* In 2009, 10 APEC economies had FDI inflows above $10 billion and eight APEC economies had FDI outflows above that amount.
* FDI inflows to the APEC region amounted to $440 billion in 2009, a drop of 45% from 2008, with FDI inflows to developing APEC economies accounting for 58% of total FDI inflows to the APEC region. APEC’s share of world FDI inflows fell to 40% in 2009 from 45% in 2008.
* FDI outflows from the APEC region amounted to $580 billion in 2009, a decrease of 26% from 2008. Most of this decline came from the industrialized APEC economies. However, APEC’s share of world FDI outflows rose to 53% in 2009 from 41% in 2008 (largely due to FDI outflows from the EU falling 58% to $389 billion in 2009).
* Inward FDI stock in the APEC region was valued at over $7 trillion in 2009, an increase of 16% over the previous year, with APEC’s share of inward FDI stock in the world remaining at 40%. Outward FDI stock from the APEC region increased by 26% in 2009 to just over $8 trillion, with APEC’s share of world outward FDI stock increasing to 42%.

Table A. Distribution of FDI flows among economies,

by range,a 2009

|  |  |  |
| --- | --- | --- |
| **Range** | **Inflows** | **Outflows** |
| Above $50 billion | United States; China | United States; Japan; Hong Kong, China |
| $10 to $49 billion | Hong Kong, China; Russia; Australia; Canada; Singapore; Chile; Mexico; Japan | China; Russia; Canada; Australia; Korea |
| $1.0 to $9.9 billion | Thailand; Korea; Indonesia; Peru; Viet Nam; Chinese Taipei; Philippines; Malaysia | Malaysia; Chile; Mexico; Singapore; Chinese Taipei; Thailand; Indonesia |
| $0.1 to $0.9 billion | Papua New Guinea; New Zealand; Brunei Darussalam | Peru; Philippines; Viet Nam |
| Below $0.1 billion |  | Brunei Darussalam; Papua New Guinea; New Zealand |

a Economies are listed according to the magnitude of their FDI flows.

* The number of Greenfield projects using FDI sourced from the APEC region fell 17% in 2009; however, APEC’s share as a source of Greenfield FDI projects in the world remained at 41%. As a destination of Greenfield FDI, the number of projects in the APEC region fell 7% in 2009 – developing APEC economies accounted for this entire decline since the number of Greenfield FDI projects in industrialized APEC economies rose in 2009. As a destination of Greenfield FDI, the APEC region’s share in the world rose to 41% as the number of Greenfield FDI projects in the EU dropped by 24%.
* The value of cross-border M&As peaked in 2007 in both the APEC region and the world. In 2009, the value of M&A sales in APEC economies dropped 72% from their value in 2008 to $103 billion, while the world saw a decline of 65%. APEC’s share of world M&A sales fell to 41% in 2009 from 51% in 2008, while the EU’s share increased to 47% in 2009 from 36% in 2008. The value of M&A purchases by APEC economies declined by 60% from their value in 2008 to $107 billion in 2009. However, APEC’s share of world M&A purchases increased to 43% in 2009 from 38% in 2008 as the EU experienced a 71% decline in the value of M&A purchases by EU members to $90 billion in 2009.

Table B. FDI flows and stock, 2007-2009 (billions of USD)

|  |  |  |
| --- | --- | --- |
|   | **Inward** | **Outward** |
|  | **2007** | **2008** | **2009** | **2007** | **2008** | **2009** |
|  | **FDI Flows** |
| APEC | 767 | 805 | 440 | 764 | 785 | 580 |
|  APEC-industrialized | 446 | 456 | 183 | 547 | 572 | 380 |
|  APEC-developing | 321 | 349 | 257 | 217 | 213 | 200 |
| World | 2,100 | 1,771 | 1,114 | 2,268 | 1,929 | 1,101 |
|  APEC share of world | 37% | 45% | 40% | 34% | 41% | 53% |
|  | **FDI Stock** |
| APEC | 7,910 | 6,176 | 7,185 | 8,795 | 6,348 | 8,017 |
|  APEC-industrialized | 4,699 | 3,555 | 4,240 | 6,692 | 4,561 | 5,969 |
|  APEC-developing | 3,211 | 2,621 | 2,945 | 2,103 | 1,786 | 2,048 |
| World | 17,990 | 15,491 | 17,743 | 19,314 | 16,207 | 18,982 |
|  APEC share of world | 44% | 40% | 40% | 46% | 39% | 42% |

Figure A. FDI inflows, 2000-2009

Note: GFCF = gross fixed capital formation

Figure C. FDI outflows, 2000-2009

* APEC and UNCTAD have actively collaborated in recent years. The Core Elements Project is the major joint activity – it examined the core elements in existing APEC investment agreements in order to improve their quality. Under this project, capacity building was also offered via a training course and an investor-State dispute settlement workshop for public officials. More recently, UNCTAD prepared a report on the progress made in investment liberalization and facilitation by 13 APEC member economies towards the Bogor Goals. This report recognized that the selected economies have achieved substantial progress in both investment liberalization and facilitation.

Figure B. Inward FDI stock, 2000-2009

Figure D. Outward FDI stock, 2000-2009

* APEC has also been active in promoting investment liberalization and facilitation in the APEC region through collective actions. For example, in the area of transparency, the APEC Transparency Standards on Investment were formulated in 2002 and the 6th edition of the Guide to the Investment Regimes of the APEC Member Economies was released in 2007 with an update expected at end-2010. The APEC Investment Facilitation Action Plan (IFAP), a guide to better practice in investment facilitation, was endorsed in 2008 and provides a menu of actions and measures under eight non-exhaustive principles, including the stability of investment, security and protection; predictability and consistency in investment-related policies; and efficiency of investment procedures.