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**FDI IN ACP ECONOMIES: RECENT TRENDS AND
DEVELOPMENTS**

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GOVERNMENT
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Report by the UNCTAD secretariat

Executive summary

Foreign direct investment (FDI) can play an important role in economic growth and development, as it can bring not only much needed additional capital but also access to technology and know-how, as well as access to international markets. These assets are crucial for economic growth and development and for better integrating the 78 ACP economies into the global economy. A number of those economies recognize this.

While FDI flows to ACP countries generally are small in absolute terms, they can nonetheless constitute a significant proportion of the overall capital formation in these economies. Indeed, these economies offer opportunities for FDI. While official development assistance (ODA) remains the most important source of external resources, it is declining. Although FDI cannot be a substitute for ODA, it is an important source of capital formation. But to realize the full potential for more FDI inflows into these economies, more efforts by the countries themselves to become more attractive are required, as well as by the international community to provide assistance.

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INTRODUCTION

World foreign-direct-investment (FDI) inflows in 2001 are projected to decline by 40 per cent, down to \$760 billion from over \$1.4 trillion in 2000.¹ FDI flows to developed countries declined by nearly half in 2001 to \$0.5 trillion, with flows also down in all developing regions except Africa to \$225 million. FDI inflows into Central and Eastern Europe (including former Yugoslavia) remained steady in 2001 at around \$27 billion.² The decline in FDI inflows is not likely to be recouped this year. It is attributed mainly to a slowdown of world economic growth (1.3 per cent, as compared with 4.0 per cent in real GDP in 2000) and to a decrease in cross-border mergers and acquisitions (M&As). The value of cross-border M&As in 2001 stood at barely \$600 billion for less than 6,000 deals, versus \$1.1 trillion for some 7,900 deals in 2000.³

In *developed countries* significant decreases were reported for a number of countries. Germany has again become a relatively small recipient of FDI, after being the second largest in Western Europe in 2000 on account of the Vodafone AirTouch acquisition of Mannesmann (the largest cross-border acquisition to date). The considerable drop in FDI inflows to the United States in 2001 was partly due to the general economic slowdown and the drop in foreign acquisitions of United States firms. FDI outflows from developed countries also declined and are expected to remain at a low level this year.

FDI inflows also declined in *developing countries*, but not in Africa. Flows into *Latin America and the Caribbean* as a whole dwindled slightly. Since Spain had become an important investor in Latin America, a decrease in Spanish FDI has meant a substantial reduction of FDI flows to the region. While flows to Argentina and Brazil dipped, Mexico attracted substantially more FDI in 2001, despite the economic slowdown at home and in the United States, overtaking Brazil as the largest recipient in the region. *Developing Asia* also experienced a decline in FDI inflows in 2001. However, this drop was largely caused by the near halving of FDI flows to Hong Kong, China. With inflows in 2001 of \$46.8 billion, China was again the largest recipient among developing countries. In *Africa*, FDI flows increased mainly because of rising investments in South Africa that recovered from a temporary dip the previous year.

FDI flows to the 78 ACP economies as a group in 2001 is expected to recover from the decline in the previous year owing to the rise in FDI flows to Angola and South Africa, the two largest host countries in this group. The following discussion is principally on recent trends and policy development covering the years up to 2000 because of the unavailability of the 2001 data on FDI flows in most of the ACP economies.

¹ See *UNCTAD Press Release*, TAD/INF/PR21/Rev.1 of 18 September 2001. Revised data will be in the *World Investment Report 2002*, to be released on 17 September 2002.

² See "FDI downturn in 2001 touches almost all regions", *UNCTAD Press Release*, TAD/INF/PR36 of 21 January 2002.

³ The data cover completed cross-border M&A deals involving more than 10 per cent equity acquisitions only. The data are from the UNCTD cross-border M&A database.

I. RECENT TRENDS IN FDI INFLOWS

FDI flows to the ACP countries as a whole increased from an annual average of \$1.8 billion during 1985-1989 to an annual average of \$8.7 billion during the later half of the 1990s (table 1).⁴ While official development assistance (ODA) remains the most important resource flows to ACP, in some countries FDI has assumed increasing importance recently (box 1). However, FDI flows declined to less than \$8 billion in 2000, the record year for FDI flows in other regions. Indeed, the FDI boom in developing countries since the mid-1980s – a boom that continued until the Asian financial crisis in 1997 – was somewhat weaker in this group compared with other developing countries in general.⁵ As a result, its share in total FDI inflows to developing countries declined from 7.7 per cent during 1985-1989 to 5 per cent during 1995–1999 (table 1 and annex table 1). In comparison, FDI flows to all 78 ACP economies as a group in 2000 were smaller than those to the Republic of Korea as a single country (\$9 billion) – the country that was relatively closed to FDI until recently.

Table 1. FDI inflows into the ACP, by group, 1985-2000
(Millions of dollars)

Economy	Annual average			1998	1999	2000
	1985-1989	1990-1994	1995-1999			
ACP Total	1 801	3 433	8 656	9 265	11 565	7 387
ACP: Africa	1 509	2 387	6 413	6 660	8 241	4 648
ACP: Caribbean	136	832	1 963	2 354	3 026	2 545
ACP: Pacific	156	214	280	251	298	194
<i>Memorandum</i>						
Developing countries and economies	23 391	65 680	1 74 150	1 91 258	2 23 362	2 38 565
Central and Eastern Europe	107	4 041	17 774	21 060	23 254	24 564
Developed countries	1 06 557	1 31 339	4 01 609	4 83 171	8 30 347	11 99 650
World	1 30 055	2 01 060	5 93 533	6 95 490	10 76 962	14 62 780

Source: UNCTAD, FDI/TNC database.

Box 1. FDI flows vs. ODA in the ACP

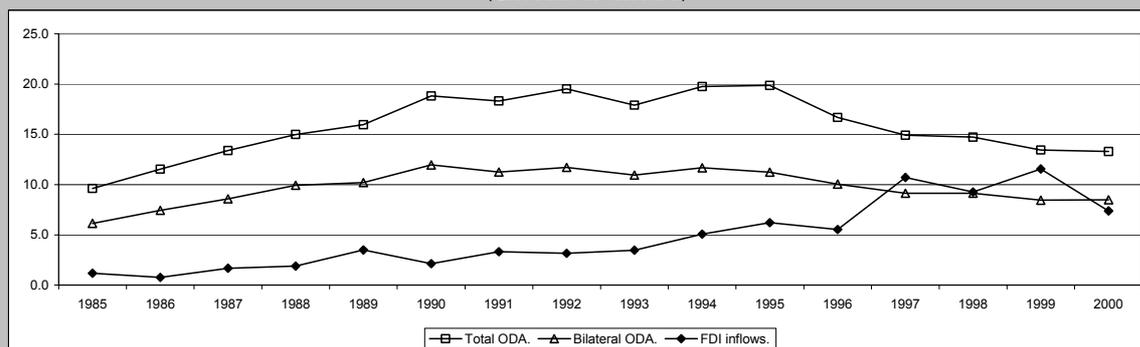
Increasing FDI flows to the ACP may change the structure of external financial flows. The 48 ACP countries of Africa continue to rely heavily on grants and official loans, which constitute the bulk of its net resource flows. FDI flows to sub-Saharan Africa accounted for more than one third of the region's total net resource flows in 2000 (World Bank, 2002, p. 258). However, ODA, the largest component of resource flows in the ACP, has been in decline both in absolute terms and relative terms. ACP as a whole received \$13.3 billion in total ODA, of which \$8.5 billion was bilateral ODA^a in 2000 (box figure 1). FDI is a welcome source to complement domestic investment, although FDI cannot be a substitute for ODA as ODA has different characteristics and functions. During 1997-1999, FDI flows were larger than bilateral ODA.

⁴ Transnational Corporations (TNCs) operating in a foreign country do engage in activities other than FDI. Many TNCs are involved through non-equity arrangements, such as management agreements, technical assistance agreements or technology licensing. Investments or low-equity investments reflect the preference of either the Governments of host countries, or of TNCs, or both. Governments may actively seek this form of investment as a means of accessing international technology. For TNCs, these forms of investment may suit their interest because they enable them to earn income without risking capital. Examples include the hotel industry.

⁵ FDI flows to developing countries grew dramatically and accounted for more than 30 per cent of world FDI flows in the mid-1990s.

Box figure 1. FDI inflows and ODA flows to ACP economies, 1985–2000

(Billions of dollars)



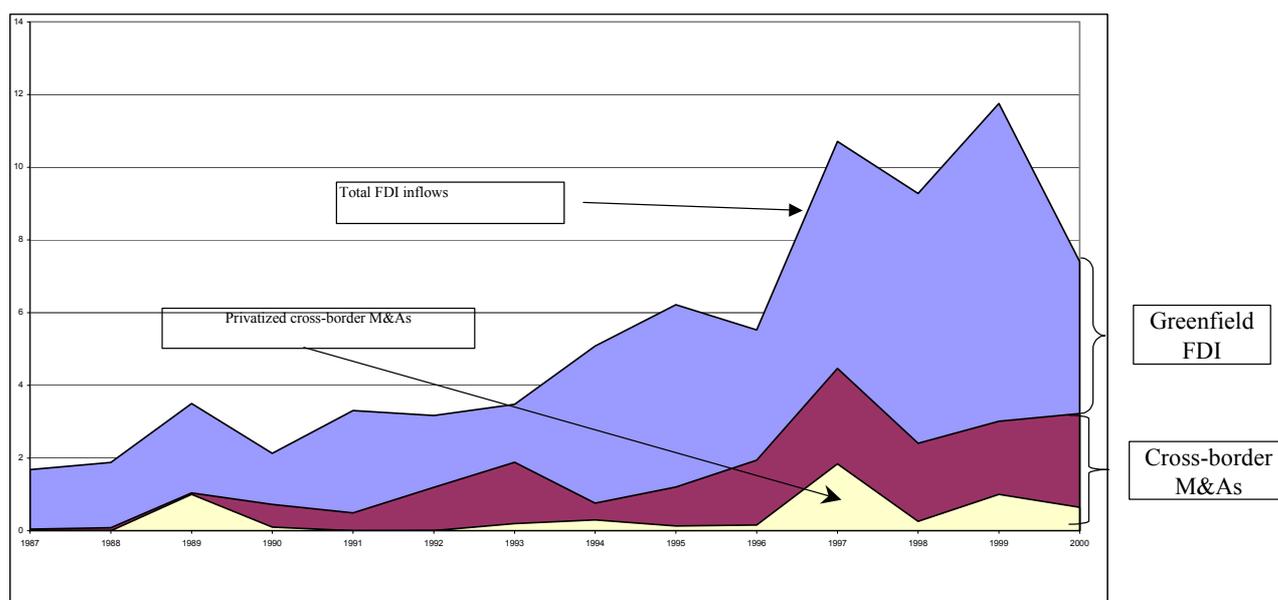
Source: UNCTAD, FDI/TNC database and OECD Development Assistance Committee, International Development Statistics, online databases.

Source: UNCTAD.

^a As FDI is essentially undertaken bilaterally (by firms), not multilaterally (by international organizations), bilateral ODA is better than total ODA (including multilateral) to ensure comparability.

Small FDI flows are partly a result of small-scale M&A activities. In fact, the bulk of FDI in ACP countries is through greenfield investments, rather than M&As (figure 1). Thus, even though cross-border M&As are increasingly becoming an important mode of FDI in the world, they are a considerably less important channel for FDI in ACP economies (annex table 2). Privatization involving FDI represented only one seventh of all cross-border M&A deals in ACP during 1987–2000.⁶ The bulk of M&A activity is undertaken in a limited number of countries, in particular South Africa (see annex table 2).

Figure 1. FDI inflows, cross-border M&A sales and privatizations in the ACP, 1987–2000
(Billions of dollars)



Source: UNCTAD, on the basis of UNCTAD's cross-border M&A database.

Note: Cross-border M&As (as well as privatizations) include purchases financed via both domestic and international capital markets that are not categorized as FDI. Furthermore, M&A data are expressed as the total transaction amounts of particular deals.

⁶ There were 941 cross-border M&A deals in all ACP economies during 1987–2000, 131 of which were privatisation-related.

