



Eurasian Development Bank



Mutual Investments on the Eurasian Continent: New and Traditional Partners

based on the EDB Monitoring
of Mutual Investments

Report 25/1

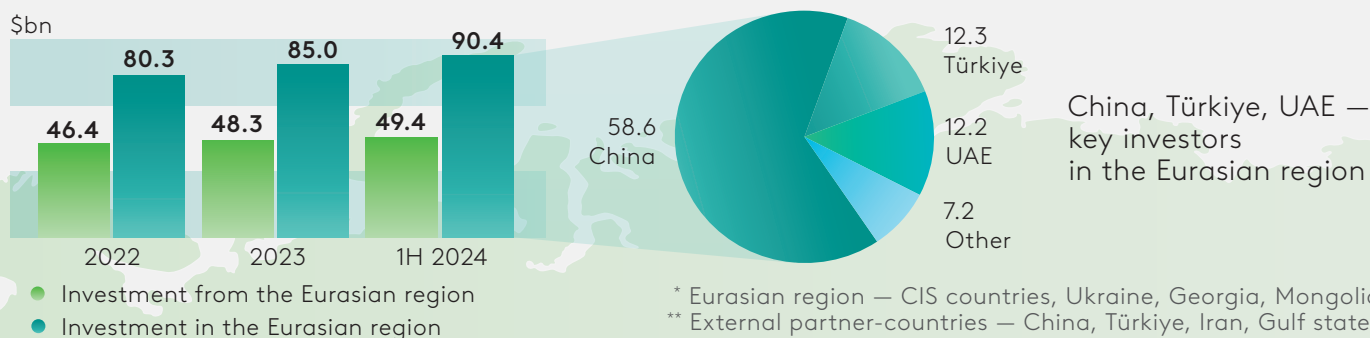
Almaty — 2025

MUTUAL INVESTMENTS ON THE EURASIAN CONTINENT: NEW AND TRADITIONAL PARTNERS

KEY CONCLUSIONS

ANALYTICAL REPORT '25

Mutual investment stock between the Eurasian region* and external partner-countries**



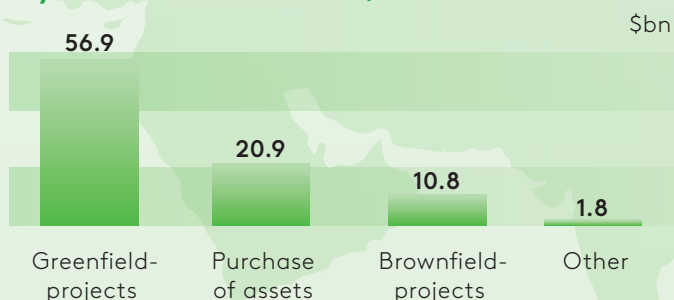
GREENFIELD-PROJECTS ARE THE MOST COMMON FORM OF INVESTMENT IN THE EURASIAN REGION

63%

+1.0 p.p.
vs 2022

Share of greenfield-projects in investment stock from China, Türkiye, Iran and Gulf states (as at end 1H 2024)

Structure of direct investment stock by forms of investments, as at end 1H 2024



INVESTMENTS FROM THE EURASIAN REGION (NET IMPORTER OF INVESTMENTS) ARE MAINLY DIRECTED TO THE ELECTRICITY SECTOR OF TÜRKIYE

81.4%

+1.2 p.p.
vs 2022

Türkiye is the main recipient of investments from the Eurasian region; Iraq — 12% (as at end 1H 2024)

48.5%

+4.1 p.p.
vs 2022

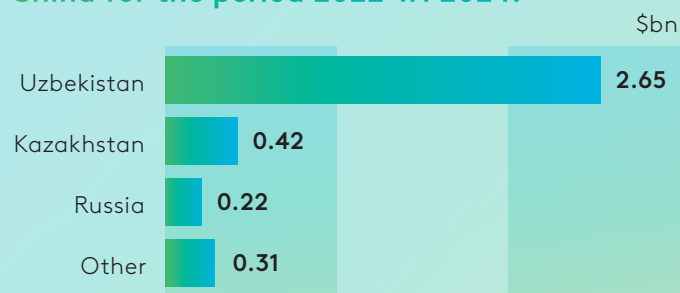
Electricity is the priority investment sector; manufacturing — 21%, extractive industries — 17% (as at end 1H 2024)

NEW AREAS OF CHINESE INVESTMENT IN THE REGION — MANUFACTURING AND ELECTRICITY SECTORS

3
\$bn out of 3.6

The contribution of the manufacturing and add: sectors to the total increase in investment stock from China over the period 2022-1H 2024.

Main recipients of investment stock from China for the period 2022-1H 2024.



DIRECT INVESTMENTS FROM THE GULF COUNTRIES IS GROWING RAPIDLY. CENTRAL ASIA IS A PRIORITY

+50%
vs 2022

Increase in investment stock from the Gulf states (UAE, Saudi Arabia, Qatar) in the Eurasian region (as at end 1H 2024)

90%

The share of Central Asian countries in investments from the Gulf states (as at end 1H 2024)



Eurasian Development Bank

Electronic version of the analytical report



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The report contains detailed information on the scope, development, geography, and sectoral structure of mutual direct investments of the countries on the Eurasian continent in 1H 2024. The report focuses on investment cooperation of the countries of the Eurasian region with China, Türkiye, Iran, and the Gulf states.

The analysis relies on a database maintained by the EDB. The database is built “from the bottom up” and pools a wide range of open source information (corporate statements and other primary information). The project enables adequate reflection of investment channelled through offshore and other transshipment points, as well as reinvestment of profits earned abroad.

Keywords: foreign direct investments, mutual investments, investment stock, investment projects, Eurasian continent, Eurasian region, transnational corporations, FDI structure.

JEL: E22, F15, F21, F23, F36, G31, G34.

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SUMMARY

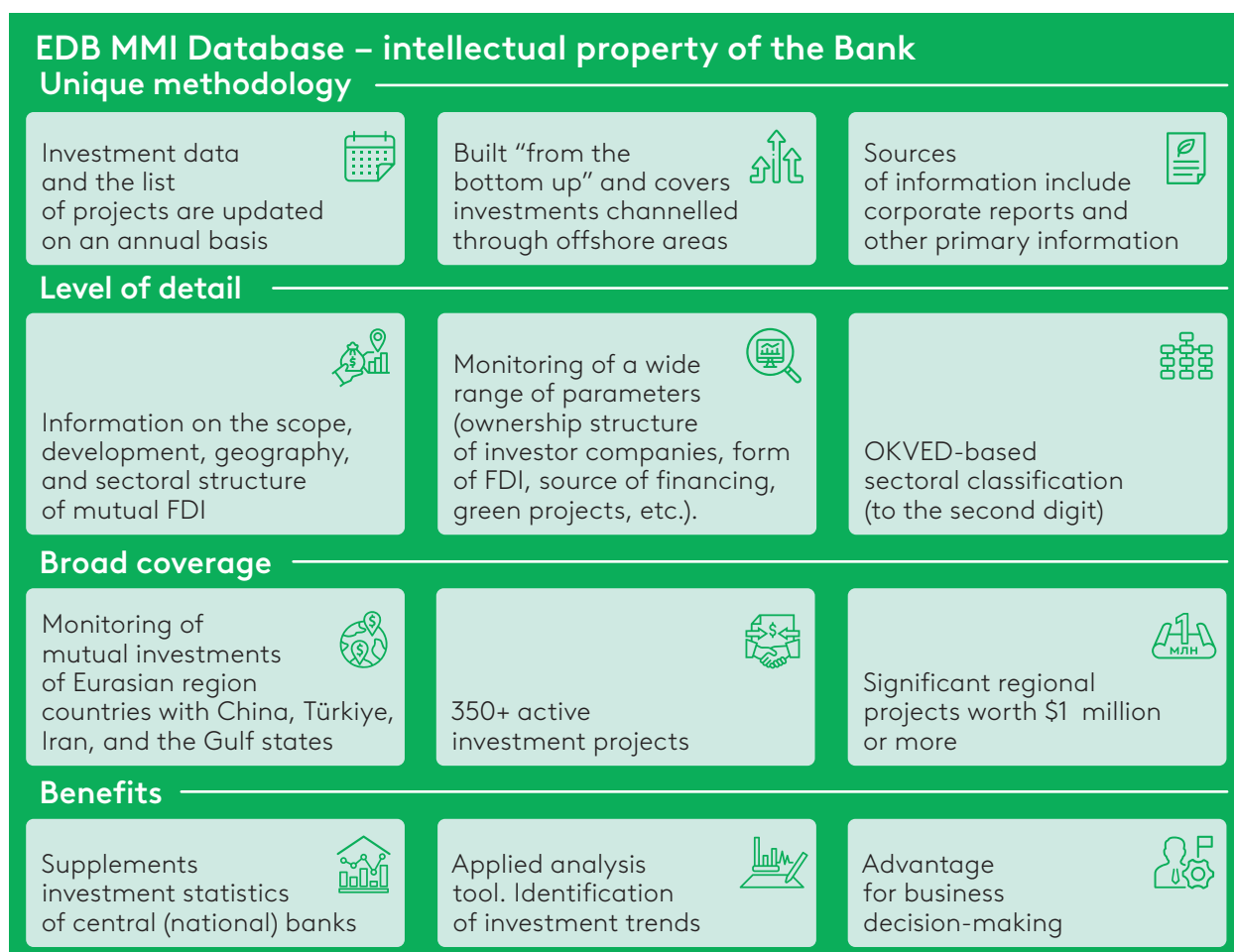
Report Overview

The EDB Monitoring of Mutual Investments (EDB MMI) on the Eurasian Continent is a study of mutual investments of the countries of the Eurasian region (Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan) and major partners in Eurasia (China, Türkiye, Iran, and the Gulf states).

The report contains detailed information on the scope, development, geography, and sectoral structure of mutual direct investments.

The EDB MMI Database serves as the basis for study of mutual investments (Figure A). It contains detailed information on investment projects between 2016 and 1H 2024. The paper is relevant given the increasing importance of direct investments by China, Türkiye, Iran, and the Gulf states to the countries of the Eurasian region (particularly Central Asia).

↓ Figure A. EDB Monitoring of Mutual Investments Database



Source: EDB.

China, Türkiye, and the UAE are the largest investor countries in the Eurasian region.

