



The Vienna Institute for International Economic Studies (WIIW)

FDI in South-Eastern Europe in the early 2000s

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prepared by
Gábor Hunya

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Introduction

The aim of this paper is to provide a statistical update of an earlier WIIW analysis¹ on FDI in South East European countries (SEECs) and to include also Moldova among the countries covered. Various features of FDI in the region and in individual countries is presented in 29 tables. Data rely on national sources of different scope and coverage. Inflow and stock data are usually taken from the balance of payments. The breakdown by country of origin and industry is often from different sources and may have a different FDI stock as basis.

Comparative tables:

GDP development (table 1),

FDI stocks (tables 2-4),

FDI inflows (tables 5-7),

FDI outflows and net FDI (tables 8-9),

FDI stocks by investing countries and economic activities (tables 10-12)

Country tables on the distribution of FDI by investing country and economic activity:

Albania (tables 13-14)

Bosnia and Herzegovina (tables 15-16)

Bulgaria (tables 17-19)

Croatia (tables 20-22)

Macedonia (tables 23-24)

Moldova (tables 25-26)

Romania (tables 27-28)

Yugoslavia (table 29)

An introductory chapter provides an overview of the basic trends of FDI in transition countries more specifically in South-East European countries in 2000-2002. Then some country specific FDI highlights are presented which do not cover all countries of the region. This part relies on recent publications by various members of the WIIW staff.

¹ Hunya, Gábor (2000), 'Recent FDI Trends, Policies and Challenges in South-East European Countries', *WIIW Research Reports* No. 273.

Recent trends of FDI in Central Europe and South Eastern Europe

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

In the Central European transition countries FDI inflow registered in the balance of payments for the first three months of 2002 was only about one half of the pre-year level. One of the reasons could be that export oriented investments were delayed due to the downturn of the European business cycle. Also privatization related FDI declined in several countries due to lacking new sales offers. Uncertainties related to elections in some of the target countries like the Czech Republic and Hungary also made investors delay new investments and acquisitions. The main exception to this general trend has been Slovenia with a record level of FDI inflow in 2001. At last, the privatization of the banking sector started and also companies privatized earlier to dispersed owners and funds attracted new foreign capital. Also Slovakia stepped up privatization recently and expects more FDI than last year, while prospects for the Czech energy sector privatization is still uncertain. Recent developments have not changed the basic features of per capita FDI in Eastern Europe. Czech Republic, Estonia and Hungary have the highest per capita stocks followed by the Slovak Republic, Croatia, Slovenia and Poland. The ranking hardly changes when FDI Stock per GDP is considered.

FDI inflow to SEECs develops in line with improvements in political stability and progress in transformation. FDI inflow was generally low before 1997. In that year Romania changed policy and the following year also Croatia started receiving investors. Moldova, Albania, Bosnia and Herzegovina, and Macedonia receive higher amounts since 2000 and Yugoslavia joined the club in 2001. There is thus improvement all across the region albeit from a very low level. Still the overall amount of USD 4.4 bn in 2001 is small compared to the size of the countries not to speak about their investment needs.

As experience suggests, foreign direct investment does not flow in when a country would need it most, i.e. when the economic situation is bad. Conditions for doing profitable business have to be in place. Otherwise, foreign direct investment tends to focus on a very narrow segments of the economy, where return on capital is fast.

In manufacturing, enterprises often are suffering from lack of working capital, and they cannot finance investment into new equipment. Many enterprises, especially large ones from former times, have accumulated debt they cannot service – and receivables they will

hardly ever receive. Small and medium-sized enterprises and start-ups are confronted with a hostile business environment. There is a scarcity of local economic agents with funds available for investment. Foreign direct investment would be an alternative. However, it flows in only modestly – and merely in a few cases into manufacturing. As a consequence, so far the ongoing privatization was not injecting much fresh capital into the corporate sector.

Another barrier to productive activity and FDI is the existing mixture of insufficient regulation and control on the one hand and too many administrative rules and institutional settings on the other. Often, these settings are lacking transparency, in this way making it easy for many state employees to collect bribes. In the absence of transparent and enforced rules, the local business is a mixture of legal and illegal activities. Crony capitalist relations hinder the entrance of normal market oriented businesses.

In SEECs FDI has been privatization driven, green field investments in manufacturing are rare. Two groups of countries can be differentiated based on the volume of character of FDI inflow. Croatia, Romania and Bulgaria pursue a slow but straightforward privatization policy which can attract FDI for some years. They also have growing economies and the local market attracts greenfield investments in the consumer goods sector. Primarily in Romania but also in Bulgarian low wages attracting export oriented green field investments appeared. Countries of the western Balkans (Albania, Bosnia&Herzegovina, Macedonia and Yugoslavia) have recently gained more stability but the transformation to a market economy is still incomplete and investors rarely take the risk to come to these countries. Investments come in through privatization or greenfield only to serve the local market. Export oriented investors are rarely interested. The start of economic transformation and privatization in Serbia awoke the interest of investors in 2001. Still, the general investment environment is considered risky thus FDI cannot be a major vehicle of an economic take-off.

Among the investing countries in SEECs, the EU members increased their share over the last few years. But the EU share in the rest of the region is smaller than in case of the CEECs. The exception is Albania where Italy and Greece are responsible for almost all the investments. These two countries neighbouring the region have also in other countries prominent shares. For Austria, neighbourhood relations reach as far as Croatia where it is the largest investor ahead of Germany. As to the preferred sectors for investment banking and manufacturing take the most prominent places. The exception is Moldova which has been the test-field for privatization of public utilities.

The following country notes give some hints about the characteristics and motivation of recent foreign direct investments in SEECs.

Albania

More than half of the capital account inflow is contributed by(FDI). These have grown strongly in the past two years because of privatization and now amount to roughly 5% of GDP. In 2000 an 85% stake of the state-owned mobile phone company Albanian Mobile Communications was sold to a consortium comprising Norwegian Telenor and Greek Cosmote for USD 96 million. In the same year the government sold the second largest bank, the National Commercial Bank, to Turkish Kentbank. In 2001 several medium-sized state-owned companies were privatized, whereupon privatization or liquidation of small- and medium size enterprises (SMEs) is almost completed. A second GSM licence was attributed to the British-Greek consortium of Vodafone-Panafon for USD 38 million the same year. Some concessions in chrome and copper mining were sold as well. In preparation for its privatization, the state oil company Albpetrol has been split up into three companies and the privatization of those parts that operate service stations is nearly completed. Further privatization will comprise INSIG, the state-owned insurance company, the fixed-line telecom operator Albtelekom and the country's largest bank, the Savings Bank. Once privatization has been finished, FDI inflows will drop sharply. It is not very likely that FDI from privatization will be replaced by massive greenfield investments. Up till now, there have been only a few greenfield investments confined to the oil sector.

Bosnia and Herzegovina

The country under international control and split into two or rather three entities cannot become an attractive target for investors. Local markets are segmented: It is not usual business for a company in the Republica Srpska (RS) to enter the Croatian-Bosnian federation (FBiH) market and vice versa. A positive development is that the "konvertibilna marka" is now the accepted legal tender in both parts of the country. As regards exports, companies do not have funds for entering new markets. The banking industry has experienced a major inflow of foreign direct investment. Now, a major part of commercial banking can be regarded as sound. However, this fact does not improve the situation in manufacturing as there is no supply of long-term loans under accessible conditions.

In spite of huge efforts towards reforming and harmonizing legal structures, barriers are still manifold. Laws and regulations at the state, entity, cantonal and municipality level are often contradictory or duplicative. Effective and independent mechanisms for appeals and for public accountability of various government agencies are absent. Both the administrative and the judicial system are inefficient, with inadequate funding being one of the reasons behind. In May 1999 a new Foreign Investment Law was enacted at the state level. Some new investments have been made through the progress of privatization. International and investor country agencies are attributed the role of carrying some of the risk attached to investments.

In the B&H federation, with financial help from the EBRD, Agrokor, a Croatian food production and retail company, took over Kiseljak, the country's biggest producer of mineral water. Using a guarantee facility offered by the Multilateral Investment Guarantee Agency (MIGA), Coca-Cola invested some USD 23 million in its Sarajevo bottling plant. Interbrew bought a plant in Grude; Slovenia's Union Beer, which in the meantime has become an affiliate of Interbrew, owns a share in the Sarajevo Brewery. Pivara Tuzla started a modernization programme thanks to loans from EBRD. The German Schieder Gruppe privatized the furniture factory 'Standard' in late 2001.

