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المؤسسة العربية لضمان
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The Arab Investment & Export
Credit Guarantee Corporation



An annual report published by (Dhaman) since 1986 to monitor major political, economic and regulatory changes in the Arab investment climate and their reflections on FDIs into the region

The Investment Climate in Arab Countries

2024

Mixed performance of Arab countries in political, economic and regulatory components and production elements

Arab countries were below average global ranking in Dhaman's Composite Investment Climate Index in 2023

305 inter-Arab projects with Capex of \$66.3 billion in 2023



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The Arab Investment & Export
Credit Guarantee Corporation



The first multilateral investment guarantee provider in the world



of cumulative experience in
ensuring investors, exporters
and financial institutions
against commercial and
political risks



Dhaman was established in Kuwait in 1974 as a pan-Arab institution owned by the governments of Arab countries and four Arab financial institutions. Its objectives come as follows:

- Promoting the inflow of Arab and foreign direct investments into Arab countries by insuring greenfield and existing investments against political risks, including expropriation, nationalization, currency inconvertibility and transfer restrictions, wars, civil disturbance, terrorism and breach of contract.
- Backing Arab exports and strategic and capital imports by insuring them or financing their insurance against political and commercial risks such as bankruptcy and insolvency.
- Supporting local trade, leasing, financing and factoring through insurance to investors, exporters, contractors and financial institutions.
- Raising awareness and promotion for investment climate, exporting and insurance against commercial and political risks in Arab countries by means of conducting research, providing information, organizing conferences and events and offering counseling and backing to relevant bodies in the region.

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The Report of the Investment Climate in Arab Countries

It is an annual report published by the Arab Investment & Export Credit Guarantee Corporation (Dhaman) since 1986. It is one of the corporation's key tools for carrying out the second part of its objectives; its responsibility towards the Arab region to spread knowledge, to develop research, studies, activities and promotional efforts pertinent to the investment climate, export promotion and guarantee industry, and to determine and promote investment opportunities in Arab countries.

In this context, the report basically monitors major political, economic and social changes, as well as regulatory procedures in the Arab investment climate in line with continuously developed methods aiming at keeping abreast of specialized regional and international agencies' up-to-date data and information monitoring and provision ways.

It also monitors changes in the volume of foreign direct investment in the region through a set of data and information bearing on greenfield projects and actual investment inflows, based on the databases of credible regional and international bodies.

In this regard, Dhaman welcomes the quote from the report provided that the source be mentioned, considering that the findings and interpretations contained in the report do not necessarily reflect the views of the corporation's Board, shareholders, board of directors or the Governments of the States they represent. Boundaries and information on any map do not mean that Dhaman may support or accept them.

**For further information on the contents
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A Message from Director-General

Dhaman provides its member states with the 39th annual Report on the Investment Climate in Arab Countries for 2024, which handles the changes and various components of the investment climate in 2023, along with relevant reflections on the volume of projects and inflows of foreign direct investments into the region. The looming impacts of Arab political and economic developments and future forecasts; politically, mainly including Gaza war, Sudan's conflict, and tensions in Yemen, Iraq and Syria; and, economically, oil production cut, tight fiscal policies, escalating debt crisis and high cost of living, are taken into consideration.

Accordingly, the average Arab ranking in the composite index of investment climate components, which consists of 190 composite indicators and sub-indicators issued by 33 international agencies, fell by two positions to 104th globally in 2023. The Gulf Cooperation Council (GCC) countries, led by the UAE, topped the Arab ranking.

At the level of the index's four main groups, the main results come as follows:

Economic performance indicators: consisting of 14 main and sub-indicators, the average Arab ranking dropped by three positions to 92nd globally due to the decline in four internal performance assessment indicators and three external performance indicators. Still, the ranking improved in six indicators and stabilized in the government debt indicator.

- **Political and security performance indicators:** consisting of 37 main and sub-indicators, the average Arab ranking fell by one place to 108th globally since it declined in sovereign rating and risk assessment indices by two to five places. But, it stabilized in the PRS Country Risk Index and Sovereign Rating Indices issued by Standard & Poor's, Moody's, Fitch and Capital Intelligence for Arab countries (Qatar, UAE, Saudi Arabia and Oman advanced, Egypt, Tunisia, Morocco and Lebanon declined and four countries stabilized).
- **Legislative and regulatory environment indicators:** consisting of 55 main indicators and sub-indicators, the average ranking of Arab countries advanced by three places to 99th, but remained below the global average. This is due to an improvement in economic freedom, welfare, corruption perceptions, bribe risks, investment treaties and global competitiveness indices, ranging between one and eight places. Still, the ranking stood in the governance index, while it fell by one place in the Global Startup Ecosystem Index (GSEI).
- **Indicators of production elements:** consisting of 84 main and sub-indicators, the Arab ranking dropped by four places to 105th globally as a result of its decline in digital competitiveness, energy and government artificial intelligence indices. But, it stood in sustainable development, knowledge and innovation indices, and advanced in logistic services and global talent competitiveness.
- **As for the actual performance of Arab countries in the attraction**

of foreign direct investment (FDI), the indicators saw disparity as follows:

- **FDI inflows into Arab countries,** according to UNCTAD, fell by 12.4% to \$67.7 billion in 2023, global FDI inflows also dropped by 1.8% to \$1.3 trillion.
- **The capex of FDI projects in countries in Arab countries** dipped by 11% to \$181 billion amid expectations of the continued decline in 2024, especially after the number of projects by fell by 24% and the capex by 61.5% to roughly \$27.4 billion in the first quarter of 2024.
- **The number of inter-Arab investment projects** rose by 20% to 305, and the capex by 37% to \$66.3 billion, making up 36.6% of the region's total foreign investments.

With dwindling degrees of certainty amid escalating regional and international events, Dhaman, which is considered to be the world's first multilateral provider of investment insurance and will mark its golden jubilee soon and whose cumulative turnover hit around \$29 billion in late 2023, confirms that it would pursue its efforts to improve the investment, trade and business climate in Arab countries by stepping up and developing its insurance and counseling activities and services.

In this context, the corporation will keep issuing specialized climate reports about investment in each Arab country and sending them to official liaison bodies, investment and export promotion agencies as well as related bodies, to contribute to improving the investment climate of member states.

In conclusion, I'd like to thank the member states for their cooperation with the Corporation, in addition to the Research and Country Risk Assessment Unit and all those who have contributed to producing this report. The Corporation hopes that this report, among its other activities, in addition to national efforts exerted, would help in promoting Arab countries in order to attract more inter-Arab and foreign direct investments.

Director General
Rashed Ahmed Al-Haroun

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Remarks and clarifications about the 2024 report

- While monitoring investment climate changes in the Arab countries for 2023, the corporation's research team relied on about top 190 sovereign ratings and composite and sub-indicators issued by more than 33 specialized international organizations, giving priority to the most comprehensive indices of the most influential elements of the investment climate.
- This year's report includes a number of new indices, mainly the Future Possibilities Index issued by Newsweek Vantage, and Swiss Horizon Group for 2024, the TRACE Bribery Risk Matrix (TRACE Matrix) and the StartupBlink Global Startup Ecosystem Index for 2023 and the Global Competitiveness and Digital Competitiveness indicators issued by the IMD World Competitiveness Center for 2023 and Global Energy Transition Index issued by the World Economic Forum for 2023 and Government AI Readiness Index, issued by Oxford Insights for 2023.
- The corporation's research team ranked world and Arab countries from the best to the worst in the international indices and their sub-indicators, based on points obtained by the countries in those indicators, in order to explain the changes that occurred in a state's status in the investment climate and related indicators. The aim is to enable decision-makers to determine the strengths and weaknesses in every field and necessary mechanisms to improve a state's position.
- A country's global ranking in the index may change even if its value in the index has not changed, and the country's value may change but its ranking remains unchanged, due to the possibility that there could be a change in other countries' index values or in the number of the index's listed countries compared to the previous year.
- A number of sub-indicators were repeatedly included in more than one composite index, taking the "infrastructure, governance and human capital" as an example in this regard. At the same time, the Arab ranking in those indicators was different in spite of similarity in the name, owing to several differences between these indicators, mainly the methodology used, relative weights of variables, the number of countries included, and the reference period for data collection.
- The number of countries - included in the composite indicators - may differ in the sub-indicators due to the level of data availability at the level of sub-indicators, just as is the case with governance and economic freedom indices.
- Conditional formatting (green, yellow and red) was used to rank the countries in order to make it easy to identify the country's position in the indicators, with a view to enabling the recipient and the decision-maker to easily determine the strengths and weaknesses of the composite indices and sub-indicators, and to set reform priorities.
- The corporation asked the member states to provide it with the most important 10 reforms undertaken to improve the investment climate in 2023, just like the previous year's report. As several countries did not respond, the research team had to put off the inclusion of the chapter on reforms to 2025's report, hoping that a larger number of countries would respond just to enable the report to monitor reforms in the region in a more comprehensive and realistic manner. But, appreciating the responding countries' efforts, the team will publish their reforms on the website.
- In its report, the corporation was keen to present an accurate, up-to-date and holistic picture of the actual performance of Arab countries in the field of foreign direct investments. Therefore, it sought to rely on three main sources of data in line with professional conditions, chiefly a unified data methodology. The three sources come as follows:
 - ◆ The United Nations Conference on Trade and Development (UNCTAD) database, which monitors the flows and stocks of countries' inbound and outbound FDIs according to their balances of payments prepared by central banks as instructed by the International Monetary Fund. It is the internationally recognized official source of foreign direct investment data in the world.
 - ◆ The database of foreign investment projects in the world fDi Markets, which monitors greenfield FDI projects as well as their expansions. This database provides information on the number of projects, their estimated capex, job opportunities, and their geographical and sectoral distribution.
 - ◆ Official government sources in the Arab countries, which, should international data preparation standards be followed, can provide more comprehensive, accurate and up-to-date data, especially at the level of sectoral and geographical distribution.

In conclusion, there could be differences between the data issued by international institutions and the data issued by local authorities, mainly due to the methodology used, relative weights of variables, and the reference period of data collection.

Introduction:

The Report of the Investment Climate in Arab countries for 2024 handles changes in the indices of the investment climate and doing business environment in the region in 2023, based on the insights, reports and ratings of international corporations and financial, investment and consulting institutions regarding the political, economic and institutional situations in the region's countries. It is meant to boost the report's ability to explain the investment climate in a more accurate, objective and up-to-date way, covering all Arab countries and providing reliable and useful information to officials, decision-makers and the private sector's institutions in the region and the entire world.

The four-section report deals with changes in the investment climate in 2023 and their reflections on the volume of FDI projects and inflows into the region, taking into account the expected impact of political and economic developments, the escalating conflict in Gaza, the continued armed conflict in Sudan, tensions in some Arab countries and the Russian-Ukrainian war.

Section One: Investment Climate Changes in Arab Countries for 2023:

It includes and monitors major changes in the investment and business environment in Arab countries in 2023, based on the key composite indices issued by specialized international organizations, which are characterized by the following aspects: • These indicators cover the various political, economic, institutional, procedural and other components of production elements.

- They are based on a large number of variables and sub-indicators, which are mostly linked to the country's investment and business environment whether directly or indirectly.
- All the indices are issued by reliable international agencies and are used by important investment bodies across the world, mainly multinational companies, to assess the investment climate and business environment worldwide.
- Most of the indices are updated annually and duly according to recent statistics used in the evaluation of development in the investment climate in the reporting year.

In this part, there are four main components, each of which includes a group of composite and sub-indicators that are closely related to the investment climate in the Arab countries. They come as follows:

First: The group of sovereign rating and country risks indices:

It includes the variables that reflect the changes in the political situation in the Arab region, in addition to a set of economic, financial, operational and financing indicators in various terms, coming as follows:

- Sovereign rating indices: they provide an assessment of the creditworthiness of countries through the top four global agencies.
- Fitch Ratings, an index for assessing country risks, which includes five sub-indicators for assessing political, economic and operational risks.
- Composite PRS Index to assess the countries' risks and their ability to repay debts through three sub-indicators to assess political, financial and economic risks.
- Indices for assessing country risks in trade and investment, issued by Allianz Trade, Coface, Credendo, Nexi and Dun &

Bradstreet and Organization for Economic Cooperation and Development (OECD).

- The five main risks that pose a threat to the Arab countries during the coming two years, which are monitored by the Gross Rating Points (GRPS).

Second: The group of economic performance indices:

This part focuses on the status of the Arab countries in the most important internal and external economic performance indices that are closely related to the investment climate in the country. They come as follows:

- Indices of the internal economic situation: they include the GDP growth rate, the GDP per capita, inflation rates, unemployment, population, and total investments as a percentage of GDP.
- External economic situation indices: they include the current account balance and its ratio to GDP, government debt to output, net lending to GDP and total debt service as a percentage of goods and services exports and primary income.

Third: The group of legislative and regulatory environment indices:

This part covers the institutional indices that reflect the position of the Arab countries in the main indices of the legislative and regulatory environment, in addition to their sub-indicators. They mainly come as follows:

- Worldwide Governance Indicators: to gauge the availability of the components of good governance through six dimensions: voice and accountability, political stability and absence of violence, government effectiveness, regulatory quality, rule of law, and control of corruption.
- The Economic Freedom Index: to measure and evaluate the freedom to practice economic activities through 12 sub-indicators that reflect the country's position in four main dimensions: rule of law, government size, regulatory efficiency and market openness.
- Corruption Perceptions Index: It demonstrates perceived levels of public sector corruption by using the data of 13 foreign sources and includes various formats like bribery, extreme bureaucracy, public money transfer and others.
- Legatum Prosperity Index: It measures countries' efforts to promote their peoples' wellbeing through 12 aspects in three main fields: prosperity, open economies and population empowerment.

- The Global Startup Ecosystem Index (GSEI), which ranks 100 countries and 1,000 cities and highlighting the best doing business destinations.
- The Future Possibilities Index (FPI), which measures the capacity of countries to leverage possibilities emerging from six transformational trends for their future economic growth and societal wellbeing at a value of more than \$44 trillion worldwide by 2030 for developed and emerging economies.
- The TRACE Bribery Risk Matrix (TRACE Matrix), which measures business bribery risk in 194 countries, including 20 Arab ones. The overall country risk score is a combined and weighted score of four domains: Business Interactions with Government; Anti-Bribery Deterrence and Enforcement; Government and Civil Service Transparency; and Capacity for Civil Society Oversight.
- The World Competitiveness Ranking, which analyzes and ranks 64 countries, covering four main components: economic performance, government efficiency, business efficiency and infrastructure.
- Global Talent Competitiveness Index: It measures how countries and cities grow, attract, retain talent and develop strategies to boost their economies.
- World Digital Competitiveness Rankin: It measuring the capacity and readiness of economies to adopt and explore digital technologies for economic and social transformation. It covers three main factors: knowledge, technology and future readiness.
- The Government AI Readiness Index: It shows which countries in the world are best placed to maximize the potential of AI in public service delivery. It covers three key factors: government and public services, technology sector capacity, and data representation and communications infrastructure.

Section Two: Foreign Direct Investment Projects into Arab Countries for 2023

This section focuses on monitoring greenfield or expanded foreign direct investment projects in the Arab countries during 2023, based on information contained in the database of foreign investment projects in the world FDI Markets issued by the Financial Times, which is one of the most important sources recognized by the United Nations Conference on Trade and Development (UNCTAD) in monitoring world investments.

In this context, the status of projects is reviewed and analyzed through four main indicators, mainly the number of foreign investment companies in the region, the number of projects implemented, the estimated capex of each project, and the number of jobs provided by those projects.

The most important information about the geographical and sectoral distribution of these projects is also extracted by presenting lists of the most important regions, countries and companies investing in the region, the most important implemented projects, the most important Arab countries and the economic sectors receiving these projects during the year 2023.

Section Three: Inter-Arab Investment Projects for 2023

This section provides more detailed information on inter-Arab investments in 2023, which is part of the total foreign direct investment projects in Arab countries, mentioned in Section Two.

Section Four: FDI Inflows and Stocks into Arab Countries for 2023

This section differs from the previous ones in the nature of its data in terms of the methodology for its preparation and source, focusing on monitoring inbound and outbound foreign direct investment in Arab countries, based on the methodology of the International Monetary Fund (IMF) issued in the sixth edition of the balance of payments on which the United Nations Conference on Trade and Development (UNCTAD) counts to prepare that data. In this section, the overall picture of the movement of FDIs into Arab countries is completed by monitoring the actual flows, in addition to the foreign and Arab projects in the region, discussed in the second and third sections.

Recommendations: This section includes the main recommendations that can be drawn from analyzing the performance of Arab countries in various international indices, as well as from actual performance of these countries in view of the size of projects and FDI inflows.

Fourth: The group of indicators of production elements.

This part sheds light on the most important composite indicators that illustrate the status of Arab countries in the various factors of production as follows:

- Global Sustainable Competitiveness Index (GSCI): It measures countries' competitiveness through 189 quantitative indicators, based on reliable sources like the World Bank, the International Monetary Fund and other UN agencies.
- Sustainable Development Index: It gauges the progress made by the country in all 17 sustainable development goals, and it is measured through 231 sub-indicators, including indicators related to production factors such as work, energy and services.
- The Logistic Performance Index: It covers six dimensions: customs performance, infrastructure quality, ease of arranging shipments, logistic services quality, consignments tracking and tracing and timeliness of shipments as well as practical data measuring logistics efficiency.
- Global Energy Index: It measures the country's ability to provide sustainable energy through three dimensions: energy security, energy equity and environmental sustainability.
- The Energy Transition Index tracks progress and preparedness for an equitable, secure and sustainable energy future. It covers five main components: equity and inclusiveness, security, sustainability, regulatory framework and investment, and enablers.
- Global Innovation Index: It reflects the innovative performance of countries, and represents a combination of the institutional and legal environment, doing business environment, human capital, research, infrastructure and market status, in addition to knowledge, technological and creative outputs.
- Global Knowledge Index: It largely reflects the element of work and technology, and consists of seven basic indicators: pre-university education, higher education, technical education, training, research and development, innovation and information technology, along with the economy and the enabling environment.

Executive Summary

As part of the corporation's endeavor to implement its second goal of spreading awareness and promoting the climate of investment, exporting and insurance against commercial and political risks in the Arab countries, the Research and State Risk Assessment Unit carries out many activities. They include specialized reports, bulletins and studies, mainly the annual report on the investment climate in Arab countries, which has been published since 1985. The 39th edition of 2024 monitored changes in the components of the investment climate since 2021. It monitored various changes, including the reflections of heated political and military events due to the escalating conflict in Gaza and the continued armed conflict in Sudan, the surging debt crisis, high cost of living and slow growth rates, on the investment climate and business performance indicators during 2023 through the following two main factors:

The first factor: ranking and rating of Arab countries in international indicators

The average Arab ranking in the composite index of assessment of investment climate components fell by two positions to 104th globally in 2023, to remain below the global average.

The GCC countries led the Arab average by securing a better ranking than the global average in the index. The UAE came 18th globally, followed by Qatar (34th globally), Saudi Arabia, Kuwait, Oman and Bahrain from 36th to 59th respectively.

Morocco, Jordan, Algeria and Egypt were better than the Arab average between 82nd and 103rd globally.

Eleven Arab countries were below the Arab average between 114th (Tunisia) and 158th (Somalia). The following are main changes in the Arab ranking in the major components of the index:

- **First: Political and security performance indicators (37 main and sub-indicators):** Due to lingering disturbances and armed conflicts in several Arab countries and escalating economic crises in 2023, the Arab average dropped by one position to 108th globally as a result of the declining Arab ranking in political, economic, financial and operational risk assessment indicators between two and five positions. But, it stabilized in the PRS index and sovereign rating indices issued by Standard & Poor's, Moody's, Fitch and Capital Intelligence. The ratings of Qatar, UAE, Saudi Arabia and

Oman advanced, while those of Egypt, Tunisia, Morocco and Lebanon declined, and four others stabilized.

- **Second: Economic performance indicators (14 main and sub-indicators):** The Arab ranking fell by three positions to 92nd globally owing to the decline in four major internal performance assessment indicators and three external dealing indicators. Still, it advanced in six indicators and stood in the government debt indicator as a percentage of the GDP.
- **Third: Legislative and regulatory environment indicators (55 main and sub-indicators):** The Arab average improved by three places to 99th globally in 2023, but it remained below the world average. It improved in the indicators of economic freedom and prosperity and bilateral investment treaties, corruption perception, bribe risks and world competitiveness between one and eight places. But, it remained unchanged in the governance indicator, while it declined by one place in the Global Startup Ecosystem Index
- **Fourth: Indicators of production elements (84 main and sub-indicators):** The Arab average dipped by four places to 105th to be below the world average. It dropped in Sustainable Competitiveness, Energy, Energy Transition, Digital Competitiveness and Government AI Readiness Index. But, it stood in Sustainable Development, Knowledge and Innovation indices, while advanced in Logistic Service and Talent Competitiveness indices.

The Second Factor: FDI inflows into Arab countries according to UNCTAD

First: FDI Inflows (UNCTAD)

FDI inflows into Arab countries declined by 12.4% to \$67.7 billion in 2023, making up 7.8% of overall inflows into developing countries and 5.1% of overall world inflows worth around \$1.3 trillion.

- FDI inflows into the Arab region continued their geographical concentration in 2023, as five countries: UAE, Saudi Arabia, Egypt, Bahrain and Oman had roughly 95.2% of the total, led by UAE which attracted \$30.7 billion, representing 45.4%.
- Bahrain came fourth in the Arab ranking by \$6.8 billion, making up over 10%, followed by Oman by \$4.7 billion, Kuwait by \$2.1 billion, representing 7% and 3.1% respectively.
- FDI into Arab countries grew in eight Arab countries in 2023, led by Algeria by 377.5%, compared with 2022, followed by Kuwait by 178.8%, and Bahrain and UAE by 147% and 35% respectively.

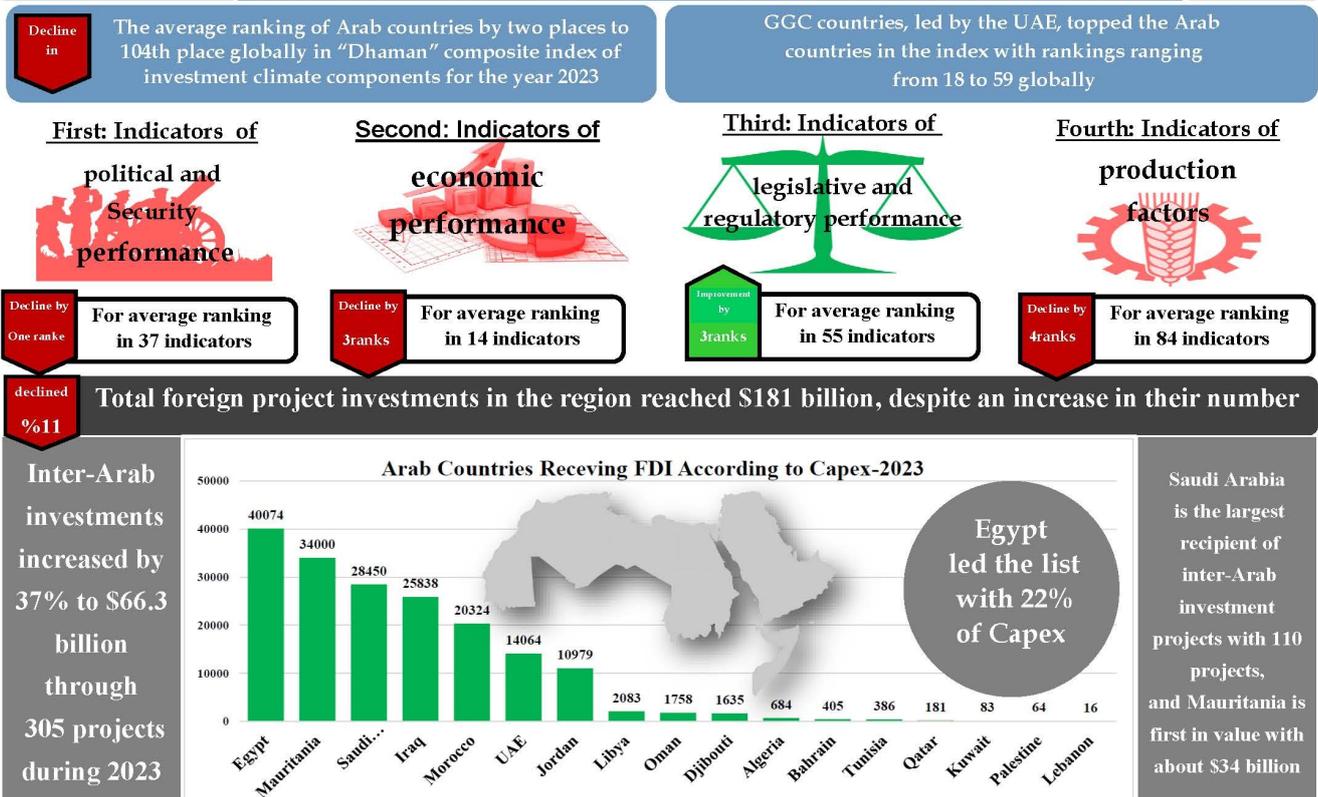
Second: Greenfield FDI projects (FID Markets)

- The number of greenfield FDI projects in Arab countries rose by 20% to over 2,000 even though the capex dropped by 11% to \$181 billion amid expectations that the decline would continue in 2024, especially following a drop in the number of projects by 24.3% and a dip of 61.5% in the capex to around \$27.4 billion, in the first quarter of this year, compared with the same period of 2023.

- The Middle East region led the list of key investors in the Arab region in view of the capex, led by the UAE, which contributed to 24.1% of the total capex and 7.2% of the number of projects. FDI projects mainly came in the UAE, which attracted 1,216 projects, while Egypt came first in view of the capex by over \$40 billion.
- Regarding geographical distribution, business services, software and financial services had the first three positions respectively by 55.8% in the number of projects, while renewably energy, coal, oil and gas and chemicals had the first three positions respectively by 60.8% in the Capex.

Third: Inter-Arab investment projects

- They went up by 20% to 305 projects, as the capex rose by 37% to \$66.3 billion, making up 36.6% of the region's overall FDI.
- Saudi Arabia came first in the number of projects (110 projects), while Mauritania led the list in capex (\$34 billion, making up 51.3% of the total of a single project in renewable energy). Business services led the list in the number of project (98 projects), and renewable energy came first in the capex (\$41.5 billion).
- The number of inter-Arab projects is expected to decrease by the end of 2024, particularly in the light of its drop by 48% in the number and 96.6% in the capex to \$1.5 billion in the first quarter of 2024, compared with the same period of 2023.



وضع الدول العربية في المؤشر المجمع لمناخ الاستثمار ومكوناته الأربعة لعام 2023 (متوسط الترتيب العالمي)

The Ranking of Arab Countries in the Investment Climate Combined Index and its Sub-Components for 2023 (average global ranking)

Arab Ranking	Country	مؤشرات تقييم الأداء الاقتصادي Indicators for Evaluating the Economic Performance		مؤشرات تقييم الوضع السياسي ومخاطر الدولة Indicators for Evaluating the Political Situation & Country Risk		مؤشرات تقييم عناصر الإنتاج Indicators for Evaluating Production Factors		مؤشرات تقييم البيئة التشريعية والتنظيمية Indicators for Evaluating the Legislative and Regulatory Environment		المؤشر المجمع لتقييم مناخ الاستثمار The Combined Index for Investment Climate Assessment		الترتيب عالمياً Global Ranking		الدولة	الترتيب عربياً	
		التغير Change	2023	التغير Change	2023	التغير Change	2023	التغير Change	2023	التغير Change	2023	التغير Change	2023			2022
1	UAE	▼ (4)	35	▼ (1)	28	▼ (1)	37	▲ 2	37	▼ (1.0)	34.5	▼ (1)	18	17	الإمارات	1
2	Qatar	▼ (6)	44	▬ 0	33	▼ (1)	55	▲ 1	58	▼ (1.4)	47.6	▼ (3)	34	31	قطر	2
3	Saudi Arabia	▼ (13)	36	▲ 2	31	▼ (1)	55	▲ 13	71	▲ 0.6	48.2	▼ (2)	36	34	السعودية	3
4	Kuwait	▼ (9)	41	▼ (8)	42	▲ 2	74	▲ 11	64	▼ (1.2)	55.2	▲ 2	41	43	الكويت	4
5	Oman	▼ (5)	57	▼ (7)	54	▼ (5)	73	▲ 9	73	▼ (2.1)	64.1	▲ 1	51	52	سلطنة عمان	5
6	Bahrain	▼ (7)	78	▲ 4	68	▼ (3)	72	▲ 6	68	▲ 0.2	71.5	▲ 5	59	64	البحرين	6
7	Morocco	▲ 4	106	▲ 9	71	▼ (1)	82	▲ 1	83	▲ 3.1	85.7	▲ 3	82	85	المغرب	7
8	Jordan	▼ (1)	127	▼ (11)	89	▲ 1	76	▲ 1	67	▼ (2.8)	89.4	▼ (4)	87	83	الأردن	8
9	Algeria	▼ (18)	80	▲ 7	94	▼ (3)	100	▲ 7	107	▼ (1.8)	95.2	▼ (5)	95	90	الجزائر	9
10	Egypt	▼ (9)	116	▼ (7)	107	▼ (1)	85	▲ 5	94	▼ (3.1)	100.3	▼ (6)	103	97	مصر	10
11	Tunisia	▬ 0	132	▬ 0	122	▼ (4)	86	▼ (4)	85	▼ (2.1)	106.4	▼ (7)	114	107	تونس	11
12	Iraq	▼ (23)	73	▼ (10)	134	▬ 0	122	▬ 0	131	▼ (8.3)	115.1	▼ (16)	128	112	العراق	12
13	Libya	▲ 22	51	▲ 5	138	▼ (12)	156	▼ (1)	122	▲ 3.9	116.4	▲ 3	130	133	ليبيا	13
14	Djibouti	▲ 8	99	▼ (5)	136	▼ (5)	137	▲ 2	122	▼ (0.1)	123.2	▬ 0	139	139	جيبوتي	14
15	Mauritania	▲ 8	104	▲ 2	142	▼ (4)	132	▲ 2	122	▲ 1.9	125.1	▲ 4	140	144	موريتانيا	15
16	Lebanon	▼ (10)	156	▼ (3)	146	▬ 0	100	▲ 1	102	▼ (3.2)	125.9	▼ (3)	141	138	لبنان	16
18	Syria	▲ 1	116	▼ (4)	169	▼ (4)	156	▼ (1)	125	▼ (2.1)	141.3	▼ (1)	154	153	سوريا	18
19	Yemen	▲ 3	119	▲ 2	164	▼ (9)	156	▼ (2)	129	▼ (1.3)	141.8	▲ 2	155	157	اليمن	19
17	Palestine	▼ (14)	127	▲ 2	175	▼ (7)	122	▼ (1)	157	▼ (5.1)	145.3	▬ 0	156	156	فلسطين	17
20	Sudan	▼ (3)	129	▼ (2)	166	▼ (3)	158	▼ (1)	130	▼ (2.2)	145.8	▲ 1	157	158	السودان	20
21	Somalia	▲ 4	113	▼ (8)	167	▼ (18)	166	▬ 0	138	▼ (5.8)	145.9	▼ (3)	158	155	الصومال	21
Average Arab Countries		▼ (3)	92	▼ (1)	108	▼ (4)	105	▲ 3	99	▼ (2)	101.1	▼ (2)	104	102	المتوسط العربي	

Maximum Rating	155.5	175.3	166.3	157.0	145.9		158	158	الحد الأقصى للتصنيف
Minimum Rating	31.9	8.7	3.7	13.3	17.0		1	0	الحد الأدنى للتصنيف
Global Average	61.8	83.3	81.3	71.8	64.4		79	79	المتوسط العالمي

- **The General Index for Assessing Components of the Investment Climate in Arab countries:** It was made by the Research and Country Risk Unit by relying on each country's average global ranking in 190 main and sub-indicators covering four key groups representing its investment climate components, coming as follows:
 - ◆ Political and security performance indicators (37 main and sub-indicators).
 - ◆ Economic performance indicators (14 main and sub-indicators).
 - ◆ Legislative and regulatory environment indicators (55 main and sub-indicators).
 - ◆ Indicators of production factors (84 main and sub-indicators).
- The index was calculated by using equal relative weights for the four groups regardless of the number of each group's main or sub-indicators.
- The average ranking of countries was calculated through a simple average of their rankings in the indicators on which data is available in each group just as is the case in global and digital competitiveness ratings.
- The countries were arranged in ascending order according to the points garnered by each country in the general assessment of investment climate components. Thus, the lowest value of 16.8 reflects the best global ranking and the highest value of 146.4 reflects the worst global ranking in the index or the last place in 2023.

Indicators of the investment climate in Arab countries in 2024

توزيع مؤشرات تقرير المناخ 2024 وفق المصادر Distribution of Indicators of Climate Report 2024 According to Sources

Sources/ Indicators			توزيع المؤشرات وفق مكونات مناخ الاستثمار Distribution of Indicators According to Investment Climate Components				المؤشرات الرئيسية والمكونات الفرعية Main Indicators and Sub-Components		
No	Sources	Indicators	عناصر الإنتاج Production Factors	البيئة التشريعية والتنظيمية Legislative and Regulatory Environment Indicators	رصد الأداء الاقتصادي Economic Performance Indicators	التصنيفات السيادية وتقييم مخاطر الدول Sovereign Rating and Country Risks Assessments Indicators	إجمالي المؤشرات Total Indicators	عدد المؤشرات الفرعية Number of Sub-Indices	عدد المؤشرات الرئيسية Number of Main Indicators
1	International Monetary Fund (IMF)	Indicators of Monitoring Economic Performance			13		13		13
2	International Labour Organization (ILO)	Indicators of Monitoring Economic Performance			1		1		1
3	World Bank	World Governance Index		7			7	6	1
		Logistics Performance Index	7				7	6	1
4	World Economic Forum	The Most 5 Important Risks Threaten Arab Countries				5	5		5
		Energy Transition Index	1				1		1
5	UNCTAD	Investment Agreements		2			2		2
6	Standard & Poor's	Sovereign Rating				2	2		2
7	Moody's	Sovereign Rating				2	2		2
8	Capital Intelligence	Sovereign Rating				2	2		2
9	Fitch	Sovereign Rating				2	2		2
		Country Risks				6	6	5	1
10	PRS Goup	Country Risks				4	4	3	1
11	Credendo Group	Trade-Related Country Risks				3	3		3
		FDI-Related Country Risks				4	4		4
12	OECD	Trade-Related Country Risks				1	1		1
13	Allianz Trade Group	Trade-Related Country Risks				2	2		2
14	NEXI Group	Trade-Related Country Risks				1	1		1
15	Dun & Bradstreet	Trade-Related Country Risks				1	1		1
16	Coface	FDI-Related Country Risks				2	2		2
17	Heritage Foundation	Economic Freedom Index		13			13	12	1
18	National Prosperity Center	Legatum Prosperity Index		13			13	12	1
19	Transparency International Organization	Corruption Perceptions Index		1			1		1
20	World Competitiveness Center	Global Competitive Rankings		5			5	4	1
		Global Digital Competitiveness	10				10	9	1
21	United Nations Development Programme (UNDP)	Sustainable Development Goals Achievement Index	18				18	17	1
		Global Knowledge Index	8				8	7	1
22	World Intellectual Property Organization	Global Innovation Index	8				8	7	1
23	Mohammed Bin Rashid Al Maktoum Knowledge Foundation	Global Knowledge Index							
24	StartupBlink Research Institute	Global Startup Ecosystem Index		1			1		1
25	TRACE Foundation	Global Bribery Risk Index		5			5	4	1
26	Newsweek Vantage Corporation	Future Opportunities Index		8			8	7	1
27	Horizon Research Group	Future Opportunities Index							
28	SolAbility Research and Consulting Center	Global Sustainable Competitiveness Index	7				7	6	1
29	World Energy Council	Global Energy Index	4				4	3	1
30	INSEAD French College	Talent Competitiveness Index	7				7	6	1
31	Descartes Institute for the Future	Talent Competitiveness Index							
32	Human Capital Leadership Institute	Talent Competitiveness Index							
33	Oxford Insights	Government AI Readiness Index	14				14	13	1
Total	33 Sources		84	55	14	37	190	127	63



Section One: Investment Climate Changes in Arab Countries for 2023

This section handles major changes in the investment climate in Arab countries in 2023. These changes are monitored on the basis of the composite indices of specialized international organizations. They cover the various components of the investment climate at the political, economic, institutional and organizational levels, including indicators of production factors and others. They are based on a large number of variables and sub-indicators, most of which are directly or indirectly related to the conditions of the investment climate and the business environment in Arab countries. All the indices are issued by credible international agencies and mostly updated on a periodical basis.

