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WIRTSCHAFTSVERGLEICHE

**WIIW-WIFO DATABASE**

**FOREIGN DIRECT INVESTMENT IN CEECS AND  
THE FORMER SOVIET UNION WITH SPECIAL  
ATTENTION TO AUSTRIAN FDI ACTIVITIES**

**GÁBOR HUNYA (WIIW), JAN STANKOVSKY (WIFO)**

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**TO AUSTRIAN FDI ACTIVITIES**

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GÁBOR HUNYA (WIIW), JAN STANKOVSKY (WIFO)

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## 1. Introduction

This 13<sup>th</sup> revision of the WIIW-WIFO database on FDI contains final 2001 data for the Central and East European countries (CEECs) and the former Soviet Union (FSU). It also makes estimates for the year 2002. An updated methodological overview and a brief analysis of current foreign direct investment (FDI) trends in CEECs is provided. Special attention is devoted to Austrian direct investments in the region. The sources of data are official publications of the countries under survey. All data have been revised and the national banks of the respective countries were taken as the only source of reference. The data have been processed and commented on by Gábor Hunya (WIIW) and Jan Stankovsky (WIFO) with the help of statisticians of both institutes (Monika Schwarzhappel, WIIW, and Gabriele Wellan, WIFO).

In this joint effort WIIW and WIFO combine the overlapping parts of the two institutes' FDI databases. In addition to the tables presented in this publication, WIIW maintains a separate database concerning the performance of foreign investment enterprises in the CEECs, while WIFO runs a detailed database covering FDI by Austrian firms and FDI in Austria. The editors of the present volume have analysed the joint database in their own publications<sup>1</sup>.

## 2. Highlights of FDI Developments in 2001-2002

### 2.1 FDI Trends in the CEECs and FSU Countries in 2001-2002

The worldwide decline of FDI in 2001 passed without any major direct impact on the transition countries: the overall amount of FDI inflows remained unchanged compared to the previous year (Table I/1). A decline of international mergers and acquisitions caused a setback of FDI flows only among the advanced countries. But due to the stagnation of the leading economies and the loss in market value of a number of transnational corporations, investment plans for 2002 were scaled back. This affected also direct investments in Eastern European countries where we expect less FDI in 2002 than in the previous year.

In the Central European transition countries the FDI inflow registered in the balance of payments for the first three months of 2002 was only about one half of the previous year's level. One of the reasons may be that export-oriented investments were delayed because of the downturn of the European business cycle. Also privatisation-related FDI declined in several countries due to lacking

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<sup>1</sup> G. Hunya, 'Recent Impacts of Foreign Direct Investment on Growth and Restructuring in Central European Transition Countries', WIIW Research Reports, No. 284, The Vienna Institute for International Economic Studies, May 2002. G. Hunya, 'Uneven competitiveness of industries in the wake of foreign penetration of advanced economies in transition', *Transnational Corporations*, Vol. 10, No. 2, August 2001, pp. 35-66.

new sales offers. Uncertainties related to the elections in some of the target countries such as the Czech Republic and Hungary also made investors delay new investments and acquisitions. The main exception to this general trend has been Slovenia with a record level of FDI inflow in 2001. The privatisation of the banking sector has finally started and also companies privatised earlier to dispersed owners and funds attracted new foreign capital.

With a recovery of the European economy, foreign investments in CEECs may start growing during the rest of the year. But for Poland, a country with home-made economic stagnation, the prospects remain bleak. As to Hungary, the record FDI of 2001 will certainly not be achieved. Even some outflow will be registered as Flextronics decided to relocate the production of its ill-fated play console to China. It must be noted, however, that Hungary is among the few countries which has been unable to improve its FDI statistics and does not include re-invested earnings (profits). The latter amount to an estimated USD 2 billion annually in the last couple of years.

Privatisation-related investment opportunities represent the main uncertainty for our 2002 forecast. One or the other major deal such as the Czech energy privatisation can change the inflow amounts considerably. A major increase of FDI will be booked in Slovakia, which sold 49 percent of the gas transit transport company in March for USD 2.7 billion. Together with the expected electricity sector privatisation the annual inflow may double compared to the previous year.

FDI in South Eastern Europe and the former Soviet Union is less dependent on the development of EU imports. Romania and Bulgaria pursue a slow privatisation policy which can attract modest FDI for some years. They also feature a growing economy and low wages attracting investors to the labour-intensive light industries. The countries of the western Balkans have gained more stability but their transformation to market economies is still incomplete and investors rarely take the risk to come to these countries. The exception is Croatia, with its more advanced economy and good progress on privatisation. Investors are not much interested in the least developed countries of the region, Albania and Bosnia & Herzegovina. The start of economic transformation and privatisation in Serbia awoke the interest of investors in 2001. The sale of cement companies early this year mark the outset. Still, the general investment environment is considered risky thus FDI cannot be a major vehicle of an economic take-off.

In the former Soviet Union, Russia is the main target of investments but restrictions of foreign penetration survive and local market circumstances are often deterrent. In the first months of 2002 the FDI inflow was lower than a year earlier and the general slowdown of the Russian economy makes forecasts more moderate. As to the Asian CIS countries, only the mining sectors of Kazakhstan and Azerbaijan attract investments.

The recent developments have not changed the basic features of per capita FDI in Eastern Europe. The Czech Republic, Estonia and Hungary have the highest per capita stocks, followed by the Slovak Republic, Croatia, Slovenia and Poland (Tables 1 and 2 following this chapter). The ranking hardly changes when FDI stock per GDP is considered (Table 4 following this chapter). For the rest

of the countries in the region the amount of FDI is meagre. However, foreign companies may acquire large economic importance even if the invested amount of capital for penetrating a country is small. For instance, the amount of FDI in Romanian manufacturing (USD 2 billion) does not suggest that 38 percent of the sales and 44 percent of the exports is produced by foreign affiliates. In the case of Bulgaria only about USD 800 million has been invested into the banking sector, but by this amount foreign affiliates acquired 70 percent of the banking assets. To achieve a similar rate of control in the Slovak Republic, USD 1.2 billion was necessary, in the Czech Republic more than USD 4 billion. Low amounts of acquisition investments are mainly a problem for the national budget which would expect higher privatisation revenues. It is the low amount of follow-up and green-field investments that indicates slow restructuring.

The ranking of the main investing countries undergoes slow change (Appendix section II and Table 5 following this chapter). Germany and the Netherlands continue to be the most important investors but with decreasing shares. Gains in shares have been booked by France in the last two years mainly due to its role in the energy sector privatisation. Austria takes the fifth place in 2001 and has a lower share than in the previous year. The USA continues to be the third largest, and the largest non-European, investor with a lower share in 2001 than one year earlier. The European Union is the source of three quarters of FDI in the accession countries, showing that integration on the corporate level has been achieved before formal membership.

Table 1: FDI inflow per capita in USD, 1994-2001

	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	84	248	138	126	361	615	485	478
Hungary	112	435	223	214	201	196	163	240
Poland	49	95	116	127	165	188	242	207
Slovak Republic	51	48	67	41	127	72	384	274
Slovenia	64	89	97	189	125	91	88	222
Total (5)	65	167	132	135	196	243	274	260
Bulgaria	12	11	13	61	65	100	123	86
Romania	15	18	12	54	90	46	46	51
Total (7)	49	119	94	110	161	185	209	197
Estonia	143	136	102	183	400	212	283	398
Latvia	84	72	155	214	148	146	172	85
Lithuania	9	20	42	99	260	138	108	128
Total (10)	49	115	93	113	167	183	206	195
Albania	17	22	27	14	13	12	42	58
Croatia	25	26	115	120	225	359	257	343
Macedonia	10	5	6	8	59	16	87	217
Bosnia & Herzegovina	.	.	.	.	27	24	40	35
Yugoslavia	.	.	.	70	11	13	3	20
Russia	5	14	17	33	19	23	19	18
Ukraine	3	5	10	12	15	10	12	16

Source: Own calculations based on table I/1 and WIIW Database.

Table 2: FDI stocks per capita in USD, 1994-2001

	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	440	712	832	897	1397	1708	2108	2604
Hungary	692	1168	1470	1587	1835	1922	1942	2311
Poland	98	203	297	377	581	675	870	1010
Slovak Republic	167	242	380	387	536	591	834	1115
Slovenia	666	886	1006	1112	1398	1336	1411	1709
Total (5)	265	454	587	665	919	1036	1239	1485
Bulgaria	29	40	53	115	181	282	406	504
Romania	24	43	55	109	199	246	293	343
Total (7)	189	323	418	489	690	790	950	1140
Estonia	332	499	573	790	1260	1714	1935	2318
Latvia	124	249	383	526	650	756	880	942
Lithuania	85	97	195	292	459	586	668	765
Total (10)	186	316	412	488	689	795	952	1138
Albania	41	62	89	102	114	126	167	233
Croatia	51	77	195	312	542	895	1187	1530
Macedonia	10	15	20	28	86	101	188	403
Bosnia & Herzegovina	.	.	.	.	27	51	91	125
Yugoslavia	.	.	.	70	80	115	119	139
Russia	13	27	44	78	97	120	139	157
Ukraine	10	16	26	38	54	64	77	93

Source: Own calculations based on table I/2 and WIIW Database.



Table 3: FDI inflow as a percentage of gross fixed capital formation, 1994-2001

	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	7.4	15.4	7.7	8.0	22.4	41.4	34.3	30.6
Hungary	13.7	49.7	23.5	21.4	18.3	17.2	14.6	20.1
Poland	12.5	15.5	15.1	14.5	16.0	18.4	23.8	21.0
Slovak Republic	6.8	5.4	5.4	3.0	8.6	6.4	35.8	23.0
Slovenia	4.4	4.4	4.6	8.8	5.1	3.3	3.6	9.4
Total (5)	10.2	19.1	12.7	12.5	16.2	20.7	24.1	22.3
Bulgaria	7.9	4.5	8.0	44.2	32.4	41.8	50.6	28.6
Romania	5.6	5.5	3.2	16.3	26.5	16.5	14.9	15.1
Total (7)	9.6	17.2	11.7	13.3	17.4	20.9	24.0	21.9
Estonia	34.8	21.8	12.9	20.6	37.5	23.6	32.9	39.2
Latvia	39.2	26.5	41.0	49.3	21.5	20.7	23.2	.
Lithuania	3.2	5.2	8.4	15.2	35.4	20.7	18.1	19.1
Total (10)	10.1	17.1	11.9	13.9	18.3	20.9	23.9	22.3
Croatia	5.8	4.1	12.7	11.3	20.1	35.3	28.2	33.8
Macedonia	3.7	1.3	1.5	2.4	18.9	5.2	.	.
Russia	1.1	2.9	2.9	5.8	5.5	11.9	6.7	4.6
Ukraine	1.8	3.1	5.6	6.3	9.1	8.2	9.9	15.4

Source: Own calculations based on table I/1 and WIW Database.

Table 4: FDI stocks as a percentage of GDP, 1994-2001

	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	11.1	14.1	14.9	17.4	25.2	31.9	42.1	47.2
Hungary	17.1	26.7	33.1	35.2	39.4	40.2	42.5	45.4
Poland	4.1	6.2	8.0	10.1	14.2	16.8	21.3	22.1
Slovak Republic	5.9	6.8	10.0	9.9	13.1	15.8	22.9	29.3
Slovenia	9.2	9.4	10.6	12.1	14.1	13.2	15.5	18.1
Total (5)	8.6	11.5	13.6	15.7	20.1	23.1	28.1	30.5
Bulgaria	2.5	2.6	4.5	9.1	11.7	17.8	26.3	29.5
Romania	1.8	2.7	3.5	6.9	10.7	15.5	17.8	19.4
Total (7)	7.5	10.1	12.3	14.5	18.7	22.1	26.9	29.3
Estonia	21.5	20.6	19.2	24.9	34.8	47.5	52.6	57.9
Latvia	8.5	13.8	18.2	22.6	25.6	26.9	29.1	29.4
Lithuania	7.3	5.8	8.9	10.9	15.1	19.3	20.7	22.2
Total (10)	7.7	10.2	12.4	14.7	18.9	22.5	27.1	29.4
Croatia	1.6	1.9	4.4	7.1	11.3	20.3	27.3	33.1
Macedonia	0.6	0.6	0.9	1.5	4.8	5.6	10.6	24.0
Yugoslavia	.	.	.	4.1	4.7	9.3	12.2	11.0
Russia	0.7	1.2	1.6	2.7	5.0	9.0	7.8	7.3
Ukraine	1.4	2.2	3.0	3.9	6.4	10.1	12.1	12.1

Source: Own calculations based on table I/2 and WIW Database.

