

FDI in Central, East and Southeast Europe

Data Availability and Preliminary Results for 2021

Strong Post-COVID FDI Rebound Likely to be Short Lived



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This issue of the wiiw Monthly Report replaces our earlier series of the wiiw FDI Report.

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Data availability and preliminary results for 2021

BY ALEXANDRA BYKOVA

The rebound seen in 2021 in FDI inflows into CESEE was in line with global trends; the figure was 14.1% up on the pre-crisis level of 2019. Latvia emerged in the leading position in per capita terms. Preliminary FDI data for 2021 are available from the most recent update of the wiiw FDI Database. This is the first of two FDI data releases planned for this year.

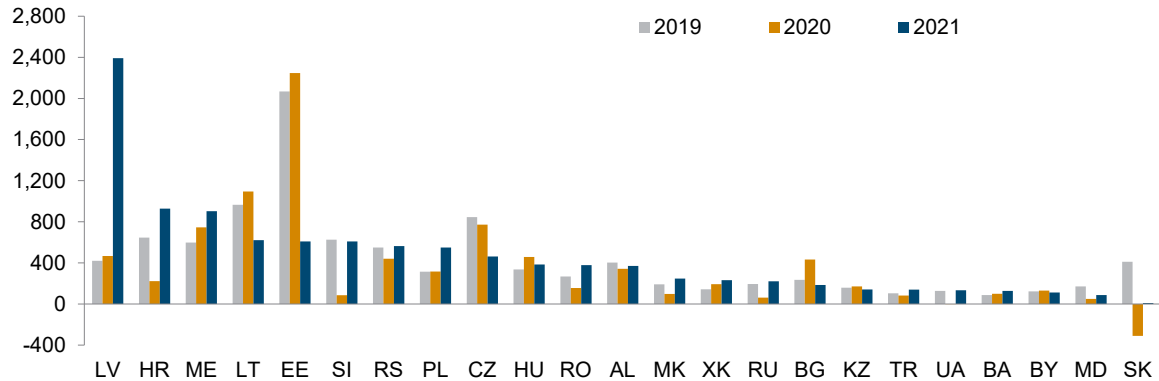
Central, East and Southeast Europe (CESEE) as a whole attracted EUR 100.7bn in foreign direct investment (FDI) in 2021; this represented a rebound of 75.6% from the previous year and was in line with global performance. FDI inflows into the region were also up 14.1% on the pre-crisis figure for 2019 in euro terms, according to the recent spring update of the wiiw FDI Database.¹

This is the first of two releases of FDI data this year. The updates will allow members and data subscribers to receive data and accompanying analyses shortly after the figures are released by the national statistical data providers. For most of the countries, FDI statistics are now available in the database up until 2021 as preliminary data for total inflows, outflows, inward stock and outward stock (Tables 1-4), and as a breakdown by instrument (Table 5). Only the data for Poland, Estonia (total) and Montenegro (stocks) have been estimated by wiiw. The spring update includes structural data for 2021 by partner and by activity for only a few countries; in our next release of FDI data (in November), we expect final FDI data for 2021 for all the countries (including backward revisions).

The FDI data in Tables 1-5 and the database follow the *OECD Benchmark Definition of Foreign Direct Investment* (4th edition) and the International Monetary Fund's (IMF) *Balance of Payments and International Investment Position Manual* (BPM6). The data are recorded in current euros and are presented in accordance with the international standard of the directional principle. Any deviation from this international standard is marked and explained in the notes to the tables. The sources of data are the respective countries' central banks. More information on the countries covered, the content, time series, methodology and sources can be found in the detailed description of the online wiiw FDI Database and earlier editions of the wiiw FDI Report.

FDI outflows from CESEE performed even better than the inflows. This is largely on account of the increases in Turkey and Russia: relative to 2019, FDI outflows there soared by around two and three times, respectively. Last year, the remaining 21 CESEE countries invested 69.3% more abroad than in 2020 and 38.6% more than in 2019; the largest investor was Czechia, with EUR 4.7bn (Table 2). Reinvestment of earnings and debt instruments were responsible for the largest part of FDI outflows in that country – EUR 2.4bn and EUR 1.7bn, respectively – whereas new equity amounted to only around 13% of FDI outflows.

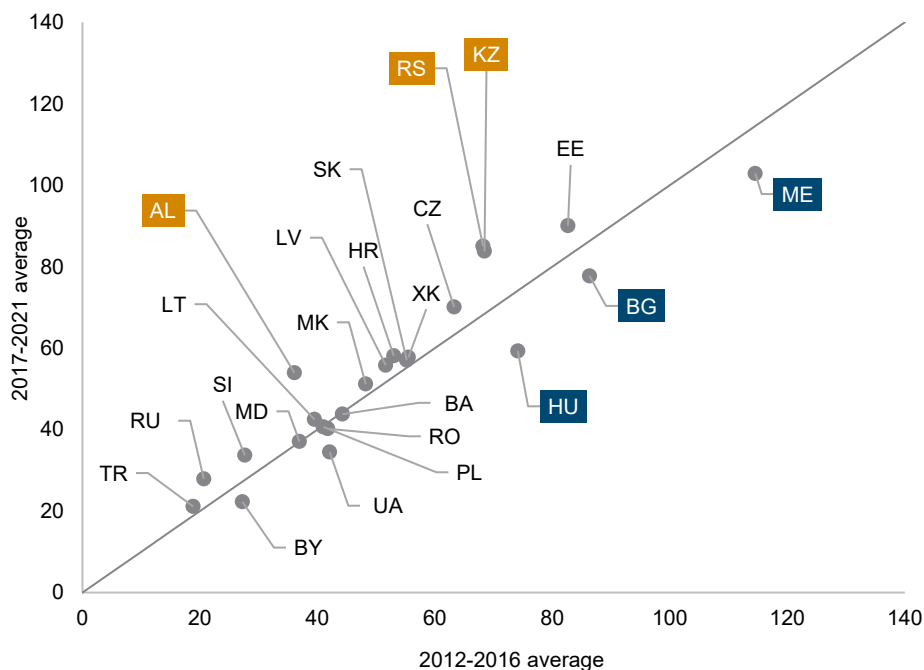
¹ <https://data.wiiw.ac.at/fdi-database.html>

Figure 1 / FDI inflow per capita, 2019-2021, EUR

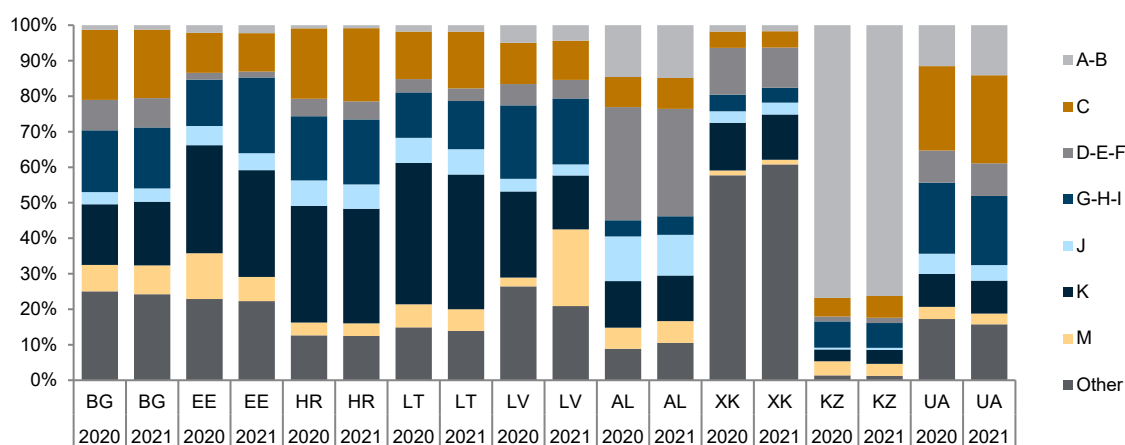
Note: Data are based on Direct Investment Statistics (directional principle), excluding Special Purpose Entities (SPEs). For Kosovo and Turkey, they are based on Balance of Payments (BOP) statistics (asset/liability principle).

Sources: wiiw FDI Database, incorporating central bank statistics; wiiw estimates for Estonia and Poland in 2021.

A comparison of the five-year averages for the two halves of the last decade reveals that for most CESEE countries, FDI inward stocks rose as a percentage of GDP, with Albania, Serbia and Kazakhstan recording the biggest increases. The largest falls were in Hungary, Montenegro and Bulgaria and came as a result of either a small inflow of new investment or else disinvestment and the purchase of foreign firms by national companies – also, to a lesser extent, the revaluation of assets (Adarov et al., 2019). In Ukraine, Belarus, Romania, Bosnia and Herzegovina and Poland, inflows also either diminished or stagnated (Figure 2).

Figure 2 / Comparison of five-year averages of inward FDI stocks, as a percentage of GDP

Note: Data are based on Direct Investment Statistics (directional principle), excluding Special Purpose Entities (SPEs). Source: wiiw FDI Database, incorporating central bank statistics.

Figure 3 / Inward FDI stock by economic activity in 2020 and 2021, as a percentage of total

Note: Data are based on Direct Investment Statistics (directional principle); for Kosovo, they are based on International Investment Position (IIP) statistics (asset/liability principle). NACE Rev. 2: A-B Agriculture + Mining, C Manufacturing, D-E-F Electricity + Water + Construction, G-H-I Trade + Transport + Accommodation, J Info-communication, K Finance, M Professional, scientific and technical activities.

Source: wiiw FDI Database, incorporating central bank statistics.

Data on the breakdown of inward FDI stocks by economic activity in 2021 are so far available for only nine CESEE countries. Although the structure of stocks tends to remain stable, some changes are visible in several countries. In Lithuania, Ukraine, Kazakhstan and Croatia, the share of manufacturing increased by 2.5, 1.1, 0.9 and 0.8 percentage points (pp), respectively. In Croatia and Ukraine, where the manufacturing sector traditionally plays an important role in FDI, the share of that sector exceeded 20% of total FDI stock at the end of 2021. Consequently, in all four countries, the share of services in FDI inward stocks dropped; in Ukraine, an additional factor was the increase in the share of FDI in agriculture – from 11.5% in 2020 to 14.1% in 2021.

Significant changes in the structure of FDI inward stock were also observed in Estonia and Latvia. In Estonia, the share of professional activities dropped by 6 pp, while the share of trade, transport and accommodation services rose by 8 pp. In Latvia, increased investment in professional activities led to a rise of 19.1% in the share of that sector; this came amid a relative decline in the importance of finance, trade, transport, accommodation and other services. In Albania and Kosovo, other services (mostly real estate activities) gained in relative importance, while the share of electricity, water and construction activities contracted by 1.6 pp in Albania and 1.8 pp in Kosovo (Figure 3).

REFERENCES

Adarov, Amat et al. (2019), Foreign investments mostly robust despite global downturn: Shift into services, *wiiw FDI Report 2019/06*, wiiw, Vienna.

Table 1 / FDI inflow

EUR million

	2014	2015	2016	2017	2018	2019	2020	2021
BG Bulgaria	347	1,998	940	1,606	968	1,639	2,997	1,265
CZ Czechia	4,141	419	8,873	8,454	9,330	9,030	8,261	4,908
EE Estonia ¹⁾	395	100	916	1,131	1,208	2,744	2,987	810
HR Croatia	2,182	75	246	477	1,019	2,626	903	3,618
HU Hungary ²⁾	5,150	2,298	3,880	5,136	5,566	3,287	4,465	3,726
LT Lithuania	-100	951	273	904	827	2,699	3,058	1,736
LV Latvia	676	666	230	628	815	805	888	4,503
PL Poland ¹⁾	10,755	13,758	14,181	8,142	13,555	12,069	12,135	21,100
RO Romania	2,421	3,461	4,517	4,797	5,266	5,173	3,005	7,280
SI Slovenia	791	1,510	1,126	795	1,172	1,307	180	1,283
SK Slovakia	-386	96	728	3,556	1,418	2,243	-1,690	50
EU-CEE11	26,371	25,333	35,911	35,624	41,144	43,621	37,188	50,279
AL Albania	837	852	994	1,017	1,092	1,151	970	1,043
BA Bosnia and Herzegovina	415	326	316	436	493	305	347	439
ME Montenegro	375	630	205	494	415	372	463	561
MK North Macedonia	205	217	338	182	614	399	201	512
RS Serbia	1,505	2,116	2,125	2,548	3,464	3,814	3,037	3,858
XK Kosovo	151	309	220	255	272	255	346	415
WB6	3,487	4,450	4,198	4,933	6,349	6,295	5,364	6,828
TR Turkey	10,039	17,362	12,499	9,905	10,588	8,551	6,856	11,837
BY Belarus	1,418	1,521	1,125	1,132	1,208	1,157	1,224	1,046
KZ Kazakhstan	6,389	3,659	7,694	4,172	3,304	2,933	3,219	2,682
MD Moldova	257	214	75	135	251	454	131	223
UA Ukraine ³⁾	310	-298	3,662	3,304	4,004	5,371	-32	5,531
CIS3+UA	8,375	5,095	12,556	8,743	8,767	9,916	4,544	9,481
RU Russia	22,037	10,664	33,568	22,990	11,222	28,638	9,110	32,299
CESEE23	70,309	62,904	98,732	82,195	78,071	97,021	63,062	110,724

Note: Data refer to BPM6 directional principle unless otherwise stated; data exclude Special Purpose Entities (SPEs).
 Grey background: data are based on asset/liability principle (balance of payments - BOP).

1) wiiw estimate in 2021. -2) Excluding capital in transit and restructuring of asset portfolios. - 3) Excluding the occupied territories of Crimea and Sevastopol.

Source: wiiw FDI Database based on Direct Investment statistics (BOP statistics for Kosovo and Turkey) of the respective central banks.

Table 2 / FDI outflow

EUR million

	2014	2015	2016	2017	2018	2019	2020	2021
BG Bulgaria	201	124	366	293	211	401	212	127
CZ Czechia	1,221	2,243	1,973	6,712	7,341	3,688	2,624	4,719
EE Estonia ¹⁾	-72	250	382	224	-39	1,664	186	1,000
HR Croatia	1,491	-126	-1,751	-642	170	-769	229	774
HU Hungary ²⁾	2,071	860	1,318	3,021	2,954	2,346	2,154	1,584
LT Lithuania	44	340	39	71	596	1,560	2,516	560
LV Latvia	408	63	145	126	175	-92	233	2,842
PL Poland ¹⁾	2,184	4,501	10,484	1,926	755	1,656	1,136	200
RO Romania	-282	507	4	-86	321	324	46	-26
SI Slovenia	207	241	262	300	238	545	446	779
SK Slovakia	32	5	86	1,173	272	39	206	329
EU-CEE11	7,508	9,008	13,307	13,119	12,994	11,362	9,989	12,889
AL Albania	25	34	58	23	70	114	77	53
BA Bosnia and Herzegovina	14	66	35	70	2	27	50	32
ME Montenegro	21	11	-167	10	92	67	-5	9
MK North Macedonia	8	14	22	2	10	35	47	77
RS Serbia	268	312	226	130	307	263	98	232
XK Kosovo	27	37	43	43	46	66	59	100
WB6	363	474	216	278	528	574	326	503
TR Turkey	5,307	4,593	2,835	2,393	3,040	2,631	2,836	5,453
BY Belarus	30	111	103	62	42	14	72	-72
KZ Kazakhstan	2,871	717	-4,731	808	-928	-2,340	-1,888	1,242
MD Moldova	28	17	8	11	32	36	-2	21
UA Ukraine ³⁾	84	-86	90	249	-107	752	19	-167
CIS3+UA	3,013	760	-4,529	1,131	-962	-1,538	-1,799	1,023
RU Russia	48,534	24,362	24,336	30,253	30,389	19,664	5,932	53,721
CESEE23	64,724	39,196	36,165	47,173	45,989	32,691	17,284	73,589

Note: Data refer to BPM6 directional principle unless otherwise stated; data exclude SPEs.

Grey background: data are based on asset/liability principle (BOP).

1) wiiw estimate in 2021. - 2) Excluding capital in transit and restructuring of asset portfolios. - 3) Excluding the occupied territories of Crimea and Sevastopol.

Source: wiiw FDI Database based on Direct Investment statistics (BOP for Kosovo and Turkey) of the respective central banks.