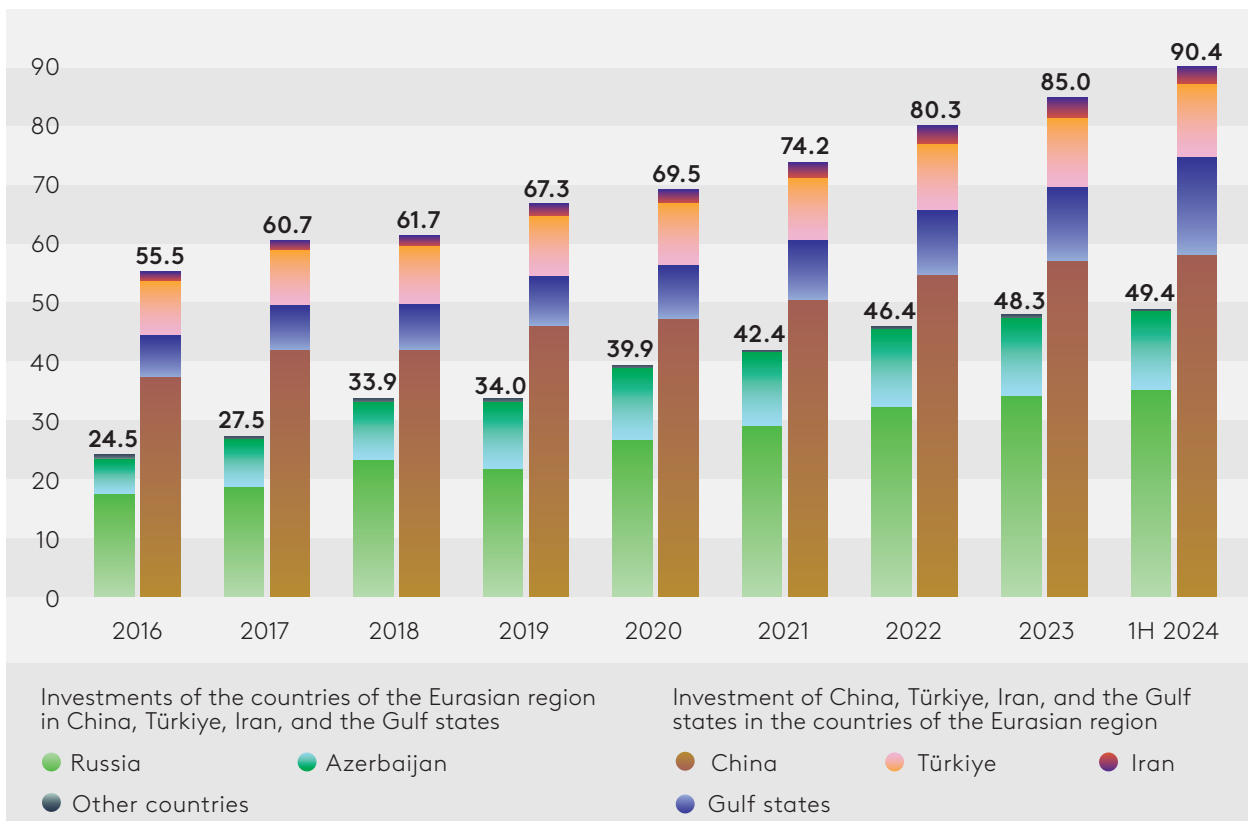
According to the EDB MMI, the total stock of direct investments from China, Türkiye, Iran, and the Gulf states (hereinafter referred to as external partner countries) in the countries of the Eurasian region amounted to \$90.4 billion at the end of 1H 2024, up 6.4% since 2023 (Figure B). The main growth driver was the implementation of major electricity generation projects in Uzbekistan with investors from the Gulf states.

The leading exporters of investments to the Eurasian region are China – \$58.6 billion (64.8% of the total), Türkiye – \$12.3 billion (13.6%), and the UAE – \$12.2 billion (13.5%) – together accounting for 92% of the total investment stock.

The main recipients of these investments in the Eurasian region are Russia (\$23.5 billion, or 26% of the total), Turkmenistan (\$17.5 billion, 12.5%), Kazakhstan (\$15.5 billion, 11.1%), Mongolia (\$10.3 billion, 7.4%), and Uzbekistan (\$8.8 billion, 6.3%).

Central Asian countries accounted for more than half (51%) of the total investment stock from external partner countries in the Eurasian region at the end of 1H 2024. The share grew by 5 p.p. in a year and a half. The stock of mobilised investments increased by 25% over the period to \$46.2 billion.

↓ **Figure B. Stock of Direct Investments between the Eurasian Region and External Partner Countries (China, Türkiye, Iran, and the Gulf states), \$ billions**



Source: EDB MMI Database.

The stock of direct investments from the Eurasian region in the partner countries totalled \$49.4 billion at the end of 1H 2024.

China is ramping up direct investments in the Eurasian region, particularly in electricity generation and manufacturing.

China has shown continued annual growth in investment stock in the Eurasian region. Investments increased by 56% between 2016 and 1H 2024.

Extractive industries are the most significant target area for China's investments, worth \$36.2 billion at the end of 1H 2024. Growth has slowed significantly since 2020. The sector's share has decreased by 7.7 p.p. — from 69.4% in 2020 to 61.7% at the end of 1H 2024. At the same time, the drivers of investment growth from China were electricity generation and manufacturing.

China's investments in electricity generation are growing rapidly, up by a factor of 2.1 to \$4.1 billion since 2022. The sector's share grew from 3.6% in 2022 to 6.9% at the end of 1H 2024. Most electricity generation projects (85%) worth \$1.8 billion were implemented in Uzbekistan. These include the construction of solar and hydroelectric power plants.

Manufacturing also showed growth, up 8.1% or \$0.9 billion to \$11.8 billion since 2022. Central Asian countries accounted for almost the entire volume of China's investments in new projects over a year and a half (97%, or \$1.1 billion). These include an automobile plant in Uzbekistan, a clinker plant in Kyrgyzstan, a porcelain stoneware plant in Kazakhstan, etc.

The Gulf states show faster growth in direct investments in the Eurasian region, with a focus on Central Asia.

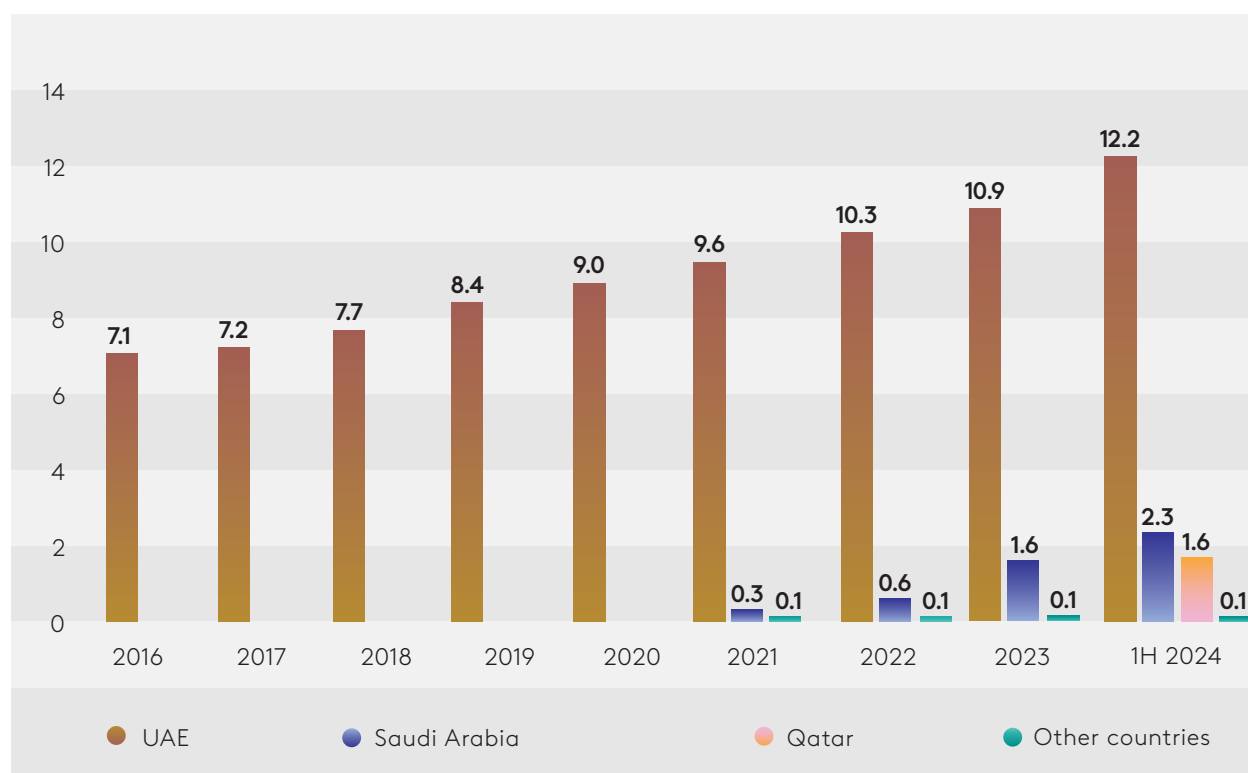
The UAE is the investor country with the longest history and largest stock of capital investment in the Eurasian region. The investment stock grew by 71% between 2016 and 1H 2024 to \$12.2 billion. Over the past year and a half, the growth has been 18.4% ([Figure C](#)).

The main market for the UAE is Central Asia. Since 2016, the Central Asian countries have accounted for more than 90% of the UAE's investments in the Eurasian region. The bulk of the UAE's investments in the region (65.6%) is in extractive industries, driven by a major project to develop and produce oil from fields in Turkmenistan. Electricity generation accounts for 17.2% (\$2.1 billion) of the UAE's total investment stock in the region — five of the sector's nine projects are aimed to build power plants in Uzbekistan, with investments in three projects of \$500 million or more. UAE investors are active in the construction sector — the share was 15.6% (\$1.9 billion) at the end of 1H 2024, with major projects including a mixed-use development in Astana (Kazakhstan) and a hotel in Tbilisi (Georgia).

Saudi Arabia and Qatar are new investor countries. Saudi Arabia’s first investment of \$0.3 billion was made in the Eurasian region in 2021. By the end of 1H 2024, the investment stock had grown by a factor of 7.3 to \$2.3 billion. Saudi Arabia’s investments in the region target electricity generation – projects worth \$2 billion in Uzbekistan.

Qatar’s first deals in the Eurasian region were recorded in 2024 – \$1.6 billion by the end of 1H 2024. Telecommunications accounted for 90% of the total value in 1H 2024.

↓ Figure C. Trends in Gulf States’ Direct Investment Stock in the Eurasian Region, \$ billions



Source: EDB MMI Database.

Extractive industries are a key target of investments by external partners in the Eurasian region.

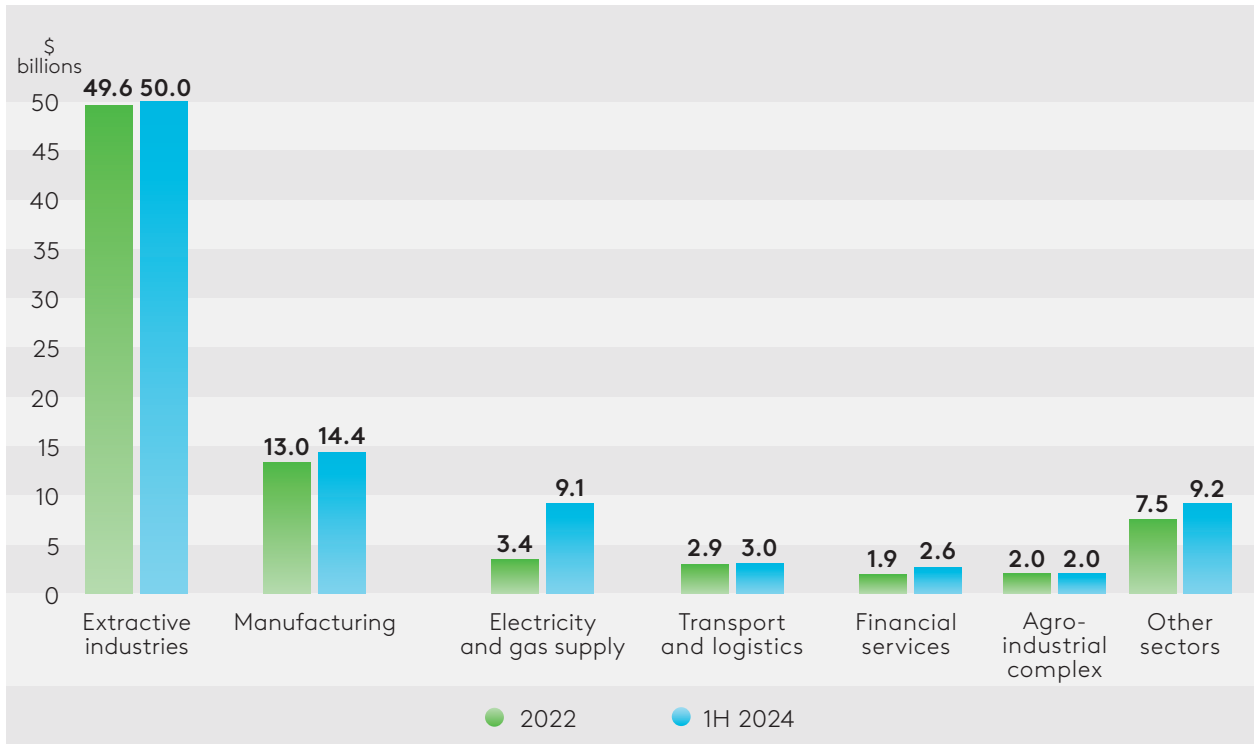
Extractive industries accounted for 55% of the investment stock, or \$50 billion at the end of 1H 2024 (Figure D). New investment flows into the sector have slowed in recent years, leading to a decline in its share of total investment from 62% in 2022 to 55% in H1 2024.

