



مركز الإحصاء - أبوظبي
STATISTICS CENTRE - ABU DHABI

Foreign Investment Statistics in Abu Dhabi 2009

Dec 2011



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Introduction:

This report presents statistics of foreign investment in the Emirate of Abu Dhabi as at the end of 2008 and 2009. 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 report highlights the relative importance of Foreign Direct Investment, 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 in conjunction with reading the statistics and information outlined in the report.

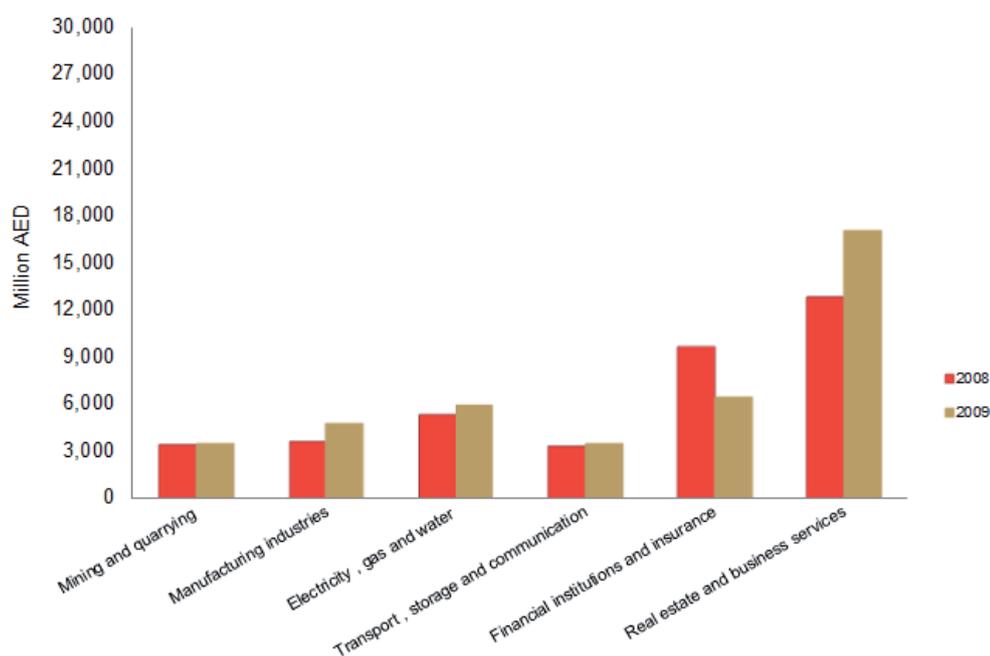
Foreign direct investment (FDI) by economic activity

The value of FDI in the Emirate of Abu Dhabi at the end of 2009 was AED 43,171 million, up from AED 38,855 million at the end of 2008. This increase could mainly be attributed to “Real estate and business services” (including real estate sales to non-residents), which attracted FDI worth AED 16,965 million or 39.3 per cent of total FDI in 2009, compared with AED 12,620 million or 32.5 per cent of total FDI in 2008.

“Financial institutions and insurance” which accounted for the second largest share of FDI, fell from AED 9,568 million or 24.6 per cent in 2008 to AED 6,422 million or 14.9 per cent of total FDI in 2009. FDI in “Electricity, gas and water” activities amounted to AED 5,886 million or 13.6 per cent of total FDI at the end of 2009, compared with AED 5,182 million or 13.3 per cent at the end of 2008.

