



Eurasian Development Bank

# **EDB MONITORING OF MUTUAL INVESTMENTS – 2024**

## Eurasian region

Research Department

# EDB Monitoring of Mutual Investments Reports



**Monitoring of Mutual Investments  
in the Eurasian Region**  
(CIS countries, Georgia, Mongolia, Ukraine)



**Monitoring of Mutual Investments between the  
Eurasian region and external partner countries**  
(China, Türkiye, Iran, the Gulf states)

# 1

## MMI Methodology

# Monitoring of Mutual Investments (MMI) Methodology

## Monitoring of Mutual Investments relies on a database of projects

### EDB MMI Database – intellectual property of the Bank

#### Unique methodology

Investment data and the list of projects are updated on an annual basis



Built “from the bottom up” and covers investments channelled through offshore areas



Sources of information include corporate reports and other primary information



#### Level of detail

Information on the scope, development, geography, and sectoral structure of mutual FDI



Monitoring of a wide range of parameters (ownership structure of investor companies, form of FDI, source of financing, green projects, etc.).



OKVED-based sectoral classification (to the second digit)



#### Broad coverage

Monitoring of mutual investments of Eurasian region countries with China, Türkiye, Iran, and the Gulf states



900+ active investment projects



Significant regional projects worth \$1 million or more



#### Benefits

Supplements investment statistics of central (national) banks



Applied analysis tool. Identification of investment trends



Advantage for business decision-making



**The key research indicator is** the stock of mutual direct investments (mutual FDI stock).



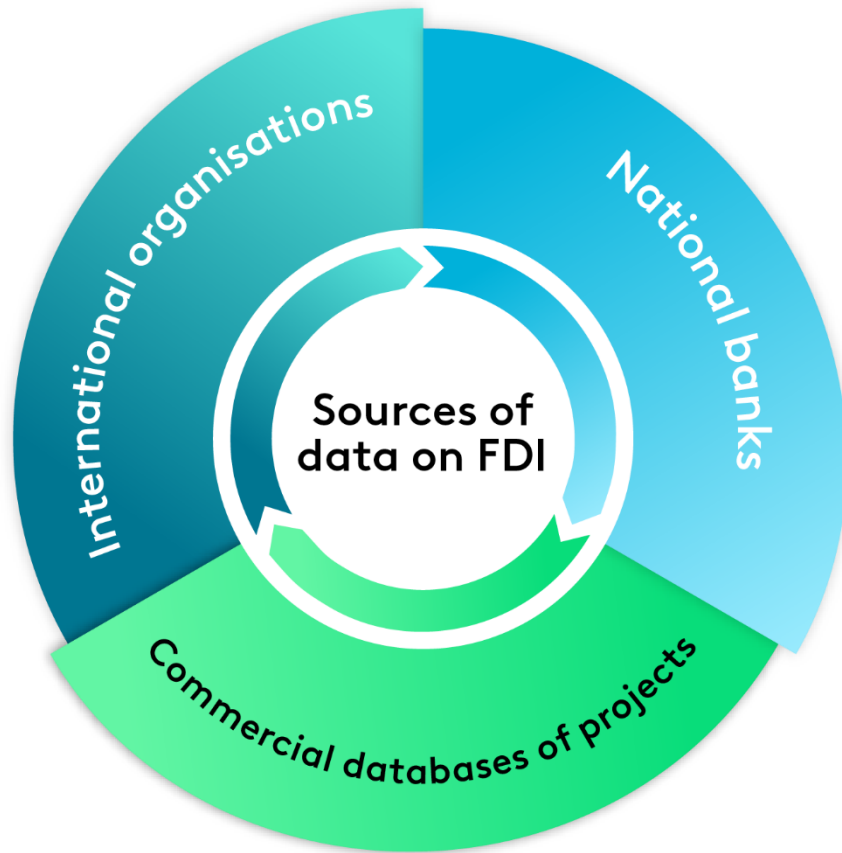
### Geography of the study:

13 countries of the Eurasian region: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan

The database also covers mutual investments with China, Türkiye, Iran, and the Gulf states.