Manufacturing had attracted \$14.4 billion of investments by 1H 2024, accounting for 16% of the investment mix. This sector features the highest number of new investment deals since 2022, with 22 projects worth \$1.5 billion.

Electricity generation is the third most important industry with \$9.1 billion in investment stock and a 10.1% share at the end of 1H 2024. The sector showed the fastest growth between 2022 and 1H 2024 – by a factor of 2.7 (16 new projects worth \$4.5 billion).

Transport and logistics, financial services, and the agro-industrial complex account for an average of 2–4% of the total investment stock.

↓ **Figure D. Sectoral Structure of Direct Investment Stock from China, Türkiye, Iran, and Gulf States in the Eurasian Region, \$ billions**



Source: EDB MMI Database.

Greenfield projects are the most attractive investment opportunities for external partners in the countries of the Eurasian region.

Greenfield projects were worth \$57 billion at the end of 1H 2024. This indicator rose 91% since 2016, while total investments increased by 63%. This momentum has pushed the share of greenfield projects in the investment mix up by 9.5 p.p. — from 53.5% to 63% over the same period.

Factors supporting the growth of greenfield projects include:

- Sustainable economic growth in the Central Asian countries, creation of new production facilities attractive to foreign investors;
- The dominant share of extractive industries, manufacturing, and electricity generation in the investment stock. They account for 78% of all greenfield projects in the Eurasian region.
- Active inflow of investments from the Gulf states focusing on the creation of new enterprises;

- Declining appeal of such forms of investment as asset acquisition. The average annual growth rate of investments through asset acquisition was 4.5% compared with 2016, and that through greenfield projects was 8.4%.

The Eurasian region is a net importer of mutual investments.

A distinctive feature of mutual investments between the Eurasian region and external partner countries — China, Türkiye, Iran, and the Gulf states — is the imbalance in investment flows ([Figure B](#)). The share of inbound investments in the countries of the Eurasian region in total mutual investments was 65% at the end of 1H 2024. Outbound investments from the Eurasian region are supported by major Russian projects in Türkiye (see [Box 4](#)).

INTRODUCTION

The Eurasian Development Bank's Monitoring of Mutual Investments (EDB MMI) is a long-standing research project dedicated to analysing mutual investments. Mutual investments are an indicator used to refer to the stock of direct investments between countries, calculated on the basis of the actual value of investments in specific investment projects. The MMI enables analysis of the scope, development, geography, and sectoral structure of mutual investments.

The study is based on a database of investment projects built "from the bottom up" and pooling a wide range of open source information – corporate reports and other primary information (see "[Research Methodology](#)" in the Annex). The project enables adequate reflection of investments channelled through offshore and other transshipment points, as well as reinvestment of profits earned abroad.

In December 2024, the EDB MMI report on mutual investments in the Eurasian region was published ([Malakhov et al., 2024](#)). The region includes 13 countries: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

This report offers information on mutual direct investments between the countries of the Eurasian region and external partner countries: China, Türkiye, Iran, and the Gulf states (Bahrain, Iraq, Kuwait, the UAE, Oman, Qatar, and Saudi Arabia). The database includes investment projects between the countries of the Eurasian region and external partner countries and does not include projects between third countries, such as between China and Türkiye. The focus of the study is on investment flows to the countries of the Eurasian region.

The paper is relevant given the increasing importance of direct investments by the Gulf states to the countries of the Eurasian region (particularly Central Asia), as well as changes in the mix and trends of investments from China, Türkiye, and Iran.

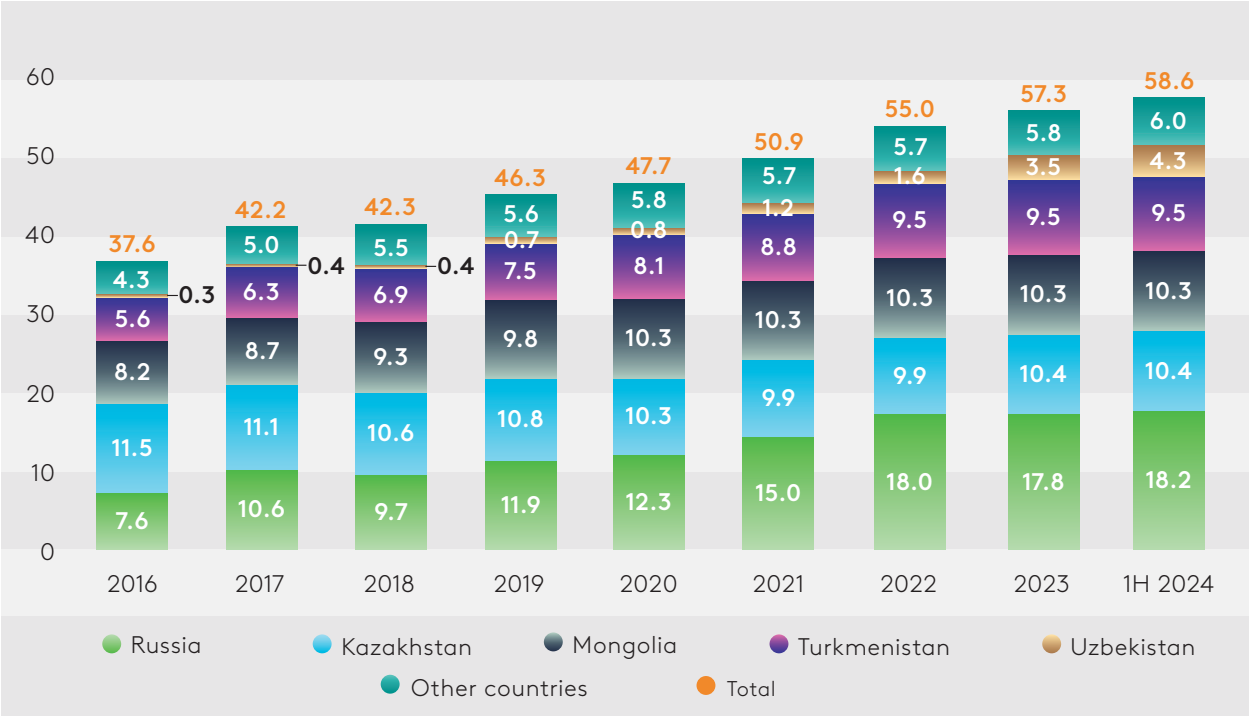
The report is structured in five chapters, each analysing investment cooperation of a particular partner country or group of countries with the countries of the Eurasian region. Each chapter presents the current situation and trends in mutual investments, including an overview of key parameters of investment flows, such as forms of mutual investments, the form of investors' ownership, sources of financing, and the geography and sectoral structure of mutual investments.

1. CHINA: LARGEST INVESTOR IN THE EURASIAN REGION

General Trends

China’s direct investment stock in the Eurasian region amounted to \$58.6 billion in 1H 2024, one and a half times the 2016 level. This study updates the estimates of the stock of China’s investments in the countries of the Eurasian region presented in the earlier report (Malakhov et al., 2023), which has not affected assessment of the general investment trend. The update is mainly driven by the clarification of data relating to the CNPC’s investments in Kazakhstan. Investment data are valued at non-current assets (see “Research Methodology” in the Annex).

↓ Figure 1. Trends in China’s Direct Investment Stock in the Eurasian Region, \$ billions

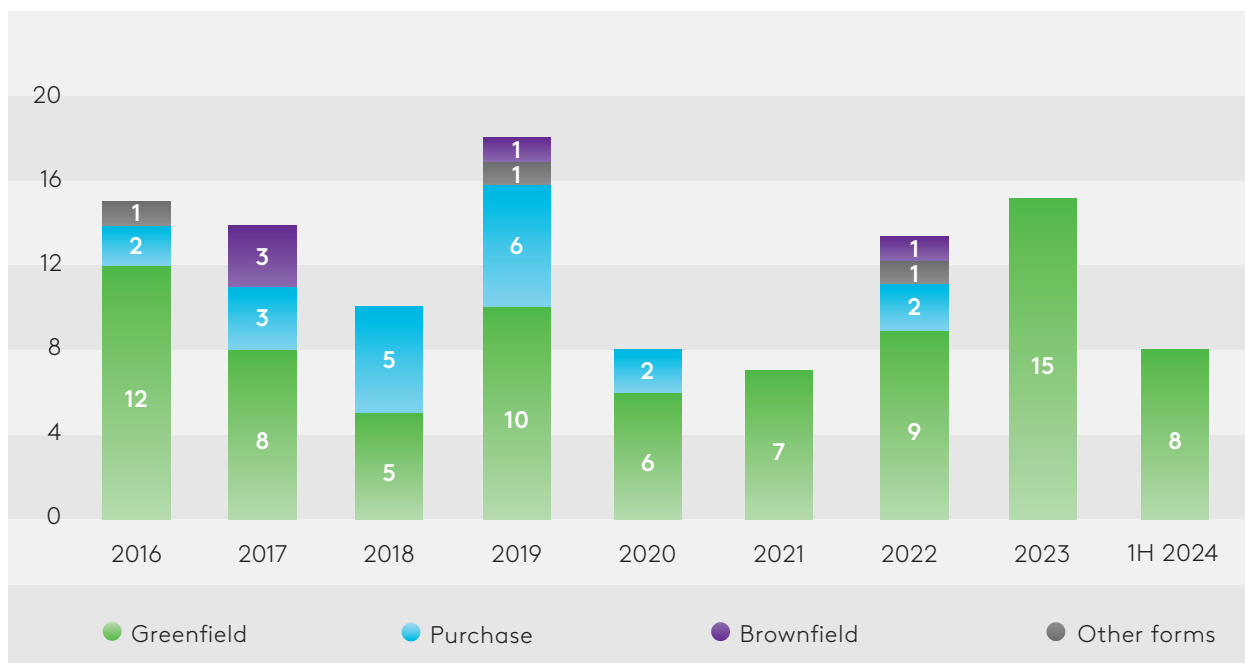


Note: Other countries include Tajikistan, Kyrgyzstan, Ukraine, Belarus, Georgia, Azerbaijan, and Armenia.
Source: EDB MMI Database.

There are 173 active investment projects recorded in the EDB MMI Database. In 2023 and 1H 2024, 23 investment projects were launched with a total investment stock of \$2.9 billion.

The largest new investment was the China Energy Engineering Group’s project in Uzbekistan to build several photovoltaic (solar) power plants in Kashkadarya, Bukhara, and Samarkand Oblasts. At the end of 1H 2024, the investment stock under this project amounted to around \$1.5 billion.

↓ Figure 2. Number of China's Investment Projects Launched in the Eurasian Region



Note: For the classification of mutual investment forms see the Methodology in the Annex.

Source: EDB MMI Database.

At the end of 1H 2024, greenfield projects accounted for a major share of China's investment stock – 56%, or \$32.9 billion. This form of investment showed the largest growth compared to 2016, by a factor of two, while its growth in the last year and a half amounted to 11%. The number of active greenfield investment projects is 120. Extractive industry projects account for the largest share of greenfield investments – 59%, or \$19.4 billion.

The main sources of financing for investment projects with China's capital in the region are equity and debt, accounting for 57.6% of the total, or \$33.8 billion. The growth has been 21% since 2016 (and 2% since 2022).

