



مركز الإحصاء
STATISTICS CENTRE

2020

Foreign Direct Investment Estimates

Fourth Quarter 2020



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Introduction

Statistics Centre - Abu Dhabi is working to produce modern statistical estimates of foreign direct investment on a quarterly basis in line with the increasing demand for up-to-date data. It is based on the quarterly survey of foreign direct investment that includes the largest establishments with known Foreign Direct Investment (FDI) in the Emirate of Abu Dhabi. The statistics in this publication provides a recent picture to users of official statistics about the value and distribution of FDI in the Emirate of Abu Dhabi, to encourage new investments and support investment decisions.

SCAD conducted for the fourth time, the Quarterly Foreign Direct Investment Survey in 2020 to add recent quarterly data to the available data on foreign investment. The highest levels of accuracy is maintained in producing these statistics in line with international standards and guidelines recommended in the Balance of Payments Manual of the International Monetary Fund, sixth edition. This publication provides an analysis of the main statistics of quarterly FDI levels along with analytical tables and charts. The technical notes at the end of the publication also provide an explanation of the main terms and technical concepts used in collecting and preparing foreign investment statistics, and readers are encouraged to refer to this section when reading the statistics and information contained in the publication.

This publication includes the stock of FDI according to economic activity within the Emirate of Abu Dhabi and the relative importance according to economic activity. It also includes FDI for the top ten countries and the percentage contribution of these countries to total FDI as well as FDI by country of origin and the contribution of countries to FDI into the Emirate of Abu Dhabi.

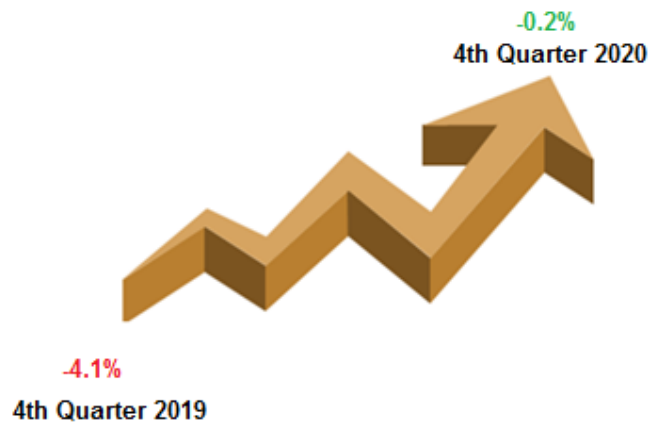
Key Points

Foreign direct investment is one of the most important indicators of economic development as it arises mostly from the long-term flow of resident capital in other economies to the local economy. It is often associated with transfer of knowledge and technology, and has a significant positive impact on the local economy by supporting productivity and economic diversification.

- FDI decreased in the fourth quarter of 2020 to AED 96.9 billion compared with AED 97.0 billion in the third quarter of 2020 or by -0.2%.
- Real estate activities contributed 31.3% of the total foreign direct investment stock for the fourth quarter, amounting to AED 30.3 billion.

Figure 1: The change in the stock of the FDI, fourth quarter of 2020 and fourth quarter of 2019 with the previous quarter

