



Foreign Direct Investment

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Section: Economic Policy and Statistics

This note defines FDI, recent trends in FDI for the UK and the world, prospects for FDI flows, and investment promotion in the UK.

This Standard Note will be updated following major releases of FDI data. Please contact the subject specialist, Grahame Allen on x3977 for further information.

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1 Introduction

Levels of foreign direct investment (FDI) and inward investment are frequently cited and analysed for their effect on an economy. Flows of investment between countries reached a high of \$1.9 trillion in 2007 but fell in 2009 and 2010 due to the slowdown in the world economy. In 2011, FDI flows rose by 16% when compared to 2010 to \$1.5 trillion with flows estimated to reach \$1.6 trillion in 2012.¹

The US remains the main destination for FDI inflows. In 2011, the US had FDI inflows of \$227 billion a rise of 15% on 2010. The UK had FDI inflows of \$53 billion in 2011 - a growth rate of 7% over 2010.²

This note defines FDI, provides recent statistics on world FDI with commentary, before focusing on the UK. It also discusses investment promotion in the UK, as well as sources for further information.

2 What is FDI?

FDI, also known as (international) direct investment, forms part of the capital account of the balance of payments. 'Direct Investment' is defined as an investment that adds to, deducts from, or acquires a lasting interest in an enterprise operating in an economy other than that of the investor where the purpose is to have an 'effective voice' in the management of the enterprise.³ In FDI statistics, an 'effective voice' is measured as 10% of the share capital of a company; any investment below this is counted as 'portfolio' investment under balance of payments statistics and not included FDI.

It should be noted that FDI is a financial concept and is not the same as capital expenditure on fixed assets (although an investment may include this).⁴ FDI statistics are normally recorded on a 'net' basis, meaning any disinvestment by companies is included. FDI covers a range of forms of investment. The examples given below relate to outward investment, but the reverse of these for the UK would be inward investment:

- A UK company establishes a branch or subsidiary in a foreign country, injecting start-up capital. This is often known as a 'greenfield' investment;
- A UK company buys or sells (in full or in part) the equity of an existing foreign company. This is often known as M&A activity;
- A UK company puts additional capital into an existing foreign subsidiary or allows it to retain profits rather than return them to the parent company.

FDI statistics measure two different concepts - stocks and flows. Investment stocks measure the total book value of investments by a country, usually at the end of a given period and not the simple sum of investment over time. They are therefore subject to changes in valuation in company accounts, as well as exchange rate fluctuations. Flows usually measure annual levels of net investment, and tend to vary significantly year on year

¹ UNCATD, *Global Investment Report*, 2012, p iii

² *ibid.*

³ Definition taken from Office for National Statistics (ONS), *First Release: Foreign Direct Investment 2005*, 'Background notes'.

⁴ *ibid.*

FDI data should be used with caution; a significant proportion of FDI flows can be accounted for by large multinational mergers and acquisitions (M&As). An example of this is the Vodafone acquisition of Mannesmann in 2000 that had a significant effect on flows between the UK and Germany. In 2005 a transaction involving Shell between the Netherlands and the UK made up 45% of UK inflows in that year. Therefore, large flows do not necessarily indicate significant 'greenfield' investments, they can be large M&A transactions, and high flows may be dominated by just a few transactions.

2.1 Benefits of inward investment

Foreign investment in an existing business or a greenfield investment has benefits for an economy. An investment in a greenfield factory or business may create new jobs as well as supply chain jobs in a region. In the UK, foreign firms sometimes use factories as EU bases (for example Nissan in Sunderland), so factories often supply a wider economy than that they are located in. FDI is also thought to improve productivity through the introduction of new working practices and transfers of technology (that can also spread to indigenous firms). While in the short term the creation of jobs does not always occur with FDI relating to an existing business, in the longer term the investment can often lead to further investment, expansion, through increased positive externalities from improved supply chain and productivity benefits

3 World FDI flows

There are two main statistical sources quoted for international FDI flows. The OECD publishes some flow data in its fact book.⁵ UNCTAD publish world FDI flows annually (in early autumn) covering the previous year in the *World Investment Report (WIR)*.⁶ This provides information on a wider group of countries and contains data as well as commentary. Both sources base their figures on national statistical sources. The commentary below concentrates on the UNCTAD data published in July 2012.⁷

In 2011, overall world inflows of FDI rose to \$1.5 trillion from \$1.3 trillion in 2010. Both these figures remain well short of the record high of \$2.1 trillion in 2007. FDI flows into developing countries rose by 11% in 2011 to \$684 billion, while flows into developed countries rose by 21% (in 2011) to \$748 billion.

