

4 International market prioritization results

What are the priority international target source markets for REAL AZ?

Market prioritization summary

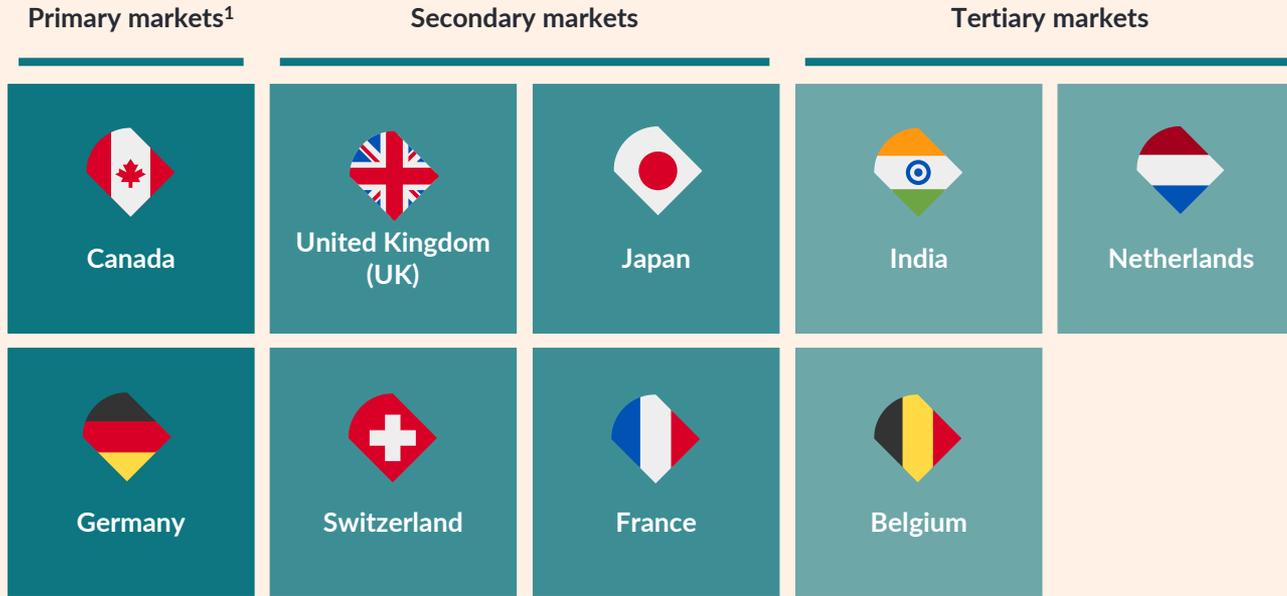
4.1 Methodology

4.2 Market prioritization results

Market prioritization summary

International target markets in order of priority

High-level findings: Displayed below are the top source markets identified by overall weighted ranking and categorized by level of importance.



fDi Strategies analyzed each source market for greenfield FDI into the REAL AZ target segments across several indicators, including total number of FDI projects, CapEx, and jobs created, growth rates of FDI projects, number of investing companies, and percentage share of FDI projects landing in the United States, Arizona, the REAL AZ Corridor, and competitor locations.²

Source
 FT Locations own analysis based fDi Markets database

Note
¹ See Appendix A6 for target market classifications
² See Appendix A13 for data analysis indicators

Market prioritization summary

Primary international target markets

Canada and Germany have been identified as primary markets for highly proactive investor targeting for REAL AZ given the two source markets exhibit strong greenfield FDI inflows into the United States and Arizona, with Canada recommended as a primary market for five of REAL AZ's target segments and Germany for three.



1. Canada

Canada is classified as a primary target market, with an average rank of 1st across the target segments:

- Canada ranks as a primary market across every target segment except for interior systems and appliance suppliers as well as Raw material and structural components for housing, and specialized logistics.
- Canada ranks as the most attractive market in the material suppliers for utility-scale renewable energy and the industrial equipment and automation segments and is also a primary market for heavy equipment providers, O&M services and industrial building development.
- Canada ranks as a secondary market for interior systems and appliance suppliers and raw material and structural components for housing.



2. Germany

Germany is classified as a primary target market, with an average rank of 2nd across the target segments:

- Germany ranks as a primary market in specialized logistics, Interior systems and appliance suppliers, and raw material and structural components for housing.
- Germany ranks as the most attractive market for specialized logistics, and is also a secondary market for material suppliers for utility-scale renewable energy, heavy equipment providers, industrial equipment and automation, and industrial building development.
- Germany ranks as a tertiary market for O&M services.

Source

FT Locations own analysis based fDi Markets database

Market prioritization summary

Secondary international target markets

The United Kingdom, Japan, Switzerland and France have been identified as secondary markets to consider for opportunistic lead generation activities¹ for target segments in which they are primary or secondary markets, with the four markets recommended as a primary or secondary market across all of REAL AZ's target segments.



3. United kingdom

The United Kingdom is classified as a secondary target market, with an average rank of 3rd across the target segments:

- The UK ranks as a primary market in material suppliers for utility-scale renewable energy and O&M services, ranking 2nd and 1st respectively within each segment.
- The UK also ranks as a secondary market for heavy equipment providers, and specialized logistics (ranked 3rd and 6th respectively), and a tertiary market within the remaining segments.