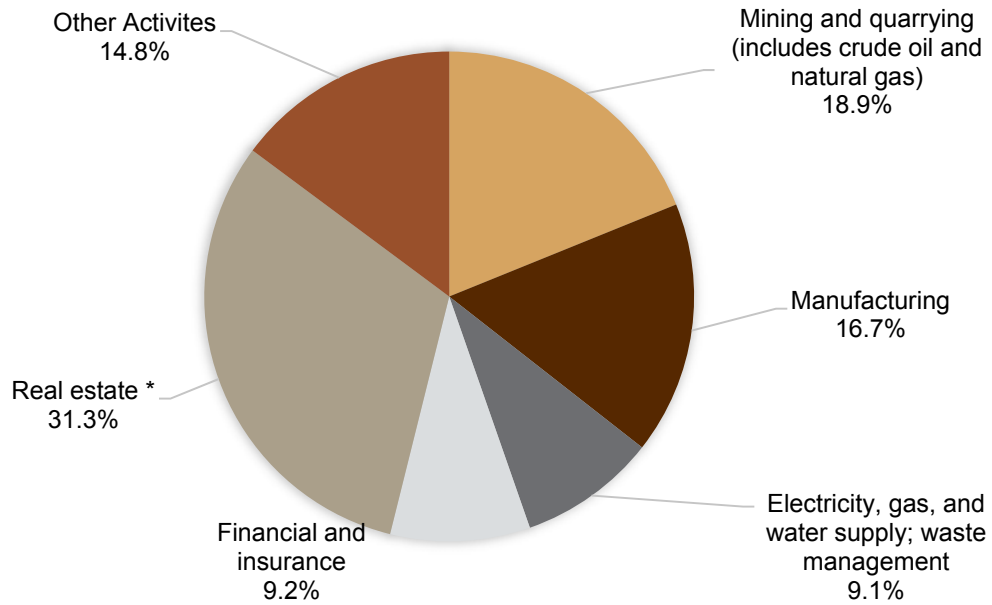
% change from previous Quarter



Source: Statistics Centre - Abu Dhabi

Figure 2: Contribution of the five largest economic activities from the total foreign direct investment, fourth quarter of 2020

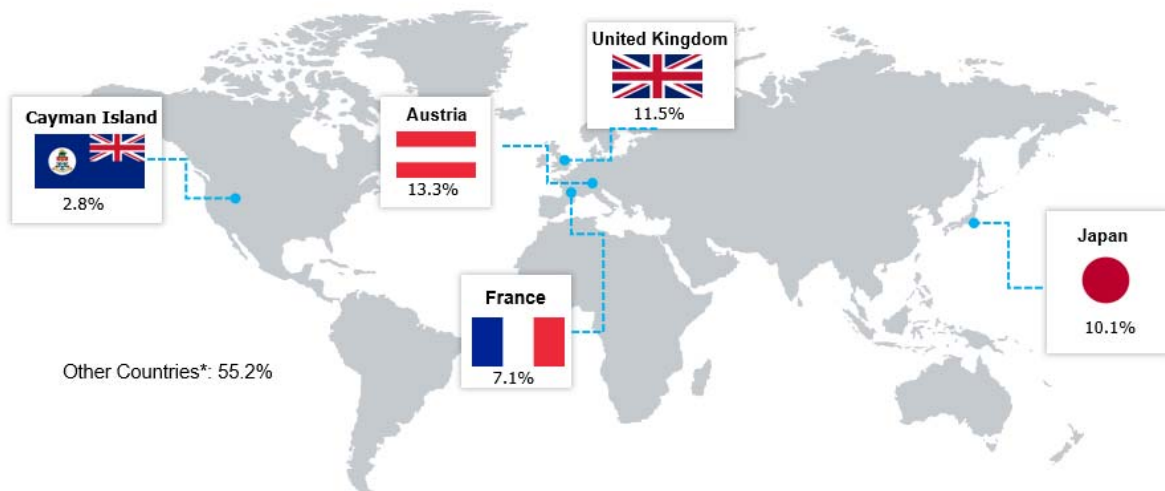
%



Source: Statistics Centre - Abu Dhabi.

* Includes real estate sales to non-residents

Figure 3: Contribution of the top five countries in total foreign direct investment, fourth quarter 2020



Source: Statistics Centre - Abu Dhabi.

* Includes real estate sales to non-residents

Statistical Tables

Table 1: Total stock of foreign direct investment into Abu Dhabi by economic activity

Million AED

Activities	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Total	90,093	92,002	95,233	97,050	96,899
Mining and quarrying (include crude oil and natural gas)	15,567	18,211	18,927	19,393	18,289
Manufacturing	15,371	15,324	15,696	14,757	16,176
Electricity, gas, and water supply; waste management	9,174	8,344	9,362	9,623	8,808
Construction	3,489	3,454	4,199	5,080	5,192
Wholesale and retail trade; repair of motor vehicles and motorcycles	1,616	1,771	2,579	2,828	3,460
Transportation and storage	1,365	1,366	1,347	1,368	1,505
Accommodation and food services	19	21	21	36	90
Information and communication	(198)	327	329	324	353
Financial and insurance	10,514	9,934	9,870	9,994	8,939
Real estate*	30,181	30,183	30,258	30,308	30,308
Professional, scientific and technical	2,728	2,799	2,327	2,969	3,338
Administrative and support services	98	98	99	114	188
Education	173	173	224	243	243
Human health and social work	(4)	(4)	(4)	13	11