Table 3 / Inward FDI stock

EUR million

	2014	2015	2016	2017	2018	2019	2020	2021
BG Bulgaria	37,445	39,930	40,742	42,462	44,045	46,058	48,951	50,901
CZ Czechia	100,076	107,129	115,627	130,042	143,420	152,528	159,100	177,129
EE Estonia ¹⁾	16,841	16,944	18,114	19,447	21,268	24,435	27,507	29,900
HR Croatia	24,286	23,920	26,460	28,064	28,750	32,010	31,337	34,344
HU Hungary	82,630	78,957	78,093	77,240	80,450	83,908	83,584	89,767
LT Lithuania	13,911	14,739	15,342	16,361	16,959	20,691	23,938	25,955
LV Latvia	12,463	13,532	13,591	14,713	15,294	16,000	16,728	20,964
PL Poland ¹⁾	174,018	170,257	178,294	200,638	200,687	214,553	203,381	237,800
RO Romania	61,999	64,663	70,742	75,851	81,124	88,304	90,773	96,012
SI Slovenia	10,202	11,612	12,971	13,957	15,254	16,179	16,567	17,697
SK Slovakia	40,969	42,265	45,150	49,620	52,279	53,947	52,348	52,417
EU-CEE11	574,839	583,950	615,125	668,395	699,531	748,614	754,214	832,886
AL Albania	3,538	3,983	4,729	5,622	6,693	7,289	7,829	8,895
BA Bosnia and Herzegovina	6,183	6,577	6,773	7,132	7,539	7,690	7,711	8,359
ME Montenegro ¹⁾	4,034	4,483	4,337	4,493	4,676	4,817	4,643	5,000
MK North Macedonia	4,024	4,400	4,657	4,698	5,307	5,704	5,852	6,399
RS Serbia	24,355	26,704	28,811	31,509	35,192	39,012	42,556	46,596
XK Kosovo	2,961	3,254	3,405	3,519	3,692	3,969	4,229	4,656
WB6	45,095	49,402	52,713	56,972	63,099	68,480	72,819	79,904
TR Turkey	151,607	146,206	142,528	165,149	128,015	144,557	187,567	107,617
BY Belarus	14,617	16,440	17,835	10,747	11,378	12,892	11,466	13,405
KZ Kazakhstan	108,544	121,901	136,644	123,002	131,723	136,234	123,974	134,471
MD Moldova	2,654	2,626	2,790	3,009	3,558	4,205	3,837	4,221
UA Ukraine ²⁾	40,859	42,110	45,639	40,024	37,754	48,597	42,397	54,809
CIS3+UA	166,673	183,076	202,908	176,783	184,413	201,928	181,674	206,906
RU Russia	238,770	240,264	374,465	368,937	356,790	440,278	365,825	461,184
CESEE23	1,176,985	1,202,898	1,387,739	1,436,236	1,431,847	1,603,857	1,562,100	1,688,498

Note: Data refer to BPM6 directional principle unless otherwise stated; data exclude SPEs.

Grey background: data are based on asset/liability principle (international investment position - IIP).

1) wiiw estimate in 2021. - 2) Excluding the occupied territories of Crimea and Sevastopol.

Source: wiiw FDI Database based on Direct Investment statistics (IIP for Kosovo and Turkey) of the respective central banks.

Table 4 / Outward FDI stock

EUR million

	2014	2015	2016	2017	2018	2019	2020	2021
BG Bulgaria	1,531	1,648	2,057	2,217	2,309	2,534	2,911	2,893
CZ Czechia	15,019	17,077	18,433	26,980	30,356	40,181	41,790	47,338
EE Estonia ¹⁾	4,785	5,150	5,480	6,030	6,416	8,427	8,368	10,500
HR Croatia	5,082	4,524	4,418	4,540	4,855	4,427	4,410	5,344
HU Hungary	33,356	32,530	23,625	24,445	25,257	28,776	29,925	34,164
LT Lithuania	3,014	3,371	3,523	3,610	4,223	6,301	8,628	9,560
LV Latvia	1,486	1,688	1,836	1,874	2,046	1,929	2,095	5,234
PL Poland ¹⁾	22,839	25,167	26,332	24,364	21,525	24,024	22,915	24,400
RO Romania	264	745	727	632	1,190	2,157	2,402	2,354
SI Slovenia	5,335	5,508	5,741	5,969	6,108	6,840	6,954	7,408
SK Slovakia	2,323	2,262	2,496	3,827	4,008	4,213	4,269	4,784
EU-CEE11	95,034	99,671	94,669	104,488	108,294	129,808	134,668	153,980
AL Albania	204	336	386	393	492	607	665	733
BA Bosnia and Herzegovina	281	348	408	481	540	513	563	600
ME Montenegro ¹⁾	.	.	60	63	75	100	77	87
MK North Macedonia	121	104	77	67	62	61	99	178
RS Serbia	2,329	2,643	2,869	2,999	3,323	3,624	3,706	4,006
XK Kosovo	175	212	261	305	348	415	477	579
WB6	.	.	4,061	4,308	4,840	5,320	5,588	6,182
TR Turkey	32,891	33,295	37,437	39,189	40,339	45,010	42,454	51,689
BY Belarus	522	643	739	1,328	1,234	1,288	1,215	1,200
KZ Kazakhstan	20,990	24,458	22,382	17,145	14,821	13,983	11,307	13,864
MD Moldova	153	183	200	186	227	267	243	284
UA Ukraine ²⁾	6,218	531	518	623	474	1,563	738	-260
CIS3+UA	27,882	25,814	23,838	19,282	16,756	17,100	13,503	15,088
RU Russia	274,105	265,269	325,924	325,087	303,018	363,644	310,504	352,875
CESEE23	.	.	485,929	492,353	473,247	560,882	506,717	579,814

Note: Data refer to BPM6 directional principle unless otherwise stated; data exclude SPEs.

Grey background: data are based on asset/liability principle (IIP).

1) wiiw estimate in 2021. - 2) Excluding occupied territories of Crimea and Sevastopol.

Source: wiiw FDI Database based on Direct Investment statistics (IIP for Kosovo and Turkey) of the respective central banks.

Table 5 / FDI inflow by components

EUR million

	2014	2015	2016	2017	2018	2019	2020	2021
Bulgaria								
FDI inflow, total	347	1,998	940	1,606	968	1,639	2,997	1,265
Equity other than reinvestment of earnings	1,035	1,586	255	-25	390	-157	674	-36
Reinvestment of earnings	-1,036	939	1,091	861	1,214	1,159	1,053	1,775
Debt instruments	349	-526	-407	769	-637	637	1,270	-474
Czechia								
FDI inflow, total	4,141	419	8,873	8,454	9,330	9,030	8,261	4,908
Equity other than reinvestment of earnings	-198	484	3,219	1,840	159	3,241	2,023	-1,059
Reinvestment of earnings	2,748	2,783	3,159	6,708	4,316	4,601	3,902	6,164
Debt instruments	1,591	-2,848	2,495	-94	4,854	1,188	2,335	-197
Estonia ¹⁾								
FDI inflow, total	515	32	957	1,727	1,285	2,844	2,973	836
Equity other than reinvestment of earnings	105	-1,068	26	412	-171	1,608	2,182	5,768
Reinvestment of earnings	893	547	800	909	717	841	427	738
Debt instruments	-482	553	131	406	739	395	364	-5,669
Croatia								
FDI inflow, total	2,182	75	246	477	1,019	2,626	903	3,618
Equity other than reinvestment of earnings	2,233	1,962	691	600	755	904	656	1,461
Reinvestment of earnings	-188	-982	-290	-633	942	739	349	1,718
Debt instruments	137	-905	-154	510	-678	983	-103	439
Hungary ²⁾								
FDI inflow, total	5,150	2,298	3,880	5,136	5,566	3,287	4,465	3,726
Equity other than reinvestment of earnings	473	-272	363	46	86	-474	-1,336	-5,857
Reinvestment of earnings	3,816	4,002	4,073	6,088	5,621	4,452	3,555	4,393
Debt instruments	860	-1,431	-556	-998	-142	-690	2,246	5,190
Lithuania								
FDI inflow, total	-100	951	273	904	827	2,699	3,058	1,736
Equity other than reinvestment of earnings	879	262	452	113	177	308	2,296	-41
Reinvestment of earnings	-138	647	460	823	971	1,246	1,218	1,636
Debt instruments	-841	42	-639	-33	-321	1,145	-457	141
Latvia								
FDI inflow, total	676	666	230	628	815	805	888	4,503
Equity other than reinvestment of earnings	515	303	-589	1,034	-284	351	480	3,131
Reinvestment of earnings	231	432	482	186	343	418	389	995
Debt instruments	-70	-69	337	-592	756	36	19	377
Poland ³⁾								
FDI inflow, total	10,755	13,758	14,181	8,142	13,555	12,069	12,135	21,100
Equity other than reinvestment of earnings	3,177	5,229	1,776	-938	4,197	2,575	3,784	3,400
Reinvestment of earnings	6,198	6,966	8,549	9,172	8,250	10,188	9,932	14,200
Debt instruments	1,380	1,563	3,855	-92	1,108	-695	-1,582	3,500
Romania								
FDI inflow, total	2,421	3,461	4,517	4,797	5,266	5,173	3,005	7,280
Equity other than reinvestment of earnings	4,222	3,085	3,203	2,235	2,973	2,238	983	1,801
Reinvestment of earnings	-1,376	510	1,138	1,733	2,573	2,783	3,016	4,027
Debt instruments	-425	-133	176	829	-280	152	-994	1,452
Slovenia								
FDI inflow, total	791	1,510	1,126	795	1,172	1,307	180	1,283
Equity other than reinvestment of earnings	1,436	1,344	956	581	555	1,196	280	202
Reinvestment of earnings	-646	441	547	351	533	500	305	349
Debt instruments	1	-275	-377	-138	84	-390	-405	732
Slovakia								
FDI inflow, total	-386	96	728	3,556	1,418	2,243	-1,690	50
Equity other than reinvestment of earnings	139	-404	840	567	504	626	45	73
Reinvestment of earnings	-297	709	843	660	-238	1,969	1,240	1,062
Debt instruments	-228	-210	-955	2,328	1,153	-352	-2,974	-1,085

(Table 5 contd.)

Table 5 / contd.

	2014	2015	2016	2017	2018	2019	2020	2021
Albania								
FDI inflow, total	837	852	994	1,017	1,092	1,151	970	1,043
Equity other than reinvestment of earnings	669	730	904	808	852	721	595	580
Reinvestment of earnings	37	59	42	137	224	397	384	477
Debt instruments	131	63	49	72	16	33	-9	-14
Bosnia and Herzegovina								
FDI inflow, total	415	326	316	436	493	305	347	439
Equity other than reinvestment of earnings	134	159	151	170	276	96	78	809
Reinvestment of earnings	53	79	105	241	249	223	300	205
Debt instruments	227	87	61	25	-32	-14	-31	-575
Montenegro								
FDI inflow, total	375	630	205	494	415	372	463	561
Equity other than reinvestment of earnings	208	419	82	340	291	206	192	406
Reinvestment of earnings
Debt instruments	167	212	122	154	124	166	271	156
North Macedonia								
FDI inflow, total	205	217	338	182	614	399	201	512
Equity other than reinvestment of earnings	62	-82	118	75	183	221	99	173
Reinvestment of earnings	-169	160	175	143	218	176	-1	138
Debt instruments	313	139	45	-36	212	2	104	201
Serbia								
FDI inflow, total	1,505	2,116	2,125	2,548	3,464	3,814	3,037	3,858
Equity other than reinvestment of earnings	986	1,064	457	275	1,840	1,906	1,247	1,482
Reinvestment of earnings	453	835	913	1,194	1,148	1,177	380	692
Debt instruments	66	216	755	1,079	476	731	1,410	1,684
Kosovo								
FDI inflow, total	151	309	220	255	272	255	346	415
Equity other than reinvestment of earnings	47	139	88	174	169	277	256	424
Reinvestment of earnings	70	89	95	59	95	-39	66	-39
Debt instruments	35	81	37	23	9	16	24	30
Turkey								
FDI inflow, total	10,039	17,362	12,499	9,905	10,588	8,551	6,856	11,837
Equity other than reinvestment of earnings	9,373	14,072	9,377	8,752	9,988	8,846	6,811	10,501
Reinvestment of earnings	181	324	423	255	295	525	504	492
Debt instruments	486	2,965	2,699	898	306	-820	-459	845

(Table 5 contd.)

Table 5 / contd.

	2014	2015	2016	2017	2018	2019	2020	2021
Belarus								
FDI inflow, total	1,418	1,521	1,125	1,132	1,208	1,157	1,224	1,046
Equity other than reinvestment of earnings	504	263	345	353	497	393	255	301
Reinvestment of earnings	696	1,044	642	593	685	585	891	587
Debt instruments	219	214	138	186	26	179	79	158
Kazakhstan								
FDI inflow, total	6,389	3,659	7,694	4,172	3,304	2,933	3,219	2,682
Equity other than reinvestment of earnings	-226	1,854	3,311	1,763	-3,424	-2,243	248	536
Reinvestment of earnings	3,820	-69	4,860	3,325	5,669	8,045	4,392	8,220
Debt instruments	2,795	1,874	-477	-915	1,059	-2,869	-1,421	-6,074
Moldova								
FDI inflow, total	257	214	75	135	251	454	131	223
Equity other than reinvestment of earnings	96	40	40	30	86	346	58	85
Reinvestment of earnings	33	111	82	29	58	46	94	104
Debt instruments	128	63	-47	76	107	63	-21	34
Ukraine ⁴⁾								
FDI inflow, total	310	-298	3,662	3,304	4,004	5,371	-32	5,531
Equity other than reinvestment of earnings	539	3,609	3,206	1,361	1,246	1,481	665	1,002
Reinvestment of earnings	.	-3,083	475	1,321	2,198	2,901	-427	3,528
Debt instruments	-228	-825	-19	622	561	989	-270	1,001
Russia								
FDI inflow, total	22,037	10,664	33,568	22,990	11,222	28,638	9,110	32,299
Equity other than reinvestment of earnings	822	-389	16,990	7,998	-5,494	9,746	8,004	1,049
Reinvestment of earnings	16,387	10,061	15,565	14,802	14,056	17,429	4,730	31,908
Debt instruments	4,828	992	1,012	191	2,661	1,463	-3,624	-658

Note: Data refer to BPM6 directional principle unless otherwise stated; data exclude SPEs.

Grey background: data are based on asset/liability principle (BOP).

1) Including SPEs. - 2) Excluding capital in transit and restructuring of asset portfolios. - 3) wiiw estimate in 2021. -

4) Excluding occupied territories of Crimea and Sevastopol.

Source: wiiw FDI Database based on Direct Investment statistics (BOP for Kosovo and Turkey) of the respective central banks.

Strong post-COVID FDI rebound likely to be short lived

BY OLGA PINDYUK

After a sharp decline in 2020, global FDI inflows picked up markedly in 2021; however, the recovery was very uneven. The FDI inflow dynamics in CESEE show considerable variation between the countries. The number of greenfield projects announced increased in over half of the CESEE countries, but the recovery is likely to be short lived.

GLOBAL FDI REBOUND DRIVEN BY MERGERS AND ACQUISITIONS

Compared to 2020, global FDI inflows in 2021 increased by 77% – much more than global GDP or trade; however, the recovery was very uneven. According to UNCTAD, the developed countries saw the biggest bounce-back, with FDI inflows there almost tripling, compared to 2020; meanwhile, FDI inflows into the developing economies increased by only about 30%. World GDP, by comparison, rose by only 6% year on year, while global trade in goods and services was slightly higher, at about 10% (Figure 1).

The driving force behind the surge in FDI was primarily cross-border mergers and acquisitions (M&As). Publicly disclosed deal values reached an all-time high of USD 5.1 trillion – 57% up on 2020. The boom in M&As was most pronounced in services, and especially the information and communication technologies sector (Pwc, 2022). The number of M&A deals announced topped 62,000 – up 24% on 2020. In Europe, more than 80% of the increase in flows was due to large swings in conduit economies (UNCTAD, 2022). Inflows into the US more than doubled, with the increase entirely accounted for by the surge in cross-border M&As.

According to UNCTAD, international project finance deals were up 53% in number and 91% in value in 2021, compared to 2020, with the biggest increases recorded in the renewable energy and industrial real estate sectors. Project finance in infrastructure now exceeds pre-pandemic levels across most sectors. This trend was supported by favourable long-term financing conditions and recovery stimulus packages.

At the same time, greenfield investment project announcements were pretty flat (-1% year on year in number; +7% in value). With investor confidence in industry and global value chains (GVCs) both remaining weak, there was a further fall in the number of new projects in GVC-intensive industries, such as electronics.