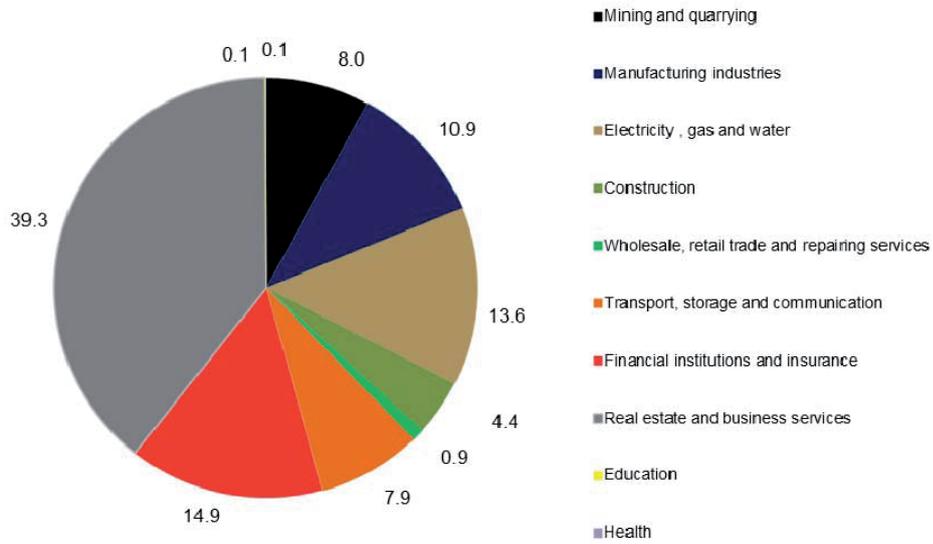
FDI in the “Transport, Storage and Communications activity” amounted to AED 3,419 million in 2009 and AED 3,218 million in 2008, or 7.9 and 8.3 per cent of the total FDI for 2009 and 2008 respectively.

Figure 1: FDI by selected economic activity, 2008/2009



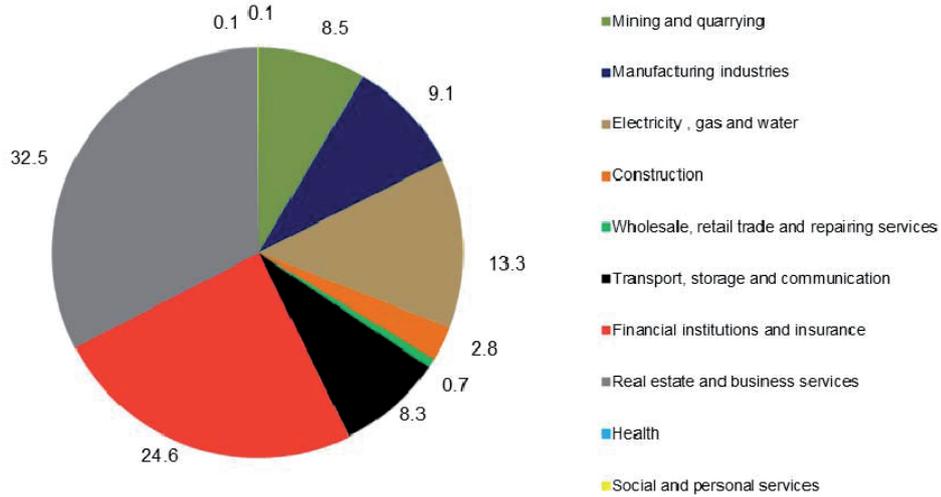
Source: Statistics Centre - Abu Dhabi

Figure 2: Percentage distribution of FDI by economic activity, 2009



Source: Statistics Centre - Abu Dhabi

Figure 3: Percentage distribution of FDI by economic activity, 2008



Source: Statistics Centre - Abu Dhabi

FDI by region

FDI from the GCC region amounted to AED 3,786 million or 8.8 per cent of total FDI at the end of 2009 compared with AED 5,736 million or 14.8 per cent at the end of 2008. Investments from other Arabian countries totaled AED 2,900 million or 6.7 per cent and AED 2,690 million or 6.9 per cent of FDI for the years 2009 and 2008, respectively.

European countries accounted for the largest proportion of FDI in the Emirate of Abu Dhabi, Investment from these countries increased from AED 9,459 million or 24.3 per cent of total FDI at the end of 2008 to AED 9,877 million or 22.9 per cent of total FDI at the end of 2009.

FDI from other Asian countries in the Emirate of Abu Dhabi increased from AED 986 million at the end of 2008 to AED 6,241 million at the end of 2009, or from 2.5 per cent to 14.5 per cent of total FDI respectively. This increase was mainly due to investment from China and Japan. Investments from other regions (including real estate sales to non-residents) reached AED 17,859 million in 2009 and AED 18,158 million in 2008, contributing 41.4 per cent and 46.7 per cent at the end of 2009 and 2008, respectively.

