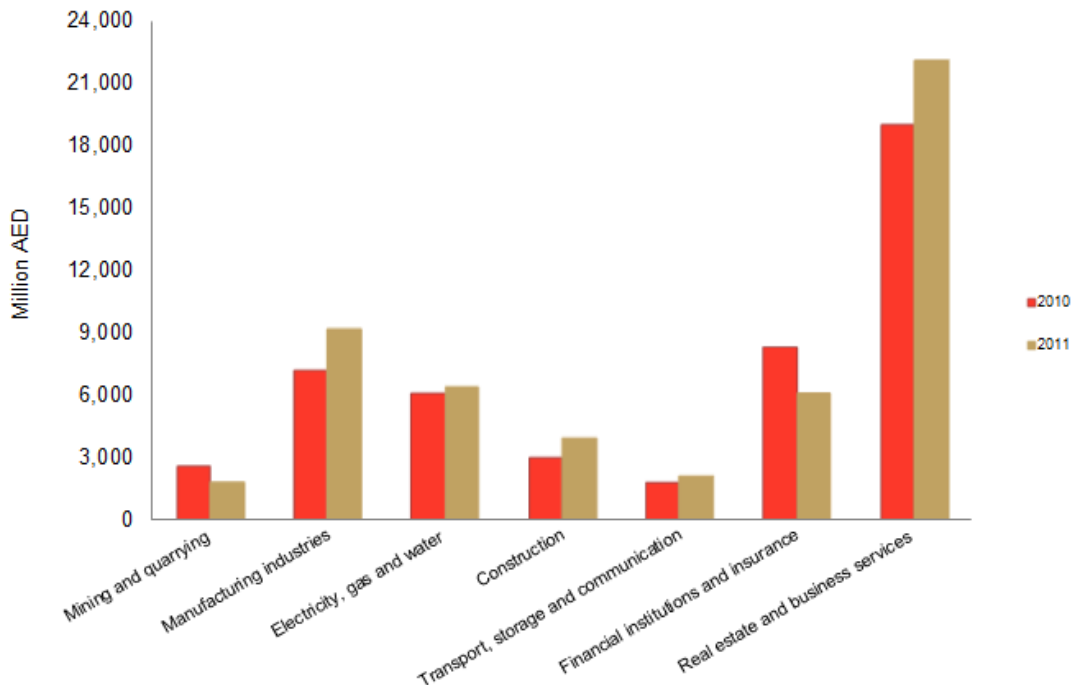
Foreign Direct Investment (FDI) by Economic Activity

The value of FDI in the Emirate of Abu Dhabi at the end of 2011 was AED 52,232 million, up from AED 48,446 million at the end of 2010, an increase of 7.8 %. This increase could mainly be attributed to “Real estate and business services” (including real estate sales to non- residents), which attracted FDI worth AED 22,057 million or 42.2 % of total FDI in 2011, compared with AED 18,964 million or 39.1 % of total FDI in 2010.

“Manufacturing industries” which accounted for the second largest share of FDI, increased from AED 7,259 million or 15.0 % in 2010 to AED 9,180 million or 17.6 % of total FDI in 2011. FDI in “Electricity, gas and water” activities amounted to AED 6,423 million or 12.3 % of total FDI at the end of 2011, compared with AED 6,140 million or 12.7 % at the end of 2010.

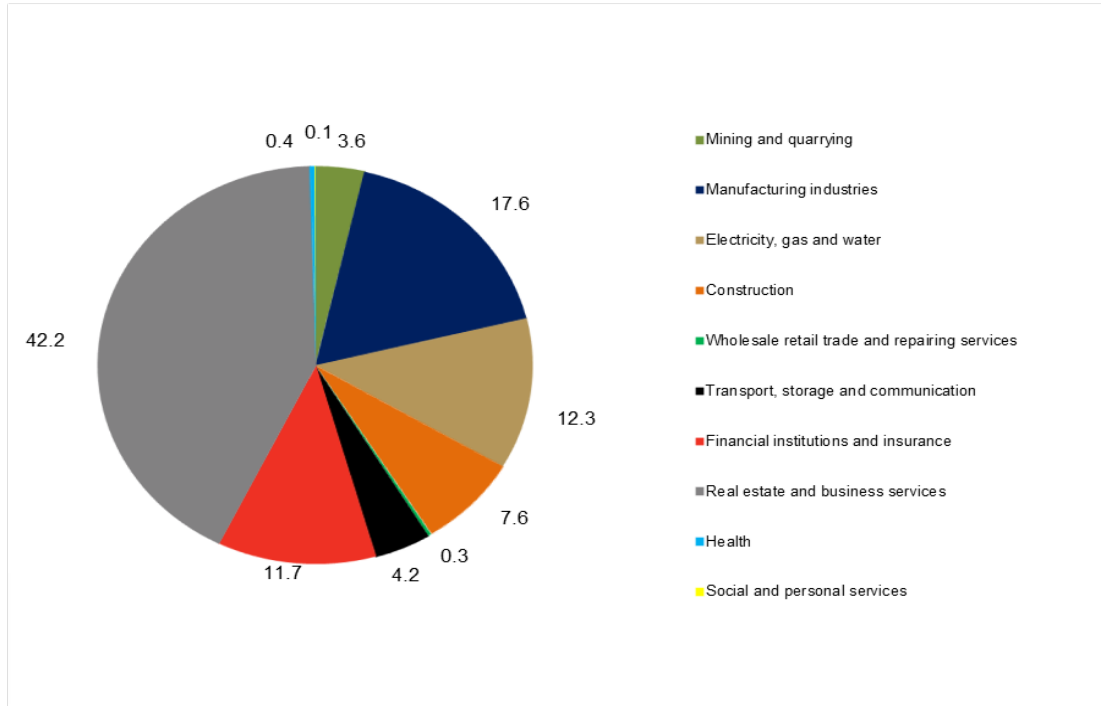
FDI in the “Financial institutions and insurance’ activity decreased from AED 8,336 million in 2010, or 17.2 % of total FDI to AED 6,134 million in 2011 or 11.7 % of total FDI.