These indices are divided into four main sets coming as follows:

First: Sovereign rating and country risk assessment indices

Second: Economic performance indices

Third: Legislative and regulatory environment indices

Fourth: Indices of production elements.

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Section One: Investment Climate Changes in Arab Countries for 2023

First: Sovereign rating and country risk assessment indices.

1-1-1 Sovereign Rating Indices

The position of Arab countries in world rating agencies' sovereign ratings was mixed in late December 2023 despite mounting political and economic tensions in the Arab region amid the escalating aggression on Gaza and the continued armed conflict in Sudan and several other Arab countries. This coincided with growth slowness as a result of falling oil production and revenues and surging crises of high cost of living and indebtedness.

The countries covered by Sovereign Ratings:

- Seven Arab countries, notably Qatar, Kuwait, Saudi Arabia, Oman, Jordan, Bahrain and Egypt were rated by the world's four major credit rating agencies, Standard & Poor's, Moody's, Fitch and Capital Intelligence during 2023.
- The UAE, Morocco, Iraq and Lebanon were rated by three rating agencies, while Tunisia was rated by two agencies during 2023. Nine Arab countries (Algeria, Libya, Yemen, Sudan, Syria, Palestine, Somalia, Mauritania and Djibouti) were not rated until December 2023.
- There is a high degree of consistence among sovereign ratings of the Arab countries according to the four agencies.

Changes in Sovereign Rating:

- According to most rating agencies, the UAE, Qatar, Kuwait and Saudi Arabia were rated A in different grades, while Morocco, Oman, Bahrain and Jordan were rated B in different degrees between 2022 and 2023.
- Egypt and Iraq were rated between B by Fitch, Standard & Poor's and Capital Intelligence and C by Moody's during 2023. Lebanon was rated between C by Moody's, and SD and RD by Standard & Poor's and Fitch, while Tunisia was rated at C by Fitch and Moody's.
- Change in rating: Kuwait, Bahrain, Jordan and Iraq maintained the same level between 2022 and 2023, as Qatar, UAE, Saudi Arabia and Oman advanced. Morocco, Egypt, Tunisia and Lebanon declined.

Stability

of four Arab countries and decline of Egypt, Morocco, Tunisia and Lebanon during 2023

Improvement

in the rating of Qatar, UAE, Saudi Arabia and Oman in late 2023

Sovereign Ratings	تصنيف وكالة موديز	تصنيف وكالة ستاندراند اند بورز	تصنيف وكالة فيتش	تصنيف أي اتش اس ماركت	تصنيف كابيتال انتلجينس	التصنيفات السبائية
	Moody's Rating	S&P Rating	Fitch Rating	IHS Markit Rating	CI Ratings	
Minimal Credit Risk	Aaa	AAA	AAA	AAA	AAA	الحد الأدنى من مخاطر الائتمان
Very Low Credit Risk	Aa1	AA+	AA+	AA+	AA+	مخاطر ائتمانية منخفضة جدا
	Aa2	AA	AA	AA	AA	
	Aa3	AA-	AA-	AA-	AA-	
Low Credit Risk	A1	A+	A+	A+	A+	مخاطر ائتمانية منخفضة
	A2	A	A	A	A	
	A3	A-	A-	A-	A-	
Moderate Credit Risk	Baa1	BBB+	BBB+	BBB+	BBB+	مخاطر ائتمانية متوسطة
	Baa2	BBB	BBB	BBB	BBB	
	Baa3	BBB-	BBB-	BBB-	BBB-	
Substantial Credit Risk	Ba1	BB+	BB+	BB+	BB+	مخاطر ائتمانية أساسية
	Ba2	BB	BB	BB	BB	
	B3a	BB-	BB-	BB-	BB-	
High Credit Risk	B1	B+	B+	B+	B+	مخاطر ائتمانية مرتفعة
	B2	B	B	B	B	
	B3	B-	B-	B-	B-	
Very High Credit Risk	Caa1	CCC+	CCC+	CCC+	CCC+	مخاطر ائتمانية مرتفعة جدا
	Caa2	CCC	CCC	CCC	CCC	
	Caa3	CCC-	CCC-	CCC-	CCC-	
Maybe in or Near Default	Ca	CC	CC	CC	CC	قريب من التخلف عن السداد
	C	C	C	C	C	
Default	D	D	D	D	D	متخلف عن السداد

Source: International Credit Rating Agencies

Section One: Investment Climate Changes in Arab Countries for 2023

First: Sovereign rating and country risk assessment indices.

- Eight Arab countries were assigned a stable outlook by the Standard & Poor's in late 2023, while Bahrain was assigned a positive outlook.
- Five Arab countries were given a stable outlook by Moody's, as Bahrain, Egypt and Tunisia got a negative outlook at the end of 2023.
- Nine Arab countries were assigned a stable outlook by Fitch, as Qatar had a positive outlook at the end of 2023.
- Five Arab countries were assigned a stable outlook by Capital Intelligence, while Saudi Arabia, Oman and Jordan were given a positive outlook in late 2023.

التصنيفات السيادية للدول العربية من قبل أهم الوكالات العالمية بنهاية ديسمبر 2023

Sovereign Ratings of Arab Countries by the Most Important International Agencies, December 2023

Ranking	Country	ستاندر آند بورز Standard & Poor's		موديز Moody's		فيتش Fitch		كابيتال انتليجينس Capital Intelligence		الدولة	الترتيب
		التصنيف Rating	النظرة المستقبلية Outlook	التصنيف Rating	النظرة المستقبلية Outlook	التصنيف Rating	النظرة المستقبلية Outlook	التصنيف Rating	النظرة المستقبلية Outlook		
1	Qatar	AA	Stable / مستقر	Aa3	Positive / ايجابي	AA-	Positive / ايجابي	AA	Stable / مستقر	قطر	1
2	UAE	....	....	Aa2	Stable / مستقر	AA	Stable / مستقر	AA-	Stable / مستقر	الإمارات	2
3	Kuwait	A+	Stable / مستقر	A1	Stable / مستقر	AA-	Stable / مستقر	A+	Stable / مستقر	الكويت	3
4	Saudi Arabia	A	Stable / مستقر	A1	Positive / ايجابي	A+	Stable / مستقر	A+	Positive / ايجابي	السعودية	4
5	Oman	BB+	Stable / مستقر	Ba1	Stable / مستقر	BB+	Stable / مستقر	BB	Positive / ايجابي	سلطنة عمان	5
6	Morocco	BB+	Stable / مستقر	Ba1	Stable / مستقر	BB+	Stable / مستقر	....	....	المغرب	6
7	Jordan	B+	Stable / مستقر	B1	Positive / ايجابي	BB-	Stable / مستقر	B+	Positive / ايجابي	الأردن	7
8	Bahrain	B+	Positive / ايجابي	B2	Negative / سلبي	B+	Stable / مستقر	B+	Stable / مستقر	البحرين	8
9	Egypt	B-	Stable / مستقر	Caa1	Negative / سلبي	B-	Stable / مستقر	B	Stable / مستقر	مصر	9
10	Iraq	B-	Stable / مستقر	Caa1	Stable / مستقر	B-	Stable / مستقر	....	....	العراق	10
11	Tunisia	....	....	Caa2	Negative / سلبي	CCC-	....	....	....	تونس	11
12	Lebanon	SD	....	C	....	RD	....	....	....	لبنان	12

Sovereign credit rating, solvency or creditworthiness is an independent rating of a state's creditworthiness by specialized global agencies to give markets and investors its vision of various risks associated with investing in that country's debt, by assessing its ability to fulfill its financial obligations on time and in full. In other words, it provides a common and transparent universal language for investors and other market participants, companies and governments to be part of decision-making processes at all levels. In a clearer sense, credit rating or creditworthiness can be defined as a degree that shows how much a country or institution can pay off its debts.

A credit rating agency assesses the economic and political environment of the state on the basis of several indicators, usually at the behest of the state, given that a good sovereign credit rating is essential for countries, especially developing ones that are willing to obtain financing from international financial markets, as well as its utmost importance to enhancing the confidence of international investors and attracting foreign direct investment.

Standard & Poor's, Moody's and Fitch are the three most influential agencies, followed by Capital Intelligence. Numbering varies from one agency to another, although they all use three main components: letters, numbers, symbols + and -, along with outlook.

Section One: Investment Climate Changes in Arab Countries for 2023

First: Sovereign rating and country risk assessment indices

1-1-2 Fitch Country Risk Index

- The average Arab ranking dropped by two positions in the Fitch Country Risk Index in 2023 due to the dipping ranking of 14 Arab countries and stability of three others: Iraq, Palestine and Yemen, along with the improvement of four others.
- The GCC states, Morocco, Jordan and Egypt had a better ranking than the global average, but 12 Arab countries were below this average, with Algeria ranked 132nd and Sudan 201st.
- The GCC states led the ranking, with the UAE coming first (22nd globally), followed by Saudi Arabia (35th globally), Oman (38th globally), Qatar (39th globally), Kuwait (59th globally) and Bahrain (62nd globally).
- Four Arab countries advanced in the index during 2023, led by Djibouti by eight places, while Iraq, Palestine and Yemen stood at 167th, 181st and 200th respectively. Fourteen countries recorded the biggest decline of 16 places.
- In sub-indicators, the Arab countries recorded the best ranking of the operational risk indicator over the last three years, and then in the political risk indicator in the short run.
- Egypt, Jordan, Iraq and Morocco continued to come up as the best five countries in at least one of the five sub-indicators between 2022 and 2023.

Arab average in Fitch Country Risk Index dropped due to low ranking of 14 countries in 2023

الترتيب العالمي للدول العربية في مؤشر فيتش لمخاطر الدول بنهاية عام 2023											
Global Rank of Arab Countries in Fitch Country Risk Index by the End of 2023											
Arab Ranking 2023	Country	المؤشرات الفرعية Sub-indicators					المؤشر المركب Composite Index		الدولة	الترتيب العربي 2023	
		المخاطر التشغيلية Operational Risks	المخاطر الاقتصادية في المدى الطويل Long Term Economic Risks	المخاطر الاقتصادية في المدى القصير Short Term Economic Risks	المخاطر السياسية في المدى الطويل Long Term Political Risks	المخاطر السياسية في المدى القصير Short Term Political Risks	التغير Change	2023			2022
1	UAE	10	46	49	32	7	▼ (1)	22	21	الإمارات	1
2	Saudi Arabia	35	28	7	92	38	▼ (2)	35	33	السعودية	2
3	Oman	40	65	40	56	13	▲ 1	38	39	سلطنة عمان	3
4	Qatar	31	58	62	60	15	▼ (1)	39	38	قطر	4
5	Kuwait	58	70	73	79	45	▼ (9)	59	50	الكويت	5
6	Bahrain	29	94	126	102	42	▼ (5)	62	57	البحرين	6
7	Morocco	71	107	126	80	118	▼ (1)	87	86	المغرب	7
8	Jordan	65	149	170	71	95	▼ (16)	89	73	الأردن	8
9	Egypt	82	85	102	117	129	▼ (6)	97	91	مصر	9
10	Algeria	137	118	103	151	119	▲ 3	129	132	الجزائر	10
11	Tunisia	110	174	188	97	163	▼ (7)	149	142	تونس	11
12	Djibouti	167	150	177	130	96	▲ 8	156	164	جيبوتي	12
13	Iraq	150	123	83	182	177	— 0	167	167	العراق	13
14	Mauritania	180	166	160	170	158	▲ 3	175	178	موريتانيا	14
15	Palestine	161	175	144	181	197	— 0	181	181	فلسطين	15
16	Lebanon	116	190	200	180	186	▼ (9)	183	174	لبنان	16
17	Libya	176	169	148	198	193	▼ (2)	188	186	ليبيا	17
18	Somalia	198	192	192	196	192	▼ (3)	198	195	الصومال	18
19	Syria	171	200	201	200	191	▼ (6)	199	193	سوريا	19
20	Yemen	201	195	193	194	198	— 0	200	200	اليمن	20
21	Sudan	184	201	202	195	201	▼ (4)	201	197	السودان	21
Arab Average		113	131	131	132	123	▼ (2)	126	124	المتوسط العربي	
Number of Countries		202	202	202	202	202		202	202	عدد الدول بالمؤشر	

Fitch Country Risk Index measures the relative strength of the fundamentals of over 200 countries and the impact of shocks on them through three risk dimensions: economic, political and operational. The index determines Fitch country risks at a composite score of zero (low score= higher risk) to 100 (higher score= lower risk), based on the five risk sub-indicators: long-term political risks, short-term political risks, short-term economic risks, long-term economic risks and operational risks. Each sub-indicator measures the following:

- Operational Risk Index** gauges the quality of the business environment in three areas: labor market, trade, investment and logistics, crime and security.
- The Short-Term Political Risk Index (STPRI)** assesses political risks related to the investment climate stability: policy-making, social stability, security, external threats and the continued political process.
- Long-Term Political Risk Index (LTPRI)** assesses state risks through four key components: governance characteristics, community characteristics, state scope and continuity of the political process.
- Short-Term Economic Risk Index (STERI)** identifies current weaknesses by assessing economic growth status, monetary policy, fiscal policy and external factors as well as short-term financial market performance.
- Long-Term Economic Risk Index (LTERI)** determines weaknesses by assessing economic growth status, monetary policy, fiscal policy and external factors as well as long-term financial market performance and structural characteristics.

Section One: Investment Climate Changes in Arab Countries for 2023

First: Sovereign rating and country risk assessment indices

1-1-3 PRS Country Risk Index

- The average of 18 Arab countries in the PRS Country Risk Index stood at 79th during 2022 and 2023.
- Six Arab countries advanced in the index in 2023, while Syria, Sudan and Lebanon stood at the same level of 2022. Nine countries, topped by Iraq, declined by 45 places.
- The GCC countries and Libya had a better ranking than the global average, as 11 others had a lower ranking than the average between 72nd for Algeria and 141st for Lebanon.
- Saudi Arabia and Qatar were among the top 10 countries worldwide (the lowest level of risks), followed by UAE 3rd in the Arab world and 12th globally, and Kuwait (4th in the Arab world and 16th globally).
- Oman came fifth in the Arab region and 27th globally, followed by Libya and Bahrain (40th and 48th worldwide respectively).
- Bahrain, Libya and Egypt recorded unprecedented jumps in the index, having advanced between 23rd, 18th 11th places during 2023.
- At the level of sub-indicators: Arab countries recorded the best average ranking in the financial and economic risk index.
- Libya, Algeria, Saudi Arabia and Kuwait were among the top five positions worldwide in the financial risk index during 2023.

Arab ranking in PRS Country Risk Index stood at 79th in 2022 and 2023

الترتيب العالمي للدول العربية في مؤشر PRS لمخاطر الدول بنهاية عام 2023									
Global Ranking of Arab Countries in PRS Country Risk Index by the End of 2023									
Arab Ranking 2023	Country	المؤشرات الفرعية -2023 Sub-indicators -2023			المؤشر المركب Composite Index		الدولة	الترتيب العربي 2023	
		مؤشر المخاطر الاقتصادية Economic Risk Index	مؤشر المخاطر المالية Financial Risk Index	مؤشر المخاطر السياسية Political Risk Index	التغير Change	2023			2022
1	Saudi Arabia	10	5	26	▼ (3)	8	5	السعودية	1
2	Qatar	1	33	43	▲ 7	10	17	قطر	2
3	UAE	2	64	28	▼ (4)	12	8	الإمارات	3
4	Kuwait	4	5	55	▼ (3)	16	13	الكويت	4
5	Oman	19	45	44	▼ (8)	27	19	سلطنة عمان	5
6	Libya	4	1	117	▲ 18	40	58	ليبيا	6
7	Bahrain	10	97	60	▲ 23	48	71	البحرين	7
8	Algeria	78	2	104	▼ (6)	72	66	الجزائر	8
9	Morocco	102	45	75	▲ 7	83	90	المغرب	9
10	Jordan	73	89	97	▼ (7)	97	90	الأردن	10
11	Iraq	115	19	125	▼ (45)	106	61	العراق	11
12	Egypt	123	81	114	▲ 11	112	123	مصر	12
13	Tunisia	115	122	104	▼ (9)	116	107	تونس	13
14	Yemen	108	89	135	▲ 10	128	138	اليمن	14
15	Somalia	102	97	141	▼ (4)	135	131	الصومال	15
16	Syria	139	135	138	■ 0	139	139	سوريا	16
17	Sudan	140	126	140	■ 0	140	140	السودان	17
18	Lebanon	141	141	129	■ 0	141	141	لبنان	18
Arab Average		71	66	93	■ 0	79	79	المتوسط العربي	
Number of Countries		141	141	141	141	141	141	عدد الدول بالمؤشر	

The PRS Group has been providing a composite index that measures political, financial and economic risks in 142 countries around the world for more than 40 years, and it is one of the most comprehensive and in-depth indicators. The Group is making predictions about these indicators in each country over a period of one to five years, in order to provide insight into the risks. The composite index is grouped so that the political risk rating contributes 50% of the composite rating, while the financial and economic risk rating contributes 25% each, and the higher the calculated rating of countries in the index and its sub-components, the lower the risk degree in the country, as follows:

- Political risks include an assessment of the political stability of States on a comparative basis by calculating the risk points of the index's 12 sub-components: government stability, military interference in politics, social and economic conditions, religious tensions and investment status, the rule of law and order, internal conflict, ethnic tensions, external conflict, accountability and democracy, corruption and bureaucracy.
- Financial risks include an assessment of a state's financial situation through a set of indicators: total external debt as a percentage of GDP, the ratio of both debt servicing and current account to exports of goods and services, as well as coverage of net international liquidity of imports, stable exchange rate and its change percentage.
- Economic risks assess a State's economic strengths and weaknesses of through a set of components: average per capita GDP, real GDP growth rate, annual inflation rate, budget balance as a proportion of output, and current account balance as a proportion of output.

Section One: Investment Climate Changes in Arab Countries for 2023

First: Sovereign rating and country risk assessment indices

1-1-4 Indices of country risks related to trade (1)

According to the world's most important agencies and institutions specializing in assessing the risks of countries related to trading across borders during 2023, primarily Credendo Group, Allianz Trade, Nexi of Japan and Dun & Bradstreet, the findings come as follows:

- The position of Arab countries in the eight indices of country risks related to trade fell from 103rd in 2022 to 108th in 2023 as a result of a decline in the average ranking of all Arab countries in the index, except Oman, Morocco, Algeria and Palestine.
- Nine Arab countries had a better level than the Arab average in the indices during 2023, but 12 countries were below the Arab average, ranging from 127th for Egypt and Djibouti to 155th for Somalia.
- The Arab countries recorded the best performance according to their global ranking in the Dun & Bradstreet index for trading across borders, followed by Credendo index for trade risks in exportation.
- Saudi Arabia came first at the Arab level in trade risk indices (i.e., the lowest in risks of trading across borders and the most solvent to pay off its debts in transactions), and came first at both Arab and global levels in Allianz Trade index for short-term country risks and Credendo index for trade across borders.
- Kuwait came second in the Arab average in trading across border risks and recorded the best global ranking in Credendo index for short-term political risks in exportation and Allianz Trade index for short-term country risks.
- Qatar was ranked third in the Arab world by recording its best ranking in Allianz Trade index for short-term risks, Dun & Bradstreet and Credendo index for trade risks.
- The UAE stood in the fourth place at the Arab level in the eight indices during 2023, but it still shared both Arab and global leads in Dun & Bradstreet index for trade across borders.
- Morocco came fifth, Oman sixth and Algeria seventh, then Jordan, Egypt and Djibouti in the Arab ranking of the eight indices in 2023 respectively.

Decline

in Arab average in country trade risk indices in 2023

GCC

countries, Morocco and Algeria were the lowest in trading across border risks and the most solvent to pay off debts in transactions

Allianz Trade Index: It categorizes country risks by assessing the inability of companies to pay in both medium and short terms. The country risk index, provided by Allianz Trade, measures the risks of corporate insolvency in 241 countries. This risk is due to uncontrollable circumstances or events. The overall rating consists of: State degree: The medium-term classification measures any economic imbalances, quality of business environment and the probability of political risks, and is divided into six levels ranging from AA (the lowest risk) to D (the highest risk). State risk level: A short-term classification that identifies the most pressing threats on a scale of four levels starting from 1 that means the lowest risk to 4 that means the highest risk by focusing on output trends and macroeconomic indicators over the next six to 12 months, especially those which could lead to a financial crisis that disrupts financial flows.

Nexi Index: It assesses risks in over 140 countries by discussing a number of factors, including the state's ability to pay debts, and economic and financial conditions, and identifies the category to which each country or region belongs, based on the decisions of the OECD Country Risk Experts Meeting. The index consists of eight levels in the upward order of risks from A (the lowest risk) to H (the highest risk).

Dun & Bradstreet index: The index provides a comparative assessment of the risks of trading across borders in a country, and the index is divided into seven levels ranging from 1 (the lowest risk) to 7 (the highest risk). It gives comprehensive information on business environment changes in 104 countries.

Credendo export indicators (covering 240 countries):

- **Political risks in export transactions:** It gauges the likelihood of a risk resulting from political events associated with transactions for a period of one year (in the short term) and longer than a year (medium and long terms) on a scale of 1 (the lowest risk) to 7 (the highest risk).
- **Trade risk:** Credendo Trade Risk Index in export transactions measures country risk factors that only affect the risk of debtors' default, thereby excluding political risks. Countries are categorized on a risk scale of three categories ranging from (A), the lowest risk, to (C), the highest risk.

Section One: Investment Climate Changes in Arab Countries for 2023

First: Sovereign rating and country risk assessment indices

1-1-4 Indices of country risks related to trade (2)

الترتيب العالمي للدول العربية في أهم مؤشرات مخاطر الدول المتعلقة بالمعاملات التجارية بنهاية عام 2023

Global Rank of Arab Countries in the Most Important Indicators of Country Risk Related to Trade Transactions by the End of 2023

Arab Ranking 2023	Country	المتوسط العام للترتيب		تصنيفات أخرى للمخاطر التجارية				تصنيف كريدندو لمخاطر التصدير إلى الدولة				الدولة	الترتيب العربي 2023	
		التغير	المتوسط العام للترتيب	تصنيف براد سترت D&B Rating	مؤشر نيكسي لمخاطر التجارة NEXI Risk Index for Trade	تصنيف الائتاز تريدم للبلد المتوسط Allianz Trade Medium Term Rating	تصنيف الائتاز تريدم القصير المدى Allianz Trade Short Term Rating	تصنيف منظمة التعاون الاقتصادي والتنمية Premium classification OECD	المخاطر التجارية Commercial Risk	مخاطر سياسية في المدينين والاطويل Political Risk M/L Term	مخاطر سياسية في المدى القصير Political Risk Short Term			
1	Saudi Arabia	▼ (1)	35	34	1	26	70	1	41	11	65	67	السعودية	1
2	Kuwait	▼ (15)	42	27	9	26	70	1	41	125	65	1	الكويت	2
3	Qatar	▼ (4)	45	41	1	42	96	1	48	11	94	67	قطر	3
4	UAE	▼ (1)	48	47	1	26	96	77	41	11	65	67	الإمارات	4
5	Morocco	▲ 12	56	67	36	42	70	77	48	11	94	67	المغرب	5
6	Oman	▲ 1	67	68	9	69	70	77	73	11	117	109	سلطنة عمان	6
7	Algeria	▲ 15	74	88	36	69	119	77	73	11	94	109	الجزائر	7
8	Bahrain	▼ (1)	89	88	9	85	119	121	90	11	141	139	البحرين	8
9	Jordan	▼ (15)	106	91	36	69	119	121	73	125	141	163	الأردن	9
10	Egypt	▼ (29)	127	98	36	85	166	175	90	125	141	195	مصر	10
10	Djibouti	▼ (5)	127	122	....	101	119	77	115	125	187	163	جيبوتي	10
12	Tunisia	▼ (7)	134	127	66	85	166	175	115	125	141	195	تونس	12
13	Mauritania	▼ (8)	137	130	....	101	166	175	115	125	141	139	موريتانيا	13
14	Iraq	▼ (15)	144	129	66	101	166	175	115	125	187	216	العراق	14
14	Lebanon	▼ (6)	144	138	66	101	166	175	115	125	187	216	لبنان	14
16	Sudan	▼ (10)	148	138	99	101	166	175	115	125	187	216	السودان	16
16	Libya	▼ (6)	148	142	99	101	166	175	115	125	187	216	ليبيا	16
16	Syria	▼ (6)	148	142	99	101	166	175	115	125	187	216	سوريا	16
16	Yemen	▼ (6)	148	142	99	101	166	175	115	125	187	216	اليمن	16
20	Palestine	— 0	149	149	....	101	.....	....	115	125	187	216	فلسطين	20
21	Somalia	▼ (7)	155	148	....	101	166	175	115	125	187	216	الصومال	21
Arab Average		▼ (5)	108	103	45	78	130	119	90	87	142	153	المتوسط العربي	
No. Countries in the index			216	203	104	241	241	241	176	240	241	241	عدد الدول بالمؤشر	

• Credendo index for commercial risks in export transactions rates 240 countries in line with three levels: A (low risk level including 10 countries), B (medium risk level including 114 with seven Arab countries among them), and C (high risk level including 116 countries with 14 Arab countries among them) during 2023.

Section One: Investment Climate Changes in Arab Countries for 2023

First: Sovereign rating and country risk assessment indices

1-1-5 Indicators of country risks related to investment and business (1)

According to Credendo and Coface rating of direct investment risk indices, the Arab average declined by three places in six indicators during 2023 due to the falling average of nine Arab countries in the six indices.

- Eleven Arab countries were better than the Arab average in the six indices of direct investment for 2023, topped by Libya, which advanced by eight places, while nine others were below the Arab average, topped by Palestine, which fell by 24 places. Mauritania stood at the 128th global place.
- Eleven Arab countries had a better ranking than the Arab average in the six indices, while 10 others were below the Arab average, ranging between 128th for Mauritania and 169th for Somalia.
- Arab countries retained the best performance in the average ranking of Coface index for country risk assessment and Coface index for business environment assessment, then Credendo index for expropriation and government action in direct investments. But, they recorded the worst performance in Credendo index for political violence risks.
- The UAE kept leading the Arab average in investment risk indices (i.e., the lowest in investment and business environment risks in 2022 and 2023), by recording the best global performance in Credendo business environment risks (11th worldwide) and Coface index for country risks (17th globally).
- Qatar came second at the Arab level in the investment climate risk index and recorded its best global ranking in Credendo index for business environment risks (11th globally) and Coface country risk index (14th globally).
- Oman was placed third in the Arab average and recorded its best ranking in Credendo index for business environment risks (11th), and expropriation risks (46th), but fell in Credendo index for inconvertibility risks.
- Strikingly, Jordan, Egypt, Algeria and Tunisia were better than the global average in at least one of the six investment risk indices during 2023.

Decline

in the Arab average in country investment risk indices in 2023

Improvement

in average of 11 Arab countries, topped by Libya in country investment risk indices in 2023

Credendo business environment risk index (covering 240 countries): An index has been developed to assess the business environment in export operations by assessing default risks for the debtor, the commercial sector and the state. It includes economic and financial indicators such as fluctuations in exchange rates, domestic financing costs, inflation, etc., as well as indicators reflecting the State's experience in payment due to default, on a scale from A (the lowest risk) to G (the highest risk).

Credendo risk Index for direct investments (covering 240 countries around the world): Credendo Group takes into account the political events and relevant risks like expropriation (confiscation), political violence, inconvertibility and restrictions, coming as follows:

- **Risks of political violence:** Political violence covers all acts of violence committed with political purposes. It is a broader concept of war and includes terrorism for political, religious and ideological purposes, impacts of political violence, i.e. damage to material assets, as well as types of business interruptions due to political violence. Credendo index focuses on the actual levels of domestic violence in the country and external conflict with it, together with potential conflicts owing to persistent internal and external tensions, frustration and dissatisfaction.
- **Risks of confiscation of property and government action:** The risk of confiscation includes all discriminatory measures taken by the host government that deprives the investor of his investment without any appropriate compensation. Credendo Group presents expropriation risks and assesses the work of legal institutions in the host country and a potential negative change in attitude towards foreign investments.
- **Risks of inconvertibility and transfer restrictions:** these indicate that no investment-related funds can be transferred outside the host country. The rating of inconvertibility and transfer restrictions in Credendo index is based on the same risk drivers as the assessment of political risks and risks related to medium/long-term business transactions.

Coface Country Risk and Business Climate Index: Coface company assesses average risks of corporate credit and business disruption in 162 countries around the world in short-term business transactions, together with the overall quality of the business environment in the country to which goods or services are exported, based on macroeconomic data, financial and political data, Coface's experience in the country (Coface's payment experience) and business climate assessments produced by international organizations. The index

Section One: Investment Climate Changes in Arab Countries for 2023

First: Sovereign rating and country risk assessment indices

1-1-5 Indicators of country risks related to investment and business (2)

الترتيب العالمي للدول العربية في أهم مؤشرات المخاطر المتعلقة بالاستثمار والأعمال بنهاية عام 2023													
Global Rank of Arab Countries in The Most Important Indicators of Risks Related to Investment and Business Environment by the End of 2023													
Arab Ranking 2023	Country	التغير Change	المتوسط العام للترتيب		تقييم كوفاس لمخاطر الاستثمار المباشر في الدولة		تصنيف كريدندو لمخاطر الاستثمار المباشر في الدولة				الدولة	الترتيب العربي 2023	
			Average Rank 2023	Average Rank 2022	مخاطر مناخ الأعمال Business Climate Risk Assessment	تقييم مخاطر الدولة Country Risk Assessment	مخاطر عدم تحويل العملة وتقييد التحويل Risks of Currency Inconvertibility and Transfer Restriction	مخاطر مصادرة الملكية والإجراءات الحكومية Risks of Expropriation and Government Action	مخاطر العنف السياسي Political Violence Risks	مخاطر مناخ الأعمال Business Environment Risk			
1	UAE	▲	4	47	51	29	14	65	46	119	11	الإمارات	1
2	Qatar	▲	5	56	62	38	14	94	61	119	11	قطر	2
3	Oman	▲	3	69	73	49	73	117	46	119	11	سلطنة عمان	3
4	Morocco	▲	4	75	79	49	49	94	61	156	42	المغرب	4
5	Saudi Arabia	▲	2	76	77	68	32	65	90	156	42	السعودية	5
6	Kuwait	▼ (17)	78	62	38	32	65	90	119	125	125	الكويت	6
7	Bahrain	▼ (0)	93	92	49	106	141	61	156	42	42	البحرين	7
8	Algeria	▲	5	102	107	93	73	94	126	186	42	الجزائر	8
9	Jordan	▼ (15)	104	89	68	73	141	61	156	125	125	الأردن	9
10	Tunisia	▲	1	116	117	68	73	141	61	156	197	تونس	10
11	Egypt	▲	2	126	127	68	73	141	90	186	197	مصر	11
12	Mauritania	▼ (0)	128	128	93	73	141	126	156	179	179	موريتانيا	12
13	Djibouti	▼ (13)	132	119	93	73	187	126	186	125	125	جيبوتي	13
14	Lebanon	▼ (4)	165	161	114	106	187	155	228	197	197	لبنان	14
15	Iraq	▼ (8)	174	166	129	129	187	172	228	197	197	العراق	15
15	Sudan	▲	1	174	175	129	129	187	172	228	197	السودان	15
15	Libya	▲	8	174	182	129	129	187	172	228	197	ليبيا	15
18	Palestine	▼ (24)	196	173	....	....	187	172	228	197	197	فلسطين	18
18	Syria	▼ (14)	196	182	....	....	187	172	228	197	197	سوريا	18
18	Yemen	▼ (14)	196	182	....	....	187	172	228	197	197	اليمن	18
18	Somalia	▲	3	196	199	....	....	187	172	228	197	الصومال	18
Arab Average		▼ (3)	127	124	77	74	142	114	181	130	130	المتوسط العربي	
Number of Countries			196	214	136	136	241	184	240	240	240	عدد الدول بالمؤشر	

Source :International country risk assessment Agencies

Section One: Investment Climate Changes in Arab Countries for 2023

First: Sovereign rating and country risk assessment indices



1-1-6 Top five risks facing Arab countries in the near term (1)

Economic downturn, inflation and unemployment are key economic risks in Arab countries in the next two years

State fragility risks, conflicts, water shortage and digital divide threaten the region according to WEF's 2024 report

The most recent Global Risks Report of the World Economic Forum (WEF), released in January 2024, which covers 13 Arab countries, shows that there are 18 basic risks the Arab countries may face during the coming couple of years. They include five basic fields, mainly economic risks, societal risks, geopolitical risks, environmental risks and finally technological risks.

- Economic downturn topped the list of risks facing 12 Arab countries in the coming two years, whether at the first risk level, which includes the UAE, Oman, Kuwait, Morocco, Egypt, Iraq and Tunisia, or the second risk level involving Bahrain, or the fourth level including Saudi Arabia, Qatar and Jordan, or the fourth one including Yemen.
- The risk of inflation came second, possibly affecting 11 Arab countries whether at the first risk level involving Qatar, Bahrain and Algeria, or the second level including UAE, Saudi Arabia, Morocco and Egypt, or the third level, which includes Oman and Jordan, or the fourth including Kuwait or the fifth including Tunisia.
- Unemployment came third, likely affecting seven countries: Oman, Bahrain, Jordan, Morocco, Egypt, Algeria and Yemen, in the coming two years.
- Indebtedness and infectious diseases came third, possibly affecting, in the first risk, Oman, Bahrain, Jordan, Egypt and Tunisia, as UAE, Saudi Arabia, Oman, Jordan and Algeria are expected to face the second risk.
- State fragility came fifth, with four countries, notably Kuwait, Iraq, Tunisia and Yemen, being likely to be affected.
- Shortages of manpower and water and energy supplies, along with the inter-state conflict came sixth, probably affecting eight Arab countries in the next two years.
- The adverse outcome of artificial intelligence, digital inequality, cybercrimes, cybersecurity and misinformation and disinformation, along with social risks such erosion of social cohesion and involuntary migration came at the end of the list of risks that Arab countries could face, as mentioned in the Global Risk Report in January 2024.

The Global Risks Report, published by the World Economic Forum, presents the results of the latest Global Risks Perception Survey (GRPS), exploring future risks and relevant potential threats in the short term (two years), or in the long term (10 years). The report "Global risk" is defined as the possibility of the occurrence of an event or condition which, if, it occurs, would negatively impact on a significant proportion of global GDP, population or natural resources. It covers 35 global risks and definitions that were adopted by the latest GRPS 2023-2024, including five levels coming as follows:

- **Economic risks:** They include asset crisis, industry or supply chain collapse, debts, price instability, illicit economic activity and prolonged economic downturn.
- **Environmental risks:** They cover loss of biodiversity and ecosystem collapse, failure of climate change adaption, failure to mitigate climate change, large-scale environmental damage incidents, natural disasters, severe weather incidents and natural resource crisis.
- **Geopolitical risks:** They cover geo-economic confrontation, ineffectiveness of multilateral institutions and international cooperation, inter-state conflict,

state collapse and instability and terrorist attacks using weapons of mass destruction.

- **Societal risks:** They feature chronic diseases and health cases, collapse or shortage of infrastructure and public services, cost of living crisis, employment crises, erosion of social cohesion and societal polarization, infectious disease, large-scale involuntary migration, misinformation and disinformation and severe mental health deterioration.
- **Technological risks:** They include the adverse outcome of technology, vital information infrastructure collapse, digital inequity, lack of access to digital services, digital energy concentration and widespread cybercrime and cyber insecurity

The GRPS explores the first five risks facing 121 economies (including 12 Arab ones) covered by the survey, through more than 12,000 respondents to define the five risks that may pose the biggest threat to their countries in the coming two years. The list includes 35 risks, with the "Risk 1" showing the key risk that is repeatedly chosen in every economy. If two risks are connected with the first one, risks are not included in the second ranking which, in this case, remains blank.