Table 1: Total FDI by region *

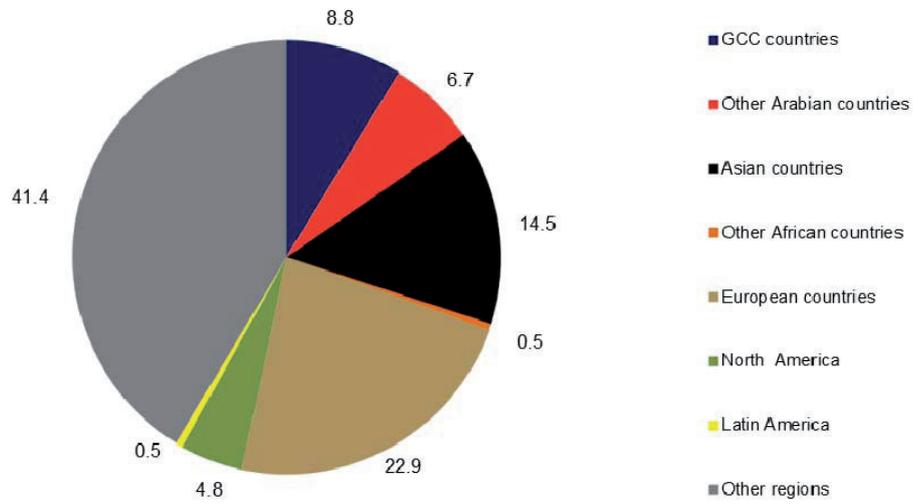
Regions	End of 2008	End of 2009
	— Value in million AED —	
GCC countries	5,736	3,786
Other Arabian countries	2,690	2,900
Other Asian countries	986	6,241
Other African countries	81	224
European countries	9,459	9,877
North America	1,517	2,059
Latin America	227	226
Other regions**	18,158	17,859
Total	38,855	43,171

* Figures may not sum to totals due to rounding

** Includes real estate sales to non-residents

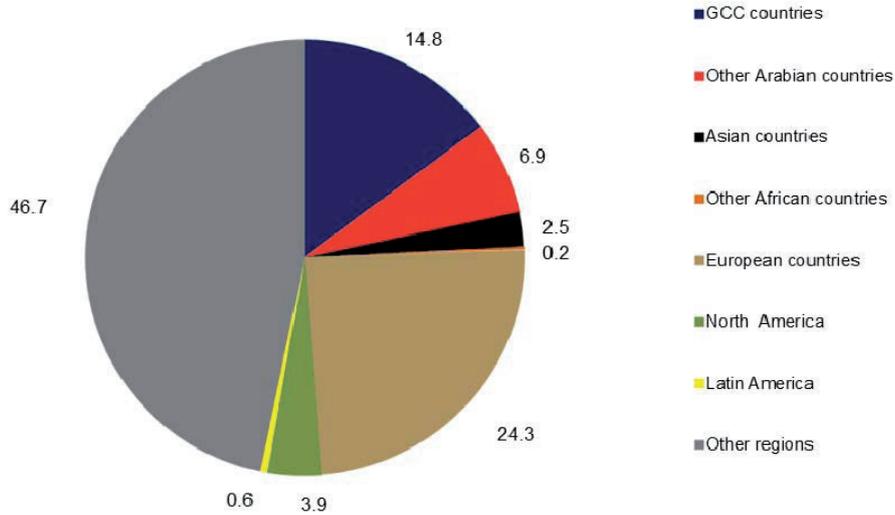
Source: Statistics Centre - Abu Dhabi

Figure 4: Percentage distribution of FDI by region, 2009



Source: Statistics Centre - Abu Dhabi

Figure 5: Percentage distribution of FDI by region, 2008



Source: Statistics Centre - Abu Dhabi

FDI by source country

The UK ranked top among countries with FDI in the Emirate of Abu Dhabi with investments amounting to AED 5,500 million and AED 4,279 million in 2008 and 2009, respectively. However, FDI from the UK as a percentage of total FDI fell from 14.2 per cent in 2008 to 9.9 per cent in 2009. FDI from Japan rose from AED 720 million in 2008 or 1.9 per cent of total FDI to AED 2,832 million or 6.6 per cent in 2009.