Source: EDB.

# Sources of data on foreign direct investments (FDI)



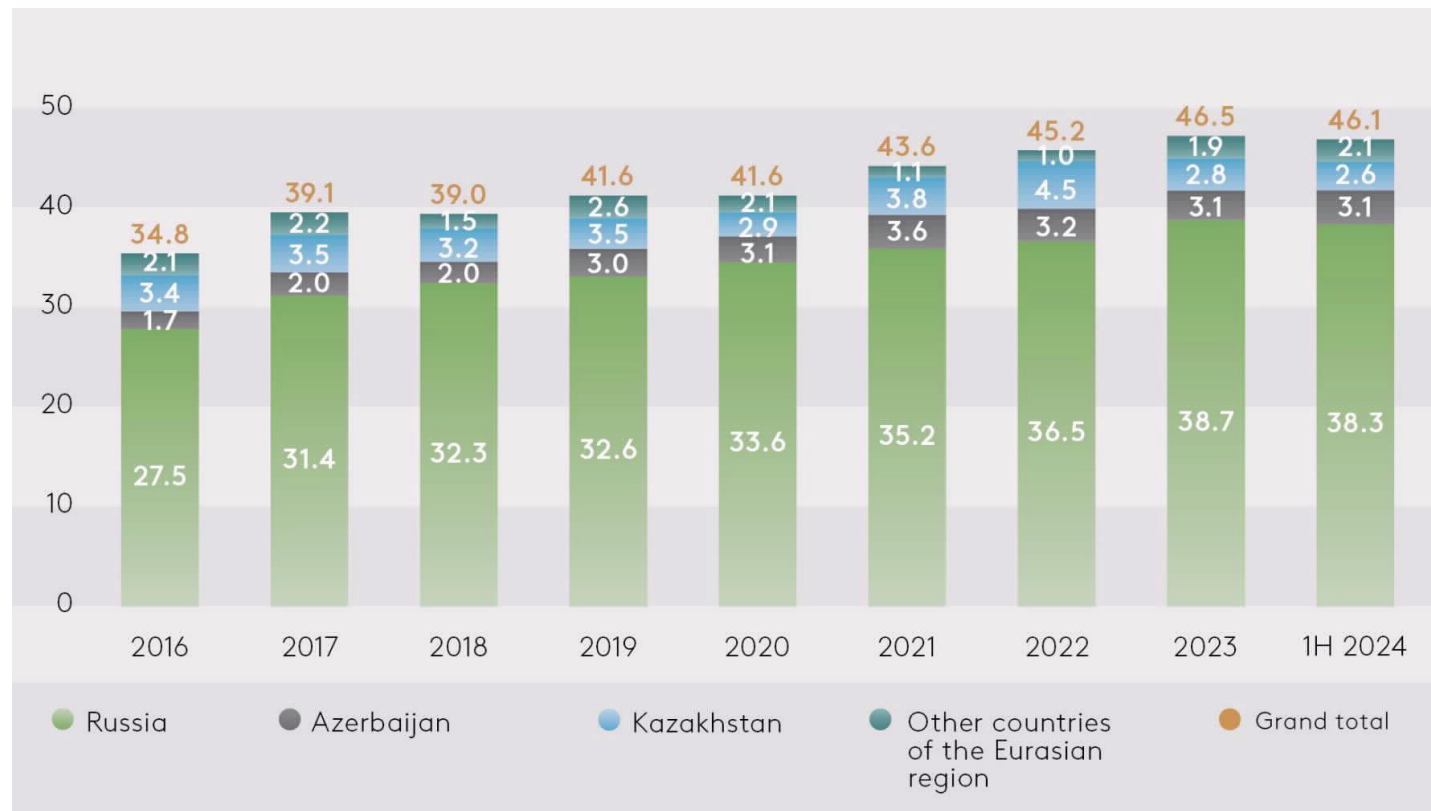
- **UNCTAD (UN Conference on Trade and Development):** annual world investment reports containing information on (inward/outward) FDI flows and stocks in all countries. **UNCTAD has aggregated information on countries without detailed data on FDI.**
- **National (Central) Banks** have detailed information on FDI for their respective states. **Official statistics of Central Banks do not take into account offshore investments.**
- **Commercial databases of projects:** Financial Times (fDi Markets), Thomson Reuters, Bureau van Dijk of Moody's Analytics (Orbis), etc. **Global coverage, often have outdated information on projects in the region.**

