

TRANSITION ECONOMIES

FDI inflows, top 5 host economies, 2014

(Value and change)

2014 Inflows

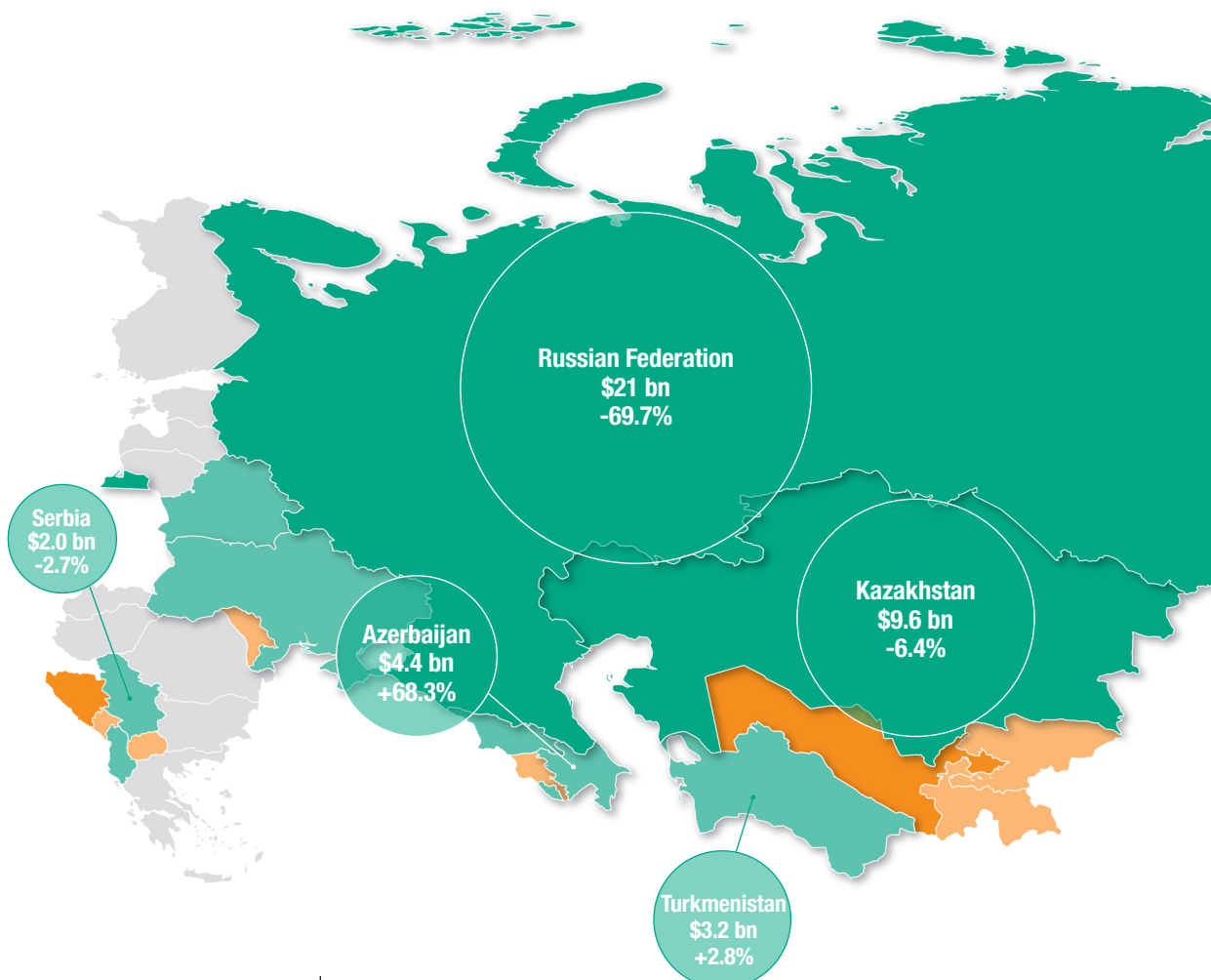
\$ 48.1 bn

2014 Decrease

-51.7%

Share in world

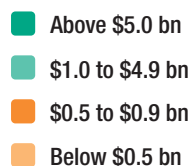
3.9%



Top 5 host economies

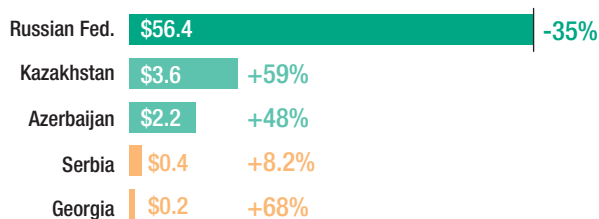


Flows, by range



Outflows: top 5 home economies

(Billions of dollars, and 2014 growth)



The five largest greenfield FDI projects announced in the transition economies, 2014 (Millions of dollars)

Name of investing company	Source country	Destination	Value
China Triumph International Engineering	China	Russian Federation	3 000
Hawtai Motor Group	China	Russian Federation	1 100
TERNA	Italy	Montenegro	1 000
Hareon Solar Technology	China	Bosnia and Herzegovina	636
Great Wall Motors (GWM)	China	Russian Federation	520

Source: UNCTAD.

Note: The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations.

HIGHLIGHTS

- Geopolitical risk, regional conflict weighed down flows to the CIS
- Developing-economy MNEs becoming large investors
- FDI to decline in 2015 with continued recession and low oil prices

Figure A.

