

**WIFO**

A-1103 WIEN, POSTFACH 91  
TEL. 798 26 01 • FAX 798 93 86

 **ÖSTERREICHISCHES INSTITUT FÜR  
WIRTSCHAFTSFORSCHUNG**



WIENER INSTITUT FÜR INTERNATIONALE  
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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**GÁBOR HUNYA**

**WIIW – The Vienna Institute for Comparative  
Economic Studies**

**JAN STANKOVSKY**

**WIFO – Austrian Institute of Economic Research**

Research Assistance: Monika Schwarzhappel (WIIW),  
Gabriele Wellan (WIFO)

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## 1. Introduction

This 14<sup>th</sup> revision of the WIIW-WIFO database on FDI contains preliminary 2002 data for the Central and East European countries (CEECs) and the former Soviet Union (FSU). These are estimated based on the balance of payments for 9 to 11 months. It also makes a forecast for the year 2003. 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 2002

### 2.1 FDI in 2002: record inflow concentrated in a handful of countries

As opposed to the world-wide trend of diminishing FDI, inflows in CEECs reached a new peak in 2002<sup>2</sup>. They were about 9 percent higher, in current USD terms, than in the previous year. In fact, part of this increase is only virtual as it was due to the weakening of the US currency. FDI continued to be unevenly distributed among countries. Mainly those countries that have already been receivers of larger amounts of FDI got even more. The five Central European countries (the Czech Republic, Hungary, Poland, Slovakia and Slovenia) received almost two thirds of the USD 30 billion that went into Eastern countries as a whole. More than one third of the increase of 30 percent compared to the previous year was due to the appreciation of the local currencies (average annual exchange rate) versus the US dollar. The strengthening of national currencies led

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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.

<sup>2</sup> Although yearend results were not available by the time of writing, estimates could be made based on 9 to 11 months' balance of payments.

to a jump in FDI stocks, which comprise cumulated inflows converted at the end-of-period exchange rate.

The highest amount of FDI inflow in 2002 was received by the Czech Republic (USD 8 billion). That country thus took over the lead from Poland (USD 4 billion) which came second together with Slovakia (USD 4 billion). In per capita terms, Slovenia (USD 2 billion) and Slovakia had outstanding results. Hungary (USD 1.6 billion) booked not only less inflow than in the previous year, but also some disinvestments<sup>3</sup>.

As for the South East European countries, their improved stability and faster economic growth did not attract more FDI than before, with the exception of Yugoslavia. The larger economies in the region – Romania, Bulgaria and Croatia – all booked lower inflows than in the previous year or two. The scarce data for the former Soviet Union suggest a decline of FDI in this region. Exceptions were the EU candidate countries Latvia and Lithuania. The Baltic countries have small open economies favoured by Scandinavian investors.

The amount of inward FDI in CEECs keeps to be governed by privatization-related foreign take-overs. In 2002, these inflows were especially high to the Czech Republic, Slovakia and Slovenia. Those countries that have less to sell or decreased efforts of privatization, such as Poland and Hungary, recorded less FDI inflows in 2002 than in previous years. Most of the important large companies sold to foreign investors were in the electricity and gas distribution, as well as in the banking sector. The purchase of a CEE company in these fields is the most viable way of accessing the market. There are very few attractive manufacturing companies left in CEECs which are bought despite the sluggish European markets. A primary example for these was the Slovenian pharmaceuticals producer Lek. For the year 2003 we expect lower privatization sales and still sluggish greenfield investment activity. This will lead to lower FDI inflows than in last year.

Not all privatization efforts are successful. Some CEE companies could not be sold despite repeated efforts of the public owner, due to the lack of demand on the part of potential investors. In times of stagnating export markets, multinationals are reluctant to increase capacities. Also, in sectors where major multinational companies are in financial difficulties, an expansion by purchasing CEE companies is not feasible. The price offered may be so depressed that it is not acceptable for the Eastern governments. The telecom sector has been the obvious example. The public shares of the main line operators in Bulgaria, Romania and the Czech Republic could not be sold. Romania had also problems selling its largest commercial Bank, BCR.

While for a decade inward FDI had been a one-way process, in the last few years there occurred also withdrawals of investments. Several examples have been reported in the Czech and the Hungarian press. Although most of these cases are too minor or too recent to influence aggregate

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<sup>3</sup> FDI in Hungary is grossly underreported as re-invested profits are not calculated by the National Bank. See section on methodology and table footnotes for details.



2002 data, it is worth dealing with that problem. The motivations for investment withdrawals fall under two different categories: market contraction or cost increase. Companies have been shrinking capacity lately due to sluggish international demand. This is the explanation for the closure of an IBM subsidiary in Hungary. Increasing wages and appreciating currencies motivate investors to relocate labour-intensive production to cheaper locations. Sometimes this happens within the CEE area. There are signs that the clothing and shoe industry is moving to Romania. Investors often leave for in Asia, primarily to China, where it is not only cheaper to produce but also the market expands more rapidly than in Europe.

On the other hand, CEECs may benefit from re-locations within Europe. Either existing production is moved or new production is located to the cheaper periphery of the soon enlarged EU. For instance, Electrolux announced to concentrate production in Hungary while closing two factories in Western Europe. Looking for locations to expand, French Peugeot participates in one new car factory in the Czech Republic and in another in Slovakia. Such large projects are actually scarce, the competition for them between countries and locations has become more fierce.

A general characteristic of investors leaving CEE locations when production costs increase is that they are not anchored in those economies. The local content of production is small, networking with local companies scarce. They carry out simple processing, in many cases not owning but just renting the production premises. Other investors have become more integrated with the local environment and are therefore less prone to exit. International distribution centres, research and development departments and marketing centres settle to well-integrated production sites. More advanced CEECs are well advised to concentrate on the integration of foreign subsidiaries into their economies rather than going for a wage and subsidy contest to keep assembly lines with low value added.

## 2.2 Flourishing Austrian foreign direct investment in Eastern Europe

Austrian enterprises were able to strengthen their position as investors in Eastern Europe. Their new investments in these countries more than doubled from EUR 1 billion in 1999 to EUR 2.1 billion in 2000, increased again to EUR 2.6 billion in 2001 and recorded another peak value at EUR 1.6 billion (USD 1.4 billion) for the first half of 2002. According to the available data, the investment boom continued right into the second half of 2002. The Austrian market share of new investments in Eastern Europe rose from over 8 percent in 2001 to more than 10 percent in the first half of 2002. Of the new investments in Central Europe, Austria contributed more than 12 percent.

With the decision to admit several countries from Eastern Europe into the EU, it was only to be expected that economic links would be intensified, analogously to a response that was first experienced in the course of the southern enlargement. The successful completion of the Copenhagen negotiations on EU enlargement in December 2002 is giving further momentum to direct investment in Eastern Europe. With privatisation in most Eastern European countries – with some exceptions (banking, utilities) – completed, foreign capital is now mainly flowing into greenfield investments, business take-overs and enterprise expansions.

Increased activities on the part of Austrian enterprises in Eastern Europe aim primarily at developing and protecting existing markets, as well as at cost reduction by outsourcing labour cost intensive production processes. Obviously, they also rely on the efficiency of the subsidiaries and on the profitability of the capital invested (see below).

About half of Austrian new investments abroad in the first six months of 2002, at a value of EUR 3.2 billion, went to Eastern Europe. Other important new investments (more than EUR 1 billion) went to Caribbean offshore centres, although in its accompanying commentary on the current balance of payments data (news release of 7 October 2002), the OeNB points out that even part of the latter investment is connected to activities in Eastern Europe.

### 2.2.1 *Czech Republic is the chief target country for Austrian FDI*

Austrian investors are at present mostly interested in the Czech Republic. This interest is fuelled not only by the geographical proximity, the relatively strong purchasing power of the population and the industrial tradition of the country, but also by the country's privatisation drive. Political disagreement between the two countries has not so far had a negative impact on their economic co-operation. Since 1998, the Czech Republic has been the most important target country in Eastern Europe for Austrian direct investment, outranked only by Slovakia in 2001.

In the first half of 2002, Austria invested EUR 0.7 billion in the Czech Republic, which corresponded to about 40 percent of all investments in Eastern Europe. Croatia received EUR 0.3 billion; its second rank is somewhat surprising because Croatia is not even a candidate for the

EU yet. Austrian investors have obviously been convinced by Croatia's effort at political and economic consolidation. New investments in Slovenia and Hungary reached almost EUR 0.2 billion each, approximately one half of the investment volume in the whole of 2001. At EUR 80 million, investments in Poland were modest only. Capital flows from Austria to the Baltic countries, to Russia and to the Ukraine were insignificant.

With its annual survey for 2000, OeNB corrected the provisional figures available for direct investment **stocks**. The statistics based on the survey are more comprehensive and more complete than the data based on the balance of payments, some of which had been estimates. By the end of 2000, the stock of Austrian direct investments in Eastern Europe reached EUR 8.0 billion. Updating on the basis of new investment data finds a stock of EUR 10.6 billion for the end of 2001, and of EUR 12.2 billion for the middle of 2002. In the Czech Republic, the investment stock from Austria in mid 2002 amounted to EUR 3.3 billion, in Hungary to EUR 2.5 billion, in Slovakia to EUR 2.1 billion, in Poland to EUR 1.2 billion, in Slovenia to EUR 1.1 billion and in Croatia to EUR 1 billion.

### 2.2.2 *Mirror statistics*

The data on Austrian direct investment in Eastern Europe used here are based on OeNB statistics. Almost all Eastern European countries similarly publish data on direct investment in their countries received from Austria, which tend to diverge from the Austrian data<sup>4</sup>. As regards new investment, mirror comparisons for Eastern countries as a whole show quite good correspondence between the two sources. For 2000, Austrian data were lower by about USD 0.1 billion, and in 2001 higher by USD 0.1 billion than those of the partner countries. For investment in the Czech Republic, both sources show similar values, whereas for some countries there are – sometimes considerable – differences (e.g., for Hungary in 2000).

For investment stocks, partner statistics systematically deliver higher values than those of Austria: in 2001, the total figures for Eastern Europe thus were USD 11.8 billion and USD 9.3 billion, respectively. In this case, Austrian data, which are based mostly on surveys, are more reliable than those of the partner countries, in which capital or exchange rate losses of the investment stocks are often not accounted for.

### 2.2.3 *Austria expands position as investor in Eastern Europe*

Since the end of the 1990s, Austria has expanded its position as an investor in Eastern Europe. The Austrian market share of new direct investment in the region increased steadily, from 3.3 percent in

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<sup>4</sup> See tables in Section II of this report. The report of the Bundesministerium für Wirtschaft und Arbeit (2002) on foreign direct investment in East Europe is based mainly on statistics drawn up by Eastern European countries.

1998 to 8.3 percent in 2001, and achieved its historical peak of 10.2 percent<sup>5</sup> in the first half of 2002. Of the new investments in Central Europe, Austria contributed 12.3 percent in 2002. A particularly impressive result was achieved in Slovakia: a share of 43.5 percent. In Hungary (24.5 percent) and Slovenia, almost a quarter of all foreign investment came from Austria. In the Czech Republic, which received the largest inflow of foreign investment capital in all of Eastern Europe in the first half of 2002, Austria did well with a share of 11.1 percent. In Poland, on the other hand, Austria's share was modest only.

The strong position of Austria in South-eastern Europe (19.6 percent) owes much to the result in Croatia: In 2002, almost half of the foreign investment in this country came from Austria. Austria was well represented in Romania, too, whereas its share in the investments in Russia and other successor states to the USSR was small. The shortcomings are particularly regrettable in the Baltic states.

The share of Austria in the total **stock** of foreign investments in Eastern Europe increased from 5.2 percent by the end of 2001 to 6.0 percent in mid 2002. About 30 percent of the total foreign investment capital in Slovakia and Slovenia derived from Austria. The Austrian market share in the Czech Republic, Hungary and Croatia, respectively, amounts to about 10 percent.