Section One: Investment Climate Changes in Arab Countries for 2023

First: Sovereign rating and country risk assessment indices

1-1-6 Top five risks facing Arab countries in the near term (2)

أهم 5 مخاطر تهدد الدول العربية وفق استطلاع الرأي التنفيذي للمنتدى الاقتصادي العالمي لعام 2024

Top 5 Risks Threatening Arab Countries Identified by the World Economic Forum's 2024 Executive Opinion Survey

Country	الخطر الخامس Risk 5	الخطر الرابع Risk 4	الخطر الثالث Risk 3	الخطر الثاني Risk 2	الخطر الأول Risk 1	الدولة
UAE	الجرائم الإلكترونية والأمن السيبراني Cybercrime and cyber insecurity	الأمراض المعدية Infectious diseases	الانعكاس السلبي للتكائن الاصطناعي Adverse outcomes of artificial intelligence	التضخم Inflation	الإنكماش الاقتصادي Economic downturn	الإمارات
Saudi Arabia	المعلومات الخاطئة والمضللة Misinformation and disinformation	الإنكماش الاقتصادي Economic downturn	الانعكاس السلبي للتكائن الاصطناعي Adverse outcomes of artificial intelligence	التضخم Inflation	الأمراض المعدية Infectious diseases	السعودية
Qatar	النقص في اليد العاملة Labour shortage	الإنكماش الاقتصادي Economic downturn	الإرهاب Terrorism	الفجوة الرقمية Digital inequality	التضخم Inflation	قطر
Oman	الأمراض المعدية Infectious diseases	الدين العام Public debt	التضخم Inflation	البطالة Unemployment	الإنكماش الاقتصادي Economic downturn	سلطنة عمان
Kuwait	غياب التماسك الاجتماعي Erosion of social cohesion	التضخم Inflation	هشاشة الدولة State fragility	النقص في اليد العاملة Labour shortage	الإنكماش الاقتصادي Economic downturn	الكويت
Bahrain	البطالة Unemployment	النقص في اليد العاملة Labour shortage	الدين العام Public debt	الإنكماش الاقتصادي Economic downturn	التضخم Inflation	البحرين
Jordan	الأمراض المعدية Infectious diseases	الإنكماش الاقتصادي Economic downturn	التضخم Inflation	الدين العام Public debt	البطالة Unemployment	الأردن
Morocco	البطالة Unemployment	عدم المساواة (في الثروة والدخل) Inequality (wealth, income)	النقص في إمدادات المياه Water-supply shortage	التضخم Inflation	الإنكماش الاقتصادي Economic downturn	المغرب
Egypt	الصراع المسلح بين الدول Interstate armed conflict	الدين العام Public debt	البطالة Unemployment	التضخم Inflation	الإنكماش الاقتصادي Economic downturn	مصر
Iraq	الصراع المسلح بين الدول Interstate armed conflict	هشاشة الدولة State fragility	النقص في إمدادات الطاقة Energy supply shortage	النقص في إمدادات المياه Water-supply shortage	الإنكماش الاقتصادي Economic downturn	العراق
Algeria	النقص في إمدادات الطاقة Energy supply shortage	البطالة Unemployment	الهجرة الغير منظمة Involuntary migration	الأمراض المعدية Infectious diseases	التضخم Inflation	الجزائر
Tunisia	التضخم Inflation	هشاشة الدولة State fragility	النقص في إمدادات المياه Water-supply shortage	الدين العام Public debt	الإنكماش الاقتصادي Economic downturn	تونس
Yemen	الإنكماش الاقتصادي Economic downturn	النقص في إمدادات الطاقة Energy supply shortage	البطالة Unemployment	هشاشة الدولة State fragility	الصراع المسلح بين الدول Interstate armed conflict	اليمن

تصنيفات المخاطر Risk Categories				
مخاطر اقتصادية Economic Risks	مخاطر بيئية Environmental Risks	مخاطر جيوسياسية Geopolitical Risks	مخاطر مجتمعية Societal Risks	مخاطر تكنولوجية Technological Risks

Section One: Investment Climate Changes in Arab Countries for 2023

Second: Economic Performance Indicators

1-2-1 Internal economic performance indicators for 2023

Based on 14 economic and financial indicators at the end of 2023, the overall average ranking of Arab countries globally in the indicators dropped by three places to 92nd.

- Nine Arab countries were better than the Arab average of the 14 indicators.
- Five Arab countries improved in their average ranking in the 14 economic indices during 2023, led by Libya (38 places), while 13 others, mainly Iraq, declined by 19 places.
- The GCC countries, Libya and Iraq led the Arab average in the 14 indices, led by UAE with an average ranking of 35, Saudi Arabia with 36, Kuwait with 41, Qatar with 44, then Libya, Oman, Iraq and Bahrain respectively.
- The best average Arab ranking during 2023 came in the total debt service indicator as a percentage of commodity, services and primary income, then net lending and borrowing indicator as a percentage of the GDP. The worst average ranking came in the unemployment and GDP growth rate indicators.

Drop in

the average Arab ranking in 14 internal and external economic performance indices in 2023

Five

Arab countries, mainly Libya, improved in average ranking of economic indices

الترتيب العالمي للدول العربية في أهم المؤشرات الاقتصادية (الأداء الداخلي) لعام 2023												
The Global Ranking of Arab Countries in the Most Important Economic Indicators (internal performance) - 2023												
Arab Ranking 2023	Country	(9) معدل البطالة % Unemployment rate %	(8) عدد السكان بالمليون population Millions	(7) إجمالي الاستثمارات كنسبة من الناتج الإجمالي Total investment as % of GDP	(6) معدل تضخم أسعار المستهلك (متوسط- تغير سنوي) Inflation average consumer prices (change)	(5) نصيب الفرد من الناتج وفق تعادل القوة الشرائية الإجمالي GDP per Capita, PPP (\$)	(4) نصيب الفرد من الناتج المحلي الإجمالي GDP per Capita (\$)	(3) الناتج المحلي الإجمالي وفق تعادل القوة الشرائية Nominal GDP, PPP (US\$ bn)	(2) الناتج المحلي الإجمالي (بالمليار دولار) Nominal GDP (US\$ bn)	(1) معدل نمو الناتج المحلي الإجمالي Real GDP Growth (%)	الدولة	الترتيب العربي 2023
1	UAE	33	91	54	13	6	21	34	30	82	الإمارات	1
2	Saudi Arabia	89	47	33	24	17	38	17	19	178	السعودية	2
3	Kuwait	17	121	111	51	35	37	65	59	186	الكويت	3
4	Qatar	1	130	....	38	5	8	61	56	134	قطر	4
5	Libya	176	102	72	46	76	102	82	95	3	ليبيا	5
6	Oman	10	120	69	10	56	54	76	66	141	سلطنة عمان	6
7	Iraq	172	35	....	67	118	108	49	52	185	العراق	7
8	Bahrain	8	146	37	4	25	43	98	96	101	البحرين	8
9	Algeria	161	33	8	145	104	116	39	54	62	الجزائر	9
10	Djibouti	186	153	170	14	136	127	161	159	13	جيبوتي	10
11	Mauritania	149	123	9	79	134	146	142	147	42	موريتانيا	11
12	Morocco	147	37	31	111	124	128	57	61	91	المغرب	12
13	Somalia	179	70	....	110	182	180	143	146	98	الصومال	13
14	Egypt	114	14	162	173	97	132	18	39	72	مصر	14
14	Syria	164	38	....	188	....	190	....	150	189	سوريا	14
16	Yemen	174	41	169	2	181	185	108	128	184	اليمن	16
17	Jordan	178	81	139	20	117	121	89	91	102	الأردن	17
17	Palestine	....	113	138	100	146	135	140	127	190	فلسطين	17
19	Sudan	183	30	....	189	161	186	80	113	191	السودان	19
20	Tunisia	175	77	164	146	113	125	83	90	161	تونس	20
21	Lebanon	155	102	....	189	....	137	....	132	176	لبنان	21
	Arab Average	124	81	91	82	96	110	81	91	123	المتوسط العربي	

Source :IMF and World Bank database April 2024

Section One: Investment Climate Changes in Arab Countries for 2023

Second: Economic Performance Indicators

1-2-2 External economic performance indicators in 2023

Qatar

led the Arab ranking in unemployment, lending and GDP per capita

Saudi Arabia

leads the Arab ranking in debt service, current account balance and GDP

Kuwait

led the Arab ranking in public debt and current account balance as % of GDP

- At the level of Arab countries leading economic indicators for 2023, Saudi Arabia came first in four indicators: total debt service as % of commodity exports and services and primary income (1st globally), current account balance (10th globally), GDP in US billion dollar (19th globally) and purchasing power parity (17th globally).
- Qatar had the first place in both Arab and international rankings in unemployment indicator, and came third in net lending or borrowing as % of GDP. It also came first at the Arab level in GDP per capita (8th globally) and purchasing power parity (5th globally).
- Kuwait was ranked first at the Arab level in total debt service as % of commodity exports, services and primary income, total public debt as % of GDP (3rd globally) and current account balance as % of GDP (4th globally).

الترتيب العالمي للدول العربية في أهم المؤشرات الاقتصادية (الوضع الخارجي) لعام 2023														
The Global Ranking of Arab countries in the most important economic indicators (external position) - 2023														
Arab Ranking 2023	Country	التغير	المتوسط العام للترتيب 2023	المتوسط العام للترتيب 2022	(14) إجمالي خدمة الدين كنسبة من صادرات السلع والخدمات والدخل الأولي	(13) إجمالي الدين الحكومي كنسبة من الناتج Total Government Gross Debt as % of GDP	(12) رصيد الحساب الجاري كنسبة من الناتج Current Account Balance as % of GDP	(11) رصيد الحساب الجاري بالمليار دولار Current Account Balance in USD Billions	(10) صافي الإقراض الحكومي كنسبة من الناتج General government net lending / borrowing as % of GDP	الدولة	الترتيب العربي 2023			
1	UAE	▼ (4)	35	31	72	32	20	15	9	الإمارات	1			
2	Saudi Arabia	▼ (13)	36	23	1	20	25	10	45	السعودية	2			
3	Kuwait	▼ (10)	41	31	1	3	4	16	5	الكويت	3			
4	Qatar	▼ (5)	44	39	84	67	6	12	3	قطر	4			
5	Libya	▲	22	51	21	....	12	32	4	ليبيا	5		
6	Oman	▼ (5)	57	52	59	62	44	41	25	سلطنة عمان	6			
7	Iraq	▼ (24)	73	49	36	70	32	24	73	العراق	7			
8	Bahrain	▼ (7)	78	71	45	178	27	40	180	البحرين	8			
9	Algeria	▼ (18)	80	62	33	83	56	44	179	الجزائر	9			
10	Djibouti	▲	7	99	....	50	116	78	47	جيبوتي	10		
11	Mauritania	▲	8	104	....	69	149	111	69	موريتانيا	11		
12	Morocco	▲	3	106	109	79	124	115	164	المغرب	12			
13	Somalia	▲	3	113	116	1	....	185	128	الصومال	13		
14	Egypt	▼ (10)	116	106	95	159	100	174	176	مصر	14			
14	Syria	▬	0	116	116	1	168	68	سوريا	14		
16	Yemen	▲	8	119	127	1	128	187	156	64	اليمن	16		
17	Jordan	▼ (1)	127	126	127	153	144	148	173	الأردن	17			
17	Palestine	▼ (14)	127	113	....	101	170	141	62	فلسطين	17		
19	Sudan	▬	0	129	129	27	183	150	153	70	السودان	19		
20	Tunisia	▬	0	132	132	128	145	148	155	115	تونس	20		
21	Lebanon	▼ (17)	156	139	141	184	181	144	لبنان	21		
Arab Average					▼ (3)	92	89	53	101	97	88	78	المتوسط العربي	
Number of Countries								141	185	192	190	189	عدد الدول بالمؤشر	

Source :IMF and World Bank database April 2024

Section One: Investment Climate Changes in Arab Countries for 2023

Third: Legislative and regulatory environment indicators

1-3-1 Worldwide Governance Indicators (1)

Average Arab ranking stood in World Governance in 2022, but still below global average

8 Arab countries' ranking advanced in World Governance, led by Qatar, Morocco, Oman, Kuwait and Algeria

Based on the indicator's database issued by the World Bank for 209 countries, the rating of 21 Arab countries stood at 146th place between 2021 and 2022, coming as follows:

The global ranking of the general index:

- Nine Arab countries continued to be better than the Arab average during 2022, while the other countries ranged between 159th (Palestine) and 208th (Somalia).
- Eight Arab countries improved in their global ranking during 2022, led by Qatar by 9 positions and Morocco by seven positions.
- Eleven Arab countries, mainly Tunisia, declined in the index, while Palestine and Djibouti remained unchanged during 2022.
- The GCC countries and Jordan led the Arab average in the index during 2022 to be better than the global average, topped by Qatar (55th globally).
- The UAE came second in the Arab ranking (57th globally), followed by Oman (89th), Kuwait (91st globally), Bahrain (93rd globally), then Saudi Arabia and Jordan respectively.

The global ranking of sub-indicators:

- The average ranking of Arab countries in the sub-indicators was below the global ranking.
- The Arab countries achieved the best average ranking in the indicators of regulatory quality, government effectiveness, rule of law and control of corruption.

Governance indicators: They are quantitative indicators issued by the World Bank to gauge the elements of good governance in countries. They measure six main dimensions: voice and accountability, political stability and absence of violence, government effectiveness, regulatory quality, rule of law and control of corruption, in 214 countries, based on nearly 30 data sources around the world that include the opinions and experiences of citizens, businessmen, experts in the public and private sectors and NGOs on the quality of various aspects of governance. These indicators are based on four different types of data sources: household and company surveys, business information providers, NGOs, and public sector institutions.

- **Government Effectiveness Indicator:** It is concerned with perceptions related to the quality of public services, the quality of the civil service, its independence from political pressures, the quality of policy-making and implementation, and government commitment to these policies. The indicator includes variables (such as the quality of road infrastructure, satisfaction with the public transport system, highways, education, health services, etc.) and other variables (such as the quality of public administration, budget management, efficiency of revenue mobilization, and others).
- **Regulatory Quality Indicator:** It measures the government's ability to formulate and implement sound policies and regulations that allow and enhance the development of the private sector. It includes variables (price controls, discriminatory tariffs and discriminatory taxes, etc.), and other indicators (trade policy, regulatory business environment and trade policy).
- **Rule of Law Indicator:** It assesses agents' trust in and commitment to the rules of society, such as the quality of contract enforcement, property rights, the police and courts, and it is gauged through indicators such as contract enforcement, speed of judicial procedures, confiscation/expropriation, etc., and others such as trust in the judiciary and the police and judicial independence.
- **The Indicator of Political Stability and Absence of Violence and Terrorism:** It measures the probability of political instability or politically motivated violence, including terrorism, through a set of variables such as armed conflict, violent demonstrations, social unrest, international tensions, terrorist threat, protests and riots.
- **The Voice and Accountability Indicator:** It reflects the ability of a state's citizens to participate in their choice of government, as well as freedom of expression, freedom of association and free media, through such variables as democracy, vested interests, accountability of civil servants, human rights and freedom of association.
- **The Corruption Control Indicator:** It measures how public power is exercised for private gain, including both minor and major forms of corruption, as well as the "takeover" of the state by elites and private interests.

- The voice and accountability indicator saw the lowest Arab performance on average, as no Arab country ranked better than the global average in this indicator during 2022.

- The UAE topped the Arab ranking in three sub-indicators of government effectiveness, regulatory quality and control of corruption.

- Qatar topped the Arab world in political stability, absence of violence and terrorism and rule of law.

- Tunisia came first in voice and accountability, in spite of its drop compared with 2021.

Section One: Investment Climate Changes in Arab Countries for 2023

Third: Legislative and regulatory environment indicators

1-3-1 Worldwide Governance Indicators (2)

Arab countries recorded the best ranking in regulatory quality and government effectiveness

الترتيب العالمي للدول العربية في مؤشر الحوكمة العالمي ومكوناته الفرعية لعام 2022

Global Ranking of Arab Countries in Worldwide Governance Index 2022 and its Sub-components

Arab ranking	Country	(6)	(5)	(4)	(3)	(2)	(1)	التغيير Change	الترتيب العالمي Global Rank 2022	الترتيب العالمي Global Rank 2021	الدولة	الترتيب العربي	
		مكافحة الفساد Control of Corruption	سيادة القانون Rule of Law	الجودة التنظيمية Regulatory Quality	فعالية الحكومة Government Effectiveness	الاستقرار السياسي وغياب العنف Political Stability No Violence	المشاركة والمساءلة Voice and Accountability		Global Rank 2022	Global Rank 2021			
1	Qatar	45	45	49	38	35	166	▲	9	55	64	قطر	1
2	UAE	36	46	39	25	64	170	▲	4	57	61	الإمارات	2
3	Oman	91	72	74	98	80	171	▲	5	89	94	سلطنة عمان	3
4	Kuwait	88	91	85	91	98	147	▲	5	91	96	الكويت	4
5	Bahrain	87	75	47	60	148	187	▼	(2)	93	91	البحرين	5
6	Saudi Arabia	78	90	75	63	145	192	▲	4	100	104	السعودية	6
7	Jordan	90	92	92	86	138	152	▼	(2)	101	99	الأردن	7
8	Morocco	125	118	109	113	140	140	▲	7	119	126	المغرب	8
9	Tunisia	112	105	134	125	162	124	▼	(10)	124	114	تونس	9
10	Palestine	160	147	104	177	198	164	▬	0	159	159	فلسطين	10
11	Egypt	157	123	161	141	183	189	▼	(8)	162	154	مصر	11
12	Mauritania	164	159	182	159	155	149	▲	1	166	167	موريتانيا	12
13	Algeria	153	165	183	144	172	163	▲	5	168	173	الجزائر	13
14	Djibouti	163	182	173	166	156	179	▬	0	175	175	جيبوتي	14
15	Lebanon	184	184	184	197	193	144	▼	(4)	186	182	لبنان	15
16	Iraq	190	206	188	193	208	162	▼	(2)	193	191	العراق	16
17	Sudan	199	191	203	203	202	193	▼	(3)	199	196	السودان	17
18	Libya	205	208	210	208	205	185	▼	(3)	204	201	ليبيا	18
19	Yemen	210	209	207	212	209	196	▼	(2)	205	203	اليمن	19
20	Syria	211	211	205	207	213	206	▼	(2)	206	204	سوريا	20
21	Somalia	212	213	206	210	211	202	▼	(2)	208	206	الصومال	21
Arab Average		141	140	139	139	158	171	▬	0	146	146	المتوسط العربي	
Number of Countries		213	213	213	213	213	209			209	207	عدد الدول بالمؤشر	

Section One: Investment Climate Changes in Arab Countries for 2023

Third: Legislative and regulatory environment indicators

1-3-2 Economic Freedom Index (1)

According to the World Index of Economic Freedom, which ranked 176 countries, including 15 Arab countries, the average Arab ranking improved by eight places in 2024, coming as follows:

The global ranking in the composite index:

- The GCC countries maintained the lead in the Arab ranking in 2024, with UAE, Qatar, Bahrain, Oman and Saudi Arabia being better than the global average.
- Twelve Arab countries advanced in the composite index of economic freedom during 2024, led by Bahrain with 39 places, followed by Saudi Arabia, Kuwait and Bahrain respectively.
- Tunisia declined in the composite index of economic freedom in 2024 by 18 places, and Morocco by four places, while Sudan stood at 173rd.

The global ranking in sub-indicators:

- The performance of Arab countries during 2024 did not differ so much at the level of sub-indicators from 2023, as they kept demonstrating the best performance in the tax burden indicator. The GCC countries were among the top 10 global positions thanks to their flexible tax policies. The UAE was the leader in both Arab and world rankings, followed by Bahrain (2nd in Arab and world rankings), Qatar (third in global and Arab rankings), Saudi Arabia (fourth in global and Arab rankings) and then Kuwait and Oman in the seventh and eighth global positions respectively.



الترتيب العالمي للدول العربية في مؤشر الحرية الاقتصادية ومكوناته الفرعية (جزء 1)

Global Ranking of Arab Countries in Economic Freedom Index and its Sub-Components (Part 1)

Arab Ranking	Country	(6) الصلحية المالية Fiscal Health	(5) الإنفاق الحكومي Gov't Spending	(4) العبء الضريبي Tax Burden	(3) نزاهة الحكومة Gov't Integrity	(2) الفاعلية القضائية Judicial Effectiveness	(1) حقوق الملكية Property Rights	التغير Change	الترتيب العالمي Global Rank 2024	الترتيب العالمي Global Rank 2023	الدولة	الترتيب العربي
1	UAE	6	62	1	34	116	61	▲ 2	22	24	الإمارات	1
2	Qatar	12	75	3	56	103	50	▲ 8	28	36	قطر	2
3	Bahrain	166	95	2	101	130	60	▲ 14	54	68	البحرين	3
4	Oman	61	120	8	81	145	45	▲ 39	56	95	سلطنة عمان	4
5	Saudi Arabia	49	103	4	77	110	97	▲ 29	69	98	السعودية	5
6	Kuwait	1	165	7	82	104	116	▲ 18	90	108	الكويت	6
7	Jordan	163	98	56	64	98	82	▲ 1	92	93	الأردن	7
8	Morocco	120	97	149	119	122	75	▼ (4)	101	97	المغرب	8
9	Djibouti	33	42	62	139	140	145	▲ 8	104	112	جيبوتي	9
10	Mauritania	19	36	111	153	136	137	▲ 7	110	117	موريتانيا	10
11	Egypt	142	52	50	139	149	124	▲ 5	146	151	مصر	11
12	Tunisia	152	110	118	79	105	69	▼ (18)	150	132	تونس	12
13	Lebanon	66	7	29	155	146	147	▲ 10	154	164	لبنان	13
14	Algeria	137	126	83	136	133	155	▲ 4	164	168	الجزائر	14
15	Sudan	79	5	53	161	178	175	▲ 0	173	173	السودان	15
Arab Average		80	80	49	105	128	103	▲ 8	101	109	المتوسط العربي	
Number of Countries		176	176	177	182	182	182		176	176	عدد الدول بالمؤشر	

Source :The Heritage Foundation

Section One: Investment Climate Changes in Arab Countries for 2023

Third: Legislative and regulatory environment indicators



1-3-2 Economic Freedom Index (2)

- Arab countries achieved the second best performance in the financial freedom index, with 11 countries exceeding the global average ranking. Oman ranked first among Arabs and fourth globally and Saudi Arabia came second at the Arab level and seventh globally. Then came the ranking of nine countries between Bahrain (8th globally and third at the Arab level) and Morocco (85th globally and 11 in the Arab ranking).
- Arab countries recorded their worst performance in the in the judicial effectiveness index during 2024, with no country having a better ranking than the global average in this index.
- The UAE led the Arab ranking in four indicators: tax burden, labor freedom, business freedom and government integrity monetary freedom during 2024.
- Bahrain topped the list in the indicators of financial freedom, investment freedom and trade freedom, but it lagged behind in fiscal health and judicial effectiveness.
- Oman led the Arab ranking in monetary freedom and property rights (4th and 45th globally respectively).
- Jordan led the Arab ranking and came 98th globally in judicial effectiveness.

الترتيب العالمي للدول العربية في مؤشر الحرية الاقتصادية ومكوناته الفرعية (جزء 2)

Global Ranking of Arab Countries in Economic Freedom Index and its Sub-Components (Part 2)

Arab Ranking	Country	(12) الحرية المالية Financial Freedom	(11) حرية الاستثمار Investment Freedom	(10) حرية التجارة Trade Freedom	(9) الحرية النقدية Monetary Freedom	(8) حرية العمل Labor Freedom	(7) حرية الأعمال Business Freedom	الدولة	الترتيب العربي
1	UAE	37	117	55	14	31	28	الإمارات	1
2	Qatar	37	74	19	70	124	87	قطر	2
3	Bahrain	2	7	9	8	91	59	البحرين	3
4	Oman	68	74	63	4	121	89	سلطنة عمان	4
5	Saudi Arabia	68	117	75	7	155	66	السعودية	5
6	Kuwait	37	100	66	117	123	109	الكويت	6
7	Jordan	37	38	92	10	93	99	الأردن	7
8	Morocco	17	62	117	85	140	76	المغرب	8
9	Djibouti	68	74	167	123	136	132	جيبوتي	9
10	Mauritania	106	117	136	63	62	163	موريتانيا	10
11	Egypt	68	62	147	60	171	137	مصر	11
12	Tunisia	133	148	164	63	101	125	تونس	12
13	Lebanon	133	148	92	172	83	139	لبنان	13
14	Algeria	133	148	154	72	131	118	الجزائر	14
15	Sudan	160	173	177	173	161	174	السودان	15
Arab Average		74	97	102	69	115	107	المتوسط العربي	
Number of Countries		177	177	178	177	177	177	عدد الدول بالمؤشر	

UAE led tax burden, labor freedom, business freedom and government integrity indicators

Bahrain led the Arab ranking in financial freedom, investment freedom and trade freedom during 2024

Economic Freedom Index: Published by the Heritage Foundation and the Wall Street Journal since 1995, it measures and evaluates four key aspects of the economic environment, which are the subject of government policies globally (by tracking and assessing 12 sub-indicators) as follows:

- Rule of law:** Includes indicators of property rights, government integrity and judicial effectiveness.
- Government size:** Includes indicators of government spending, tax burden and fiscal health.
- Regulatory efficiency:** workers' freedom, labor freedom and monetary freedom.
- Market openness:** includes trade freedom, investment freedom and financial freedom.

The composite index ranks countries by degree of economic freedom through calculating points on a scale of 0 to 100 and the total score of states is obtained by calculating the average of these 12 economic freedoms, giving equal weight to each. States are classified by this index as countries with a free economy (if the index is between 80 and 100), countries with a partially free economy (if the index is between 70 and 79.9) and countries with a moderate free economy (if the index is between 60 and 69.9) and countries with a partially non-free economy (if the index is between 50 and 59.9) and countries with a closed economy (if the index is between 0 and 49.9).

Section One: Investment Climate Changes in Arab Countries for 2023

Third: Legislative and regulatory environment indicators

1-3-3 Legatum Prosperity Index (1)



A slight improvement in the average Arab ranking to 109th globally during 2023

Better ranking of nine countries in the index, led by Kuwait, Libya, Saudi Arabia and Egypt

Legatum Institute's data of 20 Arab countries, covered by the index, shows an improvement in the average Arab ranking by one place from 110th globally during 2022 from 109th during 2023.

The global ranking in the composite index:

- Nine Arab countries advanced in Legatum Prosperity Index during 2023; led by Kuwait and Libya by four places, followed by Saudi Arabia and Egypt by three places, then Iraq, Qatar, Bahrain and Oman.
- The decliners were three countries, notably Lebanon, Jordan and Yemen, as the UAE, Tunisia, Algeria, Djibouti, Mauritania, Syria, Sudan and Somalia remained unchanged.
- The first six countries were better than both Arab and global averages in the index during 2022 and 2023. The UAE kept leading the Arab prosperity list (44th globally), followed by Qatar (46th globally), Kuwait (60th globally), Bahrain (62nd), then Oman and Saudi Arabia respectively.

The global ranking in sub-indicators:

- The Arab countries notched up their best average in the living conditions indicator, with 10 countries being better than the global average. The gainers were the GCC countries, mainly Kuwait, in addition to Jordan, Tunisia, Algeria and Lebanon.
- The Arab countries were assigned the second best average in the health indicator thanks to their efforts in the field of health services and systems. The GCC countries, Tunisia and Algeria were better than the global average in the index during 2023.
- The average ranking of Arab countries declined in the indicators of natural environment and personal freedom. No country was better than the global average in both indicators during 2023.

Legatum Prosperity Index: It is annually issued by Legatum Institute since 2007, monitoring the efforts of 167 countries to strengthen their people's prosperity through 12 key pillars covering 300 indices (192 statistical statements and 108 surveys). They are grouped into three domains essential to prosperity: Inclusive Societies, Open Economies, and Empowered People. The 12 pillars come as follows:

- **Economic Quality:** It measures how well an economy is equipped to generate wealth sustainably and with the full engagement of the workforce.
- **Education:** It measures enrolment, outcomes, and quality across four stages of education (pre-primary, primary, secondary, and tertiary education), as well as the skills in the adult population.
- **Enterprise Conditions:** It measures the degree to which regulations enable businesses to start, compete, and expand.
- **Governance:** It measures the extent to which there are checks and restraints on power and whether governments operate effectively and without corruption.
- **Health:** It measures the extent to which people are healthy and have access to the necessary services to maintain good health, including health outcomes, health systems, illness and risk factors, and mortality rates.
- **Investment Environment:** It measures the extent to which investments are adequately protected and are readily accessible.

- **Living Conditions:** It measures the degree to which a reasonable quality of life is experienced by all, including material resources, shelter, basic services, and connectivity.
 - **Infrastructure and Market Access:** It measures the quality of the infrastructure that enables trade, and distortions in the market for goods and services.
 - **Natural Environment:** It measures the aspects of the physical environment that have a direct effect on people in their daily lives and changes that might impact the prosperity of future generations.
 - **Personal Freedom:** It measures progress towards basic legal rights, and individual liberties.
 - **Safety and Security:** It measures the degree to which war, conflict, and crime have destabilized the security of individuals.
 - **Social Capital:** It measures the strength of personal and social relationships, social norms, civic participation in a country, and social tolerance.
- The weighted average score is put into consideration by the population, when calculating the index.

Section One: Investment Climate Changes in Arab Countries for 2023



Third: Legislative and regulatory environment indicators

1-3-3 Legatum Prosperity Index (2)

الترتيب العالمي للدول العربية في مؤشر ليجاتوم للازدهار ومكوناته الفرعية																		
Global Ranking of Arab Countries in Legatum Prosperity Index and its Sub-Components																		
Arab Ranking 2023	Country	(12)	(11)	(10)	(9)	(8)	(7)	(6)	(5)	(4)	(3)	(2)	(1)	التغيير	الترتيب العالمي	الترتيب العالمي	الدولة	الترتيب العربي 2023
		البيئة الطبيعية	التعليم	الصحة	الظروف المعيشية	جودة الاقتصاد	البنية التحتية والوصول إلى الأسواق	شروط المؤسسة	بيئة الاستثمار	رأس المال الاجتماعي	الحكومة	الحرية الشخصية	الأمن والسلامة		Global Rank 2023	Global Rank 2022		
1	UAE	119	42	33	47	26	22	22	32	78	38	146	50	0	44	44	الإمارات	1
2	Qatar	134	60	38	48	13	36	26	43	51	47	149	23	1	46	47	قطر	2
3	Kuwait	137	75	43	42	51	64	76	63	99	87	119	51	4	60	64	الكويت	3
4	Bahrain	142	63	50	45	56	31	60	35	55	98	156	95	1	62	63	البحرين	4
5	Oman	153	83	55	67	63	48	48	58	88	83	142	40	1	67	68	سلطنة عمان	5
6	Saudi Arabia	138	64	56	75	55	54	43	56	105	82	163	98	3	79	82	السعودية	6
7	Jordan	146	90	100	61	121	67	41	50	152	68	116	74	(1)	86	85	الأردن	7
8	Morocco	132	122	86	95	95	57	90	55	162	89	114	62	1	96	97	المغرب	8
9	Tunisia	147	95	79	73	111	94	105	95	156	63	86	122	0	99	99	تونس	9
10	Algeria	144	92	70	70	132	99	138	131	155	107	128	60	0	109	109	الجزائر	10
11	Lebanon	116	65	102	83	161	101	104	104	165	143	100	128	(5)	112	107	لبنان	11
12	Egypt	156	105	107	93	136	82	62	86	161	140	160	142	3	121	124	مصر	12
13	Djibouti	154	132	126	118	104	112	109	97	142	115	130	85	0	122	122	جيبوتي	13
14	Iraq	167	121	115	87	105	107	144	127	138	135	133	163	2	140	142	العراق	14
15	Libya	157	112	105	94	99	128	161	157	115	160	129	162	4	146	150	ليبيا	15
16	Mauritania	164	154	138	124	135	154	166	161	119	154	123	87	0	154	154	موريتانيا	16
17	Sudan	163	144	127	138	167	139	155	149	164	145	153	159	0	158	158	السودان	17
18	Syria	160	128	108	106	148	149	165	143	167	165	167	164	0	159	159	سوريا	18
19	Somalia	136	158	163	159	165	165	140	153	143	161	141	160	0	163	163	الصومال	19
20	Yemen	152	155	136	148	164	156	160	165	157	166	159	165	(1)	166	165	اليمن	20
Arab Average		146	103	92	89	105	93	101	98	129	112	136	105	1	109	110	المتوسط العربي	
Number of Countries		167	167	167	167	167	167	167	167	167	167	167	167		167	167	عدد الدول بالمؤشر	

Source : The Centre for National Prosperity (Legatum Institute oundation)-London

Section One: Investment Climate Changes in Arab Countries for 2023

Third: Legislative and regulatory environment indicators



1-3-4 Investment Treaties (1)

The Arab average in the two Bilateral Investment Treaty (BIT) indices advanced due to better ranking of 14 countries in the 1st quarter of 2024

Arab countries clinched 16% of BITs globally and 5% of Treaties with Investment Provisions (TIP)

Based on the database of the UNCTAD program of investment agreements, which monitors BITs and TIPs in 234 countries around the world, including 21 Arab countries in the first quarter of 2024, compared with 2023, the findings come as follows:

Bilateral Investment Treaties (BITs)

- The Arab countries clinched a total of 940 treaties until late March 2024, making up 16% of the global total, an average of 44 treaties for each country.
- The average ranking of Arab countries in the index slightly went up to remain better than the global ranking average thanks to their efforts to promote and protect investments by hammering out BITs.
- Eight Arab countries concluded more BITs than the Arab average (44) to have a better ranking in the first quarter of 2024. They were led by the UAE (first among Arab countries and 5th worldwide), followed by Egypt (second among Arab countries and 6th worldwide), Kuwait (third among Arab countries and 10th worldwide), Morocco (4th among Arab countries and 15th worldwide), Qatar (20th worldwide), then Jordan, Tunisia and Lebanon.
- Surprisingly, Lebanon, Syria, and Yemen were better than the Arab average in spite of the crises they have undergone over the last years.

Treaties with Investment Provisions (TIPs)

- The UNCTAD monitored 4,166 TIPs in 234 countries, including 222 in Arab countries, accounting for 5% and an average of 11 agreements each.
- The average Arab ranking in TIPs advanced by one place in the treaties due to the decline of 13 Arab countries in the index in late March 2024, while eight others advanced.
- Twelve Arab countries hammered out more treaties than the Arab average to be have a better ranking. They were led by the UAE and Egypt, which clinched 17 treaties until late March 2024 to stand at the 56th place.
- Saudi Arabia and Tunisia came second among Arab countries (73rd worldwide) with 13 treaties.
- Kuwait, Morocco, Qatar, Libya, Tunisia, Bahrain, Oman, Sudan and Djibouti came in the third place (82nd worldwide) with 12 treaties.
- Somalia came fourth (125th worldwide) with 10 treaties, while less than 10 treaties were clinched in Jordan, Mauritania, Lebanon, Algeria, Palestine, Yemen, Iraq and Syria, which all came at the tail end of the index.

Bilateral Investment Treaties (BITs):

BIT is an agreement between two countries for the promotion and protection of investments by their investors, making up most of the international investment agreements. The UNCTAD'S International Investment Agreements Navigator monitors BITs according to information provided by governments on a voluntary basis. Treaties are included once they are officially concluded. Agreements that have already completed the negotiation stage but not yet signed are not included.

Treaties with Investment Provisions (TIPs): They are investment agreements that are not bilateral ones, including three main types:

Broad economic agreements that include obligations in bilateral investment agreements (e.g. free trade agreement with investment separation).

Agreements with limited investment provisions (e.g. only those related to the establishment of investments or the free transfer of investment-related funds).