Figure 1: FDI by selected economic activity, 2010 and 2011



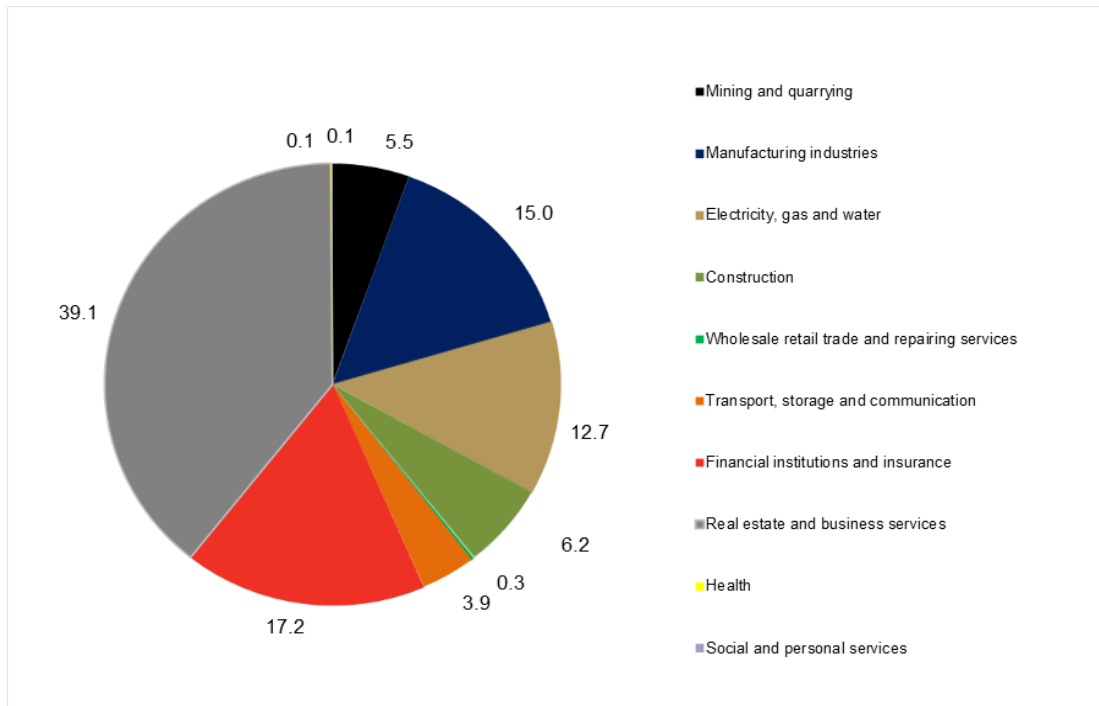
Source: Statistics Centre - Abu Dhabi

Figure 2: Percentage distribution of FDI by economic activity, 2011



Source: Statistics Centre - Abu Dhabi

Figure 3: Percentage distribution of FDI by economic activity, 2010



Source: Statistics Centre - Abu Dhabi

FDI by Region

FDI from the GCC region amounted to AED 2,240 million or 4.3 % of total FDI at the end of 2011 compared with AED 1,768 million or 3.6 % at the end of 2010. Investments from other Arab countries totaled AED 4,822 million or 9.2 % and AED 6,614 million or 13.7 % of FDI for the years 2011 and 2010, respectively.

European countries accounted for the largest proportion of FDI in the Emirate of Abu Dhabi. Investment from these countries increased from AED 13,030 million at the end of 2010 to AED 13,664 million at the end of 2011, or by 4.9 %.

FDI from other Asian countries in the Emirate of Abu Dhabi increased from AED 4,144 million at the end of 2010 to AED 4,156 million at the end of 2011, or by 0.3 %. Investments from other regions (including real estate sales to non-residents) amounted to AED 25,675 million in 2011 and AED 21,746 million in 2010, contributing 49.2 % and 44.9 % of total FDI at the end of 2011 and 2010, respectively.