BOX 1 / IMPROVING RESILIENCE OF SUPPLY CHAINS: LITTLE EVIDENCE OF RE-SHORING OR NEAR-SHORING

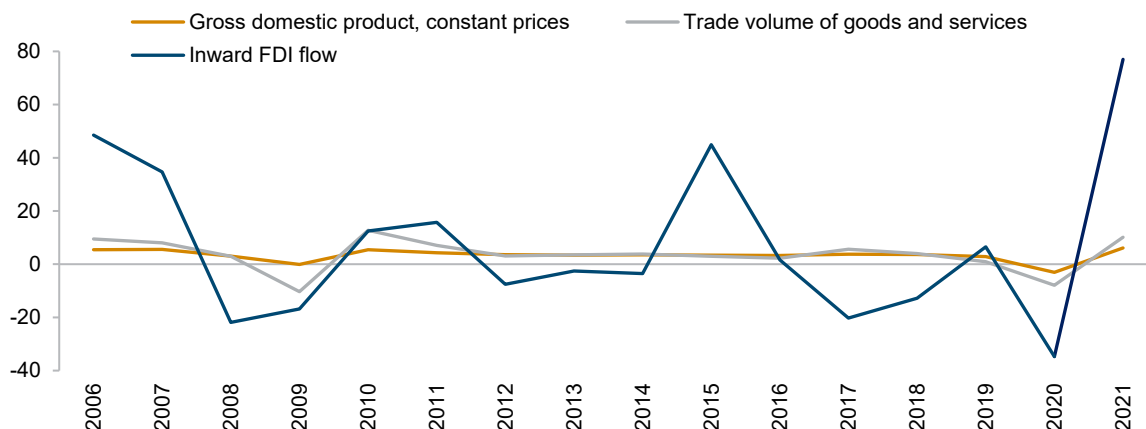
The COVID-19 pandemic forced companies to focus more on improving the resilience of their supply chains. In a 2020 survey by McKinsey, most companies said that they had plans to improve supply-chain resilience by combining an increase in their inventories with efforts to diversify their supply bases and develop their local or regional supply and production networks (Alicke et al., 2020). However, a survey conducted by McKinsey the following year revealed that in actual fact companies were much more likely to increase inventories, and much less likely either to diversify their supply bases or to implement near-shoring (Alicke et al., 2021).

The second major trend to emerge from the pandemic has to do with accelerated digitalisation. This is something that has been taking place globally. A 2021 survey by ToolsGroup and the Council of Supply Chain Management Professionals (CSCMP) questioned more than 200 supply-chain professionals around the world: 42% of organisations reported that the pandemic had led to an acceleration in their digitalisation plans (ToolsGroup, 2021). The overwhelming majority of respondents in the 2021 McKinsey survey said they had invested in digital supply-chain technologies over the previous year, with most investing more than they had originally planned.

These developments are in line with the views of industry and experts (Raza, 2021; Szczepański, 2021), who believe that global supply chains are hard to reconfigure and who contend that their resilience can be strengthened through increased diversification and accelerated application of digital technologies, rather than by engaging in re-shoring or on-shoring. Digital technologies – such as artificial intelligence (AI), robotics, blockchain, the Internet of Things and 3D printing – are likely both to reduce the need for labour and to facilitate trade. The high cost of reconfiguring supply chains means that in most cases a complete decoupling from China is unfeasible; a more likely scenario may involve diversification through, for example, a ‘China Plus One’ strategy, in which a company supplements a Chinese supplier with another supplier from Southeast Asia (Szczepański, 2021).

In addition, the resilience of global supply chains can be boosted through enhanced international cooperation: this could strengthen the capacity of supply chains to operate during a crisis and also prevent damaging practices, such as panic buying or hoarding. Lowering barriers to trade and investment for essential products and their main inputs could maximise sourcing opportunities and access for all countries (OECD, 2021). Another emerging field of international cooperation is the cybersecurity of supply chains: here, the role of the public sector in setting industry standards and interoperability requirements, and in encouraging regulatory cooperation, is increasingly important.

Figure 1 / Global trade, FDI inflows and economic growth, annual change in %, 2006-2021



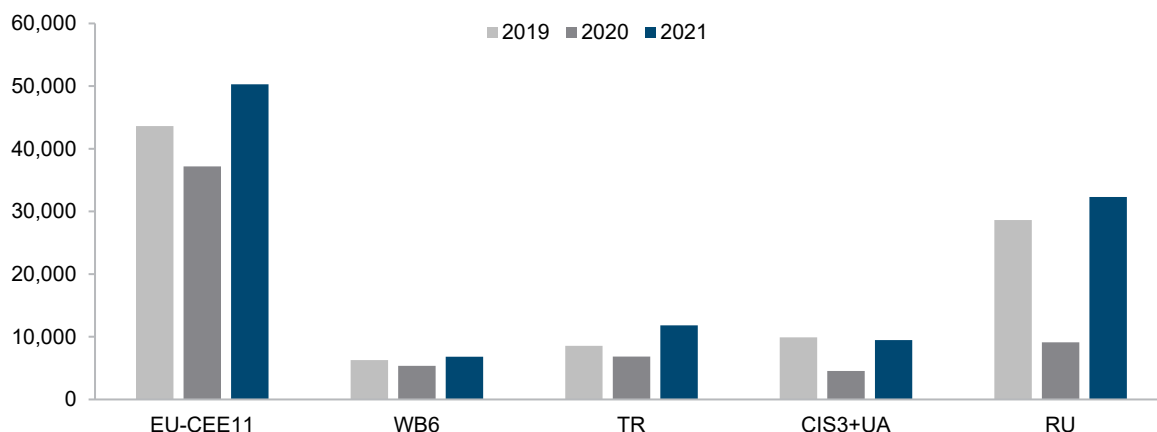
Note: 2021 – estimate by UNCTAD as of January 2022.

Sources: IMF World Economic Outlook, UNCTAD.

CESEE IN LINE WITH GLOBAL TRENDS, BUT SEVEN COUNTRIES REGISTER A DECLINE

FDI inflows into the Central, East and Southeast Europe (CESEE) region in 2021 increased on average by 76% year on year (in euro terms). However, individual performance varied enormously: in the Western Balkans, FDI inflows increased by a modest 27% and in EU-CEE by 35%, while **Turkey** recorded a growth of 73% year on year. This was primarily financed by M&A activity, with a leading role played by venture capital and start-up deals (Deloitte, 2022). Thanks to a massive reinvestment of earnings, **Russia** witnessed a striking year-on-year increase in FDI inflows of 255% (albeit starting from a very low base) (Figure 2). However, FDI inflows and outflows there are often shaped by the capital restructuring of Russian-owned companies registered elsewhere, mainly in Cyprus.

Figure 2 / FDI inflows in CESEE by subregion, EUR million

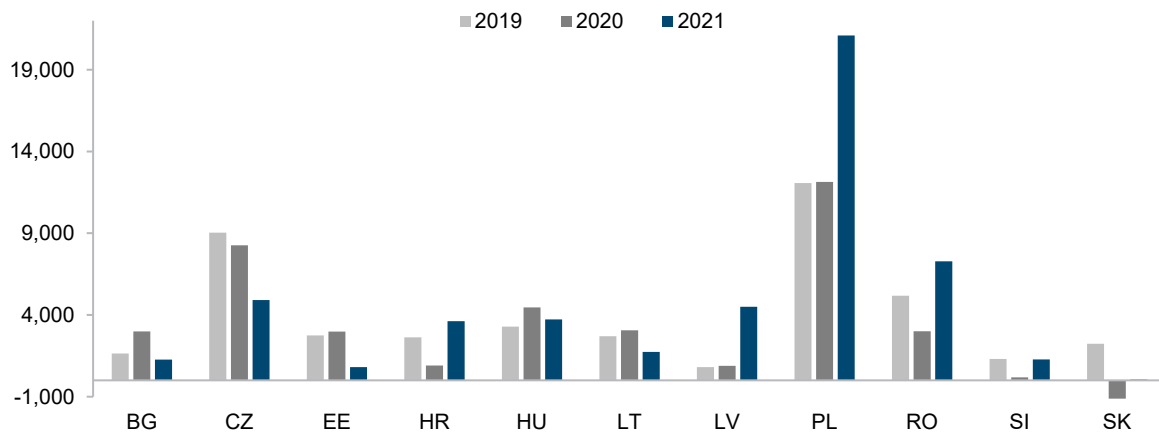


Note: CIS3 includes Belarus, Kazakhstan and Moldova.

Source: wiiw FDI Database, based on direct investment statistics of the respective central banks, wiiw calculations and, in part, wiiw estimates for 2021.

The **EU-CEE** countries saw great volatility in FDI inflows in 2021, with 5 of the 11 countries – Bulgaria, Czechia, Estonia, Hungary and Lithuania – posting a decline (Figure 3). In all the EU-CEE countries (apart from Slovakia) there was a common feature of an increase in reinvested earnings. Increased equity inflows involving M&A transactions were recorded only in Estonia, Croatia, Latvia and Romania. Within EU-CEE, Slovenia recorded the highest annual growth of FDI inflows – over 600%, financed almost exclusively through increased use of debt instruments. Latvia had the second-highest growth of about 400%: all three components of FDI saw an increase there, with equity other than reinvested earnings contributing most to the dynamics. The steepest year-on-year fall in FDI inflows (73%) occurred in Estonia, driven primarily by a decline in debt liabilities.

Figure 3 / FDI inflows into EU-CEE countries, EUR million

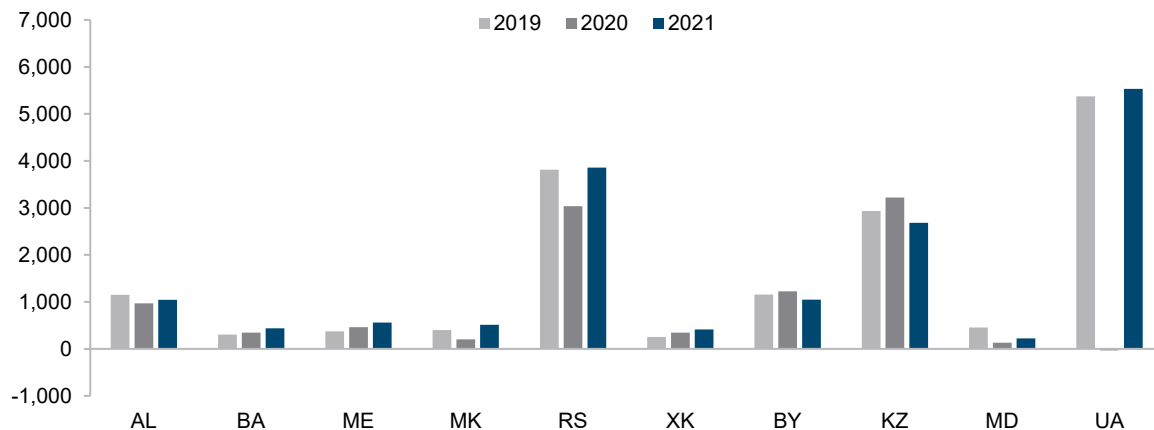


Source: wiiw FDI Database, based on direct investment statistics of the respective central banks, wiiw calculations and, in part, wiiw estimates for 2021.

The pattern of FDI inflows was more uniform in the **Western Balkans** than in EU-CEE: all Western Balkan countries experiencing an increase in 2021 (Figure 4). Equity capital investment rose in all countries, bar Albania. However, in contrast to EU-CEE, reinvested earnings increased in only three countries: Albania, North Macedonia and Serbia. Within Western Balkans, the fastest growth in FDI inflows was posted by North Macedonia – 154% year on year, with all three components of FDI showing positive dynamics. That country was a clear outlier: the other countries of the region recorded growth in FDI inflows of below 30%; Albania was the only country with a single-digit growth rate.

In the **CIS and Ukraine**, there was a clear divergence in FDI trends in 2021. Moldova and Ukraine saw a robust increase in FDI inflows (Figure 4), with growth across all three components. In Ukraine, reinvestment of earnings contributed most to the general development. In Belarus and Kazakhstan, the trend was in the opposite direction: in Kazakhstan, the fall in FDI inflows occurred even though the reinvested earnings component almost doubled, since there was a substantial decline in the debt liabilities of foreign investors.

Figure 4 / FDI inflows to the non-EU CESEE countries, EUR million



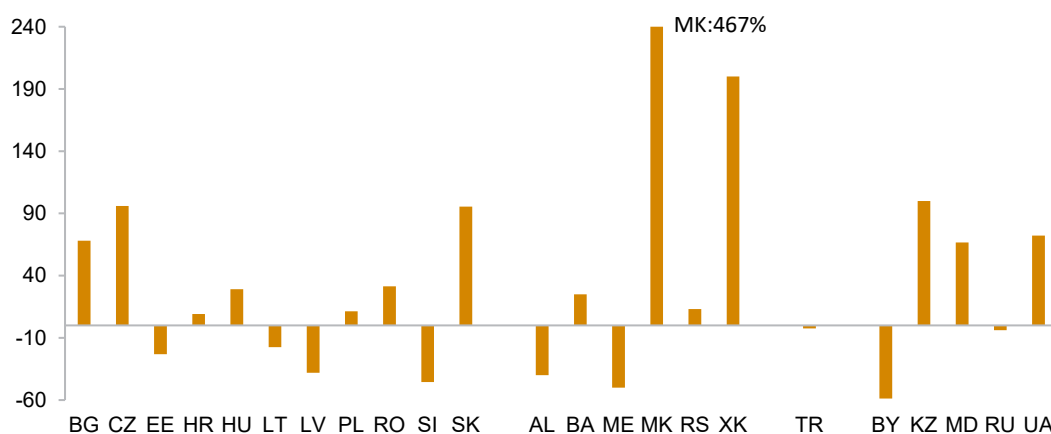
Note: excluding Turkey and Russia (see Figure 2).

Source: wiiw FDI Database, based on direct investment statistics (balance of payments (BOP) for Kosovo) of the respective central banks, wiiw calculations and, in part, wiiw estimates for 2021.

GREENFIELD INVESTMENTS ON THE RISE – UNTIL RECENTLY

The number of greenfield projects announced increased last year in more than half of the CESEE countries, with the steepest growth in North Macedonia, Kosovo, Kazakhstan, Czechia and Slovakia (Figure 5). Of the EU-CEE countries, the Baltic states and Slovenia saw a decline in the number of projects. Strong growth of 72% was seen in Ukraine, but many of the projects announced will probably not be pursued on account of the war with Russia that began there in February 2022.

Figure 5 / Number of greenfield projects announced in 2021, percentage change year on year



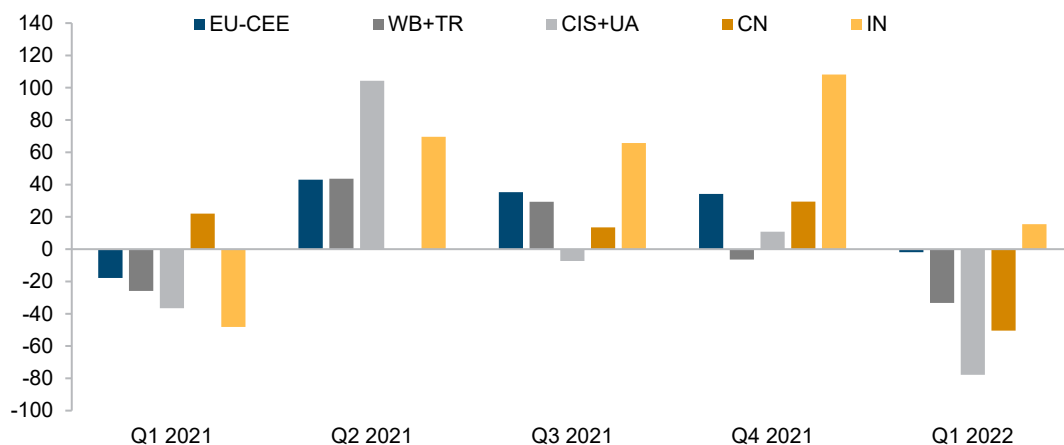
Note: excluding retail activity.

Source: fDi Markets.

However, the recovery in the number of greenfield FDI projects announced appears likely to prove short lived (Figure 6). Following a rapid increase in the second quarter of 2021 in all subregions of CESEE, the recovery started to slow; it then went into reverse in the first quarter of 2022 (or as early as the fourth

quarter of 2021, in the case of the Western Balkans and Turkey). These trends can probably be explained by a further rise in the level of uncertainty faced by investors, due to the prospect of stagflation and, more recently, Russia's invasion of Ukraine: these developments have forced them to postpone their investment decisions. A similar trend has been observed in China, where the economy is still struggling with the side effects of the country's 'Zero-COVID' policy. However, India witnessed an increase in the number of greenfield FDI projects announced in the first quarter of 2022; however, the fact that the increase was relatively small suggests that that country will probably soon experience a reversal in the trend.