In terms of forms of ownership, investments by fully state-controlled companies account for 59.2% of the total stock, or \$34.7 billion. This segment has shown a growth of 37% since 2016 (and 5% since 2022). Investments by private companies account for 26.1%, or \$15.3 billion.

Geography

The largest recipient of China's investments in the Eurasian region is Russia, accounting for 31% of the total stock, or \$18.2 billion. Since 2016, the stock of investments in Russia has grown by a factor of 2.4.

Kazakhstan ranks second (17.7% of the total, or \$10.4 billion). Over the past year and a half, China's investments have increased by 4%.

Box 1. China's Investments in Electricity Generation in Central Asia

Central Asia accounts for 47% of total investments, or \$27.7 billion. The stock of FDI from China to Central Asia has grown by 41% since 2016. In terms of growth since 2022, Central Asia is outperforming, with growth rates twice as high as in the Eurasian region as a whole – 14% against 7%, respectively.

The main recipients of investments in Central Asia are Kazakhstan (\$10.4 billion at the end of 1H 2024), Uzbekistan (\$4.3 billion), and Turkmenistan (\$9.5 billion).

Major projects in Central Asia are in extractive industries. In recent years, electricity generation has played a dominant role in major project launches.

A number of significant electricity generation projects are underway:

- **A solar power plant** in Uzbekistan. China Poly Group and China Electric plan to invest \$350 million in the project.
- **A gas turbine plant** in Uzbekistan. In 2022, China's sovereign Silk Road Fund acquired a 49% stake in the future power plant from ACWA Power (Saudi Arabia). The investment is worth \$345 million.
- **Pumped storage power plants** in Uzbekistan. Construction began in 2H 2023. The expected date of commissioning is 2030. The investor company is China Southern Power Grid International. The planned total investment is \$1.6 billion.
- **A wind farm** in Kazakhstan. The greenfield project worth \$140 million is being implemented by China Power International Holding Ltd.

Mongolia ranks third in China's FDI inflows with a 17.6% share, totalling \$10.3 billion. China's largest project in Mongolia is the development of an iron ore deposit by Zhongrun Resources. The project started in 2013, with around \$5 billion invested by the end of 1H 2024.

Uzbekistan shows the fastest growth of investments from China in the Eurasian region. Over the past year and a half, the stock of investments attracted from China has grown by a factor of 2.6 to 7.3% of the total.

Tajikistan, Kyrgyzstan, and Azerbaijan have also shown an increase in China's investments, but their share of the total remains low.

Mutual investments between China and the countries of the Eurasian region are not balanced. The stock of investments of the countries of the Eurasian region in China is relatively small – \$0.8 billion. They included Russia's six active projects in China as at the end of 1H 2024.

Sectoral Structure

The sectoral structure of China's FDI in the Eurasian region as at the end of 1H 2024 reflected a significant concentration in extractive industries – 61.7% of the total, or \$36.2 billion. Since 2016, investments in extractive industries have grown by 39%. The growth has slowed significantly since 2022. Mongolia is the main recipient of investments in extractive industries, with seven projects worth \$10.3 billion. The largest number of projects is underway in Kazakhstan – 15 projects worth \$5.5 billion.

↓ Table 1. China's Investment Stock in the Eurasian Region, by Sector

Sector	Share	FDI, 2024, \$ millions	Change since 2016	Change since 2022	Number of active projects	Average cost per project, \$ millions
Extractive industries	61.7%	36,172	39%	0%	44	769.6
Manufacturing	20.1%	11,810	by a factor of 2.3	8%	66	164
Electricity and gas supply	6.9%	4,074	by a factor of 3	by a factor of 2	17	226.3
Transport and logistics	4.4%	2,574	-27%	-3%	7	367.7
Financial services	2.7%	1,595	by a factor of 4.2	48%	8	199.4
Agro-industrial complex	1.3%	746	by a factor of 4.2	6%	10	67.8
Other sectors	2.9%	1,672	53%	0%	21	70
Total	100%	58,642	56%	7%	173	317

Other sectors: IT, trade, metallurgy, etc.

Source: EDB MMI Database.

Box 2. Largest Projects Involving Investors from China in Extractive Industries in the Eurasian Region

- Bagtyyarylyk is a hydrocarbon field development project being implemented by CNPC in Turkmenistan. The investment stock is \$9.4 billion.
- Bold Tumor Eruu Gol LLC is implementing a project to develop an iron ore deposit in Mongolia. The investment stock is \$5 billion.
- The Yamal LNG project involves the production, liquefaction, and supply of natural gas and is being implemented with CNPC in the Yamal-Nenets Autonomous District, Russia. The investment stock is \$4.3 billion.

Manufacturing is the second most important sector, with a share of 20.1%, or \$11.8 billion. The sector has grown by a factor of 2.3 since 2016 and 8% since 2022 and is characterised by the largest number of active projects, at 66. Russia accounts for the largest stock of investments – 14 active projects worth \$6.6 billion. The largest number of projects is underway in Kazakhstan – 17 projects worth \$1.2 billion.

The largest new project in manufacturing of projects launched in 2023 and 1H 2024 is the construction of a plant in Syrdarya, Uzbekistan, to produce EXEED cars. It is financed by a Chinese company using equity. The investment in the project is estimated at \$390 million.

Electricity generation accounts for 6.9% of China's total investment stock in the region, or \$4.1 billion, and has seen the highest growth rates – by a factor of 3.1 since 2016 and 2.1 since 2022.

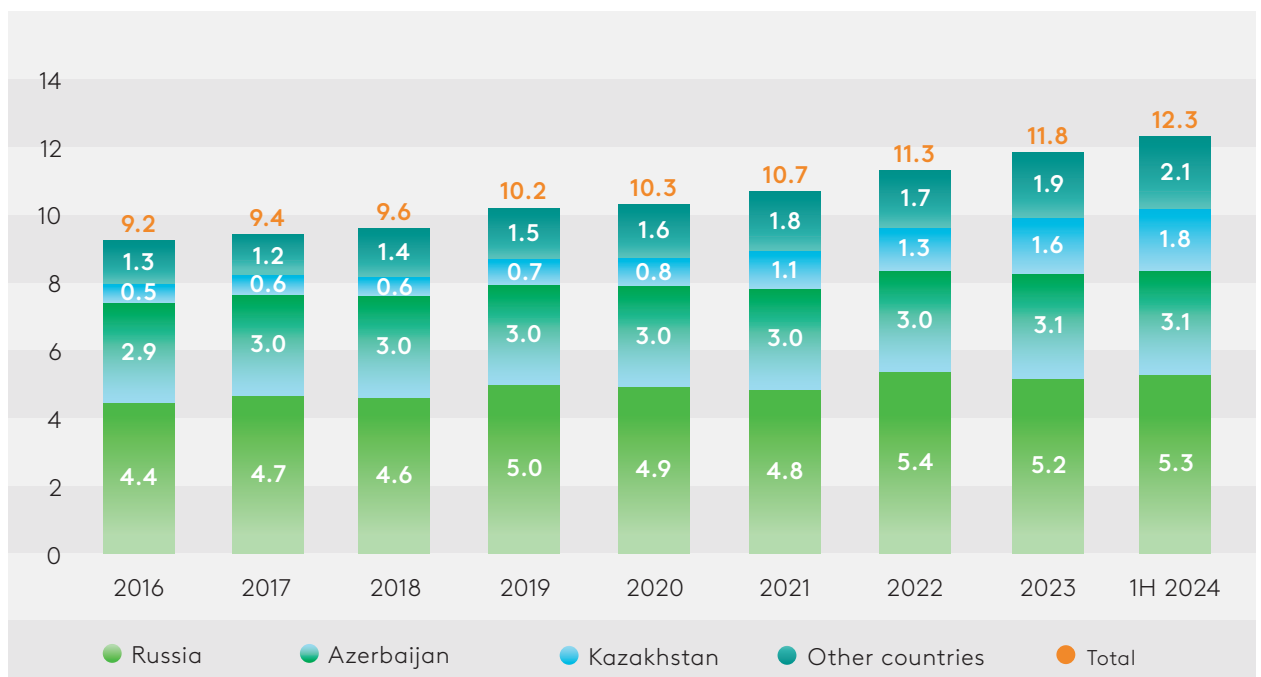
Uzbekistan is the main recipient of investments in electricity generation, with four active projects worth \$2.1 billion. Most of the investments in this sector are green projects. For example, the Silk Road Fund acquired an equity stake in a gas turbine plant in Syrdarya Oblast, Uzbekistan, in 2022. The investment stock is \$344.6 million.

2. TÜRKİYE: BROAD SECTORAL DIVERSIFICATION OF INVESTMENTS

General Trends

Türkiye's FDI stock in the Eurasian region was \$12.3 billion at the end of 1H 2024, up 34% on 2016 and 8.8% on 2022.

↓ Figure 3. Trends in Türkiye's Direct Investment Stock in the Eurasian Region, \$ billions



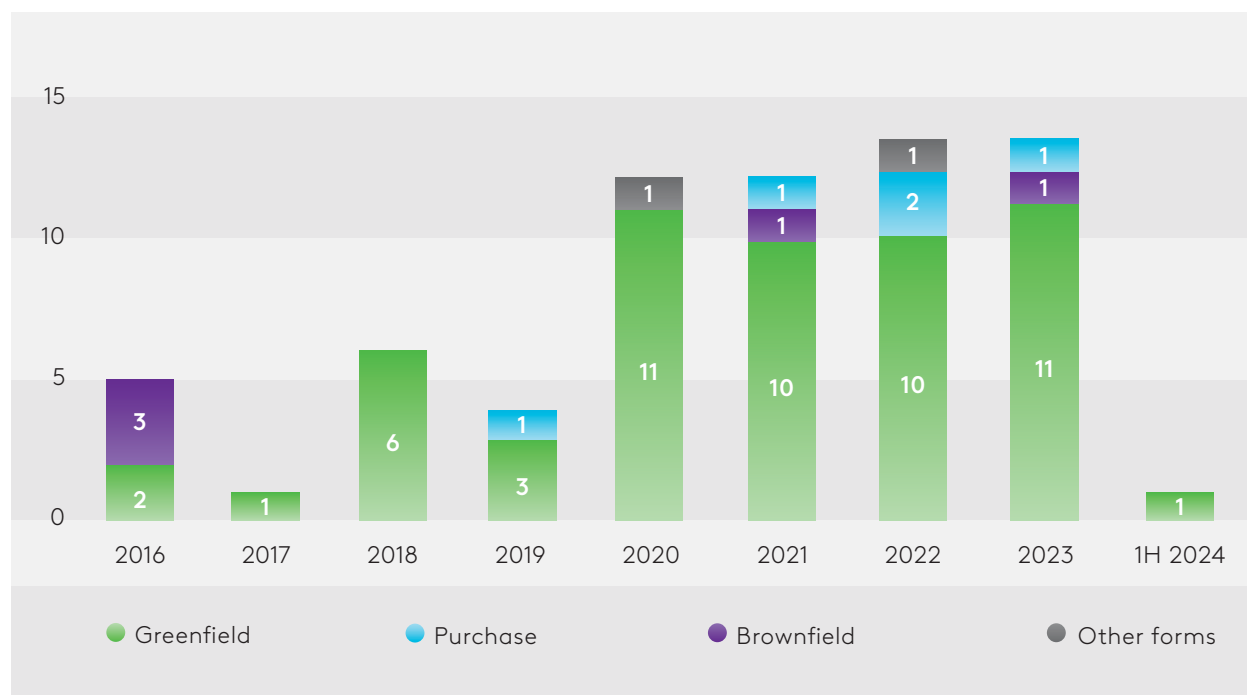
Other countries: Uzbekistan, Belarus, Georgia, Tajikistan, Moldova, Turkmenistan.

Source: EDB MMI Database.