Table 1: Total FDI by region *

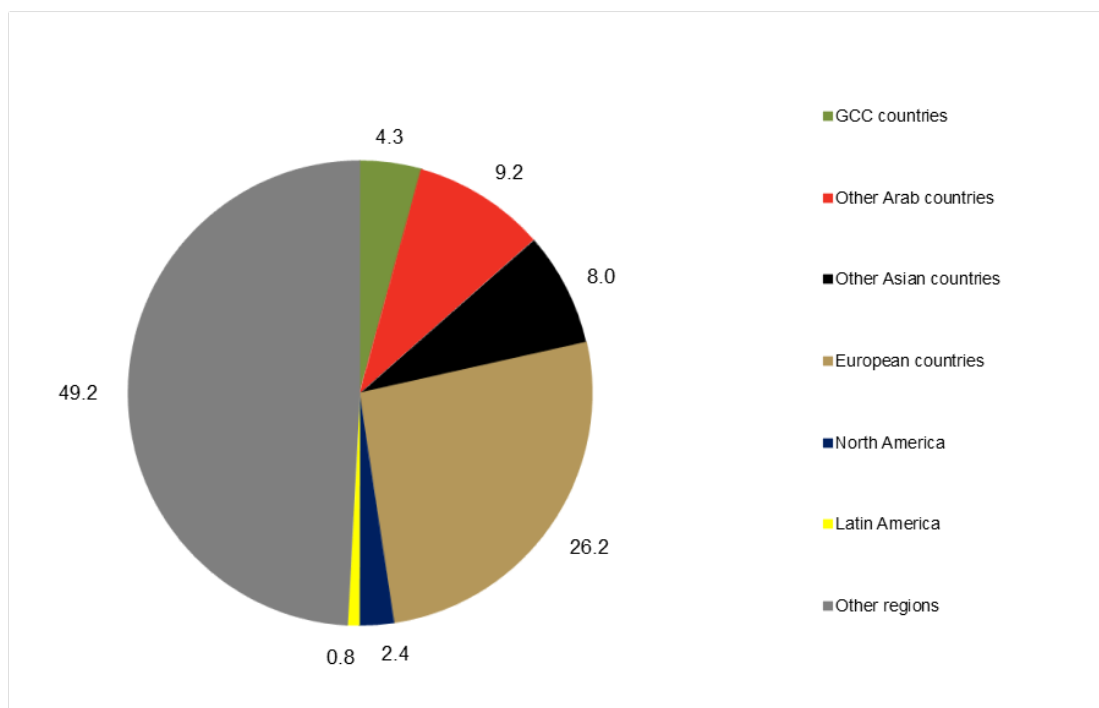
Regions	End of 2010	End of 2011
	— Value in million AED —	
GCC countries	1,768	2,240
Other Arab countries	6,614	4,822
Other Asian countries	4,144	4,156
Other African countries	1	1
European countries	13,030	13,664
North America	1,128	1,251
Latin America	14	422
Other regions**	21,746	25,675
Total	48,446	52,232

* Figures may not sum to totals due to rounding

** Includes real estate sales to non-residents

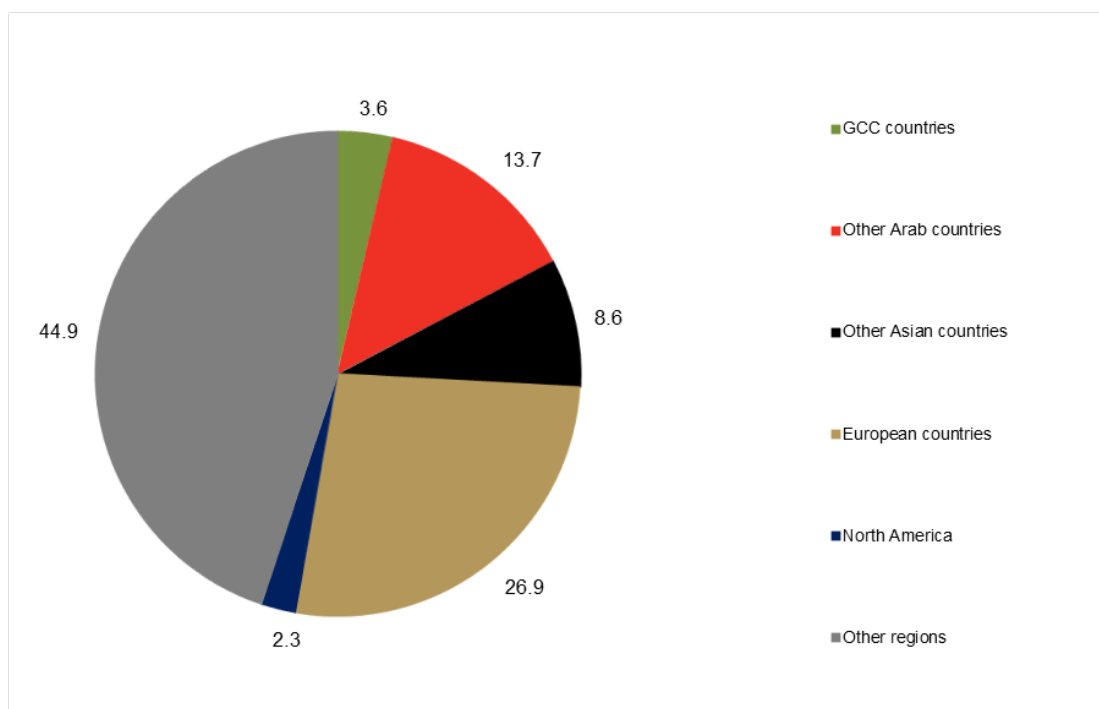
Source: Statistics Centre - Abu Dhabi

Figure 4: Percentage distribution of FDI by region, 2011



Source: Statistics Centre - Abu Dhabi

Figure 5: Percentage distribution of FDI by region, 2010



Source: Statistics Centre - Abu Dhabi

FDI by Source Country

Australia ranked top among countries with FDI in the Emirate of Abu Dhabi with investments amounting to AED 4,831 million or 10.0 % of total FDI and AED 6,164 million or 11.8 % in 2010 and 2011, respectively. FDI from the United Kingdom decreased from AED 5,898 million in 2010 to AED 5,311 million in 2011. As a result, FDI from the UK as a percentage of total FDI fell from 12.2 % to 10.2 % over the same period.

FDI from France rose from AED 3,476 million or 7.2 % of the total FDI in 2010 to AED 4,320 or 8.3 % in 2011. Japan invested AED 2,896 million and AED 3,280 million, or 5.5 % and 6.8 % of total FDI in 2011 and 2010, respectively.

Investments from other countries into Abu Dhabi (including real estate sales to non-residents) amounted to AED 25,721 million or 49.2 % of total FDI in 2011 compared with AED 23,927 million or 49.4 % in 2010.