4. Japan

Japan is classified as a secondary target market, with an average rank of 4th across the target segments:

- Japan ranks as a primary market for industrial building development, and industrial equipment and automation, ranking 1st and 2nd respectively.
- Japan also ranks as a secondary market for heavy equipment providers, raw material and structural components for housing, and specialized logistics.



5. Switzerland

Switzerland is classified as a secondary target market, with an average rank of 5th across the target segments:

- Switzerland ranks as a primary market for raw material and structural components for housing (ranked 1st), and a secondary market for industrial equipment and automation.



6. France

France is classified as a secondary target market, with an average rank of 6th across the target segments:

- France ranks as a tertiary market within every segment except for interior systems and appliance suppliers.

Market prioritization summary

Tertiary international target markets

India, Belgium, and the Netherlands are designated as watchlist markets for greenfield FDI. We recommend monitoring investor interest over the medium to long term and targeting only select segments in which they are at least tertiary markets.



7. India

India is classified as a tertiary target market, with an average rank of 7th across the target segments:

- India ranks as a secondary market for material suppliers for utility-scale renewable energy, specialized logistics, interior systems and appliance suppliers, and raw material and structural components for housing.
- India also ranks as a tertiary market for O&M services.



8. Belgium

Belgium is classified as a tertiary target market, with an average rank of 8th across the target segments:

- Belgium ranks as a secondary market for O&M services (ranked 4th) and industrial building development (ranked 5th).
- Belgium is also considered a tertiary market within raw material and structural components for housing (ranked 9th).



9. Netherlands

The Netherlands is classified as a tertiary target market, with an average rank of 9th across the target segments:

- The Netherlands ranks as a primary market for specialized logistics (ranked 2nd overall), and a secondary market for O&M services (ranked 3rd).

Market prioritization summary

Tiering of international source markets by target segment

Focus ¹	Material suppliers for utility-scale renewable energy	Industrial building development	Raw material and structural components for housing	Interior systems and appliance suppliers	Operation & Maintenance services	Heavy equipment providers	Industrial equipment and automation	Specialized logistics	
Primary focus									Proactive ¹
Secondary focus									Opportunistic
Tertiary focus									Watchlist

Source
FT Location, fDi Strategies, based on fDi Markets

Note
¹ Focus tiers reflect targeting recommendations based on absolute segment scores and highlight the top-performing markets within each segment. This differs from the overall market prioritization, where Primary–Tertiary markets represent the best cross-segment opportunities for lead generation and broader engagement. See Appendix A6 for details.

Market prioritization summary

Key changes in target source markets impacting FDI into the United States to monitor

1. US tariffs policy

The Trump administration announced reciprocal tariffs on 2nd April 2025. On 1st August 2025, rates from 10% to over 35% began applying to imports from 68 countries including Canada, the EU, Taiwan, and India. Tariffs may discourage some FDI but also create incentives for tariff hopping – where firms invest in the US to bypass rising trade barriers from their home market.

2. Trade deals and agreements

The broad application of tariffs across countries and products by the US has shifted the administration's emphasis from multilateral trade rules to bilateral agreements. Several of REAL AZ's target markets have signed (Japan, UK, EU members) or have the potential to sign separate trade deals and agreements with the US, which could increase supply chain networks and FDI inflows from key Asia-Pacific markets in particular.

3. Industrial policies

The Trump administration seeks to repeal existing industrial policies such as the CHIPS and IRA programs in favor of tariff policies to attract FDI. The removal of these incentives (and introduction of industrial policies in other countries) could impact FDI into the US for target segments within renewable energy, however prescribed domestic content thresholds for renewable energy infrastructure components could also benefit the sector.

4. Economic growth

United States GDP is forecast to grow by 2% between 2025-2030²; displaying a more positive outlook than other advanced economies.

International markets GDP growth, however, will be significantly affected by US tariffs and countermeasures from other countries, and slow growth rates in REAL AZ's target markets could incite or stifle outward FDI.

5. Geoeconomic fragmentation

Geopolitical alignments between countries are increasingly impacting the corporate location decision-making process for FDI, particularly decoupling from China. Members of the US-aligned bloc dominants REAL AZ's target markets, however as trade disputes and protectionism proliferate even between key economic partners, it is necessary to monitor geoeconomic fragmentation between the US and each target market.

6. Bilateral relations with the US

Despite geoeconomic fragmentation increasing FDI flows between aligned nations, US trade disputes and protectionist policies (along with varied responses from allied countries) will strain bilateral relations and influence future FDI inflows to the US from partner countries. Monitoring the bilateral relations between the US and REAL AZ's target markets will be useful to anticipate future investment opportunities.

Market prioritization summary

Examples of future policy changes to monitor



US sector-specific tariffs

The US increased tariffs on steel and aluminum articles and derivatives to 25% in March 2025, later raising select steel/aluminum goods to 50% in June, with only a small number of exceptions such as the UK which will have a quota at most favored nation rate. This is expected to increase the reshoring of manufacturing and fabrication activity with demand for US-based suppliers across construction and industrial materials.¹



Bilateral relations with Canada

Despite trade tensions and the Carney government's stated intent to diversify reliance on the US, Canada-based companies remain a strong FDI prospect. Canadian firms, particularly those with North American supply chains, are likely to pursue tariff-hopping strategies or expansion-driven FDI into the US regardless of short-to-medium term political shifts.²



Trade deals and agreements with key partner nations

On Thursday May 8th, 2025, the US and UK announced an agreement on an Economic Prosperity Deal³, the first to be signed in the second Trump administration, with the US already replicating bi-lateral deals with the European Union⁴ and Japan⁵ in July 2025. Additional deals announced with APAC markets such as South Korea and Vietnam⁶ could result in more stable supply chains and increased FDI flows but could also reduce tariff-hopping FDI.