#### *2.2.4 More than 160,000 persons employed by Austrian companies in Eastern Europe*

According to the OeNB survey, Austria counted 917 "multinationals" in 2000 (1999: 902), which owned altogether 2,302 "bigger" subsidiaries abroad (1999: 2,172)<sup>6</sup>. About half of these subsidiaries were in Eastern Europe (2000: 1,169), of which 392 were in Hungary, 287 in the Czech Republic, and more than 100 both in Poland and Slovakia. As to the rest, 682 were in the EU, and 451 in other countries. In addition to these, some 10,000 "smaller" subsidiaries, branch offices and agencies were in Eastern European countries. For 2000, the total number of Austrian "Eastern European enterprises" was estimated by the Austrian Economic Chamber at 11,000 to 12,000, of which over 3,000 were in the Czech Republic and 2,000 in Hungary.

The 2,302 Austrian-owned companies abroad employed altogether 248,600 persons in 2000 (weighted by the shares of capital). Almost two thirds (162,400) were employed in companies in Eastern Europe; almost 50,000 persons in the Czech Republic and Hungary, respectively, and 21,000 in Poland. Austrian companies were also important employers in Slovakia. In 2000, foreign employment increased remarkably in the Czech Republic and Poland, whereas a slight fall was found in Hungary.

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<sup>5</sup> Computed from OeNB data for Austrian direct investment in Eastern Europe (Tables III/2 and III/4) as well as from data of the partner countries concerning total foreign direct investment (Tables I/1 and I/2). The results differ partly from those in Section II, which rely exclusively on statistics of the partner countries (see also the section on mirror statistics).

<sup>6</sup> OeNB surveys include only subsidiaries of more than EUR 73,000 (ATS 1 million) in equity capital. In some parts, only data for 1999 are available.

Austria's companies abroad are predominantly smaller units. They employed on average only 92 persons in 1999 and 108 persons in 2000, and the average equity stake per enterprise was EUR 8.8 million in 1999 and EUR 11.6 million in 2000. Austrian subsidiaries in Eastern Europe are bigger in terms of the number of employees, and noticeably smaller in terms of equity capital. On average, Austrian companies in Eastern Europe employed 117 people in 1999, and 129 in 2000. Subsidiaries were largest in Poland (182 employees) and in the Czech Republic (174), and rather small in Slovenia. Several large companies in Eastern Europe had more than 1,000 employees in 1999: 9 in Hungary, 5 in Czech Republic and one company each in Poland and Slovakia. The average capital invested in the subsidiaries in Eastern Europe amounted to EUR 5.0 million in 1999 and EUR 6.9 million in 2000, compared to over EUR 16 million in other countries. Capital expenditure was relatively high in Slovenia and Poland, and rather low in Hungary.

### 2.2.5 *Austria as a bridge for direct investments in Eastern Europe*

Of the altogether 902 Austrian foreign investors in 1999, 153 enterprises were majority-controlled (capital share of at least 50 percent) by non-Austrian groups. These foreign-owned Austrian enterprises often act as regional headquarters for multinational companies for Eastern Europe ("Osteuropazentralen"), which establish and manage subsidiaries in Eastern Europe. Particularly in the first years after the political change-over, Austria's locational advantages played an important role in the privatisation and greenfield investment in Eastern Europe (*Stankovsky – Wolfmayr-Schnitzer, 1996*). Over the following years, Austria was not fully able to maintain its function as a base for FDI in Eastern Europe. Among other things, the restrictive regulations for the employment of foreigners proved to be an obstacle. Thus, to give but one example, the head office for Eastern Europe of the Vienna International Hotels & Resorts was moved from Vienna to Prague in late 2002, mainly due to the restrictions on employing foreign high-level personnel (*Kurier, 9 December 2002*).

In 1999, the 902 Austrian multinationals had altogether 2,172 foreign subsidiaries; of the total, 153 foreign-controlled companies had 370 subsidiaries abroad. About 17 percent of the "Austrian" foreign companies were thus controlled by owners from third countries. Of the 1,098 Austrian subsidiaries in Eastern Europe, 224 (20 percent) were controlled by foreign owned companies (predominantly from Western Europe). The importance of regional headquarters was relatively high in relation to Poland (they controlled 28 percent of all Austrian subsidiaries in Poland), which can be explained by the rather low commitment of Austrian investors in this country. With regard to Hungary, the Czech Republic and Slovakia, regional headquarters in Austria controlled about 20 percent of the subsidiaries, with regard to Slovenia, the figure was only 13 percent.

In 1999, "Austrian" companies in Eastern Europe employed altogether 128,000 persons, subsidiaries controlled by third countries had over 40,000 (31 percent) persons in their employ-

ment. Of these, 16,000 account for Hungary, 10,000 for the Czech Republic and 5,000 for Poland. The merger of Bank Austria with Bayerische Hypo- und Vereinsbank (which took place in 2000) increased the number of persons employed in foreign controlled enterprises in Eastern Europe by 15,000 (*Dell'mour, 2002*).

#### 2.2.6 Profitability of Austrian direct investments in Eastern Europe

Austrian direct investments in Eastern Europe are generally profitable. After a difficult adjustment period in the mid 1990s, the majority of Austrian subsidiaries in Eastern Europe is now generating high profits.

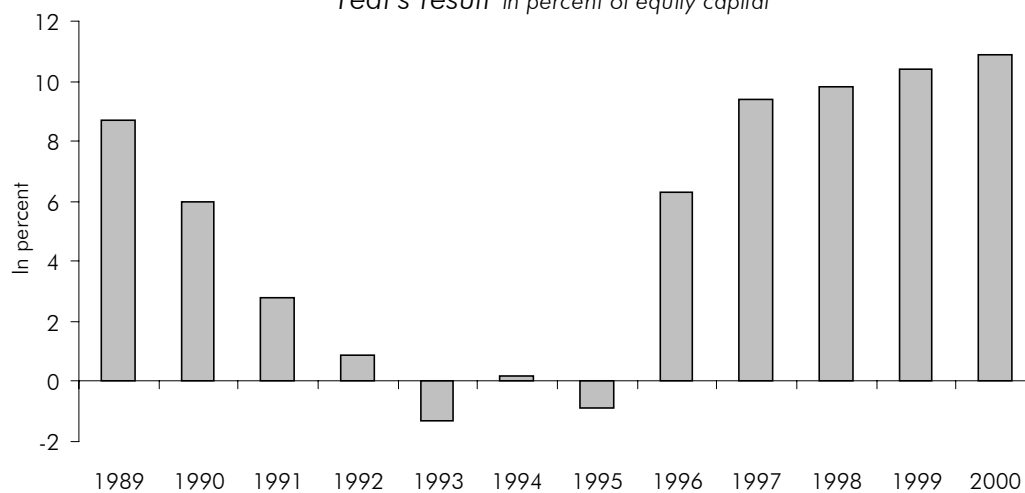
The number of Austrian subsidiaries in Eastern Europe included in the OeNB statistics rose from 120 in 1989 to almost 1,200 in 2000. In the early 1990s, the majority of Eastern European subsidiaries (80 percent) produced a profit, since Austrian investors obviously concentrated on profitable companies. This favourable situation did not last long. By the mid 1990s, almost half of the subsidiaries delivered losses, since all of Eastern Europe went through a transformation recession and it became necessary to make painful efforts at restructuring. By the end of the 1990s, the share of profitable companies once again rose noticeably.

In 2000, Austrian subsidiaries in Eastern Europe achieved a total annual result (without losses and gains brought forward from previous account) of EUR 654 million (1999: EUR 437 million). The reconstructed (profitable) enterprises made a profit of EUR 878 million, which, however, was reduced by EUR 224 million by loss-making subsidiaries.

The improvement of the earnings situation becomes particularly clear when we look at the profitability (annual result in percent of equity capital) of Austrian subsidiaries in Eastern Europe. In the early 1990s, profitability was temporarily high. During the critical phase of 1992 to 1995, it fell to below 1 percent or was even negative in some years. Since 1996, Austrian companies in Eastern Europe have markedly improved their earning capacity to a level in excess of the 10 percent threshold.

As there are still many companies – probably predominantly new take-overs or greenfield investments – which produce losses, restructured enterprises must be particularly profitable, often in excess of 20 percent of the invested capital. The high earning capacity of Eastern European companies is confirmed, i.a., by Austrian banks. Eastern European subsidiaries showed about twice the profitability of subsidiaries in other countries.

*Profitability of Austrian direct investment in Eastern Europe*  
*Year's result in percent of equity capital*



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Table 1: Austria as a bridge for direct investment in Eastern Europe  
Austrian direct investment in Eastern Europe controlled by foreign firms in 1999

	Austrian subsidiaries abroad, number			Persons employed		
	Total	Controlled by foreign firms <sup>1)</sup> in percent		Total	Controlled by foreign firms <sup>1)</sup> in percent	
Hungary	404	77	19	49,288	16,265	33
Czech Republic	257	54	21	32,934	10,210	31
Poland	105	29	28	14,487	5,215	36
Slovak Republic	101	18	18	11,774	3,532	30
Slovenia	67	9	13	4,086	1,185	29
Baltic states	10	3	30	370	93	25
Romania, Bulgaria	53	16	30	6,041	1,812	30
Other East European countries	101	18	18	9,127	2,099	23
Eastern Europe	1,098	224	20	128,107	40,411	32
EU 15	664	93	14	50,360	7,554	15
Other countries	410	53	13	20,697	5,809	28
Total	2,172	370	17	199,164	53,774	27

1) Share of foreign capital in the capital of the Austrian investor more than 50 percent.

Source: R. Dell´mour: Österreichs Direktinvestitionen und die EU-Erweiterung. OeNB, Berichte und Studien 2/2002.

Table 2: Austrian direct investment in Eastern Europe 2000 and 2001: Mirror statistics  
Statistics of Austria and partner countries in comparison

	Annual inflows				Stock			
	2000		2001		2000		2001	
	Austria	Partner country	Austria	Partner country	Austria	Partner country	Austria	Partner country
	USD mn							
Eastern Europe	1,927	2,025 <sup>1)</sup>	2,291	2,205 <sup>1)</sup>	7,468	9,697 <sup>1)</sup>	9,328	11,827 <sup>1)</sup>
Central Europe	1,530	1,479 <sup>1)</sup>	1,869	1,145 <sup>1)</sup>	6,324	7,781 <sup>1)</sup>	7,829	8,735 <sup>1)</sup>
Czech Republic	825	738 <sup>1)</sup>	447	295 <sup>2)</sup>	1,961	2,409 <sup>2)</sup>	2,298	3,011 <sup>1)</sup>
Hungary	274	19 <sup>1)</sup>	387	197 <sup>1)</sup>	1,734	1,259 <sup>3)</sup>	2,022	2,131 <sup>1)</sup>

1) According to Austrian Federal Ministry of Economics and Labour . - 2) According to Table II/1.2. - 3) According to Table II/2.2.