Table 2: FDI by country *

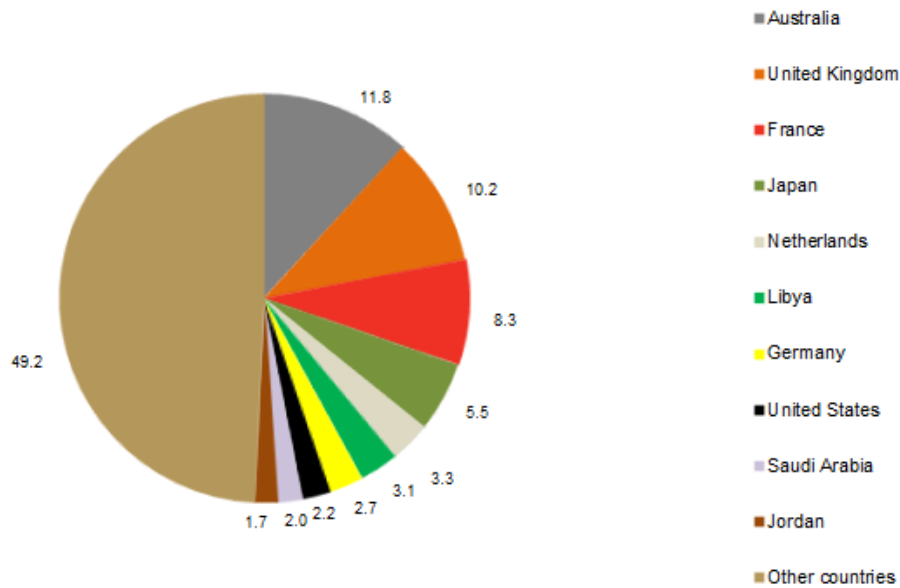
Country	End of 2010	End of 2011
	— Value in million AED —	
Australia	4,831	6,164
United Kingdom	5,898	5,311
France	3,476	4,320
Japan	3,280	2,896
Netherlands	1,493	1,729
Libya	2,124	1,596
Germany	1,268	1,414
United States	969	1,144
Saudi Arabia	301	1,025
Jordan	880	912
Other countries**	23,927	25,721
Total	48,446	52,232