FDI from France amounted to AED 3,199 million or 7.4 per cent in 2009 compared with AED 2,357 or 6.1 per cent in 2008. Australia invested AED 3,147 million and AED 3,284 million, or 7.3 per cent and 8.5 per cent of total FDI in 2009 and 2008, respectively.

Investments from other countries in Abu Dhabi (including real estate sales to non-residents) amounted to AED 14,616 million or 33.9 per cent of total FDI in 2009 compared with AED 15,272 million or 39.3 per cent in 2008.

Table 2: FDI by country *

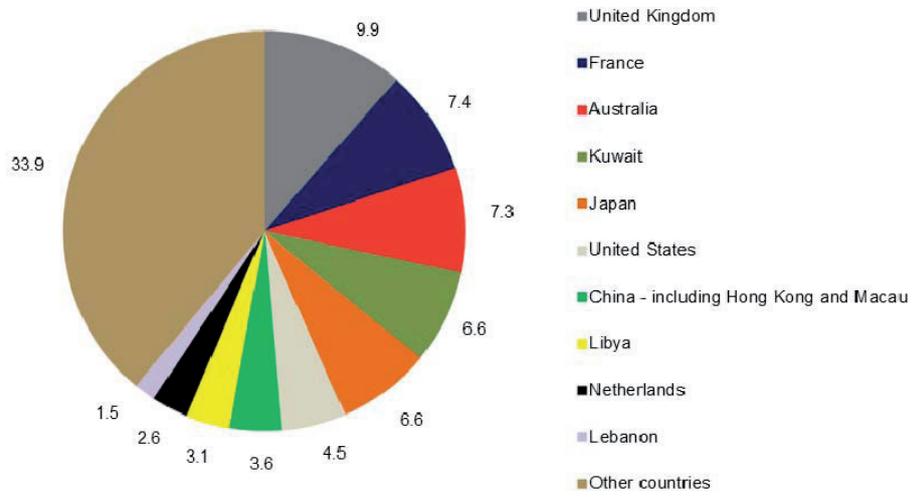
Country	End of 2008	End of 2009
	— Value in million AED —	
United Kingdom	5,500	4,279
France	2,357	3,199
Australia	3,284	3,147
Kuwait	3,530	2,848
Japan	720	2,832
United States	1,451	1,946
China - including Hong Kong and Macau	36	1,551
Libya	1,428	1,319
Netherlands	841	1,111
Lebanon	363	642
Other countries**	15,272	14,616
Total	38,855	43,171