In 2001, 263 foreigners invested in the Republica Srpska. To stimulate FDI, the government granted temporary relief from tax and customs duties. Heidelberger Zement bought a 51% stake in the Kakanj cement plant then of Lukavac Cement Factory. Its product meets European standards and is recognized in the market to be of superior quality. The Lithuanian investment bank acquired 64% of the shares in the Ukio Alumina plant. Interbrew won the tender also for the Banja Luka Brewery. A Slovenian investor won the tender for the paper company Celex in Banja Luka. At the beginning of December 2001, in both cases it was still open whether a final agreement would be achievable. Intest, an Italian textile company, bought a 30% share in the state-owned Dubicanka textile factory.

Bulgaria

The government has made some efforts to step up the pace of privatization in 2000-2002, especially as regards large-scale deals, but progress is mixed. In early 2002 Bank Austria was chosen as the exclusive buyer of the last remaining state-owned commercial banks, Biochim; however, a final sale agreement is yet to be reached. Altogether about USD 800 mn has been invested into the banking sector, but by this amount foreign affiliates acquired 70% of the banking assets. (To achieve a similar rate of control in the Slovak Republic 1.2 bn, in the Czech Republic more than 4 billion dollar was necessary.) Low amounts of acquisition investments are mainly a problem for the national budget which would expect higher privatization revenues. The tenders for the Bulgarian Telecom and for Bulgartabac, the tobacco monopoly, are under way but their ending also remains uncertain. Finalizing these deals is crucial not only as a signal of the reform efforts undertaken by the government but also as a source of financing the budget and current account deficits. Moreover, in the absence of privatization revenue, the inflow of FDI markedly slowed down compared to previous years.

Croatia

FDI in Croatia has been mostly directed towards large privatization deals over recent years. The hitherto largest FDI inflow was recorded in 1999 when Deutsche Telekom acquired a 35% stake in Hrvatski Telecom worth USD 850 mn; later on, in 2001 Deutsche Telekom acquired another 16% stake. In 2000s most of foreign investment was

concentrated in the banking sector, e.g. two thirds of Privredna Banka Zagreb were sold to Banka Commerciale, Italy, Bayerische Landesbank acquired 60% of Rijecka Banka and Unicredito purchased a 63% share of Splitska Banka. After a financial scandal at the beginning of 2002, Rijecka Banka was sold to Erste Bank and Steiermärkische Landesbank. Charlemagne Capital Fund took finally over Dubovacka Banka.

Additional FDI in 2002 is expected to come from the partial privatization of the INA oil company and the sale of Croatia's main insurer, Croatia Osiguranje. Sectors that have attracted most foreign investors over the 1993 to 2001 period include telecommunications, financial intermediation, pharmaceuticals and the cement industry. Tourism, which comes somewhat unexpectedly, accounts only for about 3% of the total FDI stock. The leading investing country in respect to the FDI stock over that time is Austria, followed by Germany and the USA, accounting for 70% of the total. In 2000, the Croatian government adopted several measures in attracting foreign investors such as the Law of Investment introducing investment incentives, the reduction of the payroll and corporate taxes and the drafting of plans for the liberalization of the energy and telecom sectors.

Macedonia

Violent conflict brought the country on the verge of civil war in the first half of 2001. With international mediation, the conflict calmed down and a constitutional and political process was started. The conflict has cost the economy rather dearly. The GDP and industrial production declined sharply. Also the fiscal stability deteriorated. Investments and especially foreign direct investments slowed down as the risks increased dramatically. Exports fell, but so did imports so the current account deficit did not present additional problems. Industrial production has continued to fall and it is difficult to see that it will recover soon. In fact, restructuring of some of the loss-making companies has been delayed and the new government will have to deal with them, probably in a rather radical manner. Thus, a recovery of industry cannot be expected to happen in 2003 either.

Romania

FDI inflow to Romania has been low in comparison to the size of the country. Higher inflows have been registered since 1997 following the last liberalisation and stabilization shock. FDI is mainly linked to the start of privatization-related selling of state owned companies to foreigners. The limited institutional capacity and weak political will to privatize produce rather flat annual revenue inflows. FDI was at the level of USD 1 bn a year in 1997, 1999 and 2000, double that amount only in 1998 (telecom and bank privatization). In 2001 a slight increase compared to the previous year was registered to USD 1.1 bn (Data based on the balance of payments².) In the year 2000, 45% of the USD 4.6 bn FDI stock was located in the manufacturing industries, the rest mainly in trade and financial services.

² A consolidation of balance of payments figures with other data on FDI has not been successful. On the one hand, there is the Trade Registry which informs on the increase of statutory capital of companies. On the other hand, various

Privatization related FDI depends mainly on the ability of the government to work out the bad debts and payment arrears of financially distressed companies. Authorities usually reduce the debts of a number of major enterprises. They were writing them off completely in the case of the Galati steel plant SIDEX when it was privatized in October 2001. In this one case alone, the state absorbed arrears of about USD 1 billion, whereas the direct public revenue incurred through the privatization amounted to a mere USD 65 million. The new privatization law on April 2002 initiates financial relief in an organized way thus the sale of the rest of the public sector becomes feasible.

Foreign companies may acquire large economic importance even if the invested amount of capital for penetrating a country is small. E.g. the amount of FDI in the Romanian manufacturing (USD 2bn) does not suggest that 38% of the sales and 44% of the exports is produced by foreign affiliates. This can happen because firms and assets in Romania are relatively cheap. Less investment is necessary to acquire the same production capacity. Minority foreign ownership is more widespread than in the advanced CEECs still the control of the foreign owner is provided. Among them, investment funds have had an active role in restructuring and finding new markets. It is the low amount of follow-up and green-field investments that indicates slow restructuring. Still, unlike other SEECs, Romania has an increasing greenfield investment sector mainly of medium size companies located along the Western border and engaged in processing. This helped to increase exports over the last three years, although the structure of exports has not improved much but remained confined to textiles, clothing and leather goods as well as metals and chemicals.

Yugoslavia

The first year of transition in *Serbia*, 2001, was characterized by macroeconomic stability, international integration and weak supply side response. In the first half of 2002, the picture is essentially unchanged. Foreign investments were about USD 165 million in 2001. In the first half of this year, privatization has already brought in about that much to the budget. These are proceeds of the sale of three cement plants that were scheduled for last year but were sold only at the beginning of 2002. Other privatizations are yet to happen and there is some official optimism that the process will be speeded up in the second half of 2002.

In *Montenegro*, voucher privatization has ended. Official figures in mid 2002 paint a picture of recession. Exports are falling sharply as is industrial production. The

privatization agents report revenues from sales in foreign currency. Trade Registry data show an upward trend of FDI in new companies and by capital increase with a different pattern of fluctuation than balance of payments data (in USD billion): 1998 – 0.7 bn, 1999 – 0.9 bn, 2000 – 0.8 bn, 2001 – 1.4 bn. Last year the number of new foreign affiliates was smaller than before but the invested capital higher than in any previous year. The advantage of the trade registry data is that it includes re-invested profits which are not covered by the balance of payments statistics.

countervailing force should be tourism, which is expected to post significant growth later in the year. There are hopes for an increase in privatization receipts, but those have been disappointing so far. Sales to strategic investors are attempted all the time, but most tenders have to be declared failures for lack of interest from the potential investors. Both in Serbia and in Montenegro aid, soft credits, mainly from the World Bank, and remittances are relied on to close the trade deficit and to finance the fiscal deficit.

