



مركز الإحصاء  
STATISTICS CENTRE

# Foreign Direct Investment Estimates

Second Quarter 2021



[www.scad.gov.ae](http://www.scad.gov.ae)

# Table of Contents

Introduction .....	3
Key points .....	4
Statistical Tables.....	6
Explanatory Notes.....	8

## 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 the quarterly Foreign Direct Investment Survey for the first time in 2019 to provide decision makers and other users of official statistics with recent foreign investment statistics. 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 its 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 total 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 increased by 0.8% in the second quarter of 2021 to AED 98.8 billion compared with AED 98.0 billion in the first quarter of 2021.
- 'Real estate' activities contributed 30.7% of the total stock of FDI for the second quarter, amounting to AED 30.3 billion.
- The quarterly growth rate of 'Electricity, gas, and water supply; waste management' activities increased in the second quarter of 2021 to 17.8 %, while the growth rate in the first quarter of 2021 was 8.2%.

**Figure 1: The change in the stock of the FDI, second quarter of 2021 and second quarter of 2020**

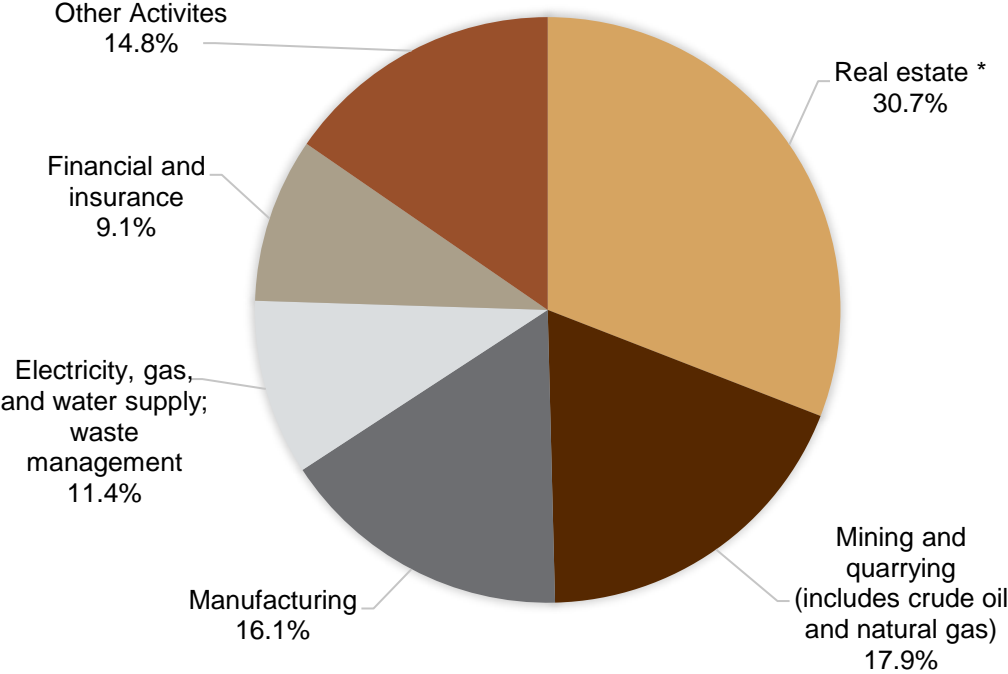
% change from the previous quarter



Source: Statistics Centre - Abu Dhabi.

**Figure 2: Contribution of the five largest economic activities in total foreign direct investment, second quarter of 2021**