# 2

## **Mutual Investments in the Eurasian Region**

# Mutual investments in the Eurasian region have grown by a third since 2016

Mutual Direct Investment Stock in the Eurasian Region, \$ billions



Source: EDB MMI Database.

**-1%**

decrease in mutual FDI compared to 2023, mainly due to investor withdrawal from major mining projects (Baimskaya, Kyzyl Projects)

**4 p.p.**

change (from 79% to 83%) in the share of the largest investor – **Russia** – in the total stock of mutual investments

**6.7%**

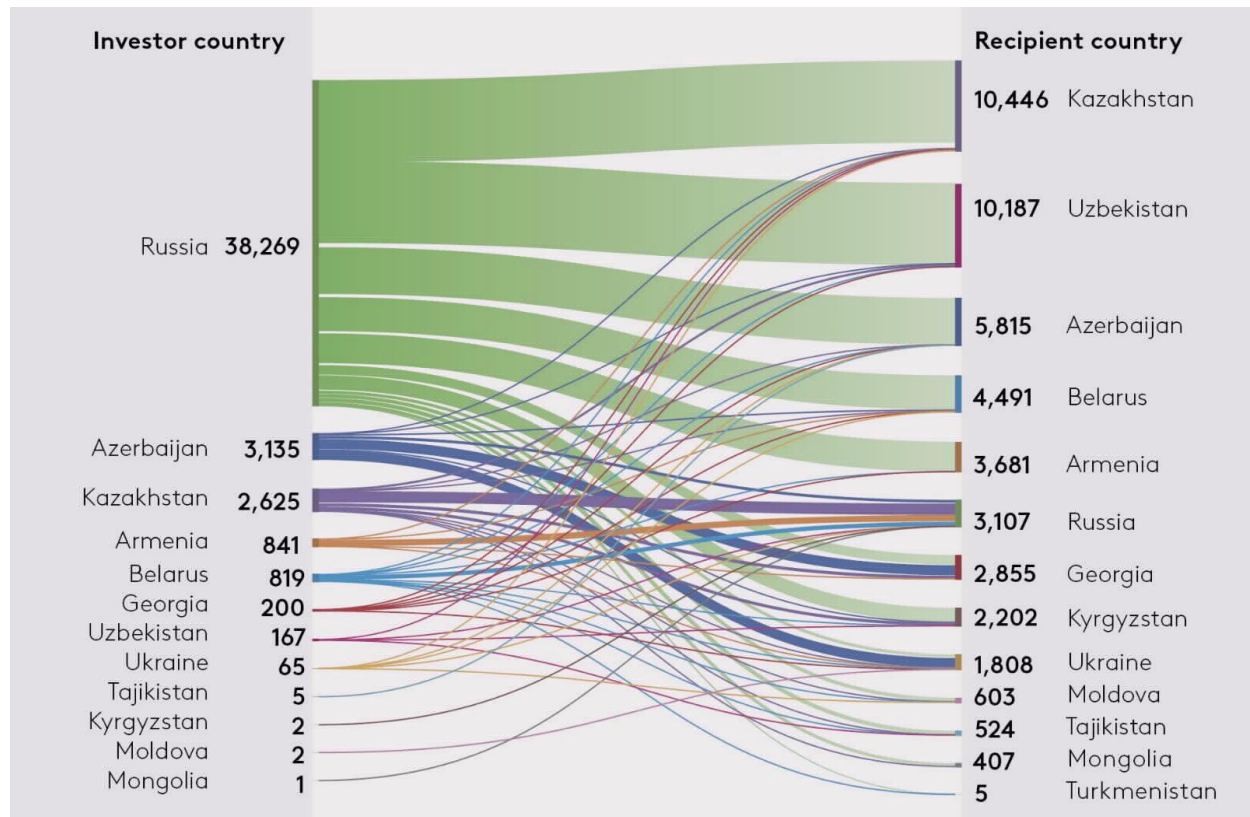
**Azerbaijan's** share in mutual investments. In 2023, it ranked second, ahead of Kazakhstan.