FDI in South-Eastern Europe

TABLES

Table 1

Basic indicators of SEEC-8 and CEEC-5, 2001

	Population ths. persons	GDP in USD mn	GDP/capita USD at ER	GDP/capita USD at PPP	GDP growth, real, in %			
					1991- 2001 average	2001	2002	2003
Albania	3435	4186	1219	.	1.5	6.5	6	6
Bosnia and Herzegovina	3750 ¹⁾	4618	1231	.	26.3 ⁵⁾	5.6	3	.
Bulgaria	7929	13557	1686	7650	-1.6	4.0	3.5	4
Croatia	4381	20263	4625	9660	-0.9	4.1	3	4
Macedonia	2041	3426	1674	6400	-1.3	-4.6	0	2
Moldova	3640	1478	406	2110 ⁴⁾	-8.6	6.1	.	.
Romania	22456	39714	1772	6180	-1.1	5.3	3	4
Yugoslavia ²⁾	8319	10500 ³⁾	1260	.	-6.2	6.2	4	4
SEEC-8	55951	97741	1747	.	.	.	.	.
Czech Republic	10280	56728	5514	15170	0.4	3.3	3	4
Hungary	10195	51917	5092	12960	1.0	3.8	3.3	4
Poland	38632	176256	4561	9890	3.4	1.0	0	1
Slovakia	5379	20462	3804	12660	0.8	3.3	3.5	4
Slovenia	1990	18810	9443	17740	2.0	3.0	3	4
CEEC-5	66476	324175	4875	11630	2.1	2.2	1.6	2.5

ER = Exchange rates. PPP = Purchasing power parity - estimates by WIIW.

Notes: 1) Excluding refugees. - 2) Excluding Kosovo and Metohia. - 3) WIIW estimate. - 4) Year 2000. - 5) 1994-2001.

Source: National Statistics and WIIW estimates.

Table 2

FDI stock, USD million, end of year

	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001
Albania	.	78	131	201	291	339	384	425	568	800
Bosnia and Herzegovina	.	.	.	.	.	.	100	190	340	470
Bulgaria	4	141	247	337	446	951	1488	2307	3309	3997
Croatia	.	120	238	359	874	1425	2439	4075	5202	6703
Macedonia	.	.	19	28	40	55	173	205	381	824
Moldova	.	14	29	93	117	193	255	318	462	609
Romania	.	211	552	971	1234	2449	4480	5521	6561	7698
Yugoslavia	.	.	.	.	.	740	853	965	990	1155
SEEC-8 ²⁾	4	565	1215	1989	3002	5412	9319	13041	16822	21100
Czech Republic	72	3423	4547	7350	8572	9234	14375	17552	21644	26764
Hungary	569	5585	7095	11926	14961	16086	18517	19299	19804	23562
Poland	109	2307	3789	7843	11463	14587	22479	26075	33603	39000
Slovakia	.	.	897	1297	2046	2083	2890	3188	4504	6000
Slovenia	.	954	1326	1763	1998	2207	2766	2657	2809	3400
CEEC-5 ²⁾	750	12269	17654	30180	39040	44197	61027	68771	82363	98727

Notes: 1) Estimate. - 2) Sum of available data.

Source: National bank of respective countries and IMF.

Table 3

	FDI stock per capita, USD									
	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001
Albania	.	25	41	62	89	102	114	126	167	233
Bosnia and Herzegovina	.	.	.	.	.	.	27	51	91	125
Bulgaria	0	17	29	40	53	115	181	282	406	504
Croatia	.	26	51	77	195	312	542	895	1187	1530
Macedonia	.	.	10	15	20	28	86	101	188	403
Moldova	.	3	7	22	27	53	70	87	127	167
Romania	.	9	24	43	55	109	199	246	293	343
Yugoslavia	.	.	.	.	.	70	80	115	119	139
SEEC-8²⁾	0	10	22	33	51	92	159	231	300	377
Czech Republic	7	331	440	712	832	897	1397	1708	2108	2604
Hungary	55	543	692	1168	1470	1587	1835	1922	1942	2311
Poland	3	60	98	203	297	377	581	675	870	1010
Slovakia	.	.	167	242	380	387	536	591	834	1115
Slovenia	.	480	666	886	1006	1112	1398	1336	1411	1709
CEEC-5²⁾	11	185	265	454	587	665	919	1036	1239	1485

Notes: 1) Estimate. - 2) Estimate over available data.

Source: Own calculation and WIIW Database.

Table 4

	FDI stock as a percentage of GDP, in %									
	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001
Albania	.	6.6	6.6	8.3	10.9	14.8	12.6	11.6	15.1	19.1
Bosnia and Herzegovina	.	.	.	.	.	.	2.4	4.2	7.8	10.2
Bulgaria	0.0	1.3	2.5	2.6	4.5	9.1	11.7	17.8	26.3	29.5
Croatia	.	1.1	1.6	1.9	4.4	7.1	11.3	20.3	27.3	33.1
Macedonia	.	.	0.6	0.6	0.9	1.5	4.8	5.6	10.6	24.0
Moldova	.	.	.	6.5	6.9	10.0	15.0	27.1	35.9	41.2
Romania	.	0.8	1.8	2.7	3.5	6.9	10.7	15.5	17.8	19.4
Yugoslavia	.	.	.	.	.	4.1	4.7	9.3	12.2	11.0
SEEC-8²⁾	0.0	0.9	1.6	2.2	3.3	5.7	8.7	14.2	18.8	21.6
Czech Republic	0.2	9.8	11.1	14.1	14.9	17.4	25.2	31.9	42.1	47.2
Hungary	1.7	14.5	17.1	26.7	33.1	35.2	39.4	40.2	42.5	45.4
Poland	0.2	2.7	4.1	6.2	8.0	10.1	14.2	16.8	21.3	22.1
Slovakia	.	.	5.9	6.8	10.0	9.9	13.1	15.8	22.9	29.3
Slovenia	.	7.5	9.2	9.4	10.6	12.1	14.1	13.2	15.5	18.1
CEEC-5²⁾	0.5	6.7	8.6	11.5	13.6	15.7	20.1	23.1	28.1	30.5

Notes: 1) Estimate. - 2) Estimate over available data.

Source: Own calculation and WIIW Database.

Table 5

	FDI inflow, USD million									
	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001
Albania	.	58	53	70	90	48	45	41	143	200 ¹⁾
Bosnia and Herzegovina	.	.	.	.	.	.	100	90	150	130
Bulgaria	4	40	105	90	109	505	537	819	1002	689
Croatia	.	120	117	121	516	551	1014	1637	1126	1502
Macedonia	.	.	19	9	11	16	118	32	176	442
Moldova	.	14	12	67	24	79	76	40	143	149
Romania	.	94	341	419	263	1215	2031	1041	1040	1137
Yugoslavia	.	.	.	.	.	740	113	112	25	165
SEEC-8²⁾	4	326	647	777	1013	3154	4034	3812	3805	4414
Czech Republic	72	654	869	2562	1428	1300	3718	6324	4986	4916
Hungary	311	2339	1147	4453	2275	2173	2036	1970	1649	2443
Poland	89	1715	1875	3659	4498	4908	6365	7270	9342	8000
Slovakia	.	179	273	258	358	220	684	390	2075.2	1475.3
Slovenia	4	113	128	177	194	375	248	181	175.5	441.8
CEEC-5²⁾	476	4999	4292	11110	8753	8977	13051	16135	18228	17276

Notes: 1) Estimate. - 2) Sum of available data.

Source: National bank of respective countries and IMF.

Table 6

	FDI inflow per capita, USD									
	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001
Albania	.	18	17	22	27	14	13	12	42	58 ¹⁾
Bosnia and Herzegovina	.	.	.	.	.	.	27	24	40	35
Bulgaria	0	5	12	11	13	61	65	100	123	86
Croatia	.	26	25	26	115	121	225	359	257	343
Macedonia	.	.	10	5	6	8	59	16	87	217
Moldova	.	3	3	15	6	22	21	11	39	41
Romania	.	4	15	18	12	54	90	46	46	51
Yugoslavia	.	.	.	.	.	70	11	13	3	20
SEEC-8²⁾	0	6	12	13	17	54	69	68	68	79
Czech Republic	7	63	84	248	138	126	361	615	485	478
Hungary	30	227	112	435	223	214	201	196	163	240
Poland	2	45	49	95	116	127	165	188	242	207
Slovakia	.	34	51	48	67	41	127	72	384	274
Slovenia	2	57	64	89	97	189	125	91	88	222
CEEC-5²⁾	7	75	65	167	132	135	196	243	274	260

Notes: 1) Estimate. - 2) Estimate over available data.

Source: Own calculation and WIIW Database.