Figure 6 / Quarterly number of greenfield FDI projects announced, percentage change year on year



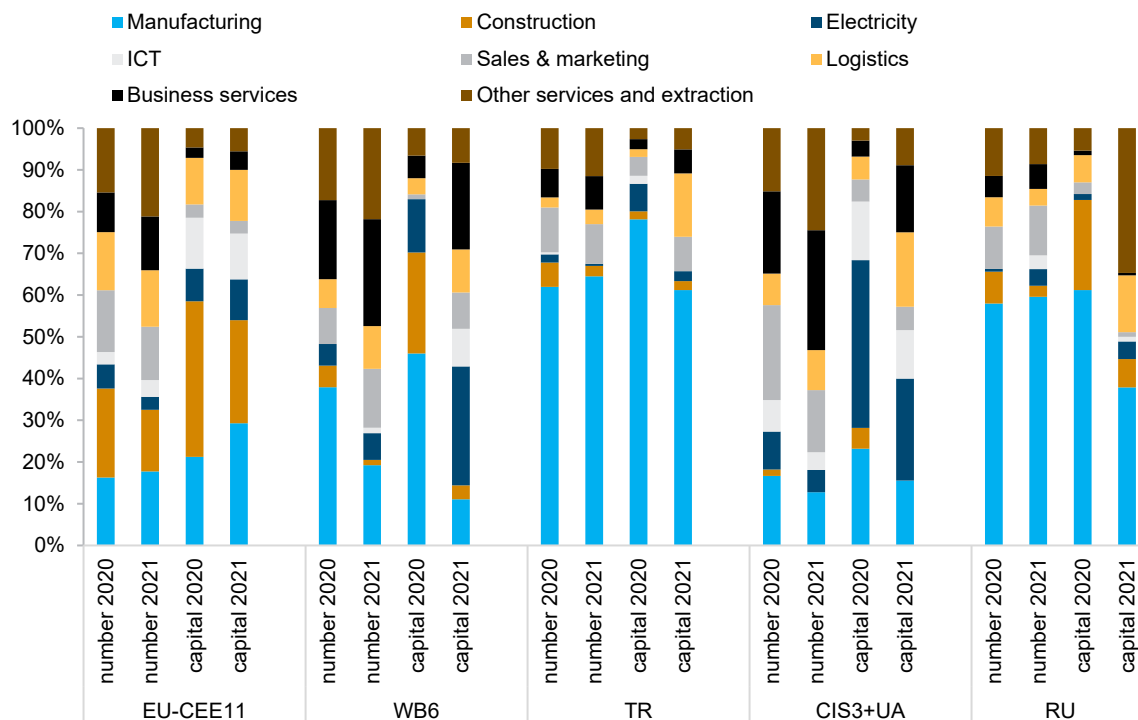
Note: excluding retail activity.

Source: fDi Markets.

ONGOING SHIFT TOWARDS BUSINESS SERVICES

Greenfield investment in manufacturing has recovered only in EU-CEE; but in other CESEE subregions, certain service sectors have recorded an increase in activity (Figure 7). At the same time, EU-CEE is the only subregion where there was an increase in both the number of ICT projects announced and the amount of capital pledged (the Western Balkans attracted one solitary project in the ICT sector in 2021, compared to none at all in 2020). In other subregions, ICT lost its importance as a sector for greenfield investment. In the Western Balkans, the biggest increases in both the number of greenfield investment projects announced and the capital pledged occurred in electricity, business services, and sales and marketing. In the CIS and Ukraine, logistics and business services saw the biggest increase in the sector share of greenfield projects announced; manufacturing and electricity lost their importance for greenfield investors in 2021. In Turkey, greenfield investment is still channelled predominantly into manufacturing, but the share of that sector fell in 2021, while the logistics sector gained in both the number of projects and the capital pledged.

Figure 7 / Share of main activities in the number of greenfield projects and in the investment capital pledged in 2020 and 2021, %



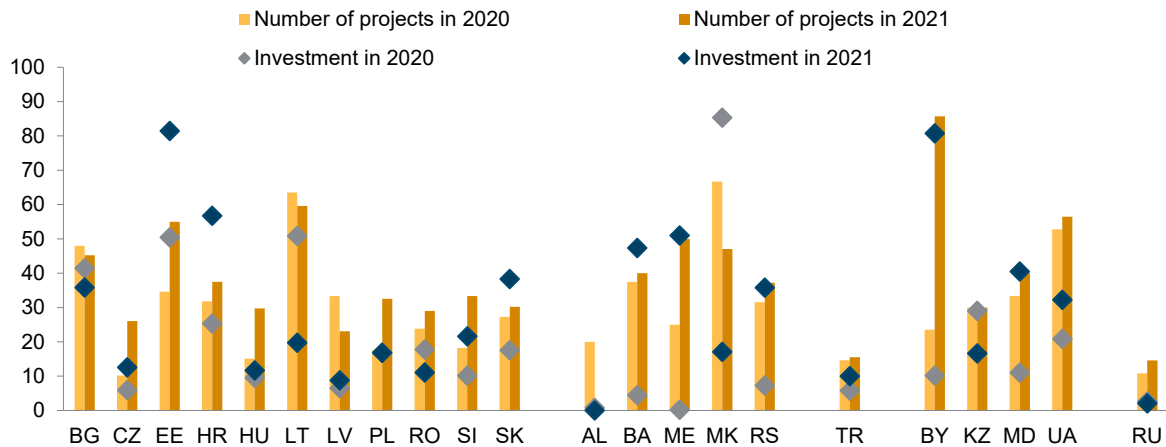
Note: excluding retail activity.
Source: fDi Markets.

Having been boosted by the COVID-19 pandemic, the ongoing shift towards services in the sector structure of FDI has continued. The share of projects in producer-related services¹ increased in 2021 in most CESEE countries, most prominently in Belarus, Montenegro and Estonia (Figure 8). More than 50% of the greenfield projects announced in Lithuania, Estonia, Belarus and Ukraine were in producer-related service sectors. The share of producer-related services actually declined in 2021 in Lithuania, but that was largely due to the very high base of the previous year; this was also the case in North Macedonia, where a remarkable 67% of all greenfield investment projects announced in 2020 were in producer-related services. The share of producer-related services also fell in Albania, Latvia and Bulgaria. In the case of the latter, the decline came on the back of a higher number of projects in manufacturing and in sales and marketing, whereas Albania and Latvia witnessed a significant decline in the total number of greenfield investment projects, with services projects experiencing a steeper fall than other sectors.

A further observation to be made is that in many EU-CEE countries, pledged investment in greenfield projects in producer-related business services shrank in 2021, compared to 2020. Hungary, Latvia and Slovakia were the only exceptions. By contrast, in most countries of the Western Balkans, CIS and Ukraine, the pledged value of the greenfield projects announced increased in 2021.

¹ The following business activities are identified as producer-related services: business services, customer contact centres, design, development and testing, education and training, ICT and internet infrastructure, research and development, shared services centres, and technical support services.

Figure 8 / Share of producer-related business services in the number of greenfield projects announced and in pledged capital investment in 2020 and 2021, %



Note: excluding retail activity.

Source: fDi Markets.

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Monthly and quarterly statistics for Central, East and Southeast Europe

The monthly and quarterly statistics cover **22 countries** of the CESEE region. The graphical form of presenting statistical data is intended to facilitate the **analysis of short-term macroeconomic developments**. The set of indicators captures trends in the real and monetary sectors of the economy, in the labour market, as well as in the financial and external sectors.

Baseline data and a variety of other monthly and quarterly statistics, **country-specific** definitions of indicators and **methodological information** on particular time series are **available in the wiiw Monthly Database** under: <https://data.wiiw.ac.at/monthly-database.html>. Users regularly interested in a certain set of indicators may create a personalised query which can then be quickly downloaded for updates each month.

Conventional signs and abbreviations used

%	per cent
ER	exchange rate
GDP	Gross Domestic Product
HICP	Harmonised Index of Consumer Prices (for new EU member states)
LFS	Labour Force Survey
NPISHs	Non-profit institutions serving households
p.a.	per annum
PPI	Producer Price Index
reg.	registered
y-o-y	year on year

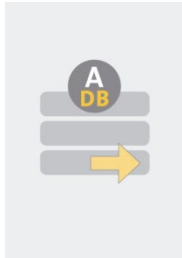
The following national currencies are used:

ALL	Albanian lek	HRK	Croatian kuna	RON	Romanian leu
BAM	Bosnian convertible mark	HUF	Hungarian forint	RSD	Serbian dinar
BGN	Bulgarian lev	KZT	Kazakh tenge	RUB	Russian rouble
BYN	Belarusian rouble	MKD	Macedonian denar	TRY	Turkish lira
CZK	Czech koruna	PLN	Polish zloty	UAH	Ukrainian hryvnia

EUR euro – national currency for Montenegro, Kosovo and for the euro-area countries Estonia (from January 2011, euro-fixed before), Latvia (from January 2014, euro-fixed before), Lithuania (from January 2015, euro-fixed before), Slovakia (from January 2009, euro-fixed before) and Slovenia (from January 2007, euro-fixed before).

Sources of statistical data: Eurostat, National Statistical Offices, Central Banks and Public Employment Services; wiiw estimates.

Online database access



wiiw Annual Database



wiiw Monthly Database



wiiw FDI Database

The wiiw databases are accessible via a simple web interface, with only one password needed to access all databases (and all wiiw publications).

You may access the databases here: <https://data.wiiw.ac.at>.

If you have not yet registered, you can do so here: <https://wiiw.ac.at/register.html>.

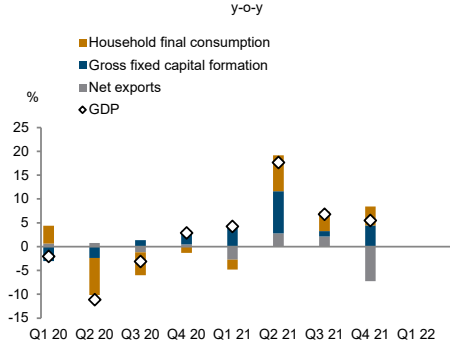
Service package available

We offer an additional service package that allows you to access all databases – a wiiw Membership, at a price of € 2,300. Your usual package will, of course, remain available as well.

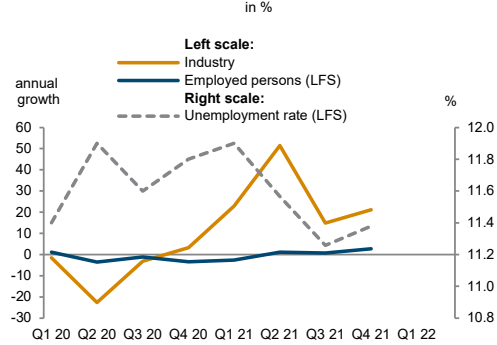
For more information on database access for Members and on Membership conditions, please contact Ms. Barbara Pill (pill@wiiw.ac.at), phone: (+43-1) 533 66 10.

Albania

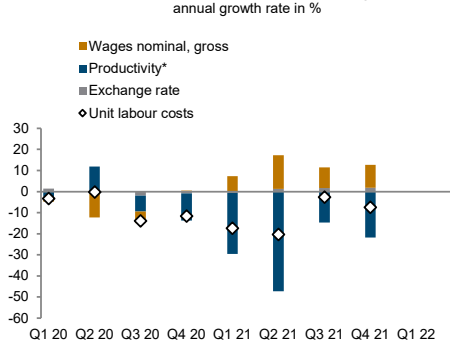
Real GDP growth and contributions



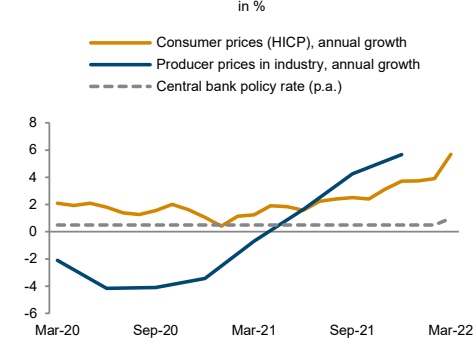
Real sector development



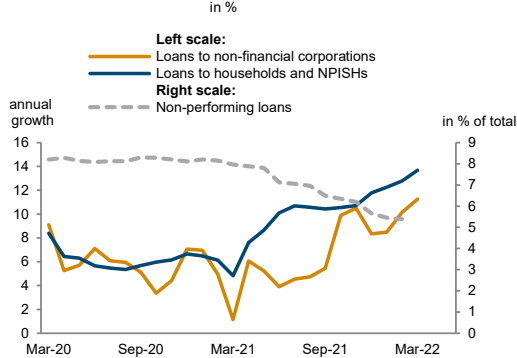
Unit labour costs in industry



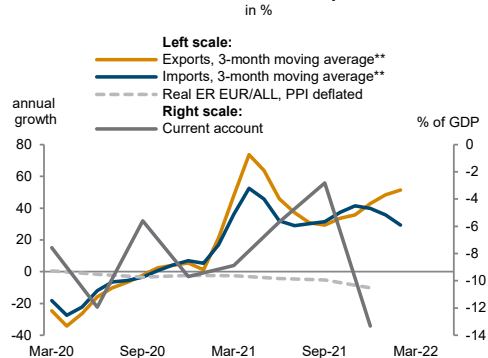
Inflation and policy rate



Financial indicators



External sector development



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

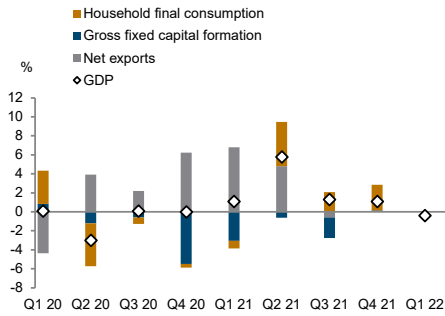
Baseline data, country-specific definitions and methodological breaks in time series are available under:

<https://data.wiiw.ac.at/monthly-database.html>

Belarus

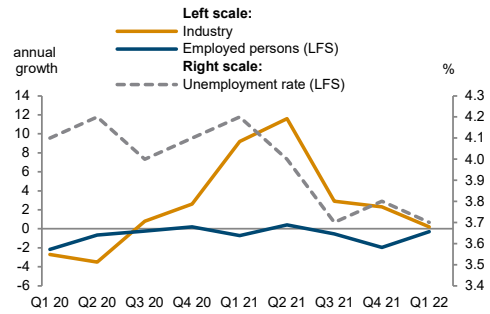
Real GDP growth and contributions

y-o-y



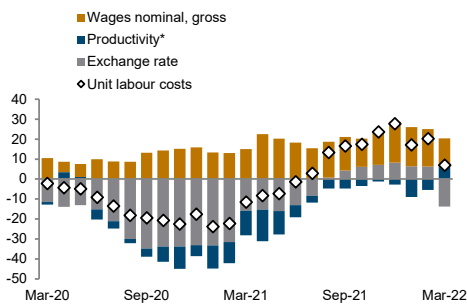
Real sector development

in %



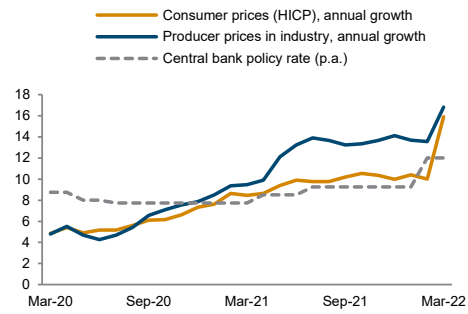
Unit labour costs in industry

annual growth rate in %



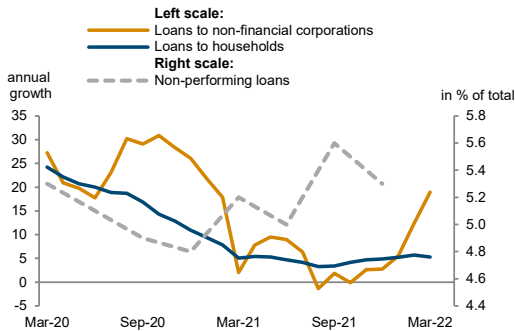
Inflation and policy rate

in %



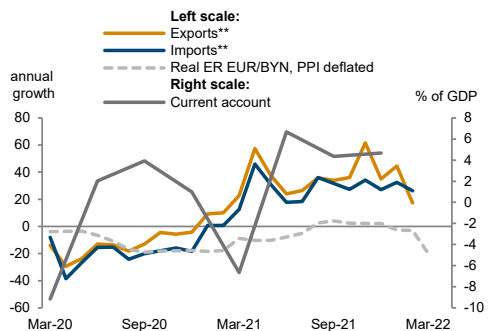
Financial indicators

in %



External sector development

in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

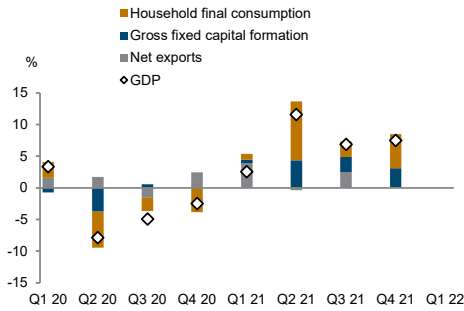
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

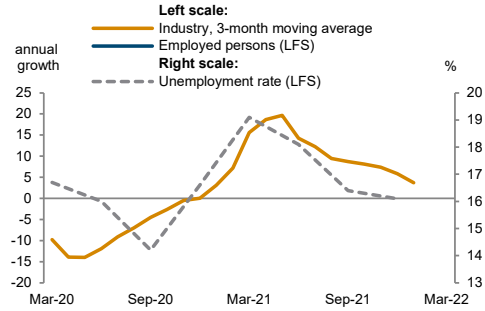
<https://data.wiiw.ac.at/monthly-database.html>