An analysis of the dynamics of project launches with Türkiye in the Eurasian region shows that in 2023, similar to the previous year, a record number of 13 new projects was achieved, including 11 greenfield projects.

A total of 14 projects worth \$618 million were launched in 2023–1H 2024, with the most recent project in 1H 2024 being Aksa Energy's construction of a gas engine generator plant in Kashkadarya Oblast, Uzbekistan. The total investment will be \$250 million.

↓ Figure 4. Number of Türkiye's Investment Projects Launched in the Eurasian Region



Note: For the classification of mutual investment forms see “Research Methodology” in the Annex.

Source: EDB MMI Database.

Greenfield projects account for the largest share of the total stock of investments with Türkiye – 60.7%, or \$7.5 billion. Greenfield projects have grown 62% since 2016 and 18% since 2022. The number of active projects is 98.

In terms of forms of ownership, private companies account for the largest share (72.2%) of Turkish investments. The stock of FDI by private companies is \$8.9 billion, up 50% since 2016 and 11% since 2022.

The largest source of financing mobilised by Turkish investor companies is equity – 33.9%, or \$4.2 billion as at the end of 1H 2024. Financing through a mix of equity and debt accounts for 33.4%, or \$4.1 billion; the stock of investment from these sources has increased by 12% since 2016.

Geography

Russia accounts for the largest share in inbound FDI from Türkiye – 43.1% of the total stock, or \$5.3 billion. Since 2016, the stock of Türkiye's investments in Russia has increased by 19%. There are 41 active projects in Russia.

Azerbaijan is also a major recipient of FDI from Türkiye, with a share of 24.9% of the total stock, or \$3.1 billion. There are eight active projects.

The largest project with Türkiye in Azerbaijan is the development of the Shah Deniz field, where the Türkiye-based TPAO participates in an international consortium

for the development and production of gas from the Shah Deniz field in the southern part of the Caspian Sea. The company initially held a 9% stake, which was seen as a portfolio investment and was not covered under the EDB's monitoring exercise. In 2014, TPAO acquired an additional 10% stake from Total for \$1.5 billion, bringing its total stake to 19%. The project is being implemented using equity and debt and is estimated at \$2.85 billion as of 1H 2024.

Kazakhstan ranks third in terms of inbound FDI from Türkiye, attracting 14.8%, or \$1.82 billion. The investment stock shows high growth — up by a factor of 3.4 since 2016 and 46% since 2022. Kazakhstan has the largest number of projects with Türkiye in the region — 46.

Other countries in the region, such as Uzbekistan, Belarus, Georgia, Tajikistan, Moldova, and Turkmenistan, have smaller shares of total FDI with Türkiye. However, Uzbekistan and Georgia show the highest growth: Türkiye's investment stock with Georgia has increased by a factor of 4.5 since 2016, while its investment stock with Uzbekistan has tripled. At the same time, Belarus has shown a 19% decline since 2022, which may be attributable to economic and political risks affecting investment attractiveness.

Box 3. Türkiye's Investment Stock and Major Projects in Central Asia

Central Asia accounts for 24% of the investment stock of Türkiye and the countries in the Eurasian region. Between 2016 and 1H 2024, there was a 2.5-fold increase from \$1.1 billion to \$2.9 billion. Over the same period, Türkiye's investments in the Eurasian region as a whole grew by 34%.

The largest increase in the investment stock was in Kazakhstan — by \$1.3 billion between 2016 and 1H 2024. Kazakhstan has become the most attractive destination for Turkish investors, which emphasises its importance as a strategic partner.

The major projects financed by Türkiye in Central Asia include the following:

- **Kyrgyz-Turkish Manas University** in Kyrgyzstan is one of the largest education sector projects implemented with Türkiye. Financing was provided from the Turkish state budget, which became an important element of bilateral cooperation in the field of education.
- **Production of soda ash** in Kazakhstan (Yildirim Group). The plant located in Zhambyl Oblast is designed to meet the entire domestic demand for soda. The \$412 million project started in 2021 and is scheduled for completion in 2025. The construction uses zero waste technology, which minimises its environmental impact.

- **CHP** in Kyzylorda Oblast, Kazakhstan, is another significant project, initiated by Aksa Energy. Construction began in 2022 and completion is expected in 2025. The total cost is about \$450 million.
- **Turkestan International Airport**, Kazakhstan, built by YDA Group, was commissioned in 2020. Its construction, which began in 2019, was completed in record time. The project is worth \$200 million, aims to develop the region's transport infrastructure, improving the transport connectivity of Turkestan Oblast, and should contribute to the growth of tourism and the mobility of citizens.
- A **textile production** project in Namangan Oblast, Uzbekistan, is being implemented by Akca Holding. The project is worth \$250 million.

The total FDI stock of the Eurasian region countries in Türkiye increased from \$16.9 billion in 2016 to \$40.2 billion in 2024.

Russia is the largest investor among countries in the Eurasian region, with its FDI in Türkiye up from \$10.3 billion in 2016 to \$26.5 billion in 1H 2024. Russian investors are implementing eight projects in Türkiye. Investments increased due to the launch of the Akkuyu nuclear power plant project by Rosatom.

Box 4. Russia's Major Projects in Türkiye

Akkuyu is a project by Rosatom to build a nuclear power plant (NPP) in Mersin. The project began in 2018 with an investment estimated at \$20 billion. The first unit was completed in 2023 and the last (fourth) unit is scheduled to start up in 2026. The project is financed by the Russian side, including loans from Sberbank. The project is classified as a green economy project.

TR-Pharm is a project by R-Pharm to build a pharmaceutical plant in Tekirdag. The project started in 2013 with an investment of €100 million, which was planned to be completed by 2018. Despite the project freeze in 2016, its construction was resumed and completed in 2018.

Production of GAZelle Next vehicles is a project of mass production of light commercial vehicles by GAZ Group in Sakarya. The project started in 2014, with the basic equipment supplied from Russia and local components purchased from Turkish manufacturers. Production of a new Euro 6-compatible model started in 2021.

MMK Metalurji is a project by Magnitogorsk Iron and Steel Works (MMK) to build a metallurgy plant in Iskenderun. The plant was founded in 2007 with an investment of \$2.7 billion. The facility was re-launched in 2021 with an additional investment of \$240 million.

TurkStream is a gas pipeline construction project by Gazprom PJSC in the Marmara region. The project started in 2018 with a declared cost of around \$7 billion, and with the expansions in Serbia and offshore sections included, the actual cost reaches \$13 billion. The pipeline became operational in 2020, supplying gas across the Black Sea.

Azerbaijan ranks second in outbound investments in Türkiye, which grew from \$6.2 billion to \$13.1 billion between 2016 and 1H 2024. Five projects are being implemented in Türkiye by Azerbaijan. The largest is the construction of STAR Refinery in Izmir. The project was originally valued at \$6.3 billion, with an additional investment of \$0.7 billion in 2021, bringing the total project value to \$7 billion.

Kazakhstan is also channelling investment into Türkiye, albeit in smaller amounts. In 2016, Kazakhstan's FDI stood at \$445 million, rising to \$535 million by 2024. A major project to build a recreation area in Kanplankaya was financed by Capital Partners.

Sectoral Structure

Türkiye's investment stock in the Eurasian region is relatively evenly distributed across sectors.

Extractive industries are leading with a 23.6% share, or \$2.9 billion (up 2% on 2022). Manufacturing has shown significant growth of 74% since 2016 and 25% since 2022, making it one of the fastest growing sectors for Türkiye's investments in the Eurasian region. The sector hosts the largest number of projects at 49.

The largest recipients of investments in manufacturing are Russia (23 projects worth \$1.4 billion) and Kazakhstan (19 projects worth \$632 million). Among the new projects of Turkish investors in this sector is Isiklar Holding, a paper packaging project. The total investment will be \$12 million. A project to produce Borsan cable products in Kazakhstan is also underway. The total investment will be \$90 million.

↓ Table 2. Sectoral Structure of Türkiye's Investments in the Eurasian Region

Sector	Share	FDI, 2024, \$ millions	Change since 2016	Change since 2022	Number of active projects	Average cost per project, \$ millions
Extractive industries	23.6%	2,904	2%	2%	4	726.0
Construction of buildings	23.2%	2,850	27%	3%	12	237.5
Manufacturing	19.8%	2,429	74%	25%	49	47.6
Agro-industrial complex	9.9%	1,215	105%	-3%	20	60.8
Electricity and gas supply	5.9%	723	-	144%	8	90.3
Financial services	5.0%	620	5%	2%	9	62.0
Trade	2.0%	251	-11%	4%	9	25.1
Transport and logistics	2.0%	248	1,031%	12%	4	49.6
Metallurgy	0.9%	108	-64%	-11%	4	26.9
Other sectors	7,7%	948	6.1%	-3%	9	105.3
Total	100.0%	12,295	34%	9%	128	92

Source: EDB MMI Database.

The agro-industrial complex as a whole shows positive trends — a twofold growth relative to 2016, although there has been a slight decline of 3% in the last year and a half.

The main driver of growth in recent years has been electricity generation. Investment growth in this sector is 2.4 times in a year and a half to \$0.72 billion as at the end of 1H 2024.

Construction holds a special position in Türkiye's investment stock, with a share of 23.2%. Turkish businesses lead the sector in the Eurasian region with an investment stock of \$2.85 billion as at the end of 1H 2024. Box 5 presents the most significant projects underway.

Box 5. Türkiye's Real Estate Projects in the Eurasian Region

Azerbaijan

- Tekfen (Azfen joint venture): Tekfen Construction owns 40% in a joint venture with SOCAR, channelling funds for engineering and construction works in Baku. Principal investments cover the acquisition of a stake in the charter capital and capital expenditures.

Belarus

- BAU Turizm Insaat Ticaret Ltd. Sti: The company implemented five projects to build socially important facilities, including hotels in Minsk, totalling \$20 million.

Kazakhstan

- Tavros Group (Dedeman Hotel Oskemen): The company built Dedeman Hotel in East Kazakhstan Oblast, with investments worth \$25 million. The project was completed in 2014; the hotel serves as a business centre and a hotel for tourists.
- Sembol Construction (Rixos Water World Aktau): Construction of Rixos Water World Hotel in Mangistau Oblast. The hotel opened in 2020 and has made an important contribution to the development of tourism in the region.
- Sembol Construction (Turkistan Silk Way Harbor): A mixed-use development in Turkestan Oblast. Construction started in 2019 and was completed in 2021. The investments totalled KZT 24.7 billion. The project improves the region's tourism infrastructure.

Russia

- Sefa Insaat (Alexandrovskaya Sloboda): An industrial park in Vladimir Oblast, with investments worth \$600 million. The project was financed with the participation of Sberbank.
- Renaissance Holding: Since 2010, the company has built a number of business centres across Russia. The investment is estimated at RUB 90 billion, in equal instalments over the years.