Table 1, below, shows FDI inflows to major world economies, both developed and developing, since 1970, as well as inward stocks in 2011. In 2011 the US had the highest level of inflows (\$227 billion), followed by China (\$124 billion), Hong Kong (\$83 billion), Brazil (\$67 billion) and Singapore (\$64 billion). Looking at stocks of inward FDI, the US had the highest level of stocks at (\$3.5 trillion), followed by the UK (\$1.2 trillion), Hong Kong (\$1.1 trillion), France (\$963 billion) and Germany (\$713 billion).

⁵ OECD, *Foreign Direct Investment*, 7 December 2011

⁶ UNCTAD, *World Investment Report 2012*, July 2012

⁷ Mainly annex tables B1 and B2.

Table 1: World inward FDI 1970-2011

\$ Millions

	Flows							Stock 2011
	1970	1980	1990	2000	2009	2010	2011	
Developed economies	9,491	46,576	172,526	1,137,996	606,212	618,586	747,860	13,055,903
<i>of which:</i>								
United Kingdom	1,488	10,123	30,461	118,764	71,140	50,604	53,949	1,198,870
France	621	3,328	15,629	43,252	24,219	30,638	40,945	963,792
Germany	770	342	2,962	198,277	24,156	46,860	40,402	713,706
Italy	624	577	6,345	13,375	20,077	9,178	29,059	332,664
<i>(EU total)</i>	5,158	21,279	97,309	698,244	356,631	318,277	420,715	7,275,622
Canada	1,823	5,807	7,582	66,795	21,406	23,413	40,932	595,002
Japan	94	278	1,806	8,323	11,938	1,252	1,758	225,787
United States	1,260	16,918	48,422	313,997	143,604	197,905	226,937	3,509,359
Developing economies	3,854	7,479	34,853	255,506	519,225	616,661	684,399	6,625,032
<i>of which:</i>								
Brazil	392	1,910	989	32,779	25,949	48,506	66,660	669,670
Russian Federation	...	...	...	2,714	36,500	43,288	52,878	457,474
India	45	79	237	3,588	35,596	24,159	31,554	201,724
China	...	57	3,487	40,715	95,000	114,734	123,985	711,802
Hong Kong, China	50	710	3,275	61,938	52,394	71,069	83,156	1,138,365
Mexico	312	2,099	2,633	18,110	16,119	20,709	19,554	302,309
Singapore	93	1,236	5,575	15,515	24,418	48,637	64,003	518,625
South Africa	334	10	78	887	5,365	1,228	5,807	129,890
Turkey	58	18	684	982	8,411	9,038	15,876	140,305
World	13,346	54,078	207,455	1,400,541	1,197,824	1,309,001	1,524,422	20,438,199

Source: UNCTAD, *World Investment Report*, 2012

Table 2 looks at outward flows and the stock of outward FDI over the last 40 years.⁸ In 2011, developed countries made up just over 70% of world FDI outflows, with developing countries contributing 23%. Countries within the EU made up 33% of outflows. The US was the largest investor (\$397 billion), followed by Japan (\$114 billion), the UK (\$107 billion), France (\$90 billion) and Hong Kong (\$82 billion).

Table 2: Outward world FDI 1970-2011

\$ Millions

	Flows							Stocks 2011
	1970	1980	1990	2000	2009	2010	2011	
Developed economies	14,100	48,397	229,584	1,088,321	857,792	989,576	1,237,508	17,055,964
<i>of which:</i>								
United Kingdom	1,678	7,881	17,948	233,371	44,381	39,502	107,086	1,731,095
France	365	3,137	36,233	177,449	107,130	76,867	90,146	1,372,676
Germany	1,070	4,699	24,235	56,557	75,391	109,321	54,368	1,441,611
Italy	114	740	7,614	6,686	21,275	32,655	47,210	512,201
<i>(EU total)</i>	5,063	21,902	130,572	807,487	393,618	482,905	561,805	9,198,832
Canada	931	4,098	5,237	44,678	41,665	38,585	49,569	670,417
Japan	355	2,385	50,775	31,557	74,699	56,263	114,353	962,790
United States	7,590	19,230	30,982	142,626	266,955	304,399	396,656	4,499,962
Developing economies	51	3,192	11,914	135,116	268,476	400,144	383,754	3,705,410
<i>of which:</i>								
Brazil	14	367	625	2,282	10,084	11,588	1,029	202,586
Russian Federation	...	...	...	3,177	43,665	52,523	67,283	362,101
India	...	4	6	514	15,927	13,151	14,752	111,257
China	...	...	830	916	56,530	68,811	65,117	365,981
Hong Kong, China	...	82	2,448	59,374	63,991	95,396	81,607	1,045,920
Mexico	...	3	223	363	7,019	13,570	8,946	112,088
Singapore	...	98	2,034	6,650	17,704	21,215	25,227	339,095
South Africa	17	755	27	271	1,151	76	635	72,285
Turkey	...	...	16	870	1,553	1,464	2,464	24,034
World	14,151	51,590	241,498	1,226,633	1,175,108	1,451,365	1,694,396	21,168,489

Source: UNCTAD, *World Investment Report*, 2012

⁸ The UNCTAD *World Investment Report 2010* notes that the differences between total inflows and outflows are due to differences in data reporting and collection methods in countries.