Bosnia and Herzegovina

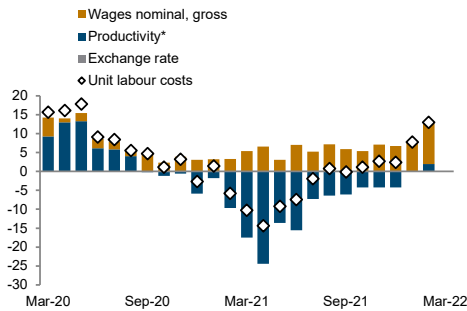
Real GDP growth and contributions
y-o-y



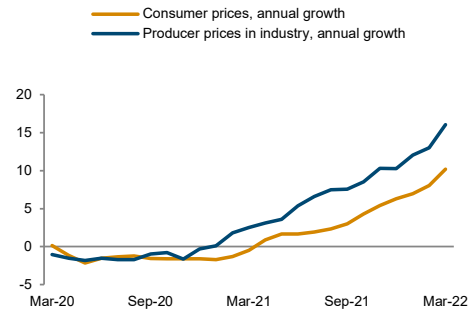
Real sector development
in %



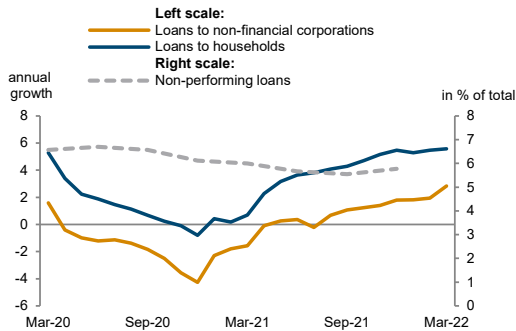
Unit labour costs in industry
annual growth rate in %



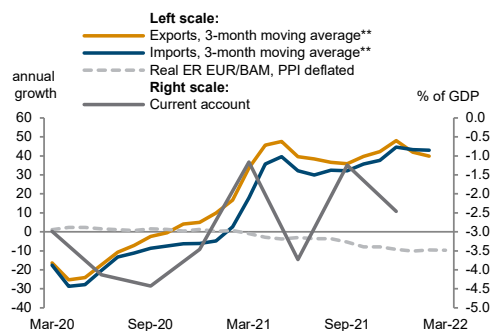
Inflation
in %



Financial indicators
in %



External sector development
in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

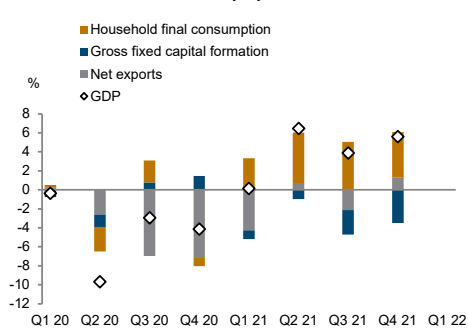
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

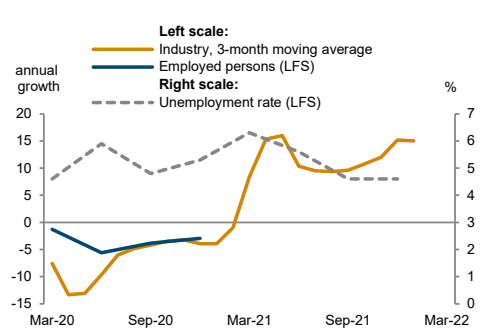
<https://data.wiiw.ac.at/monthly-database.html>

Bulgaria

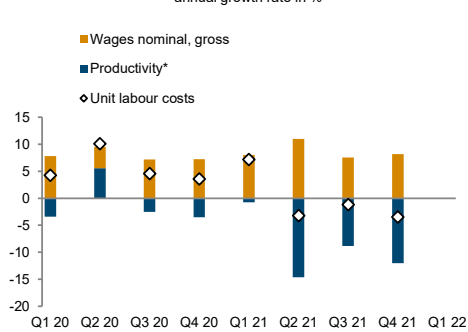
Real GDP growth and contributions



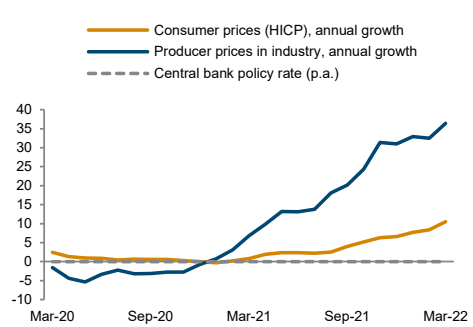
Real sector development



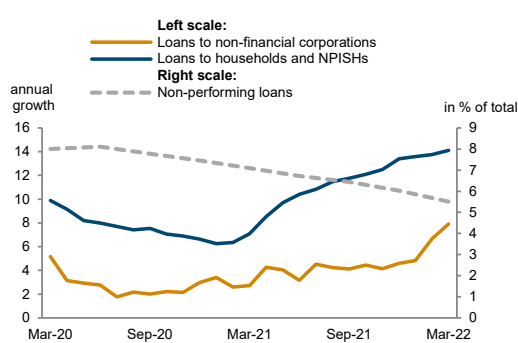
Unit labour costs in industry



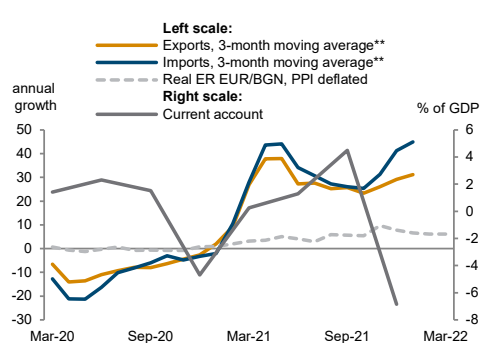
Inflation and policy rate



Financial indicators



External sector development



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

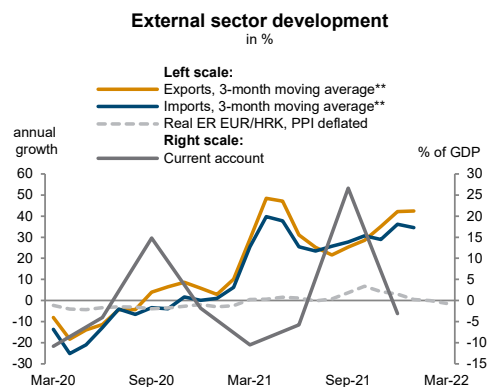
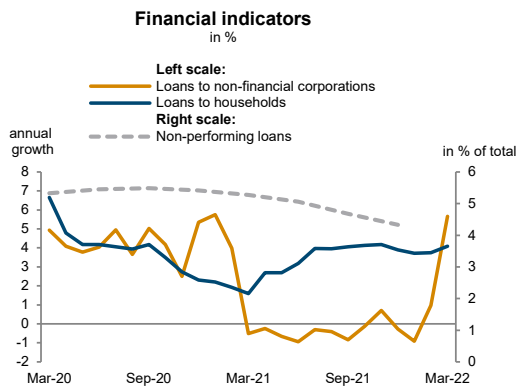
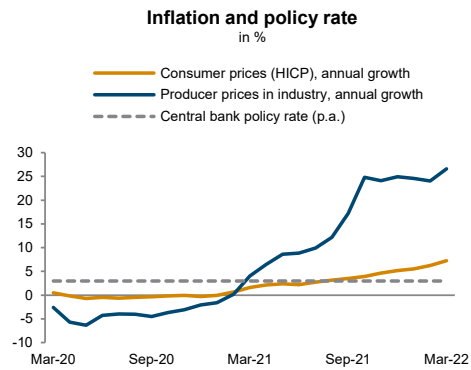
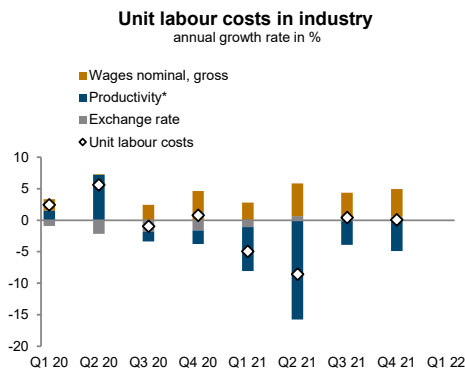
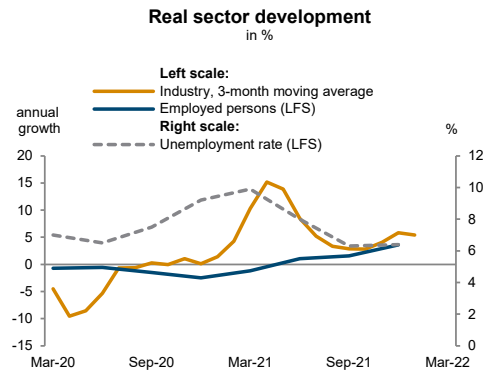
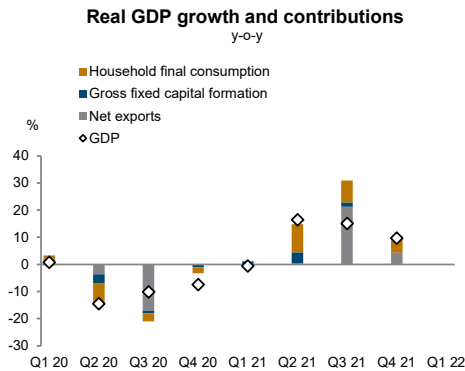
**EUR based.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

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Croatia



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

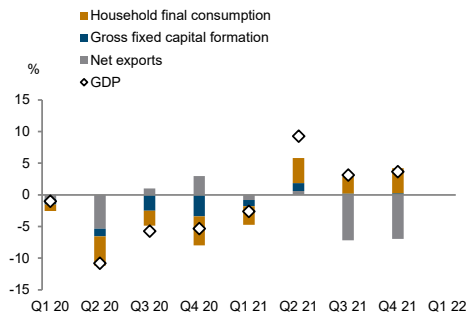
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

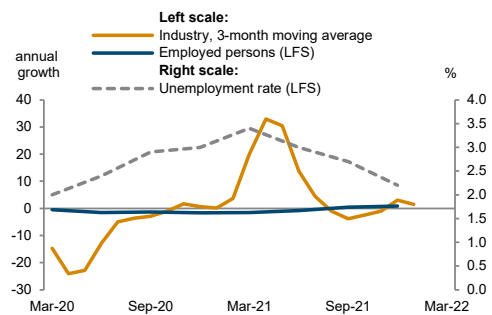
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Czechia

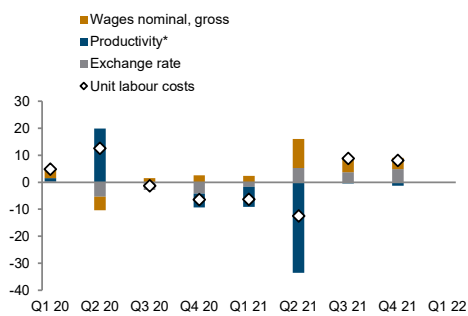
Real GDP growth and contributions
y-o-y



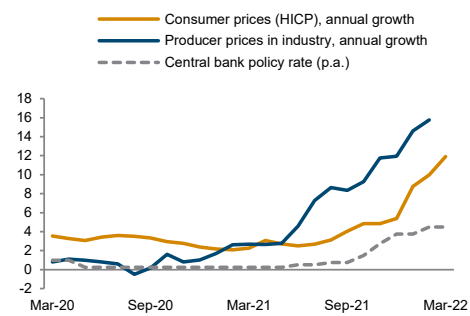
Real sector development
in %



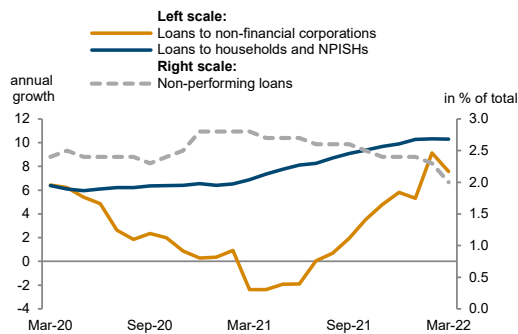
Unit labour costs in industry
annual growth rate in %



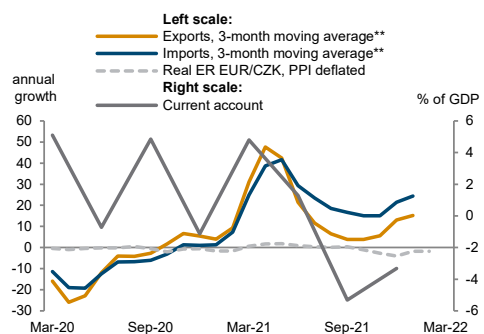
Inflation and policy rate
in %



Financial indicators
in %



External sector development
in %



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

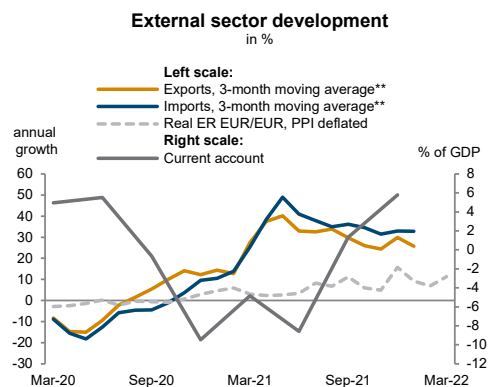
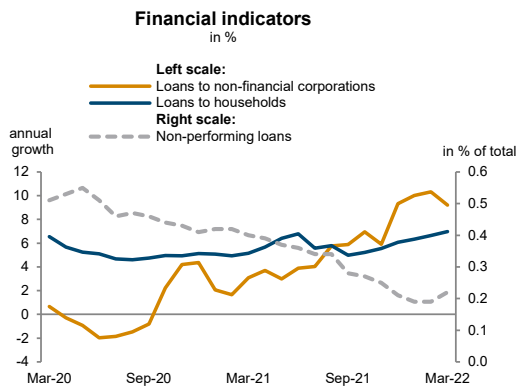
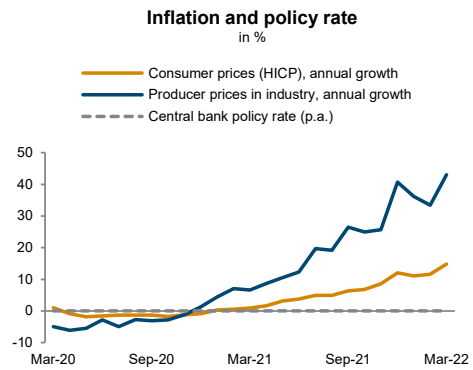
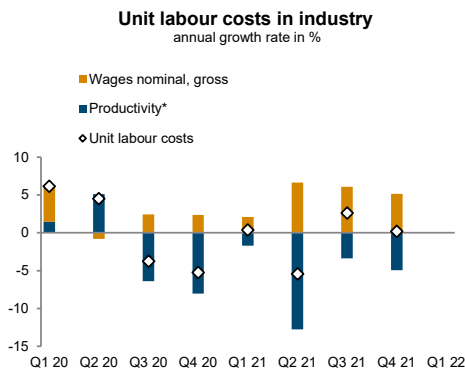
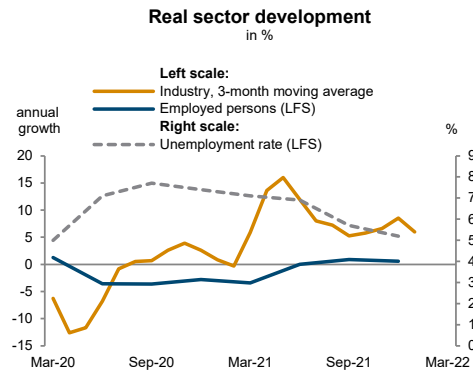
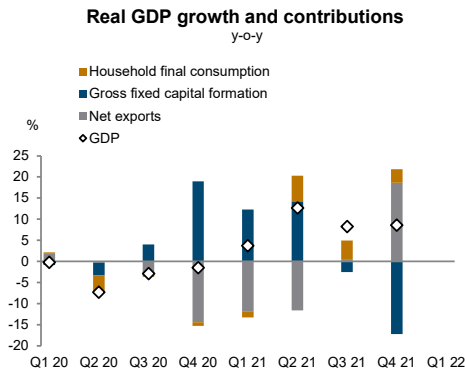
**EUR based.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

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Estonia

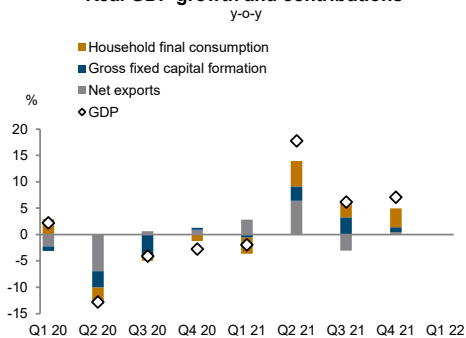


*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.
 **EUR based.

