

**3<sup>rd</sup> CAREC Think Tank Development Forum**  
**18 July 2018, Bishkek - Kyrgyzstan**

# **Recent Developments in Investment Climate in Central Asia**

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# Diversity of countries

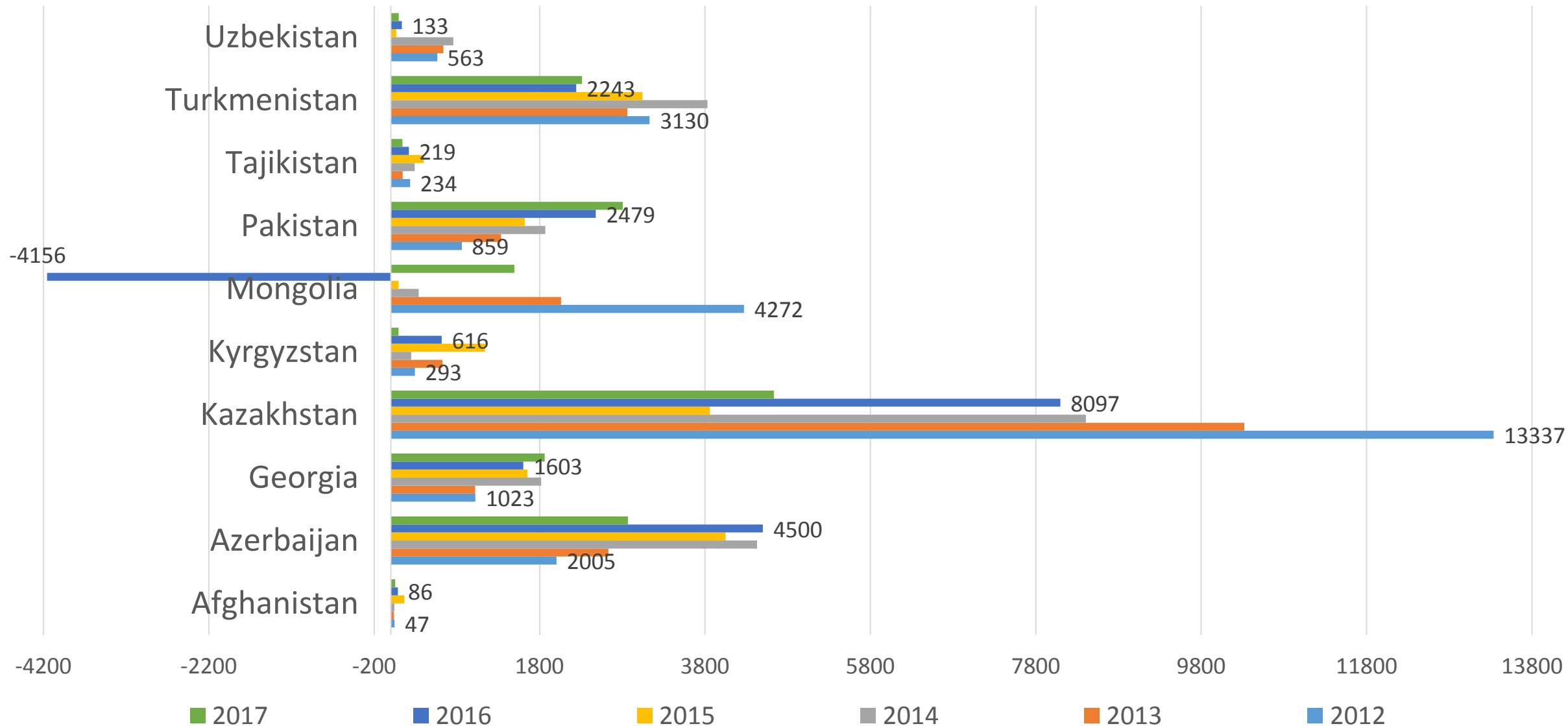
- Size of territory
- Population
- Natural resources:
  - Oil exporting
  - Oil importing
  - minerals rich
- Economic policy - Transition countries
- Policy openness – outward oriented
  - Inward oriented

# Attractiveness

- Resources
- Size – markets
- Proximity to major markets
- Landlocked
- Economic situation (crisis)