International industrial policies

Every major economy globally is employing industrial strategies and other tools to develop domestic strategic sectors and critical industries such as semiconductors, rare earth metals, cleantech manufacturing, energy production, including the use of incentives such as subsidies to attract large-scale projects from international investors⁵. This creates significant competition for the US in REAL AZ's target sectors from other countries.

Source

¹ [White House](#) and [House of Commons](#) ² [Council on Foreign Relations](#) ³ [White House](#) ⁴ [White House](#) ⁵ [White House](#) ⁶ [White House](#) ⁷ [Boston Consulting Group](#)

4 International market prioritization results

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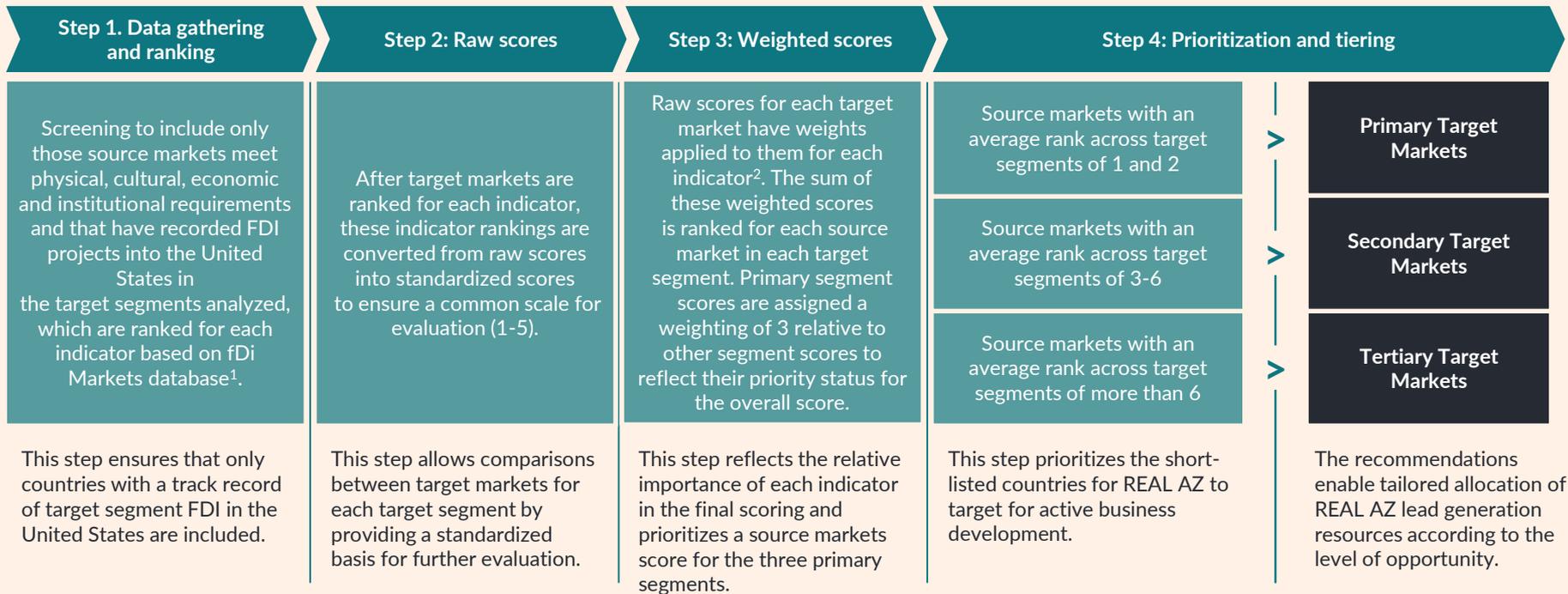
Market prioritization summary

4.1 Methodology

4.2 Market prioritization results

B1. INTERNATIONAL: Methodology

We screened countries based on a 4-step process to identify and prioritize target markets.



Source
FT Locations, *fDi Strategies*, based on fDi Markets

Note
¹ See Appendix A13 for indicators used in analysis
² See Appendix A13 for indicator weightings