Agreements that contain only "framework" paragraphs such as agreements on investment cooperation and/or authorization for future negotiations on investment issue.

Section One: Investment Climate Changes in Arab Countries for 2023



Third: Legislative and regulatory environment indicators

1-3-4 Investment Treaties (2)

940 bilateral investment treaties and 222 investment-related treaties were signed by Arab countries until March 2024

UAE and Egypt in the lead by signing the biggest number of treaties until March 2024

الترتيب العالمي للدول العربية وفق عدد اتفاقيات الاستثمار الثنائية

Global Ranking of Arab Countries According to Bilateral Investment Treaties

Arab Ranking	Country	الاتفاقيات ذات الصلة بالاستثمار Treaties With Investment Provisions (TIPs)			اتفاقيات الاستثمار الثنائية Bilateral Investment Treaties (BITs)			الدولة	الترتيب العربي
		التغيير Change	الترتيب العالمي بنهاية الربع الأول 2024 Global Rank by the end of Q1-2024	الترتيب العالمي بنهاية الربع الأول 2023 Global Rank by the end of Q1-2023	التغيير Change	الترتيب العالمي بنهاية الربع الأول 2024 Global Rank by the end of Q1-2024	الترتيب العالمي بنهاية الربع الأول 2023 Global Rank by the end of Q1-2023		
1	UAE	▲ 4	56	60	■ 0	5	5	الإمارات	1
2	Egypt	▲ 4	56	60	■ 0	6	6	مصر	2
3	Kuwait	▼ (14)	82	68	■ 0	10	10	الكويت	3
4	Morocco	▲ 19	82	101	■ 0	15	15	المغرب	4
5	Qatar	▼ (14)	82	68	▲ 2	20	22	قطر	5
6	Jordan	▼ (12)	130	118	▲ 2	27	29	الأردن	6
7	Tunisia	▼ (5)	73	68	■ 0	30	30	تونس	7
8	Lebanon	▼ (9)	138	129	▲ 1	33	34	لبنان	8
9	Algeria	▼ (1)	138	137	■ 0	41	41	الجزائر	9
10	Syria	▼ (4)	173	169	■ 0	53	53	سوريا	10
11	Libya	▲ 19	82	101	▼ (1)	62	61	ليبيا	11
11	Bahrain	▼ (19)	82	63	▲ 7	62	69	البحرين	11
13	Yemen	▼ (6)	155	149	▼ (6)	67	61	اليمن	13
13	Oman	▼ (14)	82	68	▼ (3)	67	64	سلطنة عمان	13
15	Sudan	▲ 36	82	118	■ 0	74	74	السودان	15
16	Saudi Arabia	▼ (10)	73	63	▲ 2	91	93	السعودية	16
17	Mauritania	▲ 7	130	137	▲ 3	96	99	موريتانيا	17
18	Iraq	▼ (3)	163	160	▲ 6	135	141	العراق	18
19	Djibouti	▲ 36	82	118	▲ 3	141	144	جيبوتي	19
20	Palestine	▼ (12)	149	137	▼ (1)	155	154	فلسطين	20
21	Somalia	▲ 4	125	129	▼ (2)	163	161	الصومال	21
Arab Average		▲ 1	105	106	▲ 1	64	65	المتوسط العربي	
Number of Countries			234	234		234	234	عدد الدول بالموشر	

Source :UNCTAD

Section One: Investment Climate Changes in Arab Countries for 2023

Third: Legislative and regulatory environment indicators

1-3-5 Corruption Perceptions Index

Arab ranking advanced by two places to 111th in 2023 and remained below the global average

- Based on the Corruption Perceptions Index, issued by the Transparency International in January 2024, the general average ranking of 20 Arab countries advanced by two places to 113th, but remained below the global average.
- Eight Arab countries were better than the global average, while twelve others were below the global average in the index, settled between 97th (Morocco) and 180th (Somalia).
- Nine Arab countries advanced in the index during 2024, where transparency increased but corruption decreased. Egypt came first by jumping by 22 places, followed by Kuwait by 14 places and Algeria by 12. Yet, Oman, Bahrain, Tunisia and Morocco declined.
- Qatar, Mauritania, Djibouti, Sudan, Yemen and Somalia stabilized in the index between 2022 and 2023.
- The GCC countries and Jordan topped the list, while the countries, which have been undergoing protracted conflicts, were at the bottom of the index, with Somalia coming in last place.

الترتيب العالمي للدول العربية في مؤشر مدركات الفساد لعام 2023						
Global Ranking of Arab Countries in Corruption Perceptions Index in 2023						
الترتيب العربي 2023	الدولة	2022	2023	التغير	Country	Arab Ranking 2023
1	الإمارات	27	26	▲ 1	UAE	1
2	قطر	40	40	▬ 0	Qatar	2
3	السعودية	54	53	▲ 1	Saudi Arabia	3
4	الأردن	61	63	▼ (2)	Jordan	4
4	الكويت	77	63	▲ 14	Kuwait	4
6	سلطنة عمان	69	70	▼ (1)	Oman	6
7	البحرين	69	76	▼ (7)	Bahrain	7
8	تونس	85	87	▼ (2)	Tunisia	8
9	المغرب	94	97	▼ (3)	Morocco	9
10	الجزائر	116	104	▲ 12	Algeria	10
11	مصر	130	108	▲ 22	Egypt	11
12	موريتانيا	130	130	▬ 0	Mauritania	12
12	جيبوتي	130	130	▬ 0	Djibouti	12
14	لبنان	150	149	▲ 1	Lebanon	14
15	العراق	157	154	▲ 3	Iraq	15
16	السودان	162	162	▬ 0	Sudan	16
17	ليبيا	171	170	▲ 1	Libya	17
18	اليمن	176	176	▬ 0	Yemen	18
19	سوريا	178	177	▲ 1	Syria	19
20	الصومال	180	180	▬ 0	Somalia	20
المتوسط العربي		113	111	▲ 2	Arab Average	
عدد الدول بالمؤشر		180	180	Number of Countries		

Corruption Perception Index: It scores 180 countries around the world based on perceptions of public sector corruption, using data from 13 external sources, including the World Bank, WEF, private risk and consulting companies and think-tanks. The scores of the index represent the views of experts and businessmen. The CPI currently ranks 180 countries "on a scale from 100 (very clean) to 0 (highly corrupt). It measures bribery, diversion of public fund, officials using their public office for private gain without facing consequences, ability of governments to contain corruption in the public sector, excessive red tape in the public sector which may increase opportunities for corruption, nepotistic appointments in the civil service, laws ensuring that public officials must disclose their finances and potential conflicts of interest, legal protection for people who report cases of bribery and corruption, state capture by narrow vested interests, access to information on public affairs/government activities.

- For a country or territory to be ranked in the Index, it must be featured in at least three of the CPI's 13 data sources. A country's absence from the list does not mean that country is corruption-free, only that there is not enough data available to accurately measure levels of corruption.
- Although there could be a lot of corrupt activity in a certain country, its CPI score remains unchanged. There are a number of possible reasons for this. Corrupt activity not within the timeframe of this year's CPI could take a year or more to reflect in the data sources. Some positive developments in controlling public sector corruption might have been captured, balancing out these negative cases. Certain types of corruption, such as money-laundering or foreign bribery, are not measured in the CPI.

Section One: Investment Climate Changes in Arab Countries for 2023



Third: Legislative and regulatory environment indicators

1-3-6 The Global Startup Ecosystem Index (GSEI)

The average Arab ranking fell to 75th place in the GSEI during 2023

- Based on the data of the Global Startup Ecosystem Index (GSEI), issued by StartupBlink Research Center for 2023, the average of 11 Arab countries declined by one place, compared with 2022.
- The top five countries were better than the Arab average and only the UAE had a better ranking than the global average.
- Four Arab countries advanced in the index during 2023, led by Saudi Arabia by six places, followed by Kuwait by five places, Bahrain four and Lebanon two.
- The UAE, Egypt, Jordan, Qatar, Tunisia and Morocco declined, but Somalia stabilized between 2022 and 2023.
- The UAE remained as the Arab leader and continued to be among the best 30 countries in the world (28th globally) during 2023. Dubai came 58th in the list of 1,000 world cities due to its excellence in technological innovation and being a famous destination for entrepreneurs.
- Bahrain came second (60th globally), followed by Saudi Arabia as third (66th globally), Egypt as fourth (67th globally), then Jordan fifth (68th globally). The last six countries ranged from 75th for Lebanon and 98th for Somalia.

UAE led Arab countries and came 28th globally, followed by Bahrain, Saudi Arabia, Egypt and Jordan in 2023

وضع الدول العربية في مؤشر النظام البيئي العالمي للشركات الناشئة 2023-2022

Arab Countries Position in the Global Startup Ecosystem Index , 2022-2023

Arab Rank 2023	Country	التغيير Change	الترتيب العالمي Global Rank 2023	الترتيب العالمي Global Rank 2022	الدولة	الترتيب العربي 2023
1	UAE	▼ (1)	28	27	الإمارات	1
2	Bahrain	▲ 4	60	64	البحرين	2
3	Saudi Arabia	▲ 6	66	72	السعودية	3
4	Egypt	▼ (2)	67	65	مصر	4
5	Jordan	▼ (2)	68	66	الأردن	5
6	Lebanon	▲ 2	75	77	لبنان	6
7	Qatar	▼ (4)	90	86	قطر	7
8	Tunisia	▼ (8)	91	83	تونس	8
9	Morocco	▼ (14)	93	79	المغرب	9
10	Kuwait	▲ 5	94	99	الكويت	10
11	Somalia	■ 0	98	98	الصومال	11
Arab Average		▼ (1)	75	74	المتوسط العربي	
Number of Countries:			100	99	عدد الدول :	

- GSEI tracks the momentum of 1,000 cities and 100 countries. Since 2017, the GSEI has provided policymakers and startup ecosystem stakeholders with practical insights into their local startup economies. It covers 11 Arab countries.
- The index uses the intensive research and analysis of data from 3.5 million startups through 290 world ecosystems. It is used annually by hundreds of thousands of startup founders, startup ecosystem developers, corporations, and other stakeholders to support critical decisions on policy-making, strategy, relocation, and investment.

Section One: Investment Climate Changes in Arab Countries for 2023

Third: Legislative and regulatory environment indicators



1-3-7 TRACE Bribery Risk Matrix (1)

A notable advance of Arab countries in TRACE Bribery Risk Matrix due to the performance of seven of them in 2023

Jordan, UAE, Tunisia and Kuwait are the lowest in trade bribe risks in public sector in the last two years

Based on the data of the TRACE Bribery Risk Matrix in 2023, covering 194 countries, including 20 Arab ones:

The global ranking in the composite index:

- The average Arab ranking slightly improved by one place to 145th due to the better ranking of seven countries, led by Saudi Arabia (25 places) and Kuwait (20 places), while the UAE, Djibouti and Egypt remained unchanged.
- The ranking of 10 countries dropped in 2023, topped by Tunisia (10 places), Qatar (7 places), Oman and Sudan (five places each).
- The top four countries retained the Arab lead in the index in 2023 as having the lowest Arab bribe risk. They also had a better ranking than the global average, topped by Jordan (69th globally), the UAE (79th), Tunisia (86th) and Kuwait (4th in the Arab world and 91st globally).
- The last five countries retained their last place in the index in 2022 and 2023 between 177th for Mauritania and 192nd for Syria.

The global ranking in sub-indicators:

- The Arab countries achieved the best average ranking in interactions with government as seven of them were better than the global average, notably UAE, Jordan, Saudi Arabia, Kuwait, Oman, Tunisia and Somalia respectively.
- They had the worst average ranking in the capacity for civil oversight index as two countries: Tunisia and Lebanon, had the best ranking in the global average. 18 countries ranged between 129th for Iraq and 189th for Syria.
- In sub-indicators, the UAE, Tunisia and Jordan were top winners in government and civil service transparency. The UAE led the ranking in business reactions with government, and anti-bribery deterrence and enforcement. Tunisia was the leader in capacity for control of civil society.

The TRACE Bribery Risk Matrix (TRACE Matrix), which is updated annually by TRACE, measures business bribery risk in 194 jurisdictions, territories, and autonomous and semi-autonomous regions. The overall country risk score is a combined and weighted score of four domains: Business Interactions with Government; Anti-Bribery Deterrence and Enforcement; Government and Civil Service Transparency; and Capacity for Civil Society Oversight, including the role of the media.

- **Business Reactions with Government:** It includes three sub-components: contacting government, expecting to pay bribes and the regulatory burden. It monitors government contacts, defined by participants in regulatory and business interviews as key contributors to

business bribe risks.

- **Anti-Bribery Deterrence and Enforcement:** It defines the factors of deterrence and enforcement in fighting corruption, either officially by government enforcement or unofficially by societal stances.
- **Government and Civil Service Transparency:** It assesses how government budgets are available to the public and available regulations addressing conflicts of interest for civil servants.
- **Capacity for Civil Society Oversight:** It is based on information related to press freedom and civil participation, which both show a strong civil society that can provide government oversight.

Section One: Investment Climate Changes in Arab Countries for 2023

Third: Legislative and regulatory environment indicators

1-3-7 TRACE Bribery Risk Matrix (2)

الترتيب العالمي للدول العربية في مصفوفة مخاطر الرشوة ومكوناتها الفرعية لعام 2023

The global Ranking of Arab Countries in TRACE Bribery Risk Matrix and its Sub-Components for 2023

Arab Ranking 2023	Country	(4) القدرة على مراقبة المجتمع المدني Capacity for Civil Oversight	(3) شفافية الحكومة والخدمة المدنية Governmental and Civil Service Transparency	(2) الردع والتنفيذ في مكافحة الرشوة Anti-bribery Deterrence and Enforcement	(1) التفاعلات التجارية مع الحكومة Interactions with Government	التغيير Change	الترتيب في المؤشر العالمي Global Rank 2023	الترتيب في المؤشر العالمي Global Rank 2022	الدولة	الترتيب العربي 2023
1	Jordan	151	84	90	18	▼ (4)	69	65	الأردن	1
2	UAE	180	84	88	16	▬ 0	79	79	الإمارات	2
3	Tunisia	83	84	99	82	▼ (10)	86	76	تونس	3
4	Kuwait	125	112	104	47	▲ 20	91	111	الكويت	4
5	Lebanon	96	146	172	107	▲ 3	127	130	لبنان	5
6	Saudi Arabia	186	146	153	38	▲ 25	132	157	السعودية	6
6	Oman	172	127	158	68	▼ (5)	133	128	سلطنة عمان	6
8	Morocco	141	146	149	129	▼ (4)	144	140	المغرب	8
9	Sudan	156	173	183	95	▼ (5)	155	150	السودان	9
10	Qatar	174	112	159	139	▼ (7)	156	149	قطر	10
10	Djibouti	170	168	163	107	▬ 0	160	160	جيبوتي	10
12	Egypt	186	168	145	112	▬ 0	161	161	مصر	12
12	Bahrain	180	132	175	139	▲ 7	162	169	البحرين	12
12	Algeria	153	152	102	174	▲ 2	163	165	الجزائر	12
15	Iraq	129	162	166	169	▼ (3)	166	163	العراق	15
16	Mauritania	141	185	174	177	▼ (1)	177	176	موريتانيا	16
17	Libya	144	183	159	182	▲ 1	179	180	ليبيا	17
18	Somalia	153	187	188	163	▲ 5	182	187	الصومال	18
19	Yemen	174	194	193	166	▼ (1)	190	189	اليمن	19
20	Syria	189	178	194	192	▼ (1)	192	191	سوريا	20
Arab Average		154	146	151	116	▲ 1	145	146	المتوسط العربي	
Number of Countries		194	194	194	194		194	194	عدد الدول بالمؤشر	

Section One: Investment Climate Changes in Arab Countries for 2023

Third: Legislative and regulatory environment indicators

1-3-8 Future Possibilities Index

- According to the first edition of the Future Possibilities Index report for 2024, issued by Vantage Research and Horizon Group for 70 countries, the average of 10 Arab countries stood in the 53rd position to be below the global average.
- Only the UAE had a better ranking than the global average in the index in 2024, coming 23rd among 70 developing and emerging economies thanks to its high capability of capitalizing on prosperity economy.
- Saudi Arabia came second among Arab countries (36th globally), followed by Egypt third among Arab countries (52nd globally), Oman (54th globally), Jordan, Kuwait, Morocco, Tunisia and Algeria respectively between 56th and 68th.
- In core capacity, state infrastructure, regulations, policies, legislation and talents and institutions, the UAE led the Arab ranking and came ninth globally, followed by Saudi Arabia as second in the Arab ranking and 29th globally and Bahrain (38th globally).
- Regarding the Arab ranking in the six components to measure the state's basic capabilities, the Arab ranking achieved the best level in government vision and talent, but it came late in business effectiveness and innovation.

UAE led Arab countries in Future Possibilities Index and ranked 23rd globally, followed by Saudi Arabia, Egypt and Bahrain

الترتيب العالمي للدول العربية في مؤشر الفرص المستقبلية ومكوناته الفرعية لعام 2024

The global Ranking of Arab Countries in The Future Possibilities Index and its Sub-Components for 2024

Arab Ranking 2024	Country	(6) ديناميات السوق Market Dynamics	(5) البيئة المناسبة للأعمال Business-Friendliness	(4) المواهب Talent	(3) الابتكار Innovation	(2) التكنولوجيا Technology	(1) الرؤية الحكومية Government Vision	القدرة الأساسية Core Capacity	الترتيب العالمي 2024	الدولة	الترتيب العربي 2024
1	UAE	14	25	3	19	8	2	9	23	الإمارات	1
2	Saudi Arabia	34	44	34	27	23	4	29	36	السعودية	2
3	Egypt	55	65	62	43	60	25	59	52	مصر	3
4	Bahrain	28	39	32	63	42	12	38	53	البحرين	4
5	Oman	50	45	35	52	47	13	43	54	سلطنة عمان	5
6	Jordan	60	64	33	54	59	23	55	56	الأردن	6
7	Kuwait	40	46	45	65	44	33	48	59	الكويت	7
8	Morocco	56	60	52	55	58	45	58	61	المغرب	8
9	Tunisia	66	63	51	58	56	61	61	63	تونس	9
10	Algeria	70	67	61	66	65	50	67	68	الجزائر	10
Arab Average		47	52	41	50	46	27	47	53	المتوسط العربي	
Number of Countries		70	70	70	70	70	70	70	70	عدد الدول بالمؤشر	

Future Possibilities Index (FPI): The FPI's first report was released in January 2024 by Vantage Research and Horizon Group. It investigates six major trends that are opening up new possibilities. It looks at the factors that decide how prepared a country is and its ability to take advantage of these trends. It monitors new possibilities in six future sectors worth over \$44 trillion by 2030. It covers 70 countries, including 10 Arab ones, representing over 90% of global GDP.

These six global trends are the Exabyte Economy, the Wellbeing Economy, the Net Zero Economy, the Circular Economy, the BioGrowth Economy and the Experience Economy. Its primary objective is to assess each country's ability to capitalize on the six identified trends. This assessment revolves around three key readiness areas: Government Strategy and Policy, Industry Strength and Core Capacity.

Source :Horizon Group & Vantage Research

Section One: Investment Climate Changes in Arab Countries for 2023

Third: Legislative and regulatory environment indicators

1-3-9 World Competitiveness Ranking

Better average ranking of Arab countries listed in World Competitiveness Ranking for 2023

- The ranking of the seven Arab countries listed in the IMD World Competitiveness Ranking for 2023 advanced by two places to exceed the global average.
- All Arab countries listed in the index advanced during 2023 (except Kuwait that was only listed in 2023). Saudi Arabia led the list by jumping by seven places, buoyed its strong economic and financial performance and business legislation improvement.
- The UAE dominated the Arab list and ranked among the world's top 10 competitive economies during 2023, followed by Qatar (12th globally), Saudi Arabia (17th) and Jordan last in the Arab ranking and 54th globally.
- In the index's main pillars, the six countries recorded the best ranking in government efficiency and economic performance, but declined in infrastructure.
- The UAE dominated in economic performance and infrastructure, as Qatar gained in government efficiency and business efficiency.

UAE, Qatar and Saudi Arabia listed among the world's top 20 competitive economies in 2023

Saudi Arabia jumps by seven places, Qatar by six and Bahrain by five in 2023

الدول العربية في التصنيف العالمي للتنافسية لعام 2023

Arab Countries in the IMD World Competitiveness Ranking for 2023

Arab Ranking 2023	Country	(4) البنية التحتية Infrastructure	(3) كفاءة الأعمال Business Efficiency	(2) الكفاءة الحكومية Government Efficiency	(1) الأداء الاقتصادي Economic Performance	التغير Change	الترتيب العالمي Global Rank 2023	الترتيب العالمي Global Rank 2022	الدولة	الترتيب العربي 2023
1	UAE	26	16	8	4	▲ 2	10	12	الإمارات	1
2	Qatar	33	12	4	5	▲ 6	12	18	قطر	2
4	Saudi Arabia	34	13	11	6	▲ 7	17	24	السعودية	4
3	Bahrain	37	22	20	23	▲ 5	25	30	البحرين	3
6	Kuwait	49	42	26	19	....	38	....	الكويت	6
7	Jordan	53	36	41	63	▲ 2	54	56	الأردن	7
Arab Average		39	24	18	20	▲ 2	26	28	المتوسط العربي	
Number of Countries		64	64	64	64		64	63	عدد الدول بالمؤشر	

Published since 1989 by the World Competitiveness Center (IMD), the report provides extensive coverage of 67 global economies and is a worldwide reference on the competitiveness of economies.

The report focuses on countries' ability to preserve a competitive institutional environment and is based on four key pillars, with each pillar covering five sub-pillars (a total of 20 sub-pillars).

Economic Performance; its sub-pillars cover local economy, foreign trade, international investment, employment and prices.

- Government efficiency; it covers public finance, tax policy, institutional framework, trade legislation and societal framework.
- Business efficiency: it comprises production and sufficiency, labor market, finance, administrative practices, positions and values.
- Infrastructure: it covers basic infrastructure, technological infrastructure, scientific infrastructure, health and environment, and education.

The pillars highlight all analyzed fields, covering 330 competitive indicators. Each sub-pillar has the same weight in the final results of the rating irrespective of the number of each pillar's sub-indicators.

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Factors

1-4-1 Global Sustainable Competitiveness Index (1)

The ranking of 19 Arab countries listed in UNDP Global Sustainable Competitiveness Index, which monitors all UNDGs, stood at 107th place between 2022 and 2023, to be below the global average.

The global ranking in the composite index:

- The UAE ranked better than the global average, as nine Arab countries ranked better than the Arab average; notably four GCC countries, Morocco, Jordan, Palestine, Tunisia and Algeria.
- Only Jordan advanced in the index during 2023 by jumped by seven places from 131st in 2022 to 124th globally in 2023. Mauritania stood at 168th in 2022 and 2023
- Seventeen Arab countries nosedived in the index in 2023, led by Saudi Arabia that fell by 24 places, then Egypt 23 places and Tunisia 21 places.
- Somalia was added to the listed Arab countries in 2023.
- The UAE retained the Arab lead in 2023 and ranked 84th globally, followed by Morocco (120th), Jordan (124th globally), Saudi Arabia (126th globally) and Qatar (129th globally). The conflict-hit Arab countries were at the tale end of both Arab and global levels.

The global ranking in sub-indicators:

- Arab countries made their best average in intellectual capital and innovation thanks to eight countries' better ranking than the global average. Morocco, Saudi Arabia and the UAE were the leaders. This reflects their efforts in education, research and development.
- Arab countries achieved their second best ranking in social capital, but it incurred the worst ranking in economic sustainability and natural capital owing to the decline in most Arab countries' ranking.
- The UAE topped the Arab ranking in social capital and governance, as Saudi Arabia came first in natural capital, Morocco in intellectual capital, Palestine and Yemen in economic sustainability and resource efficiency and intensity.
- Strikingly, Jordan, Palestine, Tunisia, Algeria, Djibouti, Yemen and Somalia were better than the global average in at least one of the sub-indicators in 2023.

Published by SolAbility Sustainable Intelligence since 2012, the GSCI is the most comprehensive ranking of countries currently available and measures competitiveness of countries based on 189 measurable, quantitative indicators derived from reliable sources, such as the World Bank World Bank, the IM and various UN agencies. The 189 indicators are grouped into six sub-indexes: Natural Capital, Resource Efficiency & Intensity, Social Capital, Intellectual Capital, Economic Sustainability, and Governance Efficiency.

Natural Capital: given natural environment, including the availability of resources, and the level of the depletion of those resources.

Resource Efficiency & Intensity: the efficiency of using available resources as a measurement of operational competitiveness in a resource-constraint World.

Social Capital: health, security, freedom, equality and life satisfaction within a country.

Intellectual Capital & Innovation: the capability to generate wealth and jobs through innovation and value-added industries in the globalized markets.

Economic Sustainability: reflects the ability to generate wealth through sustainable economic development.

Governance Efficiency: results of core state areas and investments – infrastructure, market and employment structure, the provision of a framework for sustained and sustainable wealth generation.

Section One: Investment Climate Changes in Arab Countries for 2023



Fourth: Indicators of Production Elements

1-4-1 Global Sustainable Competitiveness Index (2)

Average Arab ranking in the index dipped by 10 places, compared with 2022

UAE led Arab countries in the index, ranked better than the global average during 2023 though it fell to 84th in 2023

الترتيب العالمي للدول العربية في مؤشر التنافسية المستدامة لعام 2023

The Global Ranking of Arab Countries in the Sustainable Competitiveness Index -2023

Arab Ranking 2023	Country	(6) الحوكمة Governance	(5) الاستدامة الاقتصادية Economic Sustainability	(4) رأس المال الفكري Intellectual Capital	(3) رأس المال الاجتماعي Social Capital	(2) كفاءة الموارد وكثافتها Resource Intensity	(1) رأس المال الطبيعي Natural Capital	التغيير Change	الترتيب العالمي Global Rank 2023	الترتيب العالمي Global Rank 2022	الدولة	الترتيب العربي 2023
1	UAE	44	110	60	24	176	161	▼ (7)	84	77	الإمارات	1
2	Morocco	102	121	54	150	128	131	▼ (11)	120	109	المغرب	2
3	Jordan	119	131	101	101	66	173	▲ 7	124	131	الأردن	3
4	Saudi Arabia	85	177	57	78	179	97	▼ (24)	126	102	السعودية	4
5	Qatar	109	166	65	54	156	168	▼ (7)	129	122	قطر	5
6	Palestine	118	80	66	121	126	182	▼ (6)	142	136	فلسطين	6
7	Oman	120	165	62	83	182	126	▼ (19)	148	129	سلطنة عمان	7
8	Tunisia	126	154	80	90	153	174	▼ (21)	151	130	تونس	8
9	Algeria	143	176	75	81	173	135	▼ (5)	152	147	الجزائر	9
10	Kuwait	112	182	118	72	169	156	▼ (6)	160	154	الكويت	10
11	Djibouti	158	129	136	176	56	151	▼ (12)	162	150	جيبوتي	11
12	Egypt	129	159	104	159	151	147	▼ (23)	164	141	مصر	12
13	Bahrain	145	141	100	110	163	162	▼ (1)	165	164	البحرين	13
14	Mauritania	131	156	171	130	127	134	▬ 0	168	168	موريتانيا	14
15	Yemen	185	181	153	175	8	164	▼ (2)	176	174	اليمن	15
16	Syria	177	185	124	162	149	120	▼ (1)	177	176	سوريا	16
17	Sudan	166	184	170	173	145	100	▼ (3)	180	177	السودان	17
18	Iraq	154	109	166	149	183	166	▼ (3)	181	178	العراق	18
19	Lebanon	153	175	160	95	178	181	▼ (11)	182	171	لبنان	19
20	Somalia	161	162	181	181	54	183	....	183	....	الصومال	20
Arab Average		132	152	110	118	136	151	▼ (10)	154	144	المتوسط العربي	
Number of Countries		184	184	184	184	184	184		184	184	عدد الدول بالمؤشر	

Source: SolAbility (Intelligence think-tank and Consultancy)

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Elements

1-4-2 Sustainable Development (1)

Average Arab ranking in Sustainable Development Index stabilized between 202 and 2023

The average Arab ranking involving 19 Arab countries in the UNDP General Index on Sustainable Development Goals, which monitors the progress of countries in achieving all 17 Sustainable Development Goals, stood at 17th between 2022 and 2023, remaining below the global average.

- Twelve Arab countries overstepped the Arab average during 2023, while Tunisia, Morocco, Algeria, Jordan, UAE and Egypt exceeded the global ranking.
- Nine Arab countries advanced during 2023, led by Morocco by 14 places, then Tunisia 11, Iraq 10, UAE and Egypt six each.
- Ten Arab countries declined in the index, mainly Yemen that lost 13 positions from 2022, followed by Bahrain and Oman nine, Kuwait and Algeria seven and Qatar six.
- Tunisia topped the Arab list (58th globally), followed by Morocco second in the Arab ranking (70th globally), Algeria (71st globally), Jordan fourth (77th globally), UAE and Egypt (79th and 81st globally respectively) in 2022.
- The last six countries: Syria, Mauritania, Djibouti, Sudan, Somalia and Yemen came late in both Arab and global rankings in 2022 and 2023, with most of them having been undergoing protracted tensions and conflicts.



الترتيب العالمي للدول العربية في مؤشر تحقيق أهداف التنمية المستدامة لعام 2023

The Global Ranking of Arab Countries in the SDGs Index for 2023

Arab Ranking 2023	Country	التغير Change	الترتيب العالمي Global Rank 2023	الترتيب العالمي Global Rank 2022	الدولة	الترتيب العربي 2023
1	Tunisia	▲ 11	58	69	تونس	1
2	Morocco	▲ 14	70	84	المغرب	2
3	Algeria	▼ (7)	71	64	الجزائر	3
4	Jordan	▲ 3	77	80	الأردن	4
5	UAE	▲ 6	79	85	الإمارات	5
6	Egypt	▲ 6	81	87	مصر	6
7	Oman	▼ (9)	90	81	سلطنة عمان	7
8	Saudi Arabia	▲ 2	94	96	السعودية	8
9	Lebanon	▲ 2	95	97	لبنان	9
10	Qatar	▼ (6)	100	94	قطر	10
11	Iraq	▲ 10	105	115	العراق	11
12	Kuwait	▼ (7)	108	101	الكويت	12
13	Bahrain	▼ (9)	111	102	البحرين	13
14	Syria	▼ (1)	130	129	سوريا	14
15	Mauritania	▼ (1)	133	132	موريتانيا	15
16	Djibouti	▲ 5	150	155	جيبوتي	16
17	Sudan	▼ (1)	160	159	السودان	17
18	Somalia	▼ (2)	162	160	الصومال	18
19	Yemen	▼ (13)	163	150	اليمن	19
Arab Average		□ 0	107	107	المتوسط العربي	
Number of Countries			166	163	عدد الدول بالمؤشر	

Index on Sustainable Development Goals: In September 2015, the UN General Assembly adopted the 2030 Agenda for Sustainable Development that includes 17 Sustainable Development Goals (SDGs). For the Goal Global ranking in the general index, it measures the overall performance of all 193 UN Member States, and states are classified according to their overall grades.

The total result measures the overall progress of the State towards achieving all 17 Sustainable Development Goals. The result can be interpreted as a percentage of achieving the goals, and grade 100 indicates that all sustainable development goals have been achieved.

The 17 sustainable development goals (SDGs) are: GOAL 1: No Poverty, GOAL 2: Zero Hunger, GOAL 3: Good Health and Well-being, GOAL 4: Quality Education, GOAL 5: Gender Equality, GOAL 6: Clean Water and Sanitation, GOAL 7: Affordable and Clean Energy, GOAL 8: Decent Work and Economic Growth, GOAL 9: Industry, Innovation and Infrastructure, GOAL 10: Reduced Inequality, GOAL 11: Sustainable Cities and Communities, GOAL 12: Responsible Consumption and Production, GOAL 13: Climate Action, GOAL 14: Life below Water, GOAL 15: Life on Land, GOAL 16: Peace and Justice Strong Institutions and GOAL 17: Partnerships.

Section One: Investment Climate Changes in Arab Countries for 2023



Fourth: Indicators of Production Elements

1-4-2 Sustainable Development (2)

Tunisia, Morocco, Algeria, Jordan, UAE and Egypt led Arab countries in the index in 2023

- At the level of the developed performance of Arab countries in the 17th development goals, most Arab countries faced major and obvious challenges in achieving the 2nd, 5th, 14th and 15th goals.
- The first goal of ending poverty direly needs sufficient data in Arab countries.
- The first and 13th goal of ending poverty and climate action are the most achieved goals in Arab countries.
- The sixth and 12th goals of clean water, and sanitation, responsible consumption and production are on track in Arab countries.
- The fifth goal of gender equality is stagnating in the Arab region.

أداء الدول العربية في أهداف التنمية المستدامة السبعة عشر خلال عام 2023

The performance of Arab countries in the seventeen sustainable development goals during 2023

Arab Ranking 2023	Country	الهدف الأول	الهدف الثاني	الهدف الثالث	الهدف الرابع	الهدف الخامس	الهدف السادس	الهدف السابع	الهدف الثامن	الهدف التاسع	الهدف العاشر	الهدف الحادي عشر	الهدف الثاني عشر	الهدف الثالث عشر	الهدف الرابع عشر	الهدف الخامس عشر	الهدف السادس عشر	الهدف السابع عشر	الدولة	الترتيب العربي في المؤشر 2023
		SDG1	SDG2	SDG3	SDG4	SDG5	SDG6	SDG7	SDG8	SDG9	SDG10	SDG11	SDG12	SDG13	SDG14	SDG15	SDG16	SDG17		
1	Tunisia	Green	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Tunisia	1									
2	Morocco	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Morocco	2
3	Algeria	Green	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Algeria	3									
4	Jordan	Green	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Jordan	4									
5	UAE	Green	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	UAE	5									
6	Egypt	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Egypt	6
7	Oman	Grey	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Oman	7									
8	Saudi Arabia	Green	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Saudi Arabia	8									
9	Lebanon	Green	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Lebanon	9									
10	Qatar	Grey	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Qatar	10									
11	Iraq	Grey	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Iraq	11									
12	Kuwait	Grey	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Kuwait	12									
13	Bahrain	Grey	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Bahrain	13									
14	Syria	Grey	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Syria	14									
15	Mauritania	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Mauritania	15
16	Djibouti	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Djibouti	16
17	Sudan	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Sudan	17
18	Somalia	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Somalia	18
19	Yemen	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yemen	19
20	Libya	Grey	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Libya	20									

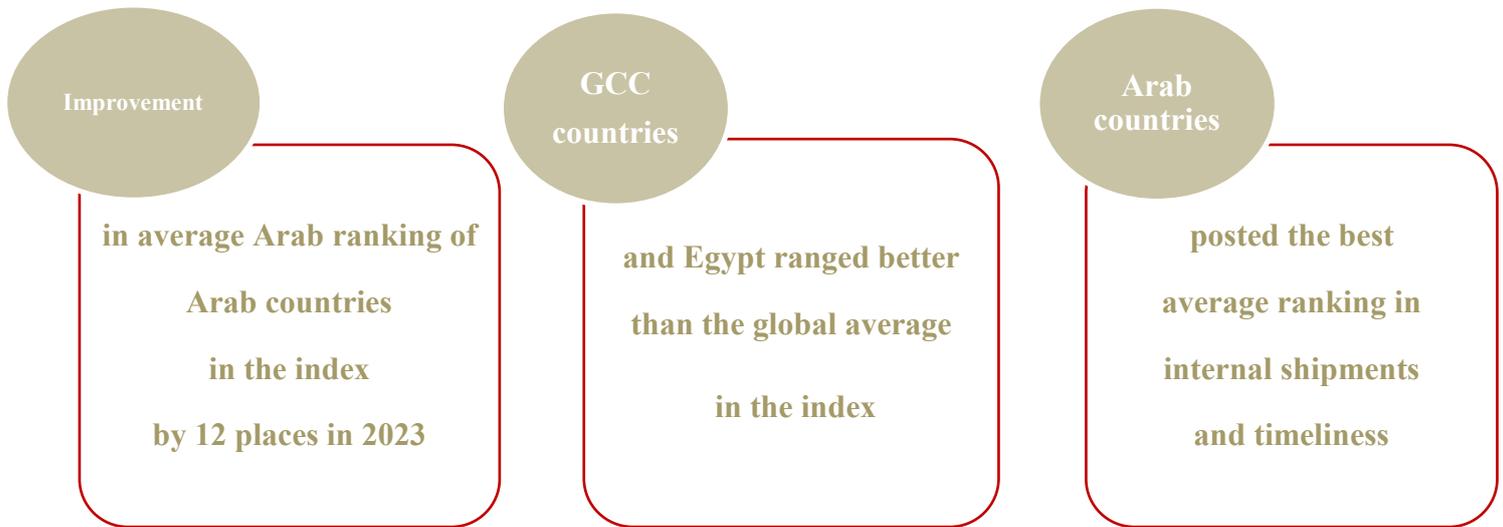
Green	Goal Achievement/ تحقق الهدف	↑	On track or maintaining achievement/ على المسار الصحيح أو الحفاظ على الإنجاز
Yellow	Challenges remain/ مازالت هناك تحديات	↔	Moderately Increasing/ زيادة معتدلة
Orange	Significant challenges/ تحديات واضحة	→	Stagnating/ ركود
Red	Major challenges/ تحديات كبيرة	↓	Decreasing/ تراجع
Grey	Insufficient data/ لا توجد بيانات كافية		

Source :United Nations Development Programme

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Elements

1-4-3 The Logistic Performance Index (1)



Based on the World Bank's data in April 2023 for 16 Arab countries in the Logistic Performance Index (LPI), issued three years after unprecedented supply chain disruptions during the Covid-19 pandemic, the general Arab average advanced by 12 positions to 83rd, compared with 2018. But, it remained below the global average.