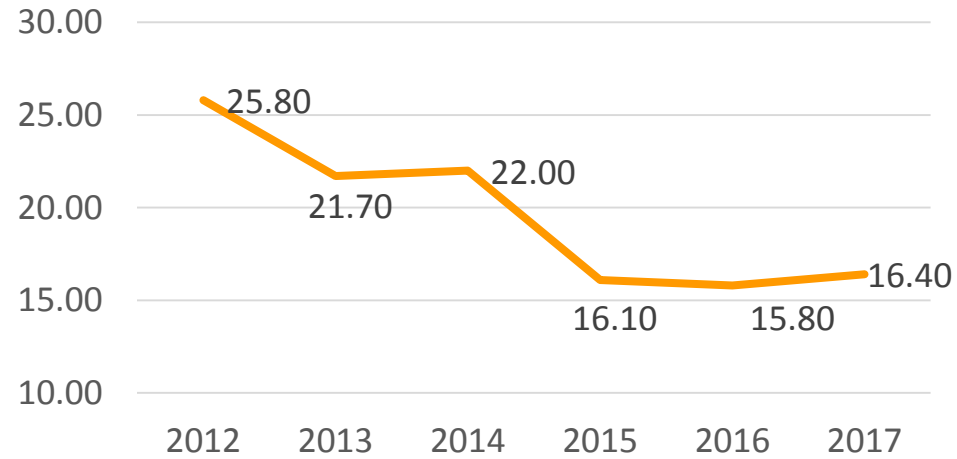
# FDI inflows in countries of Central Asia

USD mln

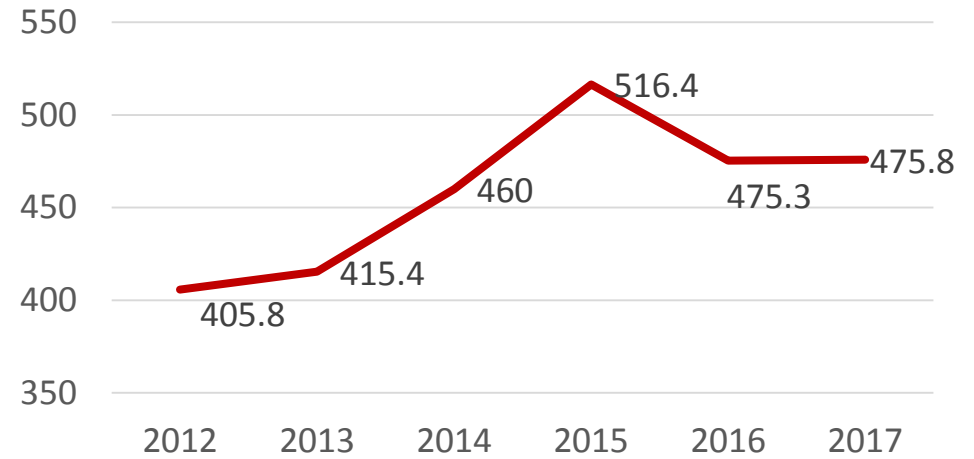


# FDI inflows in 2012 - 2017

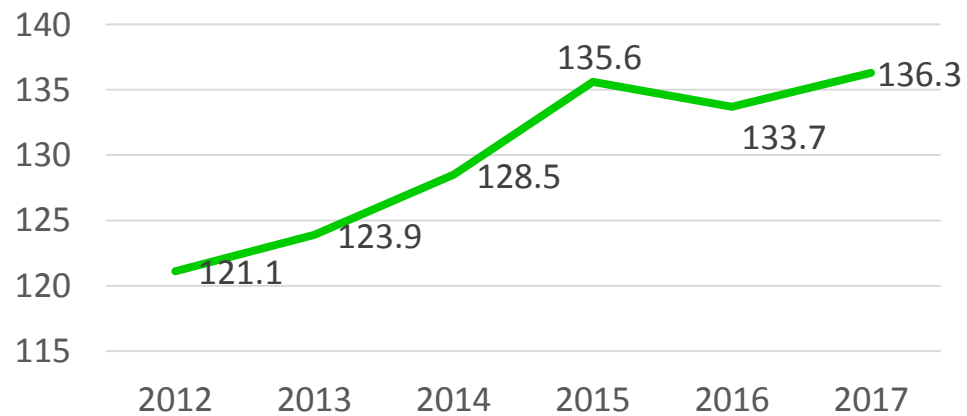
## Central Asia (without China)