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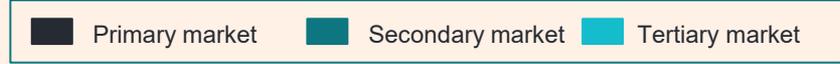
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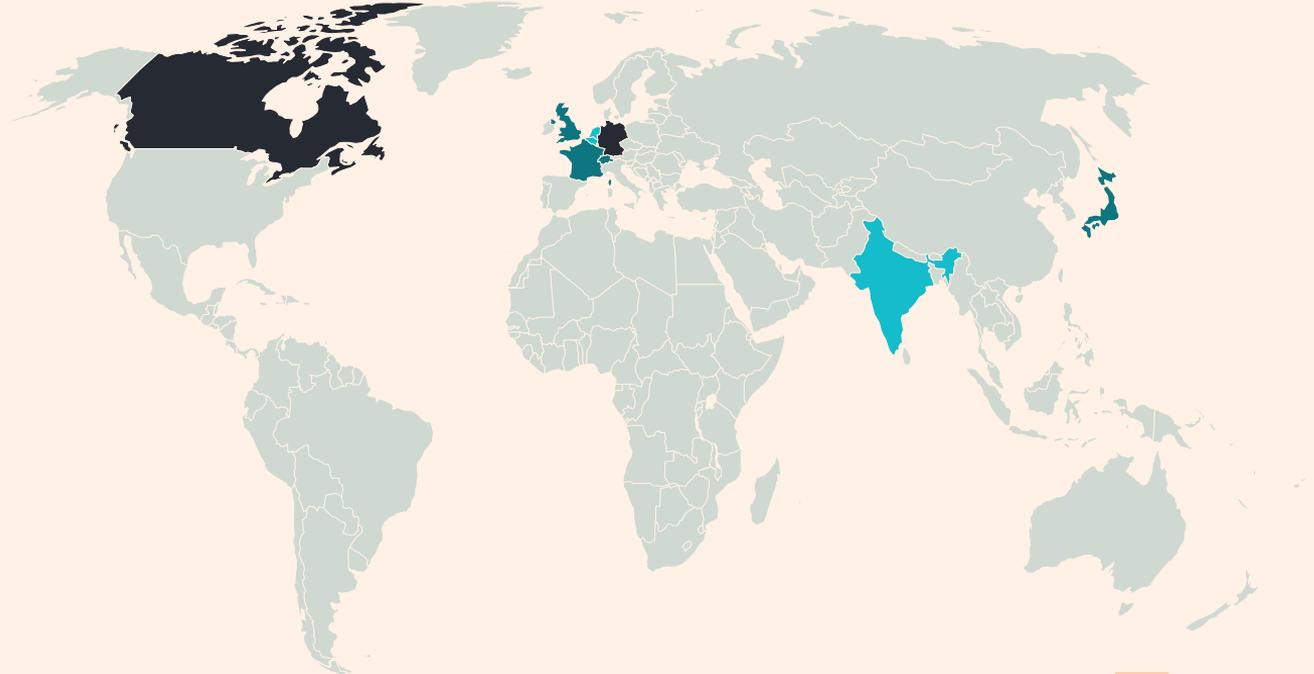
International market prioritization results

International target markets identified



International target markets have been segmented by prioritization for lead generation and marketing efforts:

- **Two primary markets identified:** Canada and Germany
- **Four secondary markets identified:** The UK, Japan, Switzerland, and France.
- **Three tertiary markets identified for strategic targeting in target segments:** India, Belgium, and the Netherlands.



Source

FT Location, *fDi Strategies*, based on fDi Markets

International market prioritization results

Performance of international target markets across target segments

Top 10 source markets by rank across target segments and heatmap by score¹

Lower Score  Higher Score

Material suppliers for utility-scale renewable energy	Industrial building development	Raw material and structural components for housing	Interior systems and appliance suppliers	O&M services	Heavy equipment providers	Industrial equipment and automation	Specialized logistics	Overall rank ²	
Canada	Japan	Switzerland	Taiwan	United Kingdom	Spain	Canada	Germany	Canada	Primary
United Kingdom	Canada	Germany	Germany	Canada	Canada	Japan	Netherlands	Germany	
Germany	Australia	Japan	India	Netherlands	United Kingdom	Germany	Japan	United Kingdom	Secondary
Spain	Singapore	Canada	South Korea	Belgium	Japan	Sweden	India	Japan	
India	Germany	India	Canada	Denmark	Colombia	Italy	Denmark	Switzerland	Tertiary
South Korea	Belgium	Sweden	Lithuania	Greece	Germany	Switzerland	United Kingdom	France	
Switzerland	Czech Republic	South Korea	Ireland	Norway	Denmark	Finland	Singapore	India	
Singapore	United Kingdom	Italy	Turkey	Italy	France	Ireland	Sweden	Belgium	
Italy	Lithuania	Belgium	Norway	India	Ireland	United Kingdom	Spain	Netherlands	
Norway	Thailand	France	Japan	Vietnam	Belgium	Denmark	Czech Republic		

Source
FT Location, *fDi Strategies*, based on *fDi Markets*

Note

¹ Primary segment raw scores have been given a weight of 3 whilst secondary and tertiary segments are given a weight of 2 and 1 respectively, to reflect the prioritization of markets by the strength of outward greenfield FDI into the primary segments; Heatmap coloring reflects relative market strength across all target segments combined, rather than within individual columns

² In order by average rank, based on total weighted score

International market prioritization results

Primary, secondary, and tertiary international markets

Source market to target by segment



Source market ¹	Material suppliers for utility-scale renewable energy	Industrial building development	Raw material and structural components for housing	Interior systems and appliance suppliers	O&M services	Heavy equipment providers	Industrial equipment and automation	Specialized logistics
Canada	Primary market	Primary market	Secondary market	Secondary market	Primary market	Primary market	Primary market	
Germany	Secondary market	Secondary market	Primary market	Primary market	Tertiary market	Secondary market	Secondary market	Primary market
United Kingdom	Primary market	Tertiary market	Tertiary market	Tertiary market	Primary market	Secondary market	Tertiary market	Secondary market
Japan	Tertiary market	Tertiary market	Secondary market	Tertiary market		Secondary market	Primary market	Secondary market
Switzerland	Secondary market	Tertiary market	Primary market	Tertiary market			Secondary market	
France	Tertiary market	Tertiary market	Tertiary market	Tertiary market	Tertiary market	Tertiary market	Tertiary market	Tertiary market
India	Secondary market		Secondary market	Secondary market	Tertiary market			Secondary market
Belgium		Secondary market	Tertiary market		Secondary market	Tertiary market		
Netherlands				Tertiary market	Secondary market		Tertiary market	Primary market

