



Division on Investment, Technology and Enterprise Development

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The Shift towards Services

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Country fact sheet:
Hungary

Foreign direct investment (FDI) overview, selected years
(Millions of dollars and percentages)

	1985-1995						as a percentage of gross fixed capital formation				
	(Annual average)	1999	2000	2001	2002	2003	(Annual average)	2000	2001	2002	2003
FDI flows											
Hungary											
Inward	1,096	3,312	2,764	3,936	2,845	2,470	15.2	24.5	32.1	19.1	13.5
Outward	13	250	620	368	275	1,581	0.4	5.5	3.0	1.8	8.7
<i>Memorandum</i>											
Czech Republic											
Inward	541	6,310	4,984	5,639	8,483	2,583	8.5	32.7	33.6	44.5	11.6
Outward	24	90	43	165	206	232	0.6	0.3	1.0	1.1	1.0
Romania											
Inward	88	1,041	1,037	1,157	1,144	1,566	2.7	14.8	13.9	11.7	12.2
Outward	3	16	-11	-17	16	56	0.1	- 0.2	- 0.2	0.2	0.4
Russian Federation											
Inward	424	3,309	2,714	2,469	3,461	1,144	1.6	6.2	4.3	5.6	1.5
Outward	94	2,208	3,177	2,533	3,533	4,133	0.5	7.3	4.4	5.7	5.2
Central and Eastern Europe											
Inward	3,392	26,518	27,508	26,371	31,232	20,970	2.8	18.3	15.4	16.8	9.5
Outward	159	2,460	4,024	3,546	4,876	7,034	0.2	2.7	2.1	2.6	3.2
World											
Inward	181,704	1,086,750	1,387,953	817,574	678,751	559,576	3.9	19.8	12.0	10.1	7.5
Outward	203,620	1,092,279	1,186,838	721,501	596,487	612,201	4.6	17.1	10.8	9.0	8.4
FDI stocks											
	1980	1990	1995	2000	2002	2003	as a percentage of gross domestic product				
	1980	1990	2000	2002	2003	1980	1990	2000	2002	2003	
Hungary											
Inward	..	569	11 304	22 870	35 890	42 915	..	1.7	49.3	55.3	51.8
Outward	..	197	278	1 280	2 162	3 921	..	0.6	2.8	3.3	4.7
<i>Memorandum</i>											
Czech Republic											
Inward	..	1 363	7 350	21 644	38 450	41 033	..	3.9	42.1	55.3	48.0
Outward	..	..	346	738	1 496	1 727	..	..	1.4	2.2	2.0
Romania											
Inward	..	-	821	6 480	8 873	12 693	..	-	17.5	19.4	23.4
Outward	..	66	121	142	155	211	..	0.2	0.4	0.3	0.4
Russian Federation											
Inward	..	..	5 465	25 226	51 374	52 518	..	..	9.7	14.9	12.1
Outward	..	..	3 015	20 141	47 676	51 809	..	..	7.8	13.8	11.9
Central and Eastern Europe											
Inward	..	2 828	39 573	138 271	228 199	263 270	..	1.3	19.2	24.8	23.7
Outward	..	616	6 161	26 230	57 949	65 863	..	0.4	3.7	6.4	6.0
World											
Inward	692 714	1 950 303	2 992 068	6 089 884	7 371 554	8 245 074	6.6	9.3	19.3	23.0	22.9
Outward	559 629	1 758 216	2 897 574	5 983 342	7 209 582	8 196 863	5.8	8.6	19.1	22.6	23.0

Source: UNCTAD, World Investment Report 2004; www.unctad.org/fdistatistics
For details, see "definitions and sources" in annex B and annex tables B. 1-6 in WIR04.

Cross-border merger and acquisition overview, 1995-2003

(Millions of dollars)

	1995	1996	1997	1998	1999	2000	2001	2002	2003
Hungary									
Sales	2 106	1 594	298	612	537	1 117	1 370	1 278	1 109
Purchases	2	-	6	64	118	379	1 331	242	949
<i>Memorandum</i>									
Czech Republic									
Sales	2 366	507	671	362	2 402	1 924	1 968	5 204	1 756
Purchases	48	176	60	142	13	775	-	30	141
Romania									
Sales	229	94	391	1 284	447	536	66	124	493
Purchases	-	-	0	-	-	-	10	19	1
Russian Federation									
Sales	100	95	2 681	147	180	758	2 039	1 252	7 880
Purchases	-	242	2	301	52	225	371	606	8 763
Central and Eastern Europe									
Sales	6 050	3 679	5 764	5 116	10 371	17 147	11 988	17 463	14 438
Purchases	59	504	275	1 008	1 549	1 694	2 225	1 087	10 467
World									
Sales	186 593	227 023	304 848	531 648	766 044	1 143 816	593 960	369 789	296 988
Purchases	186 593	227 023	304 848	531 648	766 044	1 143 816	593 960	369 789	296 988

Source: UNCTAD, *World Investment Report 2004*; www.unctad.org/fdistatistics

For details, see "definitions and sources" in annex B and annex tables B. 7-8 in *WIR04*.