Table 5: FDI stock by major investing countries

As of December 2001, shares in percent

	Czech Republic 2000	Hungary 2000	Poland <sup>1)</sup>	Slovak Republic	Slovenia 2000	Bulgaria	Romania <sup>2)</sup>	CEEC-7
Germany	25.5	25.8	13.4	23.0	12.5	12.5	11.3	17.5
Austria	11.1	12.2	1.5	17.6	45.6	7.8	5.9	7.1
USA	6.5	8.2	14.7	6.0	3.9	6.2	6.4	10.8
Netherlands	30.1	22.5	8.6	20.9	3.0	4.6	16.2	15.2
Switzerland	4.0	2.1	1.7	0.0	3.6	2.4	2.8	2.3
France	4.3	6.5	19.2	1.8	10.7	2.8	6.9	12.4
Italy	0.8	2.7	6.6	10.7	5.4	10.0	7.0	5.3
United Kingdom	3.5	1.1	5.0	3.9	3.6	4.4	4.4	4.1
Japan	0.5	2.1	1.0	0.0	0.2	0.2	0.6	0.9
Other countries	13.7	16.7	28.2	16.1	11.6	49.2	38.6	24.4
EU	84.1	80.2	68.2	81.3	84.0	69.1	61.1	73.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total, USD mn	21644	10310	53152	4687	2809	4494	4882	101977

Source: National Banks and Privatisation Agencies. – <sup>1)</sup> Realised investment with more than USD 1 million capital. – <sup>2)</sup> Equity capital subscribed given by Chamber of Commerce and Industry.

Table 6: FDI stock by major economic activities

As of December 2001, shares in percent

Code		Czech Republic 2000	Hungary 2000	Poland <sup>1)</sup>	Slovak Republic	Slovenia 2000	Bulgaria <sup>2)</sup>	Romania <sup>2)</sup>
NACE		2000	2000			2000		
A,B	Agriculture, forestry, fishing	0.2	1.1	0.1	0.3	0.02	0.2	3.6
C	Mining and quarrying	1.9	0.4	0.2	0.7	0	.	.
D	Manufacturing	38.1	36.8	41.2	43.8	40.7	47.2 <sup>3)</sup>	44.4 <sup>3)</sup>
E	Electricity, gas, water supply	6.6	9.4	2.8	0.2	0.6	.	.
F	Construction	1.5	1.2	5.2	0.8	0.2	1.3	4.5
G	Trade, repair of motor vehicles, etc.	15.0	12.4	11.4	10.5	14.0	15.7	20.1
H	Hotels and restaurants	0.3	1.8	1.2	0.7	0.6	4.0	3.1
I	Transport, storage, communications	11.2	7.7	10.7	13.9	1.6	7.4	7.4
J	Financial intermediation	14.7	11.3	23.1	25.9	25.8	18.5	17.0 <sup>4)</sup>
K	Real estate, renting & business act.	9.2	15.7	1.2	3.0	13.3	.	.
L	Public administr., defence, social sec.	.	.	.	.	.	.	.
M	Education	0.0	0.0	.	.	0.004	.	.
N	Health and social work	0.1	0.1	.	0.03	0.05	.	.
O	Other community, social & pers. activ.	1.1	1.9	3.1	0.3	0.8	.	.
	Other not classified activities	.	.	.	0.004	2.4	5.8	.
Total		100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total, USD mn		21644	10310	53152	4687	2809	4494	4882

Source: National Banks and Privatisation Agencies. – <sup>1)</sup> Realised investment with more than USD 1 million capital. – <sup>2)</sup> Adjusted to NACE. – <sup>3)</sup> Industry total (C+D+E). – <sup>4)</sup> Services total.

## 2.2 Austrian direct investments in CEEC

The forthcoming accession of Central and Eastern European countries to the European Union has intensified economic co-operation with the accession candidates and strengthened the flow of foreign capital from west to east. EU membership will accelerate growth in the candidate countries. The new members are obliged to introduce the *acquis communautaire* of the Union, which will noticeably reduce investment risks. Existing obstacles to trade (e.g. border controls) between the old and new EU Member States will be eliminated at the same time, which will reduce trade costs and facilitate transborder co-operation between businesses. All these factors will increase the attractiveness of the CEECs as an investment location. Austrian enterprises are developing their economic presence in Eastern Europe by contributing capital to CEE firms and by greenfield investments, in order to utilise the opportunities offered by a large European market and to intensify their international competitiveness. Their capital commitments in the CEECs have so far brought significant advantages for Austria and will continue to be predominantly positive in the future. It should be an important task of Austrian economic policy to promote this process.

Austrian direct investments in CEEC expanded strongly in 2000. At EUR 2.4 billion (USD 2.1 billion), new investment more than doubled as compared with 1999 (EUR 1.0 billion or USD 1.1 billion). This remarkable performance – which noticeably improved Austria's position as a CEE investor – was repeated in 2001 (EUR 2.4 billion). The great importance of the CEECs for the Austrian economy is illustrated by the fact that of the total Austrian new direct investment abroad, nearly 40 percent were allocated to the CEECs in 2000, and that this figure went up to fully 80 percent in 2001.

According to the latest available data, total Austrian FDI again increased noticeably in 2002: In the first four months of the current year, EUR 1.8 billion were invested abroad – nearly three times as much as in the same period in 2001. Regional statistics are not yet available, but CEE investments contributed considerably to this high figure.

### 2.2.1 *Slovakia was most important target country for Austrian FDI in 2001*

In 2001, the most important target country for Austrian direct investments in Central and Eastern Europe was **Slovakia**, which received EUR 0.6 billion. Approximately one third of this amount was invested in the acquisition of the Slovak Savings Bank (Slovenska Sporitelna, see WIIW-WIFO Database of February 2002). The high commitment in Slovakia is also proof of the confidence placed by Austrian businesses in this country. The progress made by Slovakia in its accession negotiations with the European Union – by mid June 2002, Slovakia had completed 26 negotiation chapters out of 31, more than the Czech Republic or Hungary – justifies this confidence. The likely victory of Meciar's party in the parliamentary elections in autumn could cause some difficulties, but might not be an insurmountable obstacle to accession.

Austrian direct investments in **Hungary** stabilised again on a high level. At the beginning of the transformation period, Hungary was the most important target country for Austria's eastern investments. In the second half of the 1990s, however, the flow of capital from Austria to Hungary stagnated or was even declining. In 1999, Austrian investments in Hungary amounted to just EUR 60 million. The situation improved in 2000, at EUR 0.4 billion, an upswing which continued in 2001 (EUR 0.5 billion). Hungary has nearly finished privatising its former state enterprises. Direct investments are now mostly of the greenfield type or an expansion of existing enterprises. Austrian investors obviously needed some time for this adjustment.

In the **Czech Republic**, Austrian new investment, at EUR 0.4 billion, fell to below the level of 2000 (EUR 0.9 billion). The high investment in 2000 derived from a large-scale project in the banking sector. Austrian direct investments in **Slovenia** achieved a record result (EUR 0.3 billion). Previously, Slovenia had been rather reluctant in liberalising its capital market. Altogether more than three quarters of all CEE investments (EUR 1.8 billion) were allocated to four neighbours of Austria.

As at most times in the past, Austria continued to be greatly interested in **Croatia**, which received direct investments of EUR 0.2 billion. Croatia does not yet rank among the accession candidates, but it might participate in the next enlargement round (together with Bulgaria and Romania). Austria's investment in **Poland**, the largest country in the region, at barely EUR 0.2 billion was once again disappointing. Austrian direct investments in the Baltic states and in Russia were practically negligible.

### 2.2.2 *Direct investment stocks in Central and Eastern Europe exceed EUR 10 billion*

By the end of 2001, stocks of Austrian direct investments in the CEECs (total capital) registered at EUR 10.3 billion (USD 9.0 billion), nearly doubling over just two years (1999: EUR 5.5 billion). Hungary and the Czech Republic each held one quarter of the capital stock (EUR 2.5 billion). A substantial share of Austria's direct investment is also held in Slovakia (14 percent). Poland and Slovenia each accounted for EUR 1 billion in Austrian enterprise capital.

In 2000, the number of "Austrian" companies in the CEECs amounted to 11,833, according to statistics by the Austrian Economic Chamber, of which 3,250 operated in the Czech Republic and 2,250 in Hungary. More recent overall data are not yet available.

### 2.2.3 *Market shares in the CEECs on the rise*

Of the total foreign direct investment (stocks) in the CEE countries, Austrian enterprises contributed 4.4 percent in 1999, 4.9 percent in 2000 and 5.1 percent in 2001. With this, Austria stabilised or even slightly improved its position as a CEE investor, as opposed to the second half of the 1990s when Austria had been losing ground at a serious scale.

In Central Europe, Austria's share of the capital of foreign direct investments was 7.6 percent in 2001. Austria is particularly strong in Slovenia (25.9 percent market share) and in Slovakia (20.4 percent). Austria is well positioned also in Hungary (9.7 percent) and in the Czech Republic (8.5 percent), whereas its position in Poland continues to be weak (2.3 percent). In South Eastern Europe, 5.8 percent of all foreign direct investments derived from Austria in 2001, with priorities in Croatia (9.0 percent) and also Romania (5.4 percent). In Bulgarian investments, Austria was involved with 3.5 percent. In the Baltic states and Russia, Austrian investment remained at its very low level.

The positive trend in Austria's capital involvement in the CEECs is particularly noticeable when we look at new investment. Here, Austria could boost its market share from 3.4 percent in 1998 to 7.2 percent in 2001. In Central Europe, Austria's market share was more than 10 percent, in South Eastern Europe, it topped 8 percent<sup>2</sup>.

### 3. Set of Tables

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<sup>2</sup> These percentage shares are based on statistics by the Austrian National Bank for Austrian direct investment in the CEECs (Tables III/2 and III/4) and data by WIIW for total foreign direct investments in the CEECs (Tables I/1 and I/2).

*I. Foreign direct investment received by East European countries*

Table I/1: FDI in Eastern Europe - amount of annual inflows as recorded in the balance of payments, 1992-2002

Table I/2: FDI in Eastern Europe - stock, 1992-2001

Table I/1: FDI in Eastern Europe – amount of annual inflows

Based on the balance of payments, USD mn

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002 estimate
Czech Republic	1,004	654	869	2,562	1,428	1,300	3,718	6,324	4,986	4,916	3,500
Slovak Republic	.	179	273	258	358	220	684	390	2,075	1,475	3,500
Hungary	1,471	2,339	1,147	4,453	2,275	2,173	2,036	1,970	1,649	2,443	1,000
Poland	678	1,715	1,875	3,659	4,498	4,908	6,365	7,270	9,342	8,000 <sup>1)</sup>	6,000
Slovenia	111	113	128	177	194	375	248	181	176	442	600
Central Europe	.	5,000	4,292	11,109	8,753	8,976	13,051	16,135	18,228	17,276	14,600
Albania	20	58	53	70	90	48	45	41	143	200 <sup>1)</sup>	200
Bulgaria	42	40	105	90	109	505	537	819	1,002	689	600
Romania	77	94	341	419	263	1,215	2,031	1,041	1,040	1,137	1,000
Croatia	13	120	117	121	516	551	1,014	1,637	1,126	1,502	1,100
Macedonia	.	.	19	9	11	16	118	32	176	442	500
Bosnia & Herzegovina	.	.	.	.	.	.	100	90	150	130	200
Yugoslavia	.	.	.	.	.	740	113	112	25	165	500
South Eastern Europe	152	312	635	709	989	3,075	3,958	3,772	3,662	4,265	4,100
Former USSR	308	3,007	2,227	4,522	5,967	10,271	8,663	7,996	7,420	7,927	7,450
European former USSR	291	1,680	1,331	2,867	3,914	7,061	5,648	5,428	4,716	4,727	4,450
Baltic states	121	237	459	453	685	1,143	1,864	1,139	1,174	1,189	1,200
Estonia	82	162	215	202	151	267	581	305	387	542	400
Latvia	29	44	213	178	382	521	357	348	408	201	400
Lithuania	10	31	31	73	152	355	926	486	379	446	400
European CIS	170	1,443	872	2,414	3,229	5,918	3,784	4,289	3,542	3,538	3,250
Russia	.	1,211	690	2,065	2,579	4,865	2,762	3,309	2,714	2,540	2,500
Ukraine	170	200	159	267	521	623	743	496	595	769	500
Belarus	.	18	11	15	105	352	203	444	90	80 <sup>1)</sup>	100
Moldova	.	14	12	67	24	79	76	40	143	149	150
Asian CIS	17	1,327	896	1,655	2,053	3,210	3,015	2,568	2,704	3,200 <sup>1)</sup>	3,000
EU-associated countries (10)	.	5,371	5,197	12,071	9,810	11,839	17,483	19,134	21,444	20,291	17,400
Eastern Europe	.	8,319	7,154	16,340	15,709	22,322	25,672	27,903	29,310	29,468	26,150

1) Estimate.