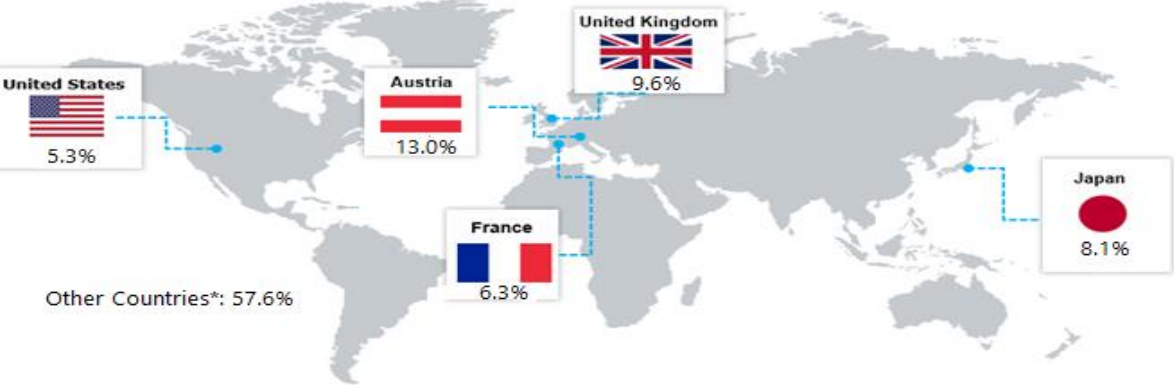
%



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, second quarter of 2021**



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	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
<b>Total</b>	<b>95,233</b>	<b>97,050</b>	<b>96,899</b>	<b>98,049</b>	<b>98,841</b>
Mining and quarrying (include crude oil and natural gas)	18,927	19,393	18,289	18,312	17,685
Manufacturing	15,696	14,757	16,176	15,904	15,905
Electricity, gas, and water supply; waste management	9,362	9,623	8,808	9,530	11,228
Construction	4,199	5,080	5,192	5,318	5,397
Wholesale and retail trade; repair of motor vehicles and motorcycles	2,579	2,828	3,460	4,164	4,196
Transportation and storage	1,347	1,368	1,505	1,635	1,779
Accommodation and food services	21	36	90	90	90
Information and communication	329	324	353	566	566
Financial and insurance	9,870	9,994	8,939	8,920	9,032
Real estate*	30,258	30,308	30,308	30,308	30,308
Professional, scientific and technical	2,327	2,969	3,338	2,870	2,131
Administrative and support services	99	114	188	188	275
Education	224	243	243	219	217
Human health and social work	(4)	13	11	24	32

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	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
<b>Total</b>	<b>95,233</b>	<b>97,050</b>	<b>96,899</b>	<b>98,049</b>	<b>98,841</b>
Austria	13,069	12,827	12,885	12,945	12,881
United Kingdom	11,768	12,019	11,118	10,763	9,537
Japan	9,978	10,466	9,785	9,792	7,961
France	4,965	6,897	6,894	5,303	6,226
United States of America	2,518	2,181	1,915	3,623	5,258
Lebanon	1,483	1,870	2,457	2,156	3,357
China	450	502	1,315	2,121	2,896
Jordan	2,197	2,187	2,104	1,995	2,036
Panama	1,928	1,763	1,592	1,684	1,773
Germany	1,928	1,763	1,224	1,264	1,400
Other	44,948	44,575	45,611	46,403	45,516

Source: Statistics Centre - Abu Dhabi

Note: Figures may not sum to totals due to rounding

## Explanatory Notes

### Foreign direct investment in the Emirate of Abu Dhabi

The Statistics Centre - Abu Dhabi conducted a field survey for the first quarter in 2021, 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

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 (FDI):** 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.

## **Disclaimer and Terms of use**

SCAD produces official statistics for the benefit of government, communities, individuals, and businesses. SCAD shall not be liable for any loss or damage suffered by the user following the misuse of the statistics supplied in good faith by SCAD. Users of official statistics are responsible for determining when and how to use the statistics for specific purposes. The user exempts SCAD from any legal obligation related to errors that may occur outside its control or without its knowledge. The user also waives the right to obtain compensation for losses or damages that may be caused as a result of any error.

SCAD's official statistics are protected under copyright laws, except where otherwise indicated. The contents of this publication may be reproduced, in whole or in part, and by any means, without further permission from SCAD, provided that SCAD is fully acknowledged as follows:

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

### **Further information**

For more information about the report or other official statistics, please send an email to: [info@scad.gov.ae](mailto:info@scad.gov.ae) or visit SCAD website at <http://www.scad.gov.ae>