Tajikistan

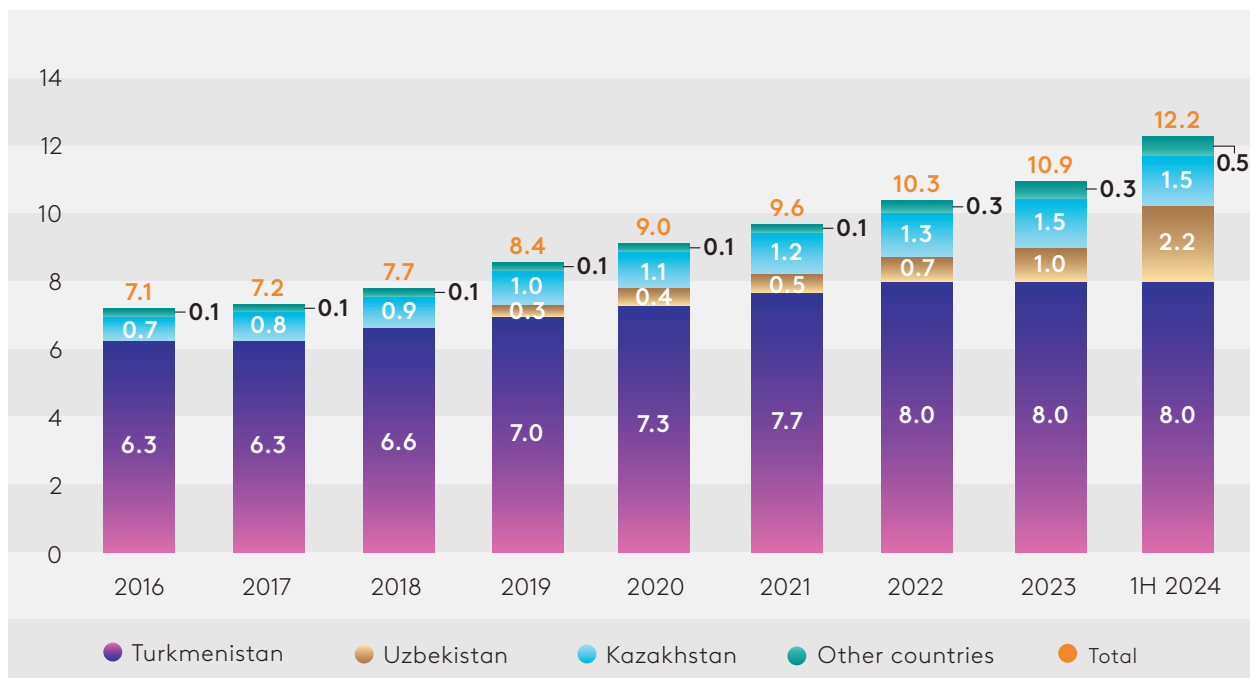
- Ozgun Insaat (Vefa Centre in Dushanbe): construction of the Vefa Centre, with investments worth \$20 million.

3. UAE: IMPORTANT INVESTOR IN TURKMENISTAN

General Trends

The UAE’s investment stock in the Eurasian region showed steady annual growth between 2016 and 1H 2024. It has increased by 71% since 2016, reaching \$12.2 billion at the end of 1H 2024. Over the past year and a half, the growth has been 18.4%.

↓ Figure 5. Trends in the UAE’s Direct Investment Stock in the Eurasian Region, \$ billions



Source: EDB MMI Database.

The distribution of the UAE’s FDI stock by form of investments in 2024 shows that greenfield projects account for most of it (90.3%). The total number of active projects is 15. Brownfield investments account for 8.2% of the total investment stock, with a total project value of \$1 billion.

The main source of financing is a mix of equity and debt, accounting for 67.7% of the total FDI stock, or \$8.3 billion. Equity is used in smaller amounts and accounts for 26.4% of the total FDI stock, or \$3.2 billion.

Private companies account for 79.6% of the total investment stock, or \$9.3 billion. Private companies’ investments have grown 37% since 2016 and 3% since 2022. Investments with state participation account for much less — 19% of the total FDI stock, or \$2.3 billion.

Geography

The majority of these investments are concentrated in Central Asian countries, with the share of investments in this region remaining consistently high: 98% of the total in 2016 and 96% in 1H 2024. The projects represent different sectors: energy, extractive industries, construction, and others.

Turkmenistan is the largest recipient of FDI from the UAE, accounting for 65.4% of the total, or \$8 billion, thanks to one project, but the largest in the region: the development of national oil fields.

Uzbekistan ranked second among investment recipient countries with a share of 17.85% (\$2.2 billion) at the end of 1H 2024 due to its growth momentum. Over the past year and a half, investments have grown by a factor of 3.3, indicating the active development of economic cooperation between the UAE and Uzbekistan. The total number of active projects is eight.

Kazakhstan ranks third in the UAE's FDI stock, with 12.3% of total investment, amounting to \$1.5 billion. Investments in Kazakhstan have doubled since 2016, with growth of 12% since 2022.

A large-scale renewable energy project has been launched in Kazakhstan. The UAE will develop a wind farm project, the first phase of which will see the commissioning of a 500 MW electricity generation facility with potential use of an energy storage system.

Investments from the Eurasian region in the UAE remain modest. Russia is the main investor, with an FDI stock of \$150 million. Azerbaijan invested \$47 million in 2016, but pulled out of the deal in 2017, with no new investments in subsequent years.

Sectoral Structure

The sectoral structure of the UAE's FDI stock in the Eurasian region is as follows: investments are clustered in extractive industries and electricity generation. Extractive industries account for 65.4% of the total investment stock, or \$8 billion.

Electricity generation accounts for 16.9% (\$2.1 billion). There has been a significant increase in the amount of capital raised, particularly in the last year and a half — almost three-fold. The total number of active projects is nine.

↓ Table 3. Sectoral Structure of the UAE's FDI Stock in the Eurasian Region

Sector	Share	FDI, 2024, \$ millions	Change since 2016	Change since 2022	Number of active projects	Average cost per project, \$ millions
Extractive industries	65.4%	8,000	28%	0%	1	8,000
Electricity and gas supply	16.8%	2,062.4	–	289%	9	229
Transport and logistics	1.4%	178.2	–	–	2	89
Other sectors	16.2%	1,985.4	–	–	8	–
Total	100%	12,226.1	71%	18%	20	611

Source: EDB MMI Database.

Box 6. Major Projects of the UAE in the Eurasian Region

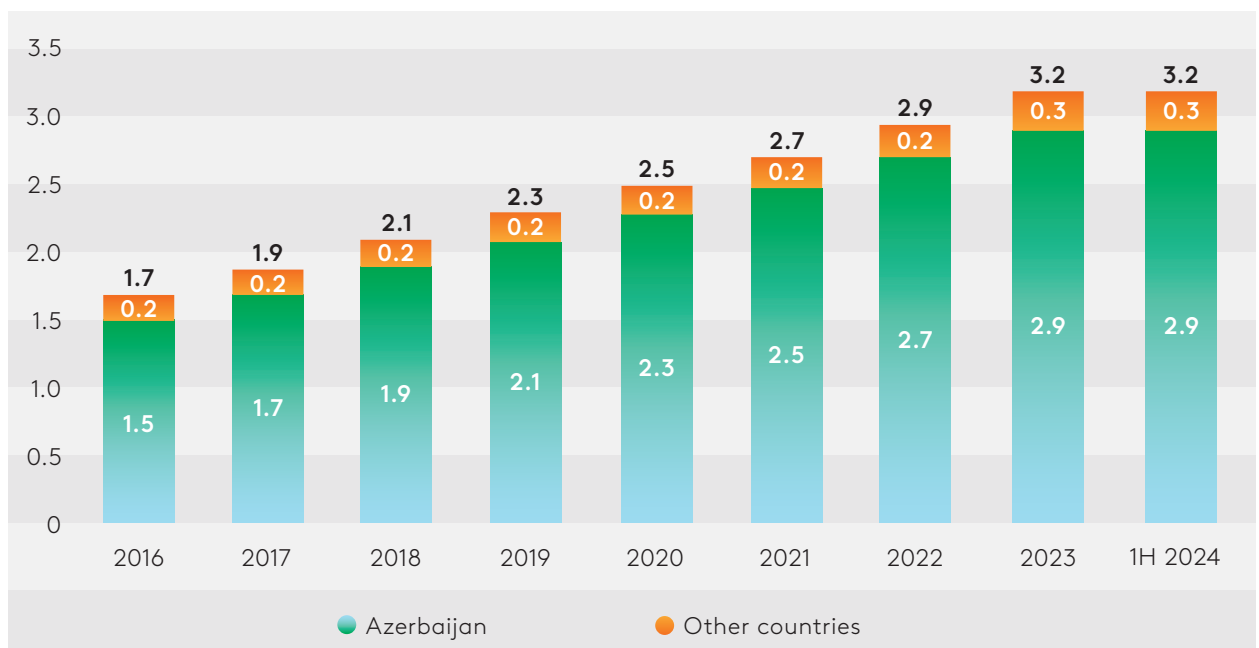
- Investment of **Dragon Oil** from the UAE in Turkmenistan. Since 2000, Dragon Oil has developed the Jeytun and Jygalybeg oil fields on the Turkmen shelf of the Caspian Sea. The investments totalled \$8 billion in 1H 2024. The development contract was awarded in 2000 for 25 years, and in 2022 it was extended until 2035.
- Construction of **Abu Dhabi Plaza**, a mixed-use development in Astana, Kazakhstan, with the participation of Aldar Properties. The total investment stock was \$1,450 million in 1H 2024, while the total project budget is estimated at \$1.6 billion. Construction started in 2010 and the first facilities were commissioned in 2020–2021.
- Construction of **Zarafshan Wind Farm** in Navoi Oblast, Uzbekistan, by the Mubadala company. The total investment stock was \$540 million in 1H 2024.
- Modernisation of **Talimarjan Thermal Power Plant** (TPP) in Kashkadarya Oblast, Uzbekistan, with the Mubadala company. The project had an investment of \$500 million in 1H 2024. The aim of the project is to acquire an 80% stake in the charter capital of the TPP, with subsequent modernisation and capacity expansion.

4. IRAN: INVESTMENT FOCUS ON AZERBAIJAN

General Trends

At the end of 1H 2024, Iran's FDI stock in the Eurasian region amounted to \$3.2 billion, up 8% on 2022 and twice as much as in 2016.

↓ Figure 6. Trends in Iran's Direct Investment Stock in the Eurasian Region, \$ billions



Source: EDB MMI Database.

Almost the entire stock (97%) of Iran's investments is in greenfield projects. In 1H 2024, there were 13 active greenfield projects recorded.

Most investments are financed with a mix of equity and state budget funds: 90.1%, or \$2.9 billion, of Iran's total FDI stock.

Thus, most of the Iranian investor companies in the Eurasian region have state participation. Their share was 92.1% (\$2.97 million) at the end of 1H 2024.

Geography

Azerbaijan is the major recipient of Iranian investments in the Eurasian region, with a 91% share of the total, or \$2.93 billion. Iran's FDI in Azerbaijan has more than doubled since 2016, demonstrating a steady upward trend in capital flows.

Since 2017, a project for the production of Khazar cars has been underway in Neftchala district, Azerbaijan. AzKron Automobile Plant is owned by Azevrocar, a joint venture

with a 75% stake held by AzerMash Group. The remaining quarter is held by Iran's largest vehicle manufacturing company, Iran Khodro.

Armenia ranks second in the stock of Iran's investments, with a share of 4.9%, or \$159.5 million. Iran's investments in Armenia have increased by a factor of 2.4 since 2016. At the end of 1H 2024, three active projects were underway. One of the most important investment projects is the plant in the village of Lernagog which produces metal ingots and metal wire from scrap.

Belarus ranks third among the countries receiving Iranian investments in the Eurasian region with a share of 2.5%, or \$79.5 million. In contrast to the other countries, Belarus shows negative trends: the FDI stock has decreased by 10% since 2016 and by 15% since 2022. Two projects were underway in Belarus in 1H 2024, one of which was the development of a sheep-breeding complex in Minsk Oblast.

Kazakhstan ranks fourth among the Eurasian region countries in Iranian FDI stock, accounting for 1% of the total, or \$33.5 million. There were four active projects being implemented in Kazakhstan in 2024.

The stock of investment by the Eurasian countries in Iran remains quite modest and is limited to two countries, Azerbaijan and Kazakhstan.

Azerbaijan has only started investing in Iran in recent years. There were no investments in 2016, but in 2022 the stock of Azerbaijan's FDI in Iran was \$3.3 million. In 1H 2024, the stock increased to \$8.3 million. Azerbaijan is implementing one investment project. The Azerbaijan-based ADY Express is investing in the construction of a cargo terminal in Astara, Iran. This project should play an important role in the development of the Western route of the International North-South Transport Corridor (INSTC). The total cost of the project is estimated at \$10 million.