*Remarks to table I/1:*

Czech Republic: equity capital cash + in kind + reinvested earnings from 1998 + loans from 1998.

Slovak Republic: equity capital cash + reinvested earnings from 1997 + loans from 1997; banking sector included from 1996.

Hungary: equity capital cash + loans from 1996.

Poland: equity capital cash + in kind + reinvested earnings + loans - on a transaction basis.

Slovenia: equity capital cash + in kind from 1997 + reinvested earnings from 1995.

Albania: equity capital cash.

Bulgaria: equity capital cash + in kind + reinvested earnings from 98 + loans from 1997.

Romania: equity capital cash + in kind + loans from 2000.

Croatia: equity capital cash + reinvested earnings from 1997 + loans from 1997.

Macedonia: equity capital cash + in kind + loans; inflows net.

Bosnia & Herzegovina: inflow net.

Yugoslavia: inflow net.

Estonia: equity capital cash + reinvested earnings + loans

Latvia: equity capital cash + reinvested earnings from 1996 + loans from 1996.

Lithuania: equity capital cash + reinvested earnings from 1995 + loans from 1997.

Russia: equity capital cash + in kind from 1997 + reinvested earnings from 1998 + loans from 1995.

Ukraine: equity capital cash + in kind from 1994 + reinvested earnings from 1995.

Belarus: equity capital cash + reinvested earnings from 1997 + loans from 1996.

Moldova: equity capital cash + reinvested earnings from 1997 + loans from 1995.

Source: National banks of respective countries; IMF Balance of Payments statistics, World Investment Report 2001.



Table I/2: FDI in Eastern Europe – stock

USD mn, end of period

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	2,889	3,423	4,547	7,350	8,572	9,234	14,375	17,552	21,644	26,764
Slovak Republic	.	.	897	1,297	2,046	2,083	2,890	3,188	4,504	6,000 <sup>1)</sup>
Hungary	3,435	5,585	7,095	11,926	14,958	16,086	18,517	19,299	19,804	23,562
Poland	1,370	2,307	3,789	7,843	11,463	14,587	22,479	26,075	33,603	39,000 <sup>1)</sup>
Slovenia	.	954	1,326	1,763	1,998	2,207	2,766	2,657	2,809	3,400 <sup>1)</sup>
Central Europe	.	.	17,654	30,179	39,037	44,197	61,027	68,771	82,364	98,726
Albania	20	78	131	201	291	339	384	425	568	800 <sup>1)</sup>
Bulgaria	101	141	247	337	446	951	1,488	2,307	3,309	3,997
Romania	117	211	552	971	1,234	2,449	4,480	5,521	6,561	7,698
Croatia	13	120	238	359	874	1,425	2,439	4,075	5,202	6,703
Macedonia	.	.	19	28	40	55	173	205	381	824
Bosnia & Herzegovina	.	.	.	.	.	.	100	190	340	470
Yugoslavia	.	.	.	.	.	740	853	965	990	1,155
South Eastern Europe	.	.	1,187	1,896	2,885	5,959	9,917	13,688	17,351	21,647
Former USSR	343	3,580	5,995	10,540	16,590	26,706	36,211	42,826	49,807	57,237
European former USSR	170	2,080	3,598	6,603	10,600	17,506	22,832	28,442	32,719	37,237
Baltic states	.	467	1,114	1,705	2,474	3,461	5,005	6,325	7,060	8,037
Estonia	90	239	495	737	838	1,148	1,822	2,467	2,645	3,155
Latvia	43	75	309	616	936	1,272	1,558	1,795	2,081	2,216
Lithuania	20	153	310	352	700	1,041	1,625	2,063	2,334	2,666
European CIS	170	1,613	2,484	4,898	8,126	14,045	17,827	22,117	25,659	29,200
Russia	.	1,211	1,901	3,967	6,546	11,411	14,172	17,481	20,195	22,735
Ukraine	170	370	529	796	1,317	1,940	2,683	3,179	3,774	4,543
Belarus	.	18	28	43	147	499	702	1,146	1,236	1,320 <sup>1)</sup>
Moldova	.	14	26	92	116	195	270	311	454	602
Asian CIS	173	1,500	2,397	3,937	5,990	9,200	13,379	14,384	17,088	20,000 <sup>1)</sup>
EU-associated countries (10)	.	.	19,567	33,192	43,191	51,058	72,000	82,924	99,294	118,458
Eastern Europe	.	.	24,836	42,615	58,512	76,862	107,155	125,285	149,522	177,610

1) Estimate.

*Remarks to table I/2:*

Czech Republic: equity capital cash + in kind + reinvested earnings from 1997 + loans from 1997; excluding privatization revenues.

Slovak Republic: equity capital + reinvested earnings + loans.

Hungary: equity capital cash + loans from 1996.

Poland: equity capital cash + in kind + reinvested earnings + loans.

Slovenia: equity capital + reinvested earnings + loans.

Albania: equity cash.

Bulgaria: equity capital cash + in kind + reinvested earnings from 98 + loans from 1997.

Romania: equity capital cash + in kind + loans from 2000.

Croatia: equity capital cash + reinvested earnings from 1997 + loans from 1997.

Macedonia: equity capital cash + in kind + loans.

Bosnia & Herzegovina: inflow net.

Yugoslavia: inflow net.

Estonia: equity capital + reinvested earnings + loans.

Latvia: equity capital + reinvested earnings from 1996 + loans from 1996.

Lithuania: equity capital + reinvested earnings + loans.

Russia: equity capital cash + in kind from 1997 + reinvested earnings from 1998 + loans from 1995.

Ukraine: equity capital cash + in kind from 1994 + reinvested earnings from 1995.

Belarus: equity capital + reinvested earnings from 1997 + loans from 1996.

Moldova: equity capital + reinvested earnings from 1997 + loans from 1995.

*Sources:*

For Croatia, Czech Republic, Hungary, Poland, Slovak Republic, Slovenia, Estonia, Latvia, Lithuania, Moldova - National banks of respective countries according to international investment statistics.

For Albania, Bulgaria, Romania, Macedonia, Russia, Ukraine, Belarus - cumulated US dollar inflows based on table I/1.

For other countries: IMF - cumulated US dollar inflows based on table I/1.

## *II. Foreign direct investment received by East European countries by economic activities and investing countries*

Table II/1.1: FDI stock in the Czech Republic - by economic industries, 1999-2001

Table II/1.2: FDI stock in the Czech Republic - by investing countries, 1999-2001

Table II/2.1: FDI stock in Hungary - by economic activities, 1998-2000

Table II/2.2: FDI stock in Hungary - by investing countries, 1998-2000

Table II/3.1: FDI stock in Poland - by economic activities, 1999-2001

Table II/3.2: FDI stock in Poland - by investing countries, 1999-2001

Table II/4.1: FDI stock in Slovakia - by economic activities, 1999-2001

Table II/4.2: FDI stock in Slovakia - by investing countries, 1999-2001

Table II/5.1: FDI stock in Slovenia - by economic activities, 1998-2000

Table II/5.2: FDI stock in Slovenia - by investing countries, 1998-2000

Table II/6.1: FDI stock in Bulgaria - by economic activities, 1999-2001

Table II/6.2: FDI stock in Bulgaria - by investing countries, 1999-2001

Table II/7.1: FDI stock in Romania - by economic activities, 1999-2001

Table II/7.2: FDI stock in Romania - by investing countries, 1999-2001

Table II/8.1: FDI stock in Estonia - by economic activities, 1999-2001

Table II/8.2: FDI stock in Estonia - by investing countries, 1999-2001

Table II/9.1: FDI stock in Latvia - by economic activities, 1999-2001

Table II/9.2: FDI stock in Latvia - by investing countries, 1999-2001

Table II/10.1: FDI stock in Lithuania - by economic activities, 1999-2001

Table II/10.2: FDI stock in Lithuania - by investing countries, 1999-2001

Table II/11.1: FDI stock in Croatia - by economic activities, 1999-2001

Table II/11.2: FDI stock in Croatia - by investing countries, 1999-2001

Table II/12.1: FDI inflow in Russia - by economic activities, 2001

Table II/12.2: FDI stock in Russia - by investing countries, 2000-2001

Table II/13.1: FDI stock in Ukraine - by economic activities, 1999-2001

Table II/13.2: FDI stock in Ukraine - by investing countries, 1999-2001

Table II/1.1: FDI stock in the Czech Republic – by economic industries<sup>1)</sup>

	December 1999		December 2000		Inflow 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, hunting, forestry	14.4	0.1	31.4	0.1	21.7	0.4
Fishing	3.5	0.0	3.0	0.0	.	.
Mining and quarrying	91.3	0.5	400.7	1.9	25.9	0.5
Manufacturing	6,786.7	38.7	8,256.2	38.1	1,433.3	29.2
Electricity, gas, water supply	1,347.2	7.7	1,425.1	6.6	259.9	5.3
Construction	176.5	1.0	334.5	1.5	24.6	0.5
Trade, repair of motor vehicles, etc.	2,770.6	15.8	3,254.2	15.0	583.3	11.9
Hotels and restaurants	167.0	1.0	67.4	0.3	39.3	0.8
Transport, storage, communications	2,141.9	12.2	2,432.6	11.2	843.5	17.2
Financial intermediation	2,648.4	15.1	3,182.9	14.7	1,352.5	27.5
Real estate, renting & business act.	1,297.6	7.4	1,994.5	9.2	314.9	6.4
Public admin., defence, compuls.soc.sec.	.	.	.	.	.	.
Education	-0.1	0.0	3.3	0.0	.	.
Health and social work	10.9	0.1	22.5	0.1	.	.
Other community, social & personal serv.	95.9	0.5	235.4	1.1	.	.
Other non classified activities	.	.	.	.	17.2	0.4
<b>Total</b>	<b>17,552.1</b>	<b>100.0</b>	<b>21,643.7</b>	<b>100.0</b>	<b>4,916.1</b>	<b>100.0</b>

1) Equity capital, reinvested earnings, loans.

Source: Czech National Bank.

Table II/1.2: FDI stock in the Czech Republic – by investing countries<sup>1)</sup>

	December 1999		December 2000		Inflow 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Netherlands	5,386.7	30.7	6,508.0	30.1	817.2	16.6
Germany	4,667.0	26.6	5,522.5	25.5	1,375.1	28.0
Austria	1,777.7	10.1	2,409.2	11.1	295.2	6.0
USA	1,180.4	6.7	1,401.1	6.5	240.4	4.9
Belgium	872.8	5.0	1,031.4	4.8	47.7	1.0
France	773.8	4.4	926.3	4.3	1,369.5	27.9
Switzerland	387.5	2.2	871.9	4.0	138.2	2.8
United Kingdom	887.7	5.1	749.8	3.5	64.0	1.3
Sweden	257.7	1.5	294.1	1.4	20.7	0.4
Denmark	171.8	1.0	268.8	1.2	232.0	4.7
Cyprus	174.3	1.0	225.5	1.0	12.3	0.3
Other	1,014.6	6.7	1,435.1	6.6	303.7	6.2
<b>Total</b>	<b>17,552.1</b>	<b>100.0</b>	<b>21,643.7</b>	<b>100.0</b>	<b>4,916.2</b>	<b>100.0</b>
of which: EU-15	15,140.8	86.3	18,192.5	84.1	4,311.9	87.7

1) Equity capital, reinvested earnings, loans.

Source: Czech National Bank.