- The GCC countries and Egypt ranked better than the global average in the index, as other countries were below the average between 79th place for Djibouti and 138th for Libya.
- Fourteen Arab countries improved in the index in 2023, compared with 2018, with Oman standing at 43rd globally and Qatar dropping by four places to 34th.
- The UAE came first at the Arab level and seventh worldwide in the index during 2023, advancing by four places, compared with 2018 thanks to the strong performance of its logistic service sector during the Covid-19 pandemic. The UAE enjoyed free and nonstop goods and service inflow.
- Qatar and Bahrain came second among Arab countries (34th globally), followed by Saudi Arabia (38th globally), Oman in the fifth Arab ranking (43rd globally), Kuwait and Egypt in the 51st and 57th places respectively during 2023.
- At the level of Arab performance in sub-indicators during 2023, they posted the best performance in international shipping and timeliness.
- Surprisingly Algeria and Djibouti were better than the global average in one of the sub-indicators, while Kuwait declined in timeliness.

Published by the World Bank every two years since 2007, the **LPI** measures a country's ability to get engaged in trade and global markets, or, in other words, a country's ability to transport goods across borders speedily and regularly. Covering 139 countries, the index measures how easy it is to create regular links across supply chains and the structural factors that make this possible, like logistic service quality, trade and freight infrastructure and border control. The World Bank's survey of 1,000 international freight forwarders is used.

The LPI is an interactive benchmarking tool created to help countries identify the challenges and opportunities they face in their performance on trade logistics and what they can do to improve their performance, based on the following six components: Efficiency of customs, the quality of trade and transport infrastructure, ease of arranging competitively priced shipments, competence and quality of logistics services—trucking, forwarding, customs brokerage, tracking and tracing and timeliness.

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of production elements

1-4-3 The Logistic Performance Index (2)

Iraq, Bahrain, Algeria, Saudi Arabia, Libya,
Syria and Kuwait top gainers
in the index in 2023

UAE led the Arab level in all sub-indicators, and
Qatar advanced in logistic efficiency, Bahrain
in timeliness and Oman in tracking and tracing

الترتيب العالمي للدول العربية في مؤشرات أداء الخدمات اللوجيستية لعام 2023

The Global Ranking of Arab Countries in the Logistic Performance Index 2023

Arab Ranking 2023	Country	(6) الالتزام بالوقت Timeliness	(5) التتبع والتعقب Tracking & tracing	(4) الكفاءة اللوجستية Logistics competence	(3) الشحن الدولي International shipments	(2) البنية التحتية Infra-structure	(1) الأداء الجمركي Customs	التغير Change	الترتيب العالمي Global Rank 2023	الترتيب العالمي Global Rank 2018	الدولة	الترتيب العربي 2023
1	UAE	4	11	11	4	9	14	▲ 4	7	11	الإمارات	1
2	Qatar	46	34	14	47	19	43	▼ (4)	34	30	قطر	2
2	Bahrain	10	41	46	47	30	31	▲ 25	34	59	البحرين	2
4	Saudi Arabia	35	37	46	38	30	47	▲ 17	38	55	السعودية	4
5	Oman	76	20	53	26	47	47	■ 0	43	43	سلطنة عمان	5
6	Kuwait	101	49	65	43	30	37	▲ 12	51	63	الكويت	6
7	Egypt	35	72	65	43	55	59	▲ 10	57	67	مصر	7
8	Djibouti	35	87	76	102	108	74	▲ 11	79	90	جيبوتي	8
9	Algeria	116	98	126	57	125	101	▲ 20	97	117	الجزائر	9
10	Sudan	109	117	110	111	108	120	▲ 6	115	121	السودان	10
10	Iraq	87	105	126	102	118	120	▲ 32	115	147	العراق	10
12	Syria	124	117	126	121	118	110	▲ 15	123	138	سوريا	12
12	Mauritania	101	98	103	128	130	120	▲ 12	123	135	موريتانيا	12
14	Yemen	101	117	92	139	132	137	▲ 8	132	140	اليمن	14
15	Somalia	133	136	139	111	132	139	▲ 7	137	144	الصومال	15
16	Libya	137	136	138	135	138	133	▲ 16	138	154	ليبيا	16
	Arab Average	78	80	84	78	83	83	▲ 12	83	95	المتوسط العربي	
	Number of Countries	139	139	139	139	139	139		139	160	عدد الدول بالمؤشر	

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Elements

1-4-4 World Energy Trilemma Index (1)

Decline

in the Arab ranking in Trilemma Index by six places over the falling ranking of all countries, except Qatar, in 2023

GCC countries

posted a better ranking than the global average between 33rd and 44th

According to World Energy Council's data on the global ranking of 126 countries in the World Energy Trilemma Index including 14 Arab countries during 2023, the Arab ranking dropped by six places in 2024 due to a fall in all Arab countries, except Qatar which jumped by 11 places to third among Arabs and 40th globally 51st.

- The average Arab ranking was five positions behind the global average.
- The GCC countries were better than the global average in the index in 2023, and Egypt was better than the Arab average. Other countries were below both Arab and global levels, ranked between 55th for Algeria and 87th for Mauritania.
- The UAE came first among Arabs (3th globally), then Saudi Arabia (38th globally), Qatar third among Arabs (40th globally), Kuwait fourth (41st globally), Bahrain (fifth at the Arab level and 43rd globally) and Oman sixth (51st globally).
- Thirteen Arab countries dipped in the index, with Bahrain, Iraq and Mauritania falling by 11 positions in 2023. Qatar jumped by 11 positions in 2023.
- At the level of sub-indicators: the Arab countries maintained their best average in energy equity, (beyond the global average), as UAE, Qatar and Kuwait came first. Oman and Bahrain came fourth and fifth respectively.
- Arab countries reported the second best average ranking during 2023 in energy security, but fell in environment sustainability in 2022 and 2023.
- Jordan retained its dominance in environment sustainability to reach 65th globally. Bahrain led the Arabs in energy security (54th globally).
- Surprisingly, Qatar, Bahrain, Kuwait, Iraq and Oman declined in the Arab ranking in environmental sustainability in 2023 in spite of efforts in this field, while Lebanon advanced in energy equity in the last three years despite its ongoing economic crises.

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Elements

1-4-4 World Energy Trilemma Index (2)

الترتيب العالمي للدول العربية في مؤشر الطاقة العالمي ومكوناته الفرعية لعام 2023

The Global Ranking of Arab Countries in the World Energy Trilemma Index and its Sub-components - 2023

Arab Ranking 2023	Country	(3) الاستدامة البيئية Environmental sustainability	(2) المساواة في الطاقة Energy equity	(1) أمن الطاقة Energy security	التغير Change	الترتيب العالمي Global Rank 2023	الترتيب العالمي Global Rank 2022	الدولة	الترتيب العربي 2023
1	UAE	109	1	63	▼ (4)	30	26	الإمارات	1
2	Saudi Arabia	117	13	60	▼ (5)	38	33	السعودية	2
3	Qatar	124	1	62	▲ 11	40	51	قطر	3
4	Kuwait	122	1	56	▼ (7)	41	34	الكويت	4
5	Bahrain	123	5	54	▼ (11)	43	32	البحرين	5
6	Oman	119	4	81	▼ (3)	44	41	سلطنة عمان	6
7	Egypt	98	59	55	▼ (3)	54	51	مصر	7
8	Algeria	105	51	67	▼ (6)	55	49	الجزائر	8
9	Tunisia	81	64	78	▼ (7)	57	50	تونس	9
10	Morocco	83	71	93	▼ (8)	62	54	المغرب	10
11	Jordan	65	82	104	▼ (9)	66	57	الأردن	11
12	Lebanon	67	48	126	▼ (9)	68	59	لبنان	12
13	Iraq	120	57	117	▼ (11)	78	67	العراق	13
14	Mauritania	118	107	89	▼ (11)	87	76	موريتانيا	14
Arab Average		104	40	79	▼ (6)	55	49	المتوسط العربي	
Number of Countries		126	126	126		126	126	عدد الدول بالمؤشر	

World Energy Trilemma Index: Issued by the World Energy Council and ranks more than 120 countries according to their ability to provide sustainable energy in three dimensions:

Energy security: Measures a state's ability to reliably meet current and future energy demand, withstand shocks with minimal supply disruptions.

Energy equity: Assesses a state's ability to provide energy at a moderate cost, i.e. accessibility and affordability, including electricity, gas and fuel for local and commercial use.

Environmental sustainability: The environmental sustainability of energy systems represents a transition of the energy system towards mitigating and avoiding environmental damage and the effects of climate change, focusing on productivity, efficiency of generation, transportation, distribution, carbon removal and air quality.

A state's total degree is set by the weighted average of dimensional degrees on a scale from A (the best) to D (the worst).

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Elements

1-4-5 Global Energy Transition Index



Average ranking of 13 Arab countries in the index declined due to reliance on oil revenues

- Based on the recent report of the World Economic Forum (WEF) on energy transition, the average of 13 Arab countries listed in the index dropped by two positions to remain below the global average owing to slow energy transition in Middle East amid geopolitical volatility, global energy crisis and reliance on oil revenues, posing a challenge to sustainable energy transition.
- Only Morocco, Saudi Arabia and Qatar were better than the global average in the index in 2023, while the UAE, Jordan and Egypt were better than the Arab average.
- Four oil-exporting countries, Tunisia, Lebanon and Yemen came below both Arab and global averages.
- The global ranking of seven Arab countries advanced in the index in 2023, topped by Morocco which jumped by eight positions to 56th globally, then Kuwait by five positions, Tunisia four, Saudi Arabia and Lebanon three each, and Egypt and Algeria two each.
- The ranking of five Arab countries declined in the index; including Jordan (15), Oman, UAE, Bahrain and Qatar by 14, 13, 7 and 6 positions respectively.
- Morocco led the Arab level and ranked 56th globally, with its renewable energy quota having hit 37percent of power production capabilities.
- Saudi Arabia came second among Arabs (57th globally), followed by Qatar (59th globally), Jordan fourth in the Arab ranking (63th globally), Jordan fifth (71st globally) and Egypt sixth (79th globally).

ترتيب الدول العربية في مؤشر تحول الطاقة العالمي 2022-2023

Global Ranking of Arab Countries in the Global Energy Transition Index, 2022-2023

Arab Ranking 2023	Country	التغير Change	الترتيب العالمي Global Rank 2023	الترتيب العالمي Global Rank 2022	الدولة	الترتيب العربي 2023
1	Morocco	▲ 8	56	64	المغرب	1
2	Saudi Arabia	▲ 3	57	60	السعودية	2
3	Qatar	▼ (6)	59	53	قطر	3
4	UAE	▼ (13)	63	50	الإمارات	4
5	Jordan	▼ (15)	71	56	الأردن	5
6	Egypt	▲ 2	79	81	مصر	6
7	Algeria	▲ 2	86	88	الجزائر	7
8	Tunisia	▲ 4	89	93	تونس	8
9	Oman	▼ (14)	90	76	سلطنة عمان	9
10	Kuwait	▲ 5	102	107	الكويت	10
11	Bahrain	▼ (7)	110	103	البحرين	11
12	Lebanon	▲ 3	112	115	لبنان	12
13	Yemen	....	120	120	اليمن	13
Arab Average		▼ (2)	84	82	المتوسط العربي	
Number of Countries			120	120	عدد الدول بالمؤشر	

Global Energy Transition Index: Issued by the WEF in its annual report on energy transition, the index measures the current energy systems of 120 countries around the world. Its five equal components come as follows:

- Justice and inclusiveness: it includes indicators of access to energy, affordability of energy costs, and economic growth.
- Security: it includes supply security, steadfastness and credibility.
- Sustainability: it measures energy efficiency, easing greenhouse gases and clean energy.
- Regulatory framework and investment: it consists of indicators of regulations and political commitment, finance and investment.
- Enablers: it embraces education, human capital, innovation and infrastructure.

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Elements

1-4-6 Global Digital competitiveness Index

A slight drop of six Arab countries in the index in 2023

UAE, Qatar and Saudi Arabia lead the Arab ranking thanks to digital transition policy and support for innovation and digital initiatives

- Based on the ranking of 64 countries in the Global Digital competitiveness Index for 2023, issued by World Competitiveness Center, the average ranking of six Arab countries slightly fell and remained below the global average.
- Three Gulf countries were better than the global average in the index in 2023, as Bahrain, Kuwait and Jordan fell short of both global and Arab averages
- The global ranking of three Arab countries advanced, led by Saudi Arabia that jumped by five places to 30th globally, then came Jordan (3 places) and UAE (one place. Bahrain declined by six places and Qatar three. Kuwait was listed in 2023.
- UAE dominated the Arab level and was ranked 12th globally in the index in 2023 thanks to digital transition policy and support for innovation and digital initiatives in both public and private sectors.
- Qatar was ranked second among Arabs (29th globally), followed by Saudi Arabia (30th globally), Bahrain fourth among Arabs (38th globally), Kuwait fifth (41st globally) and Jordan 50th globally.
- In sub-indicators, the first six countries posted the best average in talent, technological framework, regulatory framework and business agility, but fell in scientific concentration.

الترتيب العالمي للدول العربية في مؤشر التنافسية الرقمية العالمي ومكوناته الفرعية لعام 2023

Ranking of Arab Countries in the Global Digital Competitiveness Index and its Sub-Components for 2023

Arab Ranking 2023	Country	(3) الاستعداد المستقبلي Future Readiness			(2) التكنولوجيا Technology			(1) المعرفة Knowledge			التغيير Change	الترتيب العالمي Global Rank 2023		الدولة	الترتيب العربي 2023
		تكملة تكنولوجيا المعلومات IT Integration	مرونة قطاع العمل Business Agility	السلوك التكيفي Adaptive Attitudes	الإطار التكنولوجي Technological Framework	رأس المال Capital	الإطار التنظيمي Regulatory Framework	التركيز العلمي Scientific Concentration	التدريب والتعليم & Training Education	الموهبة Talent		2023	2022		
1	UAE	26	31	14	3	17	8	51	25	1	▲ 1	12	13	الإمارات	1
2	Qatar	27	11	33	18	22	23	60	51	10	▼(3)	29	26	قطر	2
3	Saudi Arabia	29	25	32	36	9	14	55	30	19	▲ 5	30	35	السعودية	3
4	Bahrain	50	32	49	14	47	29	34	55	15	▼(6)	38	32	البحرين	4
5	Kuwait	40	47	36	25	40	44	35	53	43	...	41	-	الكويت	5
6	Jordan	46	29	53	54	44	42	63	50	38	▲ 3	50	53	الأردن	6
Arab Average		36	29	36	25	30	27	50	44	21	▼(1)	33	32	المتوسط العربي	
Number of Countries		64	64	64	64	64	64	64	64	64		64	63	عدد الدول بالمؤشر	

Global Digital competitiveness Index: it is issued by World Competitiveness Center since 2017 and measures the ability and readiness of 64 world economies to adopt and explore digital technologies as drivers for economic transformation in public and business sectors and society.

It consists of three main pillars, with each pillar being divided into three sub-pillars which include 54 indicators. Each sub-pillar has the same weight of the combined results of countries' rating in the composite index. The three pillars are:

1. Knowledge: involving talent, training and education, and scientific concentration
2. Technology: including regulatory framework, capital and technological framework
3. Future readiness: including adaptive attitude, business agility and information technology.

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Elements

1-4-7 Global Innovation Index (1)



Stable average ranking of 13 Arab countries in Global Innovation Index in 2023

Tunisia topped the Arab level in knowledge and technology and ranked 50th globally

Of 132 countries covered by World Intellectual Property Organization's Global Innovation Index, the average ranking of 14 Arab countries listed in the index stood at 75th and remained below the global average.

The global ranking in the general index:

- Eight Arab countries surpassed the average Arab ranking in the index in 2023, while only UAE, Saudi Arabia, Qatar and Kuwait surpassed the average global ranking.
- Six Arab countries advanced in global innovation, Bahrain (five places), Egypt and Saudi Arabia (three each) and Qatar (two).
- Five Arab countries declined in the index; Tunisia (6 places), Algeria (four), Morocco (three), Kuwait (two) and UAE (one).
- The UAE retained the Arab lead (32nd globally), then Saudi Arabia second in the Arab world (48th globally), Qatar third among Arabs (50th globally), Kuwait fourth (64th globally) and Bahrain fifth (67th globally).
- Lebanon was relisted among the 132 countries included in the index in 2023, as Iraq and Yemen were excluded.

The global ranking in sub-indices:

- Arab countries retained their best ranking in human capital and research in 2023, then in institutions, infrastructure, and market sophistication.
- The average Arab ranking in business sophistication declined compared to other sub-indicators, and only UAE and Saudi Arabia were ranked better than the global average in the index.
- The UAE was ranked first in the Arab world in six sub-indices in 2023 and posted the best global ranking in institutions (10th globally), infrastructure (15th globally), human capital (16th globally), market sophistication (23rd globally) and business sophistication (25 globally) and creative output (50th globally).

WIPO's Global Innovation Index provides detailed measures of innovative performance in 132 countries representing 94% of the world's population and 99% of global GDP with purchasing power parity. The index is based on two sub-indicators:

- **Innovation inputs Sub-index:** It consists of five pillars of the national economy that promote innovative activities:
 1. Institutional environment: includes political, legal and business environments.
 2. Human capital and research: includes education and research and development spending.
 3. Infrastructure: Includes communications and information technology.
 4. Market position: includes finance, investment and trade.
 5. Business environment: includes knowledge and innovation.
- **Innovation Output Sub-Index:** Measures real evidence of innovation results that include two pillars: knowledge, technological and creative outputs. The output index has the same weight as the input index in the overall calculation. The pillars consist of individual indicators, with a total of 81 variables covering many economic, political, education, infrastructure and business development areas.

- Tunisia topped the Arab average in knowledge and technology output and came 50th globally.
- Surprisingly, Lebanon, Jordan and Morocco advanced in at least one sub-indicator of the index in 2023.

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Elements

1-4-7 Global Innovation Index (2)



UAE ranked 1st in Arab ranking, 32nd in global ranking in 2023 and tops six sub-indicators

UAE, Saudi Arabia, Qatar and Kuwait exceed global average in 2023

الترتيب العالمي للدول العربية في مؤشر الابتكار العالمي ومكوناته الفرعية لعام 2023

The Global Ranking of Arab Countries in the Global Innovation Index and its Sub-Components for 2023

Arab Ranking	Country	(7) المخرجات الإبداعية Creative outputs	(6) مخرجات المعرفة والتكنولوجيا Knowledge and technology outputs	(5) تطوير الأعمال Business sophistication	(4) تطوير السوق Market sophistication	(3) البنية التحتية Infra-structure	(2) رأس المال البشري والبحث Human capital and research	(1) المؤسسات Institutions	التغيير Change	الترتيب العالمي Global Rank 2023	الترتيب العالمي Global Rank 2022	الدولة	الترتيب العربي
1	UAE	50	59	23	25	15	16	10	▼ (1)	32	31	الإمارات	1
2	Saudi Arabia	66	68	45	28	48	35	45	▲ 3	48	51	السعودية	2
3	Qatar	65	82	73	44	39	54	23	▲ 2	50	52	قطر	3
4	Kuwait	64	73	103	62	46	55	86	▼ (2)	64	62	الكويت	4
5	Bahrain	98	74	92	78	37	77	28	▲ 5	67	72	البحرين	5
6	Oman	79	75	95	74	61	52	62	▲ 10	69	79	سلطنة عمان	6
7	Morocco	55	65	107	80	94	86	83	▼ (3)	70	67	المغرب	7
8	Jordan	75	76	70	53	87	82	51	▲ 7	71	78	الأردن	8
9	Tunisia	72	50	119	98	89	46	107	▼ (6)	79	73	تونس	9
10	Egypt	73	77	100	88	90	95	103	▲ 3	86	89	مصر	10
11	Lebanon	96	86	76	46	96	72	125	....	92	....	لبنان	11
12	Algeria	107	128	120	125	102	113	97	▼ (4)	119	115	الجزائر	12
13	Mauritania	131	115	108	130	124	119	89	▲ 2	127	129	موريتانيا	13
Arab Average		79	79	87	72	71	69	70	— 0	75	75	المتوسط العربي	
Number of Countries		132	132	132	132	132	132	132		132	132	عدد الدول بالمؤشر	

Source :World Intellectual Property Organization (WIPO)

Section One: Investment Climate Changes in Arab Countries for 2022

Fourth: Indicators of Production Elements

1-4-8 Global Knowledge Index (1)

Ranking of 12 Arab countries in Global Knowledge Index stood

at 70th globally for third year in a row

Based on the global ranking of 133 countries in the Global Knowledge Index in 2023, the average ranking of 12 Arab countries stood at 70th place in 2023.

The global ranking in the general index:

- The GCC countries surpassed both Arab and global ranking in the index over the last three years.
- The global ranking of five countries advanced in the index, led by Egypt which jumped by five places to 9th among Arabs and 90th globally, followed by Palestine (4 places), Saudi Arabia and Kuwait (3 places each) and Tunisia by one place.
- The ranking of seven Arab countries declined in the index during 2023; Oman by 12 places, Morocco (7), Qatar and Mauritania (two each), UAE, Bahrain and Jordan (one each).
- The GCC countries retained the Arab lead in the index; the UAE (26th globally), Qatar (39th globally), Saudi Arabia (40th globally), Kuwait (44th globally), Bahrain (66th globally) and Oman (56th globally).
- Since 2022, the index has covered 12 Arab countries, compared with 17 countries in 2021, as the data of Lebanon, Algeria, Iraq, Sudan, Yemen, Somalia, Syria, Djibouti and Libya was still unavailable.

The global ranking in sub-indicators:

- The average of Arab countries was better than the global one in vocational and technical education, ICT, pre-university education and economy.
- The Arab ranking declined in higher education, and only UAE and Qatar were better than the global average
- The UAE led the Arab ranking in four sub-indicators during 2023, ranked first in both Arab and world rankings in technical and vocational education. It also ranked second in economy (13th globally), ICT (14th globally) and research and development (28th globally).
- Qatar topped the Arab ranking in pre-university education, higher education and enabling environment 20th, 28th and 44th globally respectively.
- Unexpectedly, Palestine, Egypt and Tunisia were better than the global average in at least one of the sub-indicators in 2023.



- The Global Knowledge Index (GRI) has been released annually since 2017 and is the product of a joint initiative between UNDP and the Mohammed Bin Rashid Al Maktoum Knowledge Foundation to emphasize the strategic role of knowledge and its measurement tools. The index consists of seven basic elements: pre-university education, technical education and vocational training, higher education, ICT, Research, development and innovation, economy and enabling environment.
- It consists of five levels from high to low, mainly the general index that includes seven sub-indicators. Each sub-indicator is composed of a selected set of 155 variables.
- A 15 % weighting is set for each indicator of the first six sectors and 10% for each indicator related to enabling environment.
- It provides a systematic tool for guiding and informing policymakers, researchers, civil society and the private sector to collaborate on different aspects of policies to foster knowledge-based societies and bridge knowledge gaps.
- Given the variations in its use and meaning, the GKI aims to introduce a more systematic understanding of knowledge by breaking down the concept into its constituent components, thus recognizing the multidimensional nature of knowledge systems in all contexts and applications relating to economic and social structures.
- It aims to measure the multifaceted concept of knowledge. The concept is a fluid one, often linked to related concepts such as 'knowledge economy' or 'knowledge society'. It is also sometimes restricted to a narrow understanding that limits the focus to education or technology.

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Elements

1-4-8 Global Knowledge Index (2)

Global ranking of 5 Arab countries, mainly Egypt and Palestine, advance in Global Knowledge Index in 2023

Arab countries posted their best performance in technical and vocational education, but declined in higher education

الترتيب العالمي للدول العربية في مؤشر المعرفة العالمي ومكوناته الفرعية لعام 2023													
The Global Ranking of Arab Countries in the Global Knowledge Index and its Sub-components for 2023													
Arab Ranking	Country	(7)	(6)	(5)	(4)	(3)	(2)	(1)	التغيير Change	الترتيب العالمي Global Rank 2023	الترتيب العالمي Global Rank 2022	الدولة العربية	
		البيئة التمكينية Enabling Environment	الاقتصاد Economy	تكنولوجيا المعلومات والاتصالات Information and Communications Technology	البحث والتطوير والابتكار Research, Development and Innovation	التعليم العالي Higher Education	التعليم الفني والتدريب المهني Technical and Vocational Education	التعليم قبل الجامعي Pre-University Education					
1	UAE	45	13	14	28	47	1	36	▼ (1)	26	25	الإمارات	1
2	Qatar	44	25	58	47	28	62	20	▼ (2)	39	37	قطر	2
3	Saudi Arabia	73	39	19	28	70	40	57	▲ 3	40	43	السعودية	3
4	Kuwait	71	25	26	88	70	3	71	▲ 3	44	47	الكويت	4
5	Bahrain	75	40	33	101	102	21	68	▼ (1)	56	55	البحرين	5
6	Oman	90	54	48	92	86	50	52	▼ (12)	66	54	سلطنة عمان	6
7	Tunisia	86	86	81	72	87	76	55	▲ 1	81	82	تونس	7
8	Palestine	101	97	100	58	100	87	40	▲ 4	89	93	فلسطين	8
9	Egypt	114	85	85	89	94	46	80	▲ 5	90	95	مصر	9
10	Morocco	83	87	72	72	114	79	91	▼ (7)	92	85	المغرب	10
11	Jordan	82	69	92	82	105	109	92	▼ (1)	97	96	الأردن	11
12	Mauritania	126	119	116	102	132	129	126	▼ (2)	125	123	موريتانيا	12
Arab Average		83	62	62	72	86	59	66	■ 0	70	70	المتوسط العربي	
Number of Countries		133	133	133	133	133	133	133		133	132	عدد الدول بالمؤشر	

Source: UNDP & Mohammed bin Rashid Al Maktoum Knowledge Foundation

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Elements



1-4-9 Global Talent Competitiveness Index (1)

A slight advance in average Arab in the index in 2023

Based on the Global Talent Competitiveness Index report for 2023, issued by INSEAD, HCLI and Descartes Institute for the Future, the average ranking of 13 Arab countries slightly advanced in 2023.

The global ranking in the general index:

- The GCC countries continued to exceed the global ranking in the index in 2023.
- The global ranking of seven Arab countries advanced in the index in 2023, topped by Lebanon which jumped by seven places to 8th among Arabs and 77th globally, then Bahrain (5 places), UAE and Qatar (three), Jordan and Algeria (two places each) and Oman (one place)
- The ranking of six Arab countries dipped in the index in 2023; Saudi Arabia (5 places), Morocco (3 place), Egypt and Kuwait (two each) and Tunisia and Mauritania (one each)
- UAE retained the Arab lead in the index and ranked 22nd globally thanks to opening up to the outside world and continued efforts to attract talented people and apply innovative means to keep them (a relevant national strategy was adopted).
- Qatar came second among Arabs and (35th globally), then Bahrain (44th globally), Saudi Arabia 4th among Arabs (48th globally), Oman fifth among Arabs (59th globally) and Kuwait (63rd globally).

The global ranking in sub-indicators:

- Arab countries posted their best average ranking in two pillars: enabling talent and vocational and technical skills, then in attracting talent and developing talent.
- The Arab ranking declined in the pillar of retaining talent. UAE, Kuwait, Jordan and Oman were better than the global average in this pillar.
- The UAE led the Arab level in five pillars in 2023 and posted its best performance in the attracting talent pillar by coming fourth globally, then in developing talent (17th globally), enabling talent (23rd globally), global knowledge skills (32nd globally), and retaining talent (59th).
- Saudi Arabia led the Arab level in vocational and technical skills and ranked 20th globally,
- Unexpectedly, Egypt, Lebanon and Tunisia were better than the global average in one of the sub-pillars of the index despite their late ranking in sub-pillars of input indicator, compared with such better countries as Bahrain, Oman and Kuwait in 2023.

Global Talent Competitiveness Index (GTCI): The GTCI report has been released annually by INSEAD, the Business School for the World, since 2013. It is a comprehensive annual benchmarking report that measures how countries and cities grow, attract and retain talent.

It provides a quantitative tool for decision makers to understand the global talent competitiveness picture and develop strategies to boost their economies. The 2023 report covers 134 countries across all income groups, including 13 Arab countries. The quantitative model used is based on the following two sub-indicators:

- The sub-indicator of talent competitiveness input: It consist of four pillars that explain policies, resources and efforts enabling a country to boost its talent competitiveness. The first pillar reflects enabling (ability of regulatory and business data to create a suitable atmosphere for developing and growing talent. The three others define talent competitiveness. Pillar two is attracting talent, three developing talent and four retaining talent.
- The sub-indicator of talent competitiveness output: It aims to describe and measure a state's talent quality. It consists of two pillars that explain a certain state's current situation involving vocational and technical skills (pillar 5), knowledge skills (pillar 6). It is calculated through a simple average of degrees obtained in such two pillars.

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Elements



1-4-9 Global Talent Competitiveness Index (2)

Global ranking of 7 Arab countries, topped by Lebanon, advanced in the index in 2023

UAE leads the Arab level, ranked 22nd globally due to opening-up and continued efforts to attract and enable talent

الترتيب العالمي للدول العربية في مؤشر تنافسية المواهب العالمي لعام 2023

Ranking of Arab Countries in the The Global Talent Competitiveness Index 2023

Arab Ranking 2023	Country	المخرجات/Outputs		المدخلات/Inputs			التغير Change	الترتيب العالمي Global Rank 2023	الترتيب العالمي Global Rank 2022	الدولة	الترتيب العربي 2023	
		مهارات المعرفة العالمية Global Knowledge Skills	المهارات المهنية والفنية Vocational and Technical Skills	الحفاظ على المواهب Retain	تنمية المواهب Grow	جذب المواهب Attract						تمكين المواهب Enable
1	UAE	32	28	59	17	4	23	▲ 3	22	25	الإمارات	1
2	Qatar	65	21	77	32	23	28	▲ 3	35	38	قطر	2
3	Bahrain	63	56	69	30	29	46	▲ 5	44	49	البحرين	3
4	Saudi Arabia	57	20	80	53	39	48	▼ (5)	48	43	السعودية	4
5	Oman	85	59	64	56	61	49	▲ 1	59	60	سلطنة عمان	5
6	Kuwait	70	75	60	84	30	60	▼ (2)	63	61	الكويت	6
7	Jordan	80	78	61	85	77	45	▲ 2	70	72	الأردن	7
8	Lebanon	46	70	89	66	79	97	▲ 7	77	84	لبنان	8
9	Egypt	91	55	93	75	110	82	▼ (2)	88	86	مصر	9
10	Tunisia	59	107	75	94	121	77	▼ (1)	92	91	تونس	10
11	Morocco	90	117	101	109	108	79	▼ (3)	99	96	المغرب	11
12	Algeria	97	103	90	111	126	105	▲ 2	102	104	الجزائر	12
13	Mauritania	126	84	120	128	129	127	▼ (1)	126	125	موريتانيا	13
Arab Average		74	67	80	72	72	67	▲ 1	71	72	المتوسط العربي	
Number of Countries		134	134	134	134	134	134		134	133	عدد الدول بالمؤشر	

Source: INSEAD, (HCLI) & Descartes Institute for The Future

Section One: Investment Climate Changes in Arab Countries for 2023

Fourth: Indicators of Production Elements



1-4-10 Government AI Readiness Index (1)

**Average Arab ranking lost 10 places in Government AI Readiness Index in 2023
due to falling global average of 11 Arab countries**

Government AI Readiness Index report, issued by Oxford Insights for 2023, shows that the average ranking of 21 Arab countries, covered by the index, fell by 10 places between 2022 and 2023.

The global rating in the general index:

- The GCC, Jordan and Egypt led the Arab ranking in the Government AI Readiness Index in 2023.
- Eleven Arab countries were better than the global average in the index, as 10 others were below this average between 120th globally for Algeria and 192nd globally for Syria.
- The global ranking of six Arab countries advanced in the index in 2023, topped by Saudi Arabia which jumped by 10 places to 2nd among Arabs and 29th globally, followed by Jordan which jumped by eight places, UAE (4 places), Egypt (three) and Qatar and Oman (two each).
- The ranking of 11 Arab countries declined in the index in 2023, led by Libya by 24 places, then Mauritania (18) and Syria (12).
- UAE dominated the Arab ranking (18th globally) thanks to its efforts to allocate investments for AI apps and its strategies to hinge upon AI in services and data analysis by 100% by 2031.
- Saudi Arabia came second in the Arab ranking (29th globally), followed by Qatar (34th globally), Oman (50th globally) and Jordan (55th globally).

The global ranking pillars and dimensions:

- Arab countries posted their best ranking by being better than the global ranking in technology pillar.
- Arab countries declined to 112th in government pillar, to be below the global average.
- Saudi Arabia led the ranking in government pillar, UAE in technology and Qatar in data infrastructure.
- At the level of the 10 dimensions of the index, Arab

Government AI Readiness Index: Issued by Oxford Insights since 2017 and shows government readiness to introduce AI to government activities and public services.

It measures the readiness of 193 governments to use AI through 33 measures indicators across 10 dimensions, which make up three pillars:

- Government pillar: it consists of four dimensions: vision, governance and ethics, digital capacity and adaptability.
- Technology Sector pillar: it covers human capital, innovation capacity and maturity.
- Data & Infrastructure pillar: it includes data availability and representation and infrastructure.

The 33 indicators, which measure government AI readiness, include a national strategy, data and privacy protection laws, ICT, digital services, communication infrastructure, digital skills and entrepreneurship.

The final value of the index is calculated through the average of the 10 dimensions and the three key pillars from zero (the worst) to 100 (the best).

countries posted their average ranking in vision, innovation capacity and human capital, but it fell in adaptability, and governance and ethics.

- UAE led the Arab level in four dimensions in 2023; vision, digital capacity, innovation capacity and human capital.

- Saudi Arabia dominated the Arab level in four dimensions: adaptability, infrastructure data availability and vision. Qatar was in the lead in data representation and vision, while Kuwait led in maturity.

- Strikingly, Egypt dominated the global ranking in vision and first in the Arab ranking in governance and ethics.