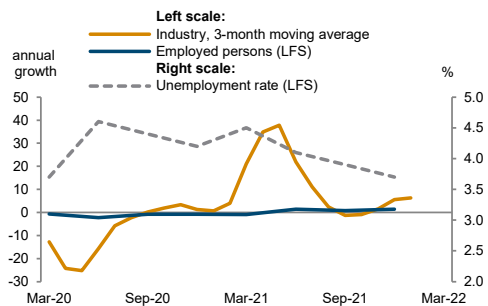
Source: wiiw Monthly Database incorporating Eurostat and national statistics.
 Baseline data, country-specific definitions and methodological breaks in time series are available under:
<https://data.wiiw.ac.at/monthly-database.html>

Hungary

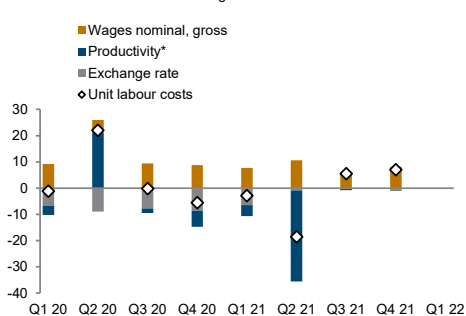
Real GDP growth and contributions



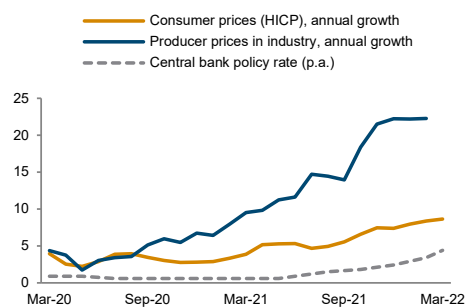
Real sector development



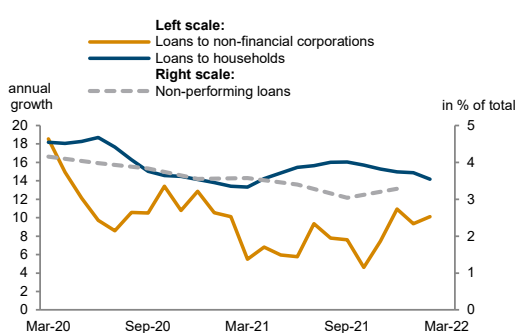
Unit labour costs in industry



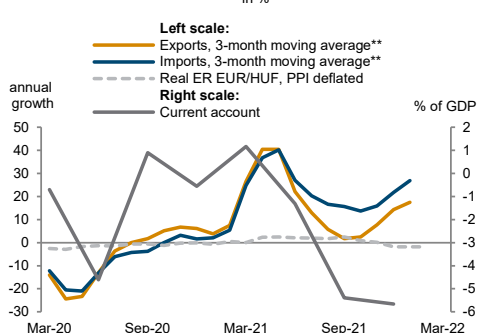
Inflation and policy rate



Financial indicators



External sector development



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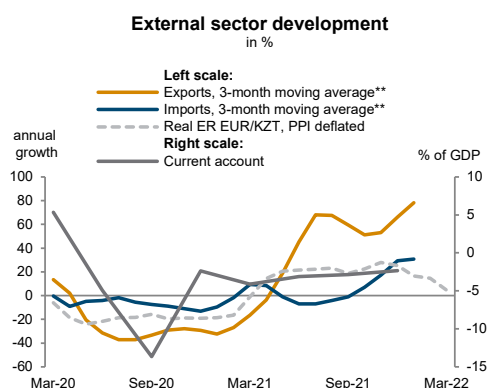
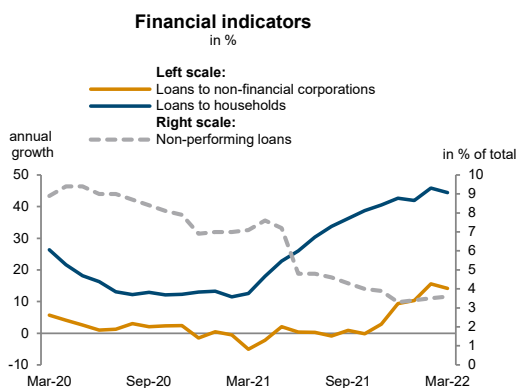
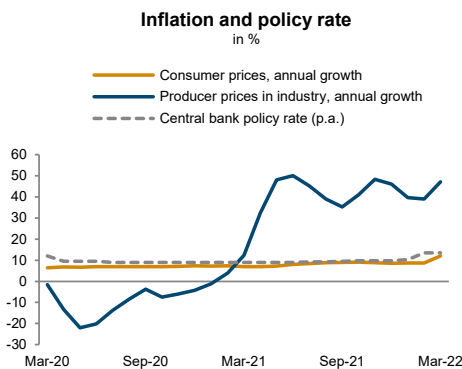
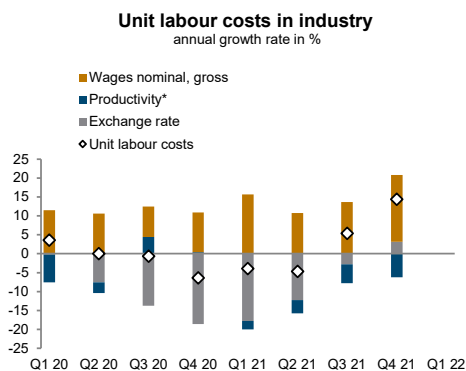
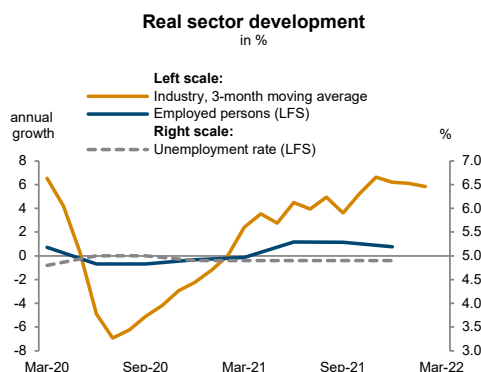
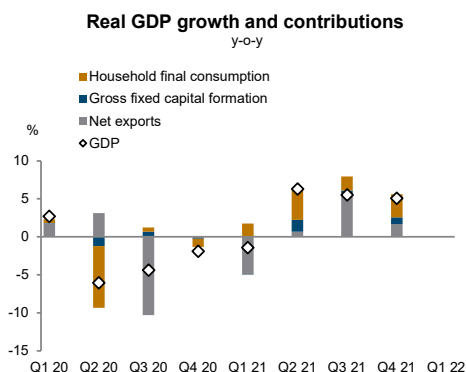
**EUR based.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

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Kazakhstan



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**EUR based.

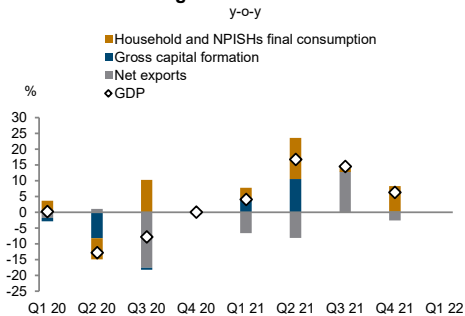
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

<https://data.wiiw.ac.at/monthly-database.html>

Kosovo

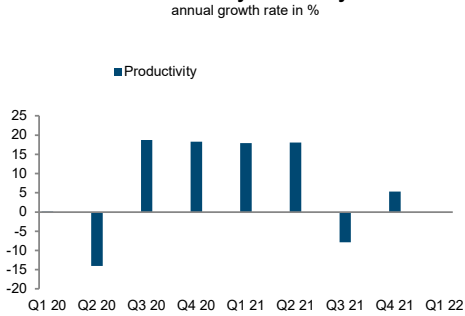
Real GDP growth and contributions



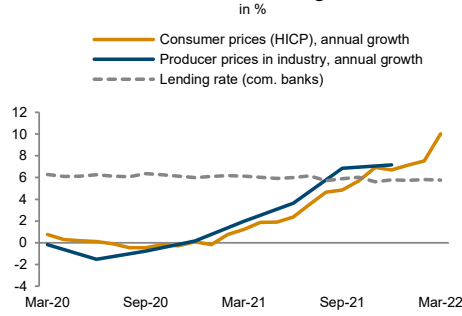
Real sector development



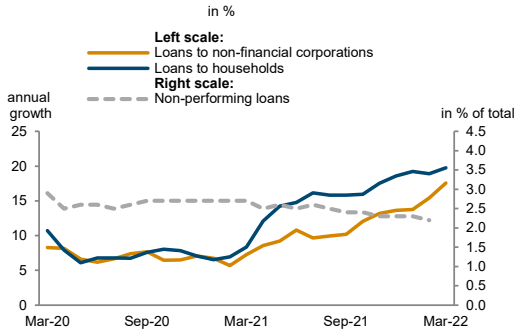
Productivity in industry



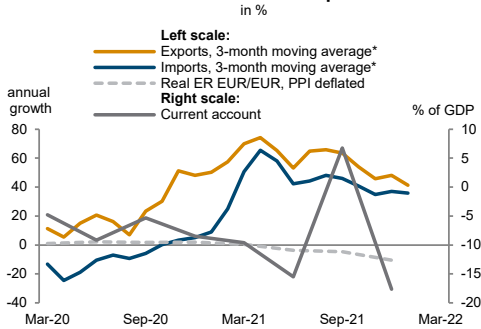
Inflation and lending rate



Financial indicators



External sector development



*EUR based.

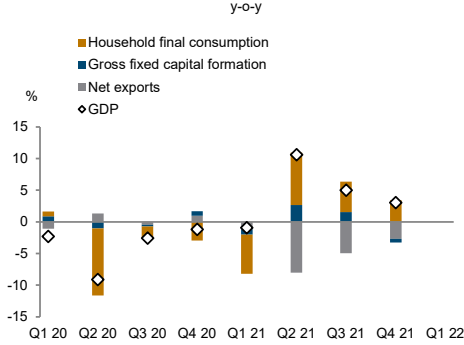
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

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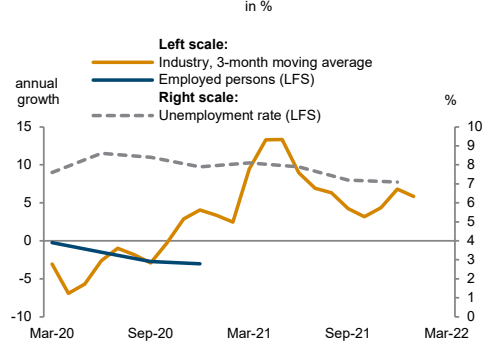
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Latvia

Real GDP growth and contributions



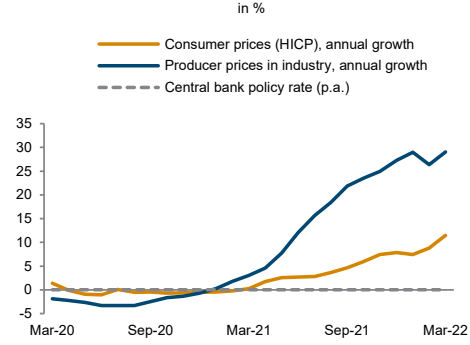
Real sector development



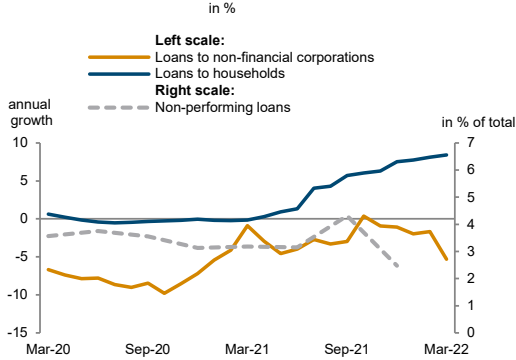
Unit labour costs in industry



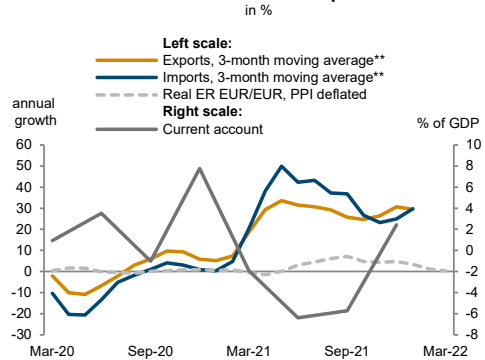
Inflation and policy rate



Financial indicators



External sector development



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

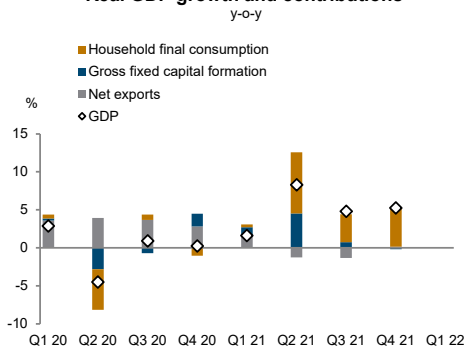
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

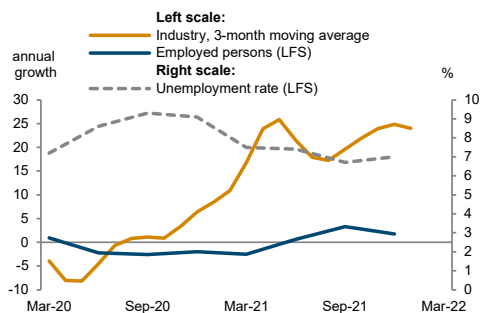
<https://data.wiiw.ac.at/monthly-database.html>