Table 7

	FDI inflow as a percentage of GDP, in %									
	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001
Albania	.	4.9	2.7	2.9	3.4	2.1	1.5	1.1	3.8	4.8 ¹⁾
Bosnia and Herzegovina	.	.	.	.	.	.	2.4	2.0	3.4	2.8
Bulgaria	0.0	0.4	1.1	0.7	1.1	4.9	4.2	6.3	8.0	5.1
Croatia	.	1.1	0.8	0.6	2.6	2.7	4.7	8.2	5.9	7.4
Macedonia	.	.	0.6	0.2	0.3	0.4	3.3	0.9	4.9	12.9
Moldova	.	.	.	4.6	1.4	4.1	4.5	3.4	11.1	10.1
Romania	.	0.4	1.1	1.2	0.7	3.4	4.9	2.9	2.8	2.9
Yugoslavia	.	.	.	.	.	4.1	0.6	1.1	0.3	1.6
SEEC-8²⁾	0.0	0.5	0.9	0.9	1.1	3.3	3.8	4.1	4.2	4.5
Czech Republic	0.2	1.9	2.1	4.9	2.5	2.5	6.5	11.5	9.7	8.7
Hungary	0.9	6.1	2.8	10.0	5.0	4.8	4.3	4.1	3.5	4.7
Poland	0.2	2.0	2.0	2.9	3.1	3.4	4.0	4.7	5.9	4.5
Slovakia	.	.	1.8	1.4	1.7	1.0	3.1	1.9	10.5	7.2
Slovenia	.	0.9	0.9	0.9	1.0	2.1	1.3	0.9	1.0	2.3
CEEC-5²⁾	0.3	2.7	2.1	4.2	3.1	3.2	4.3	5.4	6.2	5.3

Notes: 1) Estimate. - 2) Estimate over available data.

Source: Own calculation and WIIW Database.

Table 8

	FDI outflow, USD million									
	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001
Albania	.	.	.	.	.	.	.	.	.	.
Bosnia and Herzegovina	.	.	.	.	.	.	.	.	.	.
Bulgaria	.	.	.	8	28	2	0	-17	2	-10
Croatia	.	-19	-7	-5	-24	-186	-98	-34	-29	-121
Macedonia	.	.	.	.	.	.	.	.	1	.
Moldova	.	.	.	-0.5	-0.6	-0.5	0.7	-0.1	-0.1	-0.1
Romania	-18	-7	0	-2	0	9	9	-16	11	17
Yugoslavia	.	.	.	.	.	.	.	.	.	.
SEEC-8¹⁾	-18	-26	-7	0	4	-176	-88	-68	-15	-114
Czech Republic	.	-90	-120	-37	-153	-25	-127	-90	-43	-96
Hungary	.	-11	-49	-43	4	-432	-481	-250	-532	-343
Poland	.	.	.	2	-27	-36	-161	-122	-124	-67
Slovakia	.	-13	-18	41	-57	-95	-147	371	-17	-15
Slovenia	-6	-1	3	5	-6	-36	2	-38	-66	-104
CEEC-5¹⁾	-6	-115	-183	-31	-239	-624	-914	-129	-782	-625

Notes: 1) Sum of available data.

Source: National bank of respective countries and IMF.

Table 9

FDI net in % of current account deficit

	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001
Albania	.	-389	34	609	84	18	69	26	91	67
Bosnia and Herzegovina	.	.	.	.	.	.	13	9	17	16
Bulgaria	0	4	330	50	-84	-48	875	123	143	76
Croatia	.	-16	-13	8	45	15	55	104	251	213
Macedonia	.	.	12	4	4	6	38	28	164	125
Moldova	.	.	14	78	12	28	23	74	134	137
Romania	-1	7	80	24	10	57	69	70	77	49
Yugoslavia	.	.	.	.	.	40	10	8	2	26
Czech Republic	36	-124	95	184	31	36	286	426	182	183
Hungary	-245	67	28	178	136	177	68	83	84	190
Poland	-1	20	-80	-21	200	71	73	55	82	97
Slovakia	.	31	-34	-59	15	7	27	78	289	83
Slovenia	0	-58	-23	184	-598	-2979	169	18	18	505

Source: National bank of respective countries and IMF.

Table 10

FDI stock in SEEC-7, by investing country, 2001

shares in %

	Albania	Bosnia ¹⁾ Sep 1999	Bulgaria	Croatia	Macedonia 2000	Moldova 2000	Romania
EU	87.0	13.4	68.4	71.2	61.1	31.2	61.1
Austria	0.2	1.8	7.8	26.8	5.9	.	5.9
Germany	1.3	7.0	12.5	25.2	10.3	5.2	11.3
Greece	34.2	.	12.1	.	31.4	2.8	3.5
France	1.3	1.8	2.8	1.7	0.7	5.0	6.9
Italy	47.9	1.7	10.0	2.7	4.4	.	7.0
Netherlands	.	.	4.6	3.5	1.5	.	16.2
Other	2.1	1.1	18.6	11.3	6.9	18.2	10.3
CEECs	0.9	4.2	0.6	3.7	2.9	.	3.9
SEECs	4.3	9.4	.	0.2	1.7	1.6	0.7
USA	.	1.9	6.2	17.8	2.5	19.2	6.4
Japan	.	.	0.2	.	0	.	0.6
Cyprus	.	.	5.9	0.0	16.8	1.5	7.7
Russia	.	.	4.6	0.2	0.4	32.5	.
Turkey	2.0	5.0	2.9	.	1.6	.	4.0
Kuwait	0.2	62.7	.	.	.	.	.
Other countries	5.6	3.4	11.2	6.9	13.0	14.0	15.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Notes: 1) Investments with more than KM 1 million capital.

Source: National statistics.

Table 11

Foreign direct investment by investing countries in SEEC, 2001

stock, USD million, end of year

	Bosnia ¹⁾ Sep 1999	Bulgaria	Croatia	Macedonia 2000	Moldova 2000	Romania	Yugoslavia 1998 ²⁾
Austria	3.2	351.1	1799.5	23.3	.	285.8	7.3
Belgium	.	416.0	31.6	0.03	.	30.0	.
Denmark	1.9	5.8	41.0	0.2	6.9	4.7	.
France	3.2	123.7	117.2	2.8	23.0	336.3	.
Germany	12.7	563.3	1691.0	41.0	23.9	549.3	371.7
Italy	3.2	451.4	182.8	17.5	.	340.2	9.4
Liechtenstein	.	12.1	129.9	38.8	15.0	20.1	.
Luxemburg	.	57.5	367.5	1.8	10.3	155.0	.
Multinational	.	.	102.4	.	.	.	.
Netherlands	.	204.7	237.1	6.0	.	789.3	530.6
Spain	.	.	.	.	40.7	39.2	.
Switzerland	.	105.8	106.2	8.8	.	139.1	.
Sweden	.	10.3	194.5	0.9	.	54.9	.
United Kingdom	.	196.0	108.0	25.8	32.2	213.3	.
Japan	.	9.1	.	0.1	.	28.3	.
Australia	6.1	.	50.5	0.3	.	10.0	.
Kuwait	113.5	.	.	.	.	.	.
USA	3.4	276.9	1193.3	10.1	88.7	314.7	7.3
Czech Republic	.	10.4	7.3	0.1	.	8.8	.
Hungary	.	18.6	24.8	0.04	.	176.9	4.1
Poland	.	.	0.3	0.004	.	3.7	.
Slovakia	.	.	7.2	0.1	.	.	.
Slovenia	7.6	.	208.1	11.5	.	.	.
Albania	.	.	.	0.1	.	.	.
Bosnia and Herzegovina	.	.	11.6	0.6	.	.	.
Bulgaria	.	.	.	2.1	.	7.9	9.4
Croatia	17.0	.	.	2.1	.	.	.
Macedonia	.	.	0.4	.	.	.	.
Moldova	.	.	.	.	.	9.2	.
Romania	.	.	.	0.003	7.5	.	.
Yugoslavia	.	.	.	1.7	.	16.9	.
Cyprus	.	267.2	0.1	67.0	6.9	378.3	77.3
Greece	.	541.6	.	124.9	13.0	171.4	83.5
Russia	.	205.2	10.2	1.4	150.0	.	.
Turkey	9.1	128.4	.	6.2	.	196.9	.
Other countries	.	538.9	80.7	2.9	43.8	601.4	.
EU	24.2	3074.1	4772.0	243.4	144.1	2980.7	.
Total	180.9	4494.0	6703.2	398.2	461.9	4881.6	.