Bilateral investment treaties (BITs) concluded during 1995-2003

Partner	Year
Albania	1996
Bosnia and Herzegovina	2002
Chile	1997
Croatia	1996
Cuba	1999
Egypt	1995
Estonia	2002
India	2003
Latvia	1999
Lebanon	2001
Lithuania	1999
Macedonia, the Former Yugoslav Republic of	2001
Moldova, Republic of	1995
Russian Federation	1995
Singapore	1997
Slovenia	1996
Uzbekistan	2002

Source: UNCTAD, BIT/DTT database; www.unctad.org/fdistatistics

Double taxation treaties (DTTs) concluded during 1995-2003

Partner	Year
Croatia	1996
Estonia	2002
Ireland	1995
Macedonia, the Former Yugoslav Republic of	2001
Moldova, Republic of	1995
Philippines	1997
Poland	2000
Portugal	1995
Singapore	1997
Ukraine	1995
Yugoslavia (former)	2001

Source: UNCTAD, BIT/DTT database; www.unctad.org/fdistatistics

Country rankings and values of the UNCTAD FDI Performance Index, 1988-1990, 1998-2000, 2001-2003

Inward FDI Performance Index					Outward FDI Performance Index				
Rank ^a	Economy	Value			Rank ^a	Economy	Value		
		1988-1990	1998-2000	2001-2003			1988-1990	1998-2000	2001-2003
30	Armenia	..	2.576	2.705	32	Malaysia	0.444	0.555	0.638
31	TFYR Macedonia	..	0.909	2.568	33	Norway	1.005	1.087	0.619
32	Morocco	0.605	0.417	2.413	34	Croatia	..	0.077	0.607
33	Hungary	0.580	2.053	2.296	35	Hungary	..	0.261	0.574
34	Chile	3.107	2.362	2.161	36	Israel	0.265	0.540	0.558
35	Uganda	-0.019	1.129	2.137	37	Jamaica	0.817	0.357	0.534
36	Spain	2.384	1.090	2.129	38	Russian Federation	..	0.285	0.484

Source: UNCTAD, World Investment Report 2004; www.unctad.org/fdistatistics

^a Ranked by the index for 2001-2003.

Note: The FDI Performance Index is the ratio of a country's share in global FDI flows to its share in global GDP.

.. Data not available.

Country rankings and values of the UNCTAD FDI Potential Index, 1988-1990, 1998-2000, 2000-2002

Inward FDI Potential Index				
Rank ^a	Economy	Value		
		1988-1990	1998-2000	2000-2002
38	Estonia	..	0.256	0.275
39	China	0.175	0.251	0.273
40	Bahamas	0.260	0.266	0.270
41	Hungary	0.166	0.246	0.269
42	Czech Republic	..	0.251	0.263
43	Cyprus	0.214	0.253	0.257
44	Poland	0.160	0.247	0.256

Source: UNCTAD, World Investment Report 2004; www.unctad.org/fdistatistics

^a Ranked by the index for 2000-2002.

Note: The inward FDI Potential Index is based on 12 economic and policy variables.

.. Data not available.

Presence in the top 25 non-financial TNCs from Central and Eastern Europe^a, ranked by foreign assets, 2002^a

(Millions of dollars, number of employees)

Ranking of top 25 by				Foreign			
Foreign assets	TNI ^b	Corporation	Industry ^c	Assets	Sales	Employment	TNI ^b (Per cent)
12	16	Richter Gedeon Ltd.	Pharmaceuticals	105.6	70.3	1 996	23.8
13	9	Malév Hungarian Airlines	Transportation	105.0	291.0	28	37.6
15	21	MOL Hungarian Oil and Gas Plc.	Petroleum and natural gas	95.9	819.2	776	9.8
17	2	Zalakerármia Rt.	Clay product and refractory	65.0	39.0	1 889	59.9

Source: UNCTAD, World Investment Report 2004; www.unctad.org/fdistatistics

^a Based on survey responses.

^b "TNI" is the abbreviation for "transnationality index". The transnationality index is calculated as the average of the following three ratios: foreign assets to total assets, foreign sales to total sales and foreign employment to total employment.

^c Industry classification for companies follows the United States Standard Industrial Classification as used by the United States Securities and Exchange Commission.

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This fact sheet and additional information on the World Investment Report 2004 and the Report itself can be found at the following URL:

<http://www.unctad.org/wir>

The sources for all this information are the World Investment Report 2004, *The Shift towards Services*, and UNCTAD databases on FDI/TNC, cross-border M&As and BITS and DTTs (www.unctad.org/fdistatistics).

The World Investment Report 2004 (WIR04) may be obtained from UN Sales Offices at the below mentioned addresses or from UN sales agents in many countries.

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