Section One: Investment Climate Changes in Arab Countries for 2023



Fourth: Indicators of Production Elements

1-4-10 Government AI Readiness Index (2)

GCC countries, Jordan and Egypt led the Arab ranking in the index in 2023

Saudi Arabia dominated in government pillar, UAE in technology and Qatar in data and infrastructure

الترتيب العالمي للدول العربية في مؤشر الاستعداد الحكومي للذكاء الاصطناعي ومكوناته الفرعية لعام 2023

Global Ranking of Arab Countries in the Government AI Readiness Index and its Sub-Components for 2023

Arab Ranking 2023	Country	(10) تمثيل البيانات Data Representativeness	(9) توفر البيانات Data Availability	(8) البنية التحتية Infra-structure	البيانات والبنية التحتية Data and Infra-structure	(7) رأس المال البشري Human Capital	(6) القدرة على الابتكار Innovation Capacity	(5) النضج Maturity	قطاع التكنولوجيا Technology Sector	(4) القدرة على التكيف Adaptability	(3) السعة الرقمية Digital Capacity	(2) الحوكمة والأخلاقيات Governance and Ethics	(1) الرؤية Vision	الحكومة Government	التغيير Change	الترتيب العالمي Global Rank 2023	الترتيب العالمي Global Rank 2022	الدولة	الترتيب العربي 2023
1	UAE	6	59	22	26	1	20	34	16	53	3	41	1	20	▲ 4	18	22	الإمارات	1
2	Saudi Arabia	97	30	17	34	4	44	50	29	28	4	47	1	19	▲ 10	29	39	السعودية	2
3	Qatar	1	49	39	24	34	49	47	38	75	36	68	1	49	▲ 2	34	36	قطر	3
4	Oman	58	43	52	50	41	87	100	67	87	24	72	1	51	▲ 2	50	52	سلطنة عمان	4
5	Jordan	77	65	73	70	48	41	97	51	104	58	58	1	58	▲ 8	55	63	الأردن	5
6	Bahrain	52	39	49	41	61	80	51	59	57	27	84	66	63	▬ 0	56	56	البحرين	6
7	Egypt	74	128	119	114	39	45	111	55	117	71	32	1	54	▲ 3	62	65	مصر	7
8	Kuwait	38	44	54	44	45	98	39	53	101	89	86	80	96	▬ 0	69	69	الكويت	8
9	Lebanon	128	98	81	89	44	72	131	69	182	126	126	1	73	▼ (3)	76	73	لبنان	9
10	Tunisia	123	80	132	105	59	61	87	64	152	86	79	66	76	▼ (11)	81	70	تونس	10
11	Morocco	108	112	66	85	70	74	103	71	116	108	53	80	100	▼ (1)	88	87	المغرب	11
12	Algeria	138	109	125	123	85	82	151	100	137	107	127	80	132	▼ (9)	120	111	الجزائر	12
13	Iraq	148	117	173	148	187	29	125	107	188	185	166	66	136	▼ (2)	133	131	العراق	13
14	Palestine	156	151	82	126	126	46	122	93	181	145	165	80	172	....	134	....	فلسطين	14
15	Djibouti	113	159	156	152	104	118	96	104	149	156	185	80	177	▼ (11)	155	144	جيبوتي	15
16	Mauritania	169	158	155	171	142	172	141	155	167	180	136	80	167	▼ (18)	168	150	موريتانيا	16
17	Libya	164	108	192	167	189	33	115	113	190	191	184	80	190	▼ (24)	173	149	ليبيا	17
18	Sudan	143	177	176	174	125	108	186	148	173	184	182	80	184	▼ (8)	177	169	السودان	18
19	Somalia	171	190	184	185	166	158	173	177	179	173	176	80	181	....	183	....	الصومال	19
20	Yemen	190	187	191	192	83	58	178	97	191	148	153	80	176	▼ (9)	188	179	اليمن	20
21	Syria	190	181	188	191	93	84	178	112	189	175	190	80	187	▼ (12)	192	180	سوريا	21
	Arab Average	112	109	111	110	83	74	110	85	134	108	115	52	112	▼ (10)	107	97	المتوسط العربي	
	Number of Countries	191	193	193	193	193	193	193	193	193	193	193	193	193		193	181	عدد الدول بالمؤشر	

Source: Oxford Insight (Oxford University)



Section Two: FDI Projects into Arab Countries for 2023

This section focuses on monitoring greenfield or expanded FDI projects in the Arab countries during 2023, based on information in the database of the FDI Markets, issued by the Financial Times, which is one of the most important sources approved by the United Nations Conference on Trade and Development (UNCTAD) in monitoring the movement of investments across the world.

In this context, the status of projects is reviewed and analyzed across four key indicators: the number of foreign investment companies in the region, the number of implemented projects, the estimated capex of projects, and the number of new jobs created by these projects, in addition to the indexes of the average capex and average jobs per project.

The most important information on the geographical and sectoral distribution of these projects will also be extracted by presenting lists of the most important regions, countries and companies investing in the region, the most important projects implemented, the most important Arab countries and the economic sectors receiving these projects during 2023.

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Section Two: FDI Projects into Arab Countries for 2023

Evolution of FDI projects in Arab countries during 2003-2023

FDI projects in the Arab region rose by 20% to over 2,000 projects during 2023

Based on the database of the FDI Markets, affiliated to the Financial Times, greenfield FDI projects in Arab countries fluctuated in the last two years to exceed the pre-covid-19 mark, according to all indicators. 2023 saw the peak of number of projects and number of investing companies, while 2022 witnessed the peak of capex of projects, and 2008 saw the peak of jobs hitting 264.4 thousand.

At the level of developments during 2023, most indicators of greenfield FDI projects in Arab countries witnessed a remarkable hike, coming as follows:

- The number of greenfield FDI projects in the Arab region rose by 20.3% during 2023, making up around 12.1% of the world's overall greenfield projects.
- The capex of greenfield FDI projects went up by 11% to \$181 billion (roughly 13.6% of the world's capex of greenfield projects). A project's average capex increased by 26% to \$90 million during 2023, compared with \$122 million during 2022.
- The greenfield projects created more than 266,000 jobs (%8.1 of the global total), up 17.7% compared with 2022, an average of 113 jobs per project.

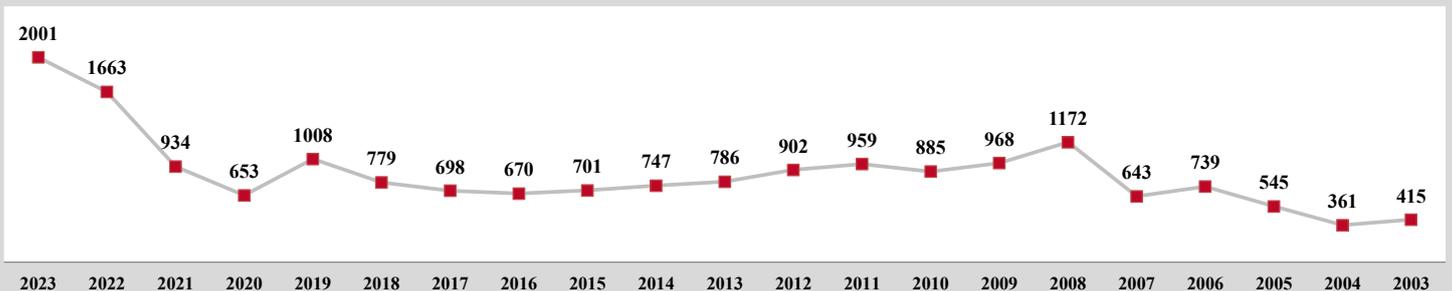
التطور السنوي لمشاريع الاستثمار الأجنبي المباشر في الدول العربية للفترة من 2003 إلى 2023

FDI Projects into Arab Countries from 2003 to 2023

متوسط الوظائف الوظائف Jobs Created (Avg)	عدد الوظائف Jobs Created	متوسط التكاليف Capex (Avg)	التكلفة الاستثمارية (المليون دولار) Capex (US\$ million)	عدد الشركات Companies	عدد المشاريع Number of Projects	السنة Year
160	66549	110.8	45965.5	356	415	2003
160	58011	156.9	56651.1	301	361	2004
200	109479	139.0	75754.5	454	545	2005
220	163115	152.0	112328.9	580	739	2006
163	105175	78.6	50543.9	557	643	2007
225	264464	142.9	167492.7	891	1172	2008
143	138580	109.9	106346.7	761	968	2009
129	115036	65.7	58154.3	710	885	2010
103	99011	59.7	57219.0	766	959	2011
105	95519	48.9	44112.4	689	902	2012
93	73666	63.6	50008.4	627	786	2013
125	94060	81.0	60531.3	602	747	2014
114	80207	60.4	42312.4	570	701	2015
149	100451	136.0	91113.8	563	670	2016
115	80610	97.6	68097.9	591	698	2017
160	125410	116.2	90557.3	650	779	2018
115	116693	64.4	64874.2	770	1008	2019
91	59438	53.8	35127.1	558	653	2020
87	81909	46.6	43542.6	777	934	2021
115	192855	122	202588.0	1,461	1663	2022
113	226898	90	181022.9	1,779	2001	2023
134	2447136	93	1704345	15013	18229	الإجمالي/ Total

تطور عدد مشاريع الاستثمار الأجنبي المباشر الجديدة في الدول العربية 2003-2023

Evolution of the Greenfield FDI projects in Arab countries 2003-2023



Source: FDI Markets

Section Two: FDI Projects into Arab Countries for 2023

Evolution of FDI projects in Arab countries for 2023

March saw peak of number of greenfield projects, capex and companies in the Arab region during 2023

- March saw the peak of most FDI indicators in 2023, as the number of greenfield FDI projects reached 227 FDI projects in the Arab region, making up roughly 11.3% of the total. The projects were carried out by 200 companies with capex of \$49 billion, representing 27.6% of the total.
- June saw the peak in number of jobs created by FDI projects in the Arab region, creating over 64,000 jobs representing 28.3%, in 2023.
- The capex reached its lowest in August, with around \$1.8 billion for 147 projects which created 9.9 thousand jobs.
- The average capex of a project peaked in December, hitting \$243 million per project, compared with \$12 million in August 2023, the lowest per project.
- The highest average of new jobs created by FDI projects in the Arab region during 2023 was recorded in June, with 301 jobs having been created. They recorded their lowest level in September with 45 jobs per project in 2023.

December recorded the highest capex per project in 2023, valued at \$243.1 million

All indicators rose

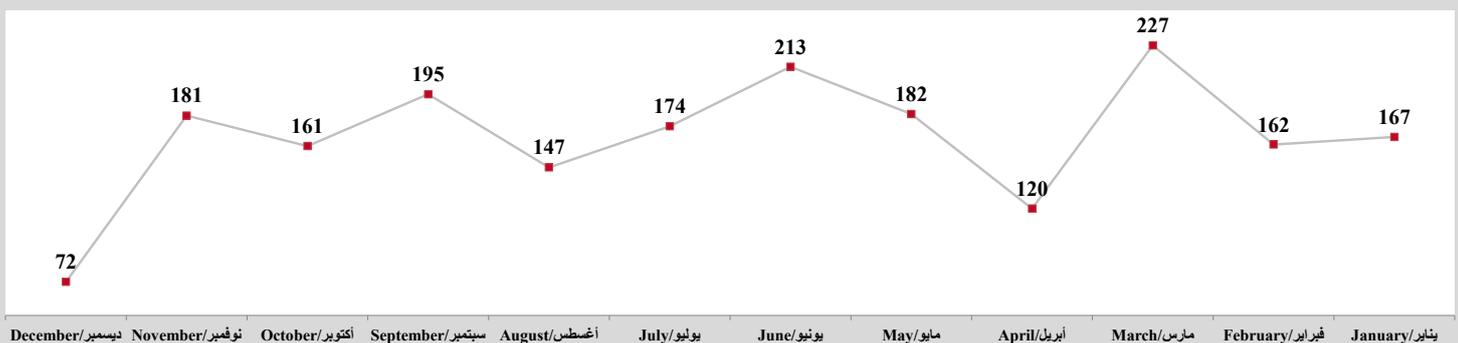
No. of projects	Capex	Jobs created	No. of investing
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التطور الشهري لمشاريع الاستثمار الأجنبي المباشر في الدول العربية لعام 2023
Monthly evolution of FDI projects into Arab Countries - 2023

Month	متوسط الوظائف Jobs created (Avg)	عدد الوظائف jobs created	متوسط التكاليف Capex (Avg)	التكلفة الاستثمارية بالمليون دولار Capex (USD m)	عدد الشركات companies	عدد المشاريع Number of projects	الشهر
January	93	15550	51.6	8611	151	167	يناير
February	62	10105	67.0	10850	155	162	فبراير
March	117	26727	220.2	49988	200	227	مارس
April	100	12115	62.7	7525	107	120	أبريل
May	113	20615	41.1	7481	173	182	مايو
June	301	64181	202.5	43133	195	213	يونيو
July	62	10932	16.6	2891	162	174	يوليو
August	67	9941	12.0	1757	135	147	أغسطس
September	45	8911	30.9	6033	177	195	سبتمبر
October	149	24111	118.1	19007	153	161	أكتوبر
November	65	11866	34.5	6243	173	181	نوفمبر
December	164	11844	243.1	17505	68	72	ديسمبر
Total	113	226898	90.5	181023	1779	2,001	المجموع

التطور الشهري لعدد مشاريع الاستثمار الأجنبي الجديدة في الدول العربية خلال عام 2023
Monthly evolution of FDI projects into Arab Countries during 2023



Source: FDI Markets

Section Two: FDI Projects into Arab Countries for 2023

Top source regions investing in Arab countries for 2023

- Western Europe continued to top the list of regions investing in Arab countries by 678 projects, representing 34% of the total greenfield projects in the region during 2023. They were executed by 615 companies with an estimated capex of over \$37.4 billion, making up 20.7% of the total. More than 60,000 jobs were created, accounting for 26.7%.
- Middle East was in the forefront as the biggest investor in view of the capex by over \$65 billion, representing 36% of the total (led by UAE). It ranked first in the average volume of projects with \$253 million, and third in new jobs, exceeding 25.7 thousand jobs. It came forth in number of projects and companies, with 258 projects and 207 companies, accounting for 13% and 11.6%, respectively, in 2023.
- Asia and Pacific came second as the most important source of projects in terms of the number and capex, by 535 projects or 27% and capex of \$64.8 billion or 35.8%. Asia and Pacific came on top in terms of number of jobs, with 9.8 thousand jobs, with a share of 43.1% of the total. The projects were carried out by 493 companies in 2023.
- North America ranked third in the number of projects, companies and capex by 340 projects or 17%, implemented by 340 companies with capex exceeding \$7 billion, and created over 19,000 jobs.

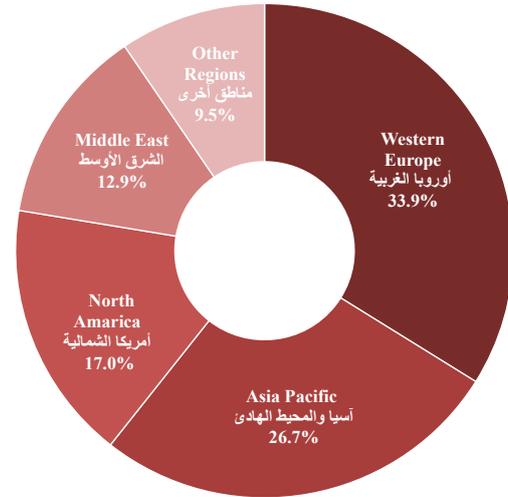
Western Europe

keeps leading as top region investing in the Arab world in projects and jobs, by 34% and 35% respectively

Middle East

Top investor in the Arab region in capex, with a value exceeding \$65 billion in 2023

مشاريع الاستثمار الاجنبي المباشر في الدول العربية وفق الاقاليم المستثمرة لعام 2023
FDI Projects into Arab Countries According to Source Regions-2023



أهم الأقاليم المستثمرة في المنطقة العربية خلال عام 2023 وفق عدد المشاريع

The Most Important Regions Investing in Arab Countries According to Number of Projects in 2023

Rank	Region	متوسط الوظائف Jobs created (Avg)	عدد الوظائف Jobs created	متوسط التكاليف (مليون دولار) Capex (Avg) (USD m)	التكلفة الاستثمارية (مليون دولار) Capex (USD m)	عدد الشركات Companies	عدد المشاريع Number of projects	الإقليم	الترتيب
1	Western Europe	90	60685	55.2	37415.5	615	678	أوروبا الغربية	1
2	Asia-Pacific	183	97795	121.1	64813.1	493	535	آسيا والمحيط الهادئ	2
3	North America	57	19262	20.4	6940.9	297	340	أمريكا الشمالية	3
4	Middle East	100	25761	252.9	65257.8	207	258	الشرق الأوسط	4
5	Emerging Europe	185	16067	52.8	4595.2	71	87	دول أوروبا الناشئة	5
6	Africa	52	4196	10.6	861.6	76	81	أفريقيا	6
7	Latin America & Caribbean	142	3132	51.8	1138.7	20	22	أمريكا اللاتينية والكاريبي	7
Total & Average		113	226898	90	181023	1779	2001	المجموع والمتوسط	

Source: FDI Markets

Section Two: FDI Projects into Arab Countries for 2023

Top source countries investing in Arab countries for 2023

- Of 95 countries that invested in the region in 2023, the top 10 countries in each index accounted for about 68% of the number of greenfield projects implemented, 86% of capex, and 74% of all new jobs created by these projects during 2023.
- In view of capex, the UAE ranked first as the top investor with \$43.7 billion, a share of 24.1%, came third in jobs, a share of 5.8%, and fourth in projects with 144 projects.
- The United States continued to top the list of the most important countries investing in new projects in Arab countries, through 262 companies. It implemented 302 projects representing 15.1% of the total number of projects with capex of about \$6.4 billion making up 3.5% of the total, providing more than 17,000 jobs, representing 7.4% of the total.
- The UK ranked second in terms of the number of projects with a share of 13.4% of all projects implemented in the region in 2023, while in fourth place in terms of both capex and jobs with shares of 7.2% and 5.8%, respectively.
- Saudi Arabia was among the top 10 countries investing in the region during 2023, it came in the eighth rank in capex, with \$6.3 billion in 37 projects implemented by 30 Saudi companies, with an average of \$170 million per project. These projects created more than 3.7 thousand new jobs in the countries in the region.

The UAE

continued to be top source country investing in the Arab region in capex worth \$34.7 billion in 2023

The US

is the top source country investing in the Arab region with 302 projects, exceeding 16.8% of the total

أهم 10 دول مستثمرة في المنطقة العربية خلال عام 2023 وفق عدد المشاريع

Top 10 Investing Countries in Arab Region According to Number of Projects - 2023

Ranking	Country	الحصة من إجمالي Share of total %	عدد المشاريع Number of projects	الدولة	الترتيب
1	United States	15.1%	302	الولايات المتحدة	1
2	United Kingdom	13.4%	269	المملكة المتحدة	2
3	India	11.7%	234	الهند	3
4	UAE	7.2%	144	الإمارات	4
5	China	4.3%	87	الصين	5
6	France	4.3%	86	فرنسا	6
7	Germany	3.2%	65	ألمانيا	7
8	Italy	3.0%	60	إيطاليا	8
9	Switzerland	2.8%	56	سويسرا	9
10	Singapore	2.7%	55	سنغافورة	10
Total		67.9%	1358	المجموع	

أهم 10 دول مستثمرة في المنطقة العربية خلال عام 2023 وفق التكلفة الاستثمارية

Top 10 Investing Countries in Arab Region According to Capex -2023

Ranking	Country	الحصة من إجمالي Share of total %	التكلفة الاستثمارية بالمليون دولار Capex (USD m)	الدولة	الترتيب
1	UAE	24.1%	43676.2	الإمارات	1
2	China	20.1%	36439.7	الصين	2
3	Hong Kong	10.9%	19740.6	هونغ كونج	3
4	United Kingdom	7.2%	13119.5	المملكة المتحدة	4
5	Qatar	6.2%	11154.5	قطر	5
6	Ireland	5.5%	9892.1	أيرلندا	6
7	United States	3.5%	6392.4	الولايات المتحدة	7
8	Saudi Arabia	3.5%	6270.8	السعودية	8
9	India	2.4%	4378.0	الهند	9
10	France	2.2%	4067.9	فرنسا	10
Total		85.7%	155132	المجموع	

أهم 10 دول مستثمرة في المنطقة العربية خلال عام 2023 وفق عدد الوظائف الجديدة

Top 10 Investing Countries in Arab Region According to Jobs Created -2023

Ranking	Country	الحصة من إجمالي Share of total %	عدد الوظائف Jobs created	الدولة	الترتيب
1	China	28.8%	65423	الصين	1
2	United States	7.4%	16801	الولايات المتحدة	2
3	UAE	5.8%	13132	الإمارات	3
4	United Kingdom	5.8%	13116	المملكة المتحدة	4
5	Germany	5.3%	12090	ألمانيا	5
6	France	5.0%	11362	فرنسا	6
7	Turkey	4.6%	10453	تركيا	7
8	Hong Kong	4.4%	9960	هونغ كونج	8
9	India	3.5%	8040	الهند	9
10	Italy	2.9%	6541	إيطاليا	10
Total		74%	166918	المجموع	

Section Two: FDI Projects into Arab Countries for 2023

Top companies investing in Arab countries for 2023

UAE's Infinity Power is the top investor in the region with capex of \$34 billion, making up 18.8%

Switzerland's Regus is the largest founder of projects, China's Gotion is the biggest creator of new jobs in 2023

- With the number of FDI projects hiking by 20% in the region during 2023, the number of investing companies in the region increased by 22% from 1,461 in 2022 to 1,779 in 2023. 91.3% of these companies were mainly active in the UAE, Saudi Arabia and Egypt in the same year.
- The top 10 companies in each index accounted for about 2.6% of the number of new projects implemented, 57% of the capex, and 26.4% of total new jobs.
- "Infinity Power" of UAE, which works in the renewable energy industry, ranked first in terms of capex of FDIs in the Arab region during 2023, with a value of \$34 billion, representing about 18.8% of the total, followed by Japan's "United Energy", a renewable energy company, with a value of \$17.7 billion, accounting for 9.8%, and then Ireland's renewable energy company "Amarenco", with a value of \$9.8 billion or 5.4%.
- The Swiss International Workplace Group (Regus), which specializes in providing business premises as real or virtual headquarters, continued to be ranked first as the largest founder of new projects in the Arab region in 2023 with 11 projects representing 0.5% of the total. It was followed by UAE's consumer products "Joyalukkas" which implemented six projects. Abu Dhabi Ports Group, US Boston Institute of Analytics, China's Hisense and Morocco's TQM Group came third, with five projects each.
- China's Gotion Group, working in electronic components industry, came first in view of the number of jobs created in the Arab region in 2023 with 25,000 jobs, accounting for 11% of the total, followed by the German Leoni with 7,100 jobs, the Korean United Energy Group with nearly 6,000 jobs.

أهم 10 شركات مستثمرة في الدول العربية خلال عام 2023
وفق التكلفة الاستثمارية

Top 10 Foreign Companies Investing
in Arab Countries According to Number of Projects During 2023

الترتيب	الشركة	التكلفة الاستثمارية بالمليار دولار Capex (US\$ bn)	الحصة من الإجمالي Share of total	Company	Ranking
1	انفiniti باور	34.0	18.8%	Infinity Power	1
2	مجموعة الطاقة المتحدة (UEG)	17.7	9.8%	United Energy Group	2
3	شركة أمارينكو	9.8	5.4%	Amarenco	3
4	رويال داتش شل	8.5	4.7%	Shell PLC (Royal Dutch Shell)	4
5	باور إنترناشيونال القابضة	7.5	4.2%	Power International Holding	5
6	شركة جوشن	6.4	3.5%	Gotion	6
7	هيومن هورايزون (HiPhi)	5.6	3.1%	Human Horizons	7
8	النورجي إنجنيرينغ الصينية	5.1	2.8%	China Energy Engineering	8
9	أكوا باور	4.8	2.6%	ACWA Power	9
10	باوشان للحديد والصلب (باوستيل)	4.0	2.2%	Baoshan Iron & Steel (Baosteel)	10
المجموع		103.4	57.1%	Total	

أهم 10 شركات أجنبية مستثمرة في الدول العربية
خلال عام 2023 وفق عدد المشاريع

Top 10 Foreign Companies Investing
in Arab Countries According to Number of Projects During 2023

الترتيب	الشركة	عدد المشاريع Number of Projects	الحصة من الإجمالي Share of total	Company	Ranking
1	المجموعة الدولية لأمكان العمل (ريجس)	11	0.5%	International Workplace Group (Regus)	1
2	جويالوكاس	6	0.3%	Joyalukkas	2
3	مجموعة موانئ أبوظبي	5	0.2%	Abu Dhabi Ports	3
3	معهد بوستن للتحليلات (BIA)	5	0.2%	Boston Institute of Analytics	3
3	هايسنس	5	0.2%	Hisense	3
3	طاقة المغرب (TQM)	5	0.2%	Taqa Morocco	3
7	أجيليتي	4	0.2%	Agility	7
7	مؤسسة إف.تي.آي للاستشارات	4	0.2%	FTI Consulting	7
7	غو غلوبال	4	0.2%	GoGlobal	7
7	مؤسسة ري. لايڤ	4	0.2%	re.life	7
المجموع		53	2.6%	Total	

أهم 10 شركات أجنبية مستثمرة في الدول العربية
خلال عام 2023 وفقا لعدد الوظائف الجديدة

Top 10 Foreign Companies Investing
in Arab Countries According to Number of Projects During 2023

الترتيب	الشركة	عدد الوظائف Jobs created	الحصة من الإجمالي Share of total	Company	Ranking
1	شركة جوشن	25000	11.0%	Gotion	1
2	ليوني	7100	3.1%	Leoni	2
3	مجموعة الطاقة المتحدة (UEG)	5931	2.6%	United Energy Group	3
4	باور إنترناشيونال القابضة	3383	1.5%	Power International Holding	4
5	المجموعة الصناعية الصينية "ايولون"	3341	1.5%	Aeolon	5
6	شركة كابيجميني	3021	1.3%	CapGemini	6
7	ميوسلا سوفت	3015	1.3%	Musala Soft	7
8	هيومن هورايزون (HiPhi)	3000	1.3%	Human Horizons	8
8	شركة أمارينكو	3000	1.3%	Amarenco	8
8	باوشان للحديد والصلب (باوستيل)	3000	1.3%	Baoshan Iron & Steel (Baosteel)	8
المجموع		59791	26.4%	Total	

Section Two: FDI Projects into Arab Countries for 2023

Top projects in Arab countries for 2023

- The renewable energy sector continued to be ranked first in terms of capex for the top 10 projects in the Arab region in 2023, through five projects; three in Egypt, one in Mauritania and one in Jordan, with a value of \$61.3 billion, or 34% of the total.
- The chemicals sector came second by four projects with a value of \$8 billion, a share of 4.4%, followed by the real estate sector with a value of \$7 billion, or 3.9%.
- Ireland topped the list of countries implementing projects in the Arab region in view of the average capex of \$1.1 billion per project, but it was ranked sixth in view of the capex, followed by Qatar with \$858 million per project.
- The projects, which created more than 100 jobs per project, constituted about 15.3% in 2023, while the number of new jobs ranged from 50 to 100 in 8.4% of the projects, and 78% of the projects created less than 50 jobs per project.
- The top projects in terms of investment capex come as follows:

Renewable energy sector

continues to have the most important five FDI projects in Arab countries in view of capex in 2023, worth over \$61 billion

Ireland

tops list of countries implementing mega projects in the Arab region with an average capex of \$1.1 billion per project in 2023

Project	Sector	Cost	Brief about the project
A green hydrogen plant in the Mauritanian capital, Nouakchott	Renewable energy	\$34 billion	Egyptian Emirati joint company "Infinity Power" announced, in March 2023, that it had signed a Memorandum of Understanding (MoU) with the German company "Congo Nikta" and the Mauritanian government to invest \$34 billion to develop a green hydrogen project in Chakot region in northeast of Mauritanian capital, Nouakchott. It will have a capacity of eight million tons of green hydrogen per year, and up to 10 gigawatts of electricity will be directed to the African and German markets. The first phase of the project is expected to be completed by 2028 and to create 1000 new jobs.
A green hydrogen and ammonia production facility in Jordan	Renewable energy	\$9.8 billion	Ireland's renewable energy developer company "Amarengo", in cooperation with UAE's "Global Energy H2", announced its willingness to invest \$9.8 billion to build a green hydrogen and ammonia production facility in Jordan, through signing a memorandum of understanding (MoU) with the Ministry of Energy and Mineral Resources of Jordan. It will have an annual capacity of one million metric tons of green ammonia (will provide 4.5 gigawatts of renewable energy). The project is expected to provide 3,000 new jobs.
A potassium chloride plant in the industrial region in Egypt's Suez Canal	Chemicals	\$8 billion	Korea's "United Energy Group" signed, in October 2023, a memorandum of understanding (MoU) with Suez Canal Economic Zone (SCZONE) to build and develop a potassium chloride production complex, at a value of \$8 billion, to produce 4.1 million tons of potassium chloride annually, and 20% of the production will be directed to the domestic market. The project is expected to create about 3,000 new jobs.
Building and developing real estate, tourism, service and entertainment facilities in Iraq	Real estate	\$7 billion	Qatari company "Power International Holding" stated, in June 2023, its intention to invest \$7 billion in the real estate sector in Iraq, in cooperation with the National Investment Commission to manage hospitals, develop two complementary state-of-the-art cities and build new hotel chain, with an estimated capacity of 10 thousand 5-star rooms, and 3,000 new jobs.
A green hydrogen and ammonia production facility in Ain Sokhna, Egypt	Renewable energy	\$6.7 billion	Korea's "United Energy Group" signed, in October 2023, its willingness to invest \$6.7 billion in the renewable energy sector to build a green hydrogen and ammonia production facility in Ain Sokhna, Egypt, on an area of 500,000 square meters, with a production capacity of 1-2 tons of green ammonia and 210,000 of green hydrogen per year, through signing a memorandum of understanding (MoU) with Suez Canal Economic Zone (SCZONE). The project is expected to create about 2,700 new jobs.

Source: FDI Markets

Section Two: FDI Projects into Arab Countries for 2023

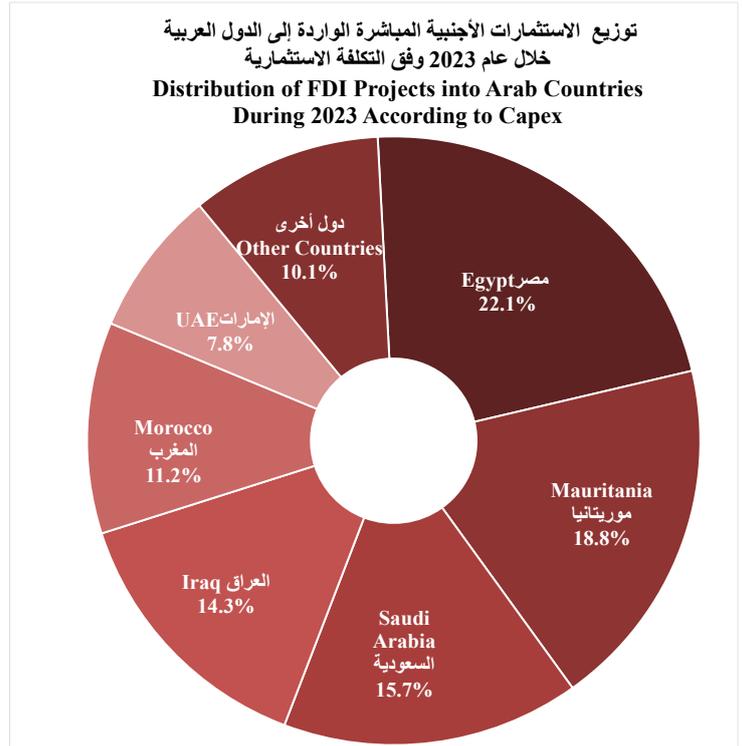
Top Arab destination countries for 2023

FDI projects continued to be concentrated in five countries, representing 93% of total projects, 57% of capex and 88% of jobs

The geographical concentration of FDI projects in the Arab region continued during 2023 in a limited number of countries for all indicators, including number, capex or new jobs, as follow:

- The top five countries; the UAE, Saudi Arabia, Egypt, Morocco and Qatar accounted for nearly 93% of the total number of projects (1,861 projects), 57% of capex (\$103.1 billion) and 88% of new jobs (199.2 thousand jobs).
- The UAE continued to lead the region's countries as the top FDI destination country in terms of number by 1,216 projects, representing 60% of the total new projects in the region. The UAE ranked third in new jobs with around 45,000 jobs. It came fifth in terms of capex by \$14.1 billion.
- Saudi Arabia came second in terms of the number of projects with 356, making up 17.8% and capex of \$28 billion. More than 40,000 new jobs were created.
- Egypt ranked second as the largest FDI destination country in view of capex (concentrated in the renewable energy sector) hitting more than \$40 billion, representing 22.1% of the total capex in the region, and created over 57.6 thousand jobs. Egypt came third in number of projects, involving 131 projects, accounting for 5.6% of the total.
- Remarkably, Mauritania came second as the largest destination in view of capex hitting \$34 billion for one project in the renewable energy sector, implemented by Egyptian Emirati joint “Infinity Power”. Mauritania took the lead in average cost per project in the region in 2023. The project created 1,000 new jobs.