Notes: 1) Investments with more than KM 1 million capital. - 2) Cumulated inflows 1996-1998.

Source: National statistics.

Table 12

Foreign direct investment by sectors in SEEC, 2001

stock, shares in %, end of year

Code NACE	Albania ¹⁾	Bosnia ¹⁾⁴⁾ Sep 1999	Bulgaria ⁵⁾	Croatia	Macedonia ¹⁾⁸⁾ 2000	Moldova ¹⁾ 2000	Romania ¹⁾
A,B Agriculture, forestry, fishing	.	3	0.1	0.3	.	.	3.6
C Mining and quarrying	.	.	0.2	3.2	.	.	.
D Manufacturing	42.3	65	39.5	36.1	50.3 ⁹⁾	20.3	44.4 ⁹⁾
DA Food products; beverages and tobacco	6.4	5	3.8	4.0	.	.	.
DB Textiles and textile products	21.2	.	2.9	0.3	.	.	.
DC Leather and leather products	.	.	0.7	0.1	.	.	.
DD Wood and wood products	4.6 ²⁾	.	3.7 ⁶⁾	0.3	.	.	.
DE Pulp, paper & products, publishing & printing	.	.	.	1.4	.	.	.
DF Coke, refined petroleum prod. & nuclear fuel	.	.	.	-0.4	.	.	.
DG Chemicals & products and man-made fibres	4.8 ³⁾	4	.	17.1	.	.	.
DH Rubber and plastic products	.	.	9.4 ⁷⁾	2.7	.	.	.
DI Other non-metallic mineral products	5.3	.	8.1	7.0	.	.	.
DJ Basic metals and fabricated metal products	.	56	4.5	0.3	.	.	.
DK Machinery and equipment n.e.c.	.	.	3.9	0.4	.	.	.
DL Electrical and optical equipment	.	.	2.4	2.4	.	.	.
DM Transport equipment	.	.	0.1	0.4	.	.	.
DN Manufacturing n.e.c.	.	.	.	0.2	.	.	.
E Electricity, gas, water supply	.	.	0.6	1.0	.	59.2	.
F Construction	6.2	2	1.4	1.1	0.6	.	4.5
G Trade, repair of motor vehicles, etc.	27.2	1	15.0	5.2	5.4	12.8	20.1
H Hotels and restaurants	.	.	3.4	3.1	.	2.1	3.1
I Transport, storage, communications	.	.	7.7	29.5	1.2	5.5	7.3
J Financial intermediation	.	6	22.3	18.9	39.6	.	.
K Real estate, renting & business act.	.	19	0.8	1.3	.	.	.
L Public administr., defence, social sec.	.	.	.	0.1	.	.	.
M Education	.	.	.	0.04	.	.	.
N Health and social work	.	.	.	.	.	.	.
O Other community, social & pers. activ.	.	.	.	0.2	.	.	.
Other not classified activities	24.3	4	9.0	.	2.9	0.1	17.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Total, USD mn	.	.	3091.2	4656.7	295.5	461.9	4881.6

Notes: 1) Adjusted to NACE. - 2) Including furniture (DN). - 3) Including plastic (DH). - 4) Investments with more than KM 1 million capital. - 5) Cumulated inflow from 1998 only. - 6) Including publishing (DE). - 7) Includes group DF + DG + DH. - 8) Cumulated inflows 1997-2000. - 9) Industry total (C+D+E).

Source: National statistics.

Table 13

Foreign direct investment in Albania by country ¹⁾

in % of total, end of 2001

European Union	87.0
Austria	0.2
Belgium	0.9
United Kingdom	1.1
France	1.3
Germany	1.3
Greece	34.2
Italy	47.9
Spain	0.2
South Eastern Europe	6.3
Bulgaria	0.2
Croatia	0.7
Kosovo	1.1
Macedonia	2.2
Turkey	2.0
Central and Eastern Europe	0.9
Czech Republic	0.2
Hungary	0.4
Poland	0.2
Middle East	2.0
Saudi Arabia	0.2
Egypt	0.7
Kuwait	0.2
Lebanon	0.7
Syria	0.2
Far East	1.6
China	1.3
Malaysia	0.2
Other	2.0

Notes: 1) According to survey data on 445 enterprises.

Source: Bank of Albania, Balance of Payment and Survey Sector .

Table 14

Foreign direct investment in Albania by sector ¹⁾

in % of total, end of 2001

Trade	27.2
Textiles and leather manufacturing	21.2
Food, beverages and tobacco	6.4
Construction	6.2
Manufacturing of non-metal products	5.3
Chemicals and plastic	4.8
Wood and furniture	4.6
Other	24.3

Notes: 1) According to survey data on 445 enterprises.

Source: Bank of Albania, Balance of Payment and Survey Sector .

Table 15

Foreign direct investment in Bosnia and Herzegovina by country

cumulated, May 1994 - September 1999, USD mn

Kuwait	113.5
Croatia	17.0
Germany	12.7
Turkey	9.1
Slovenia	7.6
Australia	6.1
USA	3.4
Austria	3.2
Italy	3.2
France	3.2
Denmark	1.9
Total	180.9

Source: Bulgaria Economic Forum.

Table 16

Foreign direct investment in Bosnia and Herzegovina by sector

May 1994 - September 1999, % of total

Metals industry	56
Real estate	19
Banking and insurance	6
Food industry	5
Chemical industry	4
Wood industry	3
Construction	2
Trade	1
Other	4

Notes: 1) Investments over 1 mn KM.*Source:* Chamber of Economy of Bosnia and Herzegovina.

Table 17

Foreign direct investment in Bulgaria by investing country and year ¹⁾

inflow, USD million

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	stock end-2001 ²⁾
1 Germany	0.1	56.6	111.4	16.2	53.1	31.4	55.7	101.3	72.3	65.1	563.3
2 Greece	0.2	5.1	3.0	29.8	14.6	16.1	3.3	14.9	241.1	213.6	541.6
3 Italy	0.01	0.2	5.2	2.3	1.2	0.4	2.1	23.0	339.7	77.3	451.4
4 Belgium	.	0.1	0.3	10.0	0.8	264.4	31.2	66.2	39.8	3.1	416.0
5 Austria	13.0	1.0	14.7	1.4	12.1	12.5	46.9	23.4	88.8	137.4	351.1
6 USA	.	10.5	16.2	16.1	20.7	46.6	38.6	49.8	37.1	41.4	276.9
7 Cyprus	0.3	1.2	0.4	1.4	7.5	20.6	109.1	108.9	-11.3	29.1	267.2
8 Russia	0.3	1.4	2.3	15.1	14.4	2.0	14.8	103.7	50.8	0.5	205.2
9 Netherlands	0.1	0.5	37.9	0.9	46.3	10.8	41.3	28.0	17.4	21.6	204.7
10 United Kingdom	6.2	5.6	2.4	13.7	7.3	15.8	58.9	48.0	22.6	15.5	196.0
11 Spain	0.04	0.1	0.01	.	.	49.6	56.8	3.2	0.7	19.4	129.8
12 Turkey	.	9.8	1.3	13.7	7.3	9.9	23.8	39.4	19.5	3.8	128.4
13 France	.	0.2	4.2	5.0	6.5	0.8	3.4	62.7	28.9	12.0	123.7
14 Switzerland	0.4	6.7	0.2	7.9	23.1	31.4	6.6	13.1	15.0	1.5	105.8
15 Korea	.	.	0.3	0.2	22.3	22.9	1.8	2.8	6.6	2.9	59.8
16 Luxemburg	0.4	0.6	0.6	0.4	0.2	11.8	22.7	3.8	0.0	17.1	57.5
17 Bahamas	.	.	.	.	.	.	22.8	10.4	14.2	-2.5	44.8
18 Ireland	.	.	.	17.4	0.2	5.2	1.0	3.7	1.0	-5.5	23.0
19 Hungary	12.3	0.1	.	.	0.1	.	0.7	1.7	2.0	1.9	18.6
20 Israel	.	.	0.9	0.02	1.5	0.01	0.03	13.8	1.9	-0.6	17.6
21 Liechtenstein	.	1.1	0.1	0.01	.	2.5	0.8	1.3	3.0	3.2	12.1
22 Malta	.	.	0.01	0.1	0.1	0.1	8.9	0.0	0.5	1.5	11.2
23 Czech Republic	.	.	0.1	2.3	2.3	4.7	0.6	0.1	0.0	0.4	10.4
24 Sweden	.	.	0.01	0.03	1.4	2.4	0.9	1.6	0.3	3.7	10.3
25 Japan	.	.	0.1	0.5	0.6	1.9	1.9	.	1.3	2.8	9.1
26 Denmark	.	.	1.1	0.02	.	1.1	1.6	0.3	1.3	0.4	5.8
27 Others	1.1	1.6	8.3	8.3	13.1	71.4	64.0	93.7	7.0	-15.7	252.7
Total	34.4	102.4	210.9	162.6	256.4	636.2	620.0	818.8	1001.5	650.9	4494.0
of which: EU-15	20.0	70.0	180.8	97.0	143.6	422.3	325.7	380.2	853.9	580.7	3074.1

Notes: 1) Direct investment from privatisation, greenfield investment, additional investment in companies with foreign participation, reinvestment and Joint Ventures. - 2) Cumulated FDI inflows in the period 1992-2001.

