



**World Investment Report 2000: Cross-border Mergers  
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**EMBARGO**

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**Country Fact Sheet: Latvia**

**Foreign direct investment overview, selected years**

(Billions of dollars and percentages)

**Foreign direct investment flows**

	1985-1995	1996	1997	1998	1999	<i>as a percentage of gross fixed capital formation</i>			
	(Annual average)					1985-1995	1996	1997	1998
						(Annual average)			
<b>Latvia</b>									
<b>Inward</b>	0.042	0.382	0.521	0.357	0.366	..	41.0	49.3	27.8
<b>Outward</b>	-0.012	0.003	0.006	0.054	-	..	0.3	0.6	4.2
<i>Memorandum</i>									
Lithuania									
Inward	0.013	0.152	0.355	0.926	0.486	..	8.4	15.2	35.4
Outward	-	-	0.027	0.004	0.009	..	0.007	1.2	0.2
Poland									
Inward	0.768	4.498	4.908	6.365	7.500	4.9	15.1	14.5	15.8
Outward	0.015	0.053	0.045	0.316	0.200	0.1	0.2	0.1	0.8
Central and Eastern Europe									
Inward	3.2	12.7	19.0	20.0	21.4	..	6.8	10.5	12.9
Outward	0.1	1.1	3.4	2.2	2.5	..	0.6	1.9	1.4
Developing countries									
Inward	50.1	145.0	178.8	179.5	207.6	5.1	9.1	10.8	11.5
Outward	20.5	57.8	64.3	33.0	65.6	2.2	3.8	3.8	2.4
World									
Inward	182.6	377.5	473.1	680.1	865.5	4.1	5.9	7.5	11.1
Outward	203.1	390.8	471.9	687.1	799.9	4.8	6.2	7.6	11.5

**Foreign direct investment stocks**

	1985	1990	1995	1998	1999	<i>as a percentage of gross domestic product</i>			
						1985	1990	1995	1998
<b>Latvia</b>									
<b>Inward</b>	..	..	0.616	1.558	1.885	..	..	13.8	25.2
<b>Outward</b>	..	..	0.231	0.281	0.281	..	..	5.2	4.5
<i>Memorandum</i>									
Lithuania									
Inward	..	0.097	0.352	1.625	2.063	..	4.4	5.8	15.2
Outward	..	..	0.001	0.016	0.026	..	..	0.017	0.1
Poland									
Inward	..	0.109	7.843	22.479	29.979	..	0.2	6.6	15.1
Outward	0.025	0.095	0.539	1.165	1.365	0.035	0.2	0.5	0.8
Central and Eastern Europe									
Inward	-	2.991	36.355	84.153	102.697	..	1.5	5.2	12.1
Outward	0.025	0.358	5.264	11.927	13.628	0.035	0.3	0.8	1.7
Developing countries									
Inward	218.1	377.4	739.5	1 241.0	1 438.5	9.1	10.5	13.4	20.0
Outward	32.4	81.9	258.3	403.9	468.7	1.6	2.6	4.9	6.7
World									
Inward	763.4	1 761.2	2 743.4	4 015.3	4 772.0	6.7	8.6	9.6	13.7
Outward	707.1	1 716.4	2 870.6	4 065.8	4 759.3	6.4	8.6	10.2	14.1

## Merger and acquisition overview, selected years

(Millions of dollars)

	1995	1996	1997	1998	1999
<b>Latvia</b>					
<b>Sales</b>	22.8	56.9	62.7	10.6	22.6
<b>Purchases</b>	-	-	-	-	-
<i>Memorandum</i>					
Lithuania					
<b>Sales</b>	-	-	12.1	631.7	424.2
<b>Purchases</b>	-	-	-	-	1.5
Poland					
<b>Sales</b>	982.7	993.0	807.7	1 789.2	3 560.5
<b>Purchases</b>	8.2	22.5	44.8	464.8	135.1
Central and Eastern Europe					
<b>Sales</b>	5 937.7	3 601.0	5 526.0	5 100.8	9 124.0
<b>Purchases</b>	59.4	500.5	175.2	1 006.7	1 550.0
Developing countries					
<b>Sales</b>	15 965.9	34 699.8	64 573.3	80 755.2	64 550.3
<b>Purchases</b>	12 779.2	28 126.7	32 544.0	19 203.7	41 244.9
World					
<b>Sales</b>	186 592.9	227 022.7	304 847.6	531 648.4	720 109.3
<b>Purchases</b>	186 592.9	227 022.7	304 847.6	531 648.4	720 109.3

Source : UNCTAD, cross-border M&A database, based on data provided by Thomson Financial Securities Data Company.

## Latvia's presence in the top 25 non-financial TNCs based in Central Europe, ranked by foreign assets, 1998

(Millions of dollars, number of employees)

Ranking by:				TNI <sup>a</sup>			
Foreign assets	TNI <sup>a</sup>	Corporation	Industry <sup>b</sup>	Foreign assets	Foreign sales	Foreign employment	(Per cent)
1	3	Latvian Shipping Co.	Transportation	493.0	214.0	1631.0	89.8

<sup>a</sup> TNI is the abbreviation for "transnationality index", which is calculated as the average of three ratios: foreign assets to total assets, foreign sales to total sales and foreign employment to total employment.

<sup>b</sup> Industry classification for companies follows the United States Standard Industrial Classification which is used by the United States Securities and Exchange Commission (SEC).

For further details, see notes on Table III. 16. in WIR2000.

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