Table II/2.1: FDI stock in Hungary – by economic activities<sup>1)</sup>

	December 1998		December 1999		December 2000	
	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, forestry, fishing	102.3	0.9	119.2	1.1	112.6	1.1
Mining and quarrying	52.5	0.5	41.6	0.4	40.9	0.4
Manufacturing	4,142.4	38.4	3,886.4	37.4	3,795.8	36.8
Electricity, gas, water supply	1,595.2	14.8	1,156.7	11.1	973.1	9.4
Construction	204.5	1.9	157.6	1.5	126.0	1.2
Trade, repair of motor vehicles, etc.	1,322.6	12.3	1,259.3	12.1	1,279.1	12.4
Hotels and restaurants	197.2	1.8	201.2	1.9	190.6	1.8
Transport, storage, communications	764.7	7.1	857.4	8.2	792.9	7.7
Financial intermediation	1,151.9	10.7	1,083.9	10.4	1,168.9	11.3
Real estate, renting & business act.	1,087.5	10.1	1,398.3	13.5	1,620.8	15.7
Public admin., defence, compuls.soc.sec.	.	.	.	.	.	.
Education	2.3	0.0	2.4	0.0	3.5	0.0
Health and social work	11.0	0.1	10.7	0.1	8.6	0.1
Other community, social & personal serv.	160.7	1.5	218.6	2.1	196.9	1.9
Total	10,794.9	100.0	10,393.2	100.0	10,309.6	100.0

1) Equity capital based on corporation-tax declarations.

Source: Central Statistical Office.

Table II/2.2: FDI stock in Hungary – by investing countries<sup>1)</sup>

	December 1998		December 1999		December 2000	
	USD mn	In %	USD mn	In %	USD mn	In %
Germany	2,958.5	27.4	2,833.4	27.3	2,661.1	25.8
Netherlands	1,714.4	15.9	2,334.1	22.5	2,321.5	22.5
Austria	1,309.0	12.1	1,256.9	12.1	1,259.1	12.2
USA	1,299.4	12.0	914.8	8.8	846.8	8.2
France	647.4	6.0	646.7	6.2	672.2	6.5
Belgium	279.4	2.6	224.5	2.2	404.6	3.9
Italy	326.0	3.0	280.8	2.7	281.3	2.7
Switzerland	333.3	3.1	256.2	2.5	220.9	2.1
Japan	198.1	1.8	203.5	2.0	213.5	2.1
Finland	60.7	0.6	55.4	0.5	165.1	1.6
Luxembourg	126.9	1.2	217.8	2.1	146.5	1.4
United Kingdom	690.8	6.4	196.8	1.9	108.9	1.1
Others	851.0	7.9	972.2	9.4	1,008.3	9.8
Total	10,794.9	100.0	10,393.2	100.0	10,309.8	100.0
of which: EU-15	7,960.6	73.7	8,239.7	79.3	8,271.3	80.2

1) Equity capital based on corporation-tax declarations.

Source: Central Statistical Office.

Table II/3.1: FDI stock in Poland – by economic activities<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, forestry	30.1	0.1	44.8	0.1	40.4	0.1
Mining and quarrying	68.3	0.2	28.3	0.1	87.0	0.2
Manufacturing	17,318.4	49.2	19,462.7	42.5	21,881.7	41.2
Electricity, gas, water supply	473.0	1.3	1,058.6	2.3	1,491.8	2.8
Construction	1,930.3	5.5	2,490.6	5.4	2,764.8	5.2
Trade, repair of motor vehicles, etc.	3,398.4	9.7	3,962.6	8.7	6,054.3	11.4
Hotels and restaurants	423.1	1.2	696.8	1.5	617.8	1.2
Transport, storage, communications	1,891.7	5.4	5,568.8	12.2	5,710.6	10.7
Financial intermediation	7,861.8	22.4	10,392.7	22.7	12,251.9	23.1
Real estate, renting & business act.	190.2	0.5	451.4	1.0	627.8	1.2
Public admin., defence, compuls.soc.sec.	.	.	.	.	.	.
Education	.	.	.	.	.	.
Health and social work	.	.	.	.	.	.
Other community, social & personal serv.	1,585.7	4.5	1,614.4	3.5	1,624.1	3.1
Total	35,171.0	100.0	45,772.0	100.0	53,152.2	100.0

1) Equity capital, reinvested earnings gross, loans; projects over USD 1 million capital.

Source: Polish Agency for Foreign Investment (PAIZ).

Table II/3.2: FDI stock in Poland – by investing countries<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
France	3,854.7	11.0	7,901.0	17.3	10,220.8	19.2
USA	5,152.9	14.7	7,350.3	16.1	7,806.0	14.7
Germany	6,077.3	17.3	5,903.7	12.9	7,138.3	13.4
Netherlands	3,233.2	9.2	4,224.9	9.2	4,584.6	8.6
Italy	3,208.0	9.1	3,417.6	7.5	3,501.4	6.6
United Kingdom	2,068.0	5.9	2,181.1	4.8	2,667.0	5.0
Multinational	2,589.3	7.4	2,296.7	5.0	2,465.7	4.6
Sweden	789.2	2.2	2,027.9	4.4	2,312.1	4.3
South Korea	1,616.3	4.6	1,617.4	3.5	1,618.7	3.0
Russia	1,112.2	3.2	1,286.4	2.8	1,286.4	2.4
Austria	799.4	2.3	1,172.2	2.6	818.7	1.5
Other	4,670.5	13.3	6,392.9	14.0	8,732.5	16.4
Total	35,171.0	100.0	45,772.0	100.0	53,152.2	100.0
of which: EU-15	22,447.8	63.8	30,673.3	67.0	36,237.9	68.2

1) Equity capital, reinvested earnings gross, loans; projects over USD 1 million capital.

Source: Polish Agency for Foreign Investment (PAIZ).

Table II/4.1: FDI stock in Slovakia –by economic activities<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, forestry, fishing	4.4	0.2	4.0	0.1	13.0	0.3
Mining and quarrying	24.7	1.1	39.7	1.1	31.2	0.7
Manufacturing	1,126.9	49.6	1,973.8	53.0	2,053.6	43.8
Electricity, gas, water supply	10.1	0.4	9.2	0.2	10.4	0.2
Construction	42.3	1.9	43.5	1.2	36.2	0.8
Trade, repair of motor vehicles, etc.	417.4	18.4	430.9	11.6	489.8	10.5
Hotels and restaurants	29.2	1.3	27.5	0.7	32.2	0.7
Transport, storage, communications	75.7	3.3	627.3	16.9	649.5	13.9
Financial intermediation	422.6	18.6	445.4	12.0	1,213.4	25.9
Real estate, renting & business act.	106.1	4.7	108.1	2.9	142.9	3.0
Public admin., defence, compuls.soc.sec.	.	.	.	.	.	.
Education	.	.	.	.	.	.
Health and social work	0.4	0.0	1.4	0.0	1.6	0.0
Other community, social & personal serv.	12.4	0.5	11.5	0.3	13.4	0.3
Extra-territorial organizations & bodies	.	.	0.2	0.0	0.2	0.0
Total	2,272.2	100.0	3,722.4	100.0	4,687.4	100.0

1) Equity capital, reinvested earnings.

Source: National Bank of Slovakia.

Table II/4.2: FDI stock in Slovakia –by investing countries<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Germany	508.6	22.4	1,063.2	28.6	1,079.1	23.0
Netherlands	321.0	14.1	905.2	24.3	979.1	20.9
Austria	400.4	17.6	539.2	14.5	826.7	17.6
Italy	40.9	1.8	57.9	1.6	500.8	10.7
USA	276.2	12.2	256.3	6.9	282.2	6.0
Czech Republic	138.8	6.1	216.1	5.8	232.8	5.0
United Kingdom	240.4	10.6	118.7	3.2	180.5	3.9
Hungary	32.5	1.4	181.8	4.9	178.4	3.8
Belgium	34.7	1.5	68.3	1.8	107.4	2.3
France	96.1	4.2	119.5	3.2	84.6	1.8
Other	182.6	8.0	196.2	5.3	235.9	5.0
Total	2,272.2	100.0	3,722.4	100.0	4,687.4	100.0
of which: EU-15	1,623.6	71.5	2,907.7	78.1	3,811.4	81.3

1) Equity capital, reinvested earnings.

Source: National Bank of Slovakia.

Table II/5.1: FDI stock in Slovenia – by economic activities<sup>1)</sup>

	December 1998		December 1999		December 2000	
	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, hunting and forestry	0.7	0.0	0.9	0.0	0.5	0.0
Fishing	.	.	.	.	.	.
Mining and quarrying	0.4	0.0	0.3	0.0	0	0.0
Manufacturing	1,426.8	51.6	1,262.6	47.5	1,142.7	40.7
Electricity, gas, water supply	12.7	0.5	25.4	1.0	17.2	0.6
Construction	4.4	0.2	7.5	0.3	4.3	0.2
Trade, repair of motor vehicles, etc.	436.7	15.8	405.1	15.2	394.3	14.0
Hotels and restaurants	18.8	0.7	17.0	0.6	17.4	0.6
Transport, storage, communications	49.3	1.8	37.2	1.4	43.6	1.6
Financial intermediation	448.5	16.2	532.1	20.0	724.4	25.8
Real estate, renting & business act.	335.8	12.1	342.1	12.9	373.1	13.3
Public admin., defence, compuls. soc. sec.	0.0	0.0	0.0	0.0	.	.
Education	0.7	0.0	0.4	0.0	0.1	0.0
Health and social work	1.2	0.0	0.7	0.0	1.3	0.0
Other community, social & personal serv.	29.9	1.1	25.3	1.0	22.3	0.8
Other not classified activities	-0.1	0.0	-0.1	0.0	67.3	2.4
Total	2,765.8	100.0	2,656.5	100.0	2,808.5	100.0

1) Equity capital, reinvested earnings, loans.

Source: Bank of Slovenia.

Table II/5.2: FDI stock in Slovenia – by investing countries<sup>1)</sup>

	December 1998		December 1999		December 2000	
	USD mn	In %	USD mn	In %	USD mn	In %
Austria	1,030.3	37.3	1,104.3	41.6	1,279.4	45.6
Germany	368.4	13.3	352.6	13.3	350.5	12.5
France	370.7	13.4	316.1	11.9	299.2	10.7
Italy	175.3	6.3	155.8	5.9	152.0	5.4
USA	114.3	4.1	102.9	3.9	109.3	3.9
Czech Republic	132.4	4.8	113.5	4.3	104.9	3.7
Switzerland	106.3	3.8	108.4	4.1	102.0	3.6
United Kingdom	117.2	4.2	108.9	4.1	101.5	3.6
Netherlands	88.6	3.2	88.2	3.3	82.9	3.0
Croatia	96.3	3.5	74.3	2.8	48.0	1.7
Denmark	39.4	1.4	38.4	1.4	42.4	1.5
Other	126.6	4.6	93.1	3.5	136.4	4.9
Total	2,765.8	100.0	2,656.5	100.0	2,808.5	100.0
of which: EU-15	2,244.3	81.1	2,188.4	82.4	2,360.0	84.0

1) Equity capital, reinvested earnings, loans.

Source: Bank of Slovenia.



Table II/6.1: FDI stock in Bulgaria – by economic activities<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture	8.5	0.3	8.5	0.2	10.4	0.2
Industry	1,556.5	54.8	1,863.7	48.5	2,121.9	47.2
Construction	26.5	0.9	39.2	1.0	58.0	1.3
Trade	543.0	19.1	632.5	16.5	704.1	15.7
Tourism	142.8	5.0	163.6	4.3	180.3	4.0
Transport	73.6	2.6	83.7	2.2	86.4	1.9
Telecommunications	51.9	1.8	66.8	1.7	244.2	5.4
Finance	324.0	11.4	767.2	20.0	830.0	18.5
Other	114.8	4.0	217.9	5.7	258.7	5.8
Total	2,841.6	100.0	3,843.1	100.0	4,494.0	100.0

1) Equity capital, reinvested earnings, loans.

Source: Bulgarian Foreign Investment Agency.