*Figures may not sum to totals due to rounding

** Includes real estate sales to non-residents

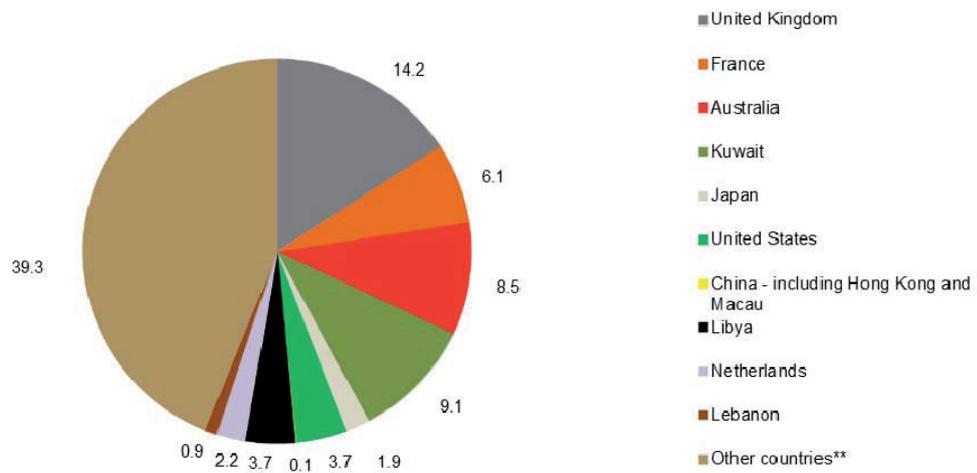
Source: Statistics Centre - Abu Dhabi

Figure 6: Percentage distribution of FDI by source country, 2009



Source: Statistics Centre - Abu Dhabi

Figure 7: Percentage distribution of FDI by source country, 2008



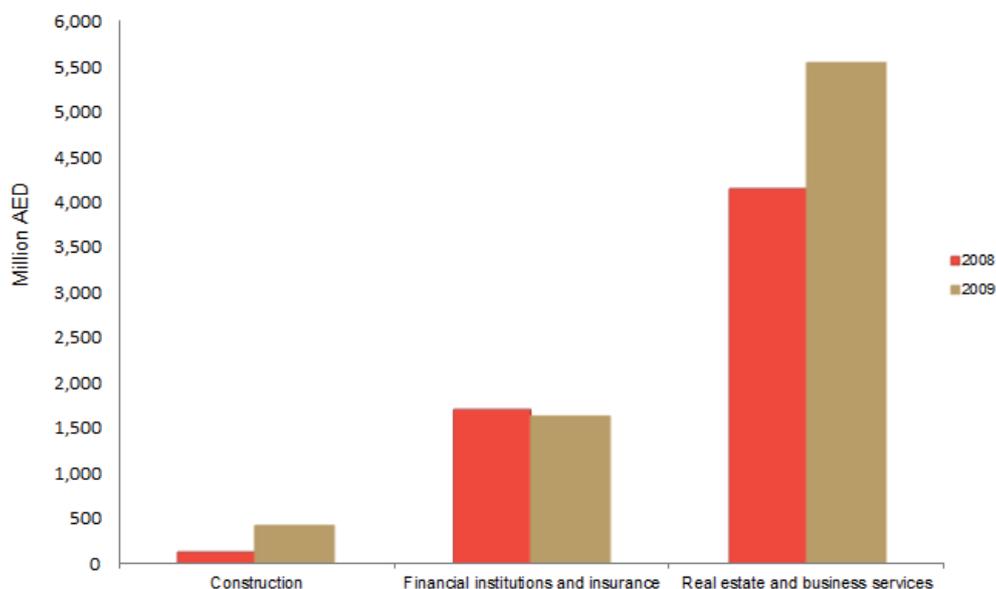
Source: Statistics Centre - Abu Dhabi

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 7,609 million in 2009, up from AED 6,012 million in 2008. “Real estate and business services” contributed the largest proportion of portfolio investments amounting to AED 5,529 million or 72.7 per cent in 2009 and AED 4,136 million or 68.6 per cent in 2008.

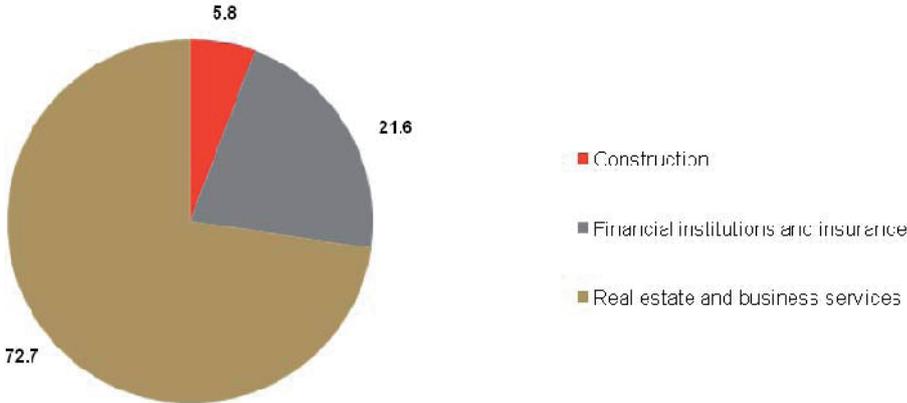
The second largest contributor was the “Financial institutions and insurance” activity, with investments amounting to AED 1,641 million or 21.6 per cent in 2009 and AED 1,720 million or 28.6 per cent of total portfolio investments in 2008.