Source: Statistics Centre - Abu Dhabi

Note: Figures may not sum to totals due to rounding

* Includes real estate sales to non-residents

Table 2: Total stock of foreign direct investment by the top ten countries

Million AED

Country	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Total	90,093	92,002	95,233	97,050	96,899
Austria	13,442	13,135	13,069	12,827	12,885
United Kingdom (UK)	10,319	11,525	11,768	12,019	11,118
Japan	6,303	9,965	9,978	10,466	9,785
France	5,579	5,350	4,965	6,897	6,894
Cayman Islands	1,257	1,941	1,116	1,440	2,719
Lebanon	934	515	1,483	1,870	2,457
Jordan	2,229	2,281	2,197	2,187	2,104
United State of America	1,479	755	2,518	2,181	1,915
Panama	1,935	1,852	1,928	1,763	1,592
China	568	434	450	502	1,315
Other*	46,046	44,248	45,759	44,898	44,115

Source: Statistics Centre - Abu Dhabi

Note: Figures may not sum to totals due to rounding

* Includes real estate sales to non-residents

Explanatory Notes

Foreign direct investment in the Emirate of Abu Dhabi

The Statistics Centre - Abu Dhabi conducted a field survey for the fourth quarter in 2020, covering the most important foreign direct investment facilities in the Emirate of Abu Dhabi through field visits to these establishments, with the aim of identifying the activities carried out by institutions and determining the value of investment and its size within the Emirate of Abu Dhabi on a quarterly basis.

Survey scope

The framework for this survey was obtained through the Economic Establishments business register.

Geographical coverage

The Emirate of Abu Dhabi (Abu Dhabi - Al Ain - Al Dhafra).

Framework

which consists of establishments with direct foreign investment.

Survey Method

All enterprises in which a controlling foreign share in the capital was obtained and where foreign direct investment were targeted.

The importance and objectives of the survey

This was done through a special questionnaire prepared for this purpose in accordance with the international standards followed in foreign direct investment statistics in order to align the requirements of the partners and users of the data by providing quarterly updated data.

Revision policy

The usual practices in production and continuous improvement in the quality of official statistics are to make revisions over time as new important evidence becomes available to official statistical centers.

Objectives

Providing recent short-term data that serves decision-makers and policy-makers in getting to know the foreign investments and the impact of the initiatives launched by the government to bring these investments to the country and the emirates in particular. In addition to the general objectives of the survey:

1. The value of foreign direct investments in the Emirate of Abu Dhabi is defined quarterly.
2. Show the distribution of these investments by economic activities.
3. Identify the sources and value of these investments.

4. Define the contribution of these investments to providing job opportunities, especially for citizens.
5. Knowing the role of these investments in transferring modern technology.
6. Providing the necessary data that helps the concerned authorities to take the appropriate decisions to attract foreign investments and introduce the investment opportunities available in the emirate.
7. Providing data on the role of foreign investors in stimulating trade in the emirate and knowing any expansion or change in the type of their activities in the future.

Glossary of terms and abbreviations

Currency and value: in billions of UAE dirhams

Definition of foreign direct investment: Foreign direct investment is defined as a type of international investment that reflects a resident entity in one economy obtaining a permanent interest in a resident institution in another economy. The resident entity is referred to as the "direct investor", and the institution is referred to as the "direct investment institution", and the permanent interest means a long-term relationship between the direct investor and the direct investment institution, and a large degree of influence on the part of the investor in the management of the institution.

The change in the estimated value of foreign direct investment in economic activity "real estate and business services" from the end of the previous reference year to the end of the current reference year reflects the change in real estate sales for the Emirate of Abu Dhabi from residents to non-residents during the reference year. In this publication, the estimated value of foreign direct investment in real estate at the end of each reference quarter exclude changes in real estate ownership from non-residents of the Abu Dhabi Emirate to residents, in addition to excluding adjustments to price changes.

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Source: Statistics Centre – Abu Dhabi, year of publication, name of product, catalogue number, reference period and page(s).

Further information

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