In terms of stocks, the US holds the highest outward stocks of FDI at \$4.5 trillion, followed by the UK (\$1.7 trillion), Germany (\$1.4 trillion) and France (\$1.3 trillion).

The data relating to outflows and stocks illustrate the importance of developed countries in considering FDI flows. It remains the case that FDI flows mainly occur between developed countries. However, it is also clear that flows to developing countries have been growing in recent years and are expected to continue to grow in future years.

3.1 Prospects for world flows

The release of the 2011 FDI statistics from UNCTAD came with a warning that the “resurgence in economic uncertainty” and the possibility of lower growth rates in major emerging markets risked “undercutting [the 2011] favourable trend in 2012”. UNCTAD expect that global FDI will reach \$1.8 trillion in 2013 and \$1.9 trillion in 2014 if there are no unexpected global shocks in the next few years. Developing and transition economies together accounted for more than half of global FDI (45% and 6%, respectively) in 2011, their combined inflows rose 12% on 2010 to \$777 billion. Flows into developed countries rose 21% on 2010 to \$748 billion but were still a “quarter below the level of the pre-crisis three-year average”.⁹

UNCTAD note that despite the economic downturn, “the rise of FDI was widespread”.¹⁰ In 2011, many countries began implementing policy changes “aimed at further liberalizing and facilitating FDI entry and operations” as well as introducing measures to regulate FDI.¹¹

4 UK FDI in 2011

The ONS provides a breakdown of direct investment by country of origin (inflows) and destination country (outflows) for the UK (*MA4 Business Monitor*). The most recent data available is for 2011 and is summarized in Annex 1. 2012 data will be released later in 2013.

In 2011, foreign companies invested £31.9 billion in the UK, a slight fall on 2010 and the lowest investment since 2004. The largest decreases (see Annex 1) in inward investment flows in 2011 were from the EFTA countries and the Americas. Net investment in financial services from Spain, Belgium and Luxembourg increased in 2011 while the USA “tripled its net investment in the UK financial service sector between 2010 and 2011”.¹²

Table 3 below, shows stocks of direct investments in the UK by country for 2001 and 2011, and lists the top ten countries for 2011. The US and Netherlands are the largest inward investors in the UK:

⁹ UNCTAD, *World Investment Report 2012*, July 2011, p xiii

¹⁰ UNCATD, *Global Investment Trends Monitor*, 24 January 2012

¹¹ *ibid*

¹² ONS, *Foreign Direct Investment Involving UK Companies, 2011 (MA4)*, February 2013, p 18

Table 3 - Direct investment position in the UK by country
£ million, Stock

		2001	2011
1	USA	136,967	203,828
2	Netherlands	60,920	123,164
3	France	35,213	58,904
4	Germany	29,731	49,166
5	Luxembourg	2,330	48,519
6	Spain	606	39,742
7	Switzerland	9,341	35,270
8	UK Offshore Islands	4,366	31,847
9	Japan	10,900	31,444
10	Hong Kong	3,613	20,504
	EU	151,275	365,268
	World	349,342	766,166

Source: ONS, MA4: Business monitor, FDI: 2010, 2012

Table 4 shows the detailed ONS data on foreign direct investment inflows. The table also includes a Library calculation in the final column of inflows minus acquisition and disposal activity. It should be noted that some capital transfers by foreign companies to existing subsidiaries are included in acquisition and disposal activity.