Figure 8: Portfolio investment by economic activity, 2008/2009



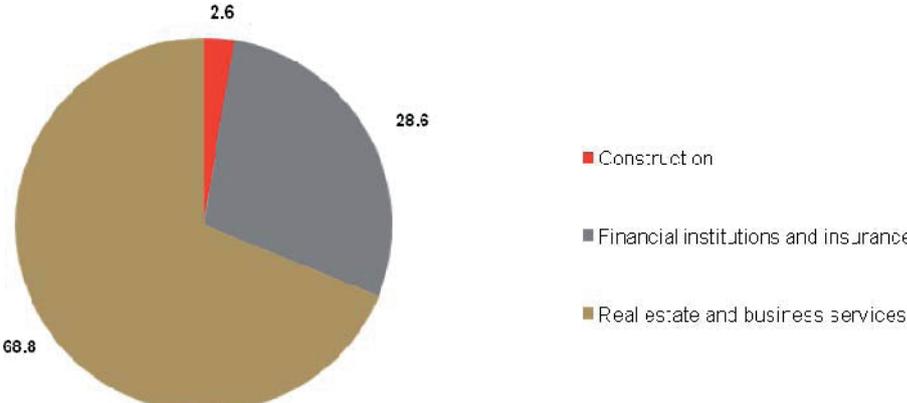
Source: Statistics Centre - Abu Dhabi

Figure 9: Percentage distribution of portfolio investment by economic activity, 2009



Source: Statistics Centre - Abu Dhabi

Figure 10: Percentage distribution of portfolio investment by economic activity, 2008



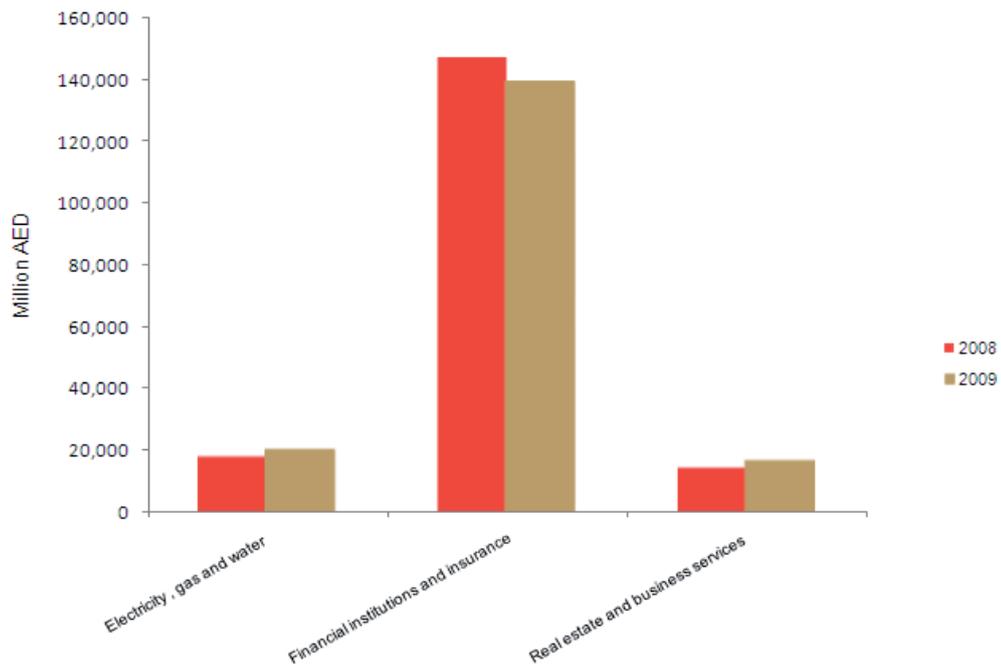
Source: Statistics Centre - Abu Dhabi

Other investment by economic activity

Other investment into the Emirate of Abu Dhabi in 2009 amounted to AED 186,739 million compared with AED 194,275 million in 2008. The decrease in inward other investment could mainly be attributed to the “Financial institutions and insurance” activity which fell from AED 147,074 million or 75.7 per cent of total other investment in 2008, to AED 138,620 million or 74.2 per cent in 2009.

