



ASIAN ECONOMIC INTEGRATION REPORT 2016

WHAT DRIVES FOREIGN DIRECT
INVESTMENT IN ASIA AND THE PACIFIC?

"Sustaining Economic Development through Foreign Direct Investment"

**Launch of the Asian Economic Integration Report 2016 for Central Asia
An Annual Report of the Asian Development Bank (ADB)**

9 December 2016, Friday | 10:00 a.m. – 1:00 p.m.

Conference Room Diamond 1, Rixos Hotel, Almaty, Republic of Kazakhstan

PROGRAMME

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| 10:00 – 10:30 a.m. | Registration |
| 10:30 – 10:40 | Opening Remarks
Sultan Akimbekov
Director, Institute of World Economy and Politics (IWEP) |
| 10:40 – 10:50 | <i>ADB in Kazakhstan and Central Asia: Overview</i>
Giovanni Capannelli
Country Director, Kazakhstan Resident Mission, ADB |
| 10:50 – 10:55 | Group photo |
| 10:55 – 11:10 | Coffee break |
| 11:10 – 11:30 | <i>Progress of economic integration in Asia and the Pacific</i>
Jong Woo Kang
Principal Economist
Economic Research and Regional Cooperation Department (ERCD), ADB |
| 11:30 – 11:50 | <i>How to promote Foreign Direct Investment as an Engine of Economic Development</i>
Fahad Khan
Economist, ERCD, ADB |
| 11:50 – 12:50 p.m. | Panel discussion followed by Open Floor Discussion
moderated by Giovanni Capannelli

Aidarkhan Kussainov, General Director, Almagest
Aidos Taibekuly, Expert on Economic Research, IWEP
Askar Yelemessov, Chairman of the Board of Directors, JSC SkyBridge Invest
Jong Woo Kang, Principal Economist, ADB |
| 1:00 p.m. | Lunch |

SYNOPSIS

The Asian Economic Integration Report (AEIR) 2016 is ADB's annual report on Asia's regional economic cooperation and integration, covering 48 regional members of the ADB and analyzing their regional as well as global economic linkages. It has two major chapters— (i) the progress in regional cooperation and integration (RCI), which provides the latest progress in economic outlook, trade and investment integration, financial integration, and people movement, and updates of subregional cooperation initiatives; and (ii) special theme chapter on RCI-related topics which could draw broad interest from policy makers and academia alike.

The theme chapter of this year's report features policy drivers and economic factors that help to attract foreign direct investment (FDI) in Asia and the Pacific. FDI can take various forms depending on firms' strategy: (i) investment in new assets (greenfield FDI); or (ii) mergers and acquisitions. Firms can also decide to enter the market to (i) avoid trade barriers and gain better access to local market (horizontal FDI); or (ii) lower the production costs by relocating different stages of production in the country with least cost (vertical FDI). Given that the beneficial impact of FDI is contingent on the type of FDI and the country context, it is important from a policy perspective to investigate how to attract the type of FDI most in line with the host economies' development goals.

SPEAKERS



Sultan Akimbekov

Director of Kazakhstan's Institute of World Economics and Politics, Mr. Akimbekov specializes in Eurasia's political and social developments. He has been involved in the development of the country's policies, as advisor to the President and as a head of preeminent research institutions. He has served as editor-in-chief of Kazakhstan's leading analytical publications on geopolitics and security. Mr. Akimbekov holds Ph.D. in history and is the author of several books, including "History of Afghanistan".



Askar Yelemessov

Mr. Yelemessov has been in the financial industry since 1994, at various times serving as deputy CEO/Adviser to CEO for private banks. He served as a Deputy Governor of the National Bank of Kazakhstan, and as a Vice Minister of Finance. He has extensive experience as the Board of Directors member with a broad variety of Kazakh financial and public institutions. Mr. Yelemessov graduated from Moscow State University, Political Economy Department and attended Washington University in St. Louis, MO, where he has received his MBA degree.



Aidarkhan Kussainov

Mr. Kussainov was Head of the Gas Industry Department, Ministry of Energy and Mineral Resources, and in the board of directors of several national companies. He holds an MSc in Physics (Moscow State University), MA in Economics (Kazakhstani Institute of Management, Economics and Forecasts), Petroleum Engineer (Atyrau Oil and Gas Institute).



Aidos Taibekuly

Mr. Taibekuly specializes in Kazakhstan's economic development, tax policy, foreign investments' impact. He authored several policy papers and published various articles and online commentaries: "The Financial Transactions Tax: International and Kazakhstan's Experience", "Kazakhstan's trade with EAEC countries", "Challenges Kazakhstan's small and medium-sized enterprises face in financing their R&D" and other.



Giovanni Capannelli

Mr. Capannelli, an Italian national, is the Country Director of the Kazakhstan Resident Mission of the Asian Development Bank (ADB). Prior to this appointment, he was principal economist in ADB's Central and West Asia Department and held various other positions in ADB and the ADB Institute. He holds a doctoral degree and a master's degree in Economics from the School of Economics of Hitotsubashi University, Tokyo, and a bachelor's degree in Economics from Bocconi University, Milan, Italy.



Jong Woo Kang

Dr. Jong Woo Kang is principal economist at the Economic Research and Cooperation Department of the Asian Development Bank. He is a seasoned economist with extensive knowledge and experiences on policy and strategic issues. He leads the publication of Asian Economic Integration Report. Areas of his research interest include regional integration, inclusive growth, macroeconomic and trade policies and aid effectiveness.



Fahad Khan

Fahad Khan is an Economist in the Economic Research and Regional Cooperation Department of Asian Development Bank. He joined the Asian Development Bank after completing his PhD from Australian National University in 2015, and also holds a BA from Yale University, United States. He is also an honorary visiting research fellow at the Australian National University. His primary research fields are empirical political economy and economic development, and he has published in Economic Letters and PLOS Medicine.