Source
 FT Location, fDi Strategies, based on
 fDi Markets

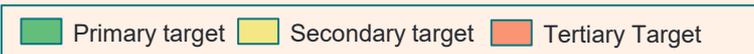
Note

¹ In order by average rank, based on total weighted score
² Primary markets represent the top 1-2 ranked locations, Secondary markets rank 3-6, and Tertiary markets rank 7-11

International market prioritization results

Other international markets to consider for target sectors

Source market to target by segment



Source market ¹	Material suppliers for utility-scale renewable energy	Industrial building development	Raw material and structural components for housing	Interior systems and appliance suppliers	O&M services	Heavy equipment providers	Industrial equipment and automation	Specialized logistics
Sweden			Tertiary market				Secondary market	Secondary market
Italy	Tertiary market				Tertiary market		Secondary market	
Denmark	Tertiary market				Secondary market	Tertiary market	Tertiary market	Secondary market
South Korea	Secondary market		Tertiary market	Secondary market			Tertiary market	
Australia		Secondary market						
Spain	Secondary market					Primary market		Secondary market
Norway	Tertiary market			Tertiary market	Tertiary market			
Ireland				Tertiary market	Tertiary market	Tertiary market	Tertiary market	
Singapore	Tertiary market	Secondary market						Secondary market
Turkey			Tertiary market	Tertiary market				
Taiwan				Primary market				

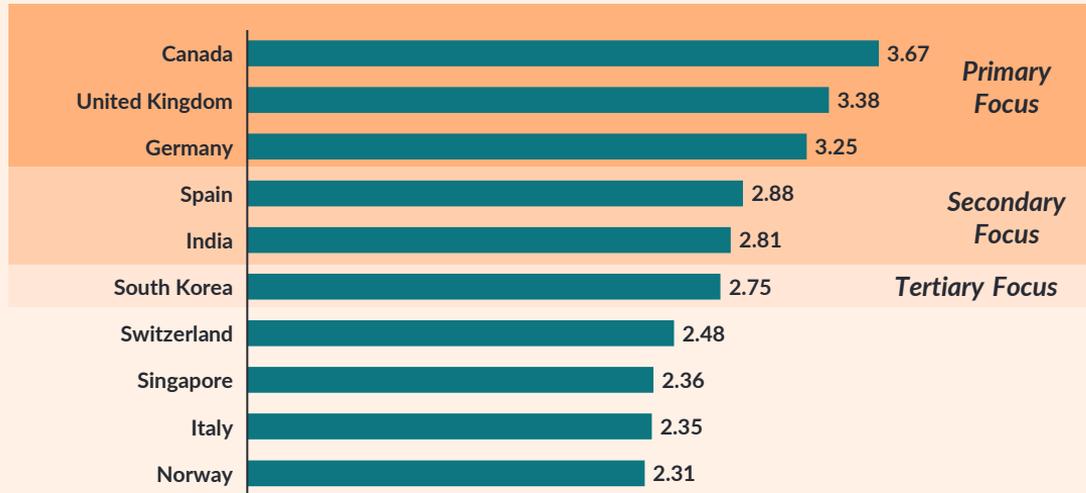
Source
FT Location, fDi Strategies, based on fDi Markets

Note
¹ In order by average rank, based on total weighted score
² Primary markets represent the top 1-2 ranked locations, Secondary markets rank 3-6, and Tertiary markets rank 7-11

INTERNATIONAL: Findings from data analysis across target segments

PRIMARY: Material suppliers for utility-scale renewable energy

Top 10 source markets by total score in segment [1-5]; 5 = max



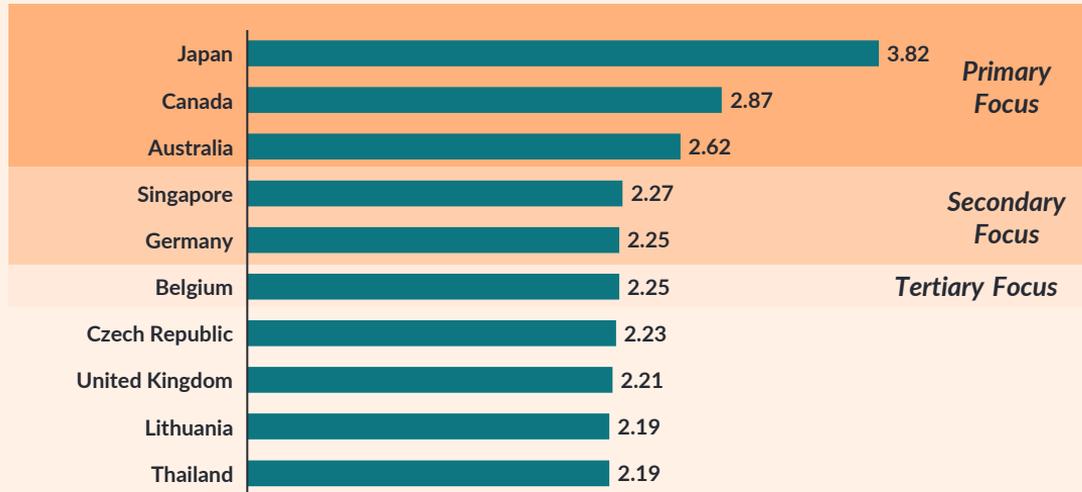
- **Canada and the United Kingdom rank as the highest priority international markets for material suppliers for utility-scale renewable energy.**
- **Canada ranks 1st**, with the highest amount of greenfield FDI projects and CapEx into the United States, and the joint third highest number of projects globally between 2021-Apr 2025.
- **United Kingdom ranks 2nd**, with the joint second highest amount of greenfield FDI projects into the United States, and the largest volume of CapEx into North America between 2021-Apr 2025.
- **Germany ranks 3rd**, with the highest amount of greenfield FDI projects globally between 2021-Apr 2025, is the fastest growing source market for FDI projects in this segment into the United States from 2023-2024.