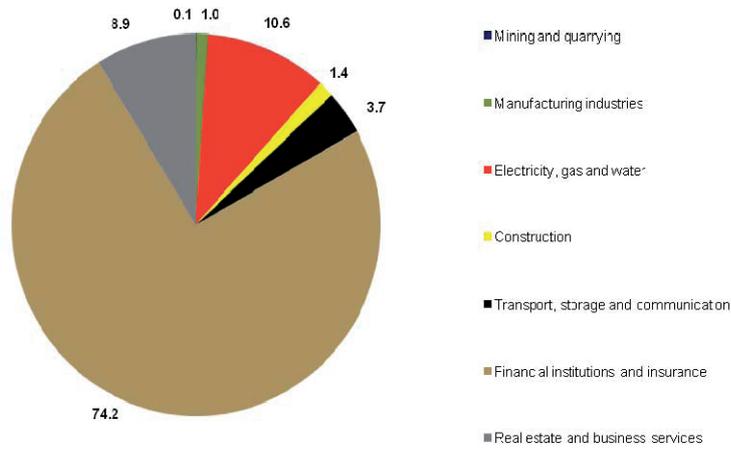
The second largest share of other investment was in “Electricity, gas and water”, which totaled AED 18,099 million or 9.3 percent and 19,863 million or 10.6 percent in the years 2008 and 2009, respectively; followed by “Real estate and business services” which amounted to AED 16,549 million or 8.9 per cent of total other investment in 2009, up from AED 14,669 million or 7.6 per cent in 2008.

Figure 11: Other investment by selected economic activities, 2008/2009



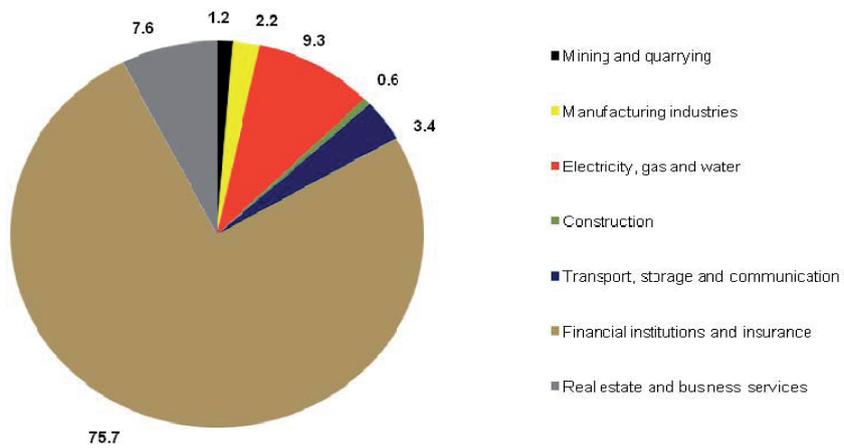
Source: Statistics Centre - Abu Dhabi

Figure 12: Percentage distribution of other investment by economic activity, 2009



Source: Statistics Centre - Abu Dhabi

Figure 13: Percentage distribution of other investment by economic activity, 2008



Source: Statistics Centre - Abu Dhabi

Statistical tables

Table 1: Foreign direct investment by economic activity *

Item	End of 2008	End of 2009
	— Value in million AED —	
Mining and quarrying	3,296	3,436
Manufacturing industries	3,533	4,692
Electricity, gas and water	5,182	5,886
Construction	1,087	1,886
Wholesale retail trade and repairing services	282	392
Restaurants and hotels	4	4
Transport, storage and communication	3,218	3,419
Financial institutions and insurance	9,568	6,422
Real estate and business services **	12,620	16,965
Education	7	22
Health	26	29
Social and personal services	32	19
Total	38,855	43,171