Owing to geographical proximity and post-colonial ties, Western European TNCs have traditionally been more active in the African ACP countries than United States and Japanese ones (table 2 for FDI stock and annex table 3 for FDI flows). Japanese FDI to African ACP countries is inflated by “flag-of-convenience” investments in shipping in Liberia, which accounts for some three fourths of all Japanese FDI in all Africa. Apart from these investors, South Africa is becoming active in this region, particularly in neighbouring countries through M&As (table 3). Notable examples are the acquisitions of a sugar company (Lonrho Sugar Corp.) in Swaziland by Illovo Sugar Ltd. in 1997 and a mining company in the United Republic of Tanzania by Anglo American in 2000, (table 3); investments by South African Breweries (ultimate parent firm of Indol International) in Botswana, Lesotho, Mozambique, Swaziland, the United Republic of Tanzania and Zambia; and investments by Pepkor, South Africa’s biggest retailer, in Zambia and Mozambique. South African TNCs obviously possess an advantage in exploiting investment opportunities in Africa. FDI from South Africa indeed encompasses a wide range of industries, from mining and processing to banking and retailing. Some Asian countries (notably India and Malaysia) have some investments in African ACP economies, particularly in industries such as petroleum, telecommunications and real estate (see some examples in table 3 for M&As and annex table 3 for FDI inflows).

Table 2. Inward FDI stock in selected ACP countries, by geographical origin, various periods
(Millions of dollars)

Region/economy of origin	Ethiopia		Nigeria		Papua New Guinea		South Africa		Swaziland	
	1995	1986	1992	1988	1997	1988	1994	1988	1993	
Total world	157	2 808	1 044	1 082	1 505	7 770	10 166	..	..
Developed countries	36	2 498	886	996	1 163	7 516	9 742	58	63	
Western Europe	13	2 081	580	132	96	..	..	54	59
European Union	13	1 530	397	132	96	..	..	54	59
Belgium	-	-	-	-	-	..	..	1	1
Denmark	-	-	-	-	-	..	..	-	-2
Germany	-	-	-	35	-	..	..	-	-1
Italy	13	-	-	-	-	..	..	-	-
Netherlands	-	-	-	-	-	..	..	-	8
United Kingdom	-	1 530	397	97	96	..	..	53	53
Unspecified Western Europe	-	551	183	-	-	..	..	-	-
North America	22	417	306	111	83	..	..	-	-
Canada	16	-	-	22	27	..	..	-	-
United States	6	417	306	90	57	..	..	-	-
Other developed countries	1	-	-	753	983	..	..	4	4
Australia	-	-	-	710	961	..	..	-	-
Japan	1	-	-	42	22	..	..	4	4
Developing economies	121	310	158	41	259	252	424	..	..
Africa	3	..	..	-	-	140	112	..	..
Kenya	3	..	..	-	-	..	..	..	..
Latin America and the Caribbean	-	..	..	-	146	-	-	..	..
Bahamas	-	..	..	-	108	-	-	..	..
Bermuda	-	..	..	-	38	-	-	..	..
Asia	119	..	..	41	113	70	223	..	..
West Asia	118	..	..	-	-	..	..	..	..
Saudi Arabia	118	..	..	-	-	..	..	..	..
Yemen	1	..	..	-	-	..	..	..	..
South, East and South-East Asia	-	..	..	41	113	..	..	..	..
China	-	..	..	-	-	..	..	..	..
Hong Kong, China	-	..	..	19	22	..	..	..	..
Malaysia	-	..	..	-	58	..	..	..	..
Republic of Korea	-	..	..	6	19	..	..	..	..
Singapore	-	..	..	16	14	..	..	..	..
The Pacific	-	..	..	-	-	42	89	..	..
Unspecified	-	-	-	45	83	3	0	..	..

Many ACP economies experienced considerable fluctuations in FDI flows. There is still a wide gap in the level of FDI received by ACP economies (annex table 1). For example, in Sierra Leone and Suriname divestment even exceeded new investment flows (thus, negative flows) in many of the years between 1985 and 2000 (annex table 1). Seventeen countries received less than \$10 million in FDI flows in 2000 (annex table 1). However, a relatively strong FDI performance in the 1990s, particularly in the latter half of the 1990s, in countries such as Equatorial Guinea, Ethiopia, Lesotho, Mozambique, Sudan and the United Republic of Tanzania may signal a change in the trend, from wide annual fluctuations or low levels of FDI inflows to a steady growth. Recently, some Caribbean and Pacific ACP economies (notably Dominican Republic, Papua New Guinea, and Trinidad and Tobago) have become relatively large host countries.

Indeed, although FDI inflows into ACP economies are small in terms of absolute size, for some of them, when measured in relation to the size of the host economies, FDI appeared to be significant. In terms of FDI inflows as a percentage of gross domestic capital formation or population, 37 out of the 78 ACP economies performed better than the average for developing countries during 1995-1999 under the former indicator (figure 2 and annex table 4). In fact Angola and Liberia are the largest countries among all developing countries in terms of FDI flows as a percentage of gross domestic capital formation.⁷ Despite the uncertainty created by a war situation, Angola continued to attract a significant amount of FDI in the petroleum sector. In terms of FDI per capita, many Caribbean economies, Equatorial Guinea and Vanuatu stand out, followed by Lesotho and Belize (figure 3 and annex table 5). Out of the 78 ACP economies, 26 received more FDI flows in terms of FDI per head than the average for developing countries.

⁷ Although Liberia is a larger host country than Angola, the bulk of FDI in the former country is not considered as real FDI as it essentially consists of flag-of-convenience investments.

Table 3. The largest 20 cross-border M&A sales in ACP economies, 1987-2000

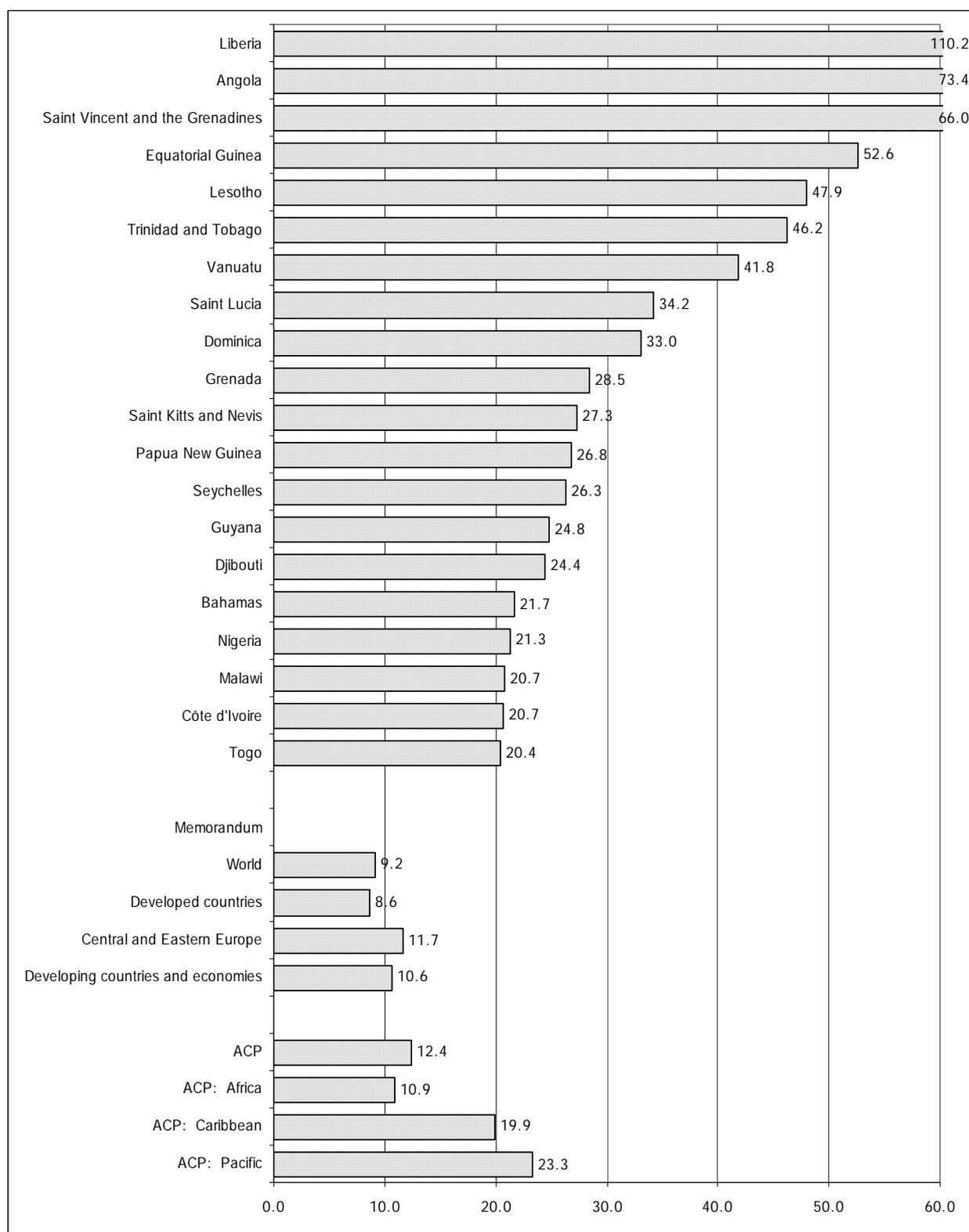
Rank	Acquired company	Industry	Host economy	Acquiring company	Home economy	Value (\$ million)	Year
1	Anglo American-Selected Mining	Gold ores	South Africa	Minorco SA	Luxembourg	1428	1993
2	Telkom South Africa (SA) ^a	Telephone communications, except radiotelephone	South Africa	Investor Group	United States	1261	1997
3	Nigerian Government-Oilfields ^a	Crude petroleum and natural gas	Nigeria	Royal Dutch/Shell Group	Netherlands	1000	1989
4	Templeton Galbraith & Hanberge	Investment advice	Bahamas	Franklin Resources Inc.	United States	913	1992
5	Thawte Consulting	Prepackaged software	South Africa	VeriSign Inc.	United States	576	2000
6	Corp Habanos SA	Cigars	Cuba	Tabacalera SA	Spain	477	2000
7	Engen Ltd.	Crude petroleum and natural gas	South Africa	Petroliam Nasional Bhd	Malaysia	452	1998
8	Rabi-Kounga Oil Field	Crude petroleum and natural gas	Gabon	JV-Amerada Hess. Government Gabon	United States	448	1990
9	Allegro Resorts	Hotels and motels	Dominican Republic	Occidental Hoteles Management	Spain	435	2000
10	Lonrhor Sugar Corp Ltd. (Lonrhor)	Cane sugar, except refining	Swaziland	Illovo Sugar Ltd. (CG Smith Ltd.)	South Africa	387	1997
11	Tavistock Collieries (JCI Ltd.)	Coal mining services	South Africa	Duiker Exploration Ltd.	United Kingdom	374	1998
12	Safmarine-Liner Container Ops	Deep sea foreign transportation of freight	South Africa	AP Moller Group	Denmark	355	1999
13	Plate Glass and Shatterprufe	Flat glass	South Africa	Dibelco International SA	Luxembourg	348	1999
14	Interleisure Ltd-Cinema	Motion picture and video tape production	South Africa	Primedia Ltd.	South Africa	327	1997
15	Etecta	Telephone communications, except radiotelephone	Cuba	STET International Netherlands	Netherlands	300	1997
16	Telkom Kenya Ltd. (Kenya) ^a	Telephone communications, except radiotelephone	Kenya	Investor Group	Zimbabwe	300	2001
17	Citel (Domos Intl, Telan)	Radiotelephone communications	Cuba	Investor Group	Italy	299	1995
18	Engen Ltd.	Crude petroleum and natural gas	South Africa	Petroliam Nasional Bhd	Malaysia	273	1996
19	Geita Mine (Ashanti Goldfields)	Gold ores	United Rep. of Tanzani	Anglogold Ltd. (Anglo American)	South Africa	270	2000
20	Mauritius Telecom Ltd. ^a	Telephone communications, except radiotelephone	Mauritius	France Telecom SA (France)	France	261	2000

Source: UNCTAD, on the basis of UNCTAD's cross-border M&A database.

^a Privatization deal.