Table 3: Persons employed and size of the subsidiaries of Austrian direct investment abroad  
1999 und 2000

		Hungary	Czech Republic	Poland	Slovak Republic	Slovenia	Eastern Europe	EU 15	Other countries	World
<i>1999</i>										
Subsidiaries	Number	404	257	105	101	67	1,098	664	410	2,172
Persons employed <sup>1)</sup>	Thousand	49	33	14	12	4	128	50	21	199
Total capital	Million Euro	1,673	1,291	560	573	558	5,495	8,463	5,081	19,039
<i>2000</i>										
Subsidiaries	Number	392	287	115			1,169	682	451	2,302
Persons employed <sup>1)</sup>	Thousand	49	50	21			162	58	29	249
Total capital	Million Euro	1,863	2,108	914	1,272	640	8,026	11,257	7,392	26,675
<i>2000: Structure</i>										
		<i>Shares in percent</i>								
Subsidiaries	Number	17.0	12.5	5.0			50.6	30.6	18.9	100.0
Persons employed <sup>1)</sup>	Thousand	19.5	20.0	8.4			64.3	25.3	10.4	100.0
Total capital	Million Euro	7.0	7.9	3.4	4.8	2.4	28.9	44.5	26.7	100.0
<i>1999</i>										
<i>Size of subsidiary</i>										
By employment <sup>2)</sup>	Employees	122	128	138	117	61	117	76	50	92
By capital <sup>3)</sup>	Million Euro	4.1	5.0	5.3	5.7	8.3	5.0	12.7	12.4	8.8
Capital intensity <sup>4)</sup>	1,000 Euro	34	39	39	49	137	43	168	245	96
<i>2000</i>										
<i>Size of subsidiary</i>										
By employment <sup>2)</sup>	Employees	124	174	182			139	84	63	108
By capital <sup>3)</sup>	Million Euro	4.8	7.3	7.9			6.9	16.5	16.4	11.6
Capital intensity <sup>4)</sup>	1,000 Euro	38.4	42.3	43.7			49	195	258	107

1) Weighted by capital. - 2) Number of employed/subsidiary. - 3) Total capital/subsidiary. - 4) Total capital/person employed.

Source: Dell'mour; OeNB.

Table 4: Profitability of Austrian direct investment abroad: Total and Eastern Europe

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Subsidiaries abroad	Number											
Total	895	1,189	1,239	1,340	1,562	1,698	1,796	1,897	2,020	2,078	2,172	2,302
Eastern Europe	120	262	397	496	660	801	847	889	962	979	1,019	1,169
Other countries	775	927	842	844	902	897	949	1,008	1,058	1,099	1,153	1,133
Of which: With a profit												
Total	656	809	799	827	942	1,018	1,093	1,266	1,365	1,346	1,477	1,329
Eastern Europe	105	210	266	316	380	441	458	573	638	603	703	656
<i>in percent</i>	88	80	67	64	58	55	54	64	66	62	69	56
Other countries	551	599	533	511	562	577	635	693	727	743	774	673
With a loss												
Eastern Europe	15	52	131	180	280	360	389	316	324	376	316	513
Year's result <sup>1)</sup>	Millions Euro											
Total	156	193	-28	-229	-119	189	95	486	644	580	1,125	1,345
Eastern Europe	7	20	20	9	-20	4	-18	155	288	330	437	654
Other countries	149	173	-48	-238	-99	185	113	331	356	250	688	691
Profitability <sup>2)</sup>	In percent											
Total	8.3	6.7	-0.8	-5.0	-2.1	3.1	1.4	5.9	6.1	4.6	6.9	6.0
Eastern Europe	8.7	6.0	2.8	0.9	-1.3	0.2	-0.9	6.3	9.4	9.8	10.4	10.9
Other countries	8.3	6.8	-1.6	-6.8	-2.4	4.3	2.4	5.8	4.7	2.7	5.7	4.2

Till 1999: 10 accession candidates from Eastern Europe + 3 accession candidates from Southern Europe.

In 2000: 10 accession candidates from Eastern Europe + other Eastern countries.

1) Year's result without losses and gains brought forward from previous period

2) Year's result / (equity capital minus years result)

Source: Dell'mour; OeNB.

### 3. Set of Tables

#### *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, 1993-2003

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Table I/8 FDI inward stock by economic activities, 2001

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

Based on the balance of payments, USD mn

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2002	2003
										Jan-Sept	estimate	forecast
Czech Republic	654	869	2,562	1,428	1,300	3,718	6,324	4,986	4,916	7,068	8,000	4,000
Slovak Republic	179	273	258	358	220	684	390	1,925	1,475	3,391	4,000	2,000
Hungary	2,339	1,147	4,453	2,275	2,173	2,036	1,970	1,649	2,443	835	1,600	1,600
Poland	1,715	1,875	3,659	4,498	4,908	6,365	7,270	9,341	5,713	.	4,000	4,000
Slovenia	113	117	151	174	334	216	107	136	503	1,110	2,000	2,000
Central Europe	5,000	4,281	11,083	8,733	8,935	13,019	16,061	18,037	15,050	.	19,600	13,600
Albania	58	53	70	90	48	45	41	143	207	.	200	200
Bulgaria	40	105	90	109	505	537	819	1,002	694	289	400	600
Romania	94	341	419	263	1,215	2,031	1,041	1,037	1,157	741	900	1,000
Croatia	120	117	121	516	568	1,018	1,641	1,140	1,499	742	1,000	1,000
Macedonia	.	24	9	11	16	118	32	175	443	67	100	500
Bosnia & Herzegovina	.	.	.	.	.	100	90	150	130	.	200	200
Yugoslavia	.	.	.	.	740	113	112	50	165	310	400	500
South Eastern Europe	312	640	709	989	3,092	3,962	3,776	3,697	4,295	.	3,200	4,000
Former USSR	3,007	2,227	4,522	6,504	10,905	8,799	7,895	6,642	8,229	.	7,500	7,400
European former USSR	1,680	1,331	2,867	3,914	7,061	5,647	5,429	4,747	4,660	.	4,500	4,400
Baltic states	237	459	453	685	1,143	1,864	1,139	1,176	1,143	1,149	1,300	1,200
Estonia	162	215	202	151	267	581	305	387	542	223	300	400
Latvia	44	213	178	382	521	357	348	410	155	349	400	400
Lithuania	31	31	73	152	355	926	486	379	446	577	600	400
European CIS	1,443	872	2,414	3,229	5,918	3,783	4,290	3,571	3,517	.	3,200	3,200
Russia	1,211	690	2,065	2,579	4,865	2,761	3,309	2,714	2,469	1,829	2,500	2,500
Ukraine	200	159	267	521	623	743	496	595	792	392	500	500
Belarus	18	11	15	105	352	203	444	119	96	.	100	100
Moldova	14	12	67	24	79	76	41	143	160	49	100	100
Asian CIS	1,327	896	1,655	2,590	3,844	3,152	2,466	1,895	3,569	.	3,000	3,000
EU-accession countries (8)	5,237	4,740	11,536	9,418	10,078	14,883	17,200	19,213	16,193	.	20,900	14,800
Eastern Europe	8,319	7,148	16,314	16,226	22,932	25,780	27,732	28,376	27,574	.	30,300	25,000

*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 + loans from 2001.

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 + reinvested earnings.

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.

*Sources:*

For Czech Republic, Hungary, Poland, Slovak Republic, Slovenia, Bulgaria, Romania, Croatia, Macedonia, Yugoslavia, Estonia, Latvia, Lithuania, Russia, Ukraine and Moldova - National banks of respective countries according to balance of payments statistics.

For Albania, Bosnia & Herzegovina, Belarus - IMF balance of payments statistics.

For Asian CIS - World Investment Report 2002.

Table I/2: FDI in Eastern Europe – stock

USD mn, end of period

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2002
										Sept	estimate
Czech Republic	3,423	4,547	7,350	8,572	9,234	14,375	17,552	21,644	26,764	35,992	37,000
Slovak Republic	.	897	1,297	2,046	2,083	2,890	3,188	4,746	5,582	.	10,000
Hungary	5,585	7,095	11,926	14,958	16,086	18,517	19,299	19,804	23,562	27,837	27,000
Poland	2,307	3,789	7,843	11,463	14,587	22,479	26,075	34,227	41,031	.	46,000
Slovenia	954	1,326	1,763	1,998	2,207	2,777	2,682	2,893	3,209	.	5,500
Central Europe	.	17,654	30,179	39,037	44,197	61,038	68,796	83,314	100,148	.	125,500
Albania	78	131	201	291	339	384	425	568	775	.	1,000
Bulgaria	141	247	337	446	951	1,488	2,307	3,309	4,003	4,292	4,400
Romania	211	552	971	1,234	2,449	4,480	5,521	6,558	7,715	8,456	8,600
Croatia	120	238	359	874	1,443	2,460	4,102	5,241	6,741	7,482	7,700
Macedonia	.	24	33	45	60	178	210	386	829	896	900
Bosnia & Herzegovina	.	.	.	.	.	100	190	340	470	.	700
Yugoslavia	.	.	.	.	740	853	965	1,015	1,180	1,490	1,600
South Eastern Europe	.	1,192	1,901	2,890	5,982	9,943	13,720	17,417	21,713	.	24,900
Former USSR	3,580	5,998	10,467	17,054	27,801	36,266	44,364	49,656	57,730	.	66,300
European former USSR	2,080	3,601	6,603	10,600	17,503	22,816	28,448	32,758	37,368	.	42,300
Baltic states	467	1,114	1,705	2,474	3,461	5,005	6,325	7,063	8,158	10,199	10,200
Estonia	239	495	737	838	1,148	1,822	2,467	2,645	3,160	3,889	3,600
Latvia	75	309	616	936	1,272	1,558	1,795	2,084	2,332	2,746	3,000
Lithuania	153	310	352	700	1,041	1,625	2,063	2,334	2,666	3,564	3,600
European CIS	1,613	2,487	4,898	8,126	14,042	17,811	22,123	25,695	29,210	.	32,100
Russia	1,211	1,901	3,966	6,545	11,410	14,171	17,480	20,194	22,663	24,492	25,000
Ukraine	370	529	796	1,317	1,940	2,683	3,179	3,774	4,566	4,958	5,000
Belarus	18	28	43	147	499	702	1,146	1,265	1,361	.	1,400
Moldova	14	29	93	117	193	255	318	462	620	676	700
Asian CIS	1,500	2,397	3,864	6,454	10,298	13,450	15,916	16,898	20,362	.	24,000
EU-accession countries (8)	.	18,768	31,884	41,511	47,658	66,043	75,121	90,377	108,306	.	135,700
Eastern Europe	.	24,844	42,547	58,981	77,980	107,247	126,880	150,387	179,591	.	216,700

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 + reinvested earnings.

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

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

For Asian CIS according to World Investment Report 2002.

Table I/3: FDI inflow per capita in USD

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
										estimate
Czech Republic	63	84	248	138	126	361	615	485	481	785
Hungary	226	111	431	221	211	198	192	161	240	157
Poland	45	49	95	116	127	165	188	242	148	104
Slovak Republic	34	51	48	67	41	127	72	357	274	744
Slovenia	57	59	76	87	168	109	54	68	253	1002
Estonia	109	147	140	106	191	419	222	283	398	221
Latvia	17	84	72	155	214	148	146	173	66	170
Lithuania	8	9	20	42	99	261	138	108	128	173
Bulgaria	5	12	11	13	61	65	100	123	87	51
Romania	4	15	18	12	54	90	46	46	52	40
Albania	18	17	22	27	14	13	12	42	60	58
Croatia	26	25	26	115	124	226	360	257	338	226
Macedonia	.	12	5	6	8	59	16	87	218	49
Bosnia & Herzegovina	.	.	.	.	.	27	24	40	35	53
Yugoslavia	.	.	.	.	70	11	13	6	20	48
Russia	8	5	14	17	33	19	23	19	17	17
Ukraine	4	3	5	10	12	15	10	12	16	10

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

Table I/4: FDI inward stock per capita in USD

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
										estimate
Czech Republic	331	440	712	832	897	1397	1708	2108	2606	3603
Hungary	540	686	1156	1452	1565	1806	1888	1942	2316	2659
Poland	60	98	203	297	377	581	675	886	1062	1191
Slovak Republic	.	167	242	380	387	536	591	879	1038	1859
Slovenia	480	666	886	1006	1112	1404	1349	1454	1609	2754
Estonia	162	342	517	596	824	1321	1798	1935	2321	2647
Latvia	30	124	249	383	525	649	755	881	994	1282
Lithuania	42	85	97	195	292	460	587	669	767	1040
Bulgaria	17	29	40	53	115	181	282	406	507	564
Romania	9	24	43	55	109	199	246	292	344	383
Albania	25	41	62	89	102	114	126	167	226	288
Croatia	26	51	77	195	316	547	901	1181	1519	1738
Macedonia	.	12	17	22	30	88	104	190	406	440
Bosnia & Herzegovina	.	.	.	.	.	27	51	91	125	187
Yugoslavia	.	.	.	.	70	80	115	122	142	193
Russia	8	13	27	44	78	97	120	139	157	174
Ukraine	7	10	16	26	38	54	64	77	94	104