* Figures may not sum to totals due to rounding

** Includes real estate sales to non-residents

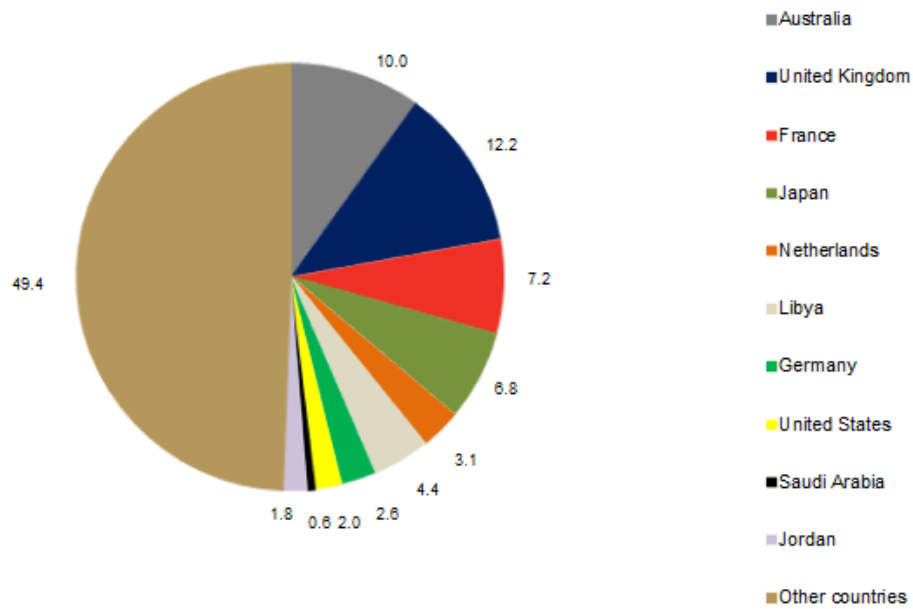
Source: Statistics Centre - Abu Dhabi

Figure 6: Percentage distribution of FDI by source country, 2011



Source: Statistics Centre - Abu Dhabi

Figure 7: Percentage distribution of FDI by source country, 2010



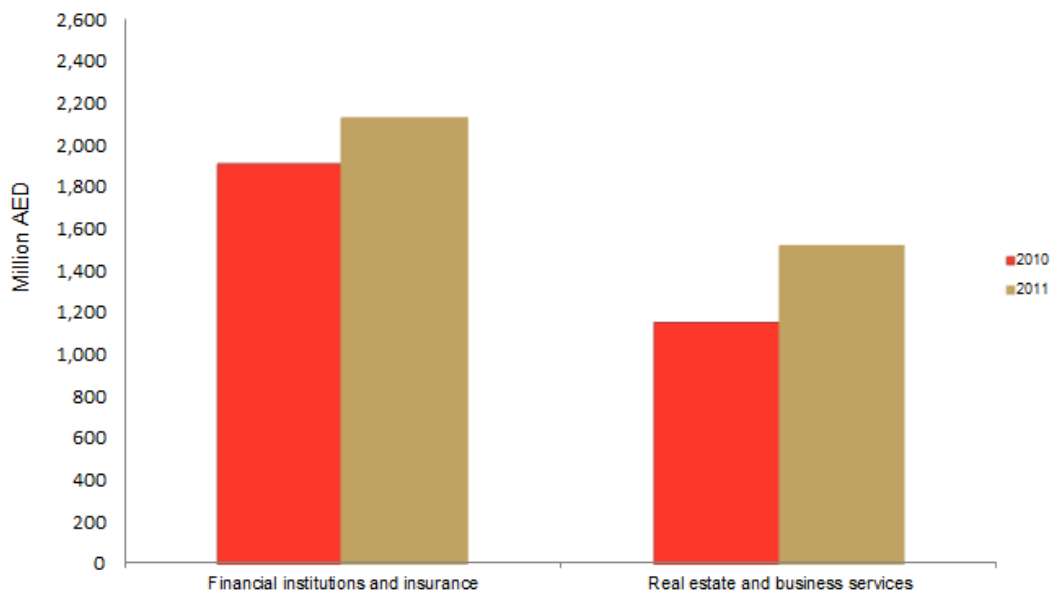
Source: Statistics Centre - Abu Dhabi

Portfolio Investment by Economic Activity

Total portfolio investment in the Emirate of Abu Dhabi consisting of equity securities but excluding debt securities, amounted to AED 3,874 million in 2011, up from AED 3,122 million in 2010 by 24.1 %. The “Financial institutions and insurance” activity contributed the largest proportion of portfolio investments amounting to AED 2,122 million or 54.8 % in 2011 and AED 1,901 million or 60.9 % in 2010.

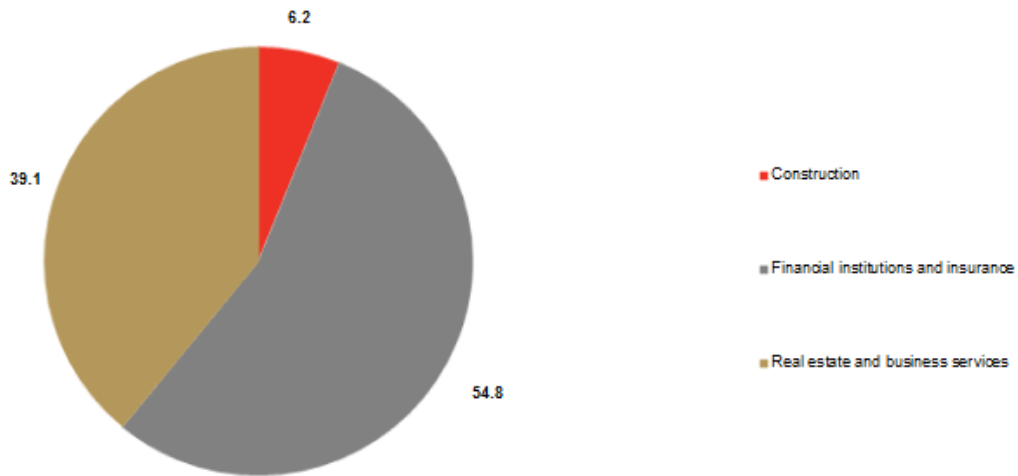
The second largest contributor was the “Real estate and business services” activity, with investments amounting to AED 1,514 million or 39.1 % in 2011 and AED 1,146 million or 36.7 % of total portfolio investments in 2010.

Figure 8: Portfolio investment by economic activity, 2010 and 2011



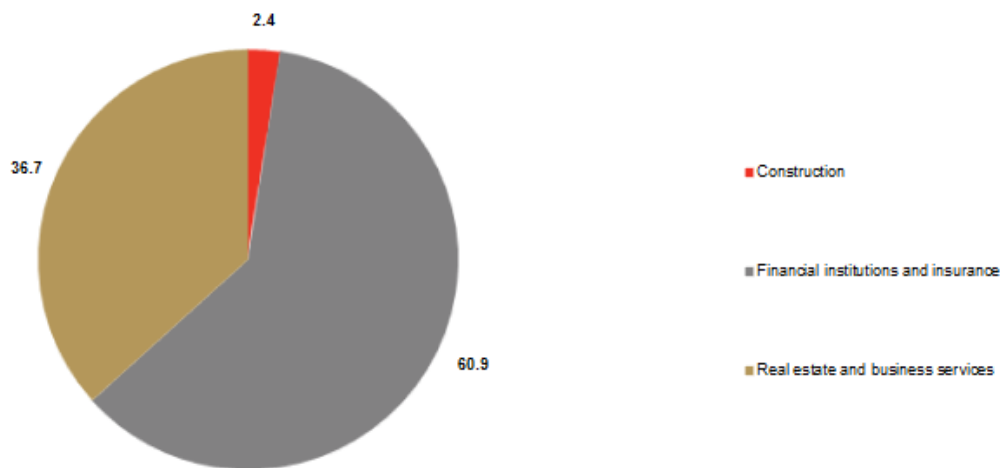
Source: Statistics Centre - Abu Dhabi

Figure 9: Percentage distribution of portfolio investment by economic activity, 2011



Source: Statistics Centre - Abu Dhabi

Figure 10: Percentage distribution of portfolio investment by economic activity, 2010