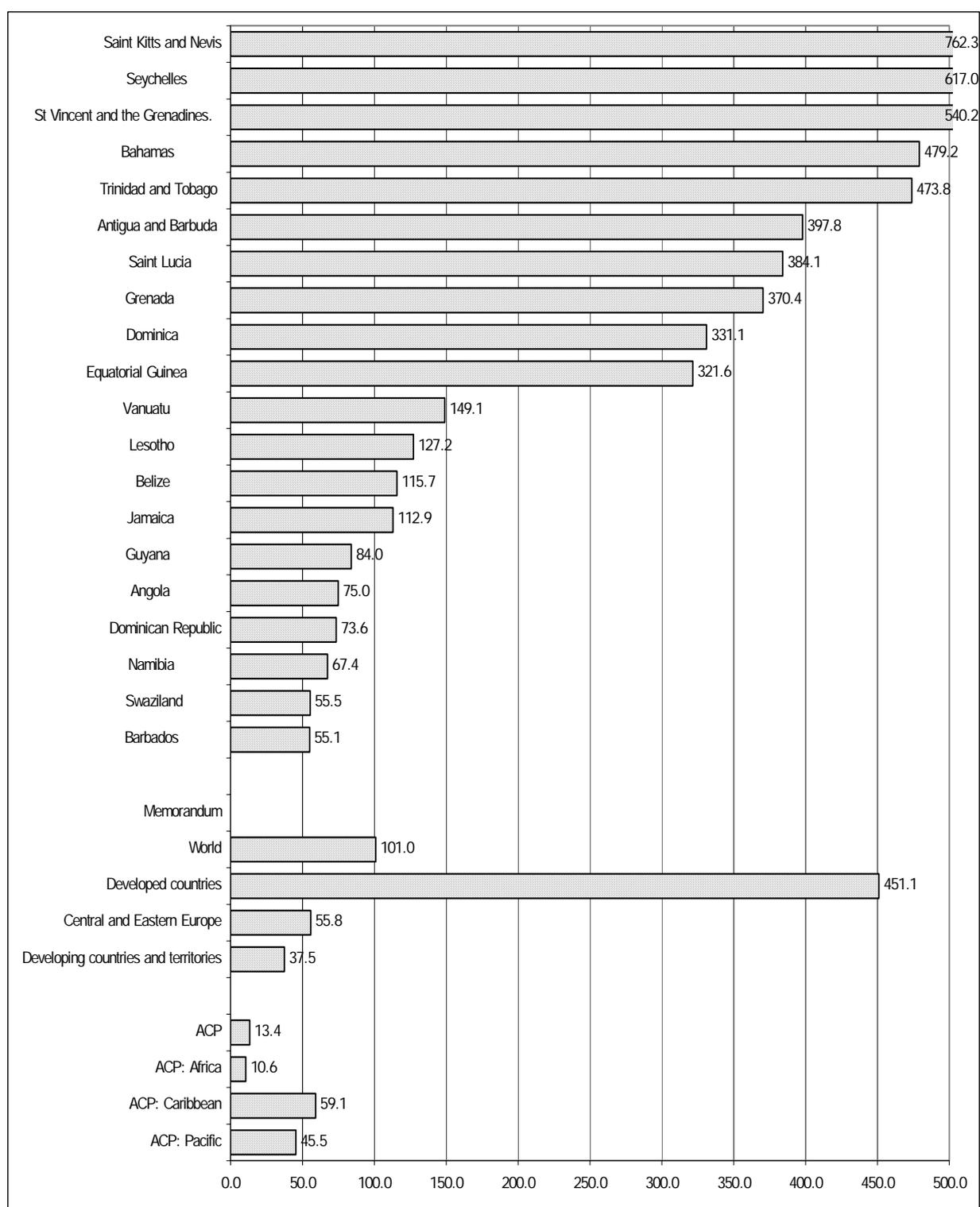
Note: For the M&As deals whose home economy is identical to the host economy, the ultimate parent economy is different. Therefore, they are considered as cross-border M&As.

Figure 2. FDI inflows as a percentage of domestic investment in the ACP, top 20 economies, 1995-1999
(Percentage)



Source: UNCTAD, FDI/TNC database.

Figure 3. FDI inflows per capita in the ACP, top 20 economies, 1995-1999
(Dollars)



Source: UNCTAD, FDI/TNC database.

These observations suggest that ACP economies comprise a remarkable variety of countries that need a different assessment of FDI performance and FDI potential. Potential foreign investors are therefore urged to view the ACP for each investment project country by country and industry by industry. In other words, investment opportunities exist in ACP (see boxes 2-4 for some examples).

Box 2. Investment Opportunities in Ethiopia

Ethiopia is a large country with over 60 million inhabitants, located centrally not only in Eastern Africa but also within reach of the Arabian peninsula. This location makes the country interesting not only for exploring the local market, but also for investors who wish to export to neighbouring countries. This is particularly true for agricultural products: a number of cut flower and horticultural enterprises have started exporting successfully to Europe and West Asia in recent years. Livestock – Ethiopia has the largest cattle population in Africa – represents another export opportunity, in particular to the West Asia. As for cash crops, Ethiopia produces one of the best coffees in the world. Opportunities in food processing are largely unexplored. The same holds for tourism, an industry in which Ethiopia could develop a sizeable niche-tourism market built on its rich millennium-old religious heritage as one of the early places of Christianity.

Source: UNCTAD, 2002 and UNCTAD-ICC, 2000a.

Box 3. Investment opportunities in Mali

This country offers opportunities in agriculture-related industries. One of the biggest cotton producers worldwide, it offers opportunities in such value-added activities as spinning yarn and producing cotton-based textiles and garments. Foreign investors have only started to explore the opportunities in this industry. Also, within the region, Mali is a sizeable exporter of cattle without so far engaging in meat-processing activities for export. A similar phenomenon can be observed for other agriculture products such as cereals, fruits and vegetables, where opportunities exist for canning and other processing activities. Mali has a rich cultural tradition, including sites such as the centuries-old trading hub of Timbuktu and a diverse nature ranging from the Sahara desert in the north to the green and fertile regions especially in the south along one of West Africa's main rivers, the Niger. Despite this cultural and natural diversity, the hotel and tourism infrastructure is vastly underdeveloped, without any international hotel chain established so far in the country. Mali has become within the past five years the second most important gold producer in Africa. Additional investment opportunities stem from the comprehensive privatization programme on which the Government has been embarked for a number of years.

Source: UNCTAD, 2000b

Box 4. Investment opportunities in Uganda

The economic success of this country over the past decade has created a number of interesting possibilities for foreign investors. Telecommunication services in the recently privatized telecommunication industry have developed dynamically, with foreign investors active in this industry. A host of opportunities also exists in agriculture-related industries. Beverages and food processing offer possibilities in an economy that grew by on average more than 7 per cent in recent years. New and dynamic export products, such as cut flowers and fish, have been developed in recent years. The privatization programme is in full swing, with 46 companies currently up for sale. They cover the whole range of economic activities and include the national airline, financial institutions, hotels and public utilities. Tourism and other services such as in education and health care offer interesting long-term potential for FDI.

Source: UNCTAD-ICC, 2001.

In this respect, information on the sectoral breakdown of FDI in ACP is useful, though its availability is very limited (see table 4 for FDI stock and annex table 6 for FDI flows). Several recipients of FDI in ACP countries for which data are available show that the industry distribution varies according to the countries' natural resources or comparative advantages. For example, the majority of FDI goes to the mining industry in Namibia, to the petroleum industry in Trinidad and Tobago, and to the fishery industry in the Solomon Islands. While manufacturing is the largest sector in Swaziland in terms of stock, the services sector accounts for the largest share of inward FDI stock in South Africa (table 4). In Ethiopia, the large recipient industry is the hotel industry. The telecommunications industry is the largest recipient in services in Uganda.

Table 4. Inward FDI stock in selected ACP countries, by industry, various periods
(Millions of dollars)

Sector/industry	Namibia		Nigeria		Papua New Guinea		South Africa	Swaziland	
	1990	1994	1985	1992	1988	1997	1999	1988	1993
Total	2 047	1 712	6 807	1 044	1 082	1 505	51 772	348	456
Primary	1 626	1 312	870	346	934	1 327	18 604	53	58
Agriculture, hunting, forestry and fishing	20	125	131	66	47	52
Agriculture and hunting	73	75	..	47	52
Forestry and fishing	52	57	..	-	-
Forestry logging and related activities	47	57	..	-	-
Fishing, operation of fish hatcheries and fish farms	5	-	..	-	-
Mining, quarrying and petroleum	327	809	1 196	18 538	6	6
Mining and quarrying	327	800	..	18 538	..	..
Petroleum	-	10	..	-	..	..
Secondary	60	90	2 279	496	41	38	12 915	201	275
Tertiary	361	310	3 657	202	57	91	20 252	94	123
Construction	72	-	-	82	-	-
Trade	75	28	15	1 722	-	-
Wholesale trade	-	-	-	1 722	-	-
Distributive trade	-	28	15	-	-	-
Unspecified trade	75	-	-	-	-	-
Hotels and restaurants	-	1	6	-	-	-
Transport, storage and communications	20	7	1	1 367	-	-
Transport and storage	7	1	1 367	-	-
Post and communications	-	-	-	-	-
Telecommunications	-	-	-	-	-
Finance	-	21	69	17 059	14	12
Community, social and personal service activities	-	-	-	22	-	-
Other services	35	-	-	-	80	111
Unspecified	-	-	-	-	50	49	-	-	-

Source: UNCTAD, FDI/TNC database.

Obviously, the realization of some of these opportunities can be enhanced by policy measures that improve the overall climate for FDI and alleviate specific bottlenecks. There are encouraging signs to attract FDI flows to the ACP. This is explained in the following section.

II. DEVELOPMENTS IN THE REGULATORY FRAMEWORK⁸

At the **national** level, most ACP economies now have legislation in place offering a wide range of guarantees and opportunities for foreign investors. In many cases, new FDI regulations in the ACP have greatly liberalized restrictions, provide for non-discrimination between foreign and domestic private investors, allow profit repatriation, protect against expropriation, grant incentives and strengthen standards of treatment of foreign investors.

An area in which particularly important changes have taken place concerns limitations on foreign ownership and control. The Tanzanian Mining Act of 1996, for example, relaxed government regulatory control over the mining sector and removed a number of barriers that had previously limited foreign ownership of mineral exploitation enterprises (United States Commercial Service, 1999). Some restrictions related to the ownership of land and real estate have also been reduced in some countries. In Ethiopia, land is public property and cannot be purchased or sold. However, land for investment purposes can be obtained through leaseholds, their length varying from 15 to 99 years; a typical lease for a business venture is for 30-60 years (UNCTAD-ICC, 2000a; United States, Commercial Service 2001a).

Many ACP economies furthermore guarantee foreign investors a right to repatriate capital and profits, thus exempting them from otherwise restrictive foreign exchange regimes. In Senegal, for example, there are no restrictions on the transfer or repatriation of capital and income or capital in convertible foreign exchange (United States, Commercial Service, 2001b), while other countries (e.g. United Republic of Tanzania) have completely removed foreign exchange restrictions and have introduced forex bureaux to handle foreign exchange transactions no longer controlled by central banks. In other countries, foreign exchange retention schemes allow foreign firms access to either all or a portion of the value of their exports. Zambia's Investment Act of 1991, for example, allows exporters to retain up to 70 per cent of their export earnings in the initial years of the investment and 50 per cent thereafter.

Many ACP economies moreover have enacted new or revised legislation allowing foreign investors to participate in privatization programmes. Examples are Mauritania, the United Republic of Tanzania, Uganda and Zambia (UNCTAD, 2000a; UNCTAD and ICC, 2001; United States Commercial Service, 1999, 2001c, d). In Uganda, for example, privatizations completed under the privatization programme have successfully attracted foreign investors in such activities as banking, farming, hotels and crop marketing (UNCTAD, 2000a; UNCTAD-ICC, 2001). A recurrent issue in many countries with regard to privatization is how to secure indigenous ownership of assets in a situation characterized by a fairly narrow capital base in the private sector.

Notwithstanding the ongoing liberalization of FDI restrictions, some ACP economies still require approval for the establishment of FDI projects. In Mali, for example, authorization is required in order to invest in all industries (UNCTAD-ICC, 2000b). In some countries, proposed investments have to meet certain criteria stated in the investment codes to receive approval. In other countries (e.g. Mozambique, Eritrea), approval is required only to obtain fiscal benefits.

ACP economies also offer generous tax incentives, usually targeted to certain types of investments or industries. In Guinea, amendments to the Investment Code of 1987 specified areas in

⁸ This section is largely based on UNCTAD (2001a).

which tax and duty exemptions are allowed, including agricultural products, fishery, chemicals, pharmaceuticals, tourism and hotel activities. Tax incentives have also been used to direct investment to specific zones. In Mozambique, an incentive scheme for undertakings located in the river Zambezi valley was introduced in 1998. Export incentives and free trade zones are also available in Angola, Malawi and Uganda, among others (UNCTAD, 2000b).

ACP economies have also sought international assistance to improve their regulatory regimes for FDI. UNCTAD, for example, has undertaken in-depth investment policy reviews for some of these countries, with a view to enhancing their attractiveness for foreign investors and maximizing the contribution of FDI to development (box 5).