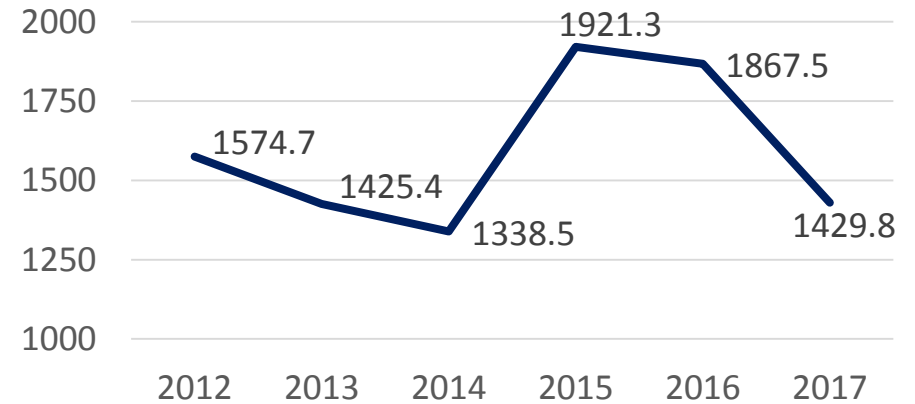
## Asia



## China

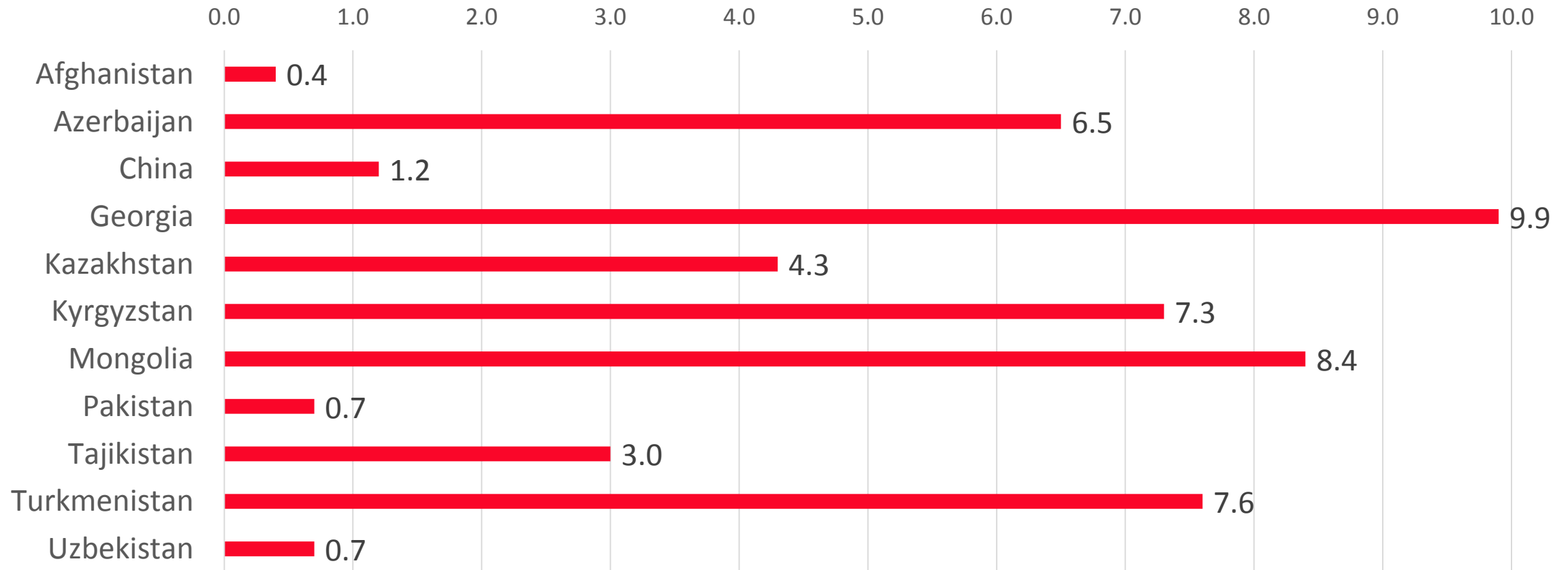


## World