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



Table I/5: FDI inflow as a percentage of gross fixed capital formation

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
										estimate
Czech Republic	6.6	7.4	15.4	7.7	8.0	22.4	41.4	34.3	30.6	42.1
Hungary	32.1	13.7	49.7	23.5	21.4	18.3	17.2	14.6	20.1	10.7
Poland	12.6	12.5	15.5	15.1	14.5	16.0	18.4	23.8	14.9	11.0
Slovak Republic	4.6	6.8	5.4	5.4	3.0	8.6	6.4	33.2	23.0	56.3
Slovenia	4.7	4.0	3.8	4.1	7.9	4.5	1.9	2.8	10.7	38.1
Estonia	40.7	34.8	21.8	12.9	20.6	37.5	23.6	29.6	37.6	.
Latvia	14.7	39.2	26.5	41.0	49.3	21.5	20.7	22.4	7.1	.
Lithuania	5.1	3.2	5.2	8.4	15.2	35.4	20.7	18.1	19.1	.
Bulgaria	2.9	7.9	4.5	8.0	44.2	32.4	41.8	50.6	28.8	14.3
Romania	2.0	5.6	5.5	3.2	16.3	26.5	16.5	14.8	15.3	10.3
Croatia	.	5.8	4.1	12.7	11.7	20.2	35.3	28.3	33.6	19.0
Macedonia	.	4.6	1.3	1.5	2.4	18.9	5.3	30.1	.	.
Russia	3.6	1.1	2.9	2.9	5.8	5.5	11.9	6.7	4.5	4.7
Ukraine	2.5	1.8	3.1	5.6	6.3	9.1	8.2	9.7	10.4	7.7

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

Table I/6: FDI inward stock as a percentage of GDP

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
										estimate
Czech Republic	9.8	11.1	14.1	14.9	17.4	25.2	31.9	42.1	47.2	53.8
Hungary	14.5	17.1	26.7	33.1	35.2	39.4	40.2	42.5	45.5	43.0
Poland	2.7	4.1	6.2	8.0	10.1	14.2	16.8	21.7	22.4	24.4
Slovak Republic	.	5.9	6.8	10.0	9.9	13.1	15.8	24.1	27.3	43.0
Slovenia	7.5	9.2	9.4	10.6	12.1	14.2	13.4	16.0	17.1	26.1
Estonia	14.5	21.5	20.6	19.2	24.9	34.8	47.5	51.5	57.2	56.3
Latvia	3.4	8.5	13.8	18.2	22.6	25.6	26.9	29.1	30.9	37.1
Lithuania	5.8	7.3	5.8	8.9	10.9	15.1	19.3	20.7	22.2	26.7
Bulgaria	1.3	2.5	2.6	4.5	9.1	11.7	17.8	26.3	29.5	28.0
Romania	0.8	1.8	2.7	3.5	6.9	10.7	15.5	17.8	19.4	19.2
Albania	6.6	6.6	8.3	10.9	14.8	12.6	11.6	15.1	18.5	21.5
Croatia	1.1	1.6	1.9	4.4	7.2	11.4	20.6	28.4	34.5	34.8
Macedonia	.	0.7	0.8	1.0	1.6	5.0	5.7	10.7	24.2	24.7
Yugoslavia	.	.	.	.	4.1	4.7	9.3	12.5	11.2	12.4
Russia	0.7	0.7	1.2	1.6	2.7	5.0	9.0	7.8	7.3	7.2
Ukraine	1.1	1.4	2.2	3.0	3.9	6.4	10.1	12.1	12.1	12.3

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

Table I/7: FDI inward stock by major investing countries

As of December 2001, shares in percent

	Czech Rep. 2000	Hungary <sup>1)</sup> 2000	Poland <sup>2)</sup>	Slovak Rep.	Slovenia	Bulgaria	Romania <sup>3)</sup>	CEEC-7
Austria	11.1	12.2	1.5	17.6	47.6	7.7	5.9	7.3
Belgium	4.8	3.9	2.2	2.3	0.2	9.2	0.6	3.1
Cyprus	1.0	1.3	1.7	0.6	0.4	5.9	7.7	1.9
France	4.3	6.5	19.2	1.9	12.0	2.8	6.9	12.5
Germany	25.5	25.8	13.4	22.9	11.0	12.4	11.3	17.4
Italy	0.8	2.7	6.6	10.6	6.3	9.9	7.0	5.3
Netherlands	30.1	22.5	8.6	20.9	3.6	4.5	16.2	15.1
Switzerland	4.0	2.1	1.7	0.9	2.8	2.7	2.8	2.3
United Kingdom	3.5	1.1	5.0	3.8	2.9	4.3	4.4	4.1
USA	6.5	8.2	14.7	6.0	3.0	6.1	6.4	10.8
Japan	0.5	2.1	1.0	0.3	0.1	0.5	0.6	0.9
Other countries	7.9	11.5	24.3	12.2	10.0	33.9	30.3	19.3
EU	84.1	80.2	68.2	81.1	85.6	68.4	61.1	73.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total, USD mn	21644	10310	53152	4728	3209	4537	4882	102461

1) Data based on tax-declarations. - 2) Realized investment with more than USD 1 million capital. - 3) Equity capital subscribed.

Sources: For Czech Republic, Slovak Republic, Slovenia, Croatia - National banks of respective countries. For Hungary - Central Statistical Office. For Poland - Polish Agency for Foreign Investment (PAIZ). For Bulgaria - Bulgarian Foreign Investment Agency. For Romania - Chamber of Commerce and Industry.

Table I/8: FDI inward stock by economic activities

As of December 2001, shares in percent

NACE Code	Czech Rep. 2000	Hungary <sup>1)</sup>	Poland <sup>2)</sup>	Slovak Rep.	Slovenia	Bulgaria <sup>3)</sup>	Romania <sup>3)</sup>	Croatia <sup>5)</sup>
A,B Agriculture, forestry, fishing	0.2	1.6	0.1	0.3	0.02	0.2	3.6	0.3
C Mining and quarrying	1.9	0.3	0.2	0.7	.	.	.	3.2
D Manufacturing	38.1	38.8	41.2	43.7	36.2	45.6 <sup>4)</sup>	44.4 <sup>4)</sup>	36.0
E Electricity, gas, water supply	6.6	8.9	2.8	0.2	0.8	.	.	1.0
F Construction	1.5	1.1	5.2	0.8	-0.04	1.3	4.5	1.3
G Trade, repair of motor vehicles, etc.	15.0	13.4	11.4	10.6	13.9	15.5	20.1	5.6
H Hotels and restaurants	0.3	1.7	1.2	0.7	0.6	4.0	3.1	3.1
I Transport, storage, communications	11.2	6.8	10.7	13.8	4.8	7.3	7.4	29.3
J Financial intermediation	14.7	10.9	23.1	25.8	28.3	18.3	.	18.6
K Real estate, renting & business act.	9.2	15.3	1.2	3.1	12.6	.	.	1.3
L Public administr., defence, social sec.	.	.	.	.	.	.	.	0.1
M Education	0.02	0.03	.	.	0.01	.	.	0.001
N Health and social work	0.1	0.1	.	0.03	0.03	.	.	.
O Other community, social & pers. activ.	1.1	1.1	3.1	0.3	0.4	.	.	0.2
Other not classified activities	.	.	.	.	2.3	7.8	17.0	.
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total, USD mn	21644	11186	53152	4728	3209	4537	4882	4687

1) Based on tax declaration. - 2) Realized investment with more than USD 1 million capital. - 3) Adjusted to NACE. - 4) Industry total (C+D+E). - 5) Equity capital only.

Sources: For Czech Republic, Slovak Republic, Slovenia, Croatia - National banks of respective countries. For Hungary - Central Statistical Office. For Poland - Polish Agency for Foreign Investment (PAIZ). For Bulgaria - Bulgarian Foreign Investment Agency. For Romania - Chamber of Commerce and Industry.

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

Table II/1.1: Inward FDI in the Czech Republic – by economic activities, 1999-2002

Table II/1.2: Inward FDI in the Czech Republic – by investing countries, 1999-2002

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Table II/9.1: FDI inward stock in Latvia – by economic activities, 1999-2002

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Table II/11.1: FDI inward stock in Croatia – by economic activities, 1999-2002

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Table II/12.1: Inward FDI in Russia – by economic activities, 2001

Table II/12.2: Inward FDI in Russia – by investing countries, 2000-2002

Table II/13.1: FDI inward stock in Ukraine – by economic activities, 1999-2002

Table II/13.2: FDI inward stock in Ukraine – by investing countries, 1999-2002

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

	Stock, end of period				Inflow			
	1999		2000		2001		I-III Q 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, hunting, forestry	14.4	0.1	31.4	0.1	21.7	0.4	8.1	0.1
Fishing	3.5	0.0	3.0	0.0	.	.	.	.
Mining and quarrying	91.3	0.5	400.7	1.9	25.9	0.5	28.6	0.4
Manufacturing	6,786.7	38.7	8,256.2	38.1	1,433.3	29.2	1,156.0	16.4
Electricity, gas, water supply	1,347.2	7.7	1,425.1	6.6	259.9	5.3	189.4	2.7
Construction	176.5	1.0	334.5	1.5	24.6	0.5	180.7	2.6
Trade, repair of motor vehicles, etc.	2,770.6	15.8	3,254.2	15.0	583.3	11.9	207.6	2.9
Hotels and restaurants	167.0	1.0	67.4	0.3	39.3	0.8	8.5	0.1
Transport, storage, communications	2,141.9	12.2	2,432.6	11.2	843.5	17.2	3,877.2	54.9
Financial intermediation	2,648.4	15.1	3,182.9	14.7	1,352.5	27.5	958.9	13.6
Real estate, renting & business act.	1,297.6	7.4	1,994.5	9.2	314.9	6.4	428.2	6.1
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	24.9	0.4
Total	17,552.1	100.0	21,643.7	100.0	4,916.1	100.0	7,068.2	100.0

1) Equity capital, reinvested earnings, loans.

Source: Czech National Bank.

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

	Stock, end of period				Inflow			
	1999		2000		2001		I-III Q 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Netherlands	5,386.7	30.7	6,508.0	30.1	817.2	16.6	551.2	7.8
Germany	4,667.0	26.6	5,522.5	25.5	1,375.1	28.0	4,429.8	62.7
Austria	1,777.7	10.1	2,409.2	11.1	295.2	6.0	661.8	9.4
USA	1,180.4	6.7	1,401.1	6.5	240.4	4.9	98.8	1.4
Belgium	872.8	5.0	1,031.4	4.8	47.7	1.0	199.4	2.8
France	773.8	4.4	926.3	4.3	1,369.5	27.9	214.2	3.0
Switzerland	387.5	2.2	871.9	4.0	138.2	2.8	110.5	1.6
United Kingdom	887.7	5.1	749.8	3.5	64.0	1.3	170.7	2.4
Sweden	257.7	1.5	294.1	1.4	20.7	0.4	15.0	0.2
Denmark	171.8	1.0	268.8	1.2	232.0	4.7	24.6	0.3
Cyprus	174.3	1.0	225.5	1.0	12.3	0.3	150.7	2.1
Other	1,014.6	5.8	1,435.1	6.6	303.7	6.2	441.3	6.2
Total	17,552.1	100.0	21,643.7	100.0	4,916.2	100.0	7,068.2	100.0
of which: EU-15	15,140.8	86.3	18,192.5	84.1	4,311.9	87.7	6,384.5	90.3

1) Equity capital, reinvested earnings, loans.