Box 5. Investment Policy Reviews

UNCTAD's Investment Policy Reviews (IPRs) provide government officials with a means of monitoring FDI in a liberal environment. IPRs are presented and discussed in national workshops involving public officials and other stakeholders. They are undertaken upon request. The assumption is that governments are ready to receive independent feedback and to engage in open dialogue with investors and peers. Their expectation is that a transparent and objective presentation of their countries' investment policies and opportunities will put their countries on the radar screen of international investors. UNCTAD has completed Reviews for three ACP economies (Ethiopia, Mauritius and Uganda). Other ACP economies that have requested Reviews include Lesotho and the United Republic of Tanzania.

IPRs have a common format of three sections examining a country's objectives and competitive position in attracting FDI; the FDI policy framework and administrative procedures; and policy options. They go beyond an examination of how well FDI policies look on paper by probing how well those policies work in practice in achieving stated national objectives. Since investor response is based on both policy and non-policy factors, a key feature of IPRs is to survey actual investors on how they perceive current investment conditions and opportunities. Potential investors are also surveyed. On the basis of an analysis of investor perceptions and also of relevant FDI trends at the regional and global levels, IPRs assess a country's core competencies in attracting FDI and, then, gauge the effectiveness of policies in leveraging the competitive strengths of a country (relative to other countries) and in ameliorating potential weaknesses. The policy options and recommendations are practical, geared to decision-makers in investment promotion agencies, and include coherent technical assistance and follow-up. Uganda, for example, is actively implementing the recommendations.

Source: UNCTAD.

These national efforts have been complemented by increased international cooperation on FDI. At the **bilateral** level, 78 ACP economies had concluded a total number of 444 bilateral investment treaties for the protection and promotion of foreign investment (BITs) by 2001 (figure 4). UNCTAD provides technical assistance in this respect (box 6). Cuba has signed the largest number of BITs, followed by South Africa (figure 5). With these treaties, the ACP seeks to provide foreign investors from the other BIT countries with international standards of treatment and legal guarantees, among other things, on the transfer of funds, against expropriation and for the resolution of investment disputes.

Figure 4. BITS and DTTs concluded by ACP economies, 1990-2001
(Cumulative)

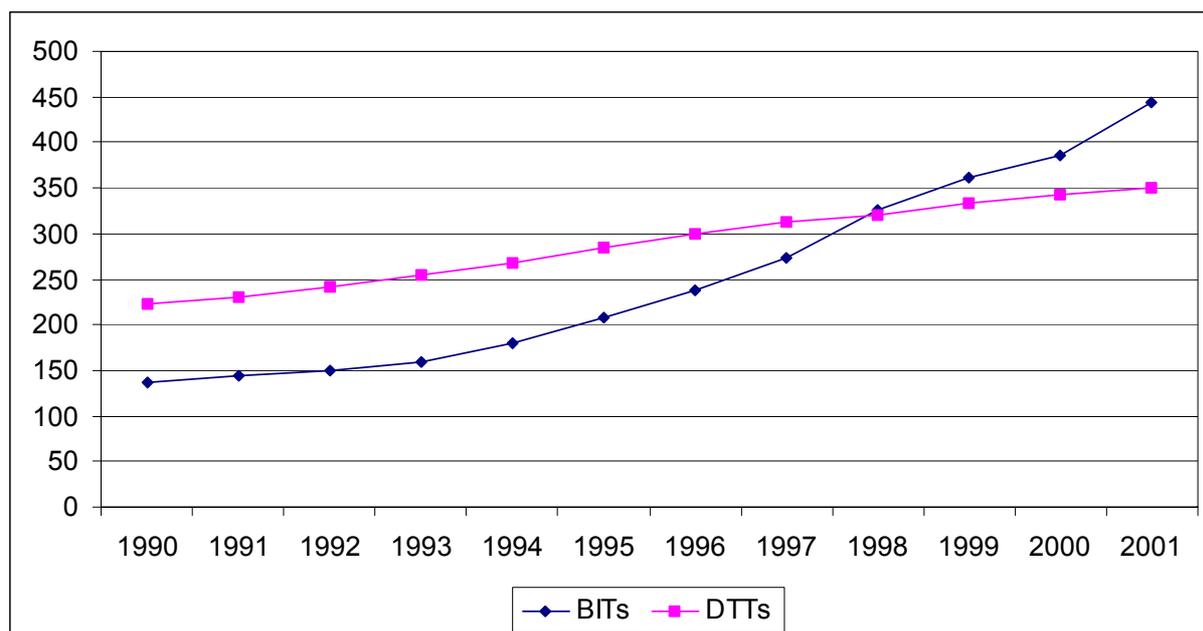
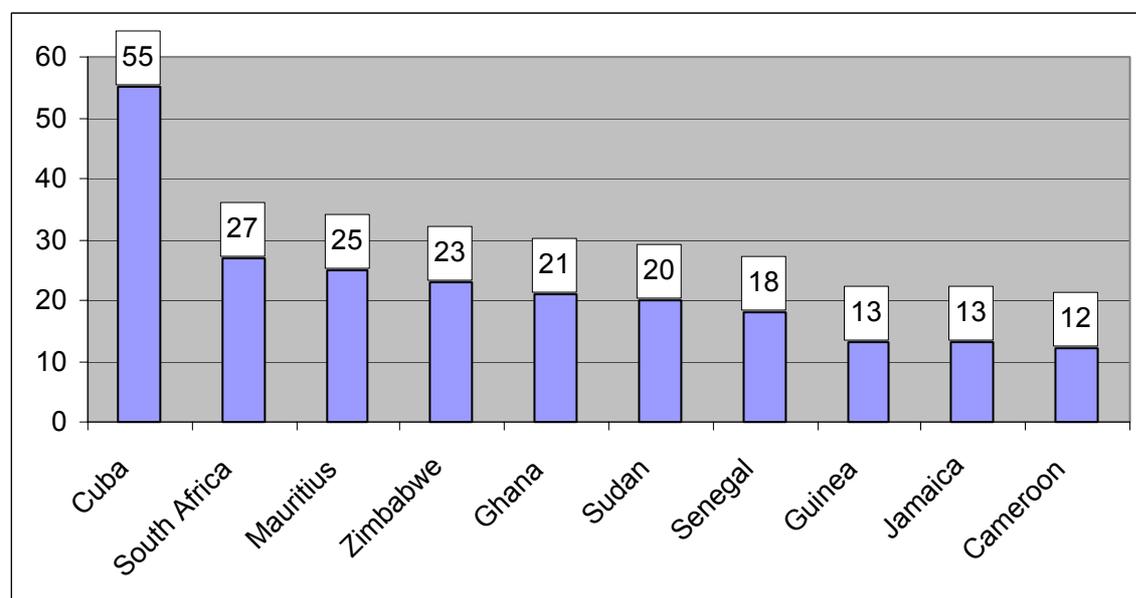


Figure 5. The top 10 ACP economies in terms of the number of BITS concluded, 2001
(Cumulative)



Source: UNCTAD, on the basis of UNCTAD's BITS and DTTs database.

Box 6. BIT negotiations involving ACP economies

UNCTAD assists developing countries in this area by facilitating negotiations among partner countries. For example, one negotiating event took place in Geneva in January 2001. Eighteen countries participated in the bilateral negotiations, namely Belgium, Benin, Burkina Faso, Burundi, Cameroon, Chad, Comoros, Egypt, Ghana, Guinea, Madagascar, Malaysia, Mali, Mauritania, Mauritius, South Africa, Switzerland and Zambia. Forty-two BITs were finalized and intialled.

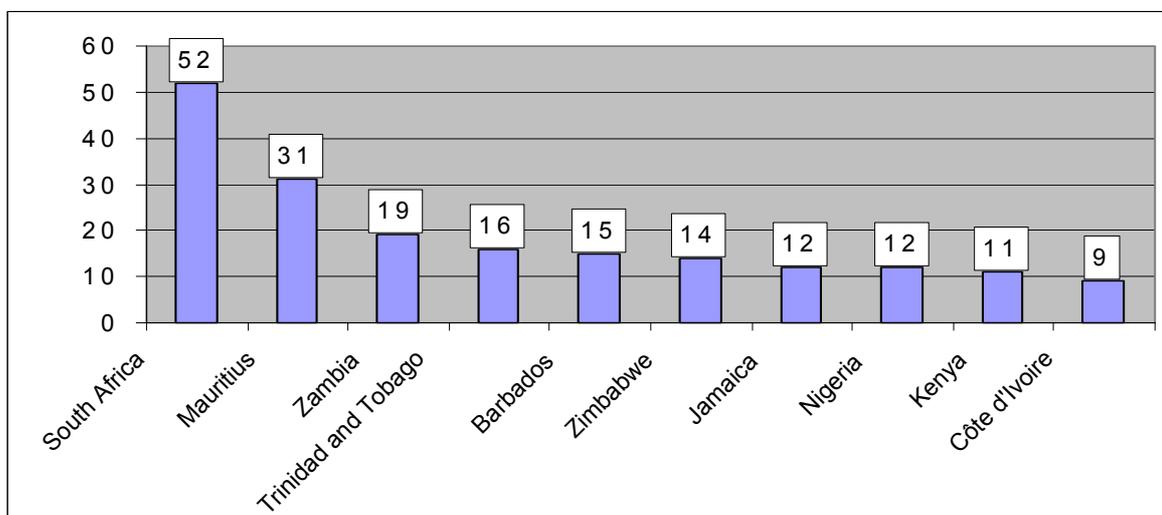
The BITs negotiating event provides the participating countries not only with the opportunity to conclude treaties with several other countries, but also to exchange experiences and compare negotiating approaches. The advantage of bringing chief negotiators together in one place where they can concentrate on the negotiation of several BITs is therefore that it allows for combining economies of scale with capacity-building in this field.

UNCTAD plays a facilitating role by making it possible to assemble a number of chief negotiators with authority to negotiate and providing substantive and logistic support. UNCTAD does not participate in the negotiations.

Source: UNCTAD.

The avoidance of double taxation is another consideration in foreign investors' locational decisions. ACP economies have therefore also concluded a growing number of bilateral treaties for the avoidance of double taxation (DTTs), reaching a total of 350 by 2001 (figure 4). South Africa has signed the largest number of DTTs, followed by Mauritius and Zambia (figure 6). The pace of concluding DTTs has remained unchanged in recent years, in contrast with the sharp increase in the number of BITs recently (figure 4).

Figure 6. The top 10 ACP economies in terms of the number of DDTs concluded, 2001 (Cumulative)



Source: UNCTAD, on the basis of UNCTAD's BIT and DTTs database.

At the same time, ACP countries have shown increased interest in becoming parties to key **multilateral** investment agreements (table 5). As of 2002, 31 ACP economies had acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards, while the Convention on the Settlement of Investment Disputes between States and Nationals of other States had been ratified by 51 of the 78 ACP economies. By signing the ICSID Convention, ACP obtains access to ICSID's arbitration mechanism for the resolution of investment disputes. Moreover, 54 ACP economies are now full members of the Multilateral Investment Guarantee Agreement (MIGA), and 9 are in the process of fulfilling membership requirements. MIGA provides insurance guarantees for foreign investors against non-commercial risks in their host developing countries. In addition, 55 of the ACP countries have become members of the WTO and thereby parties to three main agreements relating to investment, namely the Agreement on Trade-related Investment Measures (TRIMs), the General Agreement on Trade in Services (GATS) and the Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS); another 9 ACP have observer status at the WTO. Participation in these WTO agreements brings the ACP into line with multilaterally agreed principles and standards on trade, and investment and intellectual property rights protection, while allowing them to enjoy special and differential treatment by reason of their development status (UNCTAD, 2000c).

Moreover, several dozen *international agreements*, to which most of the ACP economies are parties, contain provisions with regards to transfer of technology to, and capacity building in, developing countries. These specific provisions require the adoption of legislative, administrative or policy measures, as appropriate to provide access to, the transfer of and the joint development of technology (UNCTAD, 2001b). Many technology-related provisions in international instruments rely on home-country measures, i.e. measures aimed at promoting outward investment and technology transfer. The adoption of home-country measures is to be found, for example, in Article 66.2 of the TRIPS Agreement as an obligation for developed countries to "provide incentives to enterprises and institutions in their territories" in order to promote and encourage transfer of technology to LDCs to "enable them to create a sound and viable technological base". Generally, types of measures taken include export and investment promotion, export finance and other financial incentives (such as tax credits and loans), infrastructure projects, and provision of training and technical information (including technical assistance and expertise). These measures, when matched with an enabling environment in host countries, play an important role in building technological capability there with a view to attracting FDI.