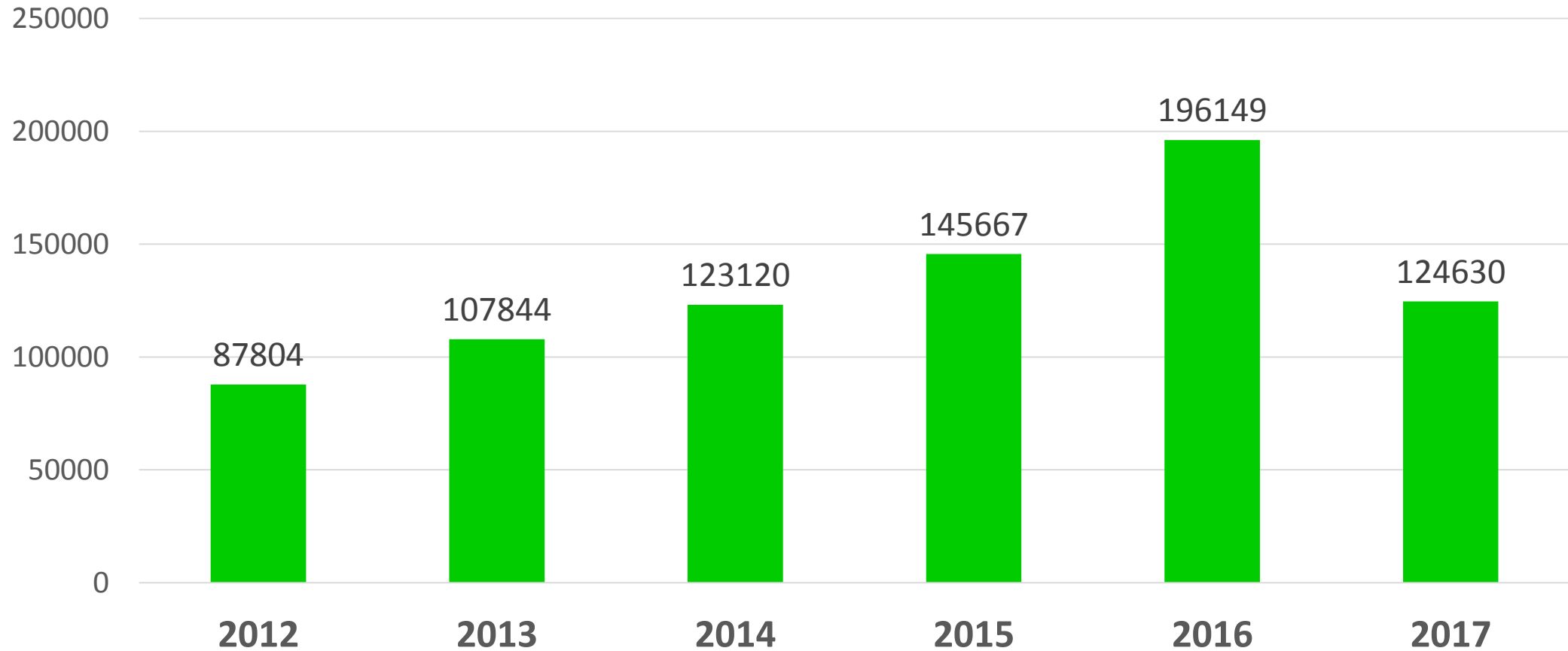
# FDI inflows as a Percentage of GDP

Average For 2012-2017



# FDI outflows from China

USD mln.