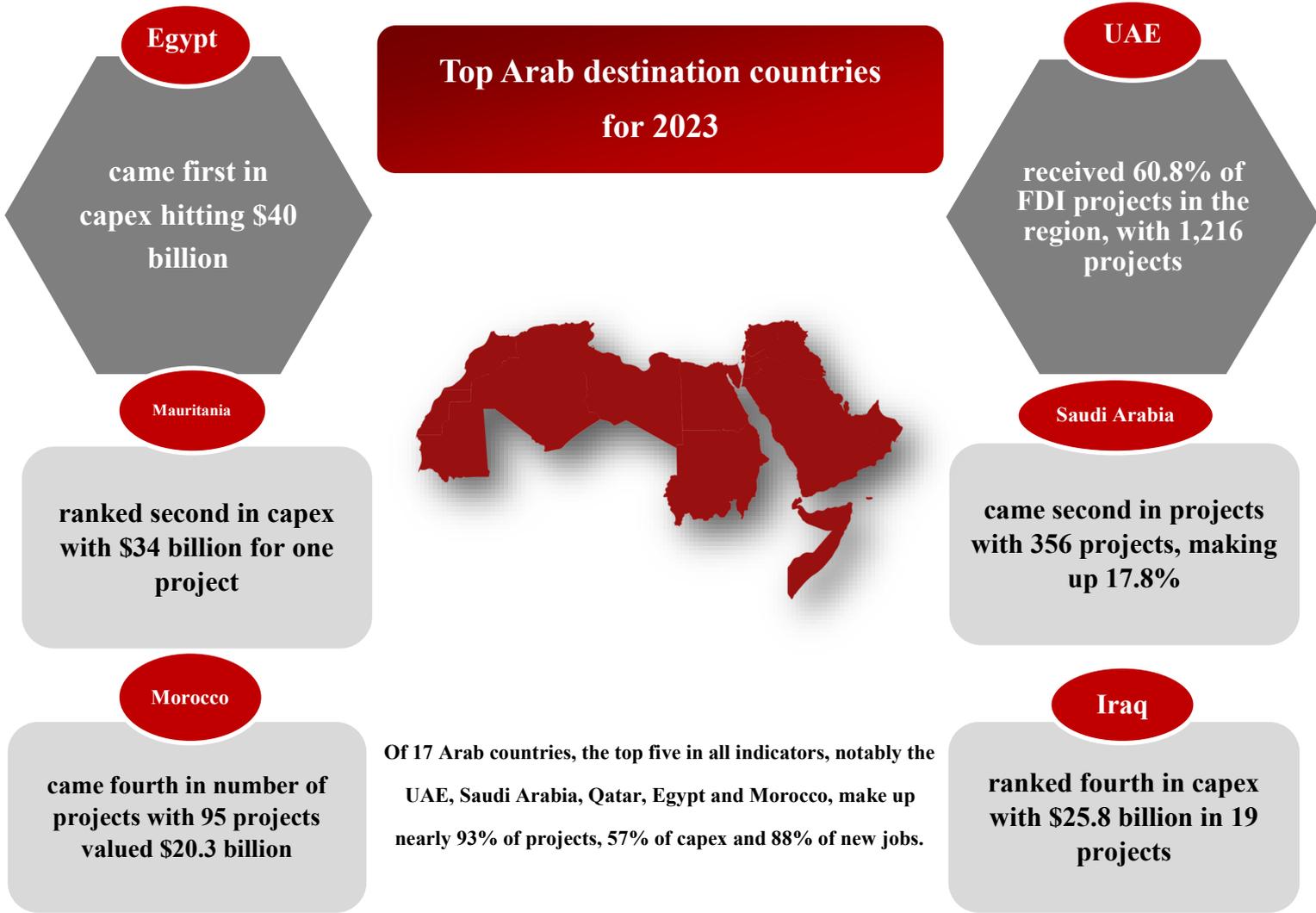
Egypt topped the list in capex and jobs, as the UAE in number of projects in 2023



مشاريع الاستثمار الأجنبي المباشر الجديدة لعام 2023 الواردة للمنطقة العربية وفق الدول المستقبلة
New FDI projects into Arab Region During 2023 by Destination Country

الترتيب وفق عدد المشاريع	الدولة	عدد المشاريع Number of projects	عدد الشركات Companies	التكلفة الاستثمارية (المتوسط) (دولار) Capex (Avg) (USD m)	متوسط الوظائف Capex (Avg) (USD m)	عدد الوظائف Jobs created	متوسط الوظائف (متوسط) (أverage) (Avg)	Country	الترتيب حسب عدد المشاريع
1	الإمارات	1216	1170	14064	12	44717	37	UAE	1
2	السعودية	356	343	28450	80	40221	113	Saudi Arabia	2
3	مصر	131	111	40074	306	57644	440	Egypt	3
4	المغرب	95	86	20324	214	55401	583	Morocco	4
5	قطر	63	63	181	3	1247	20	Qatar	5
6	سلطنة عمان	36	26	1758	49	2255	63	Oman	6
7	البحرين	25	24	405	16	1746	70	Bahrain	7
8	العراق	19	18	25838	18	7641	402	Iraq	8
9	الأردن	18	18	10979	610	3979	221	Jordan	9
10	تونس	12	11	386	32	1945	162	Tunisia	10
11	الجزائر	8	5	684	85	1458	182	Algeria	11
12	الكويت	8	8	83	10	329	41	Kuwait	12
13	لبنان	7	7	16	2	135	19	Lebanon	13
14	جيبوتي	2	2	1635	817	3617	1809	Djibouti	14
15	ليبيا	2	2	2083	1042	3400	1700	Libya	15
16	فلسطين	2	2	64	32	163	82	Palestine	16
17	موريتانيا	1	1	34000	34000	1000	1000	Mauritania	17
المجموع والمتوسط		2001	1779	181023	90	226898	113	Total & Average	

Section Two: FDI Projects into Arab Countries for 2023



الدول العربية المستقبلية للمشاريع الأجنبية خلال عام 2023 وفقاً لعدد المشاريع

Arab Countries Receiving FDI According to Number of Projects-2023

Ranking	Country	الحصة من الإجمالي Share of total	عدد المشاريع Number of projects	الدولة	الترتيب
1	UAE	60.8%	1216	الإمارات	1
2	Saudi Arabia	17.8%	356	السعودية	2
3	Egypt	6.5%	131	مصر	3
4	Morocco	4.7%	95	المغرب	4
5	Qatar	3.1%	63	قطر	5
6	Oman	1.8%	36	سلطنة عمان	6
7	Bahrain	1.2%	25	البحرين	7
8	Iraq	0.9%	19	العراق	8
9	Jordan	0.9%	18	الأردن	9
10	Tunisia	0.6%	12	تونس	10
11	Algeria	0.4%	8	الجزائر	11
11	Kuwait	0.4%	8	الكويت	11
13	Lebanon	0.3%	7	لبنان	13
14	Djibouti	0.1%	2	جيبوتي	14
14	Libya	0.1%	2	ليبيا	14
14	Palestine	0.1%	2	فلسطين	14
17	Mauritania	0.05%	1	موريتانيا	17
Total		100%	2001	المجموع	

الدول العربية المستقبلية للمشاريع الأجنبية خلال عام 2023 وفقاً للتكلفة الاستثمارية

Arab Countries Receiving FDI According to Capex-2023

Ranking	Country	الحصة من الإجمالي Share of total	التكلفة الاستثمارية (مليون دولار) Capex (USD m)	الدولة	الترتيب
1	Egypt	22.1%	40074	مصر	1
2	Mauritania	18.8%	34000	موريتانيا	2
3	Saudi Arabia	15.7%	28450	السعودية	3
4	Iraq	14.3%	25838	العراق	4
5	Morocco	11.2%	20324	المغرب	5
6	UAE	7.8%	14064	الإمارات	6
7	Jordan	6.1%	10979	الأردن	7
8	Libya	1.2%	2083	ليبيا	8
9	Oman	1.0%	1758	سلطنة عمان	9
10	Djibouti	0.9%	1635	جيبوتي	10
11	Algeria	0.4%	684	الجزائر	11
12	Bahrain	0.2%	405	البحرين	12
13	Tunisia	0.2%	386	تونس	13
14	Qatar	0.1%	181	قطر	14
15	Kuwait	0.0%	83	الكويت	15
16	Palestine	0.0%	64	فلسطين	16
17	Lebanon	0.0%	16	لبنان	17
Total		100%	181023	المجموع	

الدول العربية المستقبلية للمشاريع الأجنبية خلال عام 2023 وفقاً لعدد الوظائف الجديدة

Arab Countries Receiving FDI According to Jobs Created-2023

Ranking	Country	الحصة من الإجمالي Share of total	عدد الوظائف Jobs created	الدولة	الترتيب
1	Egypt	25.4%	57644	مصر	1
2	Morocco	24.4%	55401	المغرب	2
3	UAE	19.7%	44717	الإمارات	3
4	Saudi Arabia	17.7%	40221	السعودية	4
5	Iraq	3.4%	7641	العراق	5
6	Jordan	1.8%	3979	الأردن	6
7	Djibouti	1.6%	3617	جيبوتي	7
8	Libya	1.5%	3400	ليبيا	8
9	Oman	1.0%	2255	سلطنة عمان	9
10	Tunisia	0.9%	1945	تونس	10
11	Bahrain	0.8%	1746	البحرين	11
12	Algeria	0.6%	1458	الجزائر	12
13	Qatar	0.5%	1247	قطر	13
14	Mauritania	0.44%	1000	موريتانيا	14
15	Kuwait	0.14%	329	الكويت	15
16	Palestine	0.07%	163	فلسطين	16
17	Lebanon	0.06%	135	لبنان	17
Total		100%	226898	المجموع	

Source: FDI Markets

Section Two: FDI Projects into Arab Countries for 2023

Top Arab destination cities for 2023

Based on information in the database of the FDI Markets, greenfield FDI projects were distributed among 93 Arab cities in 2023, as follows:

- The top 10 cities accounted for 77% of the total number of projects, about 15% of the capex and 32% of the number of new jobs in 2023.
- Dubai continued to lead Arab cities by receiving 989 projects representing roughly 49.4% of the total, and by providing the largest number of new jobs by more than 29,000 jobs.
- As for capex, Egypt's Ain Sokhna was in the forefront with \$9.5 billion, making up 5.3% involving 9 projects, mostly in the renewable energy sector.
- Riyadh ranked second in the Arab world in terms of the number of projects and capex, by 204 with a share of 10.2%, and at a value of \$8.2 billion, accounting for 4.5% of the total FDI projects capex in the region in 2023.
- Abu Dhabi ranked third in terms of the number of projects, by 159 projects, with a share of 7.9%, followed by Doha by 47 projects, making up 2.3%.
- Egypt's Ain Sokhna was ranked first in the top average capex for one project with more than one billion dollars. Ain Sokhna was the leader in view of the largest average of jobs with 850 per project.

The top 10 cities accounted for 77% of the total number of projects, 15% of the capex and 32% of the number of new jobs in 2023

Ain Sokhna continues to lead in the top destination with \$9.5 billion, involving 9 projects

أهم المدن العربية المستقبلة للمشاريع الأجنبية لعام 2023

The Most Important Arab Cities Receiving FDI Projects - 2023

Ranking by No. of projects	City	متوسط الوظائف Jobs created (Avg)	عدد الوظائف Jobs created	متوسط التكاليف (مليون دولار) Capex (Avg) (USD m)	التكلفة الاستثمارية Capex (USD m)	الحصة من الإجمالي Share of total	عدد المشاريع Number of projects	المدينة	الترتيب وفقاً لعدد المشاريع
1	Dubai	30	29376	5.5	5474	49.4%	989	دبي	1
2	Riyadh	63	12945	40.0	8162	10.2%	204	الرياض	2
3	Abu Dhabi	58	9151	25.7	4089	7.9%	159	أبو ظبي	3
4	Doha	18	863	2.0	92	2.3%	47	الدوحة	4
5	Cairo	222	9307	101.7	4269	2.1%	42	القاهرة	5
6	Jeddah	53	1213	32.4	745	1.1%	23	جدة	6
7	Casablanca	76	1673	14.1	310	1.1%	22	الدار البيضاء	7
8	Dammam	94	1881	38.6	772	1.0%	20	الدمام	8
9	Sharjah	82	1549	143.9	2735	0.9%	19	الشارقة	9
10	Tangier	286	3997	29.4	412	0.7%	14	طنجة	10
11	Muscat	33	423	24.4	317	0.6%	13	مسقط	11
12	Al-Manamah	71	776	6.7	73	0.5%	11	المنامة	12
13	Ras al Khaimah	39	393	12.6	126	0.5%	10	رأس الخيمة	13
14	Ain Sokhna	850	7651	1057.1	9514	0.4%	9	العين السخنة	14
15	Amman	41	365	31.7	286	0.4%	9	عمان	15
16	Rabat	172	1549	40.1	361	0.4%	9	الرباط	16
17	Al Jubail	446	3124	80.0	560	0.3%	7	الجبيل	17
18	Alexandria	440	3083	60.2	422	0.3%	7	الإسكندرية	18
19	Al-Khobar	75	450	5.9	36	0.3%	6	الخير	19
20	Beirut	20	117	2.5	15	0.3%	6	بيروت	20
	Other Cities	351	44577	241	30553	6.3%	127	مدن أخرى	
	Undefined	373	92435	450.4	111702	12.4%	248	غير محدد	
	Total & Average	113	226898	90	181023	100.0%	2001	المجموع والمتوسط	

Source: FDI Markets

Section Two: FDI Projects into Arab Countries for 2023

Top FDI sectors in Arab countries for 2023 (1)

- FDI projects in the Arab countries for 2023 were distributed among 37 sectors, and the top five sectors accounted for 67% of the total number of projects and 68% of the total number of investing companies.

Business service led the list in number of projects and companies with shares of 27% and 28%, respectively

Renewable energy led the list in capex with \$76.5 billion, accounting for 42% of the total in 2023

- In view of capex, the business service sector topped the list in number of projects by 545 projects, with a share of 27% of the total. They were implemented by 499 companies at a value of \$2 billion and created more than 18,000 new jobs.
- Software and information technology came second in the number of projects with 391, making up 20%, with capex of roughly \$4 billion, and provided more than 23,000 new jobs.
- In view of capex, renewable energy topped the list of sectors by \$76.6 billion with a share of 42% of the total. They were distributed among 40 projects implemented by 28 companies and created more than 15.4 thousand new jobs.
- Coal, oil and gas came second in capex with \$18.7 billion with a share of 10.4%, followed by chemicals with a share of 8.1% of the total in 2023.

أهم القطاعات المستقبلية للمشاريع الأجنبية في الدول العربية لعام 2023

The Most Important Sectors Receiving FDI Projects in Arab Countries - 2023

Ranking by No. of projects	Sector	متوسط الوظائف Jobs created (Avg)	عدد الوظائف Jobs created	متوسط التكاليف (مليون دولار) Capex (Avg) (USD m)	التكلفة الاستثمارية (مليون دولار) Capex (USD m)	عدد الشركات Companies	عدد المشاريع Number of projects	القطاع	الترتيب وفقاً لعدد المشاريع
1	Business services	34	18294	4	2025	499	545	خدمات الأعمال	1
2	Software & IT services	59	22910	11	4202	357	391	البرمجيات وتكنولوجيا المعلومات	2
3	Financial services	24	4332	7	1186	158	180	الخدمات المالية	3
4	Industrial equipment	47	5593	9	1017	105	118	المعدات الصناعية	4
5	Transportation & Warehousing	82	8406	29	2991	89	103	النقل والتخزين	5
6	Real estate	101	8481	163	13695	66	84	العقارات	6
7	Communications	76	4580	91	5489	51	60	الاتصالات	7
8	Electronic components	711	36256	145	7379	48	51	الإلكترونيات	8
9	Food & Beverages	109	5448	36	1788	43	50	الأغذية والمشروبات	9
10	Renewable energy	385	15412	1916	76645	28	40	الطاقة المتجددة	10
11	Consumer products	135	4593	15	518	29	34	منتجات المستهلك	11
12	Chemicals	313	10322	445	14688	30	33	المواد الكيميائية	12
13	Metals	538	15593	320	9270	28	29	المعادن	13
14	Textiles	648	17492	60	1615	25	27	المنسوجات	14
15	Hotels & tourism	79	1967	32	801	24	25	الفنادق والسياحة	15
16	Aerospace	125	2995	34	806	23	24	الفضاء	16
17	Coal, oil & gas	203	4460	852	18740	21	22	الفحم والنفط والغاز	17
18	Plastics	325	5846	51	915	15	18	البلاستيك	18
19	Automotive OEM	358	6092	420	7133	16	17	تصنيع معدات السيارات	19
19	Healthcare	73	1240	12	210	17	17	الرعاية الصحية	19
	Other Sectors	200	26586	75	9912	118	133	قطاعات أخرى	
	Total & Average	113	226898	90	181023	1779	2001	المجموع والمتوسط	

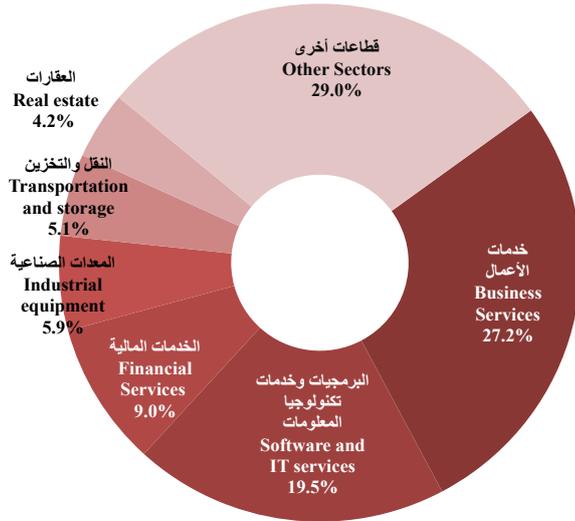
Source: FDI Markets

Section Two: FDI Projects into Arab Countries for 2023

Top FDI sectors in Arab countries for 2023 (2)

Sectoral concentration of new jobs continued in five sectors, representing 48.7% of the total in 2023

أهم القطاعات المستقبلة للمشاريع الأجنبية في الدول العربية لعام 2023 وفقا لعدد المشاريع
Most Important Sectors Receiving FDI in Arab Countries During 2023 According to Number of Projects



- In view of capex average, renewable energy was in the forefront with the largest capex average of a project during 2023, with a value of over \$1.9 billion, followed by coal, oil and gas with an average of \$852 million per project.
- Regarding new jobs created by FDI projects in the Arab region in 37 sectors during 2023, more than 110,000 jobs (48.7%) were concentrated in five sectors: electronics (36.2 thousand jobs), software and IT (22.9 thousand jobs), business services (18.3 thousand jobs), textiles (17.5 thousand jobs) and minerals (15.6 thousand jobs).
- Electronics components led the list in view of the largest average of jobs per project during 2023 with an average of 711 jobs per project, followed by textiles with an average of 648 jobs per project.

Electronics components topped the Arab list in the average number of jobs, with 711 jobs per project during 2023

أهم 10 قطاعات مستقبلة للمشاريع الأجنبية في الدول العربية لعام 2023 وفق عدد مشاريع

Top 10 Sectors Receiving FDI in Arab Countries According to Number of Projects-2023

Ranking	Sector	الحصة من الإجمالي Share of total	عدد المشاريع Number of Projects	القطاع	الترتيب
1	Business services	27.2%	545	خدمات الأعمال	1
2	Software & IT services	19.5%	391	البرمجيات وتكنولوجيا المعلومات	2
3	Financial services	9.0%	180	الخدمات المالية	3
4	Industrial equipment	5.9%	118	المعدات الصناعية	4
5	Transportation & Warehousing	5.1%	103	النقل والتخزين	5
6	Real estate	4.2%	84	العقارات	6
7	Communications	3.0%	60	الاتصالات	7
8	Electronic components	2.5%	51	المكونات الإلكترونية	8
9	Food & Beverages	2.5%	50	الأغذية والمشروبات	9
10	Renewable energy	2.0%	40	الطاقة المتجددة	10
Total		81.1%	1,622	المجموع	

أهم 10 قطاعات مستقبلة للمشاريع الأجنبية في الدول العربية لعام 2023 وفق التكلفة الاستثمارية

Top 10 Sectors Receiving FDI in Arab Countries According to Capex- 2023

Ranking	القطاع Sector	الحصة من الإجمالي Share of total	التكلفة الاستثمارية (مليون دولار) Capex (USD m)	القطاع	الترتيب
1	Renewable energy	42.3%	76645	الطاقة المتجددة	1
2	Coal, oil & gas	10.4%	18740	الفحم والنفط والغاز	2
3	Chemicals	8.1%	14688	المواد الكيميائية	3
4	Real estate	7.6%	13695	العقارات	4
5	Metals	5.1%	9270	المعادن	5
6	Electronic components	4.1%	7379	الإلكترونيات	6
7	Automotive OEM	3.9%	7133	تصنيع معدات السيارات	7
8	Communications	3.0%	5489	الاتصالات	8
9	Semiconductors	2.4%	4266	أشباه الموصلات	9
10	Software & IT services	2.3%	4202	البرمجيات وتكنولوجيا المعلومات	10
Total		89.2%	161508	المجموع	

أهم 10 قطاعات مستقبلة للمشاريع الأجنبية في الدول العربية لعام 2023 وفق عدد الوظائف الجديدة

Top 10 Sectors Receiving FDI in Arab Countries According to Jobs Created - 2023

Ranking	القطاع Sector	الحصة من الإجمالي Share of total	عدد الوظائف Jobs created	القطاع	الترتيب
1	Electronic components	16.0%	36256	الإلكترونيات	1
2	Software & IT services	10.1%	22910	البرمجيات وتكنولوجيا المعلومات	2
3	Business services	8.1%	18294	خدمات الأعمال	3
4	Textiles	7.7%	17492	المنسوجات	4
5	Metals	6.9%	15593	المعادن	5
6	Renewable energy	6.8%	15412	الطاقة المتجددة	6
7	Chemicals	4.5%	10322	الصناعات الكيميائية	7
8	Real estate	3.7%	8481	العقارات	8
9	Transportation & Warehousing	3.7%	8406	النقل والتخزين	9
10	Non-automotive transport OEM	3.2%	7336	تصنيع معدات النقل الغير متعلقة بالسيارات	10
Total		70.7%	160502	المجموع	

Section Two: FDI Projects into Arab Countries for 2023

Top FDI activities in Arab countries for 2023

- As for future FDI activities during 2023, including 16 main activities, the top five attracted 1,821 projects accounting for 91% of the total, with capex of \$140.3 billion and a share of 77.5%. They provided more than 189,000 new jobs with a share of 83.3% of the total jobs created by the FDI projects in the region.
- In terms of the number of projects and investing companies, business services came in the lead in number of projects and companies with 851 projects representing 42.5%, and 769 companies making up 43%. It was followed by sales, marketing and support by 598 projects (a share of 30%) and 550 companies, making up 31% of the total.
- Manufacturing was ranked first in the indicators of the capex and number of jobs by acquiring more than \$130 billion, with a share of more than 72.3%, and 128.2 thousand new jobs, with a share of 56.3% of the total respectively. Construction came second in capex with a share of 8.2%, and business services came second in new jobs with a share of 13.6%.
- According to the average capex, construction was in the forefront, with \$788 million, while recycling topped in average number of jobs, with 1,193 jobs per project in 2023.

Five activities acquired 91% of projects, 77% of capex and 83% of new jobs in 2023

“Manufacturing” continues to lead the indicators of capex and number of jobs, and “business services” tops the number of projects and companies

أهم الأنشطة الاقتصادية المستقبلية للمشاريع الأجنبية في المنطقة العربية لعام 2023								
The Most Important Economic Activities Receiving FD in Arab Countries in 2023								
الترتيب وفق عدد المشاريع	النشاط	عدد المشاريع Number of Projects	عدد الشركات Companies	التكلفة الاستثمارية (مليون دولار) Capex (USD m)	متوسط التكاليف (مليون دولار) Avg Capex (USD m)	عدد الوظائف Jobs created	متوسط الوظائف Jobs created (Avg)	الترتيب وفق عدد المشاريع
1	خدمات الأعمال	851	769	2531	3	30903	36	1
2	المبيعات والتسويق والدعم	598	550	1412	2	11808	20	2
3	التصنيع	196	180	130868	668	128224	654	3
4	توفير المقرات	113	112	1949	17	7919	70	4
5	الخدمات اللوجستية والنقل والتوزيع	63	52	3507	56	10252	163	5
6	البحث والتطوير	50	50	2472	49	7890	158	6
7	التعليم والتدريب	27	21	289	11	2296	85	7
7	البنية التحتية لتكنولوجيا المعلومات والاتصالات والإنترنت	27	19	7395	274	2607	97	7
9	الإشغالات	19	17	14775	778	9812	516	9
10	الكهرباء	18	12	10353	575	1855	103	10
11	خدمات الصيانة	15	14	197	13	842	56	11
12	مراكز خدمة العملاء	7	6	42	6	3419	488	12
12	إعادة التدوير	6	6	2633	439	7156	1193	12
14	الإستخراج	5	4	2563	513	1412	282	14
14	مراكز الدعم الفني	5	5	36	7	474	95	14
16	مراكز الخدمات المشتركة	1	1	1	1	29	29	16
المجموع والمتوسط		2001	1779	181023	90	226898	113	Total & Average



Section Three: Inter-Arab Investment Projects for 2023

This section provides more specialized information on inter-Arab investment movement during 2023, which is part of the overall FDI projects into the Arab world. It monitors greenfield and expanded Arab direct investment projects in Arab countries, based on the database of the FDI Markets, issued by the Financial Times.

In this context, projects are reviewed and analyzed through four main indicators: number of Arab source companies, number of projects, estimated capex and new jobs created, in addition to the two indexes of the average cost and jobs per project.

The most significant information on geographical and sectoral distribution of these projects is obtained through lists of major source countries and companies investing in the region, key projects implemented, major Arab countries and economic sectors receiving these projects during 2023.

Contents of section three:

Evolution of Inter-Arab Projects 2003-2023	74
Inter-Arab Projects by Sector in 2023	75
Top Arab Destination and Source Countries in 2023	76
Top Inter-Arab Projects in 2023	77

Section Three: Inter-Arab Investment Projects for 2023

Evolution of Inter-Arab Projects 2003-2023

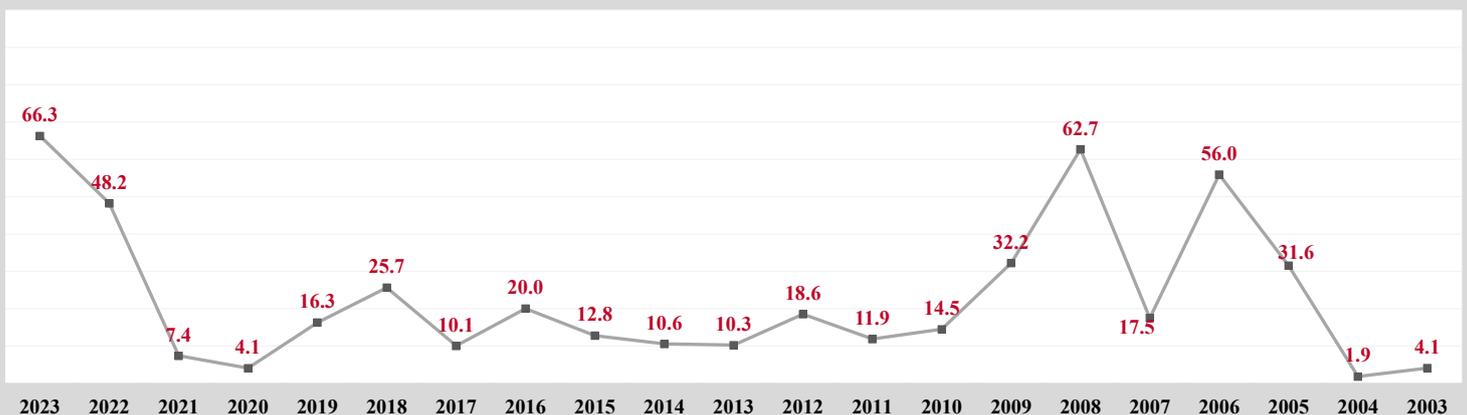
The number of inter-Arab projects increased by 20%, and their capex by 37% in 2023

In 2023, the number of new jobs in inter-Arab investment projects decreased by 22% in 2023

According to the database of the FDI Markets 2003-2023, issued by the Financial Times, inter-Arab investments reached their peak in 2023 in terms of the indicators of the number of jobs of inter-Arab investment projects, number of companies and capex. The number of projects and companies reached their peak in 2008 in regard to number of new jobs, coming as follows:

- Inter-Arab direct investment projects increased by 20% from 255 to 305, representing 15.2% of total greenfield FDI projects in Arab countries in 2023.
- The number of Arab companies executing inter-Arab projects went up by 21%, from around 207 companies in 2022 to 251 companies in 2023, representing 14.1% of total companies investing in the region during the same year.
- The capex of the projects recorded rose by 37% from \$48.2 billion in 2022 to \$66.3 billion in 2023, making up 36.6% of total greenfield FDI projects in the Arab region during 2023.
- The new jobs created by these projects went up by 22% from 36.5 thousand jobs in 2022 to 28.5 thousand jobs in 2023, accounting for 12.5% of total jobs created by greenfield FDI projects in the Arab region in the same year.
- The projects that created more than 100 new jobs accounted for about 14.8% of total inter-Arab projects in 2023, while 10.5% of the projects created from 50 to 100 jobs, while 74.8% created less than 50 new jobs.
- February witnessed the peak of projects and investing companies during 2023 with 38 projects and 36 companies, as March saw the peak of capex with \$39.1 billion, and June documented the highest number of jobs created by inter-Arab investment projects with more than 6,000 jobs.
- March saw the highest average capex for an inter-Arab investment project in 2023, at a value of \$1.1 billion. June saw the highest average jobs of a project in 2023 with 205 new jobs.

تطور التكلفة الاستثمارية لمشاريع الاستثمار العربي البيني للفترة (بالمليار دولار)
Evolution of the Capex of Inter -Arab FDI Projects (USD bn)



Source: FDI Markets

Section Three: Inter-Arab Investment Projects for 2023

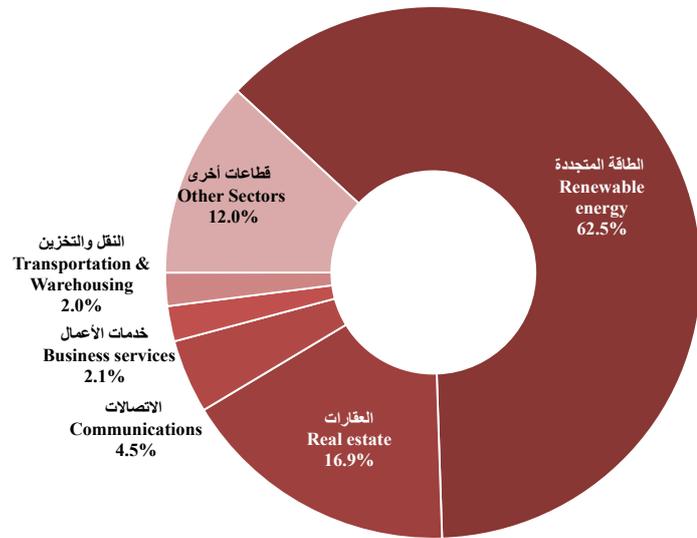
Inter-Arab Projects by Sector in 2023

- Out of a total of 26 sectors, the first five had about 68% of the number of inter-Arab investment projects, 69% of investing companies, 22% of the total capex and 55% of new jobs in 2023.
- The business services sector came in the lead in the number of projects and companies with shares of 32% and 35% respectively, followed by software and information technology sectors with shares of 14% and 15% respectively.
- The renewable energy sector still led with the highest capex in 2023, with a value of \$41.5 billion, making 62.5% of the total. The real estate sector came first in the number of jobs, with more than 5,000 jobs, representing more than 18%.
- As a result of the jump in the investment capex in the renewable energy sector, the sector came in the first place in providing the highest average capex of a project with \$3.5 billion. On the other hand, the real estate sector ranked first with the highest average of jobs with 342 jobs per project.

Renewable energy still leads, with the highest capex of \$41.5 billion

"Business services" leads in number of projects with 98 projects, representing 32%

أهم القطاعات المستقبلية للمشاريع العربية البينية خلال عام 2023 وفقاً للتكلفة الاستثمارية
Distribution of Capex among sectors in inter-Arab FDI projects in 2023



أهم القطاعات المستقبلية للمشاريع العربية البينية خلال عام 2023

The Most Important Sectors Receiving Inter-Arab Projects - 2023

Ranking by No. of projects	Sector	متوسط الوظائف Jobs Created (Avg)	عدد الوظائف Jobs created	متوسط التكاليف Capex (Avg) (مليون دولار) (USD m)	التكلفة الاستثمارية Capex (المليون دولار) (USD m)	عدد الشركات companies	عدد المشاريع Number of Projects	القطاع	الترتيب وفقاً لعدد المشاريع
1	Business services	52	5091	14.5	1420	89	98	خدمات الأعمال	1
2	Software & IT services	47	1991	2.7	113	37	42	البرمجيات وتكنولوجيا المعلومات	2
3	Financial services	28	911	9.3	296	20	32	الخدمات المالية	3
4	Transportation & Warehousing	118	2487	63.6	1336	16	21	النقل والتخزين	4
5	Real estate	342	5133	745.7	11186	11	15	العقارات	5
6	Communications	105	1160	269.8	2968	9	11	الاتصالات	6
6	Renewable energy	315	3464	3769.2	41461	5	11	الطاقة المتجددة	6
8	Food & Beverages	134	1343	51.6	516	9	10	الأغذية والمشروبات	8
9	Industrial equipment	26	204	3.0	24	8	8	المعدات الصناعية	9
10	Hotels & tourism	96	672	46.1	322	6	7	الفنادق والسياحة	10
	Other Sectors	120	6017	133.1	6654	41	50	قطاعات أخرى	
	Total	93	28473	217	66297	251	305	المجموع	

Source: FDI Markets

Section Three: Inter-Arab Investment Projects for 2023

Top Arab Source and Destination Countries for 2023

Mauritania leads as top Arab destination country in capex, with \$34 billion per project

- At the level of destination countries, the geographical distribution of inter-Arab investment projects continued to be concentrated in Saudi Arabia, in terms of the number of projects, with 110 projects, representing 36.1%, and the number of investing companies, with 106 companies, representing 42% of the total, and 9.3 thousand new jobs.
- Mauritania came in the lead concerning investment capex, receiving more than \$34 billion per project in the renewable energy sector in 2023 (more than 53.1% of the total). Mauritania also came topped the list in terms of average investment costs and the number of jobs per project.
- At the level of Arab source countries, the UAE continued to lead as the largest investor in 2023, according to all indicators, with 144 inter-Arab projects, making up 47.2%, at a cost of more than \$43.6 billion, making up more than 66%. They were carried out by 113 Emirati companies and created more than 13,000 new jobs, with a share of 46.1% of the total.
- In regard to number of projects, Egypt came second with 48 projects, with a share of 16%, implemented by 45 companies, at a cost of \$602 million, and with more than 3,000 new jobs.
- Qatar came in the lead concerning capex for inter-Arab projects, valued at \$11.2 billion, representing 17% of the total, distributed to 13 projects, and created 4.6 thousand new jobs. Qatar also topped the list concerning the average investment capex and number of jobs, with \$858 million and 356 jobs per project.

UAE continued to lead as the largest investor, with 144 projects carried out by 113 companies with capex of \$43.7 billion

الدول العربية المستثمرة في المشاريع البينية خلال عام 2023									
Arab Countries Investing in Intra-Projects - 2023									
الترتيب وفقاً لعدد المشاريع	الدولة المستثمرة	عدد المشاريع Number of Projects	عدد الشركات Companies	التكلفة الاستثمارية (المليون دولار) Capex (USD m)	متوسط التكاليف (مليون دولار) Capex (Avg) (USD m)	عدد الوظائف Jobs Created	متوسط الوظائف Jobs Created (Avg)	Investing Country	Ranking by No. of projects
1	الإمارات	144	113	43676	303.3	13132	91	UAE	1
2	مصر	48	45	602	12.5	3114	65	Egypt	2
3	السعودية	39	31	7234	185.5	3925	101	Saudi Arabia	3
4	لبنان	15	13	168	11.2	504	34	Lebanon	4
5	الكويت	13	9	2531	194.7	1993	153	Kuwait	5
5	قطر	13	12	11155	858.0	4631	356	Qatar	5
7	البحرين	12	9	43	3.6	236	20	Bahrain	7
8	الأردن	7	6	54	7.7	262	37	Jordan	8
8	سلطنة عمان	6	5	800	133.3	526	88	Oman	8
10	السودان	3	3	3	0.9	40	13	Sudan	10
11	المغرب	2	2	10	4.8	35	18	Morocco	11
12	فلسطين	1	1	19	19.2	36	36	Palestine	12
12	تونس	1	1	2	1.6	19	19	Tunisia	12
12	اليمن	1	1	1	1.3	20	20	Yemen	12
المجموع والمتوسط		305	251	66297	217.4	28473	93	Total & Average	

الدول العربية المستقبلة للمشاريع العربية خلال عام 2023									
Arab Countries Receiving Intra-FDI Projects during 2023									
الترتيب وفقاً لعدد المشاريع	الدولة	عدد المشاريع Number of Projects	عدد الشركات Companies	التكلفة الاستثمارية (المليون دولار) Capex (USD m)	متوسط التكاليف (مليون دولار) Capex (Avg) (USD m)	عدد الوظائف Jobs created	متوسط الوظائف Jobs Created (Avg)	Country	Ranking by No. of projects
1	السعودية	110	106	4812	43.7	9264	84	Saudi Arabia	1
2	الإمارات	78	77	1127	14.4	1800	23	UAE	2
3	مصر	40	30	10482	262.1	8484	212	Egypt	3
4	قطر	21	21	78	3.7	421	20	Qatar	4
5	سلطنة عمان	15	9	172	11.5	725	48	Oman	5
6	المغرب	11	7	1760	160.0	818	74	Morocco	6
7	العراق	9	8	12552	1394.7	4855	539	Iraq	7
7	الأردن	9	9	718	79.8	480	53	Jordan	7
9	البحرين	3	3	6	2.1	53	18	Bahrain	9
10	الجزائر	2	2	531	265.3	397	199	Algeria	10
10	الكويت	2	2	4	2.2	34	17	Kuwait	10
10	تونس	2	2	9	4.4	32	16	Tunisia	10
11	لبنان	1	1	1	1.2	18	18	Lebanon	11
11	موريتانيا	1	1	34000	34000.0	1000	1000	Mauritania	11
11	فلسطين	1	1	46	45.9	92	92	Palestine	11
المجموع والمتوسط		305	251	66297	217	28473	93	Total & Average	

Source: FDI Markets

Section Three: Inter-Arab Investment Projects for 2023

Top 10 Inter-Arab Projects in 2023

Top 10 projects came in renewable energy worth \$39 billion, then real estate valued at \$10.5 billion in 2023

Egypt received four out of top 10 inter-Arab projects in 2023, Iraq came second with three projects

- Out of 305 inter-Arab projects in 2023, the top 10 projects contributed about 83% of the total investment capex, amounting to \$55 billion. They also created around 8.5 thousand new jobs.
- The top 10 projects, in terms of sector, were concentrated in the renewable energy sector with three projects at a value of \$39 billion, and the real estate sector with four projects at a value of \$10.5 billion.
- In terms of implementing the top 10 projects, the UAE came in the lead with three projects at a value of \$37.1 billion,

followed by Qatar with three projects at a value of \$10.5 billion, Saudi Arabia with three projects, valued at \$6.1 billion, and Kuwait with one project worth \$1.2 billion.