Source
FT Location, fDi Strategies, based on fDi Markets

INTERNATIONAL: Findings from data analysis across target segments

PRIMARY: Industrial building development

Top 10 source markets by total score in segment [1-5]; 5 = max



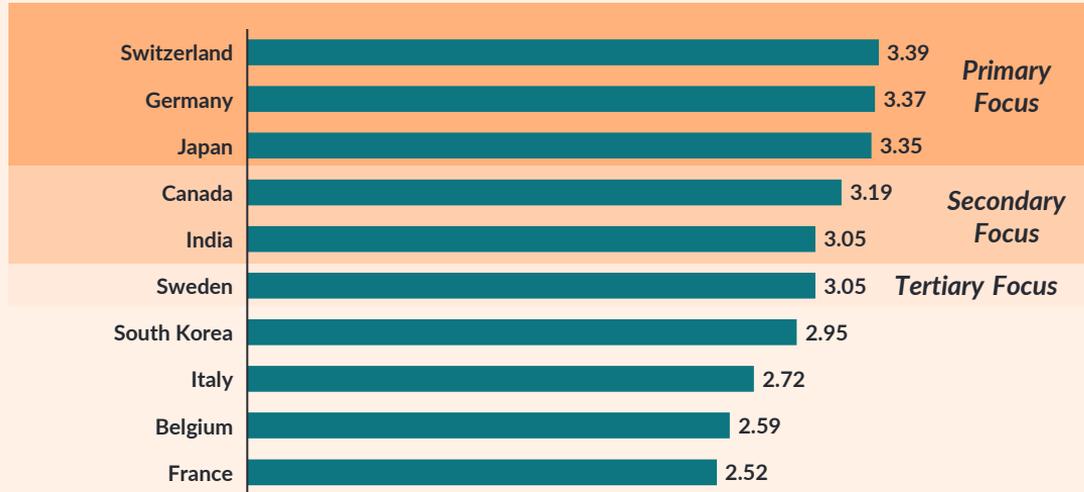
- **Canada and Japan rank as the highest priority international markets for industrial building development.**
- **Japan ranks 1st**, with the largest volume of greenfield FDI projects, CapEx, and jobs into North America, the United States and Arizona between 2021-Apr 2025. It is also the fourth largest market globally by greenfield FDI projects, the third fastest growing (2024 vs. 2023).
- **Canada ranks 2nd**, with the second highest amount of greenfield FDI projects and CapEx into the United States. Its investment activity is highly concentrated in the US market, as it ranks only 11th globally for outward FDI in this segment, indicating limited diversification beyond North America.
- **Australia ranks 3rd**, with only 12.5% of its outward FDI in the United States despite ranking as the seventh largest source market.

Source
FT Location, *fDi Strategies*, based on *fDi Markets*

INTERNATIONAL: Findings from data analysis across target segments

PRIMARY: Raw material and structural components for housing

Top 10 source markets by total score in segment [1-5]; 5 = max



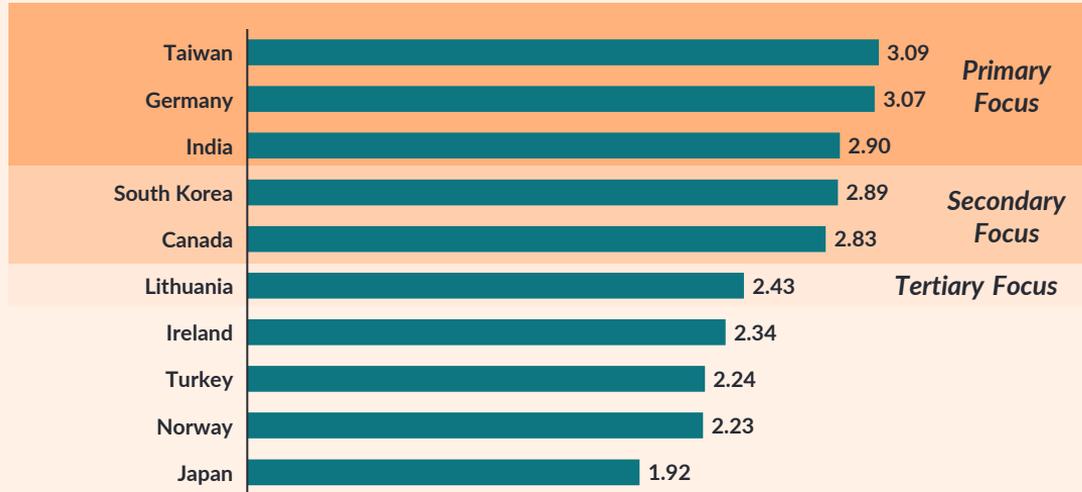
- Switzerland and Germany rank as the highest priority international markets for raw material and structural components for housing.
- Switzerland ranks 1st, with the joint second highest number of greenfield FDI projects globally. It is one of the fastest growing source markets in the US within this segment across projects, CapEx and jobs.
- Germany ranks 2nd, with the highest total number of global greenfield FDI projects, and the largest number of greenfield FDI projects, CapEx, and jobs into the United States. It is also one of the fastest-growing source markets, with a 25% increase in US-bound greenfield FDI projects from 2023 to 2024.
- Japan ranks 3rd, exhibiting strong investment activity into the United States, including 36 greenfield FDI projects, valued at US\$4.2 billion in CapEx.