Table 5. ACP parties to main international investment-related instruments, as of May 2002

Economy	CREFAA ^a	ICSID ^b	MIGA ^c	TRIMS ^d	GATS ^e	TRIPS ^f
Angola			√	√	√	√
Antigua and Barbuda	√		g	√	√	√
Bahamas		√	√	h	h	h
Barbados	√		√	√	√	√
Belize			√	√	√	√
Benin	√	√	√	√	√	√
Botswana	√	√	√	√	√	√
Burkina Faso	√	√	√	√	√	√
Burundi		√	√	√	√	√
Cameroon	√	√	√	√	√	√
Cape Verde			√	h	h	h
Central African Republic	√	√	√	√	√	√
Chad		√	g	√	√	√
Comoros		√				
Congo		√	√	√	√	√

Economy	CREFAA ^a	ICSID ^b	MIGA ^c	TRIMS ^d	GATS ^e	TRIPS ^f
Cook Islands						
Côte d'Ivoire	√	√	√	√	√	√
Cuba	√			√	√	√
Democratic Republic of the Congo		√	√	√	√	√
Djibouti	√			√	√	√
Dominica	√		√	√	√	√
Dominican Republic		i	√	√	√	√
Equatorial Guinea			√			
Eritrea			√			
Ethiopia		i	√	h	h	h
Fiji		√	√	√	√	√
Gabon		√	g	√	√	√
Gambia		√	√	√	√	√
Ghana	√	√	√	√	√	√
Grenada		√	√	√	√	√
Guinea	√	√	√	√	√	√
Guinea-Bissau		i	g	√	√	√
Guyana		√	√	√	√	√
Haiti	√	i	√	√	√	√
Jamaica		√		√	√	√
Kenya	√	√	√	√	√	√
Kiribati						
Lesotho	√	√	√	√	√	√
Liberia		√	g			
Madagascar	√	√	√	√	√	√
Malawi		√	√	√	√	√
Mali	√	√	√	√	√	√
Marshall Islands						
Mauritania	√	√	√	√	√	√
Mauritius	√	√		√	√	√
Micronesia (Federated States of)		√	√			
Mozambique	√	√	√	√	√	√
Namibia		i		√	√	√
Nauru						
Niger	√	√	g	√	√	√
Nigeria	√	√	√	√	√	√
Niue						
Palau			√			
Papua New Guinea		√	√	√	√	√
Rwanda		√	g	√	√	√
Saint Kitts and Nevis		√	√	√	√	√
Saint Lucia		√	√	√	√	√
Saint Vincent and the Grenadines	√	i	√	√	√	√
Samoa		√	√	h	h	h
Sao Tome and Principe		i		h	h	h
Senegal	√	√	√	√	√	√
Seychelles		√	√	h	h	h
Sierra Leone		√	√	√	√	√
Solomon Islands		√	g	√	√	√
Somalia		√				
South Africa	√		√	√	√	√
Sudan		√	√	h	h	h
Surinam			g			
Swaziland		√	√	√	√	√
Togo		√	√	√	√	√
Tonga		√		h	h	h
Trinidad and Tobago	√	√	√	√	√	√
Tuvalu						
Uganda	√	√	√	√	√	√
United Republic of Tanzania	√	√	√	√	√	√
Vanuatu			√	h	h	h

Economy	CREFAA ^a	ICSID ^b	MIGA ^c	TRIMS ^d	GATS ^e	TRIPS ^f
Zambia	√	√	√	√	√	√
Zimbabwe	√	√	√	√	√	√

Source: UNCTAD, based on official sources of respective organizations.

^a Convention on the Recognition and Enforcement of Foreign Arbitral Awards

^b Convention on the Settlement of Investment Disputes between States and Nationals of other States

^c Convention Establishing the Multilateral Investment Guarantee Agency

^d Agreement on Trade-related Investment Measures

^e General Agreement on Trade in Services

^f Agreement on Trade-related Aspects of Intellectual Property Rights

^g Countries in the process of fulfilling membership requirements to MIGA

^h Observer status in the WTO

ⁱ Signed but not ratified

Beyond improving their regulatory framework, the ACP group has also been increasingly proactive in promoting their countries, emphasizing their attractiveness for foreign investors. For that purpose, 55 ACP economies have established agencies – typically investment promotion agencies (IPAs) – that specifically concentrate on promotional activities. Of these, 44 have joined the World Association of Investment Promotion Agencies (WAIPA), which has, among its main objectives, to promote and develop cooperation among IPAs on a regional and global scale, to share country and regional experiences, and to help IPAs gain access to technical assistance and training (table 6). In some cases, the same agencies are also responsible for setting the requirements for inward FDI and for approving investment projects. An important trend in this respect has been the introduction of “one-stop windows” in order to simplify procedures and facilitate the entry of foreign investors. Madagascar and Sudan, for example, changed their administrative procedures in this direction (UNCTAD, 1995). These agencies can also play an important role in the dialogue and negotiations between investors and the relevant government authorities, seeking to ensure that investors are fully informed of the benefits to be derived from their country. Examples here are the Malawi Investment Promotion Agency established in 1992 (UNCTAD, 1995) and the Vanuatu Foreign Investment Board set up through the Foreign Investment Act in 1998 (UNCTAD, 1999). National efforts to attract investors are also being supported by international organizations; for example, to ensure that reliable and objective economic and legal information on developing countries reaches interested investors in all parts of the world, UNCTAD and the International Chamber of Commerce prepare and publish investment guides for least developed countries, some of which are ACP economies (box 7).

Table 6 Existence of investment promotion agencies, as of April 2002

Economy	IPA	Member of WAIPA
Angola	√	√
Antigua and Barbuda	√	√
Bahamas	√	
Barbados	√	
Belize	√	√
Benin	√	√
Botswana	√	
Burkina Faso		
Burundi		
Cameroon	√	√
Cape Verde	√	√
Central African Republic	√	
Chad	√	
Comoros		

Economy	IPA	Member of WAIPA
Congo		
Cook Island	√	
Côte d'Ivoire	√	√
Cuba	√	√
Democratic Republic of the Congo	√	√
Djibouti	√	√
Dominica	√	√
Dominican Republic	√	√
Equatorial Guinea		
Eritrea	√	
Ethiopia	√	√
Fiji	√	√
Gabon	√	√
Gambia	√	√
Ghana	√	√
Grenada	√	√
Guinea	√	√
Guinea-Bissau		
Guyana	√	√
Haiti	√	√
Jamaica	√	√
Kenya	√	√
Kiribati	√	√
Lesotho	√	√
Liberia	√	
Madagascar	√	
Malawi	√	√
Mali	√	√
Marshall Islands	√	
Mauritania	√	√
Mauritius	√	
Micronesia (Federated States of)	√	
Mozambique	√	
Namibia	√	√
Nauru	√	
Niger	√	√
Nigeria	√	√
Niue	√	
Palau	√	
Papua New Guinea	√	√
Rwanda		
Saint Kitts and Nevis		
Saint Lucia	√	√
Saint Vincent and the Grenadines		
Samoa	√	√
Sao Tome and Principe		
Senegal	√	√
Seychelles	√	√
Sierra Leone	√	√
Solomon Islands	√	√
Somalia		
South Africa	√	√
Sudan	√	
Suriname		
Swaziland	√	
Togo		
Tonga	√	
Trinidad and Tobago	√	√
Tuvalu	√	
Uganda	√	√
United Republic of Tanzania	√	√

Economy	IPA	Member of WAIPA
Vanuatu	√	√
Zambia	√	√
Zimbabwe	√	√

Source: UNCTAD, information obtained from the WAIPA Secretariat and official national sources.

Box 7. The UNCTAD-ICC Investment Guides

The project “Investment guides and capacity-building for least developed countries” is a collaborative venture by UNCTAD and the International Chamber of Commerce (ICC). Its objective is to bring together two parties with complementary interests: firms that seek new investment locations and countries that seek new investors. This is not always a straightforward exercise, for firms are driven by their global strategies as much as lured by specific opportunities; moreover, countries have economic and social objectives that transcend the attracting of foreign investment.

The UNCTAD-ICC investment guides are thus properly seen as a part of a process, a long-term process at the heart of which is an ongoing dialogue between investors and Governments. The guides themselves are products of dialogue, including that occurring among and between representatives of business and Governments during the workshops that precede the completion of the guides. The guides in turn contribute to the dialogue, helping to strengthen and sustain it, as in the long-term it is particularly this dialogue that creates conditions increasingly conducive to greater flows of investment. Among ACP economies, guides were produced for Ethiopia and Mali. Work is under way for Mozambique and Uganda.

Source: UNCTAD.

With ODA to ACP countries declining, other sources of external finance, in particular FDI assume increased importance. FDI is a key channel for the inflow of much needed capital, knowledge, technology and access to international markets. In order to facilitate greater inflows of FDI, many ACP economies have taken important steps to create a more favourable investment climate. While much still remains to be done in this regard, there are undoubtedly significant opportunities for FDI in ACP countries. The international community has an important role to play in helping to ensure that existing opportunities are adequately communicated to corporate executives and in providing assistance to ACP countries to improve the scope for FDI further. The data presented here show that FDI patterns vary considerably among ACP countries, underlining the importance of assessing opportunities and needs on a country-by-country, industry-by-industry and opportunity-by-opportunity basis. With a concerted effort by the international community, complementing and reinforcing the steps taken by ACP countries themselves, FDI can play a greater role in the development process of these countries, and contribute to an upgrading of the productive capacity of their domestic enterprise sectors, to bring about higher economic growth and an improved quality of life.

III. PROPOSALS AND RECOMMENDATIONS

The overall policy requirement for host Governments seeking substantial inflows of FDI or other forms of foreign participation is the creation of an attractive climate for investors through macroeconomic stability, consistent policies and adequate institutional support. Many ACP countries have taken substantial steps in this direction in recent years.

A better performance in attracting FDI would require considerable improvement in the general investment climate, which is sometimes beyond government control, for example because of war or deterioration of economic conditions due to adverse developments in commodities' terms of trade. In any event, sustained development efforts will take time to produce tangible changes in the climate.

However, there is scope in many countries to improve policies, regulations and administrative practices that affect FDI, drawing to the extent possible on best practices in the most successful countries. In this regard, national reviews of investment policies are a useful tool for assessing a country's basic strengths in attracting FDI (relative to other countries), and in gauging the areas for effective policy intervention in enhancing long-term competitive strengths, and in ameliorating potential weaknesses. Such reviews, conducted with the involvement of the private sector, can provide market feedback on the impact of investment measures.

Sustained capacity-building support for investment promotion agencies is another area that needs attention. Many countries have "one-stop shops" to facilitate the approval of investment proposals. To be effective, such mechanisms need to be efficient. Training and institutional strengthening are important.

Another important step must be to ensure that potential investors are fully informed of the benefits to be derived from investing in a particular country. Investment guides can be a useful tool in this regard. There is a clear need for ACP policy makers, especially in those countries with existing FDI potential, to adopt aggressive promotion strategies in leading home countries and in other centres of investment financing. European Union countries through their own investment promotion agencies could assist in this process.

Investment promotion strategies should be designed to tap the potential benefits of preferential market access measures. A number of ACP countries have been successful in this regard but the general experience is that preferences have not been a sufficient stimulus and catalyst for export growth and diversification in the ACP countries.

ACP countries, with the support of the international community, need to put emphasis on developing infrastructure and business services. Basic utilities such as electricity and water services are a necessary condition for the enhancement of the profitability of firms. ACP countries should participate effectively in subregional and regional infrastructural development. Governments should also consider infrastructure as a target for the various modalities of privatization programmes open to foreign investors so as to secure the capital and technology necessary for upgrading facilities.

Besides modern infrastructure, an increasingly important factor in attracting FDI is the availability of a good technical and skill base. In this connection, there is an urgent need for mid-level technical and supervisory skills in many ACP countries. Business training institutes should be established to improve local capacity and create practical skills. On-the-job training should also be encouraged. New initiatives of the European Union and its member States, in the context of the

Lomé Convention, should be targeted at assisting ACP countries to improve their technological infrastructures, particularly through capacity-building.

In addition to better promote FDI in the ACP countries, it might be useful to encourage the development of a series of possible subregional schemes of cooperation. Areas include the organization of business roundtables, partnering programmes, seminars and workshops on both general and sectoral issues. Also important is the organization of a number of training projects, and to design projects for technological cooperation.