Source: Czech National Bank.

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

	Stock, end of period						Inflow	
	1999		2000		2001		I-III Q 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, forestry, fishing	119.2	1.1	112.6	1.1	177.7	1.6	0.9	0.1
Mining and quarrying	41.6	0.4	40.9	0.4	36.2	0.3	2.0	0.2
Manufacturing	3,886.4	37.4	3,795.8	36.8	4,338.2	38.8	518.9	58.4
Electricity, gas, water supply	1,156.7	11.1	973.1	9.4	991.3	8.9	1.9	0.2
Construction	157.6	1.5	126.0	1.2	124.4	1.1	-6.8	-0.8
Trade, repair of motor vehicles, etc.	1,259.3	12.1	1,279.1	12.4	1,499.5	13.4	76.7	8.6
Hotels and restaurants	201.2	1.9	190.6	1.8	186.0	1.7	1.6	0.2
Transport, storage, communications	857.4	8.2	792.9	7.7	761.6	6.8	43.8	4.9
Financial intermediation	1,083.9	10.4	1,168.9	11.3	1,216.7	10.9	12.4	1.4
Real estate, renting & business act.	1,398.3	13.5	1,620.8	15.7	1,713.8	15.3	174.9	19.7
Public admin., defence, compuls.soc.sec.	.	.	.	.	.	.	.	.
Education	2.4	0.0	3.5	0.0	3.6	0.0	.	.
Health and social work	10.7	0.1	8.6	0.1	9.0	0.1	.	.
Other community, social & personal serv.	218.6	2.1	196.9	1.9	127.9	1.1	.	.
Other not classified activities	.	.	.	.	.	.	62.9	7.1
Total	10,393.2	100.0	10,309.6	100.0	11,185.8	100.0	889.2	100.0

1) Equity capital based on corporation-tax declarations.

Source: Central Statistical Office.

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

	Stock, end of period				Inflow			
	1999		2000		2001		I-III Q 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Germany	2,833.4	27.3	2,661.1	25.8	567.7	57.9	120.3	13.5
Netherlands	2,334.1	22.5	2,321.5	22.5	-574.9	-58.6	368.4	41.4
Austria	1,256.9	12.1	1,259.1	12.2	198.1	20.2	17.3	1.9
USA	914.8	8.8	846.8	8.2	119.9	12.2	68.3	7.7
France	646.7	6.2	672.2	6.5	40.7	4.2	25.1	2.8
Belgium	224.5	2.2	404.6	3.9	35.1	3.6	12.5	1.4
Italy	280.8	2.7	281.3	2.7	52.9	5.4	17.5	2.0
Switzerland	256.2	2.5	220.9	2.1	33.3	3.4	38.3	4.3
Japan	203.5	2.0	213.5	2.1	266.9	27.2	29.0	3.3
Finland	55.4	0.5	165.1	1.6	2.4	0.2	0.3	0.0
Luxembourg	217.8	2.1	146.5	1.4	55.4	5.7	18.8	2.1
United Kingdom	196.8	1.9	108.9	1.1	17.3	1.8	15.9	1.8
Others	972.2	9.4	1,008.3	9.8	165.6	16.9	157.8	17.7
Total	10,393.2	100.0	10,309.8	100.0	980.4	100.0	889.5	100.0
of which: EU-15	8,239.7	79.3	8,271.3	80.2	446.2	45.5	699.8	78.7

1) Equity capital based on corporation-tax declarations. - 2) Inflow of equity capital according to BOP.

Source: Central Statistical Office.

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

	December 1999		December 2000		December 2001		June 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, forestry	30.1	0.1	44.8	0.1	40.4	0.1	44.8	0.1
Mining and quarrying	68.3	0.2	28.3	0.1	87.0	0.2	218.5	0.4
Manufacturing	17,318.4	49.2	19,462.7	42.5	21,881.7	41.2	23,300.2	40.4
Electricity, gas, water supply	473.0	1.3	1,058.6	2.3	1,491.8	2.8	1,663.6	2.9
Construction	1,930.3	5.5	2,490.6	5.4	2,764.8	5.2	2,818.4	4.9
Trade, repair of motor vehicles, etc.	3,398.4	9.7	3,962.6	8.7	6,054.3	11.4	7,176.2	12.5
Hotels and restaurants	423.1	1.2	696.8	1.5	617.8	1.2	597.0	1.0
Transport, storage, communications	1,891.7	5.4	5,568.8	12.2	5,710.6	10.7	5,872.0	10.2
Financial intermediation	7,861.8	22.4	10,392.7	22.7	12,251.9	23.1	13,442.9	23.3
Real estate, renting & business act.	190.2	0.5	451.4	1.0	627.8	1.2	707.6	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	1,769.1	3.1
Total	35,171.0	100.0	45,772.0	100.0	53,152.2	100.0	57,610.3	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 inward stock in Poland – by investing countries<sup>1)</sup>

	December 1999		December 2000		December 2001		June 2002	
	USD mn	In %	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	11,503.0	20.0
USA	5,152.9	14.7	7,350.3	16.1	7,806.0	14.7	7,985.2	13.9
Germany	6,077.3	17.3	5,903.7	12.9	7,138.3	13.4	7,444.6	12.9
Netherlands	3,233.2	9.2	4,224.9	9.2	4,584.6	8.6	4,976.1	8.6
Italy	3,208.0	9.1	3,417.6	7.5	3,501.4	6.6	3,701.1	6.4
United Kingdom	2,068.0	5.9	2,181.1	4.8	2,667.0	5.0	2,899.1	5.0
Multinational	2,589.3	7.4	2,296.7	5.0	2,465.7	4.6	2,803.3	4.9
Sweden	789.2	2.2	2,027.9	4.4	2,312.1	4.3	2,653.7	4.6
Belgium	289.8	0.8	587.5	1.3	1,162.1	2.2	1,649.0	2.9
South Korea	1,616.3	4.6	1,617.4	3.5	1,618.7	3.0	1,621.8	2.8
Austria	799.4	2.3	1,172.2	2.6	818.7	1.5	843.4	1.5
Other	5,492.9	15.6	7,091.8	15.5	8,856.8	16.7	9,530.0	16.5
Total	35,171.0	100.0	45,772.0	100.0	53,152.2	100.0	57,610.3	100.0
of which: EU-15	22,447.8	63.8	30,673.3	67.0	36,237.9	68.2	40,943.6	71.1

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 inward stock in Slovakia – by economic activities<sup>1)</sup>

	December 1999		December 2000		December 2001		September 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, forestry, fishing	4.4	0.2	4.0	0.1	14.2	0.3	2.5	0.0
Mining and quarrying	24.7	1.1	39.7	1.1	31.2	0.7	39.4	0.7
Manufacturing	1,126.9	49.6	1,981.3	53.0	2,066.8	43.7	2,351.1	40.6
Electricity, gas, water supply	10.1	0.4	9.2	0.2	10.4	0.2	11.7	0.2
Construction	42.3	1.9	44.8	1.2	37.5	0.8	38.1	0.7
Trade, repair of motor vehicles, etc.	417.4	18.4	432.7	11.6	499.1	10.6	724.4	12.5
Hotels and restaurants	29.2	1.3	28.4	0.8	33.2	0.7	37.5	0.6
Transport, storage, communications	75.7	3.3	628.7	16.8	650.9	13.8	746.4	12.9
Financial intermediation	422.6	18.6	445.4	11.9	1,219.8	25.8	1,629.8	28.2
Real estate, renting & business act.	106.1	4.7	108.8	2.9	148.6	3.1	185.0	3.2
Public admin., defence, compuls.soc.sec.	.	.	.	.	.	.	.	.
Education	.	.	.	.	.	.	.	.
Health and social work	0.4	0.0	1.4	0.0	1.6	0.0	2.2	0.0
Other community, social & personal serv.	12.4	0.5	12.3	0.3	14.2	0.3	16.8	0.3
Extra-territorial organizations & bodies	.	.	0.2	0.0	0.2	0.0	0.0	0.0
Total	2,272.2	100.0	3,736.8	100.0	4,727.7	100.0	5,785.0	100.0

1) Equity capital, reinvested earnings.

Source: National Bank of Slovakia.

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

	December 1999		December 2000		December 2001		September 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Germany	508.6	22.4	1,063.6	28.5	1,081.6	22.9	1,319.2	22.8
Austria	400.4	17.6	539.3	14.4	833.1	17.6	1,083.2	18.7
Netherlands	321.0	14.1	908.1	24.3	986.2	20.9	1,078.7	18.6
Italy	40.9	1.8	57.9	1.5	503.2	10.6	558.0	9.6
United Kingdom	240.4	10.6	118.9	3.2	180.7	3.8	359.3	6.2
USA	276.2	12.2	256.3	6.9	285.5	6.0	339.7	5.9
Czech Republic	138.8	6.1	221.4	5.9	241.0	5.1	311.7	5.4
Hungary	32.5	1.4	181.8	4.9	178.5	3.8	204.2	3.5
Belgium	34.7	1.5	57.5	1.5	107.5	2.3	128.1	2.2
France	96.1	4.2	124.1	3.3	89.1	1.9	112.1	1.9
Other	182.6	8.0	208.0	5.6	241.4	5.1	290.8	5.0
Total	2,272.2	100.0	3,736.8	100.0	4,727.7	100.0	5,785.0	100.0
of which: EU-15	1,623.6	71.5	2,916.1	78.0	3,836.0	81.1	4,707.5	81.4

1) Equity capital, reinvested earnings.

Source: National Bank of Slovakia.

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

	December 1998		December 1999		December 2000		December 2001	
	USD mn	In %	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	0.8	0.0
Fishing	.	.	.	.	.	.	.	.
Mining and quarrying	0.4	0.0	0.3	0.0	0.0	0.0	0.0	0.0
Manufacturing	1,470.6	53.0	1,294.9	48.3	1,185.6	41.0	1,162.1	36.2
Electricity, gas, water supply	12.7	0.5	25.4	0.9	17.2	0.6	25.2	0.8
Construction	4.4	0.2	7.6	0.3	4.7	0.2	-1.1	0.0
Trade, repair of motor vehicles, etc.	437.6	15.8	400.8	14.9	438.8	15.2	447.2	13.9
Hotels and restaurants	19.3	0.7	17.5	0.7	17.5	0.6	18.8	0.6
Transport, storage, communications	50.7	1.8	42.9	1.6	49.8	1.7	153.4	4.8
Financial intermediation	450.2	16.2	533.1	19.9	698.0	24.1	908.2	28.3
Real estate, renting & business act.	295.3	10.6	327.7	12.2	388.9	13.4	405.0	12.6
Public admin., defence, compuls. soc. sec.	0.0	0.0	0.0	0.0	.	.	.	.
Education	0.5	0.0	0.3	0.0	0.2	0.0	0.2	0.0
Health and social work	1.2	0.0	0.7	0.0	1.3	0.0	0.9	0.0
Other community, social & personal serv.	29.8	1.1	25.7	1.0	22.5	0.8	14.2	0.4
Other not classified activities	3.5	0.1	4.6	0.2	67.7	2.3	74.0	2.3
Total	2,777.0	100.0	2,682.4	100.0	2,892.7	100.0	3,209.0	100.0

1) Equity capital, reinvested earnings, loans.

Source: Bank of Slovenia.