Source: Bulgarian Foreign Investment Agency.

Table 18

Foreign direct investment in Bulgaria by sector and year ¹⁾

inflow, USD million

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	stock end-2001 ²⁾
Agriculture	.	.	.	0.1	1.4	4.6	0.1	2.4	0.6	1.3	10.4
Industry	0.2	20.8	28.2	94.5	172.5	458.5	310.6	471.2	318.9	246.5	2121.9
Construction	0.2	0.3	4.8	1.1	1.1	6.2	6.3	6.5	12.7	18.8	58.0
Trade	13.5	70.0	59.9	20.1	32.4	45.7	177.4	124.1	89.5	71.6	704.1
Tourism	0.6	0.9	43.3	10.2	23.3	5.7	18.4	40.5	20.8	16.7	180.3
Transport	12.8	2.1	55.2	1.2	4.8	3.1	6.2	-11.7	10.1	2.7	86.4
Telecommunications	6.1	4.0	.	.	0.9	3.6	23.2	14.1	14.9	177.4	244.2
Finance	.	1.9	18.8	32.3	15.4	64.3	72.2	119.1	443.2	62.8	830.0
Others	1.2	2.5	0.7	3.1	4.6	44.4	5.5	52.7	90.8	53.1	258.7
Total	34.4	102.4	210.9	162.6	256.4	636.2	620.0	818.8	1001.5	650.9	4494.0

Notes: 1) Direct investment from privatisation, greenfield investment, additional investment in companies with foreign participation, reinvestment and Joint Ventures. - 2) Cumulated FDI inflows in the period 1992-2001.

Source: Bulgarian Foreign Investment Agency.

Table 19

Foreign direct investment in Bulgaria by sector and year ¹⁾

NACE	inflow, USD million					stock end-2001 ²⁾
	1997	1998	1999	2000	2001	
A+B Agriculture, forestry and fishing	.	0.1	2.4	0.6	1.3	4.3
C Mining	.	0.0	2.7	0.0	2.8	5.5
D Manufacturing	.	310.6	417.6	288.5	202.8	1219.6
DA Food products & tobacco	.	31.5	32.7	11.7	42.9	118.9
DB Textile and textile products	.	4.4	25.1	27.3	33.7	90.5
DC Leather and leather products	.	0.7	0.0	21.2	0.2	22.1
DD+DE Wood products & paper	.	37.3	24.9	38.1	5.3	105.6
0.5 DE Publishing	.	0.0	0.2	0.3	8.4	8.9
DF+DG+DH Petroleum, chemical, rubber and plastic products	.	41.0	165.2	72.1	11.5	289.8
DI Other non-metallic mineral products	.	150.6	71.8	7.4	19.4	249.2
DJ Basic metals & fabricated metal products	.	13.2	72.2	17.1	37.2	139.7
DK Machinery & equipment	.	21.3	18.0	64.7	16.6	120.6
DL Electrical and optical equipment	.	11.5	5.9	28.6	27.0	73.0
DM Transport equipment	.	-0.9	1.7	0.0	0.6	1.4
DN Manufacturing n.e.c.
E Electricity, gas and water supply	.	0.0	0.0	18.7	0.8	19.5
F Construction	.	6.3	6.5	12.7	18.8	44.3
G Trade, repair of motor vehicles, etc.	.	177.4	124.0	89.5	71.6	462.5
H Hotels and restaurants	.	26.8	40.5	20.8	16.7	104.8
I Transport, storage, telecommunications	.	29.4	2.4	25.0	180.1	236.9
J Financial intermediation	.	63.8	119.1	443.2	62.8	688.9
K Real estate, renting and business activities	.	0.1	14.7	2.8	8.1	25.7
L Public admin., defence, compuls. soc. sec.
M Education
N Health and social work
Other	.	5.4	88.8	99.7	85.1	279.0
Total	.	620.0	818.8	1001.5	650.9	3091.2

Notes: 1) Direct investment from privatisation, greenfield investment, additional investment in companies with foreign participation, reinvestment and Joint Ventures. - 2) Cumulated FDI inflows in the period 1998-2001.

Source: Bulgarian Foreign Investment Agency.

Table 20

Foreign direct investment in Croatia by investing country and year ¹⁾

inflow, USD million

	1993	1994	1995	1996	1997	1998	1999	2000	2001	stock end-2001 ²⁾
1 Austria	5.0	47.9	6.8	57.0	279.4	279.7	338.0	293.1	492.5	1799.5
2 Germany	53.4	8.4	22.2	6.4	-57.1	73.8	957.2	104.1	522.4	1691.0
3 United States	4.9	3.0	-15.5	292.7	87.4	503.9	135.7	96.8	84.4	1193.3
4 Luxemburg	3.8	.	.	0.3	16.0	4.4	-7.6	316.3	34.3	367.5
5 Netherlands	4.8	2.9	0.3	6.5	14.9	48.3	64.6	47.1	47.8	237.1
6 Slovenia	4.5	0.3	3.5	4.5	10.3	32.7	12.7	31.5	108.1	208.1
7 Sweden	0.5	.	37.3	7.8	8.9	24.8	20.5	65.0	29.6	194.5
8 Italy	12.0	3.5	4.5	9.9	11.9	-1.1	19.1	42.8	80.1	182.8
9 Liechtenstein	.	11.6	3.8	11.4	12.8	5.4	14.0	50.7	20.2	129.9
10 France	.	.	0.2	5.9	25.0	29.7	35.3	15.5	5.7	117.2
11 United Kingdom	0.7	0.7	6.4	0.2	54.5	3.6	16.9	22.4	2.6	108.0
12 Switzerland	10.1	18.8	13.7	22.7	-15.0	8.0	8.8	12.4	26.8	106.2
13 EBRD	.	.	.	43.1	41.6	-39.4	21.9	16.0	19.2	102.4
14 Australia	.	.	19.1	9.9	13.1	.	.	.	8.5	50.5
15 Cayman Islands	.	.	.	24.9	5.4	5.0	0.1	8.3	0.0	43.5
16 Denmark	3.0	2.6	4.7	12.1	1.2	4.9	10.9	1.0	0.7	41.0
17 Belgium	1.2	14.0	0.3	5.0	7.4	-1.1	1.0	-0.1	3.9	31.6
18 Hungary	.	.	.	.	1.7	8.0	5.4	6.2	3.5	24.8
19 Canada	14.9	3.9	12.3	-24.9	18.0	0.03	.	.	0.05	24.2
20 Bosnia-Herzegovina	.	.	.	0.01	8.9	4.2	0.8	-4.2	1.9	11.6
21 Russia	.	.	.	10.2	.	0.02	.	.	.	10.2
22 Czech Republic	.	.	.	9.0	2.6	1.4	-6.8	1.0	0.1	7.3
23 Slovakia	.	.	.	.	0.2	.	.	.	7.0	7.2
24 Virgin Island (GB)	1.6	.	.	.	0.9	13.9	-12.2	.	0.6	4.8
25 Saudi Arabia	.	.	1.0	1.0	.	.	.	.	0.7	2.7
26 Liberia	.	.	.	.	.	2.0	.	.	.	2.0
27 Ireland	.	.	0.1	0.1	0.1	0.6	0.3	0.2	0.4	1.8
28 Panama	.	.	.	.	.	0.5	0.2	0.1	.	0.8
29 Saint Vincent & Grenadines	.	.	.	.	0.5	.	.	-0.01	0.003	0.5
30 Macedonia	.	.	.	.	.	0.1	0.1	.	0.2	0.4
31 Poland	.	0.03	0.04	0.0	0.2	.	.	.	.	0.3
32 Israel	.	.	.	.	.	0.2	.	.	.	0.2
33 Norway	.	.	.	.	.	.	.	.	0.1	0.1
34 Cyprus	.	.	.	.	.	0.03	.	.	0.1	0.1
Total	120.3	117.4	120.8	515.9	550.7	1013.6	1636.7	1126.3	1501.5	6703.2
of which: EU-15	84.3	80.0	82.8	111.3	362.2	467.7	1456.1	907.5	1220.0	4772.0

Notes: 1) Up to 1996 equity capital only; from 1997 equity capital, reinvested profits and loans. -2) Cumulated FDI inflows in the period 1993-2001.