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Annex table 1. FDI inflows into ACP economies, 1985-2000

(Millions of dollars)

Economy	Annual average			1998	1999	2000
	1998-1989	1990-1994	1995-1999			
Angola	192.4	218.0	929.8	1 113.9	2 471.0	325.2
Antigua and Barbuda	30.6	34.9	25.5	27.4	26.5	33.2
Bahamas	5.9	6.5	140.3	147.4	149.4	250.7
Barbados	7.9	11.1	14.6	15.8	17.4	19.4
Belize	9.6	15.5	24.8	19.0	56.1	27.6
Benin	12.6	55.2	31.1	34.9	61.1	96.9
Botswana	63.9	- 43.1	74.7	95.9	36.7	29.5
Burkina Faso	2.5	5.1	12.4	9.7	13.1	23.2
Burundi	1.2	0.6	0.8	2.0	0.2	11.7
Cameroon	69.6	- 20.4	35.5	50.0	40.0	45.0
Cape Verde	0.7	1.6	25.7	8.8	53.3	21.1
Central African Republic	4.1	- 4.2	6.3	5.0	13.0	7.8
Chad	22.0	11.6	32.0	52.7	34.5	- 263.7
Comoros	2.9	0.4	1.0	3.2	0.3	0.9
Congo	18.2	33.8	40.1	117.8	134.6	- 75.2
Côte d'Ivoire	51.5	85.7	363.3	416.1	380.7	255.0
Cuba	0.2	6.7	10.0	15.2	9.0	- 10.3
Democratic Republic of the Congo	1.9	0.5	6.1	61.3	11.3	23.1
Dominica	10.2	16.9	23.5	6.5	18.0	10.6
Dominican Republic	78.3	170.7	593.8	699.8	1 337.8	952.9
Djibouti	0.5	1.0	11.2	3.5	4.2	3.3
Equatorial Guinea	2.2	19.5	133.4	24.0	120.0	54.7
Eritrea	0.0	0.0	- 0.1	- 1.7	1.3	0.1
Ethiopia	0.4	7.8	127.2	260.7	50.8	15.6
Fiji	17.2	71.9	32.3	107.0	- 33.2	- 20.2
Gabon	63.4	- 13.5	- 225.0	146.6	- 156.6	251.8
Gambia	3.0	7.4	12.2	14.3	14.0	13.6
Ghana	6.9	83.1	85.3	55.7	62.6	110.3
Grenada	9.8	18.0	34.4	50.9	46.4	37.1
Guinea	10.1	15.9	24.6	17.8	63.4	32.9
Guinea-Bissau	0.7	2.7	5.1	4.4	8.6	22.9
Guyana	- 0.6	68.6	62.9	46.6	48.2	67.1
Haiti	6.8	3.0	9.3	10.8	30.0	13.2
Jamaica	17.0	161.0	285.3	369.0	523.7	456.1
Kenya	32.7	17.5	33.8	42.0	42.0	110.9
Kiribati	0.2	0.2	0.6	0.5	0.5	0.7
Lesotho	9.3	199.9	251.2	262.5	163.4	119.1
Liberia	190.4	37.3	106.6	190.3	256.3	- 407.2
Madagascar	6.6	15.7	21.6	16.1	58.4	83.0
Malawi	4.9	12.6	44.3	70.2	60.0	50.8
Mali	0.4	1.3	66.4	35.8	51.3	106.4
Mauritania	3.7	6.9	2.6	0.1	0.9	9.2
Mauritius	18.6	22.0	34.4	12.2	49.4	276.8
Mozambique	3.2	24.8	159.7	234.9	381.7	139.2
Namibia	4.6	84.3	110.8	77.3	111.2	153.4
Niger	6.1	20.3	14.1	9.0	0.3	19.3
Nigeria	710.5	1 100.3	1 253.7	1 051.3	1 004.8	1 000.0
Papua New Guinea	124.8	99.1	200.1	109.6	296.5	200.0
Rwanda	17.3	4.7	3.1	7.1	1.7	9.1
Sao Tome and Principe	0.1	- 0.1	0.3	0.4	0.8	2.2
Saint Kitts and Nevis	17.6	22.4	29.9	31.9	42.5	96.2
Saint Lucia	17.9	42.0	55.3	83.4	94.1	48.9
Saint Vincent and the Grenadines	6.8	22.0	60.1	89.0	45.8	28.2
Samoa	0.2	4.6	5.9	3.0	2.0	- 1.5
Senegal	- 1.1	27.4	85.1	70.7	136.3	88.0
Seychelles	18.2	19.4	47.9	55.0	60.0	56.2
Sierra Leone	- 26.5	4.8	4.7	- 9.8	6.2	4.9
Solomon Islands	5.5	12.9	12.1	8.8	9.9	1.9
Somalia	- 3.6	1.7	0.5	0.0	- 0.8	0.3
South Africa	- 147.5	112.6	1 588.0	561.1	1 502.3	887.9
Sudan	1.2	13.5	170.4	370.7	370.8	392.2

Economy	Annual average					
	1998-1989	1990-1994	1995-1999	1998	1999	2000
Suriname	- 127.9	- 37.9	- 12.6	9.1	- 61.5	- 148.0
Swaziland	43.4	57.9	49.6	151.7	92.3	81.5
Togo	10.3	4.8	39.9	42.0	69.7	57.2
Tonga	0.1	1.0	2.2	2.0	2.0	- 7.0
Trinidad and Tobago	46.3	270.4	605.8	731.9	643.3	661.7
Tuvalu	0.0	0.0	0.1	0.1	0.0	0.1
Uganda	- 0.2	28.2	169.9	210.0	222.1	254.4
United Republic of Tanzania	3.2	16.4	162.4	172.2	183.4	192.8
Zambia	7.9	24.2	26.9	20.4	20.1	20.3
Zimbabwe	82.3	151.2	175.8	198.0	162.8	200.0
Zimbabwe	- 9.7	17.7	167.4	444.3	59.0	70.7

Memorandum

ACP (African, Caribbean and Pacific group)	1 801.4	3 517.4	8 739.9	9 376.7	11 788.6	7 702.9
ACP: Africa	1 509.3	2 471.8	6 496.7	6 771.7	8 464.3	4 963.9
ACP: Caribbean	136.2	831.8	1 963.0	2 353.6	3 026.4	2 544.7
ACP: Pacific	156.0	213.8	280.2	251.4	297.8	194.3
Developing countries	23 390.6	65 764.3	174 233.5	191 368.6	223 586.4	238 907.1
Central and Eastern Europe	107.1	4 041.3	17 773.9	21 060.5	23 253.9	24 564.4
Developed countries	106 556.9	131 338.4	401 371.6	483 170.6	829 158.3	1 218 581.5
World	130 054.6	201 144.0	593 378.9	695 599.8	1 075 998.6	1 482 053.0

Source: UNCTAD, FDI/TNC database.

Annex table 2. Cross-border M&A sales in ACP economies, 1987-2000
(Millions of dollars)

Economy	Annual average					
	1998-1989	1990-1994	1995-2000	1998	1999	2000
Angola	-	-	-	-	-	-
Antigua and Barbuda	-	-	4.9	24.1	-	5.0
Bahamas	46.5	307.5	31.7	28.4	-	25.0
Barbados	-	38.6	11.7	-	-	-
Belize	-	-	10.8	62.0	-	3.0
Benin	-	-	-	-	-	-
Botswana	-	-	3.2	-	-	-
Burkina Faso	-	-	-	-	-	-
Burundi	-	-	-	-	-	-
Cameroon	-	-	0.8	-	-	-
Cape Verde	-	-	13.8	-	83.0	-
Central African Republic	-	0.7	0.7	-	1.0	-
Chad	-	-	3.5	-	-	21.0
Comoros	-	-	-	-	-	-
Congo	-	-	12.4	-	-	-
Côte d'Ivoire	-	-	40.0	-	-	8.0
Cuba	-	-	185.7	38.3	-	477.0
Democratic Republic of the Congo	-	-	14.9	-	-	-
Dominica	-	-	-	-	-	-
Dominican Republic	-	-	202.0	28.0	673.0	464.0
Djibouti	-	-	-	-	-	-
Equatorial Guinea	-	-	-	-	-	-
Eritrea	-	-	-	-	-	-
Ethiopia	-	-	6.0	-	36.0	-
Fiji	-	-	1.5	-	4.0	-
Gabon	-	89.6	10.2	-	-	22.0
Gambia	-	-	-	-	-	-
Ghana	-	0.2	24.3	-	38.0	4.0
Grenada	-	-	0.8	-	-	-
Guinea	-	-	14.8	-	-	-
Guinea-Bissau	-	-	-	-	-	-
Guyana	-	4.7	4.0	-	23.0	-
Haiti	-	-	0.3	1.9	-	-

Economy	Annual average			1998	1999	2000
	1998-1989	1990-1994	1995-2000			
Jamaica	-	86.3	7.7	34.4	-	-
Kenya	4.9	-	7.2	-	-	18.0
Kiribati	-	-	-	-	-	-
Lesotho	-	-	-	-	-	-
Liberia	-	-	-	-	-	-
Madagascar	-	-	10.4	-	4.0	-
Malawi	-	-	11.7	10.0	-	-
Mali	-	-	25.1	-	-	132.0
Mauritania	-	-	-	-	-	-
Mauritius	-	-	45.2	-	-	261.0
Mozambique	-	8.0	6.5	13.1	1.0	-
Namibia	-	7.2	0.6	-	-	-
Niger	-	-	-	-	-	-
Nigeria	333.3	-	7.5	12.0	18.0	15.0
Papua New Guinea	-	13.1	82.5	41.1	106.0	-
Rwanda	-	-	0.3	-	2.0	-
Sao Tome and Principe	-	-	-	-	-	-
Saint Kitts and Nevis	-	-	13.0	-	-	-
Saint Lucia	-	-	-	-	-	-
Saint Vincent and the Grenadines	-	-	-	-	-	-
Samoa	-	-	-	-	-	-
Senegal	-	-	29.9	-	66.0	6.0
Seychelles	-	-	-	-	-	-
Sierra Leone	-	6.8	0.0	-	-	-
Solomon Islands	-	0.2	-	-	-	-
Somalia	-	-	-	-	-	-
South Africa	5.7	382.8	1 569.0	1 931.7	1 902.0	1 171.0
Sudan	-	1.6	-	-	-	-
Suriname	-	-	-	-	-	-
Swaziland	-	7.5	64.5	-	-	-
Togo	-	-	-	-	-	-
Tonga	-	-	-	-	-	-
Trinidad and Tobago	-	43.5	34.1	-	-	-
Tuvalu	-	-	-	-	-	-
Uganda	-	-	21.2	11.0	-	32.0
United Republic of Tanzania	-	6.7	76.4	23.2	-	415.0
Vanuatu	-	-	0.7	-	-	4.0
Zambia	-	-	83.8	150.4	1.0	133.0
Zimbabwe	-	7.7	6.5	-	24.0	5.0
<i>Memorandum</i>						
ACP (African, Caribbean and Pacific group)	390.4	1 012.7	2 701.4	2 409.6	2 982.0	3 221.0
ACP: Africa	343.9	518.8	2 110.1	2 151.4	2 176.0	2 243.0
ACP: Caribbean	46.5	480.6	506.7	217.1	696.0	974.0
ACP: Pacific	-	13.3	84.6	41.1	110.0	4.0
Developing countries	3 211.9	11 543.8	56 543.2	80 755.2	73 601.0	69 664.0
Central and Eastern Europe	9.1	1 238.5	7 705.9	5 100.8	9 148.0	16 922.0
Developed countries	106 952.4	91 360.5	461 925.1	445 127.9	681 133.0	1 057 230.0
World	110 173.4	104 148.7	526 661.9	531 648.4	766 044.0	1 143 816.0

Source: UNCTAD, cross-border M&A database.