Source
FT Location, fDi Strategies, based on fDi Markets

INTERNATIONAL: Findings from data analysis across target segments

SECONDARY: Interior systems and appliance suppliers

Top 10 source markets by total score in segment [1-5]; 5 = max



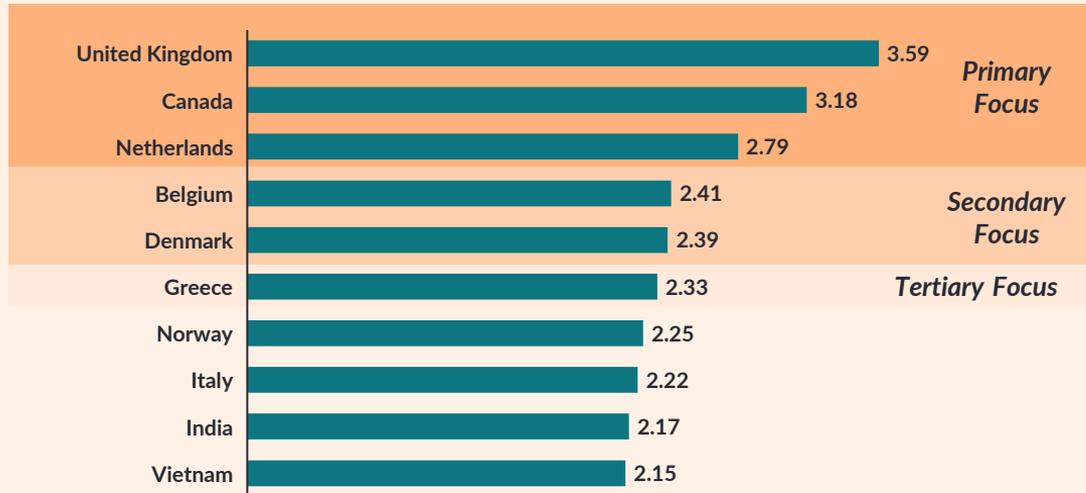
- Taiwan and Germany rank as the highest priority international markets for interior systems and appliance suppliers.
- Taiwan ranks 1st, with the highest global growth rate in greenfield FDI projects in this segment from 2023 to 2024. It has also generated over US\$190 million in CapEx and nearly 300 new jobs in the United States between 2021-Apr 2025.
- Germany ranks 2nd, with the highest number of global greenfield FDI projects and joint-top investor in the United States by number of greenfield FDI projects. While its recent growth has slowed in this segment, it remains a key source market with strong performance in CapEx and job creation.
- India ranks 3rd, with a high concentration of outbound greenfield FDI into the United States. It is also a top job creator, with over 300 new jobs in the US.

Source
FT Location, fDi Strategies, based on fDi Markets

INTERNATIONAL: Findings from data analysis across target segments

SECONDARY: Operation & Maintenance (O&M) services

Top 10 source markets by total score in segment [1-5]; 5 = max



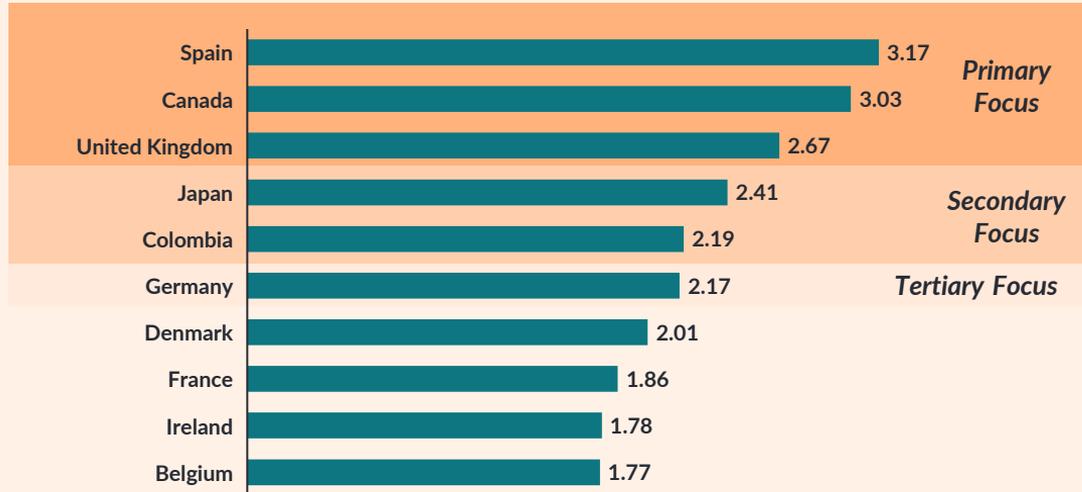
- **United Kingdom and Canada rank as the highest priority international markets for O&M services.**
- **United Kingdom ranks 1st,** with the highest total number of global greenfield FDI projects between 2021-Apr 2025 and strong growth in project volume from 2023 to 2024. It also ranks first for US-bound greenfield FDI projects and jobs in this segment.
- **Canada ranks 2nd,** with the third highest number of greenfield FDI projects into the United States between 2021-Apr 2025 and is the only source market, in this segment, to invest in Arizona.
- **The Netherlands ranks 3rd,** with the second largest volume of greenfield FDI projects, CapEx and jobs into the United States between 2021-Apr 2025.