Source: Statistics Centre - Abu Dhabi

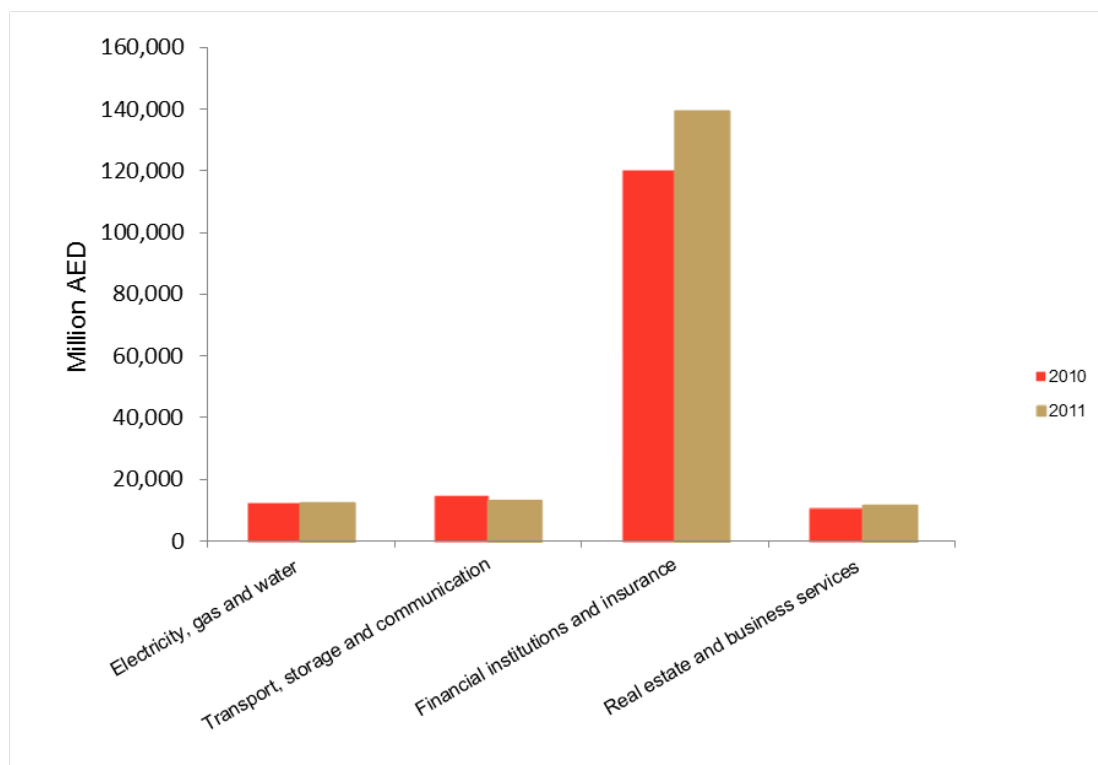
Other Investment by Economic Activity

Other investment (including debt securities) into the Emirate of Abu Dhabi increased to AED 179,662 million in 2011 from AED 160,943 million in 2010 or by 11.6 %. The increase in inward other investment could mainly be attributed to the “Financial institutions and insurance” activity which rose from AED 119,878 million or 74.5 % of total other investment in 2010, to AED 139,397 million or 77.6 % in 2011.

The second largest share of other investment was in the “Transport, storage and communication” activity, which totaled AED 14,813 million or 9.2 % of the total other investment and AED 13,209 million or 7.4 % in the years 2010 and 2011, respectively; followed by “Electricity, gas and water” which amounted to AED 12,639 million or 7.0 % of total other investment in 2011, compared with AED 12,369 million or 7.7 % in 2010.

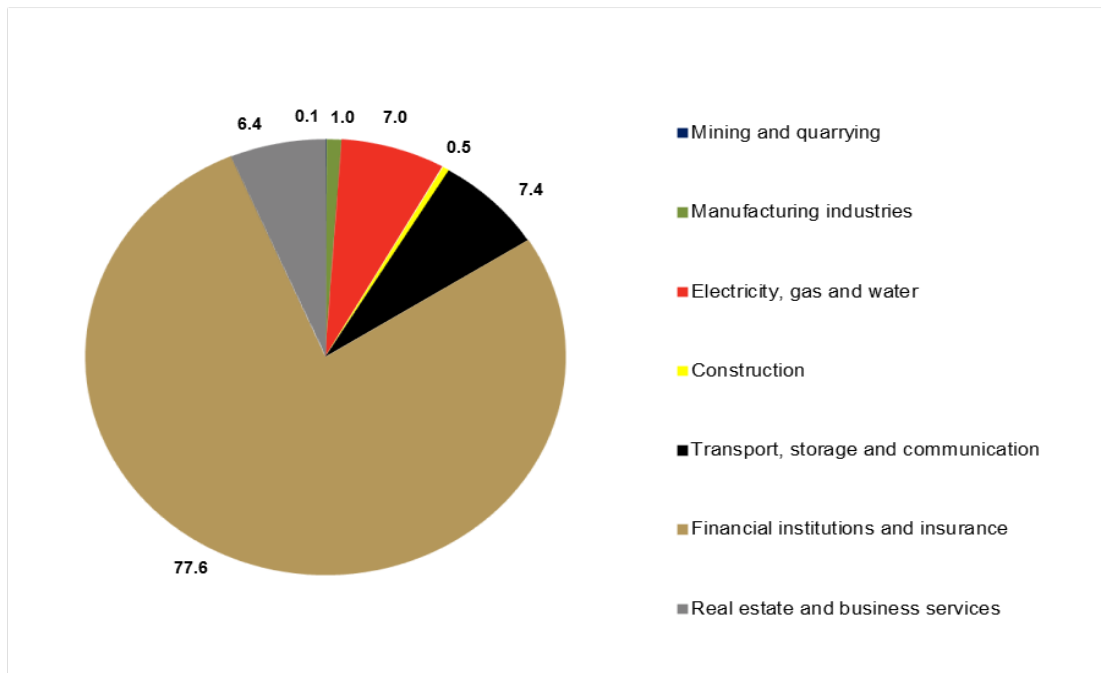
Other investment in the “Real estate and business services activity” amounted to AED 11,547 million or 6.4 % of total other investment in 2011, compared with AED 10,932 million or 6.8 % of total FDI in 2010.