Lithuania

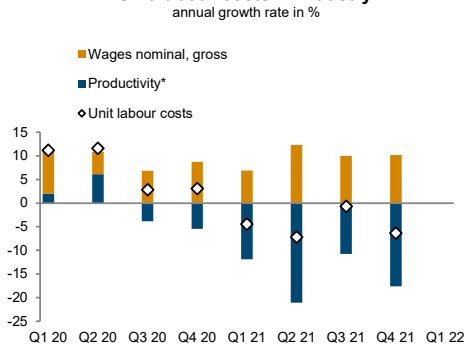
Real GDP growth and contributions



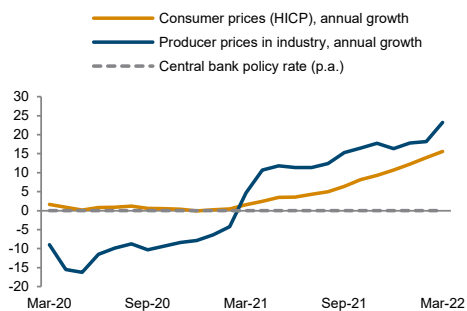
Real sector development



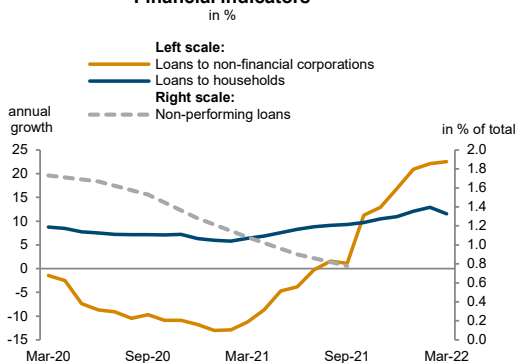
Unit labour costs in industry



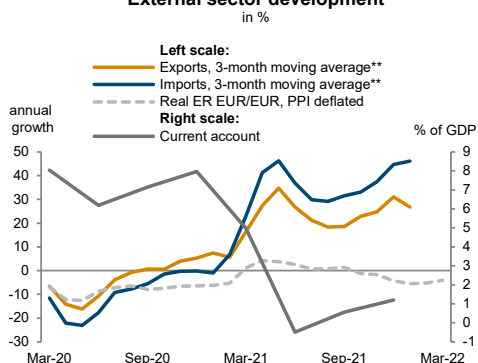
Inflation and policy rate



Financial indicators



External sector development



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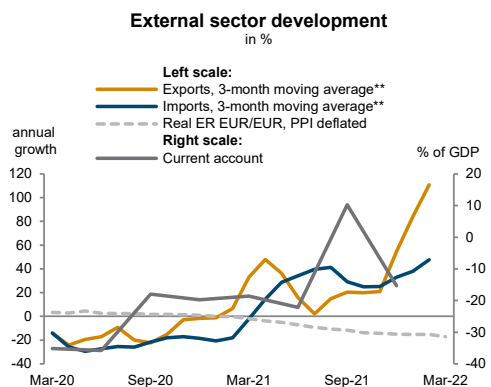
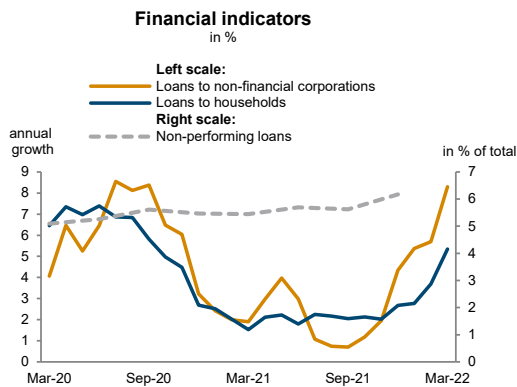
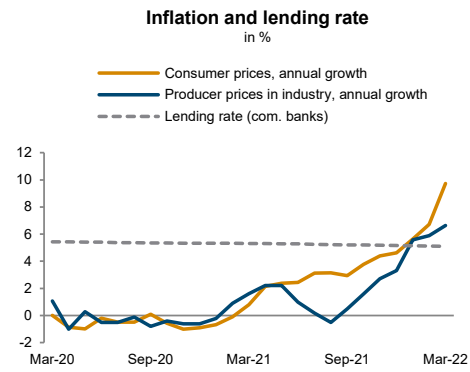
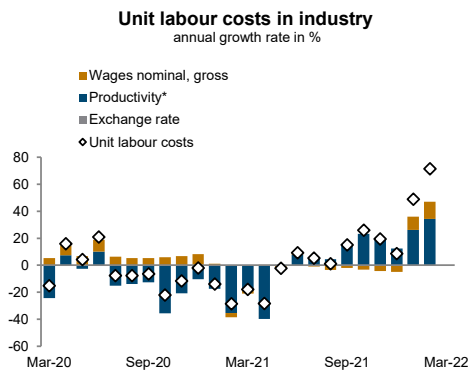
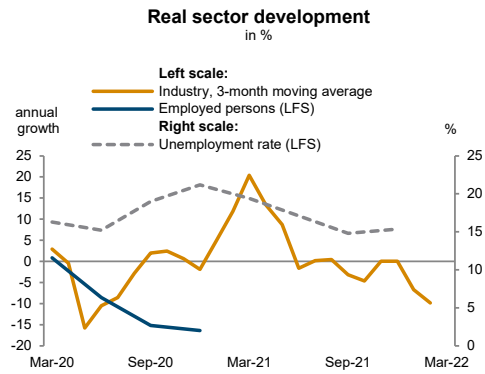
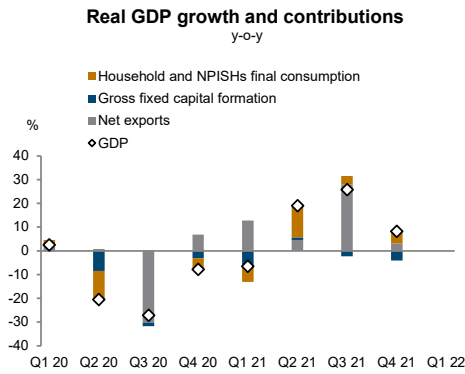
**EUR based.

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Montenegro

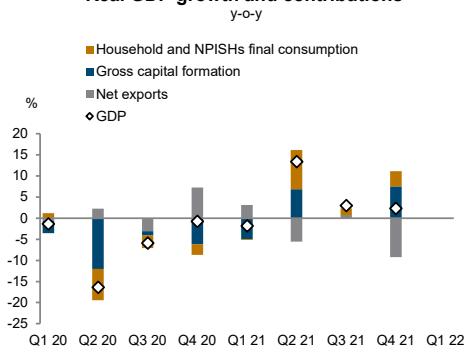


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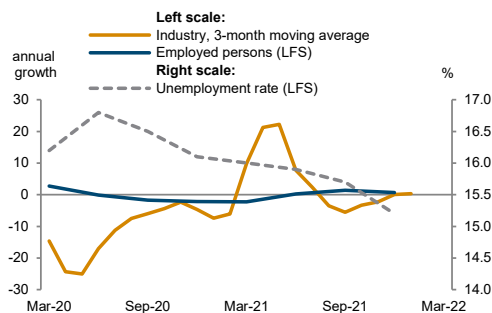
Source: wiiw Monthly Database incorporating Eurostat and national statistics.
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North Macedonia

Real GDP growth and contributions



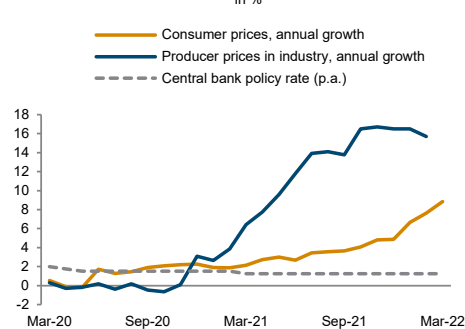
Real sector development



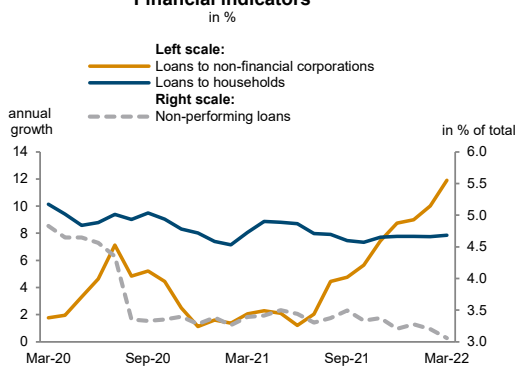
Unit labour costs in industry



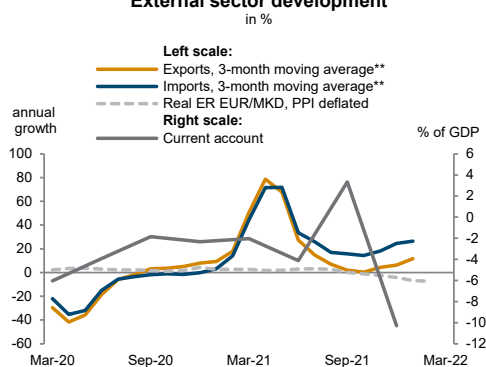
Inflation and policy rate



Financial indicators



External sector development



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**EUR based.

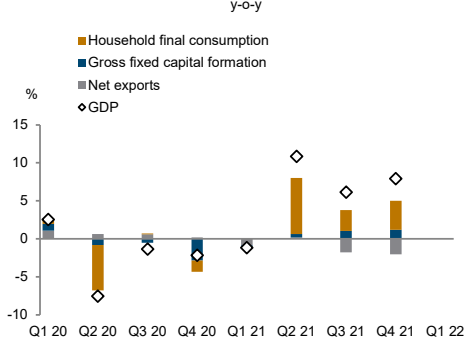
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

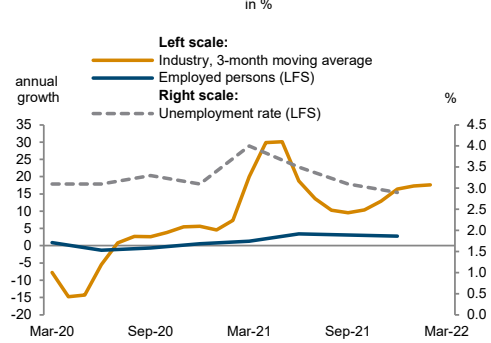
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Poland

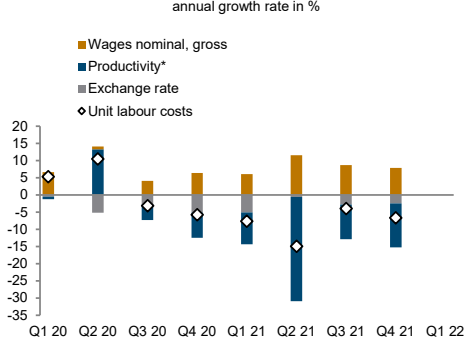
Real GDP growth and contributions



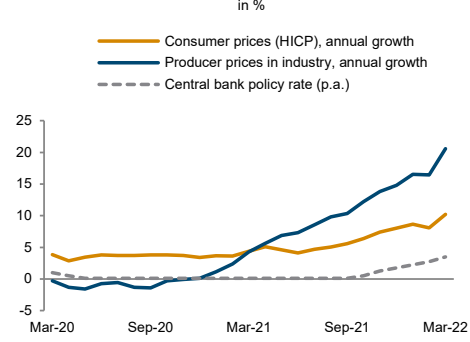
Real sector development



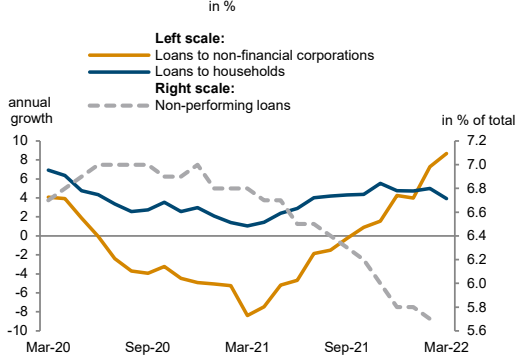
Unit labour costs in industry



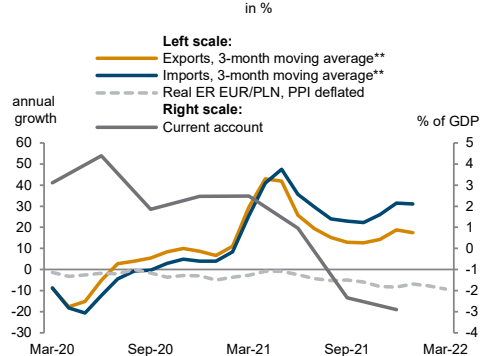
Inflation and policy rate



Financial indicators



External sector development



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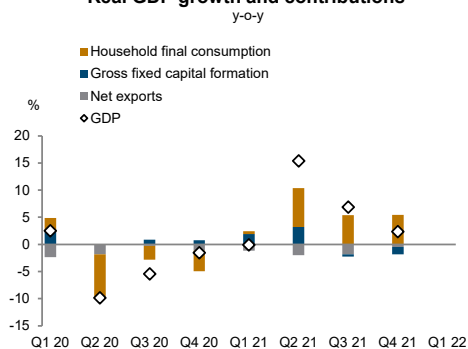
Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

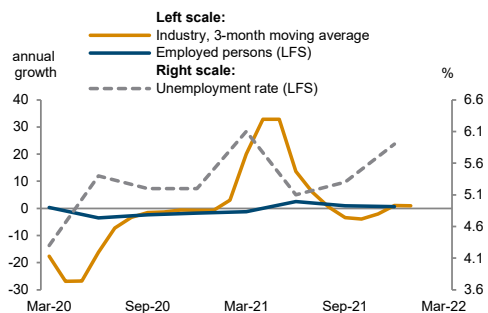
<https://data.wiiw.ac.at/monthly-database.html>

Romania

Real GDP growth and contributions



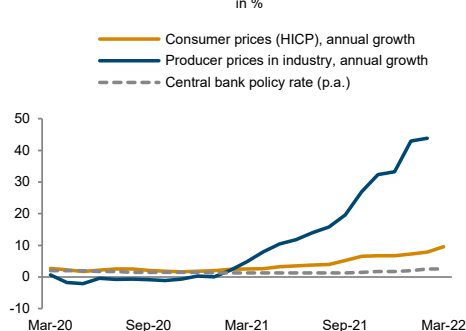
Real sector development



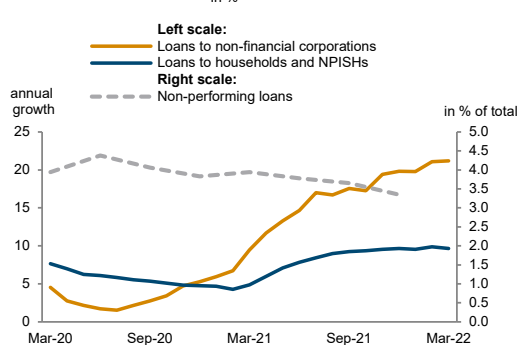
Unit labour costs in industry



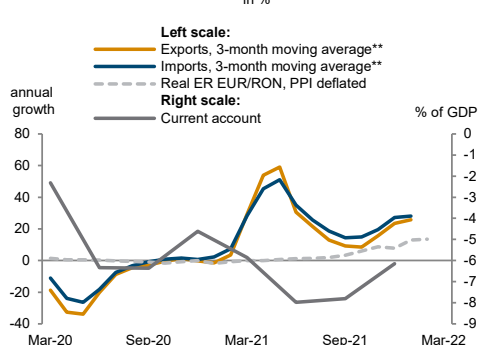
Inflation and policy rate



Financial indicators



External sector development



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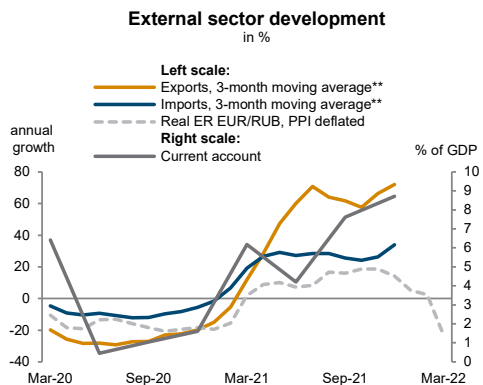
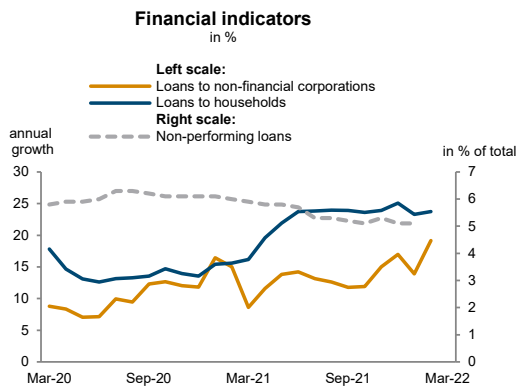
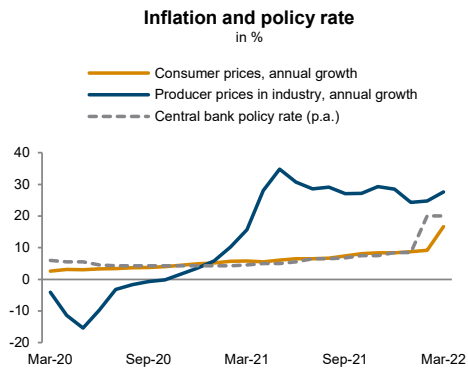
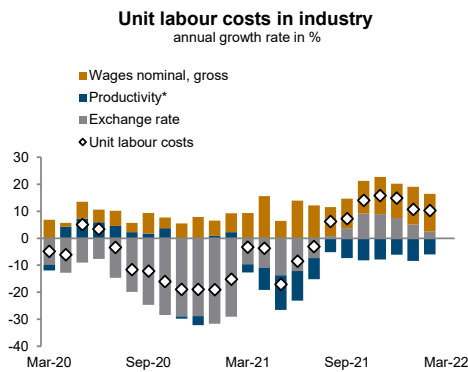
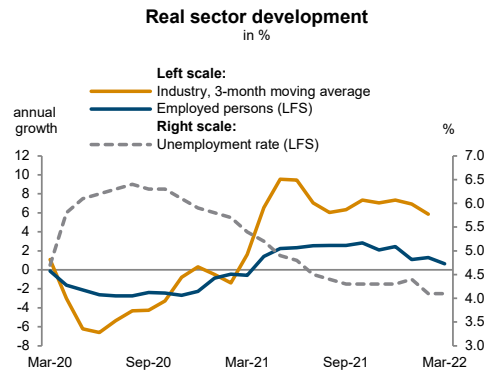
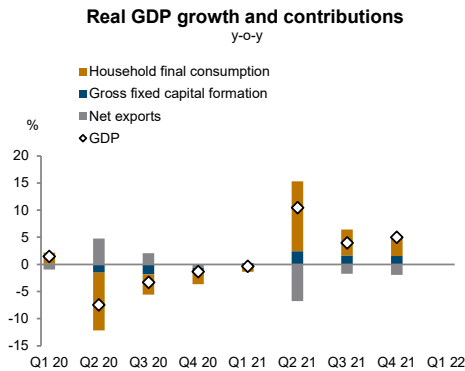
**EUR based.

Source: wiiw Monthly Database incorporating Eurostat and national statistics.