Table II/6.2: FDI stock in Bulgaria – by investing countries<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Germany	425.9	15.0	498.2	13.0	563.3	12.5
Greece	86.9	3.1	328.0	8.5	541.6	12.1
Italy	34.4	1.2	374.1	9.7	451.4	10.0
Belgium	373.1	13.1	412.9	10.7	416.0	9.3
Austria	124.9	4.4	213.7	5.6	351.1	7.8
USA	198.4	7.0	235.5	6.1	277.0	6.2
Cyprus	249.4	8.8	238.1	6.2	267.2	5.9
Russia	153.9	5.4	204.7	5.3	205.2	4.6
Netherlands	165.7	5.8	183.1	4.8	204.7	4.6
United Kingdom	157.9	5.6	180.5	4.7	196.0	4.4
Spain	109.7	3.9	110.4	2.9	130.0	2.9
Other	761.5	26.8	864.0	22.5	890.5	19.8
Total	2,841.6	100.0	3,843.1	100.0	4,494.0	100.0
of which: EU-15	1,669.7	58.8	2,523.6	65.7	3,104.3	69.1

1) Equity capital, reinvested earnings, loans.

Source: Bulgarian Foreign Investment Agency.

Table II/7.1: FDI stock in Romania – by economic activities<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture	130.9	3.0	160.2	3.5	173.8	3.6
Industry	1,911.4	43.8	2,072.8	45.3	2,166.0	44.4
Construction	100.4	2.3	237.9	5.2	217.7	4.5
Retail and wholesale trade	1,051.7	24.1	832.8	18.2	983.2	20.1
Tourism	34.9	0.8	128.1	2.8	152.3	3.1
Transport	100.4	2.3	356.9	7.8	359.3	7.4
Services	1,034.3	23.7	787.0	17.2	829.4	17.0
Total	4,364.0	100.0	4,575.8	100.0	4,881.7	100.0

1) Equity capital subscribed at registration.

Source: Chamber of Commerce and Industry.

Table II/7.2: FDI stock in Romania – by investing countries<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Netherlands	508.2	11.6	761.4	16.6	789.3	16.2
Germany	444.4	10.2	512.5	11.2	549.3	11.3
Cyprus	345.1	7.9	364.1	8.0	378.3	7.7
Italy	332.3	7.6	313.3	6.8	340.2	7.0
France	312.0	7.1	370.4	8.1	336.3	6.9
USA	336.4	7.7	279.9	6.1	314.7	6.4
Austria	222.0	5.1	203.1	4.4	285.8	5.9
South Korea	234.1	5.4	233.8	5.1	233.8	4.8
United Kingdom	223.4	5.1	240.2	5.2	213.3	4.4
Turkey	192.9	4.4	185.1	4.0	196.9	4.0
Hungary	158.8	3.6	153.1	3.3	176.9	3.6
Others	1,054.4	24.2	958.9	21.0	1,066.9	21.9
Total	4,364.0	100.0	4,575.8	100.0	4,881.7	100.0
of which: EU-15	2,477.8	56.8	2,798.5	61.2	2,980.7	61.1

1) Equity capital subscribed at registration.

Source: Chamber of Commerce and Industry.

Table II/8.1: FDI stock in Estonia – by economic activities<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, hunting, forestry	30.6	1.2	34.4	1.3	20.0	0.6
Fishing	0.8	0.0	0.6	0.0	0.1	0.0
Mining and quarrying	7.2	0.3	11.8	0.4	9.8	0.3
Manufacturing	565.4	22.9	570.1	21.6	630.8	20.0
Electricity, gas, water supply	44.5	1.8	63.0	2.4	147.7	4.7
Construction	21.5	0.9	40.3	1.5	36.5	1.2
Trade, repair of motor vehicles, etc.	349.1	14.1	412.6	15.6	429.5	13.6
Hotels and restaurants	22.6	0.9	51.6	2.0	51.8	1.6
Transport, storage, communications	687.3	27.9	569.7	21.5	715.7	22.7
Finance, insurance	574.9	23.3	643.0	24.3	764.4	24.2
Real estate, renting & business act.	142.2	5.8	207.6	7.8	301.8	9.6
Public administr., defence, social sec.	0.1	0.0	0.1	0.0	0.7	0.0
Education	0.8	0.0	0.8	0.0	2.4	0.1
Health and social work	0.8	0.0	0.3	0.0	1.8	0.1
Other community, social & pers. activ.	14.9	0.6	26.2	1.0	35.8	1.1
Other not classified activities	4.8	0.2	12.7	0.5	6.4	0.2
Total	2,467.4	100.0	2,644.7	100.0	3,155.2	100.0

1) Equity capital, reinvested earnings, loans.

Source: Bank of Estonia.

Table II/8.2: FDI stock in Estonia – by investing countries<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Sweden	1,001.3	40.6	1,051.4	39.8	1,246.2	39.5
Finland	741.2	30.0	791.8	29.9	802.8	25.4
USA	97.3	3.9	120.5	4.6	298.2	9.5
Netherland	38.0	1.5	64.6	2.4	126.5	4.0
Denmark	100.6	4.1	107.7	4.1	108.0	3.4
Great Britain	67.3	2.7	65.3	2.5	100.9	3.2
Norway	86.0	3.5	113.5	4.3	92.9	2.9
Germany	58.7	2.4	67.5	2.6	81.6	2.6
Russia	43.9	1.8	32.6	1.2	43.5	1.4
Liechtenstein	40.7	1.6	41.7	1.6	32.5	1.0
Austria	26.1	1.1	7.0	0.3	6.6	0.2
Other	166.3	6.7	181.1	6.8	215.5	6.8
Total	2,467.4	100.0	2,644.7	100.0	3,155.2	100.0
of which: EU-15	2,073.1	84.0	2,206.7	83.4	2,542.5	80.6

1) Equity capital, reinvested earnings, loans.

Source: Bank of Estonia.

Table II/9.1: FDI stock in Latvia – by economic activities<sup>1)</sup>

	December 1999 <sup>2)</sup>		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, hunting, forestry	2.9	0.2	19.5	0.9	21.9	1.0
Fishing	6.7	0.5	6.9	0.3	0.2	0.0
Mining and quarrying	6.5	0.5	8.4	0.4	9.3	0.4
Manufacturing	228.3	17.9	345.0	16.6	376.9	17.0
Electricity, gas, water supply	34.8	2.7	105.6	5.1	96.2	4.3
Construction	4.5	0.4	15.0	0.7	14.2	0.6
Trade, repair of motor vehicles, etc.	210.9	16.5	424.1	20.4	492.3	22.2
Hotels and restaurants	18.5	1.4	36.2	1.7	32.5	1.5
Transport, storage, communications	328.9	25.7	396.9	19.1	382.5	17.3
Finance, insurance	274.3	21.5	470.1	22.6	385.8	17.4
Real estate, renting & business act.	106.1	8.3	201.7	9.7	261.5	11.8
Public administr., defence, social sec.	0.0	0.0	1.0	0.0	1.3	0.1
Education	1.0	0.1	1.3	0.1	1.3	0.1
Health and social work	6.7	0.5	6.2	0.3	6.0	0.3
Other community, social & pers. activ.	4.1	0.3	14.6	0.7	17.2	0.8
Other not classified activities	43.5	3.4	28.7	1.4	116.9	5.3
Total	1,277.7	100.0	2,081.3	100.0	2,216.0	100.0

1) Equity capital, reinvested earnings, loans. - 2) Equity capital of registered enterprises only.

Source: National Bank of Latvia.

Table II/9.2: FDI stock in Latvia – by investing countries<sup>1)</sup>

	December 1999 <sup>2)</sup>		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Sweden	109.7	8.6	262.2	12.6	256.1	11.6
Germany	112.3	8.8	230.9	11.1	255.8	11.5
USA	131.6	10.3	195.7	9.4	254.5	11.5
Denmark	182.8	14.3	218.7	10.5	232.5	10.5
Estonia	66.3	5.2	234.0	11.2	150.8	6.8
Norway	49.0	3.8	115.6	5.6	148.4	6.7
Finland	68.3	5.3	128.5	6.2	139.9	6.3
Russia	96.7	7.6	124.4	6.0	123.3	5.6
United Kingdom	98.2	7.7	104.0	5.0	106.5	4.8
Netherlands	38.6	3.0	57.5	2.8	61.7	2.8
Austria	11.7	0.9	10.5	0.5	12.0	0.5
Others	312.5	24.5	399.4	19.2	474.5	21.4
Total	1,277.7	100.0	2,081.3	100.0	2,216.0	100.0
of which: EU-15	677.1	53.0	1,050.6	50.5	1,124.1	50.7

1) Equity capital, reinvested earnings, loans. - 2) Equity capital of registered enterprises only.

Source: National Bank of Latvia.

Table II/10.1: FDI stock in Lithuania – by economic activities<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, forestry, logging	10.4	0.5	11.2	0.5	12.7	0.5
Fishing	.	.	.	.	.	.
Mining and quarrying	19.7	1.0	25.0	1.1	31.0	1.2
Manufacturing	656.3	31.8	671.5	28.8	682.2	25.6
Electricity, gas, water supply	0.1	0.0	59.4	2.5	68.0	2.6
Construction	14.5	0.7	17.4	0.7	17.2	0.6
Trade, repair of motor vehicles, etc.	506.0	24.5	530.4	22.7	544.6	20.4
Hotels and restaurants	52.2	2.5	53.5	2.3	56.4	2.1
Transport, storage, communications	420.1	20.4	437.8	18.8	499.7	18.7
Finance, insurance	281.7	13.7	378.6	16.2	530.2	19.9
Real estate, renting & business act.	79.3	3.8	122.2	5.2	189.7	7.1
Public administr., defence, social sec.	.	.	.	.	.	.
Education, health and social work	7.0	0.3	7.6	0.3	.	.
Other community, social & pers. activ.	11.0	0.5	14.6	0.6	.	.
Other not classified activities	4.7	0.2	5.1	0.2	33.8	1.3
Total	2,063.0	100.0	2,334.3	100.0	2,665.5	100.0

1) Equity capital, reinvested earnings, loans.

Source: Lithuanian Department of Statistics.

Table II/10.2: FDI stock in Lithuania – by investing countries<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Denmark	200.2	9.7	426.1	18.3	495.7	18.6
Sweden	361.0	17.5	404.5	17.3	430.2	16.1
Estonia	85.4	4.1	149.3	6.4	267.9	10.0
Germany	158.0	7.7	172.3	7.4	246.1	9.2
USA	275.8	13.4	229.4	9.8	220.7	8.3
United Kingdom	147.3	7.1	155.9	6.7	172.4	6.5
Finland	218.0	10.6	140.7	6.0	154.8	5.8
Norway	78.7	3.8	99.3	4.3	99.8	3.7
Switzerland	114.0	5.5	113.0	4.8	85.6	3.2
Luxemburg	73.8	3.6	79.2	3.4	67.3	2.5
Austria	14.6	0.7	15.8	0.7	11.5	0.4
Others	336.1	16.3	348.8	14.9	413.4	15.5
Total	2,063.0	100.0	2,334.3	100.0	2,665.5	100.0
of which: EU-15	1,302.7	63.1	1,501.9	64.3	1,709.4	64.1

1) Equity capital, reinvested earnings, loans.

Source: Lithuanian Department of Statistics.

Table II/11.1: FDI stock in Croatia – by economic activities<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, hunting, forestry	10.1	0.3	12.4	0.3	12.5	0.3
Fishing	0.5	0.0	0.5	0.0	0.6	0.0
Mining and quarrying	105.2	3.3	138.3	3.6	151.3	3.2
Manufacturing	1,404.4	44.4	1,533.0	39.5	1,680.8	36.1
Electricity, gas, water supply	24.2	0.8	30.5	0.8	45.0	1.0
Construction	51.5	1.6	51.9	1.3	51.9	1.1
Trade, repair of motor vehicles, etc.	157.9	5.0	182.8	4.7	239.9	5.2
Hotels and restaurants	68.6	2.2	122.4	3.2	144.3	3.1
Transport, storage, communications	903.5	28.5	911.7	23.5	1,374.1	29.5
Financial intermediation	391.8	12.4	835.0	21.5	881.4	18.9
Real estate, renting & business act.	45.0	1.4	47.5	1.2	59.5	1.3
Public admin., defence, compuls. soc. sec.	.	.	.	.	4.4	0.1
Education	.	.	0.0	0.0	0.0	0.0
Health and social work	.	.	.	.	.	.
Other community, social & personal serv.	2.0	0.1	11.1	0.3	11.1	0.2
Total	3,164.9	100.0	3,877.4	100.0	4,656.7	100.0

1) Equity capital.

Source: Croatian National Bank.