Figure 11: Other investment by selected economic activities, 2010 and 2011



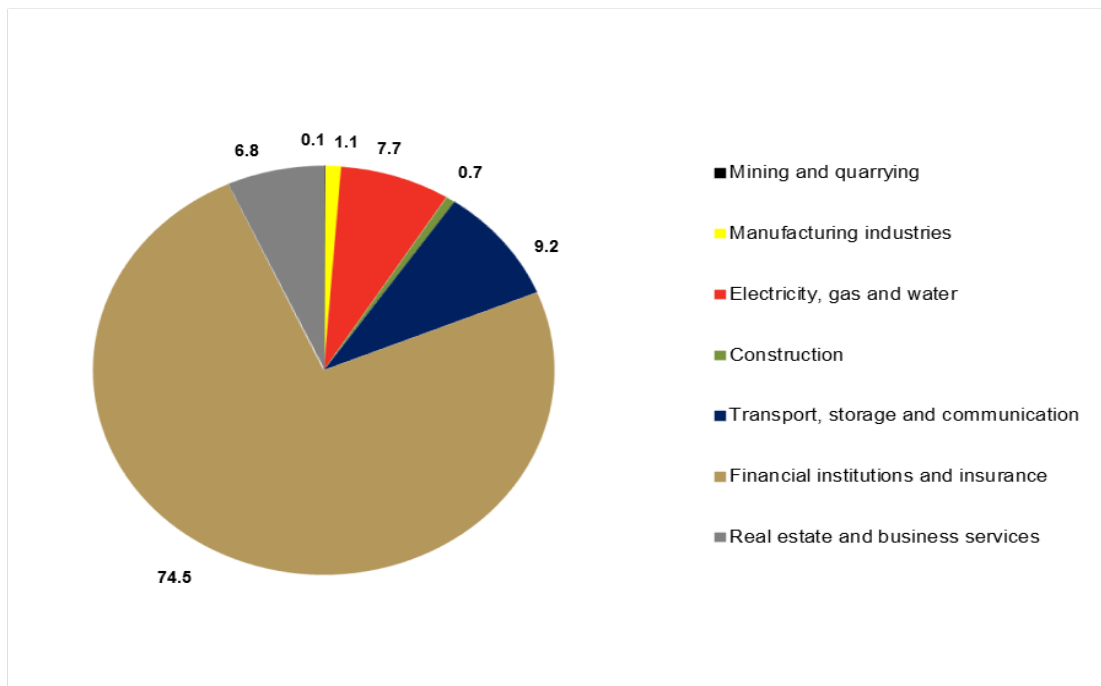
Source: Statistics Centre - Abu Dhabi

Figure 12: Percentage distribution of other investment by economic activity, 2011



Source: Statistics Centre - Abu Dhabi

Figure 13: Percentage distribution of other investment by economic activity, 2010



Source: Statistics Centre - Abu Dhabi

Statistical Tables

Table 1: Foreign direct investment by economic activity *

Item	End of 2010	End of 2011
— Value in million AED —		
Mining and quarrying	2,643	1,886
Manufacturing industries	7,259	9,180
Electricity, gas and water	6,140	6,423
Construction	3,000	3,958
Wholesale retail trade and repairing services	140	148
Restaurants and hotels	7	9
Transport, storage and communication	1,872	2,195
Financial institutions and insurance	8,336	6,134
Real estate and business services **	18,964	22,057
Education	19	19
Health	28	193
Social and personal services	38	30
Total	48,446	52,232

* Figures may not sum to totals due to rounding

** Includes real estate sales to non-residents

Source: Statistics Centre - Abu Dhabi

Table 2: Percentage distribution of foreign direct investment by economic activity *

Item	End of 2010	End of 2011
		— % —
Mining and quarrying	5.5	3.6
Manufacturing industries	15.0	17.6
Electricity, gas and water	12.7	12.3
Construction	6.2	7.6
Wholesale retail trade and repairing services	0.3	0.3
Transport, storage and communication	3.9	4.2
Financial institutions and insurance	17.2	11.7
Real estate and business services **	39.1	42.2
Health	0.1	0.4
Social and personal services	0.1	0.1
Total	100	100

* Figures may not sum to totals due to rounding

** Includes real estate sales to non-residents

Source: Statistics Centre - Abu Dhabi

Table 3: Foreign direct investment by source country *

Country	End of 2010	End of 2011
	— Value in million AED—	
Bahrain	897	636
Iraq	168	179
Kuwait	250	231
Qatar	31	37
Saudi Arabia	301	1,025
Yemen	3	4
Oman	117	127
Jordan	880	912
Palestine	27	33
Algeria	809	608
Syria	5	6
Sudan	28	11
Lebanon	708	857
Libya	2,124	1,596
Egypt	2,036	799
China - including Hong Kong and Macau	91	130
India	154	259
Japan	3,280	2,896
Pakistan	237	312
Singapore	19	19
Turkey	20	17
South Korea	262	429
Bangladesh	70	84
Germany	1,268	1,414
United Kingdom	5,898	5,311
Belgium	335	395
Greece	21	21
France	3,476	4,320
Cyprus	365	242
Liechtenstein	44	55
Ireland	31	30
Switzerland	4	6
Italy	32	36
Spain	49	71
Netherlands	1,493	1,729
Panama	14	422
United States	969	1,144
Bermuda	53	63
Canada	107	44
Australia	4,831	6,164
Bulgaria	26	34
Other **	16,914	19,523
Total	48,446	52,232

* Figures may not sum to totals due to rounding

** Includes real estate sales to non-residents

Source: Statistics Centre - Abu Dhabi

Table 4: Percentage distribution of foreign direct investment by source country *