Source
FT Location, fDi Strategies, based on fDi Markets

INTERNATIONAL: Findings from data analysis across target segments

SECONDARY: Heavy equipment providers

Top 10 source markets by total score in segment [1-5]; 5 = max



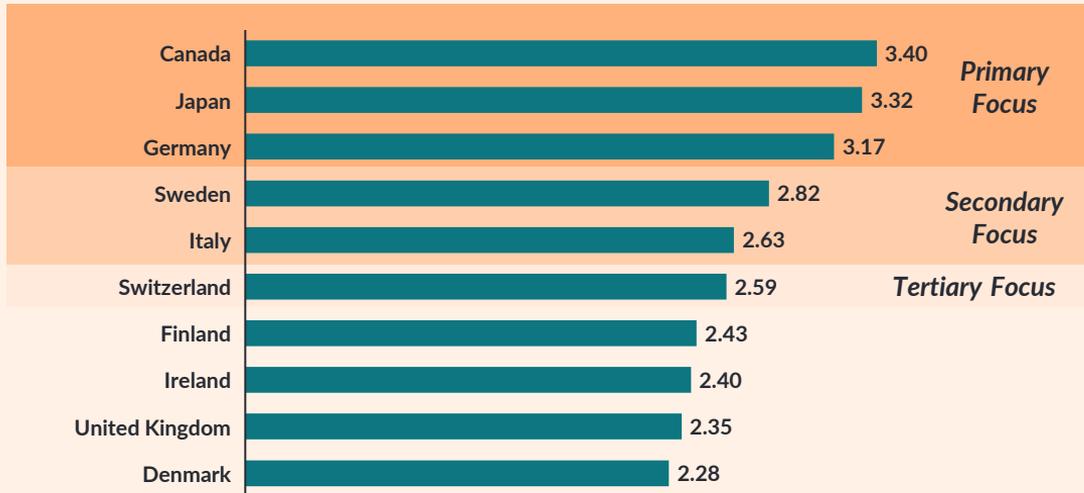
- Spain and Canada rank as the highest priority international markets for heavy equipment providers.
- Spain ranks 1st, as the joint-second largest source market globally for greenfield FDI projects, with the highest number of projects, CapEx and jobs into the United States between 2021-Apr 2025.
- Canada ranks 2nd, with second largest volume of US-bound greenfield FDI projects, CapEx and jobs. While global project volumes are lower than the UK, Canada shows stable and consistent performance in the US.
- United Kingdom ranks 3rd, with a strong volume of global greenfield FDI projects between 2021-Apr 2025, and the highest growth in global FDI activity in this segment from 2023 to 2024.

Source
FT Location, fDi Strategies, based on fDi Markets

INTERNATIONAL: Findings from data analysis across target segments

TERTIARY: Industrial equipment and automation

Top 10 source markets by total score in segment [1-5]; 5 = max



- **Canada and Japan rank as the highest priority international markets for industrial equipment and automation.**
- **Canada ranks 1st**, driven by its high concentration of investment in the United States. It recorded 17 greenfield FDI projects into the US between 2021–Apr 2025, creating over 1,170 jobs.
- **Japan ranks 2nd**, with high-impact investments into the United States, including 14 greenfield FDI projects generating 1,535 jobs and US\$336 million in CapEx. Globally, it has seen 80% year-on-year growth in projects (2024 vs. 2023), signaling renewed momentum.
- **Germany ranks 3rd**, with the highest number of global greenfield FDI projects in this segment (161) and 29 projects into the United States – the most of any source market.

Source
FT Location, fDi Strategies, based on fDi Markets

INTERNATIONAL: Findings from data analysis across target segments

TERTIARY: Specialized logistics

Top 10 source markets by total score in segment [1-5]; 5 = max



- Germany and the Netherlands rank as the highest priority international markets for specialized logistics.
- Germany ranks 1st, with the highest number of global greenfield FDI projects in this segment and strong growth in projects into North America between 2023–2024. It delivered five projects into the United States between 2021–Apr 2025, generating 264 new jobs.
- The Netherlands ranks 2nd, with three greenfield FDI projects globally projects and two into the United States. Its investments into the US saw the creation of 106 new jobs and represented US\$21 million in CapEx.
- Japan ranked ranks 3rd, with a lower volume of greenfield FDI placing it within the secondary focus category.

Source
FT Location, fDi Strategies, based on fDi Markets