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

	December 1998		December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Austria	1,038.6	37.4	1,115.4	41.6	1,287.5	44.5	1,526.8	47.6
France	370.0	13.3	312.2	11.6	298.1	10.3	385.9	12.0
Germany	368.7	13.3	351.1	13.1	346.3	12.0	353.9	11.0
Italy	176.4	6.4	158.8	5.9	180.4	6.2	202.1	6.3
Czech Republic	132.4	4.8	113.5	4.2	105.0	3.6	119.6	3.7
Netherlands	88.6	3.2	93.6	3.5	89.7	3.1	115.1	3.6
USA	114.3	4.1	104.2	3.9	111.0	3.8	95.6	3.0
United Kingdom	117.5	4.2	111.0	4.1	115.5	4.0	93.4	2.9
Switzerland	106.2	3.8	107.4	4.0	120.5	4.2	90.3	2.8
Croatia	96.4	3.5	73.1	2.7	50.8	1.8	50.5	1.6
Denmark	39.4	1.4	38.4	1.4	42.5	1.5	40.5	1.3
Other	128.5	4.6	103.8	3.9	145.5	5.0	135.2	4.2
Total	2,777.0	100.0	2,682.4	100.0	2,892.7	100.0	3,209.0	100.0
of which: EU-15	2,255.6	81.2	2,214.0	82.5	2,415.6	83.5	2,747.9	85.6

1) Equity capital, reinvested earnings, loans.

Source: Bank of Slovenia.



Table II/6.1: FDI inward 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	2,068.1	45.6
Construction	26.5	0.9	39.2	1.0	58.0	1.3
Trade	543.0	19.1	632.5	16.5	704.1	15.5
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	18.3
Other	114.8	4.0	217.9	5.7	355.8	7.8
Total	2,841.6	100.0	3,843.1	100.0	4,537.3	100.0

1) Equity capital, reinvested earnings, loans.

Source: Bulgarian Foreign Investment Agency.

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

	December 1999		December 2000		December 2001		September 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Germany	425.9	15.0	498.2	13.0	563.3	12.4	595.3	12.3
Greece	86.9	3.1	328.0	8.5	541.6	11.9	575.4	11.9
Italy	34.4	1.2	374.1	9.7	451.4	9.9	460.0	9.5
Belgium	373.1	13.1	412.9	10.7	416.0	9.2	421.1	8.7
Austria	124.9	4.4	213.7	5.6	351.1	7.7	388.5	8.0
USA	198.4	7.0	235.5	6.1	277.0	6.1	290.5	6.0
Cyprus	249.4	8.8	238.1	6.2	267.2	5.9	273.8	5.6
Netherlands	165.7	5.8	183.1	4.8	204.7	4.5	218.3	4.5
Russia	153.9	5.4	204.7	5.3	205.2	4.5	205.5	4.2
United Kingdom	157.9	5.6	180.5	4.7	196.0	4.3	194.7	4.0
Turkey	105.1	3.7	124.6	3.2	128.4	2.8	141.3	2.9
Other	766.1	27.0	849.7	22.1	935.4	20.6	1,086.6	22.4
Total	2,841.6	100.0	3,843.1	100.0	4,537.3	100.0	4,851.0	100.0
of which: EU-15	1,669.7	58.8	2,523.6	65.7	3,104.3	68.4	3,257.0	67.1

1) Equity capital, reinvested earnings, loans.

Source: Bulgarian Foreign Investment Agency.

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

	December 1998		December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture	.	.	130.9	3.0	160.2	3.5	173.8	3.6
Industry	1,499.5	41.1	1,911.4	43.8	2,072.8	45.3	2,166.0	44.4
Construction	65.7	1.8	100.4	2.3	237.9	5.2	217.7	4.5
Retail and wholesale trade	952.3	26.1	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	926.7	25.4	1,034.3	23.7	787.0	17.2	829.4	17.0
Total	3,648.5	100.0	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 inward stock in Romania – by investing countries<sup>1)</sup>

	December 1998		December 1999		December 2000		December 2001	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Netherlands	540.5	14.8	508.2	11.6	761.4	16.6	789.3	16.2
Germany	376.3	10.3	444.4	10.2	512.5	11.2	549.3	11.3
Cyprus	85.4	2.3	345.1	7.9	364.1	8.0	378.3	7.7
Italy	292.2	8.0	332.3	7.6	313.3	6.8	340.2	7.0
France	273.6	7.5	312.0	7.1	370.4	8.1	336.3	6.9
USA	242.4	6.6	336.4	7.7	279.9	6.1	314.7	6.4
Austria	174.1	4.8	222.0	5.1	203.1	4.4	285.8	5.9
South Korea	234.0	6.4	234.1	5.4	233.8	5.1	233.8	4.8
United Kingdom	183.1	5.0	223.4	5.1	240.2	5.2	213.3	4.4
Turkey	176.9	4.8	192.9	4.4	185.1	4.0	196.9	4.0
Hungary	84.5	2.3	158.8	3.6	153.1	3.3	176.9	3.6
Others	985.6	27.0	1,054.4	24.2	958.9	21.0	1,066.9	21.9
Total	3,648.5	100.0	4,364.0	100.0	4,575.8	100.0	4,881.7	100.0
of which: EU-15	2,242.4	61.5	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 inward stock in Estonia – by economic activities<sup>1)</sup>

	December 1999		December 2000		December 2001		September 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, hunting, forestry	30.6	1.2	34.4	1.3	19.9	0.6	24.7	0.6
Fishing	0.8	0.0	0.6	0.0	0.1	0.0	0.3	0.0
Mining and quarrying	7.2	0.3	11.8	0.4	9.7	0.3	12.4	0.3
Manufacturing	565.4	22.9	570.1	21.6	653.7	20.7	801.1	20.6
Electricity, gas, water supply	44.5	1.8	63.0	2.4	169.1	5.4	166.2	4.3
Construction	21.5	0.9	40.3	1.5	46.7	1.5	59.9	1.5
Trade, repair of motor vehicles, etc.	349.1	14.1	412.6	15.6	416.5	13.2	522.2	13.4
Hotels and restaurants	22.6	0.9	51.6	2.0	51.7	1.6	70.0	1.8
Transport, storage, communications	687.3	27.9	569.7	21.5	711.0	22.5	806.3	20.7
Finance, insurance	574.9	23.3	643.0	24.3	796.9	25.2	1,007.8	25.9
Real estate, renting & business act.	142.2	5.8	207.6	7.8	239.5	7.6	358.0	9.2
Public administr., defence, social sec.	0.1	0.0	0.1	0.0	0.7	0.0	0.9	0.0
Education	0.8	0.0	0.8	0.0	1.2	0.0	1.2	0.0
Health and social work	0.8	0.0	0.3	0.0	1.8	0.1	2.5	0.1
Other community, social & pers. activ.	14.9	0.6	26.2	1.0	35.0	1.1	41.3	1.1
Other not classified activities	4.8	0.2	12.7	0.5	6.4	0.2	14.0	0.4
Total	2,467.4	100.0	2,644.7	100.0	3,160.0	100.0	3,888.7	100.0

1) Equity capital, reinvested earnings, loans.

Source: Bank of Estonia.

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

	December 1999		December 2000		December 2001		September 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Sweden	1,001.3	40.6	1,051.4	39.8	1,246.0	39.4	1,601.0	41.2
Finland	741.2	30.0	791.8	29.9	815.1	25.8	1,012.2	26.0
USA	97.3	3.9	120.5	4.6	312.3	9.9	323.4	8.3
Netherland	38.0	1.5	64.6	2.4	133.5	4.2	151.5	3.9
Norway	86.0	3.5	113.5	4.3	95.9	3.0	128.5	3.3
Germany	58.7	2.4	67.5	2.6	77.6	2.5	99.6	2.6
Denmark	100.6	4.1	107.7	4.1	111.6	3.5	94.3	2.4
Great Britain	67.3	2.7	65.3	2.5	77.0	2.4	91.0	2.3
Russia	43.9	1.8	32.6	1.2	43.7	1.4	50.6	1.3
Singapore	37.0	1.5	26.8	1.0	29.2	0.9	33.5	0.9
Austria	26.1	1.1	7.0	0.3	8.4	0.3	22.3	0.6
Other	170.0	6.9	196.0	7.4	209.7	6.6	280.8	7.2
Total	2,467.4	100.0	2,644.7	100.0	3,160.0	100.0	3,888.7	100.0
of which: EU-15	2,073.1	84.0	2,206.7	83.4	2,531.8	80.1	3,156.7	81.2

1) Equity capital, reinvested earnings, loans.

Source: Bank of Estonia.

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

	December 1999 <sup>2)</sup>		December 2000		December 2001		September 2002	
	USD mn	ln %	USD mn	ln %	USD mn	ln %	USD mn	ln %
Agriculture, hunting, forestry	2.9	0.2	19.5	0.9	29.7	1.3	39.5	1.4
Fishing	6.7	0.5	6.9	0.3	0.7	0.0	0.7	0.0
Mining and quarrying	6.5	0.5	8.4	0.4	13.8	0.6	15.2	0.6
Manufacturing	228.3	17.9	345.0	16.6	371.8	15.9	439.0	16.0
Electricity, gas, water supply	34.8	2.7	105.6	5.1	95.3	4.1	101.7	3.7
Construction	4.5	0.4	15.0	0.7	14.3	0.6	18.5	0.7
Trade, repair of motor vehicles, etc.	210.9	16.5	424.1	20.4	532.5	22.8	532.4	19.4
Hotels and restaurants	18.5	1.4	36.2	1.7	38.2	1.6	41.1	1.5
Transport, storage, communications	328.9	25.7	396.9	19.0	353.7	15.2	388.1	14.1
Finance, insurance	274.3	21.5	470.1	22.6	385.4	16.5	453.2	16.5
Real estate, renting & business act.	106.1	8.3	204.2	9.8	386.3	16.6	567.9	20.7
Public administr., defence, social sec.	0.0	0.0	1.0	0.0	2.7	0.1	2.0	0.1
Education	1.0	0.1	1.3	0.1	0.5	0.0	0.5	0.0
Health and social work	6.7	0.5	6.2	0.3	4.4	0.2	4.7	0.2
Other community, social & pers. activ.	4.1	0.3	14.6	0.7	20.5	0.9	24.2	0.9
Other not classified activities	43.5	3.4	28.7	1.4	81.7	3.5	117.4	4.3
Total	1,277.7	100.0	2,083.8	100.0	2,331.5	100.0	2,746.0	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 inward stock in Latvia – by investing countries<sup>1)</sup>

	December 1999 <sup>2)</sup>		December 2000		December 2001		September 2002	
	USD mn	ln %	USD mn	ln %	USD mn	ln %	USD mn	ln %
Germany	109.7	8.6	230.9	11.1	267.6	11.5	347.0	12.6
Sweden	112.3	8.8	262.2	12.6	215.7	9.3	339.7	12.4
Denmark	131.6	10.3	218.7	10.5	252.5	10.8	294.1	10.7
USA	182.8	14.3	195.7	9.4	277.3	11.9	244.5	8.9
Finland	66.3	5.2	128.5	6.2	148.1	6.4	182.9	6.7
Norway	49.0	3.8	115.6	5.5	161.1	6.9	175.3	6.4
Estonia	68.3	5.3	234.0	11.2	157.6	6.8	170.2	6.2
Russia	96.7	7.6	124.4	6.0	123.9	5.3	136.8	5.0
Netherlands	98.2	7.7	57.5	2.8	108.7	4.7	128.3	4.7
United Kingdom	38.6	3.0	104.0	5.0	114.3	4.9	111.5	4.1
Austria	11.7	0.9	10.5	0.5	15.9	0.7	24.5	0.9
Others	312.5	24.5	401.9	19.3	488.8	21.0	591.2	21.5
Total	1,277.7	100.0	2,083.8	100.0	2,331.5	100.0	2,746.0	100.0
of which: EU-15	677.1	53.0	1,050.6	50.4	1,189.7	51.0	1,500.7	54.7

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

Source: National Bank of Latvia.