**68%**

the share of **private companies** in mutual investments in the region

# Kazakhstan, Uzbekistan, and Azerbaijan are the main recipients of investments, with a share of almost 60%

Directions of Mutual FDI, by Country, 1H 2024, \$ millions



## + \$1.5 billion

(up 17% since 2022) **Kazakhstan** showed the largest increase in mutual investment inflows among the countries of the region

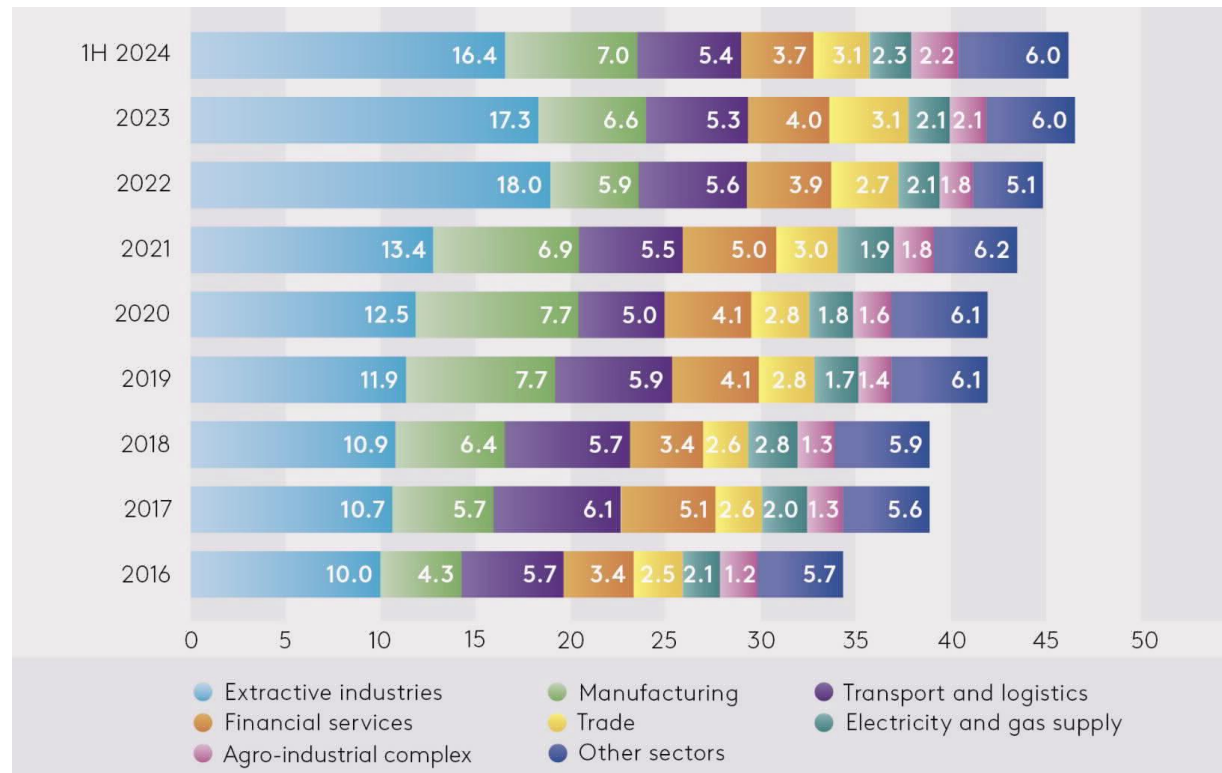
## 50.7%

the **share of CA countries** in mutual investment inflows in the Eurasian region. In 2022, the share was **46.6%**

Source: EDB MMI Database.