FDI inflows, 2008–2014
(Billions of dollars)

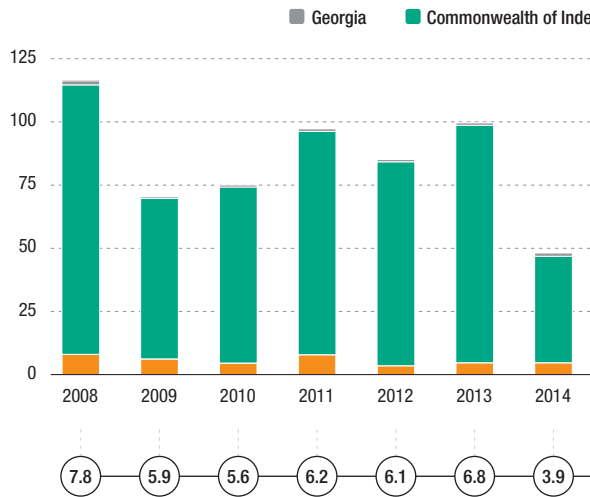


Figure B.

FDI outflows, 2008–2014
(Billions of dollars)

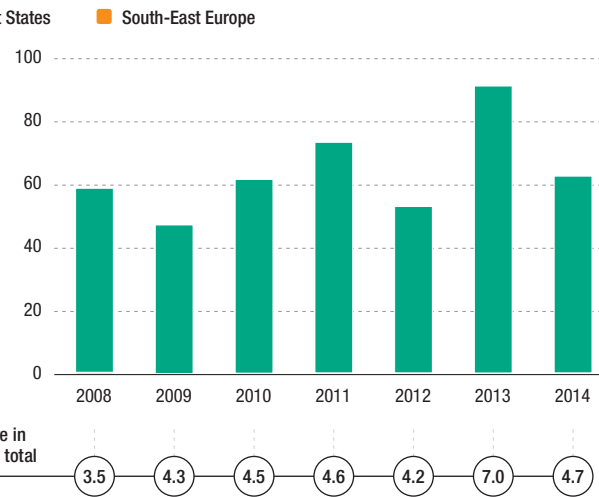


Table A.

Announced greenfield FDI projects by industry, 2013–2014 (Millions of dollars)

Sector/industry	Transition economies as destination		Transition economies as investors	
	2013	2014	2013	2014
Total	29 345	25 650	18 818	5 801
Primary	551	391	3 135	931
Mining, quarrying and petroleum	551	391	3 135	931
Manufacturing	10 920	15 682	2 559	1 701
Food, beverages and tobacco	890	1 938	248	376
Non-metallic mineral products	834	1 194	-	402
Machinery and equipment	655	3 373	174	87
Motor vehicles and other transport equipment	2 065	4 278	696	319
Services	17 874	9 578	13 123	3 169
Electricity, gas and water	5 468	3 172	10 335	355
Construction	3 045	1 458	-	97
Transport, storage and communications	2 727	1 335	734	989
Finance	2 490	1 798	1 434	1 042

Table B.

Announced greenfield FDI projects by region/country, 2013–2014 (Millions of dollars)

Partner region/economy	Transition economies as destination		Transition economies as investors	
	2013	2014	2013	2014
World	29 345	25 650	18 818	5 801
Developed economies	20 914	12 537	2 266	1 630
European Union	15 679	9 842	2 126	1 465
Germany	2 773	1 942	158	116
Italy	972	1 900	-	-
United States	2 775	1 747	40	34
Developing economies	6 385	11 116	14 506	2 173
Africa	74	-	101	90
East and South-East Asia	1 643	9 681	550	789
China	757	8 332	89	665
West Asia	3 703	872	12 816	1 081
Latin America and the Caribbean	96	278	965	109
Transition economies	2 046	1 998	2 046	1 998

Table C.

Cross-border M&As by industry, 2013–2014 (Millions of dollars)

Sector/industry	Sales		Purchases	
	2013	2014	2013	2014
Total	-3 820	4 220	3 054	1 831
Primary	-3 726	3 011	1 771	2 526
Mining, quarrying and petroleum	-3 726	3 011	1 771	2 526
Manufacturing	2 813	1 309	-24	-2 491
Chemicals and chemical products	2 000	-	30	-
Pharmaceuticals, medicinal chemicals and botanical products	-34	379	-	-
Basic metal and metal products	425	24	-59	-2 406
Motor vehicles and other transport equipment	60	750	-	-
Services	-2 907	-100	1 307	1 797
Electricity, gas, water and waste management	857	-1 267	597	-
Telecommunications	-2 326	5	-	-
Financial and insurance activities	-164	-305	-17	1 757
Business activities	-73	1 361	72	-

Table D.

Cross-border M&As by region/country, 2013–2014 (Millions of dollars)

Region/country	Sales		Purchases	
	2013	2014	2013	2014
World	-3 820	4 220	3 054	1 831
Developed economies	-7 191	1 536	1 682	-251
European Union	-3 987	200	243	2 184
Cyprus	-234	5 085	-	20
Italy	-1 905	-2 803	357	1 588
United Kingdom	-487	-1 013	5	-
United States	-3 580	487	30	-2 414
Developing economies	2 572	1 363	600	852
Asia	2 585	1 369	600	256
South, East and South-East Asia	2 160	1 223	597	447
China	2 000	1 642	-	-
Transition economies	771	1 231	771	1 231
Russian Federation	607	1 374	817	-173