Country	End of 2010	End of 2011
		— % —
Bahrain	1.9	1.2
Iraq	0.3	0.3
Kuwait	0.5	0.4
Qatar	0.1	0.1
Saudi Arabia	0.6	2.0
Oman	0.2	0.2
Jordan	1.8	1.7
Palestine	0.1	0.1
Algeria	1.7	1.2
Sudan	0.1	0.0
Lebanon	1.5	1.6
Libya	4.4	3.1
Egypt	4.2	1.5
China - including Hong Kong and Macau	0.2	0.2
India	0.3	0.5
Japan	6.8	5.5
Pakistan	0.5	0.6
South Korea	0.5	0.8
Bangladesh	0.1	0.2
Germany	2.6	2.7
United Kingdom	12.2	10.2
Belgium	0.7	0.8
France	7.2	8.3
Cyprus	0.8	0.5
Liechtenstein	0.1	0.1
Ireland	0.1	0.1
Italy	0.1	0.1
Spain	0.1	0.1
Netherlands	3.1	3.3
Panama	0.0	0.8
United States	2.0	2.2
Bermuda	0.1	0.1
Canada	0.2	0.1
Australia	10.0	11.8
Bulgaria	0.1	0.1
Other **	34.9	37.4
Total	100	100

* Figures may not sum to totals due to rounding

** Includes real estate sales to non-residents

Source: Statistics Centre - Abu Dhabi

Table 5: Portfolio investment by economic activity *

Item	End of 2010	End of 2011
	— Value in million AED —	
Construction	76	238
Financial institutions and insurance	1,901	2,122
Real estate and business services	1,146	1,514
Total	3,122	3,874

* Figures may not sum to totals due to rounding

Source: Statistics Centre - Abu Dhabi

Table 6: Percentage distribution of portfolio investment by economic activity *

Item	End of 2010	End of 2011
	— % —	
Construction	2.4	6.2
Financial institutions and insurance	60.9	54.8
Real estate and business services	36.7	39.1
Total	100	100

* Figures may not sum to totals due to rounding

Source: Statistics Centre - Abu Dhabi

Table 7: Other investment by economic activity *

Item	End of 2010	End of 2011
	— Value in million AED —	
Mining and quarrying	83	106
Manufacturing industries	1,704	1,746
Electricity, gas and water	12,369	12,639
Construction	1,118	966
Wholesale retail trade and repairing services	37	43
Transport, storage and communication	14,813	13,209
Financial institutions and insurance	119,878	139,397
Real estate and business services	10,932	11,547
Education	9	10
Total	160,943	179,662

* Figures may not sum to totals due to rounding

Source: Statistics Centre - Abu Dhabi

Table 8: Percentage distribution of other investment by economic activity *

Item	End of 2010	End of 2011
		— % —
Mining and quarrying	0.1	0.1
Manufacturing industries	1.1	1.0
Electricity, gas and water	7.7	7.0
Construction	0.7	0.5
Transport, storage and communication	9.2	7.4
Financial institutions and insurance	74.5	77.6
Real estate and business services	6.8	6.4
Total	100	100

* Figures may not sum to totals due to rounding

Source: Statistics Centre - Abu Dhabi

Technical notes

Foreign investment in the Emirate of Abu Dhabi

Statistics Centre - Abu Dhabi conducted a field survey for the years 2010 and 2011. The survey covered all known establishments with inward foreign investment in the Emirate of Abu Dhabi, through field visits to these establishments. The objective was to identify the activities they perform as well as to gain information on the nature and size of inward foreign investment.

Scope of the survey:

The frame of this survey was obtained from the economic establishments' frame which includes businesses with foreign investment activities.

Survey method

The survey involved full coverage of all the establishments that were found to have shareholdings by foreign investors.

Objectives of the survey:

The Statistics Centre - Abu Dhabi conducted a field survey that included all the foreign investment establishments in the Emirate of Abu Dhabi. This was done using a special questionnaire, which was prepared according to the international standards for the dissemination of foreign investment statistics.

Objectives:

1. Identify the amount of foreign investments in the Emirate of Abu Dhabi.
2. Determine the distribution of these investments by economic activities.
3. Identify the sources and value of FDI.
4. Determine the extent to which these investments contribute to the provision of employment opportunities, especially for UAE nationals.
5. Assess the role played by these investments in the transfer of technology.
6. Provide the necessary data that will help policy-makers to take appropriate decisions that will attract foreign investment.
7. Provide data on the role of foreign investors in the promotion of trade in the emirate and to keep track of any future expansion in their activities.

Definition of foreign direct investment

FDI is a category of international investment that reflects the objective of a resident in one economy (the direct investor) to obtain a lasting interest in an enterprise resident in another economy (the direct investment enterprise). The lasting interest implies the existence of a long-term relationship between the direct investor and the direct investment enterprise, and a significant degree of influence by the investor on the management of the enterprise.

The change in the estimated value of FDI in the “Real estate and business services” economic activity from the end of one reference year to the end of the next reference year reflects the change in ownership of Abu Dhabi real estate from residents to non-residents during the reference year. In the publication the estimated value of FDI in real estate at the end of each reference year excludes the change in ownership of Abu Dhabi real estate from non-residents to residents and excludes adjustments for price changes.

Definition of portfolio investment

The major components of portfolio investment classified under assets and liabilities are equity securities and debt securities. Both are usually traded (or tradable) in organized and other financial markets. Debt securities which are subdivided into bonds and notes are currently recorded as part of other investment in this publication.

Definition of other investment

Other Investment is a residual category that includes all financial transactions not covered in direct investment, portfolio investment, or reserve assets.

For more information about economic and other official statistics, please visit the SCAD website at <http://www.scad.ae>

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