Source: Croatian National Bank.

Table 21

Foreign direct investment in Croatia by sector and year ¹⁾

inflow, USD million

NACE	1993	1994	1995	1996	1997	1998	1999	2000	2001	stock end-2001 ²⁾
A Agriculture, forestry, hunting	.	0.04	.	3.87	5.04	1.15	0.00	2.33	0.04	12.46
B Fishing	.	.	.	.	.	0.52	.	.	0.10	0.62
C Mining and quarrying	.	.	.	5.99	13.75	38.24	47.25	33.12	12.94	151.28
D Manufacturing	82.52	100.55	90.96	370.28	164.49	447.85	147.74	128.63	147.79	1680.81
E Electricity, gas, water supply	.	.	.	.	8.25	11.16	4.82	6.23	14.51	44.97
F Construction	15.41	4.03	12.92	0.87	15.74	0.73	1.85	0.41	-0.06	51.88
G Trade, repair of motor vehicles, etc.	15.12	2.78	5.36	16.54	43.21	56.69	18.20	24.91	57.09	239.89
H Hotels and restaurants	.	.	6.11	12.05	12.49	5.23	32.75	53.81	21.83	144.27
I Transport, storage, communications	1.27	0.12	1.28	0.49	1.06	0.00	899.27	8.22	462.43	1374.14
J Financial intermediation	5.54	9.68	3.24	101.67	103.28	73.68	94.75	443.18	46.37	881.38
K Real estate, renting & business act.	0.44	0.23	0.93	4.10	1.96	4.23	33.12	2.53	11.95	59.50
L Public admin., defence, compuls. soc. sec.	.	.	.	.	.	.	.	.	4.35	4.35
M Education	.	.	.	.	.	.	.	0.04	.	0.04
N Health and social work	.	.	.	.	.	.	.	.	.	.
O Other community, social & pers.serv.act.	.	.	.	.	0.18	1.22	0.61	9.11	0.01	11.13
Total	120.30	117.43	120.80	515.85	369.46	640.69	1280.35	712.51	779.35	4656.74

Notes: 1) Equity capital only. - 2) Cumulated FDI inflows in the period 1993-2001.

Source: Croatian National Bank.

Table 22

Foreign direct investment in Croatia in manufacturing industry ¹⁾

inflow, USD million

NACE	1993	1994	1995	1996	1997	1998	1999	2000	2001	stock end-2001 ²⁾
DA Food products; beverages and tobacco	6.60	32.12	8.85	22.33	22.97	5.22	42.40	36.75	9.74	186.97
DB Textiles and textile products	3.84	1.12	1.08	0.34	2.91	0.04	0.14	0.25	2.38	12.09
DC Leather and leather products	.	0.26	.	.	.	.	0.43	.	2.36	3.04
DD Wood and wood products	7.24	0.55	2.63	.	1.69	0.15	-0.23	0.24	.	12.28
DE Pulp, paper & paper products, publishing & printing	0.47	0.74	1.21	0.18	2.60	36.31	8.11	0.98	16.91	67.51
DF Coke, refined petroleum products & nuclear fuel	.	.	.	.	.	.	.	.	-19.57	-19.57
DG Chemicals, chemical products and man-made fibres	40.35	4.47	1.90	286.33	16.04	373.08	52.00	16.87	6.40	797.45
DH Rubber and plastic products	0.20	0.00	0.00	1.36	2.43	1.47	.	1.76	118.50	125.72
DI Other non-metallic mineral products	14.04	50.42	18.01	46.75	89.75	21.79	39.91	44.27	.	324.94
DJ Basic metals and fabricated metal products	.	.	2.85	0.42	5.56	1.07	0.44	0.58	1.57	12.50
DK Machinery and equipment n.e.c.	0.00	3.86	.	.	0.49	9.44	1.04	5.26	.	20.09
DL Electrical and optical equipment	2.84	4.54	53.30	12.09	19.83	0.07	2.38	8.74	7.97	111.76
DM Transport equipment	6.70	2.43	0.32	.	.	-0.86	0.08	8.92	.	17.59
DN Manufacturing n.e.c.	0.25	0.04	0.81	0.47	0.23	0.07	1.05	3.99	1.53	8.44
D Manufacturing industry	82.52	100.55	90.96	370.28	164.49	447.85	147.74	128.63	147.79	1680.81

Notes: 1) Equity capital only. - 2) Cumulated FDI inflows in the period 1993-2001.

Source: Croatian National Bank.

Table 23

Foreign direct investment in Macedonia by investing country and year ¹⁾

	inflow, USD million											
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	end- ²⁾ 2000
1 Greece	5.866	0.456	.	.	0.165	0.25	1.574	4.383	3.539	13.13	95.581	124.944
2 Cyprus	.	0.607	.	.	.	.	.	.	62.17	1.371	2.876	67.024
3 Germany	2.103	5.557	1.309	0.497	4.567	2.298	3.023	1.91	1.487	4.844	13.408	41.003
4 Liechtenstein	.	.	.	.	.	.	0.088	16.207	20.313	2.168	0.022	38.798
5 United Kingdom	4.751	0.191	.	.	0.036	0.059	0.007	0.005	0.471	0.156	20.086	25.762
6 Austria	.	0.819	0.053	0.013	1.036	0.089	0.179	4.315	8.332	5.56	2.893	23.289
7 Italy	1.056	0.524	0.516	0.102	11.127	0.98	0.871	0.141	1.434	0.076	0.676	17.503
8 Slovenia	.	.	.	.	0.351	0.089	0.075	0.089	0.597	5.43	4.842	11.473
9 USA	0.926	0.007	.	0.003	0.072	1.439	0.131	1.73	3.369	1.043	1.414	10.134
10 Switzerland	0.438	0.335	.	.	0.325	0.129	0.065	0.480	0.435	0.579	5.979	8.765
11 Turkey	.	1.421	0.275	0.076	0.427	0.191	0.157	0.109	0.503	2.538	0.545	6.242
12 Netherlands	.	.	.	.	0.288	0.126	0.481	0.003	4.529	0.079	0.499	6.005
13 France	.	1.65	0.003	0.087	0.021	0.630	0.055	0.03	0.228	0.005	0.109	2.818
14 Croatia	.	.	.	.	0.161	0.011	.	0.438	1.197	0.05	0.264	2.121
15 Bulgaria	.	0.046	0.043	0.03	0.414	0.335	0.117	0.027	0.494	0.144	0.406	2.056
16 Luxemburg	.	.	.	.	.	.	.	.	1.837	.	.	1.837
17 Yugoslavia	.	.	.	.	.	.	0.016	0.474	0.476	0.193	0.566	1.725
18 Russia	.	.	.	.	.	0.007	.	.	.	.	1.439	1.446
19 Spain	.	.	.	.	.	1.342	0.009	.	.	.	.	1.351
20 Sweden	.	0.267	0.01	0.004	.	0.157	.	0.41	.	0.045	0.019	0.912
21 Other	.	.	.	.	0.014	0.162	0.067	0	0.167	0.326	0.012	0.748
22 Bosnia & Herzegovina	.	.	.	.	.	.	0.022	0.013	0.57	0.003	0.034	0.642
23 Virgin Islands (UK)	.	.	.	.	.	.	.	.	.	0.226	0.401	0.627
24 Australia	.	.	.	.	.	.	.	0.092	0.129	0.099	0.012	0.332
25 Denmark	.	.	.	.	.	.	0.048	0.029	0.022	.	0.060	0.159
26 Japan	.	.	.	.	.	0.028	0.098	.	.	.	0.008	0.134
27 Albania	.	.	.	.	0.013	.	.	.	.	.	0.084	0.097
28 Slovakia	.	.	.	.	0.022	0.026	0.038	.	.	.	.	0.086
29 Czech Republic	.	.	.	.	.	.	0.064	.	0.006	0.011	0.003	0.084
30 Hungary	.	.	.	.	0.036	.	.	.	.	.	.	0.036
31 Belgium	.	.	.	.	.	.	0.001	0.006	.	.	0.019	0.026
32 Ukraine	.	.	.	.	0.015	0.002	.	.	.	0.003	0.002	0.022
33 Canada	.	.	.	.	.	.	.	0.01	.	.	0.008	0.018
34 Poland	.	.	.	.	.	.	.	0.001	0.003	.	.	0.004
35 Romania	.	.	.	.	.	.	.	.	.	.	0.003	0.003
36 Portugal	.	.	.	.	.	0.003	.	.	.	.	.	0.003
37 Finland	.	.	.	.	.	.	0.001	.	.	.	.	0.001
Total	15.140	11.880	2.207	0.812	19.090	8.353	7.187	30.902	112.31	38.079	152.270	398.228
of which: EU-15	13.777	8.380	1.827	0.686	16.203	5.934	6.248	11.232	21.879	23.896	133.350	243.412