Baseline data, country-specific definitions and methodological breaks in time series are available under:

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Russia



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

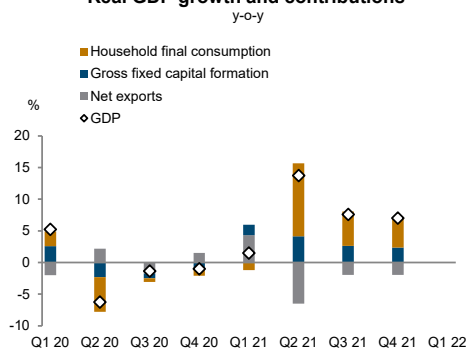
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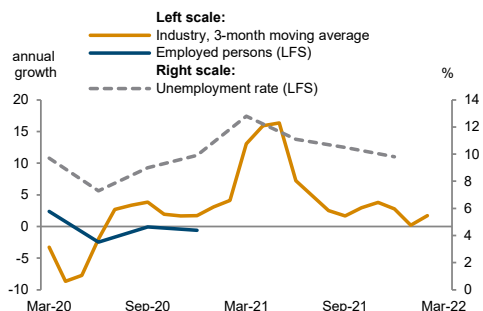
<https://data.wiiw.ac.at/monthly-database.html>

Serbia

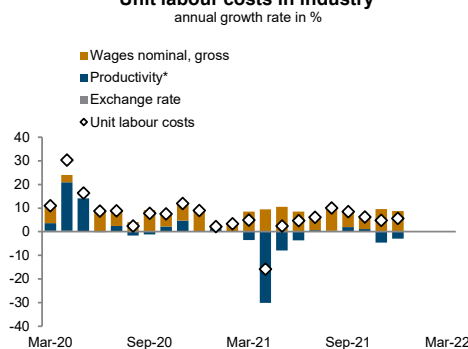
Real GDP growth and contributions



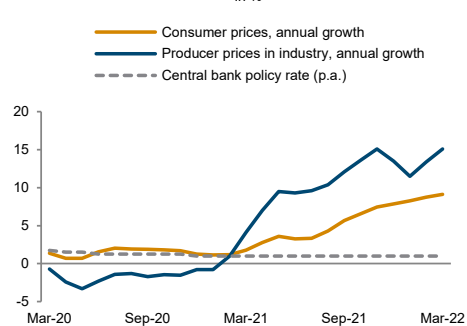
Real sector development



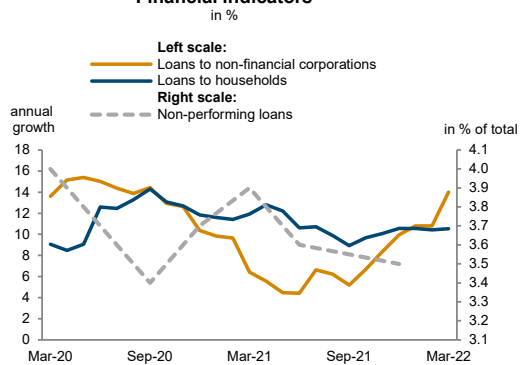
Unit labour costs in industry



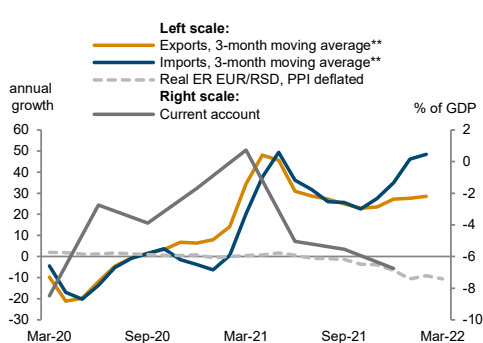
Inflation and policy rate



Financial indicators



External sector development



*Positive values of the productivity component on the graph reflect decline in productivity and vice versa.

**EUR based.

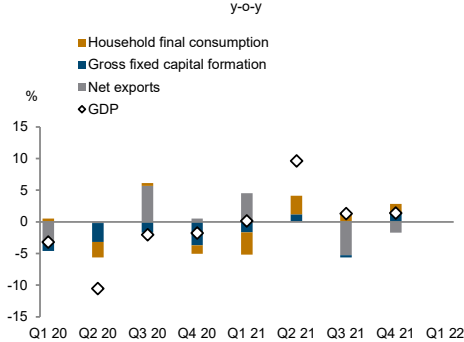
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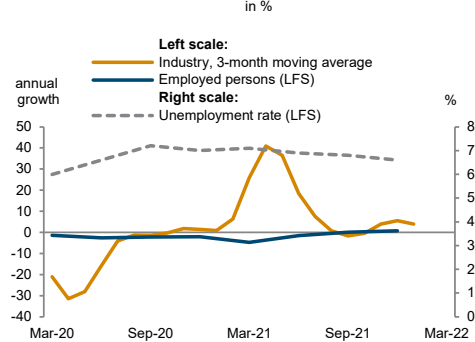
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Slovakia

Real GDP growth and contributions



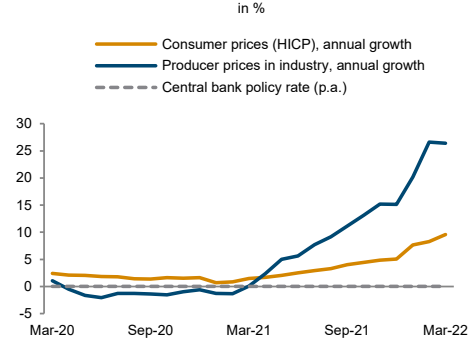
Real sector development



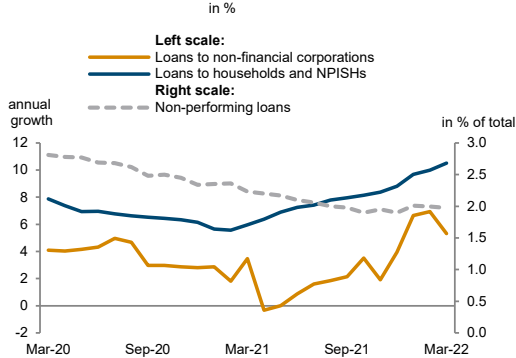
Unit labour costs in industry



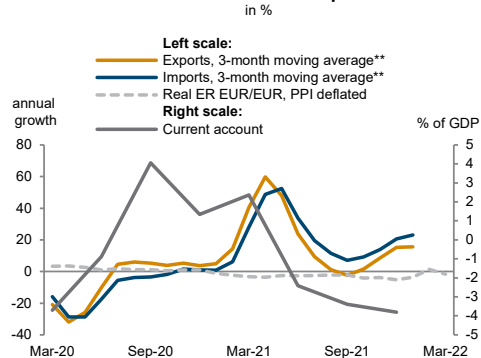
Inflation and policy rate



Financial indicators



External sector development



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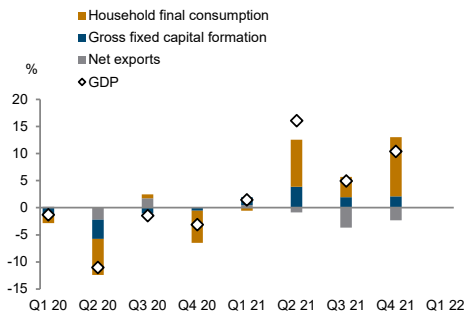
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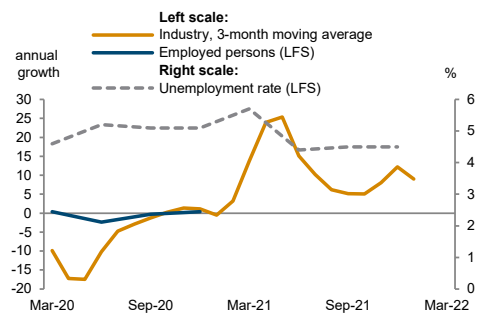
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Slovenia

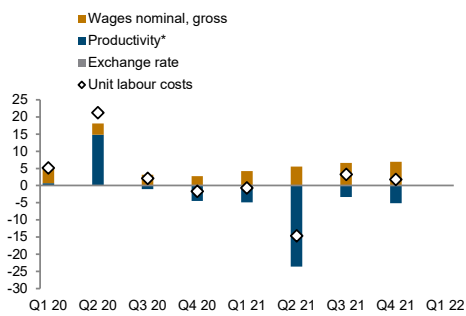
Real GDP growth and contributions
y-o-y



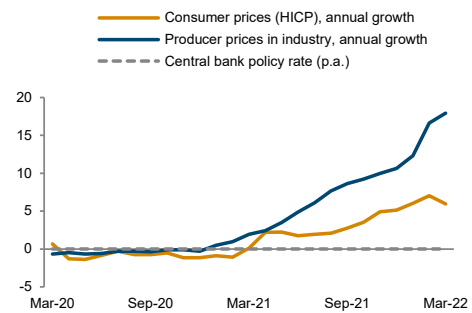
Real sector development
in %



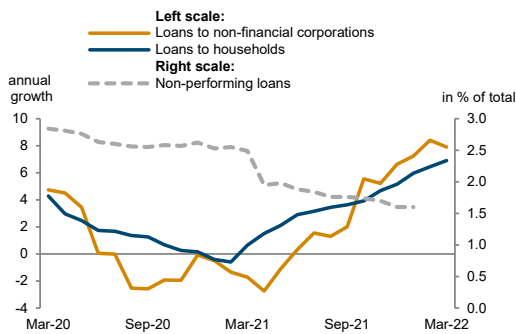
Unit labour costs in industry
annual growth rate in %



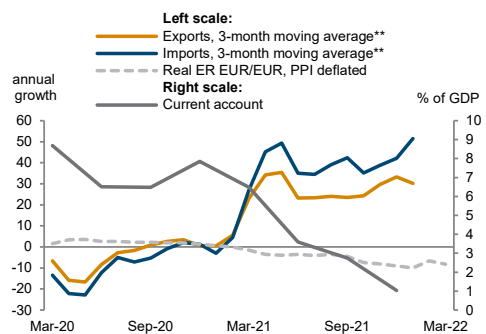
Inflation and policy rate
in %



Financial indicators
in %



External sector development
in %



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**EUR based.

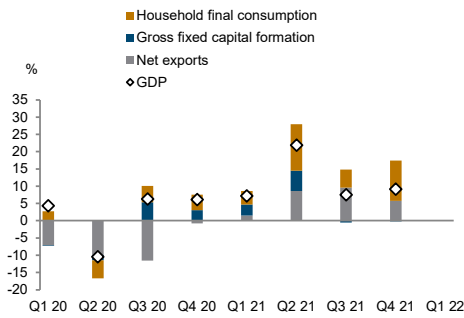
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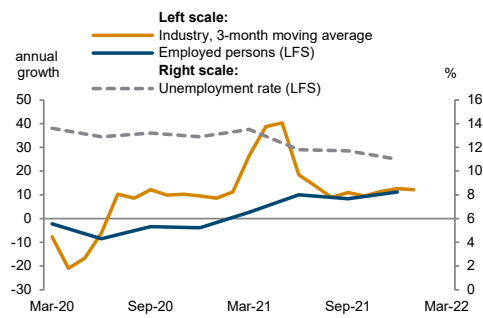
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Turkey

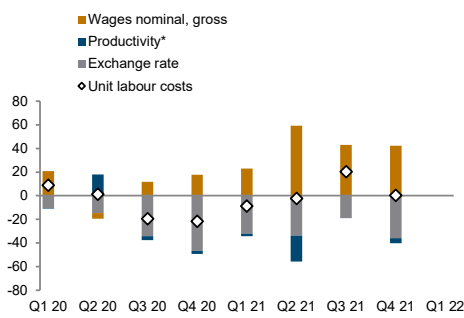
Real GDP growth and contributions
y-o-y



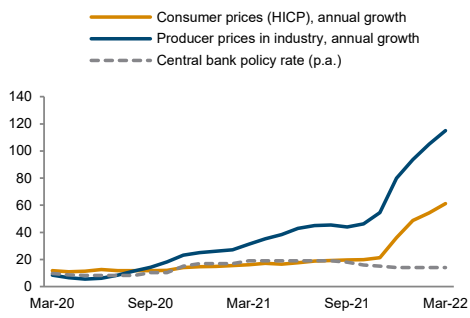
Real sector development
in %



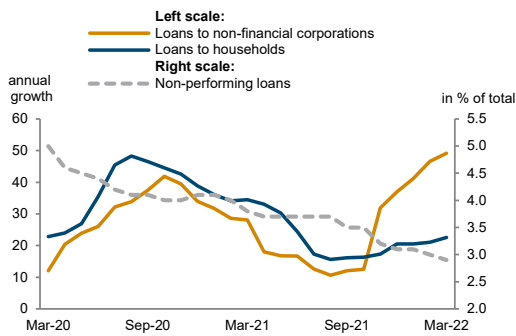
Unit labour costs in industry
annual growth rate in %



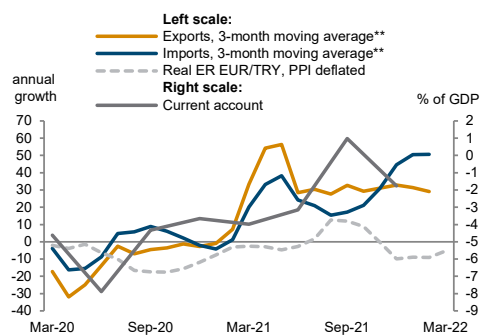
Inflation and policy rate
in %



Financial indicators
in %



External sector development
in %



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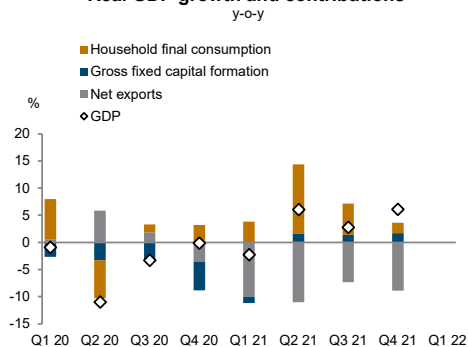
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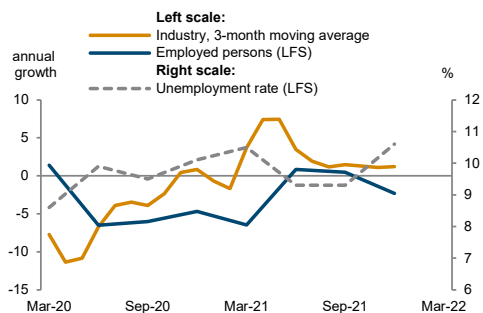
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Ukraine

Real GDP growth and contributions



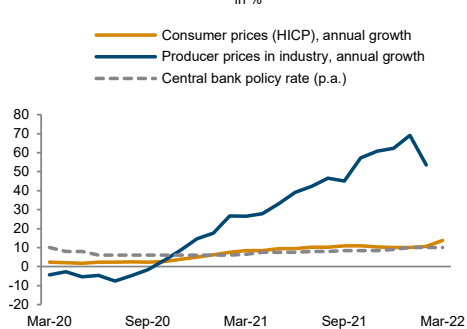
Real sector development



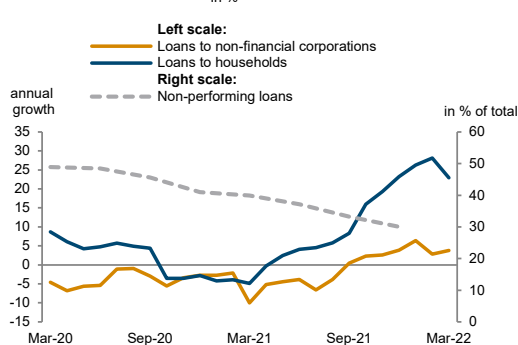
Unit labour costs in industry



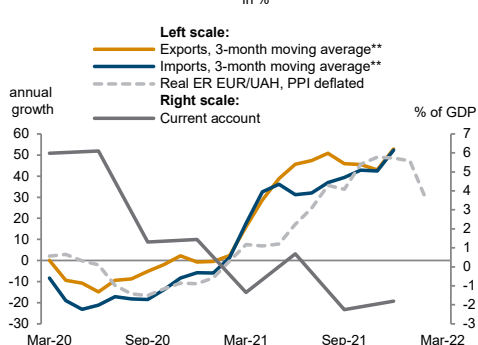
Inflation and policy rate



Financial indicators



External sector development



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Economics editor: Vasily Astrov

IMPRESSUM

Herausgeber, Verleger, Eigentümer und Hersteller:

Verein „Wiener Institut für Internationale Wirtschaftsvergleiche“ (wiiw),
Wien 6, Rahlgasse 3

ZVR-Zahl: 329995655

Postanschrift: A 1060 Wien, Rahlgasse 3, Tel: [+431] 533 66 10, Telefax: [+431] 533 66 10 50
Internet Homepage: www.wiiw.ac.at

Nachdruck nur auszugsweise und mit genauer Quellenangabe gestattet.

Offenlegung nach § 25 Mediengesetz: Medieninhaber (Verleger): Verein "Wiener Institut für Internationale Wirtschaftsvergleiche", A 1060 Wien, Rahlgasse 3. Vereinszweck: Analyse der wirtschaftlichen Entwicklung der zentral- und osteuropäischen Länder sowie anderer Transformationswirtschaften sowohl mittels empirischer als auch theoretischer Studien und ihre Veröffentlichung; Erbringung von Beratungsleistungen für Regierungs- und Verwaltungsstellen, Firmen und Institutionen.