Annex table 3. Inward FDI flows into selected ACP economies, by geographical origin, latest year available
(Millions of dollars)

Region/economy	Dominican Republic		Ethiopia	Kenya ^a	Mauritius	Namibia	Nigeria	Papua New Guinea	Solomon Islands ^a	South Africa	Trinidad and Tobago	Zimbabwe ^a
	2000	1999										
Total world	952.9	50.8	69.4	276.8	55.4	742.4	87.6	206.8	1 932.5	643.3	235.1	
Developed countries	734.6	32.9	43.7	275.2	55.4	660.7	80.0	32.2	1 887.5	523.6	187.0	
Western Europe	399.8	32.9	43.6	275.0	19.3	101.2	-	0.1	1 513.5	239.6	123.4	
European Union	385.8	..	43.6	274.8	..	..	-	0.1	1 216.9	239.6	118.5
Austria	-	..	-	-	..	..	-	-	2.8	-	0.4
Belgium	-	..	-	-	..	..	-	-	- 0.3	-	0.3

Region/economy	Dominican Republic		Ethiopia	Kenya ^a	Mauritius	Namibia	Nigeria	Papua New Guinea	Solomon Islands ^a	South Africa	Trinidad and Tobago	Zimbabwe ^a
	2000	1999	1995	2000	1995	1992	1997	1996	1994	1999	1995	
Denmark	-	..	-	-	..	..	-	-	-	-	-	21.4
Finland	-	..	-	-	..	..	-	-	-	-	-	0.3
France	97.5	..	-	274.8	..	..	-	-	290.4	-	-	11.6
Germany	29.3	..	0.1	-	..	..	-	0.0	255.4	7.5	-	5.6
Ireland	-	..	-	-	..	..	-	-	-	-	-	0.5
Italy	15.5	..	4.2	-	..	..	-	-	7.3	-	-	0.4
Luxembourg	-	..	-	-	..	..	-	-	22.2	-	-	18.9
Netherlands	36.0	..	-	-	..	..	-	-	494.0	-	-	10.7
Portugal	-	..	-	-	..	..	-	-	-	-	-	4.0
Spain	190.1	..	-	-	..	..	-	-	-	-	-	25.7
Sweden	-	..	-	-	..	..	-	-	-	-	-	0.2
United Kingdom	17.4	..	39.3	-	..	64.3	-	0.0	189.5	232.1	-	18.7
Other Western Europe	14.0	..	-	0.2	..	..	-	-	296.6	-	-	4.9
Jersey	-	..	-	-	..	..	-	-	-	-	-	2.0
Liechtenstein	-	..	-	-	..	..	-	-	28.7	-	-	2.1
Norway	-	..	-	-	..	..	-	-	-	-	-	0.1
Switzerland	14.0	..	-	0.2	..	..	-	-	157.7	-	-	0.7
North America	334.8	-	0.1	0.1	-	559.5	2.1	0.1	310.9	283.9	-	13.6
Canada	133.2	-	-	-	-	-	-	0.0	-	9.3	-	-
United States	201.6	-	0.1	0.1	-	559.5	2.1	0.0	310.9	274.6	-	13.6
Other developed countries	-	-	-	0.0	36.1	-	77.9	32.1	63.1	0.1	-	49.9
Australia	-	-	-	-	-	-	77.9	30.9	37.2	-	-	5.4
Israel	-	-	-	-	-	-	-	-	-	-	-	0.0
Japan	-	-	-	-	-	-	-	-	25.9	0.1	-	3.1
New Zealand	-	-	-	-	-	-	-	1.2	-	-	-	0.3
South Africa	-	-	-	0.0	36.1	-	-	-	-	-	-	41.1
Developing economies	166.6	13.6	3.4	1.6	-	-	2.8	174.3	46.2	57.0	-	16.5
Africa	-	0.5	-	1.1	-	-	-	-	2.3	-	-	5.0
Botswana	-	..	-	-	-	-	-	-	7.0	-	-	0.7
Ghana	-	..	-	-	-	-	-	-	-	-	-	1.1
Mauritius	-	..	-	-	-	-	-	-	-	-	-	2.0
Namibia	-	..	-	-	-	-	-	-	-	-	-	0.1
Nigeria	-	..	-	-	-	-	-	-	-	-	-	0.3
Reunion	-	..	-	1.1	-	-	-	-	-	-	-	-
Senegal	-	..	-	-	-	-	-	-	-	-	-	0.1
Somalia	-	..	-	-	-	-	-	-	-	-	-	0.1
Swaziland	-	..	-	-	-	-	-	-	0.8	-	-	-
Uganda	-	..	-	-	-	-	-	-	-	-	-	0.0
United Republic of Tanzania	-	..	-	-	-	-	-	-	-	-	-	0.3
Zambia	-	..	-	-	-	-	-	-	-	-	-	0.3
Latin America and the Caribbean	106.6	-	-	-	-	-	2.8	-	91.8	-	-	0.0
South America	21.6	-	-	-	-	-	-	-	..	-	-	-
Chile	21.6	-	-	-	-	-	-	-	..	-	-	-
Other Latin America and Caribbean	85.0	-	-	-	-	-	2.8	-	..	-	-	0.0
Bahamas	10.0	-	-	-	-	-	-	-	..	-	-	-
Bermuda	-	-	-	-	-	-	2.8	-	..	-	-	-
Cayman Islands	37.0	-	-	-	-	-	-	-	..	-	-	0.0
Mexico	14.0	-	-	-	-	-	-	-	..	-	-	-
Panama	16.8	-	-	-	-	-	-	-	..	-	-	-
Virgin Islands	7.2	-	-	-	-	-	-	-	..	-	-	-
Developing Europe	-	-	-	-	-	-	-	-	-	-	-	0.8
Yugoslavia	-	-	-	-	-	-	-	-	-	-	-	0.8
Asia	60.0	13.1	3.4	0.4	-	-	-	158.3	47.9	57.0	-	10.7
West Asia	-	12.0	-	0.4	-	-	-	-	-	-	-	2.0
Cyprus	-	..	-	-	-	-	-	-	-	-	-	0.1
Lebanon	-	..	-	-	-	-	-	-	-	-	-	1.2
Saudi Arabia	-	..	-	-	-	-	-	-	-	-	-	0.7
United Arab Emirates	-	..	-	0.4	-	-	-	-	-	-	-	-
South, East and South-East Asia	60.0	-	3.4	-	-	-	-	158.3	47.0	57.0	-	8.7
China	-	-	1.3	-	-	-	-	-	-	-	-	2.4
Hong Kong, China	-	-	-	-	-	-	-	0.4	54.9	-	-	-
India	-	-	1.3	-	-	-	-	-	-	57.0	-	0.2

Region/economy	Dominican Republic		Kenya ^a	Mauritius	Namibia	Nigeria	Papua	Solomon	South	Trinidad	Zimbabwe ^a
	2000	1999					New Guinea	Islands ^a	Africa	and Tobago	
	2000	1999	1995	2000	1995	1992	1997	1996	1994	1999	1995
Malaysia	60.0	-	-	-	-	-	-	0.4	-	-	3.1
Pakistan	-	-	0.8	-	-	-	-	-	-	-	0.6
Philippines	-	-	-	-	-	-	-	0.3	-	-	-
Republic of Korea	-	-	-	-	-	-	-	0.3	-	-	1.0
Sri Lanka	-	-	-	-	-	-	-	155.4	-	-	-
Taiwan Province of China	-	-	-	-	-	-	-	0.1	-	-	-
Pacific	-	-	-	-	-	-	-	1.3	-	-	1.3
New Caledonia	-	-	-	-	-	-	-	0.4	-	-	-
Papua New Guinea	-	-	-	-	-	-	-	0.6	-	-	-
Solomon Islands	-	-	-	-	-	-	-	0.3	-	-	-
Vanuatu	-	-	-	-	-	-	-	12.7	-	-	-
Central and Eastern Europe	-	-	-	-	-	-	-	1.9	-	-	-
Bulgaria	-	-	-	-	-	-	-	0.4	-	-	31.6
Russian Federation	-	-	-	-	-	-	-	-	-	-	0.1
Unspecified	51.7	4.3	22.3	0.0	-	81.7	4.9	-	- 1.1	62.7	-

Source: UNCTAD, FDI/TNC database.

a Based on approval data.

Annex table 4. FDI inflows as a percentage of gross fixed capital formation in ACP economies, 1985-2000
(Percentage)

Economy	Annual average			1998	1999	2000
	1998-1989	1990-1994	1995-2000			
Angola	18.2	37.1		71.8	189.5	21.0
Antigua and Barbuda	27.1	24.4		10.3	9.0	10.4
Bahamas	0.3	1.2		22.6	23.5	39.0
Barbados	3.2	5.1		3.6	3.6	4.6
Belize	15.0	12.0		12.4	27.5	10.7
Benin	6.7	20.7	8.6	9.3	13.9	7.0
Botswana	18.0	- 4.1	6.4	7.8	2.7	2.3
Burkina Faso	0.5	1.2	1.9	1.3	1.9	1.0
Burundi	0.7	0.3	1.2	3.7	0.3	21.8
Cameroon	3.0	- 1.0	2.3	3.1	2.2	2.8
Cape Verde	0.9	1.2		4.5	6.9	7.2
Central African Republic	2.8	- 2.6		3.5	8.6	6.2
Chad	36.5	9.2		24.2	16.9	- 129.2
Comoros	14.3	1.0		9.7	1.2	3.0
Congo	4.4	6.7		24.8	28.8	- 8.1
Côte d'Ivoire	4.9	10.6	20.7	15.4	15.2	5.9
Cuba	..	..	..	..	..	..
Democratic Republic of the Congo	0.6	0.7	1.5	13.6	2.6	5.4
Dominica	26.3	29.6	33.0	9.2	24.2	12.6
Dominican Republic	6.0	9.3	17.5	19.1	32.2	20.6
Djibouti	..	1.7		7.7	9.3	7.2
Equatorial Guinea	11.9	43.9		5.7	41.7	15.7
Eritrea	..	..		- 0.5	0.4	-
Ethiopia	-	0.9		23.4	4.4	1.4
Fiji	10.0	35.3		43.8	- 16.8	- 9.2
Gabon	5.0	- 1.7	- 18.6	10.3	- 12.8	19.1
Gambia	4.8	10.3	16.2	18.7	20.0	18.9
Ghana	1.1	6.9	5.6	3.3	3.7	6.6
Grenada	18.1	22.0	28.5	39.9	30.6	22.1
Guinea	3.4	3.1	3.9	2.8	10.4	5.1
Guinea-Bissau	1.4	2.9		3.6	0.6	6.1
Guyana	-	31.9		22.5	29.0	28.6

Economy	Annual average			1998	1999	2000
	1998-1989	1990-1994	1995-2000			
Haiti	2.1	0.1	0.8	1.1	2.6	1.3
Jamaica	1.8	14.2	14.9	18.6	27.8	22.8
Kenya	2.3	1.1	1.9	2.2	2.6	6.2
Kiribati	1.2	0.8	2.9	2.4	2.4	3.2
Lesotho	4.6	43.3	47.9	60.2	31.4	30.8
Liberia	172.7	37.4	110.2	196.5	265.0	- 421.0
Madagascar	2.2	4.5	4.8	3.3	12.4	16.1
Malawi	2.1	4.1	20.7	36.1	26.8	22.3
Mali	0.2	0.4	11.5	6.9	10.1	12.6
Mauritania	1.8	4.2	1.6	0.1	0.5	5.2
Mauritius	4.2	2.5	3.1	1.3	4.2	24.9
Mozambique	0.5	5.8	17.5	26.8	29.5	14.9
Namibia	2.7	16.1	14.6	9.9	14.3	24.7
Niger	2.0	7.9	6.3	3.5	0.1	- 2.4
Nigeria	26.4	29.7	21.3	11.9	40.5	44.1
Papua New Guinea	19.9	10.7	26.8	20.9	46.3	31.3
Rwanda	5.5	1.4	1.2	2.4	0.5	2.9
Sao Tome and Principe	2.1	- 2.9	1.8	2.7	4.2	12.0
Saint Kitts and Nevis	36.6	27.3	27.3	25.9	39.1	63.3
Saint Lucia	26.7	36.5	34.2	52.0	50.7	27.9
Saint Vincent and the Grenadines	15.1	34.7	66.0	88.4	42.8	32.0
Samoa	0.6	8.1	10.0	5.1	3.4	- 2.6
Senegal	- 0.9	3.2	10.0	6.4	15.1	12.1
Seychelles	33.1	19.2	26.3	26.3	29.3	28.8
Sierra Leone	- 60.0	6.4	7.3	- 25.9	21.0	12.2
Solomon Islands	9.6	20.0	18.6	13.5	15.2	2.9
Somalia	- 2.2	1.1	0.3	-	- 0.4	0.1
South Africa	- 1.1	0.6	6.9	2.5	7.6	4.7
Sudan	-	0.4	10.0	21.0	22.8	23.2
Suriname	- 46.3	- 8.6	- 4.2	8.8	- 26.0	- 67.8
Swaziland	38.0	25.6	11.8	36.8	20.7	22.0
Togo	3.8	2.2	20.4	19.3	34.9	29.8
Tonga	0.6	4.6	10.3	9.3	9.3	- 32.7
Trinidad and Tobago	7.3	34.1	46.2	46.9	44.7	43.8
Tuvalu	..	..	..	..	..	..
Uganda	- 0.3	4.3	15.7	18.5	21.1	23.1
United Republic of Tanzania	0.4	1.5	13.8	12.8	13.8	12.2
Vanuatu	25.4	46.6	41.8	31.3	32.1	32.0
Zambia	33.8	33.3	14.1	15.6	11.7	14.5
Zimbabwe	- 0.8	1.2	13.4	44.0	3.8	5.0

Memorandum

ACP (African, Caribbean and Pacific group)	3.8	6.2	12.5	12.8	18.0	11.9
ACP: Africa	3.7	5.1	11.0	11.0	16.0	9.6
ACP: Caribbean	2.7	12.8	19.9	22.1	26.8	21.5
ACP: Pacific	16.0	15.9	23.3	25.1	27.9	17.9
Developing countries	3.2	5.3	10.6	11.7	13.4	13.9
Central and Eastern Europe	0.4	5.5	11.7	13.8	18.4	17.3
Developed countries	3.9	3.4	8.6	10.6	17.2	24.4
World	3.7	3.9	9.2	11.0	16.3	21.7

Source: UNCTAD, FDI/TNC database.