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

	December 1999		December 2000		December 2001		June 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, forestry, logging	10.4	0.5	11.2	0.5	12.7	0.5	12.9	0.4
Fishing	.	.	.	.	.	.	.	.
Mining and quarrying	19.7	1.0	25.0	1.1	31.0	1.2	34.4	1.0
Manufacturing	656.3	31.8	671.5	28.8	682.2	25.6	1,032.4	29.8
Electricity, gas, water supply	0.1	0.0	59.4	2.5	68.0	2.6	118.9	3.4
Construction	14.5	0.7	17.4	0.7	17.2	0.6	21.3	0.6
Trade, repair of motor vehicles, etc.	506.0	24.5	530.4	22.7	544.6	20.4	612.1	17.7
Hotels and restaurants	52.2	2.5	53.5	2.3	56.4	2.1	64.4	1.9
Transport, storage, communications	420.1	20.4	437.8	18.8	499.7	18.7	601.6	17.3
Finance, insurance	281.7	13.7	378.6	16.2	530.2	19.9	679.3	19.6
Real estate, renting & business act.	79.3	3.8	122.2	5.2	189.7	7.1	242.9	7.0
Public administr., defence, social sec.	.	.	.	.	.	.	.	.
Education, health and social work	7.0	0.3	7.6	0.3	6.3	0.2	7.0	0.2
Other community, social & pers. activ.	11.0	0.5	14.6	0.6	21.4	0.8	33.8	1.0
Other not classified activities	4.7	0.2	5.1	0.2	6.1	0.2	6.9	0.2
Total	2,063.0	100.0	2,334.3	100.0	2,665.5	100.0	3,468.0	100.0

1) Equity capital, reinvested earnings, loans.

Source: Lithuanian Department of Statistics.

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

	December 1999		December 2000		December 2001		June 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Denmark	200.2	9.7	426.1	18.3	495.7	18.6	575.0	16.6
Sweden	361.0	17.5	404.5	17.3	430.2	16.1	563.1	16.2
USA	275.8	13.4	229.4	9.8	220.7	8.3	354.0	10.2
Germany	158.0	7.7	172.3	7.4	246.1	9.2	333.6	9.6
Estonia	85.4	4.1	149.3	6.4	267.9	10.0	332.2	9.6
Finland	218.0	10.6	140.7	6.0	154.8	5.8	207.2	6.0
United Kingdom	147.3	7.1	155.9	6.7	172.4	6.5	192.0	5.5
Russia	28.6	1.4	23.4	1.0	41.8	1.6	173.2	5.0
Norway	78.7	3.8	99.3	4.3	99.8	3.7	118.8	3.4
Switzerland	114.0	5.5	113.0	4.8	85.6	3.2	106.4	3.1
Poland	40.7	2.0	51.2	2.2	57.3	2.1	60.9	1.8
Austria	14.6	0.7	15.8	0.7	11.5	0.4	10.0	0.3
Others	340.6	16.5	353.3	15.1	381.6	14.3	441.8	12.7
Total	2,063.0	100.0	2,334.3	100.0	2,665.5	100.0	3,468.0	100.0
of which: EU-15	1,302.7	63.1	1,501.9	64.3	1,709.0	64.1	2,101.4	60.6

1) Equity capital, reinvested earnings, loans.

Source: Lithuanian Department of Statistics.

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

	December 1999		December 2000		December 2001		September 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Agriculture, hunting, forestry	10.2	0.3	12.5	0.3	12.5	0.3	12.5	0.2
Fishing	0.5	0.02	0.5	0.01	0.6	0.01	0.2	0.0
Mining and quarrying	105.2	3.3	138.3	3.6	151.3	3.2	158.6	3.1
Manufacturing	1,398.7	44.2	1,528.1	39.4	1,688.6	36.0	1,719.9	34.0
Electricity, gas, water supply	24.2	0.8	30.5	0.8	45.0	1.0	45.0	0.9
Construction	59.2	1.9	59.6	1.5	59.7	1.3	59.7	1.2
Trade, repair of motor vehicles, etc.	157.7	5.0	183.3	4.7	262.9	5.6	274.7	5.4
Hotels and restaurants	68.0	2.1	121.8	3.1	145.7	3.1	189.9	3.8
Transport, storage, communications	903.5	28.5	911.6	23.5	1,374.0	29.3	1,379.7	27.3
Financial intermediation	393.0	12.4	832.1	21.5	870.9	18.6	1,123.6	22.2
Real estate, renting & business act.	45.1	1.4	47.9	1.2	59.9	1.3	80.3	1.6
Public admin., defence, compuls. soc. sec.	.	.	.	.	4.5	0.1	4.4	0.1
Education	.	.	0.04	0.0	0.04	0.0	0.05	0.0
Health and social work	.	.	.	.	.	.	.	.
Other community, social & personal serv.	2.0	0.1	11.1	0.3	11.1	0.2	11.1	0.2
Total	3,167.2	100.0	3,877.3	100.0	4,686.9	100.0	5,059.7	100.0

1) Equity capital.

Source: Croatian National Bank.

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

	December 1999		December 2000		December 2001		September 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
Austria	1,015.3	24.8	1,305.3	24.9	1,791.4	26.6	2,264.5	30.3
Germany	1,060.8	25.9	1,169.1	22.3	1,690.7	25.1	1,705.9	22.8
USA	1,043.4	25.4	1,140.7	21.8	1,223.8	18.2	1,118.5	14.9
Luxembourg	16.8	0.4	350.1	6.7	383.5	5.7	436.7	5.8
Italy	60.5	1.5	125.3	2.4	154.6	2.3	315.5	4.2
Netherlands	162.9	4.0	209.5	4.0	237.9	3.5	271.4	3.6
Slovenia	76.0	1.9	119.3	2.3	224.4	3.3	234.0	3.1
United Kingdom	79.1	1.9	105.4	2.0	210.2	3.1	206.4	2.8
France	85.1	2.1	104.0	2.0	123.3	1.8	162.4	2.2
Liechtenstein	67.5	1.6	118.2	2.3	137.5	2.0	141.7	1.9
Sweden	96.0	2.3	118.5	2.3	120.2	1.8	129.2	1.7
Other	338.1	8.2	375.9	7.2	442.9	6.6	496.1	6.6
Total	4,101.6	100.0	5,241.4	100.0	6,740.5	100.0	7,482.2	100.0
of which: EU-15	2,624.1	64.0	3,535.7	67.5	4,762.2	70.7	5,549.2	74.2

1) Equity capital, reinvested earnings, loans.

Source: Croatian National Bank.

Table II/12.1: *Inward FDI 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: *Inward FDI in Russia – by investing countries*

	Inflow				Stock, end of period			
	2000		2001		2001		September 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
USA	1,241	28.0	1,084	27.2	4,083	22.5	4,132	21.3
Cyprus	678	15.3	512	12.9	3,729	20.5	3,709	19.1
Netherlands	610	13.8	575	14.4	2,148	11.8	2,419	12.5
United Kingdom	262	5.9	273	6.9	1,898	10.4	2,100	10.8
Germany	341	7.7	495	12.4	1,512	8.3	1,579	8.1
France	97	2.2	50	1.3	354	1.9	268	1.4
Japan	.	.	184	4.6	.	.	.	.
Switzerland	115	2.6	51	1.3	271	1.5	.	.
Virgin Islands (UK)	.	.	50	1.3	.	.	.	.
Austria	.	.	36	0.9	.	.	.	.
Italy	.	.	.	.	180	1.0	.	.
Other	1,085	24.5	756	19.0	4,174	23.0	5,181	26.7
Total	4,429	100.0	3,980	100.0	18,169	100.0	19,388	100.0

Source: State Committee on Statistics of Russia.

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

	December 2001		September 2002	
	USD mn	In %	USD mn	In %
Agriculture, hunting, forestry	88.1	2.0	102.5	2.1
Fishing	0.4	0.0	.	.
Mining and quarrying	167.9	3.8	130.3	2.6
Manufacturing	2,087.6	47.4	2,185.4	44.4
Electricity, gas, water supply	29.6	0.7	76.5	1.6
Construction	115.5	2.6	146.0	3.0
Trade, repair of motor vehicles, etc.	778.5	17.7	907.8	18.4
Hotels and restaurants	115.6	2.6	122.9	2.5
Transport, storage, communications	309.2	7.0	358.7	7.3
Financial intermediation	361.3	8.2	374.5	7.6
Real estate, renting & business act.	174.6	4.0	220.4	4.5
Public admin., defence, compuls.soc.sec.	0.1	0.0	.	.
Education	3.4	0.1	3.5	0.1
Health and social work	117.1	2.7	118.2	2.4
Other community, social & personal serv.	57.3	1.3	64.8	1.3
Other not classified activities	.	.	111.6	2.3
Total	4,406.2	100	4,923.1	100

Source: State Statistical Committee.

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

	December 1999		December 2000		December 2001		September 2002	
	USD mn	In %	USD mn	In %	USD mn	In %	USD mn	In %
USA	589.5	18.0	639.5	16.5	730.9	16.6	843.4	17.1
Cyprus	211.2	6.4	377.7	9.7	478.0	10.8	543.6	11.0
Netherlands	302.9	9.2	362.2	9.3	370.2	8.4	385.7	7.8
Russia	287.9	8.8	286.6	7.4	295.1	6.7	323.9	6.6
United Kingdom	246.1	7.5	312.0	8.1	420.4	9.5	467.2	9.5
Germany	228.5	7.0	240.9	6.2	249.5	5.7	.	.
Virgin Island (UK)	156.6	4.8	192.8	5.0	248.2	5.6	317.0	6.4
Korea Republic	171.2	5.2	170.4	4.4	170.4	3.9	.	.
Switzerland	133.0	4.1	163.3	4.2	193.1	4.4	.	.
Austria	87.9	2.7	124.5	3.2	144.1	3.3	.	.
Ireland	56.2	1.7	90.5	2.3	85.8	1.9	.	.
Other	810.8	24.7	914.6	23.6	1,020.5	23.2	2,042.3	41.5
Total	3,281.8	100.0	3,875.0	100.0	4,406.2	100.0	4,923.1	100.0

Source: State Statistical Committee.



### *III. Austrian direct investment outflows to East European countries*

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

Equity capital

USD mn, end of period

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002 June
Czech Republic	321	565	701	761	762	1,066	1,118	1,776	2,034	2,834
Slovak Republic	85	149	184	235	349	417	489	546	978	1,211
Hungary	1,113	1,267	1,347	1,356	1,337	1,363	1,568	1,617	1,836	2,211
Poland	49	66	144	173	240	315	507	738	824	998
Slovenia	115	139	235	280	270	409	484	524	725	956
Central Europe	1,684	2,186	2,611	2,805	2,959	3,571	4,166	5,201	6,398	8,210
Albania	.	.	.	.	16	7	9	9	9	10
Bulgaria	.	.	.	10	16	21	30	42	61	64
Romania	.	.	.	10	47	133	156	246	307	378
Croatia	25	64	70	70	169	290	344	409	534	829
Yugoslavia-rest	.	.	.	.	.	2	2	2	53	105
South Eastern Europe	25	64	70	90	249	452	542	708	963	1,386
Former USSR	33	57	24	30	159	223	118	235	263	315
Baltic states	.	.	8	8	9	11	8	7	9	15
Russia	31	57	16	22	142	185	89	176	186	229
Ukraine	.	.	.	.	8	26	21	53	69	71
Belarus	.	.	.	.	.	0	0	0	0	0
EU-accession countries (8)	1,684	2,186	2,619	2,814	2,968	3,582	4,174	5,208	6,406	8,225
Eastern Europe	1,742	2,307	2,705	2,926	3,455	4,426	5,043	6,477	7,939	10,268

Note: Up to 2000 company survey; 2001 and 2002 calculated with 80 percent of the balance of payments outflows.

Source: OeNB.