# Extractive industries, manufacturing, and transport are key investment recipients in the Eurasian region

Mutual FDI Sectoral Structure, 2016–1H 2024, \$ billions



**-1.6 billion**

the decline (from 40% to 35.6%) in mutual investments in **extractive industries** between 2022 and 1H 2024. This was mainly due to the withdrawal of Kazakhstan’s KazMinerals from the Baimskaya Ore Deposit Development Project (Russia)

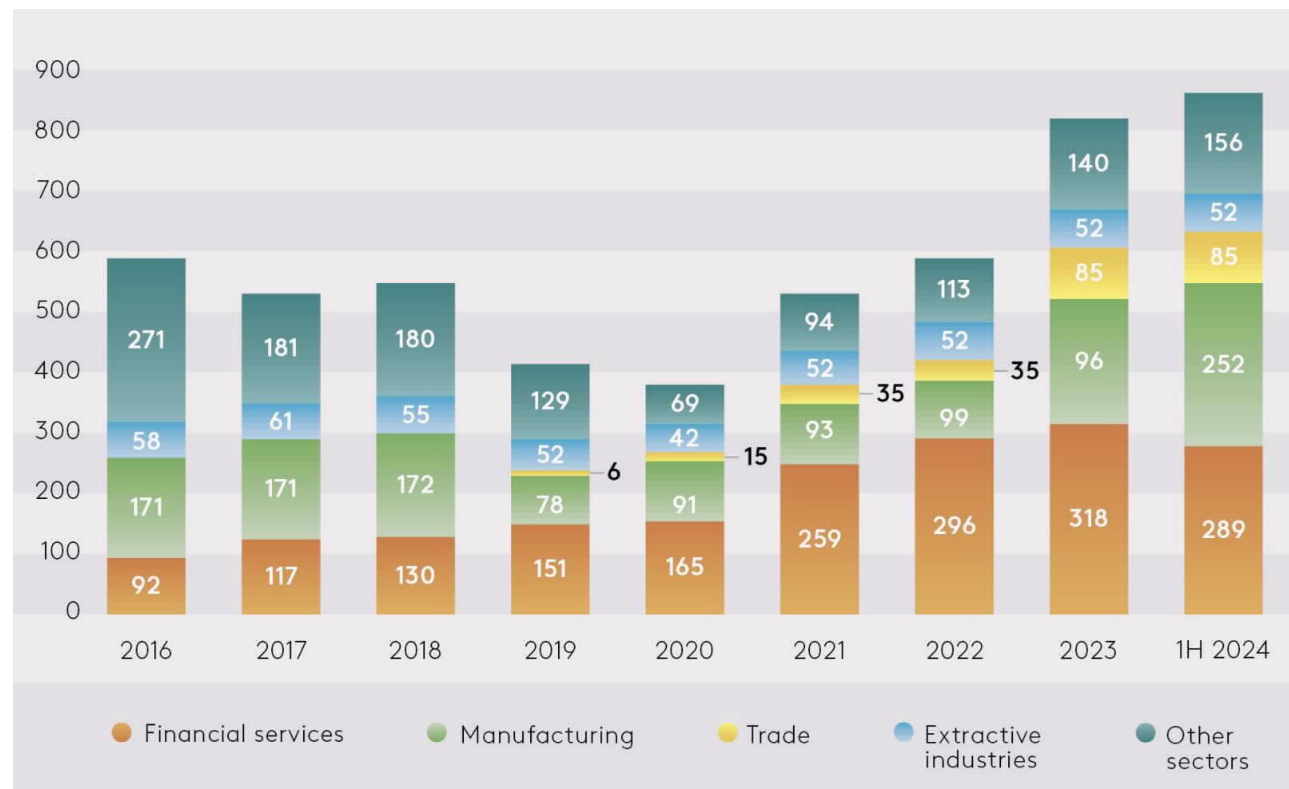
**+1.1 billion**

the growth (from 13% to 15.2%) of mutual investments in **manufacturing** (chemical industry, petroleum refining, construction materials, etc.)