Annex table 5. FDI inflows per capita into ACP economies, 1985-2000
(Dollar)

Economy	Annual average			1998	1999	2000
	1998-1989	1990-1994	1995-2000			
Angola	22.0	20.9	75.0	89.8	193.7	24.8
Antigua and Barbuda	492.0	554.3	397.8	425.7	410.4	511.2
Bahamas	22.1	22.6	479.2	497.4	497.5	824.0
Barbados	31.1	42.7	55.1	59.3	65.1	72.5
Belize	54.3	80.7	115.7	87.6	253.1	122.1
Benin	2.8	11.4	6.0	6.4	10.0	4.8
Botswana	56.8	- 30.6	50.7	63.8	24.1	19.1
Burkina Faso	0.3	0.5	1.2	0.9	1.2	0.5
Burundi	0.2	0.1	0.1	0.3	-	1.8
Cameroon	6.9	- 1.8	2.5	3.5	2.7	3.0
Cape Verde	2.7	4.5	45.8	22.1	35.9	34.0
Central African Republic	1.5	- 1.4	1.8	1.4	3.6	2.1
Chad	4.2	1.8	4.4	7.1	4.5	- 33.4
Comoros	9.9	0.7	1.5	4.8	0.5	1.3
Congo	9.0	13.9	13.5	41.4	45.9	- 24.9
Côte d'Ivoire	4.6	6.3	21.5	20.5	17.8	6.6
Cuba	0.0	0.6	0.9	1.4	0.8	- 0.9
Democratic Republic of the Congo	0.1	-	0.1	1.3	0.2	0.5
Dominica	141.6	237.6	331.1	92.3	254.2	150.5
Dominican Republic	11.6	23.3	73.6	86.4	162.4	113.8
Djibouti	1.2	1.9	19.5	5.8	6.9	5.2
Equatorial Guinea	6.9	53.0	321.6	55.5	270.1	119.7
Eritrea	..	..	-	- 0.5	0.4	-
Ethiopia	-	0.2	2.2	4.4	0.8	0.2
Fiji	24.1	97.1	41.3	134.5	- 41.3	- 24.8
Gabon	74.8	- 11.3	- 202.4	125.5	- 130.6	204.7
Gambia	3.3	7.2	10.2	11.6	11.1	10.5
Ghana	0.5	5.0	4.8	3.0	3.3	5.7
Grenada	108.0	197.6	370.4	547.2	497.2	396.6
Guinea	1.8	2.5	3.1	2.3	7.9	4.0
Guinea-Bissau	0.8	2.8	2.2	0.7	0.2	1.6
Guyana	- 0.7	93.4	84.0	61.8	63.6	88.2
Haiti	1.0	0.4	1.2	1.4	3.7	1.6
Jamaica	7.2	67.0	112.9	145.6	205.0	177.1
Kenya	1.5	0.7	1.2	1.4	1.4	3.6
Kiribati	2.9	2.2	7.5	6.2	6.1	8.0
Lesotho	5.8	112.9	127.2	132.8	67.8	57.9
Liberia	87.1	17.1	40.8	76.1	94.6	- 139.8
Madagascar	0.6	1.3	1.4	1.1	3.8	5.2
Malawi	0.5	1.3	4.2	6.5	5.4	4.5
Mali	-	0.1	6.4	3.3	4.6	4.9
Mauritania	2.0	3.3	1.1	0.1	0.3	3.4
Mauritius	17.9	20.5	30.3	10.6	42.8	238.3
Mozambique	0.2	1.7	9.1	13.4	21.3	7.6
Namibia	4.2	57.3	67.4	45.7	64.5	87.3
Niger	0.9	2.5	1.5	0.9	-	- 0.5
Nigeria	8.8	11.9	12.0	9.7	9.1	8.8
Papua New Guinea	35.3	25.4	45.0	23.9	63.1	41.6
Rwanda	2.7	0.8	0.5	1.1	0.2	1.2
Sao Tome and Principe	1.3	- 4.0	2.5	2.9	5.8	16.0
Saint Kitts and Nevis	409.4	540.9	762.3	817.6	1 095.5	2 500.7
Saint Lucia	142.8	312.3	384.1	577.1	643.6	331.2
Saint Vincent and the Grenadines	65.2	203.7	540.2	795.6	406.7	248.7
Samoa	1.3	28.5	37.4	19.0	12.6	- 9.7
Senegal	- 0.2	2.5	9.3	6.7	14.8	11.3
Seychelles	271.3	269.5	617.0	701.5	755.7	698.9
Sierra Leone	- 7.3	1.2	1.1	- 2.3	1.4	1.1
Solomon Islands	18.6	38.1	29.7	21.1	22.9	4.2
Somalia	- 0.5	0.2	0.1	-	- 0.1	-
South Africa	- 4.4	2.9	38.3	13.3	35.1	20.5
Sudan	-	0.5	5.7	12.4	12.2	12.6

Economy	Annual average			1998	1999	2000
	1998-1989	1990-1994	1995-2000			
Suriname	- 322.4	- 93.6	- 30.4	22.0	- 148.1	- 354.8
Swaziland	61.1	72.7	55.5	170.4	101.5	88.2
Togo	3.3	1.4	9.6	9.9	15.9	13.2
Tonga	1.2	10.1	22.4	20.3	20.3	- 70.7
Trinidad and Tobago	38.4	217.9	473.8	570.5	499.2	511.2
Tuvalu	..	25.7	6.4	5.1	2.0	6.2
Uganda	-	1.5	7.9	9.6	9.8	10.9
United Republic of Tanzania	0.1	0.6	5.0	5.1	5.4	5.5
Vanuatu	56.5	151.7	149.1	109.1	104.8	103.4
Zambia	11.0	17.7	18.1	19.9	16.0	19.2
Zimbabwe	- 1.0		13.9	36.5	4.8	5.6

Memorandum

ACP (African, Caribbean and Pacific group)	3.6	6.2	13.5	14.3	17.5	11.2
ACP: Africa	3.3	4.7	10.7	11.0	13.4	7.6
ACP: Caribbean	4.6	26.5	59.1	70.5	89.7	74.6
ACP: Pacific	31.2	38.8	45.5	39.6	46.0	29.4
Developing countries	6.2	15.5	37.5	40.7	46.7	49.1
Central and Eastern Europe	1.9	17.3	55.8	66.3	73.5	78.0
Developed countries	128.5	153.4	451.1	541.7	925.7	1 330.3
World	28.0	38.0	101.0	117.6	179.7	240.9

Source: UNCTAD, FDI/TNC database.

Annex table 6. Inward FDI flows into selected ACP economies, by industry, latest year available
(Millions of dollars)

	Dominican Republic	Ethiopia	Guyana	Jamaica	Kenya ^a	Mauritius	Papua New Guinea ^a	Solomon Islands ^a	Trinidad and Tobago	Zambia	Zimbabwe ^a
Sector/industry	2000	1999	1999	1999	1995	2000	1998	1996	1999	1995	1995
Total	952.9	50.8	48.9	523.7	69.4	276.8	259.6	206.8	643.3	194.2	235.1
Primary	-	1.9	31.2	67.9	37.4	-	193.0	130.3	449.0	52.7	75.4
Agriculture, hunting, forestry and fishing	-	..	16.6	0.1	15.5	-	19.9	126.3	-	51.3	25.6
Agriculture and hunting	-	..	-	0.1	15.5	-	0.6	117.8	-	-	25.6
Forestry and fishing	-	..	-	-	-	-	19.2	8.5	-	-	-
Forestry, logging and related activities	-	..	-	-	-	-	19.1	4.2	-	-	-
Fishing, operation of fish hatcheries and fish farms	-	..	-	-	-	-	0.1	4.2	-	-	-
Unspecified agriculture, hunting, forestry and fishing	-	..	16.6	-	-	-	-	-	-	51.3	-
Mining, quarrying and petroleum	-	..	14.6	67.8	21.9	-	173.1	4.0	449.0	1.4	49.8
Mining and quarrying	-	..	14.6	67.8	..	-	42.7	4.0	-	..	..
Petroleum	-	..	-	-	..	-	130.4	-	449.0	..	..
Secondary	-	39.5	3.4	158.8	24.2	-	3.4	0.6	6.8	99.7	80.1
Food, beverages and tobacco	-	..	..	..	12.7	-	..	..	3.8	..	..
Textiles, clothing and leather	-	..	..	..	0.5	-	..	..	-	..	..
Chemicals and chemical products	-	..	..	..	1.8	-	..	..	2.9	..	..
Non-metallic mineral products	-	..	..	95.9	-	-	..	..	-	..	..
Machinery and equipment	-	..	..	..	-	-	..	..	0.1	..	..
Other manufacturing	-	..	..	..	9.2	-	..	..	-	..	..
Tertiary	826.8	9.5	13.8	168.6	7.8	275.1	63.3	75.9	18.2	41.8	79.7
Electricity, gas and water	281.9	..	-	-	-	-	-	-	-	-	-
Production, collection and distribution of electricity	281.9	..	-	-	-	-	-	-	-	-	-
Construction	-	..	-	-	0.1	-	7.8	0.2	-	4.4	0.2
Trade	153.7	..	1.4	-	-	0.3	15.2	-	- 0.5	-	59.3
Distributive trade	-	..	-	-	-	-	-	-	- 0.5	-	-
Unspecified trade	153.7	..	1.4	-	-	0.3	15.2	-	-	-	59.3
Hotels and restaurants	73.7	..	-	73.3	-	0.4	2.2	-	-	-	-
Transport, storage and communications	272.2	..	10.9	-	4.2	274.4	16.0	13.6	-	12.5	20.2
Transport and storage	-	..	-	-	4.1	-	-	6.8	-	12.5	20.2
Supporting and auxiliary transport activities	-	..	-	-	4.1	-	-	6.8	-	5.8	20.2
Unspecified transport and storage	-	..	-	-	-	-	-	-	-	6.7	-
Post and communications	272.2	..	-	-	0.1	-	-	6.9	-	-	-
Telecommunications	-	..	-	-	0.1	274.4	-	-	-	-	-
Unspecified post and telecommunications	272.2	..	-	-	-	-	-	6.9	-	-	-
Unspecified transport, storage and communications	-	..	10.9	-	-	-	16.0	-	-	-	-
Finance	45.3	..	1.6	45.7	-	-	6.3	-	-	-	-
Financial Intermediation	-	..	-	7.7	-	-	6.3	-	-	-	-
Monetary intermediation	-	..	-	7.7	-	-	-	-	-	-	-
Unspecified financial intermediation	-	..	-	-	-	-	6.3	-	-	-	-
Insurance and pension funding	-	..	-	38.0	-	-	-	-	-	-	-

Sector/industry	Dominican Republic 2000	Ethiopia 1999	Guyana 1999	Jamaica 1999	Kenya ^a 1995	Mauritius 2000	Papua New Guinea ^a 1998	Solomon Islands ^a 1996	Trinidad and Tobago 1999	Zambia 1995	Zimbabwe ^a 1995
Unspecified finance	45.3	..	1.6	-	-	-	-	-	-	-	-
Business activities	-	..	-	49.6	-	-	15.8	14.4	-	-	-
Real estate	-	..	-	-	-	-	9.1	-	-	-	-
Computer and related activities	-	..	-	49.6	-	-	-	-	-	-	-
Other business activities	-	..	-	-	-	-	6.8	14.4	-	-	-
Business and management consultancy activities	-	..	-	-	-	-	-	14.4	-	-	-
Business activities n.e.c.	-	..	-	-	-	-	6.8	-	-	-	-
Other services	-	..	-	-	3.5	-	-	47.7	18.7	24.9	-
Service activities incidental to oil and gas extraction excluding surveying	-	..	-	-	..	-	-	..	18.7	..	-
Unspecified	126.1	-	0.5	128.4	-	1.6	-	-	169.3	-	-

Source: UNCTAD, FDI/TNC database.

a Based on approval data.