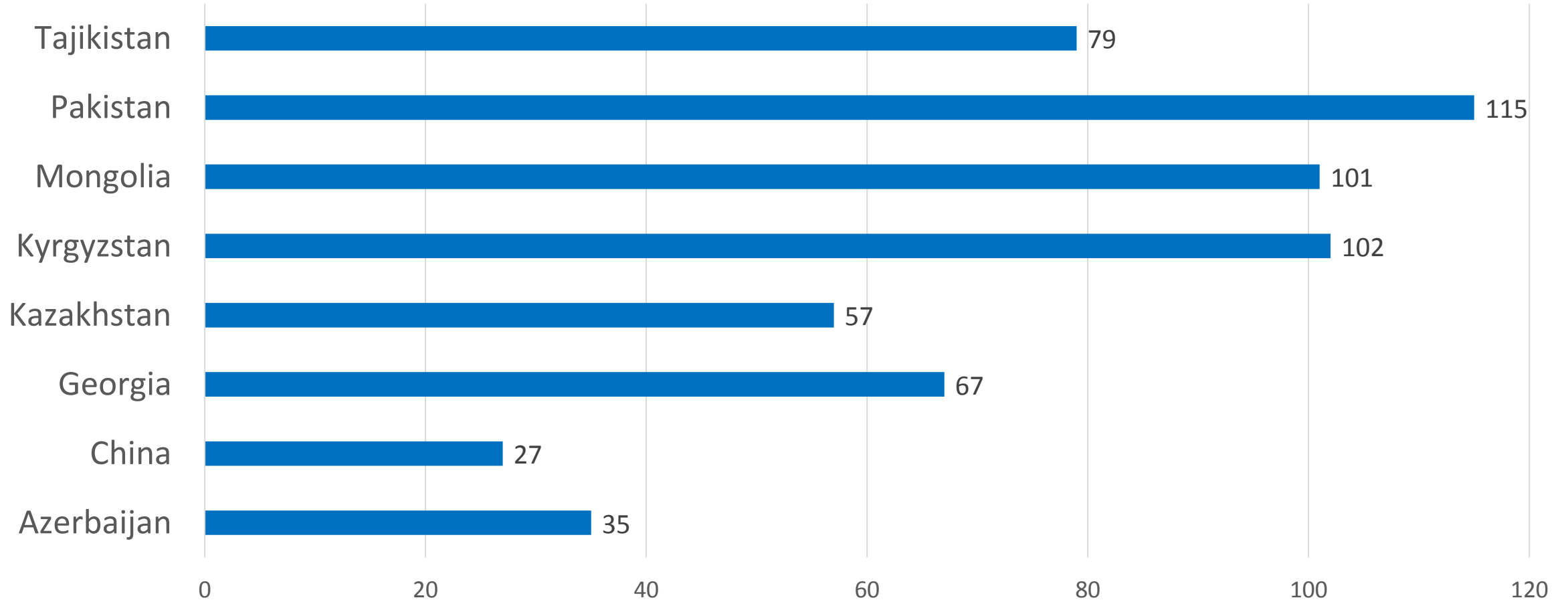




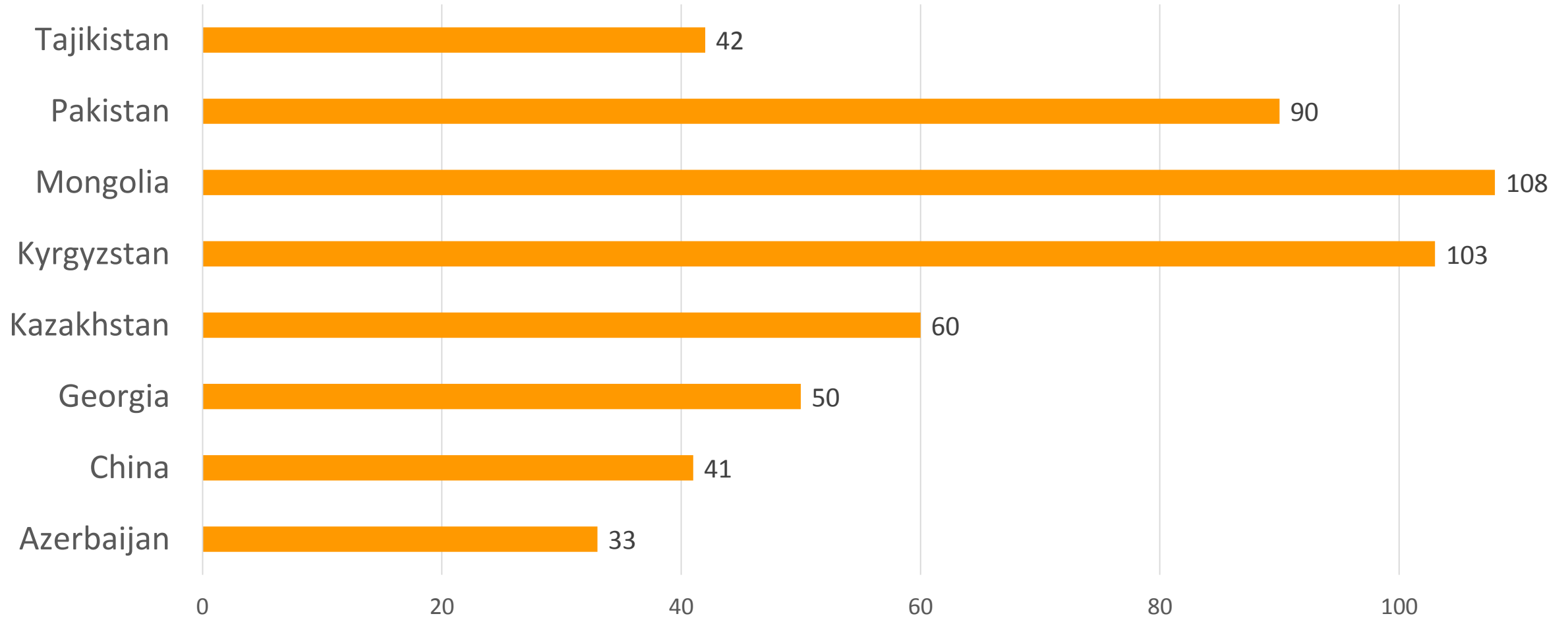
# Targeted activities

- Improvement in legislation
- Foreign ownership limits (sectors, land)
- Incentives
- Investment facilitation
- One-stop-shops
- Portals
- IPAs
- FEZs
- Public-private dialogue