*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 2008	— % —	End of 2009
Mining and quarrying	8.5		8.0
Manufacturing industries	9.1		10.9
Electricity, gas and water	13.3		13.6
Construction	2.8		4.4
Wholesale retail trade and repairing services	0.7		0.9
Transport, storage and communication	8.3		7.9
Financial institutions and insurance	24.6		14.9
Real estate and business services **	32.5		39.3
Education	0.0		0.1
Health	0.1		0.1
Social and personal services	0.1		0.0
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 2008	End of 2009
	— Value in million AED—	
Bahrain	1,464	637
Iraq	192	165
Kuwait	3,530	2,848
Qatar	38	21
Oman	112	141
Jordan	14	17
Palestine	0	19
Algeria	544	503
Syria	0	65
Sudan	34	166
Lebanon	363	642
Libya	1,428	1,319
Egypt	307	168
Comoros	0	224
Ethiopia	81	0
China - including Hong Kong and Macau	36	1,551
India	123	513
Japan	720	2,832
Pakistan	22	378
Singapore	4	19
South Korea	0	488
Bangladesh	58	374
Malaysia	24	85
Germany	314	580
United Kingdom	5,500	4,279
Austria	1	1
Belgium	4	149
Greece	230	9
France	2,357	3,199
Cyprus	156	157
Liechtenstein	56	39
Gibraltar	0	24
Ireland	0	1
Switzerland	0	5
Sweden	0	1
Italy	0	291
Spain	0	32
Netherlands	841	1,111
Panama	194	296
Chile	33	0
United States	1,451	1,946
Bermuda	0	43
Canada	66	69
Australia	3,284	3,147
Other **	15,272	14,616
Total	38,855	43,171

*Figure 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 2008	End of 2009
		— % —
Bahrain	3.8	1.5
Iraq	0.5	0.4
Kuwait	9.1	6.6
Qatar	0.1	0.0
Oman	0.3	0.3
Algeria	1.4	1.2
Syria	0.0	0.2
Sudan	0.1	0.4
Lebanon	0.9	1.5
Libya	3.7	3.1
Egypt	0.8	0.4
Comoros	0.0	0.5
Ethiopia	0.2	0.0
China - including Hong Kong and Macau	0.1	3.6
India	0.3	1.2
Japan	1.9	6.6
Pakistan	0.1	0.9
South Korea	0.0	1.1
Banladesh	0.2	0.9
Malaysia	0.1	0.2
Germany	0.8	1.3
United Kingdom	14.2	9.9
Belgium	0.0	0.3
Greece	0.6	0.0
France	6.1	7.4
Cyprus	0.4	0.4
Liechtenstein	0.1	0.1
Italy	0.0	0.7
Spain	0.0	0.1
Netherlands	2.2	2.6
Panama	0.5	0.7
Chile	0.1	0.0
United States	3.7	4.5
Bermuda	0.0	0.1
Canada	0.2	0.2
Australia	8.5	7.3
Other **	39.3	33.9
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 2008	End of 2009
	— Value in million AED —	
Construction	156	440
Financial institutions and insurance	1,720	1,641
Real estate and business services	4,136	5,529
Total	6,012	7,609

*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 2008	End of 2009
	— % —	
Construction	2.6	5.8
Financial institutions and insurance	28.6	21.6
Real estate and business services	68.8	72.7
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 2008	End of 2009
	— Value in million AED —	
Mining and quarrying	2,357	161
Manufacturing industries	4,194	1,880
Electricity, gas and water	18,099	19,863
Construction	1,184	2,699
Wholesale retail trade and repairing services	0.4	33
Transport, storage and communication	6,699	6,924
Financial institutions and insurance	147,074	138,620
Real estate and business services	14,669	16,549
Education	0	9
Total	194,275	186,739

*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 2008	End of 2009
		— % —
Mining and quarrying	1.2	0.1
Manufacturing industries	2.2	1.0
Electricity, gas and water	9.3	10.6
Construction	0.6	1.4
Wholesale retail trade and repairing services	0.0	0.02
Transport, storage and communication	3.4	3.7
Financial institutions and insurance	75.7	74.2
Real estate and business services	7.6	8.9
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 year ended December 2009. 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 country 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.

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 report.

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 statistics, please visit the “Statistic” link on the SCAD website at <http://www.scad.ae>



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