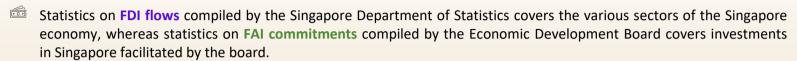
Understanding Foreign Direct Investmentand Fixed Assets Investment Commitments



Foreign Direct Investment (FDI) in Singapore refers to cross-border investment where a foreign direct investor owns 10% or more of the ordinary shares or voting power in a Singapore enterprise. The components of **FDI** comprise equity investment (i.e., equity capital and retained earnings) attributable to the foreign direct investor and net inter-company loans between the Singapore enterprise and its related entities overseas.

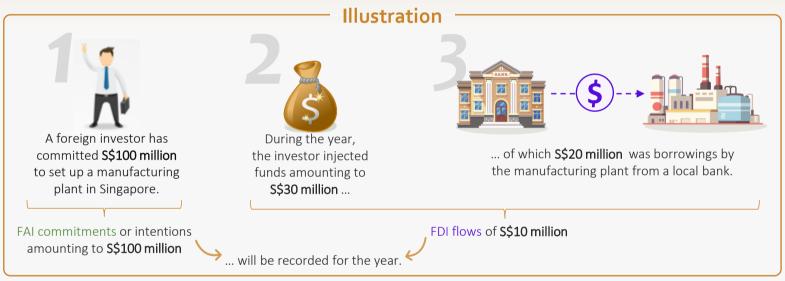
Fixed Assets Investment (FAI) commitments refer to incremental capital investment in facilities, equipment, and machinery. **FAI commitments** are recorded when a company has made a firm undertaking to implement a project in Singapore, although the actual transaction(s) may take place in subsequent period(s).

Key differences between FDI flows and FAI commitments are:



FDI flows are recorded only when a direct investment transaction takes place whereas FAI commitments are recorded during the period when the undertaking to implement the project is made (regardless of whether the actual investment on fixed assets has taken place during the period).

FDI flows only include the financing from the direct investor and related entities, and not the external financing (e.g., borrowings from banks) whereas **FAI commitments** do not take into consideration the source of the financing.



For More Information

Access data tables on Singapore's Inward Direct Investment Flows in the SingStat Table Builder:



by Broad Industry



by Source Economy

Explore data trends via Singapore's Inward Direct Investment Flows dashboard





View video that explains the key concepts of FDI





Access data tables on Singapore's FAI commitments in the SingStat Table Builder:



by Country of Origin



by Industry



by Industry Cluster