The stock of investment from Kazakhstan amounts to \$18.2 million and remained unchanged between 2016 and 1H 2024, indicating no new projects or expansion of existing projects. Kazakhstan's investors are implementing two investment projects.

The inflow of investment from the Eurasian region has been hampered by sanctions and difficulties in settlement and insurance.

Sectoral Structure

The sectoral structure of the FDI stock of Iran in the Eurasian region shows a significant concentration of capital in extractive industries. That sector accounts for 90.8% of Iran's total FDI, or \$2.9 billion, and is represented by one project. The largest investment project is being implemented with Naftiran Intertrade Company Limited (NIOC) at the Shah Deniz offshore gas condensate field, in the southern part of the Caspian Sea. NIOC has held a 10% stake in the project consortium since 1996. The first

phase, completed by 2012, cost about \$4.1 billion, while the second phase includes an additional \$25 billion investment.

↓ **Table 4. Sectoral Structure of Iran’s FDI Stock in the Eurasian Region**

Sector	Share	FDI, 2024, \$ millions	Change since 2016	Change since 2022	Number of active projects	Average cost per project, \$ millions
Extractive industries	90.8%	2,933.8	102%	8%	2	1,466.9
Financial services	6.8%	220.9	33%	22%	3	55.2
Manufacturing	1.1%	36.1	–	8%	4	9.0
Agro-industrial complex	0.7%	23.5	62%	0%	3	7.8
Transport and logistics	0.3%	10.5	967%	331%	1	10.5
Trade	0.2%	5.0	–	0%	1	5.0
Other sectors	0.0%	–	–100%	–	0	–
Total	100.0%	3,229.8	98%	9%	14	201.8

Source: EDB MMI Database.

Financial services is the second largest FDI sector with a share of 6.8% (\$220.9 million) in 1H 2024. Iran’s investment in financial services has increased by 33% since 2016 and by 22% since 2022, indicating Iran’s ambition to strengthen its financial presence in the region. There are three active projects in this sector (see [Box 7](#)).

Manufacturing accounts for 1.1% of Iran’s total FDI, which is \$36.1 million. There has been an 8% increase since 2022. There are four active projects in this sector.

Box 7. Iran’s Major Projects in the Eurasian Region

- Establishment of a **Bank Mellat** branch in Yerevan, Armenia, with a total investment of \$129 million in 1H 2024. Bank Mellat has been operating in Yerevan since 1996.
- Opening of a **Tejarat Bank** branch in Minsk, Belarus, with an investment of \$66 million. Tejarat Bank opened a branch in Minsk in 2008.
- Opening of a **Bank Melli Iran** branch in Baku, Azerbaijan. The project had received \$26 million by 1H 2024. This branch offers a wide range of banking services and helps to expand the presence of Iranian financial institutions in the Caucasus.

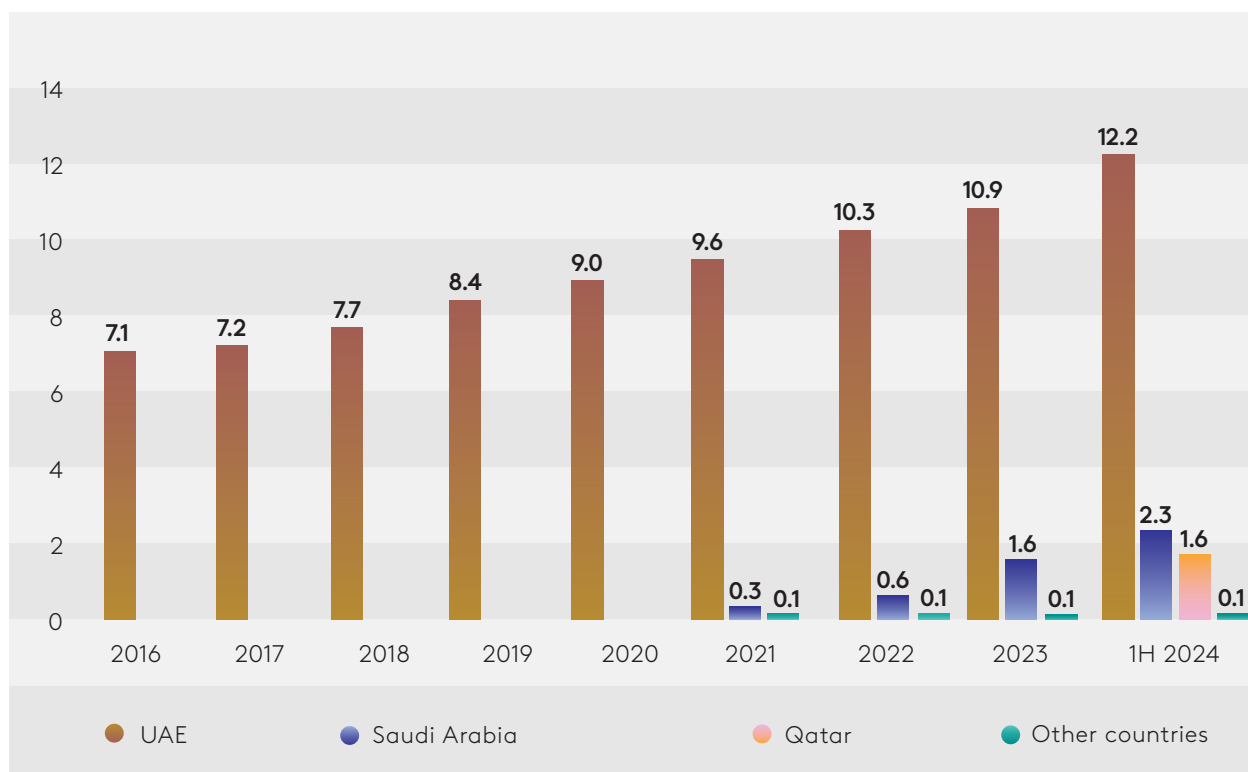
5. NEW INVESTORS FROM GULF STATES

Global economic developments in recent years have also had implications for the direct investment market. In particular, new major investor countries have emerged, seeking opportunities to invest available capital profitably on a global scale and competing with traditional investor countries for promising projects.

The accumulation of sizeable oil and gas revenues in the Gulf states has spurred investment activity by companies from the region in various parts of the world, including Eurasia.

The UAE is the only Gulf state with a long history of investment in the Eurasian region, while Saudi Arabia and Qatar have just begun to invest in Eurasian projects in recent years.

↓ Figure 7. Trends in the Gulf States' Direct Investment Stock in the Eurasian Region, \$ billions



Source: EDB MMI Database.

Saudi Arabia’s first investments in the Eurasian region were recorded only in 2021, at \$313 million. Investments soared to \$1.6 billion in 2023. By the end of 1H 2024, they had reached \$2.3 billion.

Six investment projects are underway. Investors from Saudi Arabia invest exclusively in greenfield equity-financed projects. All projects are implemented by a single company with a minority stake held by the state in the charter capital (ACWA Power).

Projects are being implemented in Azerbaijan and Uzbekistan, with most of them in Uzbekistan — five projects worth \$2 billion. The company has one project underway in Azerbaijan with an FDI stock of \$238 million.

Box 8. Projects of Saudi Arabian Investors in the Eurasian Region

- ACWA Power is implementing a 1,500 MW combined-cycle **gas turbine plant** project. Construction started in 2021 and full capacity was reached in March 2024. In 2024, the FDI stock was \$671 million. The project envisages long-term co-operation on the basis of a 25-year Power Purchase Agreement.
- ACWA Power is building a 500 MW **wind farm** in Bukhara Oblast, Uzbekistan. Construction started in 2023. In 1H 2024, the FDI stock stood at \$518 million. The project is developed as a 'Build, Own, Operate, Transfer' PPP and the sole purchaser is National Electrical Grid of Uzbekistan, JSC.
- Dzhankeldy Project, a 500 MW **onshore wind farm**, is being implemented in the same region of Uzbekistan. In 1H 2024, the FDI stock was \$494 million.
- ACWA Power started the construction of a 500 MW **wind farm** in Karakalpakstan in 2024. The total cost of the project is \$1.5 billion, with commissioning scheduled for December 2026 and commercial operation to start in early 2027. In 1H 2024, the FDI stock was \$258 million.
- In Absheron and Khizi districts, Azerbaijan, ACWA Power is implementing a 500 MW **onshore wind farm** project. Basic contracts were signed in 2020 and construction began in 2022. In 2024, the FDI stock was \$238 million.
- ACWA Power is building a **wind farm** in Karakalpakstan. The total project cost is \$117 million and the FDI stock was \$100 million in 2024.

Qatar made its first investment in the Eurasian region in 2024. At the end of 1H 2024, the investments were worth an impressive \$1.6 billion. They are associated with projects of the Qatar-based companies Power International Holding and Lesha Bank.

Power International Holding acquired the mobile operator Mobile Telecom-Service in Kazakhstan. Analysts estimate that the deal was valued at \$1.4 billion. Power International Holding has started construction of a \$25.2 million medical multifunctional hub in Astana. In the financial sector, Lesha Bank acquired a former Sberbank subsidiary, now known as Bereke Bank, for \$146.6 million.

The development of favourable investment cooperation in the Central Asian states, as well as declared plans to further expand trade and economic cooperation with the Gulf states, will contribute to the growth of inward investment by Arab companies and the implementation of new investment projects in the energy and other productive sectors.

ANNEX.

RESEARCH METHODOLOGY

The Monitoring of Mutual Investments Database is an ongoing research project of the EDB. The database contains **detailed information** on the mutual FDI stock for investors' projects in the Eurasian region, including Russia, Azerbaijan, Kazakhstan, Armenia, Belarus, Georgia, Uzbekistan, Ukraine, Tajikistan, Turkmenistan, Kyrgyzstan, Moldova, and Mongolia.

The database pools **a wide range of open source information** since 2016 and is built "from the bottom up", based on corporate reports and other primary information (company press releases, etc.).

The FDI stock is calculated **in dollar terms** at central (national) bank exchange rates as at the end of the reporting period (Table 19).

The database includes projects with an FDI stock of **more than \$1 million** as at the end of the reporting period. There is no rounding. Projects under \$1 million are not included in the database. There are no exceptions for any particular industry or country.

The FDI stock of non-financial companies **is valued at non-current assets** (where information is available). This valuation method, recommended by the OECD and the IMF, is particularly important for countries whose stock markets are not developed well enough to value the reinvestment of profits (or, conversely, the depreciation of past investments).

For banks and insurance companies, **equity capital** is the main measure of FDI valuation. If information is not available, data on **charter capital** is used, which may lead to an underestimation of FDI (the overall figures are not significantly affected).

In some cases, where possible and in line with OECD and IMF recommendations, the authors of the Monitoring assess the value of transactions based on **similar recent acquisitions** in the country/industry.

If the company discloses the real value, **the estimates are revised**. Information on announced FDI is often used by external analysts for long periods of time and is not relevant. Unlike the Financial Times Database and some other reputable sources, the EDB verifies historical information on announced FDI available in the EDB MMI Database on an annual basis.

The EDB MMI Database uses the OKVED to describe the FDI **sectoral structure**. The Russian industry classification is almost fully aligned with international standards

used to describe sectoral affiliation of projects. The EDB MMI uses its sectoral codes down to the second digit.

The information presented in the database can be **sorted by numerous parameters**. In addition to the FDI stock for each year from 2016 onward and the sectoral affiliation of the project, the database includes the starting year of the investment project (and the year when the investor withdrew from the project, if relevant), the region of the country (for smaller countries, the location of FDI in the capital city or in autonomous units is indicated), the role of state-owned capital, the classification of FDI forms, sources of financing, uses of funds, and other project details.