Table II/11.2: FDI stock in Croatia – by investing countries<sup>1)</sup>

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Austria	1,013.9	24.9	1,307.0	25.1	1,799.5	26.8
Germany	1,064.5	26.1	1,168.6	22.5	1,691.0	25.2
USA	1,012.1	24.8	1,108.9	21.3	1,193.3	17.8
Luxembourg	16.9	0.4	333.2	6.4	367.5	5.5
Netherlands	142.2	3.5	189.3	3.6	237.1	3.5
Slovenia	68.6	1.7	100.0	1.9	208.1	3.1
Sweden	99.9	2.5	164.9	3.2	194.5	2.9
Italy	59.8	1.5	102.7	2.0	182.8	2.7
Liechtenstein	59.0	1.4	109.7	2.1	129.9	1.9
France	96.0	2.4	111.5	2.1	117.2	1.7
United Kingdom	83.0	2.0	105.4	2.0	108.0	1.6
Other	359.7	8.8	400.6	7.7	474.3	7.1
Total	4,075.4	100.0	5,201.7	100.0	6,703.2	100.0
of which: EU-15	2,644.5	64.9	3,552.0	68.3	4,772.0	71.2

1) Equity capital, reinvested earnings, loans.

Source: Croatian National Bank.

Table II/12.1: FDI inflow in Russia – by economic activities

	Inflow 2001	
	USD mn	In %
Industry	1,753	44.0
Fuel industry	430	10.8
Ferrous metallurgy	116	2.9
Non-ferrous metallurgy	21	0.5
Chemicals and chemical products	88	2.2
Machinery and metallurgy	316	7.9
Wood and paper industry	131	3.3
Telecommunications	138	3.5
Trade and catering	757	19.0
Transport	689	17.3
Other	643	16.2
Total	3,980	100.0

Source: State Committee on Statistics of Russia.

Table II/12.2: FDI stock in Russia – by investing countries

	Inflow 2000		Inflow 2001		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
USA	1,241	28.0	1,084	27.2	4,083	22.5
Netherlands	610	13.8	575	14.4	2,148	11.8
Cyprus	678	15.3	512	12.9	3,729	20.5
Germany	341	7.7	495	12.4	1,512	8.3
United Kingdom	262	5.9	273	6.9	1,898	10.4
Japan	.	.	184	4.6	.	.
Switzerland	115	2.6	51	1.3	271	1.5
France	97	2.2	50	1.3	354	1.9
Virgin Islands (UK)	.	.	50	1.3	.	.
Austria	.	.	36	0.9	.	.
Italy	.	.	.	.	180	1.0
Other	1,085	24.5	670	16.8	3,994	22.0
Total	4,429	100.0	3,980	100.0	18,169	100.0

Source: State Committee on Statistics of Russia.

Table II/13.1: FDI stock in Ukraine – by economic activities

	December 1999 <sup>1)</sup>		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture	63.9	2.0	78.8	2.0	85.2	1.9
Industry	1,706.2	52.5	1,949.4	50.4	2,171.1	49.3
Construction	118.3	3.6	125.0	3.2	115.4	2.6
Retail trade and foreign trade and other market related services	682.3	21.0	883.0	22.8	894.1	20.3
Transport and communications	173.0	5.3	231.3	6.0	309.2	7.0
Finance and insurance	198.5	6.1	248.1	6.4	361.3	8.2
Real estate	.	.	.	.	174.6	4.0
Health, sport and social work	116.7	3.6	126.2	3.3	117.1	2.7
Science and culture	16.7	0.5	42.1	1.1	60.7	1.4
Other	172.3	5.3	181.6	4.7	117.5	2.7
Total	3,247.9	100.0	3,865.5	100.0	4,406.2	100.0

1) Unrevised.

Source: State Statistical Committee.

Table II/13.2: FDI stock in Ukraine – by investing countries

	December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %
USA	589.5	18.0	635.8	16.4	730.9	16.6
Cyprus	211.2	6.4	372.6	9.6	478.0	10.8
Netherlands	302.9	9.2	361.8	9.4	370.2	8.4
Russia	287.9	8.8	314.3	8.1	295.1	6.7
Great Britain	246.1	7.5	299.4	7.7	420.4	9.5
Germany	228.5	7.0	237.9	6.2	249.5	5.7
Virgin Island	156.6	4.8	176.8	4.6	248.2	5.6
Korea Republic	171.2	5.2	170.4	4.4	170.4	3.9
Switzerland	133.0	4.1	169.3	4.4	193.1	4.4
Austria	87.9	2.7	126.3	3.3	144.1	3.3
Ireland	56.2	1.7	94.0	2.4	.	.
Other	810.8	24.7	906.9	23.5	1,106.3	25.1
Total	3,281.8	100.0	3,865.5	100.0	4,406.2	100.0

Source: State Statistical Committee.



*III. Austrian direct investment outflows to East European countries  
(based on Austrian data)*

Table III/1: Austrian FDI in Eastern Europe - stock of total outflows  
Nominal (statutory) capital

Table III/2: Austrian FDI in Eastern Europe - stock of total outflows  
Total capital

Table III/3: Austrian FDI in Eastern Europe - stock of cumulated balance of  
payments outflows

Table III/4: Austrian FDI in Eastern Europe - annual outflows through balance of  
payments

Table III/5: Austria's market share in Eastern Europe: Annual outflows

Table III/6: Austria's market share in Eastern Europe: Stocks

Table III/1: Austrian FDI in Eastern Europe – stock of total outflows

Nominal (statutory) capital

USD mn, end of period

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	136	308	554	717	793	789	1,042	998	1,594	1,776
Slovak Republic	53	76	134	176	203	287	343	328	437	863
Hungary	831	1,003	1,111	1,144	1,170	992	939	844	1,109	1,381
Poland	21	47	72	125	177	186	205	237	452	537
Slovenia	62	108	133	202	206	170	221	218	289	500
Central Europe	1,103	1,543	2,003	2,364	2,549	2,424	2,750	2,625	3,880	5,057
Albania	.	.	.	.	.	.	.	.	1	3
Bulgaria	2	2	0	8	2	16	21	33	43	60
Romania	1	2	1	2	5	31	143	156	288	346
Croatia	1	4	62	64	69	174	258	292	361	469
Yugoslavia-rest	1	1	0	0	1	1	2	2	20	70
South Eastern Europe	5	8	64	75	78	222	424	483	713	948
Former USSR	33	43	48	25	28	88	166	195	248	256
Baltic states	0	5	3	9	8	9	10	6	8	10
Russia	29	34	42	12	16	62	126	160	187	180
Ukraine	4	4	4	4	4	17	29	28	51	66
Belarus	.	0	0	0	0	1	1	1	1	1
EU-associated countries (10)	1,107	1,553	2,008	2,383	2,564	2,479	2,924	2,821	4,219	5,473
Eastern Europe	1,142	1,596	2,115	2,470	2,661	2,746	3,365	3,331	4,866	6,286

Note: Up to 1999 company survey; 2000 and 2001 calculated with 80 percent of the balance of payments outflows.

Source: Austrian National Bank.

Table III/2: Austrian FDI in Eastern Europe – stock of total outflows

Total capital

USD mn, end of period

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	250	411	758	945	1,068	1,086	1,303	1,297	2,038	2,263
Slovak Republic	72	82	154	207	311	435	533	576	700	1,225
Hungary	1,091	1,392	1,652	1,593	1,683	1,646	1,695	1,681	1,965	2,275
Poland	50	73	97	163	241	373	442	561	809	903
Slovenia	89	117	160	276	355	386	532	562	630	879
Central Europe	1,551	2,076	2,820	3,185	3,658	3,925	4,505	4,676	6,142	7,545
Albania	.	.	.	.	.	.	.	9	10	11
Bulgaria	7	1	-1	6	10	22	22	113	120	138
Romania	2	3	2	4	-1	45	139	175	341	415
Croatia	1	5	74	75	73	192	344	384	469	604
Yugoslavia-rest	.	.	.	.	.	.	2	2	26	88
South Eastern Europe	10	9	74	84	82	259	506	683	965	1,255
Former USSR	17	45	78	34	44	184	28	125	200	216
Baltic states	1	8	5	10	9	11	18	10	12	14
Russia	11	30	69	19	28	157	-17	93	135	130
Ukraine	5	7	5	5	7	16	27	23	53	71
Belarus	.	.	.	.	.	.	.	.	0	1
EU-associated countries (10)	1,560	2,088	2,826	3,204	3,677	4,003	4,684	4,974	6,615	8,112
Eastern Europe	1,580	2,132	2,972	3,308	3,789	4,393	5,076	5,508	7,329	9,037

Note: Up to 1999 company survey; 2000 and 2001 OeNB estimates (calculated partly with the balance of payments outflows).

Source: Austrian National Bank.

Table III/3: Austrian FDI in Eastern Europe – stock of cumulated balance of payments outflows since 1989

USD mn, end of period

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	218	340	513	629	643	737	1,081	1,153	1,904	2,136
Slovak Republic	39	58	114	180	236	257	418	413	549	1,082
Hungary	1,084	1,274	1,582	1,989	2,055	2,025	2,399	2,117	2,369	2,658
Poland	50	53	55	137	164	406	586	678	918	1,006
Slovenia	78	106	156	226	267	286	374	482	556	809
Central Europe	1,469	1,831	2,420	3,161	3,365	3,710	4,857	4,843	6,296	7,691
Albania	.	.	.	0	-1	-3	-3	-1	1	2
Bulgaria	5	4	11	9	22	29	34	50	61	82
Romania	1	2	9	11	10	60	137	154	321	396
Croatia	1	7	43	62	90	166	286	378	463	598
Other South Eastern Europe	43	42	45	50	51	52	63	60	79	138
South Eastern Europe	50	54	108	131	171	304	518	640	925	1,217
Former USSR	31	34	59	69	81	149	12	177	247	261
Baltic states	1	2	4	6	7	7	10	11	13	15
Russia	27	30	52	59	67	122	-30	139	178	171
Ukraine	2	2	3	4	8	19	31	26	56	74
Belarus	.	.	0	0	0	0	1	1	1	1
EU-associated countries (10)	1,475	1,839	2,443	3,186	3,403	3,806	5,038	5,057	6,692	8,185
Eastern Europe	1,549	1,919	2,587	3,361	3,617	4,163	5,386	5,660	7,469	9,170

Source: Austrian National Bank.

Table III/4: Austrian FDI in Eastern Europe – annual outflows through balance of payments  
USD mn

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	134	143	131	71	66	185	274	239	831	338
Slovak Republic	2	22	48	57	73	54	135	57	166	571
Hungary	310	271	166	269	231	252	210	64	406	421
Poland	21	7	-4	77	40	272	142	187	288	139
Slovenia	10	35	36	57	61	57	63	172	108	287
Central Europe	478	478	377	530	470	820	823	719	1,798	1,756
Albania	1	0	0	-1	-1	-2	0	2	2	2
Bulgaria	4	0	6	-4	14	11	2	22	15	25
Romania	0	1	7	2	0	53	69	39	177	93
Croatia	0	5	34	15	34	91	102	140	112	162
Other South Eastern Europe	6	1	0	1	5	8	7	6	23	65
South Eastern Europe	11	7	47	13	52	162	181	208	330	347
Former USSR	-16	4	21	4	18	81	-141	177	83	28
Baltic states	0	0	2	2	1	2	2	3	3	3
Russia	-16	4	19	2	13	67	-153	175	49	3
Ukraine	0	0	0	1	4	13	10	0	31	22
Belarus	.	.	0	0	0	0	0	0	0	0
EU-associated countries (10)	481	479	391	530	486	885	896	782	1,994	1,877
Eastern Europe	473	490	445	548	541	1,062	863	1,105	2,211	2,130

Source: Austrian National Bank.