Notes: 1) Up to 1996 data represent imports of equipment only. - 2) Cumulated FDI inflows in the period 1990-2000.

Source: National Bank and records of Statistical Office of the Republic of Macedonia.

Table 24

Foreign direct investment in Macedonia by type of activity and year ¹⁾

	inflow, USD million			
	1997	1998	1999	2000
Industry and mining	25.870	95.168	.	27.444
Construction	0.024	1.622	.	.
Transport and communication	1.221	0.516	.	1.892
Trade	3.346	5.265	.	7.353
Financial, technical, business and insurance services	0.15	3.798	.	113.185
Other activities	0.291	5.939	.	2.396
Total	30.902	112.308	.	152.270

Source: National Bank and records of Statistical Office of the Republic of Macedonia.

Table 25

Foreign direct investment in Moldova by country

	stock as of 2000, USD million
Russia	150.0
USA	88.7
Spain	40.7
UK	32.2
Germany	23.9
France	23.0
Liechtenstein	15.0
Greece	13.0
Ireland	11.4
Luxemburg	10.3
Romania	7.5
Cyprus	6.9
Denmark	6.8
Canada	6.6
Others	25.9
Total	461.9

Source: Bulgaria Economic Forum.

Table 26

Foreign direct investment in Moldova by sector

	2000, % of total
Electric energy, gas, & water supply	59.2
Manufacturing industry	20.3
Trade	12.8
Transport	5.5
Hotels and Restaurants	2.1
Other	0.1

Source: Bulgaria Economic Forum.

Table 27

Foreign direct investment in Romania by investing country and year ¹⁾

stock, USD million, end of year

	1994	1995	1996	1997	1998	1999	2000	2001
1 Netherlands	79.6	116.6	177.0	500.8	540.5	508.2	761.4	789.3
2 Germany	107.7	145.2	208.4	328.7	376.3	444.4	512.6	549.3
3 Cyprus	11.3	19.8	26.1	74.7	85.4	345.1	365.0	378.3
4 Italy	105.6	137.1	210.0	271.6	292.2	332.3	313.3	340.2
5 France	105.7	124.3	149.2	287.2	273.6	312.0	320.4	336.3
6 USA	112.1	117.3	175.8	232.7	242.4	336.4	279.9	314.7
7 Austria	28.2	38.5	59.0	156.0	174.1	222.0	203.1	285.8
8 South Korea	158.0	159.1	234.9	234.0	234.0	234.1	233.8	233.8
9 United Kingdom	70.8	84.4	110.7	153.0	183.1	223.4	240.2	213.3
10 Turkey	56.8	73.4	105.9	161.7	176.9	192.9	185.1	196.9
11 Hungary	11.5	18.8	23.3	82.0	84.5	158.8	158.1	176.9
12 Greece	33.7	40.3	58.4	76.6	85.5	119.4	156.2	171.4
13 Luxemburg	62.5	62.4	93.0	133.7	138.1	154.1	143.9	155.0
14 Switzerland	50.1	58.3	71.2	70.4	72.9	99.4	96.2	139.1
15 Virgin Islands (GB)	3.6	6.3	10.6	10.4	13.1	20.8	9.5	62.0
16 Sweden	6.9	14.8	22.0	46.9	58.4	62.1	61.0	54.9
17 Syria	30.8	36.5	44.5	56.7	57.8	59.6	54.8	48.4
18 Canada	63.1	42.8	52.8	49.6	51.6	56.0	46.2	47.7
19 Spain	34.1	35.2	34.2	31.0	34.2	22.3	37.1	39.2
20 China	6.0	13.6	22.2	38.6	40.8	41.1	41.3	34.5
21 Iraq	5.5	12.3	15.9	26.7	28.5	29.3	33.2	34.2
22 Lebanon	12.0	17.2	23.8	28.3	31.0	35.2	33.7	33.3
23 Belgium	4.9	6.2	10.8	36.6	38.0	45.6	30.9	30.0
24 Japan	.	.	.	5.3	5.4	5.3	5.0	28.3
25 Israel	17.8	21.2	22.4	26.1	27.6	26.2	24.0	23.2
26 Liechtenstein	7.1	10.2	12.7	14.9	17.6	21.6	21.4	20.1
27 Yugoslavia	2.5	2.7	.	17.0	17.1	17.1	16.5	16.9
28 Iran	4.8	8.4	12.2	16.0	16.4	15.7	14.8	14.5
29 Panama	3.1	10.7	11.8	17.3	17.5	16.3	16.5	14.4
30 Iceland	.	.	.	1.6	2.3	14.9	11.6	11.4
31 Ireland	3.2	.	.	6.8	22.0	12.9	12.0	11.3
33 Czech Republic	.	.	9.0	31.3	31.5	31.7	3.3	8.8
34 Bulgaria	6.1	6.5	6.7	8.0	8.1	8.9	7.9	7.9
35 Poland	2.3	.	.	2.0	2.2	3.7	3.5	3.7
Total	1271.8	1595.0	2208.7	3321.5	3648.5	4364.0	4575.8	4881.6
of which: EU-15	644.7	813.0	1066.7	2018.8	2242.4	2477.8	2798.5	2980.7

Notes: 1) From 1997 data refer to equity capital at the company's registration. Stocks cumulated from December 1990.

Source: Till 1996: Romanian Agency for Development. From 1997: National Trade Register Office.

Table 28

Foreign direct investment in Romania by sector and year ¹⁾

stock, USD million, end of year

	1994	1995	1996	1997	1998	1999	2000	2001
Agriculture	130.9	160.2	173.8
Industry	.	.	.	1302.0	1499.5	1911.4	2072.8	2166.0
Construction	.	.	.	49.8	65.7	100.4	237.9	217.7
Retail and wholesale trade	.	.	.	807.1	952.3	1051.7	832.8	983.2
Tourism	34.9	128.1	152.3
Transport	100.4	356.9	359.3
Foreign trade	.	.	.	172.7	204.3	.	.	.
Services	.	.	.	989.8	926.7	1034.3	787.0	829.4
Total	.	.	.	3321.5	3648.5	4364.0	4575.8	4881.6

Notes: 1) From 1997 data refer to equity capital at the company's registration. Stocks cumulated from December 1990.

Source: National Trade Register Office, Chamber for Commerce and Industry.

Table 29

Foreign direct investment in Yugoslavia by country

cumulated, 1996-1998, USD million

Netherlands	530.6
Germany	371.7
Greece	83.5
Cyprus	77.3
Bahamas	13.1
Bulgaria	9.4
Italy	9.4
USA	7.3
Austria	7.3
Hungary	4.1

Source: Bulgarian Economic Forum.