The following features are used in the database to describe the role of the state and third country transnational corporations in **the ownership structure of investor companies**:

- Companies with a sole owner who is a private investor — the share of national private investors in the ownership structure of the investor company is 100%.
- Companies with a sole owner who is the state — the share of the state is 100%.
- Companies with a controlling stake held by the state — the state has control, i.e. a stake of more than 50% in the company's capital (on the one hand, this allows us to record separately large companies that seek to distance themselves from the state, emphasising their status as open (public) joint stock companies, and on the other, it shows the presence of private co-investors in the company).
- Companies with a minority stake held by the state — the state has a direct investor interest but no absolute majority (10.0–49.9% of shares or interest).
- Companies with a controlling stake held by a foreign investor — the company has a controlling investor from among transnational corporations from third countries (but not 100% control, otherwise, according to the EDB MMI Database rules, the actual investor is definitely outside the 12 post-Soviet countries under consideration), and this includes only actual foreign investors, not formal owners from offshore firms.
- Companies with a minority stake held by a foreign investor — a foreign transnational corporation has a direct investor interest but not an absolute majority (10.0– 49.9% of shares or interest).
- Combinations of state and foreign direct investor interests in the ownership structure. In particular, the state has control, but there are foreign companies among direct investors.

The classification of FDI forms is as follows:

- “Purchase” — no significant reinvestment, although asset revaluation is possible (based on depreciation of equipment, changes in the value of real properties, fluctuation of exchange rates, etc.).
- “Brownfield” — the original asset acquisition is supplemented with significant reinvestment in modernisation or territorial expansion, or with additional acquisitions of new blocks of shares or production facilities (consolidated into the company).
- “Greenfield” — investment in projects creating new assets from the very beginning. This could include, for example, the construction of infrastructure or a new industrial plant. Some greenfield projects are not expanded at later stages, but significant additional investments made in subsequent years are not uncommon.
- “Other” — all complex cases, for example, deals involving privatisation after the dissolution of the USSR where the asset was originally managed by a body from another Union republic.

Since 2023, project records in the EDB MMI Database also include the sources and uses of funds.

Information on **the sources of funds** makes it possible to determine the nature of project investments. The sources of funds are classified as follows:

- “Equity” — the company finances the project with available free cash flows.
- “Debt” — the investment project is financed with the proceeds of a loan or a credit line opened by a bank/another entity.
- “Budget” — the project is financed from the state budget (initiated by a ministry or another government body).
- “Other” — all types of financing not covered by the categories described above (gratuitous loan, grant, debt enforcement proceeds, etc.).
- “Not known” — the investor company does not disclose the source of funds, and it is not possible to determine it based on available information.

The use of funds describes the function of the investment, on what the project’s cash flows are spent. The following uses of funds are possible:

- “Construction and major repair of buildings and structures” — invested funds are used to finance the construction/repair of buildings (production facilities/residential units/offices, etc.).

- “Acquisition and overhaul of machines, equipment, and vehicles” — invested funds are used to finance the acquisition of new or upgrading of existing machines and equipment.
- “Acquisition of stakes” — invested funds are used to acquire a stake (100% or less) in the investment target (a natural resources deposit, joint stock company, other company, etc.).
- “Investment in charter capital” — invested funds are used for reinvestment/provision of additional capital/modernisation of an asset owned by the company (whether fully or partially).
- “Other” — invested funds are used for purposes not covered by the categories described above.

Multiple uses of funds have been indicated for certain projects, for example, in a situation where a company is purchased, and its profits are subsequently reinvested in the modernisation of production.

The data processing relies on FDI analysis, excluding portfolio investment and investment by international financial institutions (IFIs). **IFI investments** are made at an intergovernmental level, making it impossible to trace the amount of investment from one country to another, and in most cases do not involve ownership of the project due to the debt form of financing.

FDI is a direct investment of cash, technology, and/or intellectual property in large quantities, usually enabling either the establishment of new production facilities or a significant expansion of existing production facilities and implying **direct participation of the investor** in the management of the investment target. A minimum 10% stake in the project is required for inclusion in the database.

Portfolio investments are usually made at later project stages, when the bulk of funds is already invested, and the shares of the recipient companies are openly traded on the stock exchange. Inasmuch as portfolio investments do not require major capital expenditures, shares are often purchased by investors who are not seeking large stakes or management rights.

Foreign direct investments are, as a rule, of major importance for developing economies, as they involve the establishment and expansion of large-scale production facilities, technology transfer, and human capital development.

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ABBREVIATIONS

CNPC	China National Petroleum Corporation
EDB MMI	Eurasian Development Bank research project on monitoring mutual direct investments in the Eurasian region
FDI	foreign direct investment
H	half-year
IFIs	international financial institutions
IMF	International Monetary Fund
IT	information technology
LLC	limited liability company
MW	megawatt
NPP	nuclear power plant
OECD	Organisation for Economic Cooperation and Development
OKVED	All-Russian Classification of Types of Economic Activity
TPAO	Turkish Petroleum Corporation
UNCTAD	United Nations Conference on Trade and Development
UAE	the United Arab Emirates



RESEARCH AT THE EDB WEBSITE



Macroeconomic Outlook (RU/EN)

Macroeconomic Outlook 2025–2027

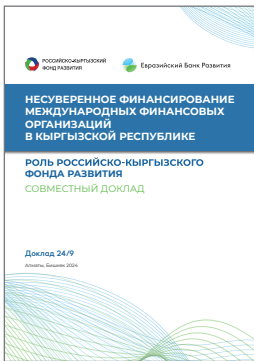
The Eurasian Development Bank (EDB) has published its Macroeconomic Outlook, summarising a preliminary overview of economic developments in the Bank’s member states in 2024, along with key macroeconomic projections for countries in the region for 2025, as well as for 2026 and 2027.



Report 24/10 (RU/EN)

EDB Monitoring of Mutual Investments – 2024. Eurasian Region

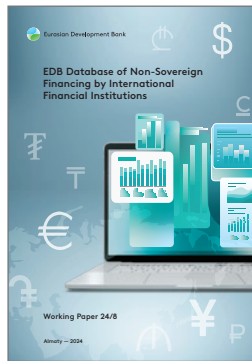
The report contains detailed information on the scale, dynamics, geographical and sectoral structure of mutual direct investments of the Eurasian region from 2016 to 1H of 2024.



Report 24/9 (RU)

Non-sovereign financing of international financial organizations in the Kyrgyz Republic

The report contains a comprehensive analysis of non-sovereign financing operations by international financial institutions in the Kyrgyz Republic over the last decade.



Report 24/8 (RU/EN)

EDB Database of Non-Sovereign Financing by International Financial Institutions

Non-Sovereign Financing (NSF) Database is EDB’s new analytical project. The EDB Database is a dynamic tool for timely monitoring and analysis of non-sovereign operations of IFIs in the Eurasian region.



Report 24/7 (RU/EN)

Capital in Multilateral Development Banks

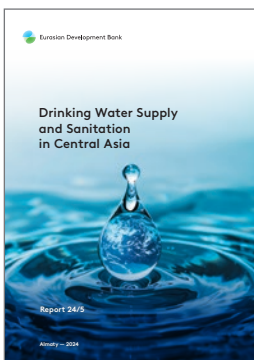
This paper covers the whole ‘MDB family’ of institutions but highlights regional and sub-regional MDBs because of their specifics of raising shareholders’ capital. The study discusses seven standard and novel options for increasing capital



Report 24/6 (RU/EN)

The Eurasian Transport Network

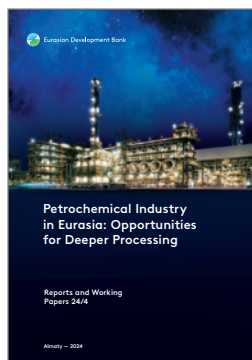
The report examines ten system elements of the Eurasian transport framework concept. Among them are the formation of a transport crossroads in Central Asia, priorities for intraregional transport connectivity, an impetus for realizing the agro-industrial potential of the countries of the region, and improvement of soft infrastructure.



Report 24/5 (RU/EN)

Drinking Water Supply and Sanitation in Central Asia

In Central Asia, 10 million people do not have access to safe drinking water. Given the priority importance of drinking water for public health and the scale of the challenges, a comprehensive approach is required in the region. A new EDB report presents a set of practical steps that shape such an approach.



Report 24/4 (RU/EN)

Petrochemical industry in Eurasia: Opportunities for Deeper Processing

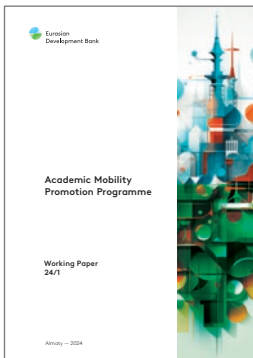
The analytical report uses a balance approach to assess the production and export potential of the petrochemical complex of the Eurasian region (Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, Uzbekistan) in the perspective up to 2035.



Report 24/3 (RU/EN)
Infrastructure in Eurasia: short-term and medium-term trends
 The EDB’s report highlights ten important short- and medium-term investment and institutional trends in the region’s energy, transportation, logistics, water supply and telecommunications sectors.



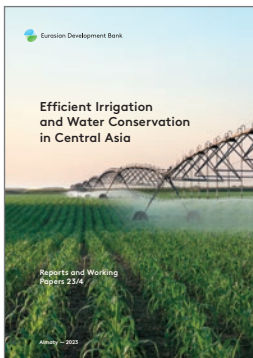
Report 24/2 (RU/EN)
Economic Cooperation in Eurasia: Practical Solutions
 The EDB’s report “Economic Cooperation in Eurasia: Practical Solutions” contains a “menu” of pragmatic applied solutions that can be enabled relatively fast and with flexible configurations among participating countries aimed at fostering mutually beneficial economic cooperation among Eurasian countries.



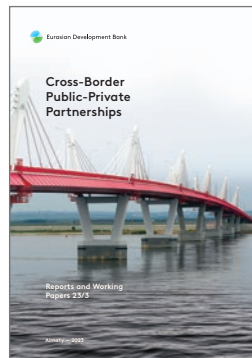
Report 24/1 (RU/EN)
EDB Monitoring of Mutual Investments — 2023
 Eurasian countries’ FDI stock reached \$48.8 billion by mid-2023, following a 5.4% increase in 2022 and with continued growth in 2023.



Report 23/5 (RU/EN)
EDB Monitoring of Mutual Investments — 2023
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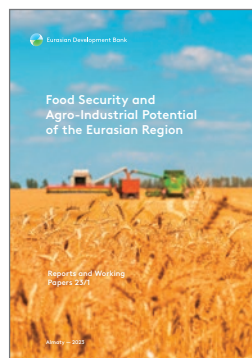
Report 23/4 (RU/EN)
Efficient Irrigation and Water Conservation in Central Asia
 A new EDB study outlines ten practical steps for preserving irrigated land potential and promoting water conservation. The list includes four recommendations for adoption at the regional level and six at the national level.



Report 23/3 (RU/EN)
Cross-Border Public-Private Partnerships
 The report outlines the criteria and scope of cross-border PPP projects, evaluates their potential for fostering cross-border infrastructure development in the EAEU, Central Asia, and the South Caucasus, and suggests guidelines for the successful implementation of cross-border PPPs in the region.



Report 23/2 (RU/EN)
Global Green Agenda in the Eurasian Region. Eurasian Region on the Global Green Agenda
 The report provides a comprehensive analysis of the challenges and prospects for low-carbon transition in Eurasia, covering EAEU countries, Tajikistan, and Uzbekistan.



Report 23/1 (RU/EN)
Food Security and Agro-Industrial Potential of the Eurasian Region
 Based on the balance approach, the report analyses the production, resource, and export potential of the agro-industrial complexes of the EAEU countries, Tajikistan, and Uzbekistan for the period until 2035.



Eurasian Development Bank

**RESEARCH DEPARTMENT
EURASIAN DEVELOPMENT BANK**

Your comments and suggestions
concerning this document
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