Source: EDB MMI Database.

# Manufacturing is the driver of intra-regional investment growth in Central Asia

Intra-regional FDI Stock of Central Asian Countries, by Sector, \$ millions



Source: EDB MMI Database.

**x1.4**

the increase in intra-regional **investment stock** in CA, up from \$595 million to \$834 million over a year and a half (2022–1H 2024) (for comparison, growth in the Eurasian region was 2%)

**x6.8**

the increase in **Uzbekistan's** investments in CA countries, up from \$24 million to \$164 million over a year and a half (2022–1H 2024), due to projects in the manufacturing sector

# Key new projects concentrated in Central Asian countries

## Major transactions in 2023–1H 2024

### in Central Asia



#### **Project: Construction of a mineral fertiliser plant in Zhambyl Oblast (Kazakhstan)**

Start year: 2023

FDI stock at end 1H 2024: \$300 million

Investor: EuroChem (Russia)

### in Uzbekistan



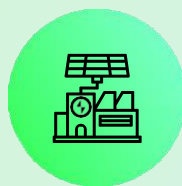
#### **Project: Purchase with further expansion of the first industrial rubber plant in Tashkent Oblast**

Start year: 2023

FDI stock at end 1H 2024: \$233 million

Investor: Tatneft (Russia)

### in Kyrgyzstan



#### **Project: Construction of a solar farm in Issyk-Kul Oblast**

Start year: 2024

FDI stock at end 1H 2024: \$135 million

Investor: Unigreen Energy (Russia)

# Medium-term trends in mutual investments of countries of the Eurasian region



- 1 Greenfield projects** will remain the priority form of new investments. They accounted for 70% of all projects launched in 2023
- 2 Manufacturing and agriculture** will be the most attractive sectors for mutual investments. FDI in the agro-industrial complex has grown at an average annual rate of 6.7% since 2016. Over a year and a half (2023 – 1H 2024), almost 50% of all new projects were launched in the industry
- 3** The role of **Central Asia** as a centre for attracting mutual investments will increase. The share of CA countries in FDI inflows exceeded 50%, reaching \$23.4 billion at the end of 1H 2024

# Key facts for 1H 2024

## MMI

### *Eurasian region*

**1. Russia** is the largest exporter of investments at \$38.3 billion (+\$1.8 billion since 2022).

The region's three largest investment recipients are: **Kazakhstan** at \$10.4 billion (+\$1.5 billion since 2022), **Uzbekistan** at \$10.2 billion (+\$0.5 billion), and **Azerbaijan** at \$5.8 billion (+\$0.4 billion). **Central Asia's** share in mutual investments exceeded **50%**, reaching \$23.4 billion, up 11% since 2022.

**2. Manufacturing** contributed the most to the growth of mutual investments (+\$1.2 billion since 2022 to \$7 billion). At the same time, investments in **extractive industries** (-\$1.5 billion to \$16.4 billion) and **transport** (-\$0.3 billion to \$5.4 billion) declined.

**3. Private companies** are the main resource for mutual investments in the region. The share of such investors is 68%. **Greenfield** is a key form of project realization with a 39% share



Eurasian Development Bank

Շնորհակալութիւն ուշադրութեան համար.

Дзякуй за ўвагу!

Назар аударғандарыңызға рахмет!

Назар салганыңыздарга рахмат!

Благодарим за внимание!

Раҳмати калон!



Research  
on EDB website



## HEADQUARTERS

220 Dostyk ave., Almaty, 050051

Republic of Kazakhstan

Tel: +7 (727) 244 40 44

Fax: +7 (727) 244 65 70

[info@eabr.org](mailto:info@eabr.org)

[eabr.org](http://eabr.org)