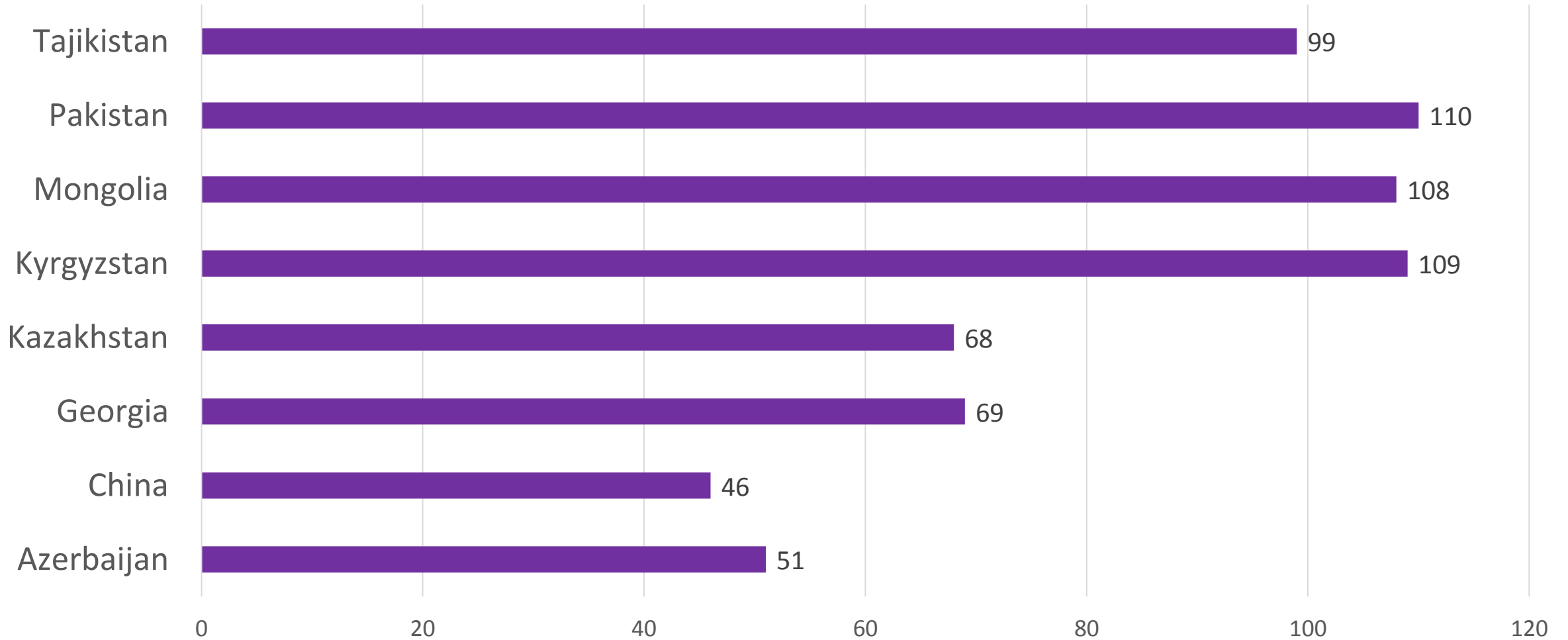
# Global Competitiveness Index



# Global Competitiveness Index: Institutions



# Global Competitiveness Index: Infrastructure

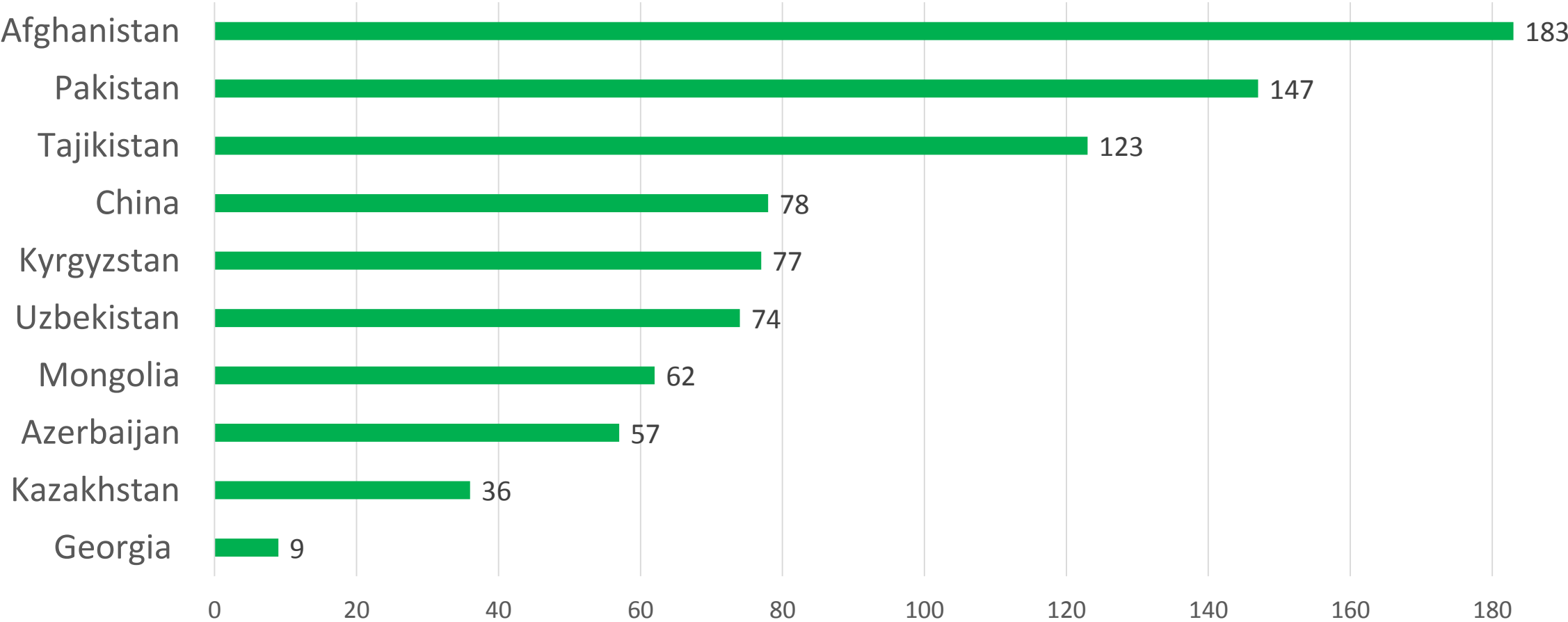