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

Total capital

USD mn, end of period

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
										June
Czech Republic	411	758	945	1,068	1,086	1,303	1,297	1,961	2,298	3,266
Slovak Republic	82	154	207	311	435	533	576	1,183	1,696	2,051
Hungary	1,392	1,652	1,593	1,683	1,646	1,695	1,681	1,734	2,022	2,456
Poland	73	97	163	241	373	442	561	850	962	1,170
Slovenia	117	160	276	355	386	532	562	596	851	1,131
Central Europe	2,076	2,820	3,185	3,658	3,925	4,505	4,676	6,324	7,829	10,074
Albania	.	.	.	.	.	.	9	8	8	9
Bulgaria	1	-1	6	10	22	22	113	127	146	160
Romania	3	2	4	-1	45	139	175	276	354	440
Croatia	5	74	75	73	192	344	384	451	610	972
Yugoslavia-rest	1	.	.	1	1	2	2	2	66	130
South Eastern Europe	10	74	84	83	260	506	683	864	1,184	1,711
Former USSR	45	78	34	44	184	28	125	240	277	335
Baltic states	8	5	10	9	11	18	10	7	9	17
Russia	30	69	19	28	157	-17	93	180	195	243
Ukraine	7	5	5	7	16	27	23	53	73	74
Belarus	.	.	.	.	.	.	.	0	0	0
EU-accession countries (8)	2,084	2,825	3,195	3,667	3,936	4,523	4,686	6,331	7,838	10,091
Eastern Europe	2,132	2,972	3,308	3,789	4,393	5,076	5,508	7,468	9,328	12,161

Note: Up to 2000 company survey; 2001 and 2002 OeNB estimates (calculated partly with the balance of payments outflows).

Source: OeNB.

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

USD mn, end of period

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002 Jan-June
Czech Republic	340	513	629	643	737	1,081	1,153	1,899	2,238	3,198
Slovak Republic	58	114	180	236	257	418	413	538	1,085	1,359
Hungary	1,274	1,582	1,989	2,055	2,025	2,399	2,117	2,236	2,499	2,995
Poland	53	55	137	164	406	586	678	847	958	1,165
Slovenia	106	156	226	267	286	374	482	506	766	1,035
Central Europe	1,831	2,420	3,161	3,365	3,710	4,857	4,843	6,026	7,546	9,752
Albania	.	.	.	-1	-3	-3	-1	-1	0	0
Bulgaria	4	11	9	22	29	34	50	53	75	79
Romania	2	9	11	10	60	137	154	332	407	499
Croatia	7	43	62	90	166	286	378	444	603	964
Other South Eastern Europe	40	45	50	51	52	63	60	74	134	207
South Eastern Europe	53	108	131	171	304	518	640	902	1,219	1,749
Former USSR	34	59	69	81	149	11	177	255	292	352
Baltic states	2	4	6	6	7	10	11	12	15	23
Russia	30	52	59	67	122	-30	139	188	203	252
Ukraine	2	3	4	8	19	31	26	54	74	75
Belarus	.	0	0	0	0	1	1	1	1	1
EU-accession countries (8)	1,833	2,424	3,167	3,371	3,717	4,867	4,854	6,038	7,561	9,775
Eastern Europe	1,918	2,587	3,361	3,617	4,163	5,386	5,660	7,183	9,057	11,853

Source: OeNB.

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

USD mn

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002 June
Czech Republic	143	131	71	66	185	274	239	825	447	599
Slovak Republic	22	48	57	73	54	135	57	155	585	118
Hungary	271	166	269	231	252	210	64	274	387	150
Poland	7	-4	77	40	272	142	187	217	159	73
Slovenia	35	36	57	61	57	63	172	59	291	152
Central Europe	478	377	530	470	820	823	719	1,530	1,869	1,092
Albania	0	0	-1	-1	-2	0	1	0	0	0
Bulgaria	0	6	-4	14	11	2	22	7	26	-5
Romania	1	7	2	0	53	69	39	188	94	35
Croatia	5	34	15	34	91	102	140	93	186	253
Other South Eastern Europe	1	0	1	5	8	7	6	18	65	50
South Eastern Europe	7	47	13	52	162	181	208	306	371	333
Former USSR	4	21	4	18	81	-141	177	91	51	19
Baltic states	0	2	2	1	2	2	2	2	3	6
Russia	4	19	2	13	67	-153	175	59	25	21
Ukraine	0	0	1	4	13	10	0	29	24	-8
Belarus	.	0	0	0	0	0	0	0	0	0
EU-accession countries (8)	478	379	532	471	822	825	721	1,532	1,872	1,098
Eastern Europe	490	445	548	541	1,062	863	1,104	1,927	2,291	1,446

Source: OeNB.

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

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

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002 Jan-June
Czech Republic	21.8	15.1	2.8	4.6	14.3	7.4	3.8	16.5	9.1	11.1
Slovak Republic	12.5	17.5	21.9	20.3	24.5	19.7	14.7	8.1	39.7	43.5
Hungary	11.6	14.4	6.0	10.2	11.6	10.3	3.2	16.6	15.8	24.5
Poland	0.4	-0.2	2.1	0.9	5.6	2.2	2.6	2.3	2.8	3.7
Slovenia	31.2	30.9	37.8	34.9	16.9	29.1	160.5	43.4	57.9	24.1
Central Europe	9.6	8.8	4.8	5.4	9.2	6.3	4.5	8.5	12.4	12.3
Albania	0.0	0.0	-0.9	-1.2	-3.4	0.0	2.4	0.0	0.0	0.0
Bulgaria	-0.8	6.0	-4.1	13.0	2.2	0.4	2.7	0.7	3.7	-2.1
Romania	1.3	1.9	0.4	0.0	4.3	3.4	3.7	18.1	8.1	6.7
Croatia	4.5	29.4	12.2	6.7	16.1	10.0	8.5	8.2	12.4	47.7
South Eastern Europe	2.2	7.4	1.8	5.3	5.2	4.6	5.5	8.3	8.6	19.6
Former USSR	0.1	1.0	0.1	0.3	0.7	-1.6	2.2	1.4	0.6	0.5
Bic states	0.0	0.4	0.3	0.2	0.2	0.1	0.2	0.2	0.3	0.7
Russia	0.3	2.7	0.1	0.5	1.4	-5.5	5.3	2.2	1.0	2.2
Ukraine	0.2	0.3	0.2	0.8	2.0	1.4	-0.1	4.9	3.0	-3.4
Belarus	.	1.8	0.0	0.0	0.1	0.1	0.0	0.3	0.1	0.0
EU-accession countries (8)	9.1	8.0	4.6	5.0	8.2	5.5	4.2	8.0	11.6	10.4
Eastern Europe	5.9	6.2	3.4	3.3	4.6	3.3	4.0	6.8	8.3	10.2

1) Austrian FDI as reported by OeNB (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>

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002 June
Czech Republic	12.0	16.7	12.9	12.5	11.8	9.1	7.4	9.1	8.6	9.1
Slovak Republic	.	17.1	16.0	15.2	20.9	18.4	18.1	24.9	30.4	32.9
Hungary	24.9	23.3	13.4	11.3	10.2	9.2	8.7	8.8	8.6	8.9
Poland	3.2	2.6	2.1	2.1	2.6	2.0	2.2	2.5	2.3	2.7
Slovenia	.	12.0	15.6	17.8	17.5	19.1	21.0	20.6	26.5	29.5
Central Europe	.	16.0	10.6	9.4	8.9	7.4	6.8	7.6	7.8	8.6
Albania	.	.	.	.	.	.	2.0	1.4	1.0	1.0
Bulgaria	.	.	.	2.3	2.3	1.5	4.9	3.8	3.6	3.8
Romania	.	.	.	0.0	1.9	3.1	3.2	4.2	4.6	5.3
Croatia	.	30.9	20.8	8.3	13.3	14.0	9.4	8.6	9.0	13.4
South Eastern Europe	.	6.2	4.4	2.9	4.4	5.1	5.0	5.0	5.5	7.3
Former USSR	1.3	1.3	0.3	0.3	0.7	0.1	0.3	0.5	0.5	0.5
Bic states	.	.	0.6	0.4	0.3	0.4	0.2	0.1	0.1	0.2
Russia	2.5	3.6	0.5	0.4	1.4	-0.1	0.5	0.9	0.9	1.0
Ukraine	.	.	.	.	0.8	1.0	0.7	1.4	1.6	1.5
Belarus	.	.	.	.	.	.	.	0.0	0.0	0.0
EU-accession countries (8)	.	15.1	10.0	8.8	8.3	6.8	6.2	7.0	7.2	8.0
Eastern Europe	.	12.0	7.8	6.4	5.6	4.7	4.3	5.0	5.2	6.0

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





#### *IV. Austrian direct investment received by East European countries*

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	819
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	1,319	1,527
Central Europe	736	1,660	1,701	2,312	3,023	3,436	4,038	5,818	6,071	7,781	8,735
Albania	.	10	21	31	51	61	61	61	61	61	2
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	21
Bosnia and Herzegovina	.	.	.	.	.	.	.	3	3	25	37
Serbia and Montenegro	.	.	.	.	.	.	.	.	.	.	19
South Eastern Europe	97	105	106	207	241	345	593	768	745	1,630	2,771
Former USSR	43	53	229	311	274	472	759	865	252	286	321
Baltic states	.	3	9	21	31	57	65	65	55	18	19
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	302
Russia	43	50	220	182	223	387	643	653	92	107	144
Ukraine	.	.	.	5	13	21	44	78	94	126	144
Belarus	.	.	5	6	7	7	7	7	11	14	14
Others	.	.	-5	97	.	.	.	62	0	21	.
EU-accession countries (8)	736	1,663	1,710	2,333	3,054	3,493	4,103	5,883	6,126	7,799	8,754
Eastern Europe	876	1,818	2,036	2,830	3,538	4,253	5,390	7,451	7,068	9,697	11,827

Source: Austrian Federal Ministry of Economics and Labour; 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	790
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	680
Central Europe	483	994	1,338	1,629	2,212	2,758	3,428	4,132	5,148	6,627	7,772
Albania	.	10	21	22	42	52	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	28
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	24	33
Serbia and Montenegro	.	.	.	.	.	.	.	.	.	.	17
South Eastern Europe	46	114	142	243	276	376	622	801	894	1,369	2,363
Former USSR	8	8	180	267	338	557	859	903	956	1,027	1,093
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	1,056
Russia	8	8	178	243	293	457	714	723	739	781	818
Ukraine	.	.	.	4	12	17	40	74	90	122	140
Belarus	.	.	.	1	2	2	2	2	6	11	11
Others	.	.	.	5	5	45	65	69	86	87	87
EU-accession countries (8)	483	994	1,340	1,643	2,238	2,794	3,466	4,167	5,183	6,653	7,809
Eastern Europe	537	1,116	1,660	2,139	2,826	3,691	4,909	5,836	6,998	9,023	11,228

Source: Austrian Federal Ministry of Economics and Labour; 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	306
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	208
Central Europe	219	511	344	291	583	546	670	704	1,016	1,479	1,145
Albania	.	10	11	10	20	10	.	.	.	.	.
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	2
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	24	9
Serbia and Montenegro	.	.	.	.	.	.	.	.	.	.	17
South Eastern Europe	46	68	28	110	33	100	246	179	93	475	994
Former USSR	8	0	172	87	71	219	302	44	53	71	66
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	55
Russia	8	0	170	65	50	164	257	9	16	42	37
Ukraine	.	.	.	4	8	5	23	34	16	32	18
Belarus	.	.	.	1	1	0	0	0	4	5	0
Others	.	.	.	5	0	40	20	4	17	1	.
EU-accession countries (8)	219	511	346	303	595	556	672	701	1,016	1,470	1,156
Eastern countries	273	579	544	488	687	865	1,218	927	1,162	2,025	2,205

Source: Austrian Federal Ministry of Economics and Labour; 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
Former Yugoslavia	82	335	404	967	1,196	1,089	941	1,280
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-accession countries (8)	672	7,913	9,600	10,545	11,195	11,316	8,479	8,796
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. Since 2001, inflow data also comprise intra-company loans.

Data on 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 counterparts, 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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