Table III/5: Austria's market share in Eastern Europe: annual outflows

Share of Austria's FDI in total FDI<sup>1)</sup>

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	13.4	21.8	15.1	2.8	4.6	14.3	7.4	3.8	16.7	6.9
Slovak Republic	.	12.5	17.5	21.9	20.3	24.5	19.7	14.7	8.0	38.7
Hungary	21.1	11.6	14.4	6.0	10.2	11.6	10.3	3.2	24.6	17.2
Poland	3.1	0.4	-0.2	2.1	0.9	5.6	2.2	2.6	3.1	1.7
Slovenia	9.0	31.2	28.3	32.3	31.3	15.1	25.3	94.9	61.5	64.9
Central Europe	.	9.6	8.8	4.8	5.4	9.1	6.3	4.5	9.9	10.2
Albania	2.5	0.0	0.0	-0.9	-1.2	-3.4	0.0	3.6	1.0	0.9
Bulgaria	8.3	-0.8	6.0	-4.1	13.0	2.2	0.4	2.7	1.5	3.6
Romania	0.1	1.3	1.9	0.4	0.0	4.3	3.4	3.7	17.0	8.2
Croatia	3.1	4.5	29.4	12.2	6.7	16.6	10.1	8.6	10.0	10.8
South Eastern Europe	.	2.2	7.4	1.8	5.3	5.3	4.6	5.5	9.0	8.1
Former USSR	-5.1	0.1	1.0	0.1	0.3	0.8	-1.6	2.2	1.1	0.3
Baltic states	0.1	0.0	0.4	0.3	0.2	0.2	0.1	0.2	0.3	0.2
Russia	.	0.3	2.7	0.1	0.5	1.4	-5.5	5.3	1.8	0.1
Ukraine	0.2	0.2	0.3	0.2	0.8	2.0	1.4	-0.1	5.2	2.8
Belarus	.	.	1.8	0.0	0.0	0.1	0.1	0.0	0.4	0.1
EU-associated countries (10)	.	8.9	7.5	4.4	4.9	7.5	5.1	4.1	9.3	9.2
Eastern Europe	.	5.9	6.2	3.4	3.4	4.8	3.4	4.0	7.5	7.2

1) Austrian FDI as reported by Austrian National Bank (Table III/4); total FDI (Table I/1).

Table III/6: Austria's market share in Eastern Europe: stocks

Share of Austria's FDI in total FDI<sup>1)</sup>

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	8.6	12.0	16.7	12.9	12.5	11.8	9.1	7.4	9.4	8.5
Slovak Republic	.	.	17.1	16.0	15.2	20.9	18.4	18.1	15.5	20.4
Hungary	31.7	24.9	23.3	13.4	11.3	10.2	9.2	8.7	9.9	9.7
Poland	3.6	3.2	2.6	2.1	2.1	2.6	2.0	2.2	2.4	2.3
Slovenia	.	.	12.0	15.6	17.8	17.5	19.2	21.2	22.4	25.9
Central Europe	.	.	16.0	10.6	9.4	8.9	7.4	6.8	7.5	7.6
Albania	.	.	.	.	.	.	.	2.0	1.7	1.4
Bulgaria	.	.	.	.	2.3	2.3	1.5	4.9	3.6	3.5
Romania	.	.	.	.	0.0	1.9	3.1	3.2	5.2	5.4
Croatia	.	.	30.9	20.8	8.3	13.5	14.1	9.4	9.0	9.0
South Eastern Europe	.	.	6.3	4.4	2.9	4.4	5.1	5.0	5.6	5.8
Former USSR	.	1.3	1.3	0.3	0.3	0.7	0.1	0.3	0.4	0.4
Baltic states	.	.	.	0.6	0.4	0.3	0.4	0.2	0.2	0.2
Russia	.	2.5	3.6	0.5	0.4	1.4	-0.1	0.5	0.7	0.6
Ukraine	.	.	.	.	.	0.8	1.0	0.7	1.4	1.6
Belarus	.	.	.	.	.	.	.	.	0.0	0.0
EU-associated countries (10)	.	.	14.4	9.7	8.5	7.8	6.5	6.0	6.7	6.8
Eastern Europe	.	.	12.0	7.8	6.5	5.7	4.7	4.4	4.9	5.1

1) Austrian FDI as reported by Austrian National Bank (Table III/2); total FDI (Table I/2).

*IV. Austrian direct investment received by East European countries*  
(based on CEE data)

Table IV/1: Austrian FDI in Eastern Europe - stock of total inflows

Table IV/2: Austrian FDI in Eastern Europe - stock of cumulated inflows

Table IV/3: Austrian FDI in Eastern Europe - annual inflows

Table IV/4: Austrian FDI in Eastern Europe - number of projects: stock



Table IV/1: Austrian FDI in Eastern Europe – stock of total inflows by recipient countries

USD mn, end of period

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	104	76	126	217	316	514	493	1,650	1,778	2,716	3,011
Slovak Republic	35	62	90	114	160	246	334	361	345	529	.
Hungary	406	1,191	1,109	1,560	1,653	1,469	1,821	1,958	2,026	2,045	2,131
Poland	26	120	195	124	384	461	660	758	799	1,172	1,247
Slovenia	165	211	181	297	510	746	730	1,091	1,123	1,279	.
Central Europe	736	1,660	1,701	2,312	3,023	3,436	4,038	5,818	6,071	7,741	.
Albania	.	10	21	31	51	61	61	61	61	61	.
Bulgaria	.	4	18	24	26	42	55	102	125	214	351
Romania	45	50	57	93	98	122	139	174	96	288	532
Croatia	51	40	5	53	60	114	328	417	443	1,023	1,809
Macedonia	1	1	5	6	6	6	10	11	17	19	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	3	3	25	.
Serbia and Montenegro	.	.	.	.	.	.	.	.	.	.	19
South Eastern Europe	97	105	106	207	241	345	593	768	745	1,630	.
Former USSR	43	53	229	311	274	472	759	865	252	286	.
Baltic states	.	3	9	21	31	57	65	65	55	18	.
Estonia	.	.	.	4	9	26	27	30	28	7	7
Latvia	.	3	5	8	13	16	14	14	12	11	12
Lithuania	.	.	4	9	9	15	24	21	15	.	.
CIS	43	50	220	290	243	415	694	800	197	268	.
Russia	43	50	220	182	223	387	643	653	92	107	144
Ukraine	.	.	.	5	13	21	44	78	94	126	.
Belarus	.	.	5	6	7	7	7	7	11	14	14
Others	.	.	-5	97	0	0	0	62	0	21	.
EU-associated countries (10)	781	1,717	1,785	2,450	3,178	3,657	4,297	6,159	6,347	8,261	.
Eastern Europe	876	1,818	2,036	2,830	3,538	4,253	5,390	7,451	7,068	9,657	.

Source: Austrian Ministry of Economic Affairs; OECD; estimates.

Table IV/2: Austrian FDI in Eastern Europe – stock of cumulated inflows since 1989

USD mn, end of period

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	69	109	164	243	330	538	633	873	1,706	2,444	2,739
Slovak Republic	35	35	63	87	133	170	212	246	291	484	.
Hungary	353	707	905	1,069	1,359	1,486	1,628	1,903	1,968	1,987	2,184
Poland	26	110	143	163	273	383	728	826	867	1,240	1,379
Slovenia	.	33	63	67	117	181	227	284	316	472	.
Central Europe	483	994	1,338	1,629	2,212	2,758	3,428	4,132	5,148	6,627	.
Albania	.	10	21	22	42	52	52	52	52	52	.
Bulgaria	.	13	14	29	30	42	54	101	124	213	350
Romania	45	50	57	93	98	122	138	173	211	388	743
Croatia	.	40	45	93	100	154	368	457	483	666	1,140
Macedonia	1	1	5	6	6	6	10	18	24	26	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	22	.
Serbia and Montenegro	.	.	.	.	.	.	.	.	.	.	13
South Eastern Europe	46	114	142	243	276	376	622	801	894	1,367	.
Former USSR	8	8	180	267	338	557	859	903	956	1,027	.
Baltic states	0	0	2	14	26	36	38	35	35	26	37
Estonia	.	.	.	4	9	16	20	17	15	4	12
Latvia	.	.	2	5	10	13	11	11	12	13	15
Lithuania	.	.	.	5	7	7	7	7	8	9	10
CIS	8	8	178	253	312	521	821	868	921	1,001	.
Russia	8	8	178	243	293	457	714	723	739	781	818
Ukraine	.	.	.	4	12	17	40	74	90	122	.
Belarus	.	.	.	1	2	2	2	2	6	11	11
Others	.	.	.	5	5	45	65	69	86	87	.
EU-associated countries (10)	528	1,057	1,411	1,765	2,366	2,958	3,658	4,441	5,518	7,254	.
Eastern Europe	537	1,116	1,660	2,139	2,826	3,691	4,909	5,836	6,998	9,021	.

Source: Austrian Ministry of Economic Affairs; OECD.

Table IV/3: Austrian FDI in Eastern Europe – annual inflows by recipient countries

USD mn

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Czech Republic	57	40	55	79	87	208	95	240	833	738	295
Slovak Republic	29	0	28	24	46	37	42	34	45	193	.
Hungary	107	354	198	164	290	127	142	275	65	19	197
Poland	26	84	33	20	110	110	345	98	41	373	139
Slovenia	.	33	30	4	50	64	46	57	32	156	.
Central Europe	219	511	344	291	583	546	670	704	1,016	1,479	.
Albania	.	10	11	10	20	10	0	0	0	0	.
Bulgaria	.	13	1	15	1	12	12	47	23	89	137
Romania	45	5	7	36	5	24	16	35	38	177	355
Croatia	.	40	5	48	7	54	214	89	26	183	474
Macedonia	1	0	4	1	0	0	4	8	6	2	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	22	.
Serbia and Montenegro	.	.	.	.	.	.	.	.	.	.	13
South Eastern Europe	46	68	28	110	33	100	246	179	93	473	.
Former USSR	8	0	172	87	71	219	302	44	53	71	.
Baltic states	.	.	2	12	12	10	2	-3	0	-9	11
Estonia	.	.	.	4	5	7	4	-3	-2	-11	8
Latvia	.	.	2	3	5	3	-2	0	1	1	2
Lithuania	.	.	.	5	2	0	0	0	1	1	1
CIS	8	0	170	75	59	209	300	47	53	80	.
Russia	8	0	170	65	50	164	257	9	16	42	37
Ukraine	.	.	.	4	8	5	23	34	16	32	.
Belarus	.	.	.	1	1	0	0	0	4	5	0
Others	.	.	.	5	0	40	20	4	17	1	.
EU-associated countries (10)	264	529	354	354	601	592	700	783	1,077	1,736	.
Eastern countries	273	579	544	488	687	865	1,218	927	1,162	2,023	.

Source: Austrian Ministry of Economic Affairs; OECD.

Table IV/4: Austrian FDI in Eastern Europe

Number of projects by recipient countries: stock

	1990	1993	1994 <sup>1)</sup>	1995 <sup>2)</sup>	1996 <sup>3)</sup>	1997 <sup>3)</sup>	1998 <sup>4)</sup>	2000 <sup>5)</sup>
Czech Republic	.	2,200	2,500	2,900	3,200	3,200	3,000	3,210
Slovak Republic	.	934	1,323	1,324	1,429	1,475	1,764	1,820
Hungary	490	4,167	5,000	5,400	5,500	5,500	2,250	2,250
Poland	54	485	577	520	549	600	750	850
Slovenia	.	127	200	284	385	459	581	569
Central Europe	544	7,913	9,600	10,428	11,063	11,234	8,345	8,699
Albania	.	.	.	5	17	5	5	5
Bulgaria	39	37	128	498	578	702	658	432
Romania	21	51	79	1,100	1,150	1,198	1,200	1,200
Croatia	.	208	204	669	700	159	183	170
Macedonia	.	.	.	14	14	76	8	7
Former USSR	167	656	788	776	879	977	929	786
Russia	.	475	504	466	504	579	584	500
Ukraine	.	99	160	97	171	214	124	124
Estonia	.	.	.	39	40	21	8	15
Latvia	.	.	.	40	36	33	58	58
Lithuania	.	.	.	38	56	28	68	24
Belarus	.	35	57	49	49	69	38	32
Armenia	.	2	2	2	2	2	2	2
Azerbaijan	.	5	5	0	1	1	1	1
Georgia	.	10	10	5	1	1	1	1
Kazachstan	.	12	26	18	6	16	19	11
Kyrgyzstan	.	1	1	1	1	1	1	1
Tajikistan	.	7	7	7	0	0	0	0
Turkmenistan	.	2	2	0	1	1	1	1
Uzbekistan	.	8	14	14	11	11	24	16
EU-associated countries (10)	672	8,001	9,807	12,143	12,923	13,216	10,337	10,428
Eastern Europe	921	8,865	10,799	13,490	14,498	14,746	11,497	11,833
World total	3,412	11,437	13,149	16,493	17,583	17,869	14,824	15,710

1) Czech Republic and Hungary partly estimated. - 2) Romania, Czech Republic and Hungary partly estimated. - 3) Croatia, Czech Republic, Hungary partly estimated. - 4) Poland, Slovak Republic, Czech Republic and Hungary partly estimated. - 5) Poland, Romania, Slovak Republic, Czech Republic and Hungary partly estimated.

