



Factors Affecting Foreign Direct Investment in the Asia and Pacific Region

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This study focused on determining the effect of the Logistics Performance Index (LPI), Global Competitiveness Index (GCI), and Interest Rates (IR) on Foreign Direct Investment (FDI) in the Asia and Pacific region. Data was gathered for 33 countries in the Asia and Pacific region for the years 2007, 2010, 2012, 2014, 2016, and 2018. The Multiple linear regression and the panel regression models were used for data analysis. According to the findings, LPI positively affects FDI in India, Korea, Lebanon, and Oman with negative effects in China, Kuwait, and the Philippines. While GCI had a negative effect on FDI in Armenia, India, and Lebanon, it had a favorable influence in China, Korea, Kuwait, Pakistan, and the Philippines. Additionally, IR influences FDI flows in China and Egypt favorably. However, a negative effect was seen in Korea and Lebanon. Consequently, while considering variables of other countries that affect the FDI inflow, policymakers should concentrate more on enhancing infrastructure needs and macroeconomic considerations.

Keywords: *Logistics Performance Index, Global Competitiveness Index, Interest Rates, Foreign Direct Investment*