- Mauritania came in the lead in view of receiving the top 10 projects concerning the number with an investment cost of (\$34 billion), followed by Iraq with three projects costing \$10.5 billion and creating about 3.8 thousand new jobs, and Egypt with four projects worth \$8.6 billion, creating 3.5 thousand new jobs in 2023.

Project	Sector	Cost	Brief about the project
A green Hydrogen plant in the Mauritanian capital, Nouakchott	Renewable energy	\$35 billion	Egyptian Emirati joint company “Infinity Power” announced, in March 2023, that it had signed a Memorandum of Understanding (MoU) with the German company “Congo Nikta” and the Mauritanian government to invest \$34 billion to develop a green hydrogen project in Chakot region in northeast of Mauritanian capital, Nouakchott. It will have a capacity of eight million tons of green hydrogen per year, and up to 10 gigawatts of electricity will be directed to the African and German markets. The first phase of the project is expected to be completed by 2028 and to create 1,000 new jobs.
Building and developing real estate, tourism, service and entertainment facilities in Iraq	Real estate	\$7 billion	Qatari company “Power International Holding” stated, in June 2023, its intention to invest \$7 billion in the real estate sector in Iraq, in cooperation with the National Investment Commission to manage hospitals, develop two complementary state-of-the-art cities and build new hotel chain, with an estimated capacity of 10,000 5-star rooms, and 3,000 new jobs.
Producing green hydrogen and ammonia in the economic region in Suez Canal, Egypt	Renewable Energy	\$4 billion	Saudi company “Acwa Power” declared, in October 2023, its willingness to invest around \$4 billion in a project to produce green hydrogen and ammonia in the economic region in Suez Canal, with an initial production capacity of 600,000 tons of green ammonia per year. Its production capacity in the second phase is expected to reach two million tons. The project will create more than 1,600 new jobs.
Two energy plants in Iraq	Coal, oil and gas	\$2.5 billion	Qatari company “UrbaCon Trade & Contracting (UCC)” signed, in December 2023, a 25-year partnership agreement with the Iraqi National Investment Commission to build two power plants at a cost of \$2.5 billion, in order to reduce Iraq’s dependence on imports to satisfy its energy needs.
Data center clusters development project in Egypt	Communications	\$2.1 billion	Emirati company “Gulf Data Hub (GDH)” announced, in February 2023, its plan to invest \$2.1 billion to develop three data center clusters in three locations in Egypt, in cooperation with the Egyptian company “Elsewedy Electric”, with a storage capacity of up to 192 megawatts, and total electrical power capacity of 300 megawatts. The project will be implemented in three phases in a period of around 5-7 years according to global standards.

Source: FDI Markets



Section Four: FDI and Stock Inflow into Arab Countries for 2023

This section is different from the previous ones in view of compilation methodology and sources, focusing on monitoring the actual inflows of FDI into and from Arab countries in accordance with the IMF's balance of payments methodology issued in the sixth edition used by the UNCTAD in the compilation of data. The UNCTAD monitors cumulative FDI stocks into the region's countries according to the same methodology. Still, changes in these investments and information in the database of FDI projects in the world are taken into account.

In this context, actual inflows and cumulative stocks into Arab countries are reviewed and analyzed, with the values of 2023 mergers and acquisitions being monitored.

With this section, the overall picture of the movement of FDI in the Arab countries becomes completed by monitoring actual inflows, together with foreign and Arab projects into the region, which were explained in the second and third sections.

Contents of Section Four

FDI and Stock Inflows into Arab Countries for 2023	80
Arab FDI and Stock Outflows for 2023	82
Mergers and Acquisitions in Arab Countries during 2022-2023	84
Evolution of FDI and Stock Inflows into Arab Countries during 2012-2023	85

Section Four: FDI and Stock Inflows into Arab Countries for 2023

FDI Inflows into Arab Countries for 2023

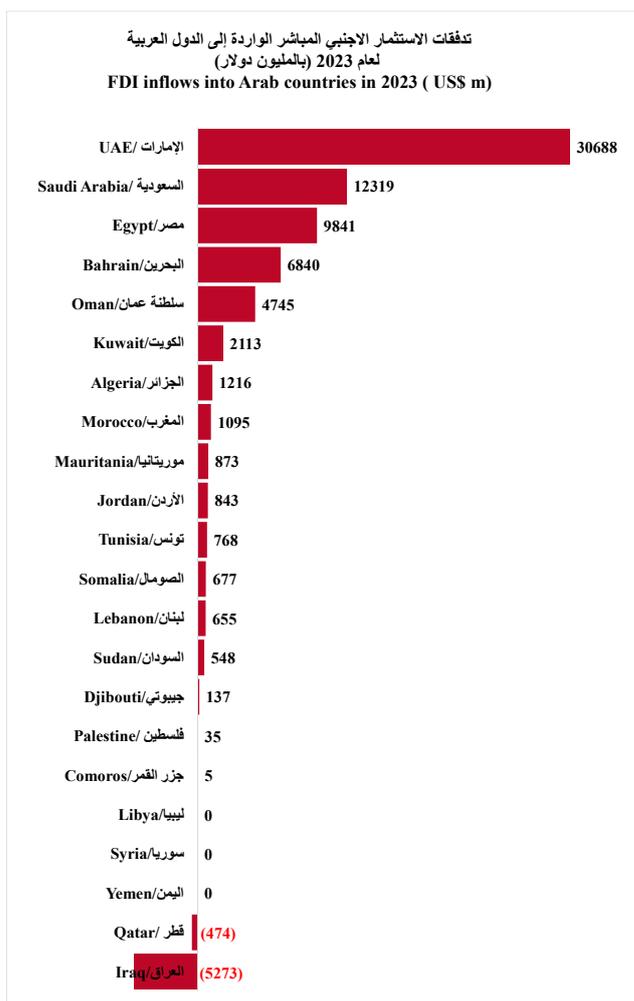
FDI inflows into Arab countries decreased by 12.4% to \$67.6 billion in 2023

8 Arab countries witnessed growth in inflows into Arab countries in 2023, led by Algeria, with a rate of over 377%, compared to 2022

- According to the UNCTAD report's data, issued in June 2024, FDI inflows into Arab countries decreased by 12.4% to \$67.6 billion in 2023, representing 7.8% of overall inflows into developing countries and 5.1% of overall global inflows worth about \$1.33 trillion in 2023.
- FDI inflows into Arab countries continued their geographical concentration in five countries, with a share of more than 95% of total inflows, topped by the UAE which attracted \$30.7 billion, with a share of 45.4%, followed by Saudi Arabia with \$12.4 billion, with a share of 18.2%. Egypt came third with \$9.8 billion, representing 18.2% of total inflows into Arab countries.
- Bahrain came in the fourth ranking with \$6.8 billion, with a share of 10% of the total, followed by Oman with \$4.7 billion, Kuwait

\$2.1 billion, with shares of 7% and 3.1% of the total respectively.

- FDI inflows witnessed a growth in eight Arab countries in 2023, topped by Algeria, with a rate of over 377.5%, compared to 2022, followed by Kuwait with 178.8%, Bahrain 147% and UAE 35%.
- FDI inflows declined in nine Arab countries in 2023, ranging between \$15.7 billion in Saudi Arabia and \$25 million in Sudan.
- FDI inflows continued to exit Iraq in 2023, recording negative values due to liquidation of investments valued at \$5.3 billion in 2023, with an estimated increase of \$3.2 billion, compared to 2021. Qatar also saw a decrease in investment inflows, at a value of \$474 million in 2023.



تدفقات الاستثمار الأجنبي المباشر الواردة إلى الدول العربية لعام 2023 (بالمليون دولار)
FDI inflows to Arab Countries 2023 (US\$ million)

Arab Ranking 2023	Country	الحصة من الإجمالي Share of Total Arab	نسبة التغير % of Change	التغير التغير Change	2023	2022	الدولة العربية	الترتيب العربي 2023
1	UAE	45.4%	35.0	7951	30688	22737	الإمارات	1
2	Saudi Arabia	18.2%	(56.1)	(15736)	12319	28055	السعودية	2
3	Egypt	14.5%	(13.7)	(1559)	9841	11400	مصر	3
4	Bahrain	10.1%	147.8	4079	6840	2760	البحرين	4
5	Oman	7.0%	(13.4)	(734)	4745	5480	سلطنة عمان	5
6	Kuwait	3.1%	178.8	1355	2113	758	الكويت	6
7	Algeria	1.8%	377.5	962	1216	255	الجزائر	7
8	Morocco	1.6%	(51.6)	(1165)	1095	2260	المغرب	8
9	Mauritania	1.3%	(38.4)	(545)	873	1419	موريتانيا	9
10	Jordan	1.2%	(32.7)	(409)	843	1251	الأردن	10
11	Tunisia	1.1%	7.6	54	768	714	تونس	11
12	Somalia	1.0%	6.4	41	677	636	الصومال	12
13	Lebanon	1.0%	24.4	129	655	527	لبنان	13
14	Sudan	0.8%	(4.4)	(25)	548	574	السودان	14
15	Djibouti	0.2%	(28.2)	(54)	137	191	جيبوتي	15
16	Palestine	0.1%	(84.8)	(198)	35	233	فلسطين	16
17	Comoros	0.0%	30.2	1	5	4	جزر القمر	17
18	Libya	0.0%	....	0	0	0	ليبيا	18
19	Syria	0.0%	....	0	0	0	سوريا	19
20	Yemen	0.0%	....	0	0	0	اليمن	20
21	Qatar	-0.7%	....	(550)	(474)	76	قطر	21
22	Iraq	-7.8%	152.5	(3185)	(5273)	(2088)	العراق	22
Total		100%	(12.4)	(9590)	67650	77240	المجموع	

Source :UNCTAD, World Investment Report 2023

Section Four: FDI and Stock Inflows into Arab Countries for 2023

Inward FDI Stocks into Arab Countries for 2023

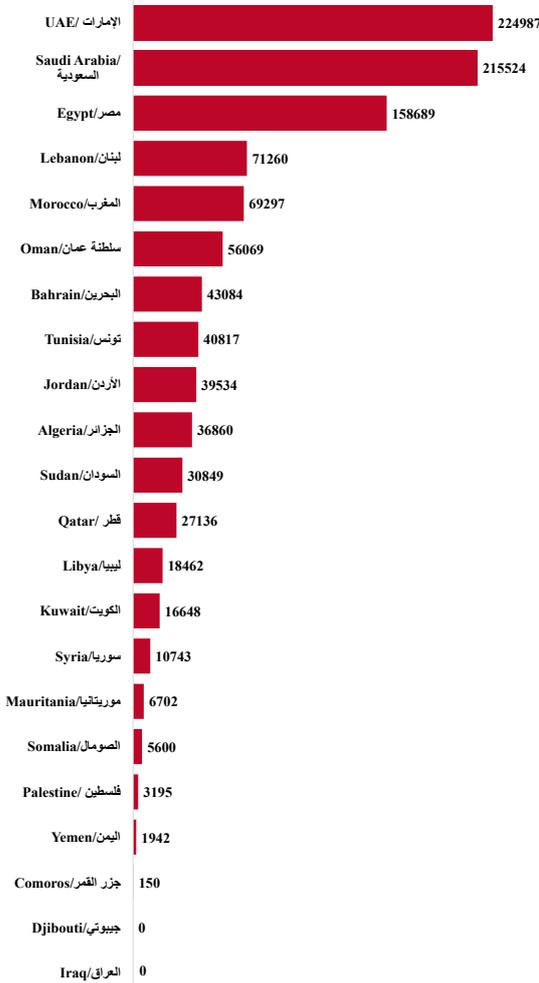
Inward FDI stocks into the Arab region increased by 1.1% to \$1.1 trillion by the end of 2023

- According to UNCTAD data, FDI stocks into Arab countries increased by 1.1% to \$1.1 trillion by the end of 2023.
- The top five countries had 69% of total FDI stocks into Arab countries, UAE topped the list with around \$225 billion, or 21%, Saudi Arabia came second with \$215.5 billion, or 20%, and Egypt came third with \$158.7 billion, or 14.7%.
- Bahrain achieved the highest growth rate of inward FDI stocks into Arab countries by the end of 2023, with a share of 18.9%, followed by the UAE with 15.8% and Mauritania with a share of 15.1%.
- Saudi Arabia and Qatar witnessed a decline in inward FDI stocks in 2023, as these stocks declined by 20% in Saudi Arabia and 1.7% in Qatar. On the other hand, these stocks stabilized in Libya, Syria and Yemen.

Saudi Arabia and Qatar witnessed decline in inward FDI stocks by the end of 2023, and stabilized in Libya, Syria and Yemen

UAE, Saudi Arabia, Egypt, Lebanon and Morocco had 69% of total FDI stocks into Arab countries by the end of 2023

أرصدة الاستثمار الأجنبي المباشر الواردة إلى الدول العربية
بنهاية عام 2023 (بالمليارات دولار)
Inward FDI Stocks into Arab Countries
by the end of 2023 (US\$ m)



أرصدة الاستثمار الأجنبي المباشر الواردة إلى الدول العربية لعام 2023 (مليون دولار)

Inward FDI Stocks into Arab Countries 2023 (US\$ million)

Arab Ranking 2023	Country	الحصة من الاجمالي العربي Share in Arab Total	نسبة التغير % of Change	التغير Cange	2023	2022	الدولة	الترتيب العربي 2023
1	UAE	20.9%	15.8	30688	224987	194300	الإمارات	1
2	Saudi Arabia	20.0%	(19.9)	(53423)	215524	268947	السعودية	2
3	Egypt	14.7%	6.6	9801	158689	148888	مصر	3
4	Lebanon	6.6%	0.9	655	71260	70604	لبنان	4
5	Morocco	6.4%	9.5	6019	69297	63278	المغرب	5
6	Oman	5.2%	9.2	4745	56069	51324	سلطنة عمان	6
7	Bahrain	4.0%	18.9	6840	43084	36245	البحرين	7
8	Tunisia	3.8%	3.4	1350	40817	39467	تونس	8
9	Jordan	3.7%	2.7	1038	39534	38496	الأردن	9
10	Algeria	3.4%	3.4	1216	36860	35643	الجزائر	10
11	Sudan	2.9%	1.8	548	30849	30301	السودان	11
12	Qatar	2.5%	(1.7)	(474)	27136	27610	قطر	12
13	Libya	1.7%	0.0	0	18462	18462	ليبيا	13
14	Kuwait	1.5%	10.3	1557	16648	15091	الكويت	14
15	Syria	1.0%	0.0	0	10743	10743	سوريا	15
16	Mauritania	0.6%	15.1	877	6702	5825	موريتانيا	16
17	Somalia	0.5%	13.8	677	5600	4923	الصومال	17
18	Palestine	0.3%	2.5	79	3195	3116	فلسطين	18
19	Yemen	0.2%	0.0	0	1942	1942	اليمن	19
20	Comoros	0.0%	3.4	5	150	145	جزر القمر	20
21	Djibouti	0.0%	....	0	0	0	جيبوتي	21
22	Iraq	0.0%	....	0	0	0	العراق	22
Total		100%	1.1	12199	1077548	1065349	المجموع	

Source :UNCTAD, World Investment Report 2023

Section Four: FDI and Stock Inflows into Arab Countries for 2023

Arab FDI Outflows for 2023

- Foreign direct investment (FDI) outflows from Arab countries sharply dropped during 2023 by 37.1% to roughly \$52.3 billion, compared with \$83.2 billion during 2022.
- FDI outflows from Arab countries continued their geographical concentration in four Gulf countries, Morocco and Egypt, with nearly \$52 billion in 2023, with a share of more than 99% of the total.
- The UAE led the Arab list with \$22.3 billion during 2023. Saudi Arabia came second with \$16.1 billion, making up 30.7% of the total FDI outflow. It was followed by Kuwait with \$11.2 billion, Bahrain with \$1.1 billion, Morocco with \$836 million and Egypt with \$390 million.
- Seven countries' FDI outflows ranged between \$279 million for Iraq and \$36 million for Palestine, while Mauritania, Sudan and Yemen had no FDI outflows during 2023.
- Six Arab countries achieved a growth in FDI outflows, topped by Jordan which recorded the highest growth rate of these outflows in 2023, followed by Palestine and Morocco.
- FDI outflows dipped to record negative values in Libya and Qatar, with \$164 billion and \$191 billion, respectively, according to UNCTAD's data in 2023.

Arab FDI outflows fell by 37.1% to \$52.3 billion in 2023

FDI outflows from Arab countries continued its geographical concentration in 4 Gulf countries, Morocco and Egypt with share of over 99%

تدفقات الاستثمار الأجنبي المباشر الصادرة من الدول العربية لعام 2023 (مليون دولار)

FDI Outflow from Arab Countries 2023 (US\$ million)

Arab Ranking 2023	Country	الحصة من الإجمالي العربي Share in Arab Total	معدل التغير % % of Change	التغير Change	2023	2022	الدولة	الترتيب العربي 2023
1	UAE	42.7%	(10.1)	(2505)	22328	24833	الإمارات	1
2	Saudi Arabia	30.7%	(40.4)	(10891)	16071	26962	السعودية	2
3	Kuwait	21.4%	(54.5)	(13424)	11189	24613	الكويت	3
4	Bahrain	2.1%	(42.9)	(835)	1113	1948	البحرين	4
5	Morocco	1.6%	30.4	195	836	641	المغرب	5
6	Egypt	0.7%	14.2	49	390	342	مصر	6
7	Iraq	0.5%	16.9	40	279	238	العراق	7
8	Oman	0.3%	(82.5)	(779)	165	944	سلطنة عُمان	8
9	Algeria	0.2%	(1.8)	(2)	84	85	الجزائر	9
10	Lebanon	0.1%	9.9	7	73	66	لبنان	10
11	Jordan	0.1%	507.1	80	64	(16)	الأردن	11
12	Tunisia	0.1%	(25.5)	(14)	40	53	تونس	12
13	Palestine	0.1%	170.6	23	36	13	فلسطين	13
14	Mauritania	0.0%	(95.6)	(3)	0	3	موريتانيا	14
15	Sudan	0.0%	....	0	0	0	السودان	15
16	Yemen	0.0%	....	0	0	0	اليمن	16
17	Libya	-0.3%	(428.4)	(214)	(164)	50	ليبيا	17
18	Qatar	-0.4%	(108.0)	(2575)	(191)	2384	قطر	18
Total		100%	(37.1)	(30848)	52312	83160		

Source :UNCTAD, World Investment Report 2023

Section Four: FDI and Stock Inflows into Arab Countries for 2023

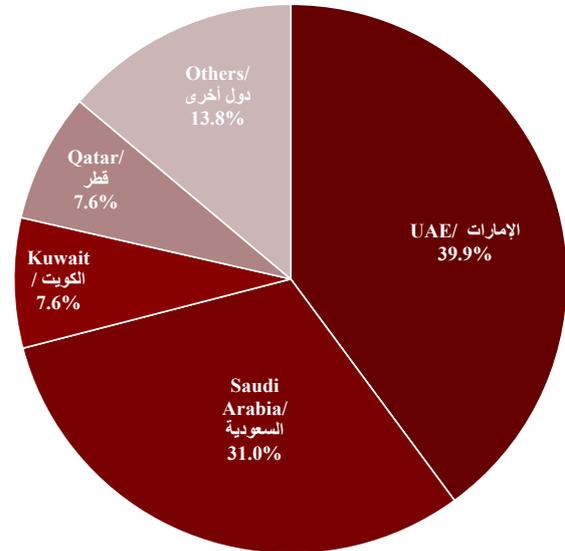
Outward Arab Stocks during 2023

Outward Arab stocks rose by 7.7% to \$65.7 billion by the end of 2023

- Outward Arab FDI stocks increased by the end of 2023 by 7.7 percent to \$65.7 billion from \$61 billion at the end of 2022, according to data from the United Nations Conference on Trade and Development (UNCTAD).
- Outward Arab FDI stocks continued to be concentrated in five Gulf countries and Libya, with a share of 92% of the Arab region's total stocks by the end of 2023.
- The UAE topped the list with \$262.2 billion, making up 39.9%, followed by Saudi Arabia in the second ranking with \$203.8 billion, representing 31%, Kuwait in the third place with \$50.2 billion, or 7.6%, Qatar with \$49.9 billion, Bahrain with \$22.1 billion, and Libya with \$20.3 billion.
- Outward FDI stocks from 13 Arab countries increased at rates ranging from 111.7% for Tunisia to 0.5% for Lebanon, while outward FDI stocks from Yemen and Syria remained unchanged in 2022 and 2023. In contrast, stocks from Palestine, Libya and Qatar declined by 8.2%, 0.8% and 0.4% respectively
- The UAE recorded the highest hike in outward FDI stocks during 2023, amounting to \$22.3 billion, accounting for 48% of the Arab region's increase in stocks by the end of 2023.

Outward FDI stocks were concentrated in five Gulf countries and Libya, at a value of \$60.8 billion, or more than 92%

أهم الدول العربية المصدرة لأرصدة الاستثمار المباشر بنهاية عام 2023 (الحصة من الإجمالي العربي)
Top Arab Countries in Outward FDI Stocks by the End of 2023
(Share of the Arab Total)



أرصدة الاستثمار الأجنبي المباشر الصادرة من الدول العربية
بنهاية عام 2023 (مليون دولار)

FDI Stock Outflow from Arab Countries
by the End of 2023 (US\$ million)

Arab Ranking 2023	Country	الحصة من الإجمالي العربي Share in Arab Total	معدل التغير % % of Change	التغير Change	2023	2022	الدولة	الترتيب العربي 2023
1	UAE	39.9%	9.3	22328	262208	239880	الإمارات	1
2	Saudi Arabia	31.0%	8.9	16700	203768	187068	السعودية	2
3	Kuwait	7.6%	9.7	4428	50246	45818	الكويت	3
4	Qatar	7.6%	(0.4)	(191)	49862	50054	قطر	4
5	Bahrain	3.4%	5.3	1113	22068	20955	البحرين	5
6	Libya	3.1%	(0.8)	(164)	20286	20450	ليبيا	6
7	Lebanon	2.3%	0.5	73	14802	14729	لبنان	7
8	Egypt	1.5%	4.2	390	9580	9190	مصر	8
9	Morocco	1.2%	14.3	1010	8076	7066	المغرب	9
10	Oman	0.9%	2.7	165	6222	6057	سلطنة عمان	10
11	Iraq	0.5%	6.2	209	3598	3389	العراق	11
12	Algeria	0.4%	3.0	84	2894	2810	الجزائر	12
13	Tunisia	0.2%	111.7	785	1488	703	تونس	13
14	Jordan	0.1%	9.4	64	745	681	الأردن	14
15	Yemen	0.1%	0.0	0	672	672	اليمن	15
16	Palestine	0.0%	(8.2)	(26)	292	318	فلسطين	16
17	Syria	0.0%	0.0	0	5.0	5.0	سوريا	17
18	Mauritania	0.0%	4.5	0.13	3.1	2.9	موريتانيا	18
Total		100%	7.7	46968	656817	609849	المجموع	

Section Four: FDI and Stock Inflows into Arab Countries for 2023

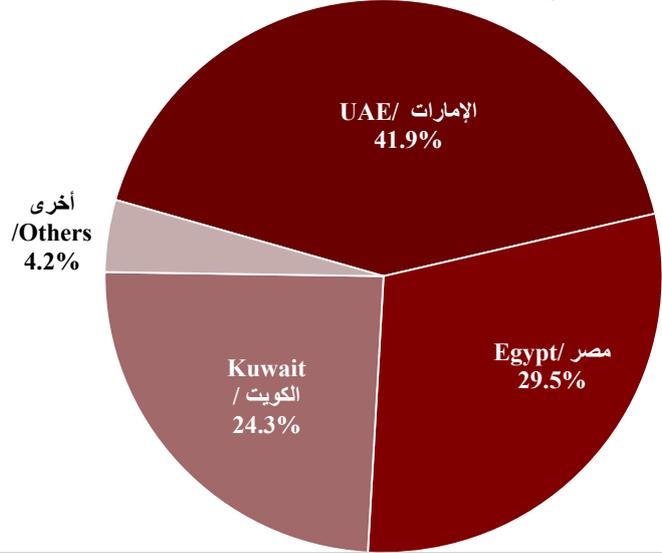
Mergers and Acquisition in Arab Countries 2022-2023

Asset sales to foreign companies in Arab countries hiked by 90% to \$3.7 billion during 2023

- Mergers and acquisitions in Arab countries faltered during 2023, where the value of sales in 10 Arab countries fell by 90% to \$3.7 billion (compared to \$36.4 billion in 2022), representing 1% of the global total of \$378.4 billion, according to UNCTAD data.
- Of seven Arab countries that saw the sale of assets during 2023, UAE acquired more than 42% of all transactions with \$1.6 billion, followed by Egypt with \$1.1 billion, or 29.5%, Kuwait with \$918.2 million, or 24.3%, and Oman with \$224.3 million, or 5.9%.
- Purchases in acquisitions and mergers in Arab countries in 2023 decreased by 15% to \$24 billion during 2023, compared with \$28.3 billion in 2022.
- Of six Arab countries that saw purchases in acquisitions and mergers in 2023, Saudi Arabia topped the list with \$15.6 billion, or 68.8% of the total, followed by UAE with \$7.3 billion, or 30.3%, then Egypt, Morocco and Tunisia, respectively.

Purchases in acquisitions and mergers in Arab countries declined by 15% to \$24 billion during 2023

أهم الدول العربية التي استفادت من صفقات الاستحواذ والاندماج لعام 2023 (الحصة من إجمالي عمليات البيع في المنطقة العربية)
Top Arab countries in acquisitions and mergers deals in 2023 (share of total sales in Arab region)



عمليات الاندماج والاستحواذ الصافية عبر الحدود للدول العربية لعام 2023 (مليون دولار)
Net Cross-Border Merger & Acquisitions in Arab Countries during 2023 (US\$ mn)

Arab Ranking 2023	Country	صفقات الشراء Purchases Deals			صفقات البيع Sales Deals			الدولة	الترتيب العربي 2023
		التغير Cange	2023	2022	التغير Cange	2023	2022		
1	UAE	523.5	7293.2	6769.7	(5393.0)	1582.0	6975.0	الإمارات	1
2	Egypt	1497.1	1497.1	0.0	(2278.2)	1114.3	3392.4	مصر	2
3	Kuwait	(9306.5)	13.6	9320.1	842.2	918.2	76.0	الكويت	3
4	Oman	15.6	0.0	(15.6)	(980.7)	224.3	1205.0	سلطنة عمان	4
5	Algeria	0.0	0.0	0.0	106.9	106.9	0.0	الجزائر	5
6	Morocco	2.0	282.0	280.0	(136.6)	1.0	137.6	المغرب	6
7	Tunisia	29.3	29.3	0.0	0.4	0.7	0.3	تونس	7
8	Bahrain	(763.8)	(11.6)	752.2	(8602.2)	0.0	8602.2	البحرين	8
9	Qatar	(1678.3)	(1609.9)	68.3	(0.0)	0.0	0.0	قطر	9
10	Mauritania	0.0	0.0	0.0	0.0	0.0	0.0	موريتانيا	10
11	Jordan	0.0	0.0	0.0	0.0	0.0	0.0	الأردن	11
12	Somalia	....	....	....	0.0	0.0	0.0	الصومال	12
15	Sudan	0.0	0.0	0.0	0.0	0.0	0.0	السودان	15
16	Lebanon	(4986.2)	0.0	4986.2	0.0	0.0	0.0	لبنان	16
17	Palestine	0.0	0.0	0.0	0.0	0.0	0.0	فلسطين	17
18	Djibouti	0.0	0.0	0.0	0.0	0.0	0.0	جيبوتي	18
19	Comoros	....	....	....	0.0	0.0	0.0	جزر القمر	19
20	Libya	0.0	0.0	0.0	0.0	0.0	0.0	ليبيا	20
13	Syria	0.0	0.0	0.0	0.0	0.0	0.0	سوريا	13
14	Yemen	0.0	0.0	0.0	0.0	0.0	0.0	اليمن	14
21	Iraq	0.0	0.0	0.0	(206.7)	(11.7)	195.0	العراق	21
22	Saudi Arabia	10463.6	16553.8	6090.2	(15951.0)	(162.3)	15788.8	السعودية	22
Total Arab Countries		(4204)	24047	28251	(32599)	3773	36372	الإجمالي العربي	

Section Four: FDI and Stock Inflows into Arab Countries for 2023

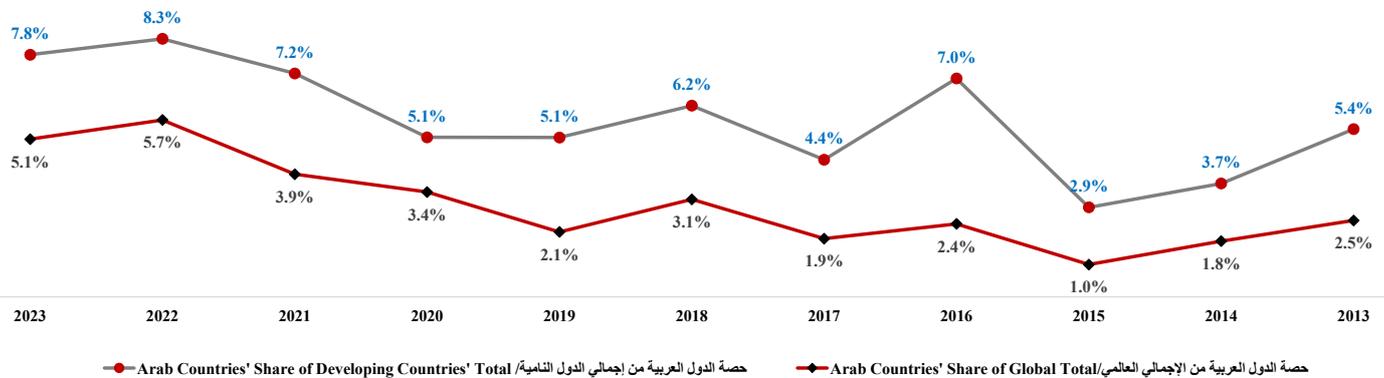
Evolution of FDI and Stock Inflows into Arab Countries during 2013-2023

Arab countries attracted investments worth \$446 billion during 2014-2023, with an annual average of \$44.6 billion

Average Arab share of FDI inflows into developing countries and the world declined to 7.8% and 5.1% respectively in 2023

- Over the past three decades, the volume of inflows into Arab countries has apparently fluctuated from an average of \$6.6 billion during 1994-2003 to around \$45 billion during 2004-2013 before falling slightly to \$44.6 billion during 2014-2023.
- Total FDI inflows into Arab countries hit more than \$446 billion during 2014-2023 with an average of \$44.6 billion annually.
- The average Arab share in global FDI inflows was 3% between 2013 and 2023, while their share of developing countries' total averaged 5.7% during the same period.
- Arab countries' share of total FDI inflows into developing countries fell to 7.8% during 2023, compared with 8.3% in 2022, although their share of the global total went up from 5.7% during 2022 to 5.1% in 2023.

تطور حصة الدول العربية من تدفقات الاستثمار الأجنبي المباشر الواردة إلى الدول النامية والعالم
Arab countries' Share of FDI Inflows into Developing Countries and in the World



تطور تدفقات الاستثمار الأجنبي المباشر الواردة إلى الدول العربية ونسبتها إلى الدول النامية والعالم (2013-2023)

FDI Inflows into Arab Countries and Proportion to Developing Countries and to World (2013-2023)

Year	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	السنة
Value of Inflows into Arab Countries (US\$ billion)	67.7	77.2	64.0	33.2	36.2	43.2	31.0	47.5	21.3	25.1	35.8	قيمة التدفقات إلى الدول العربية (مليار دولار)
Value of Inflows into Developing Countries (US\$ billion)	867.4	929.6	890.0	647.0	704.5	701.4	700.8	674.9	739.7	686.9	663.0	قيمة التدفقات إلى الدول النامية (مليار دولار)
Value of Global Inflows (US\$ billion)	1331.8	1355.7	1621.8	984.6	1729.2	1376.1	1651.2	2019.3	2049.9	1397.4	1455.3	قيمة التدفقات إلى الدول العالم (مليار دولار)
Arab Countries' Share of Developing Countries' Total	7.8%	8.3%	7.2%	5.1%	5.1%	6.2%	4.4%	7.0%	2.9%	3.7%	5.4%	حصة الدول العربية من إجمالي الدول النامية
Arab Countries' Share of Global Total	5.1%	5.7%	3.9%	3.4%	2.1%	3.1%	1.9%	2.4%	1.0%	1.8%	2.5%	حصة الدول العربية من الإجمالي العالمي





Recommendations

Given growingly intensive competition among world countries to attract FDI amid the Arab region's political and security events and tensions, and continued economic crises that affected the diverse indices of the investment climate in Arab countries in 2023, and despite recent efforts to improve the investment climate and business environment, there are still political, economic and institutional challenges that necessitate integrated blueprints to improve the investment atmosphere with its different components. Therefore, the report suggests the following recommendations:

- Carrying on economic reforms to promote the investment and business atmosphere in the Arab countries in a bid to draw foreign investments, while following up on investment indices issued by international agencies and seeking to raise their rankings in these indices by considering relevant successful international experiments as per a certain schedule to facilitate investment and encourage Arab and foreign investors.
- Keeping endeavors to raise the ranking of Arab countries in the credit ratings of the top four rating agencies, with the unlisted countries stepping up efforts to obtain credit ratings in order to be able to attract foreign investments since they are used by international investors to assess the investment climate and make up their mind to invest.
- Bolstering and developing the inter-Arab investment atmosphere by easing investment restrictions and forging integrated investment partnerships modeled on the industrial partnership of the UAE, Egypt, Jordan and Bahrain aiming at promoting economic development, industrial integration and value chain integration.
- Developing simultaneous and effective sectoral strategies to support a state's investment climate components by depending on the best world practices and according to priorities, stimulating reform policies based on trade liberalization, improving public services, developing inter-Arab investment, taking all measures to promote political, institutional, economic, legislative and procedural infrastructure, strengthen infrastructure and technology and develop manpower, according to a specific timetable.
- Building an integrated digital transition environment based on creating initiatives and strategies and designing policies aiming at propping up innovation and creativity in various domains and introducing artificial intelligence to all sectors to improve their status in infrastructure and technology indicators and to keep abreast of scientific advancement.
- Keeping clinching the largest possible number of investment agreements, whether bilaterally or through ones with investment provisions, with the purpose of backing the investment climate, boosting international investors' confidence in a state's ability to support and protect foreign investments on its soil.
- Continuing the inventory of investment opportunities and their sectoral and geographical distribution and continuously updating them to include significant, vital and prioritized sectors so as to shore up a state's business environment and introduce suitable opportunities to targeted local and international investors.
- Backing the promotion of investment opportunities and benefits by means of finding a marketing content to promote investment at the level of diverse regions and sectors. This is aimed at promoting a state as a destination of investment, trade, technology transfer, tourism and others, through a uniform national identity to promote and attract investments. It is also essential to carry on communication with investors, upgrade the level of investment activities and forums, and enable chambers of commerce to partake in investment forums.
- Continuously assessing, reviewing and revising investment climate reforms in tandem with internal and external changes, as a dynamic, continuous and multifaceted process that is linked to competition and changes in investment attraction factors.
- Providing the necessary financial, technical and human support for completing or developing a state's investment climate improvement plan as soon as possible, in collaboration with specialized local and international bodies. In this regard, the views of existing and targeted local, Arab and international investors should be taken into account, while carefully addressing the obstacles they may face in order to create the investment climate and simplify procedures in the light of the local, regional and international developments.



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إفلاس وعجز المستورد أو المدين عن السداد
Bankruptcy and failure of the importer or debtor to pay