Source: Austrian Chamber of Commerce.

## 4. Methodology for the Compilation of FDI Data

FDI is defined as a form of international capital movement that differs from other forms in the way and duration of the investor's commitment. In accordance with the IMF and OECD definition, capital investment abroad is regarded foreign direct investment if the purpose is to establish and maintain permanent equity relations with a foreign company and at the same time to exercise a noticeable influence on the management of that company (with portfolio investment, the emphasis is on earnings). Direct investments have some further microeconomic peculiarities:

- they are concentrated investments, making up at least 10 percent of the target firm's nominal capital and can be as much as 100 percent;
- direct investments establish lasting relations between source and target firms. If investment takes the form of physical capital, it is less mobile than money; FDI has therefore a relatively long build-up period and is cumbersome to liquidate;
- FDI is a result of corporate-level decisions. The established subsidiary is part of the investor's strategy. Foreign direct investors acquire an active part in the decision-making process of the target firm.

Most Eastern European countries try to follow the IMF when compiling their FDI data. According to the international definition described in the IMF Balance of Payments Manual, Revision 5, FDI includes the following forms of capital transfers:

- equity investment in cash,
- equity investment in kind,
- reinvested profits,
- loans from the parent company to the subsidiary.

These investments are aggregated in net terms (investment minus disinvestment) in a country.

A basic methodological problem is to cover all these forms of investments. While all CEECs tend to follow the IMF definitions and methodological guidelines in their efforts to compile FDI data, serious differences appear in practice. National methodologies are not always clearly defined and are often modified. There is a clear trend for increasing accuracy and broadening coverage. The main agency collecting and publishing FDI data is the national bank of the respective country. FDI data are part of the balance of payments and are published in this framework. Also the statistical offices and other agencies publish data on FDI sometimes in more detail than the national banks.

The WIIW-WIFO database uses the balance of payments as the uniform source for the inflow of FDI. The components of FDI in individual country data are listed as remarks attached to Table I/1. Stock data are either provided by the national banks directly or are cumulated from annual inflow

data (Table I/2). According to international standards, aggregation should be done in the local currency and converted into USD using the end-of-period exchange rate. A strengthening dollar can thus 'devalue' past stocks. This methodology is applied by most national banks which publish stock data: the Czech Republic, Hungary, Poland, Slovakia, Slovenia and the Baltic countries. For most other countries, like Bulgaria, Romania and the CIS countries, dollar inflows were added up which increases their stocks in comparison to other countries. Stock and flow data may differ also in their coverage of investment types (see footnotes to Tables I/1 and I/2.) All these methodological problems cause limited comparability of stock data and regional aggregation can be regarded as estimates.

Information on distribution of FDI by industries and source countries is often not covered by the national banks. Statistical offices rely on a sample of the most important investment projects.

The following section provides some methodological information concerning those countries which are the most significant receivers of FDI in the CEECs. The information should be seen as background to the footnotes to the tables.

#### **4.1 Czech Republic**

Czech data concerning foreign direct investment are taken from a single source – the company survey organised by the Czech National Bank. The methodology and definitions are very similar to those used in Austria. All companies receive a questionnaire at the end of each quarter of the year. They have to insert the new foreign (convertible, non-convertible, Slovak) assets and liabilities of the company. Foreign assets exceeding 10 percent of the statutory capital are considered FDI, those below that limit are regarded as portfolio investment. Investments in cash, in kind, in the form of know-how, etc., are treated together. The result is published in the row "FDI" of the balance of payments. Since 1997 reinvested profits and inter-company loans must also be specified in the questionnaire and added to FDI. The questionnaires provide full-scale information about the country of origin and the sector receiving FDI in each quarter.

The companies report FDI in the national currency. For USD data, two exchange rates are applied: for quarters during the year, the average exchange rate of the period is applied; at the end of the year, the sum of investments in CZK is converted by the end-of-year exchange rate. Yearly inflows converted by the end-of-year exchange rate are added up to get the figure for the cumulative stock of FDI. It means that the difference in stocks between two years (year-end exchange rate) is not the same as the reported inflow during the year (average exchange rate). In addition, stock data exclude privatisation revenues.

## 4.2 Hungary

Capital inflows are registered in the balance of payments. The sources of the data on foreign exchange flows are the reports of resident commercial banks. These reports are prepared on a monthly basis and supply all the necessary information concerning the balance of payments. FDI data from bank sources contain only real payments and exclude non-paid statutory capital and in-kind investment. Data exclude reinvested profits which causes a downward bias compared to e.g., the Czech Republic and Poland. Up to 1996 the bank reports referred to owners' credits as well, but not as FDI. They were part of the total credits enterprises take up abroad. Since 1996 owner's credits have been treated as FDI and reported in the flow. The stocks for 1996 were adjusted retroactively to include owner's credits.

FDI payments are converted into forints at the end-of-the-month exchange rate. This is published in the monthly forint-based balance of payments. Forint figures are converted into USD at the monthly average exchange rate for the balance of payments in USD. Monthly figures are added up to give the FDI inflow for the whole year. The balance of payments for a year is calculated at an exchange rate close to the average. Data referring to the stock of FDI are derived from yearly forint inflows cumulated since 1989 and converted at the year-end exchange rate. In-kind investments are reported by the Ministry for Industry and Trade. These data added to the national bank figures are published in the tables of registered FDI.

Since the sources of most FDI data are bank reports, they cannot define the source country and the targeted industry. The latter data are therefore not readily available and must be taken from the Central Statistical Office, and are not compatible with the National Bank data. The Central Statistical Office produces three sets of tables. First, it publishes information concerning newly registered foreign investment enterprises on a monthly basis. Second, tax declarations of all foreign investment enterprises are processed and their important characteristics published. Third, a company survey of more important foreign investment enterprises is carried out to identify the nationality of the investor and the economic activity of the investment. The last two sources appear with a time lag of about a year and a half and cover only a fraction of the FDI capital.

## 4.3 Poland

The current Polish balance of payments provides only partial data on FDI flows annual data are taken from the revised publication on transactions basis (Tables I/1 and I/2 – see footnote for coverage. The Polish Foreign Investment Agency (PAIZ) registers investment in gross form (Table II.3.1). Data include investment inflows in cash, in kind, reinvested profit and credits by the foreign partner. Reinvested profits were included in 1996 and calculated for earlier years which caused a jump in stocks that is much bigger than the inflow for 1996. Registration is more detailed for investment projects above USD 1 million than for smaller ones. They are also available by industry and country of origin.

#### **4.4 Romania**

The National Bank of Romania (NBR) has been trying to follow the instructions of the IMF since 1994. Direct and portfolio investments are differentiated based on their share in the nominal capital being above or below 10 percent. The source of data are the reports by commercial banks on foreign exchange operations (similar to Hungary). Conversion is done at the exchange rate applicable on the day of the transaction. The NBR does not publish cumulated data on FDI. WIIW calculated stock data by totalling yearly inflows.

FDI registration is done by the National Trade Registry. The data refer to the nominal capital of newly registered enterprises but not to privatisation. Distribution of FDI by investing countries and economic activities is based on this source. The National Ownership Fund reports privatisation related inflows, but the aggregation of the two sources is not possible for methodological reasons.

#### **4.5 Slovakia**

All sources are unreliable with regard to the years 1990-1992 when the country was still part of Czechoslovakia. Since 1997 the National Bank of Slovakia has been the only source of FDI data, and data for earlier years have been revised. The NBS makes surveys among companies and the coverage of data conforms with the IMF Balance of Payments Manual, Revision 5. The method is similar to those used in the Czech Republic.

#### **4.6 Slovenia**

The Bank of Slovenia publishes FDI inflows in the balance of payments. These comprise only cash inflows through domestic commercial banks. This methodology was introduced in 1993, earlier data are not comparable. Since 1997 the Bank of Slovenia has been including also in-kind investments derived from customs declarations. Data on total FDI stocks are much higher than the cumulated inflows because stock figures are based on questionnaires filled in by companies with a foreign equity share of 10 percent or more. These comprise, in addition to cash payments via domestic banks, "inherited FDI", i.e., investments of other post-Yugoslav republics, as well as FDI in kind and payments via foreign banks, intra-company loans and reinvested earnings. The increase of FDI stocks in case of Slovenia is a more complete source than the national bank data on inflows.

#### **4.7 Russian Federation**

The Russian balance of payments improved its coverage in the last few years. In the present documentation, statistics for FDI inflows from the Central Bank were used to calculate FDI stocks. In addition, the State Committee of Statistics (SCS) publishes data on the total foreign investment, including portfolio and other investments.



## 4.8 Austria

In Austria, statistical data on direct cross-border investment (foreign direct investment, FDI) are collected and processed by the Austrian National Bank. FDI is understood to mean equity participation by a foreign company with a view to having management control over the company in which the lender has invested. (The portfolio investment aims at maximising the return.) The principles for identifying and delimiting FDI are defined in the IMF's Balance of Payments Manual, Revision 5 of 1993.

In terms of stocks FDI statistics are based on annual surveys (the latest available survey dates from 1999); in terms of flows they are based on balance of payments data.

Statistics on *stocks* include only investments of more than EUR 0.73 million (ATS 1 million), provided that they comprise at least 10 percent of the company's capital. A distinction is made between nominal capital, equity capital (including reserves and profits or losses carried forward) and total capital (equity capital and balance of loans between associated operations). In addition, a "market value" of Austria's FDI (which is based on the earning capacity of the investment) is calculated. The FDI surveys are carried out annually and are published approximately 18 months after the end of the year surveyed. WIFO updates these surveys using the BOP flow data. As a convention, 80 percent of the flow values are used for updating the nominal and equity capital and 100 percent are used for updating the total capital.

Austria's new investment abroad (outflow) is shown in the balance of payments (BOP) statistics. As of the start of 1998, the Austrian National Bank has been publishing balance of payments data on the basis of two schemes: current reporting draws on the monthly cash data (essentially bank reports on their international payments transactions), which are followed by updated quarterly and annual data. With regard to the cash-based figures, FDI includes: investment by way of shares and other financial investments, long-term loans and, to the extent recognisable, short-term financial relations between associated companies, and the cross-border sale or acquisition of real estate. The quarterly data also include reinvested profits. Contrary to previously published statistics (up to 1997), FDI now includes land and buildings, reinvested profits and loans between associated companies. The balance of payments includes the gross values for all inflows and outflows, while the analysis of FDI as a rule uses the netted-out values. (In the case of Austria's direct investment abroad inflows stand for "disinvestment", e.g., liquidation/sales of existing Austrian FDI.)

The Austrian National Bank publishes annually data on Austria's FDI flows broken down by (major) countries, country groups (e.g., CEECs) and industries. In addition to this, a (reduced) breakdown of regional FDI flows is published semi-annually. Historical and some detailed data are available for the nominal capital only.

For 1992 to 1997, the Austrian National Bank recalculated its regional balances of payments on the basis of the new scheme. The newly adjusted values are not always higher than their old coun-

terparts, as would have been expected considering that reinvested profits and real estate were included. One explanation is the lower profitability of active Austrian FDI in its early days, which was reflected in negative reinvested profits (losses carried forward) and which thus reduced the aggregate total value of the investment.

Statistics on cumulated FDI flows differ sometimes significantly from the FDI stock data. These differences stem, *int. al.*, from exchange rate fluctuations and changes in valuation.

Additional data on FDI are being provided by the Austrian Chamber of Commerce and by the Federal Ministry of Economics and Labour. The Austrian Chamber of Commerce publishes annual data on the number of enterprises with Austrian capital participation abroad. These statistics are based on reports of the Chamber's Trade Commissioners in the host countries. The Federal Ministry of Economics and Labour publishes semi-annually statistics on stocks and flows of Austria's direct investment in Eastern European countries. These data are collected by Austrian diplomatic missions and Trade Commissioners in these countries, and they show Austria's FDI according to the statistics of the host countries.

A "mirror" comparison of Austrian and Eastern European FDI data often shows significant discrepancies. One of the (numerous) reasons for these differences is the treatment of multinational companies and investment holdings: a capital investment in Hungary by an Austrian company – which itself is owned by a company in a third country (e.g., Germany) – is registered as an Austrian investment in the Austrian statistics, but as a German investment in the Hungarian statistics.

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