# Infrastructure investment needs (2016-2030), USD bln.

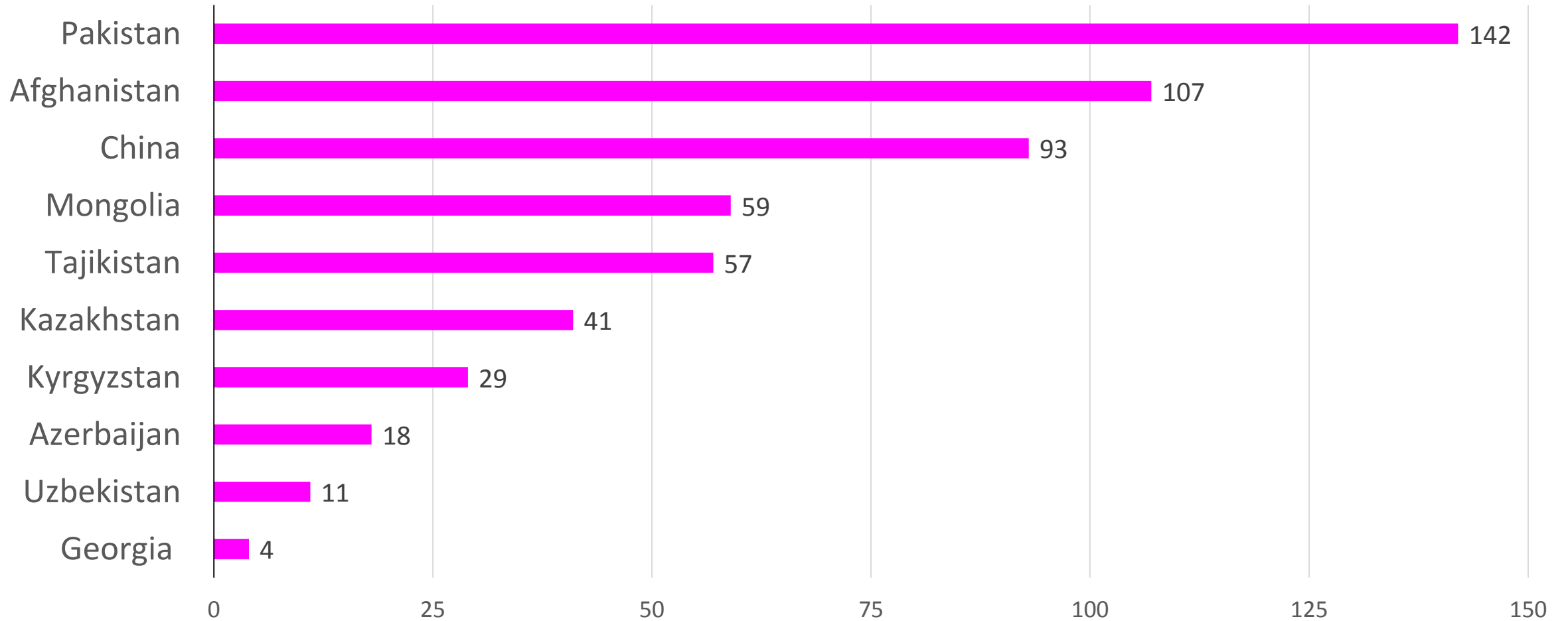
	Total	% of GDP
Central Asia	492	6.8
Asia & Pacific	22,551	5.1

# Ease of Doing Business

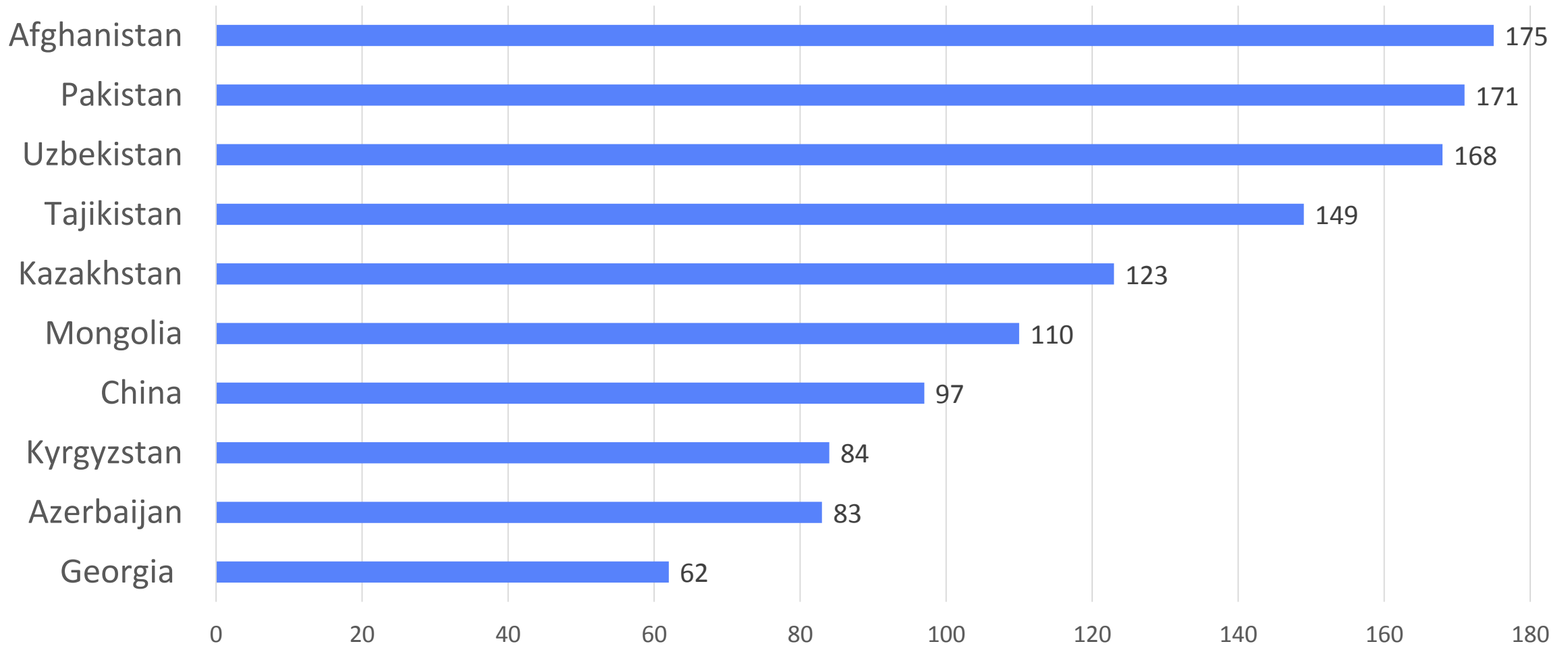
## Overall Rank



# Starting a business



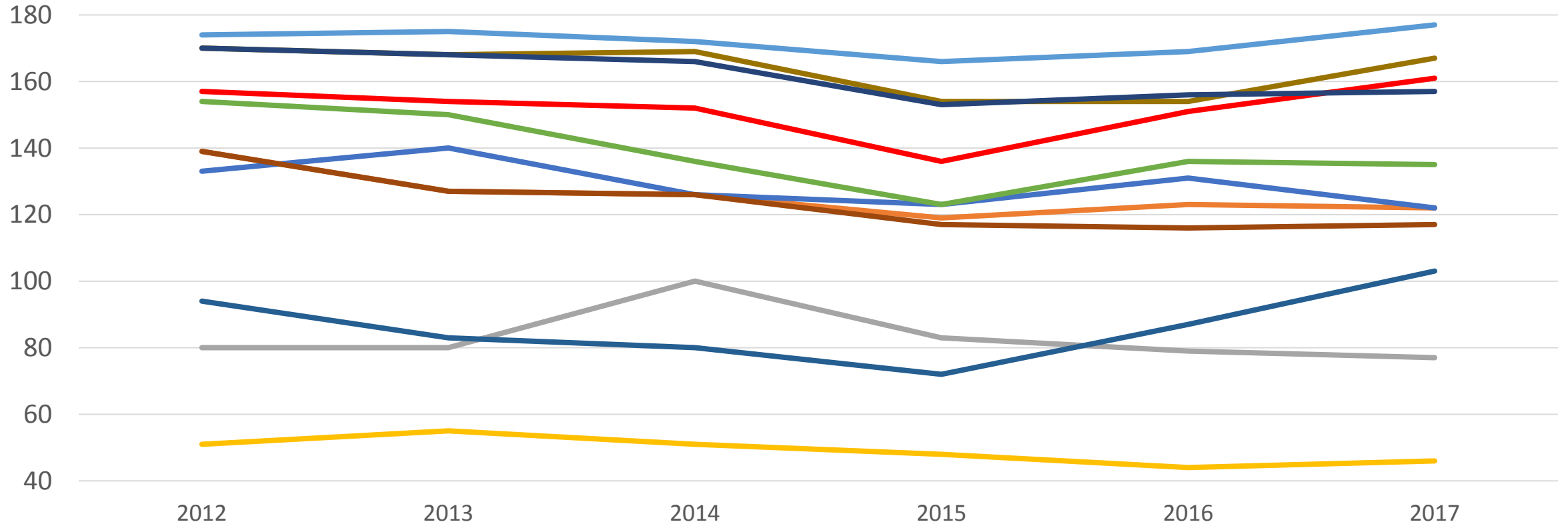
# Trading across borders





# Corruption Perception Index

Rank



Afghanistan Azerbaijan China Georgia Kazakhstan Kyrgyzstan  
Mongolia Pakistan Tajikistan Turkmenistan Uzbekistan

# Some considerations

- Regional approach –regional integration
- Regional promotion initiatives
- Agreements
- Portal
- IPA
- Regional Investment Forum

# Regional approach: rationale

- Competition in FDI promotion does not prevent cooperation
- Regional approach to investment promotion could complement national efforts
- International experience (Caribbean Community, COMESA, East Africa, South-East Europe)

**Thank you  
for your attention!**