Table 4 - Total FDI in the UK by component, 2000 to 2011
£ million

	Foreign parent companies' share of UK companies' net profits (a)	Less dividends paid to foreign parent companies (b)	Unremitted profits (c=a-b)	Acquisition of UK companies' share & loan capital (d)	Disposal of UK companies' share & loan capital (e)	Net acquisition/disposal (=d+e)	Net Increase in amounts due to foreign parents on inter-company account (g)	Net Increase in amounts due to foreign parents on branch head-office account (h)	Total net foreign direct investment in the UK (c+f+g+h)	Total FDI - acquisitions and disposal activity (c+g+h)
2000	19,500	8,714	10,786	66,290	-8,016	58,274	8,838	597	78,495	20,221
2001	13,358	14,351	-993	23,937	-3,029	20,908	16,859	-218	36,555	15,648
2002	11,109	7,462	3,647	18,636	-7,354	11,282	764	340	16,033	4,751
2003	15,579	8,147	7,432	7,920	-2,494	5,426	-3,376	796	10,276	4,852
2004	18,979	10,451	8,527	29,190	-3,799	25,391	-3,618	267	30,566	5,176
2005	27,202	16,339	10,863	86,918	-4,114	82,804	3,956	-814	96,803	14,005
2006	37,507	15,310	22,197	66,201	-6,418	59,783	-267	3,172	84,885	25,102
2007	41,511	17,867	23,644	88,471	-8,049	80,422	-9,916	-1,000	93,148	12,728
2008	24,424	22,435	1,989	63,263	-5,692	57,571	-8,526	-2,156	48,878	-8,693
2009	27,642	26,256	1,386	44,120	-8,084	36,036	10,955	609	48,377	12,341
2010	26,061	25,380	681	48,928	-4,930	43,998	-12,249	-322	32,430	-11,568
2011	31,204	35,481	-4,276	46,641	-13,232	33,409	2,214	569	31,347	-2,062

Note: A minus sign indicates net losses.

Source: ONS, MA4: Business monitor, Foreign Direct Investment – 2011, FDI flows into the UK by foreign companies (Inward)

In 2011, outward FDI by UK companies was £68.2 billion (see Annex 1), an increase of £42.7 billion on 2010. UK investment in the Africa fell to a disinvestment of £3 billion. The largest increase in net investment was to Asia and the Middle East, in “particular India, rising from £1.9 billion in 2010 to £7.1 billion in 2011”.¹³

Table 5 shows UK direct investment stocks abroad by country, with the top ten destinations ranked for 2011. The totals are dominated by the US and the EU, with the emerging economies of India and China at 18th and 24th place respectively. However, as these

¹³ *ibid*, p 7

economies develop, it is expected that the UK FDI position of these countries, along with other rapidly developing countries, will rise in the coming years.

Table 5 - UK Direct investment position abroad by country

£ million

		2000	2011
1	USA	143,359	210,356
2	Netherlands	164,973	142,811
3	Luxembourg	64,042	137,152
4	France	24,683	54,297
5	Irish Republic	23,033	44,708
6	UK Offshore Islands	16,579	40,073
7	Belgium	6,175	38,189
8	Spain	7,091	37,578
9	Australia	13,700	36,144
10	Hong Kong	6,638	33,289
18	India	1,488	13,672
24	China	2,106	6,373
	EU	330,451	531,479
	World	599,628	1,098,177

Source: ONS, MA4: Business monitor, Foreign Direct Investment – 2010 & 2012

5 Investment Promotion

5.1 UK Trade and Investment

UKTI¹⁴ is responsible for promoting the UK as an investment destination as well as assisting UK companies to invest abroad.

In support of inward investment, UKTI provides overseas companies with the information they need about starting, or expanding, a business in the UK. This includes details of locations, financial incentives, product sectors, availability of labour, employee costs and skills and the tax regimes which are in place as well as providing information on planning regulations and suppliers. More details on UKTI programs to attract inward investment can be found in Library Standard Note [UK Trade and Investment](#).

UKTI publishes data on inward investment ‘projects’, broken down by the type of investment involved. According to its latest [annual report](#), 1,406 investments occurred in the UK in the year 2011/12. These projects created and safeguarded over 112,600 jobs. Of the 1,406 projects, 752 were ‘new’ investments, 506 were expansions, while 148 related to M&A activity. Further information, particularly on the sectors attracting investment, is available from the UKTI report [Great Britain and Northern Ireland Inward Investment 2011/12](#).

5.2 Regional assistance

Regional assistance was used as an incentive to encourage overseas companies to invest in particular areas within the UK. There are no special grants for overseas companies investing in the UK, but they are able to apply for the normal forms of assistance available to UK businesses. Up to March 2004, the main form of aid provided in Great Britain was Regional

¹⁴ For further information see: <http://www.ukti.gov.uk/home.html?guid=none>

Selective Assistance (RSA). From, 1 April 2004, Selective Finance for Investment (SFI) replaced RSA in England. The Grant for Business Investment (GBI) scheme replaced SFI in England October 2008 as part of a national package of publicly funded business support products. The GBI scheme also reflects changes made to the “relevant State aid rules in the European Commission General Block Exemption Regulation (Regulation (EC) 800/2008) which came into effect in August 2008”.¹⁵ Grants are restricted in most cases to assisted areas, and are only available for capital projects that safeguard or create employment – grants are not available for funding running costs. Following the announcement of the abolition of RDA’s, it was “decided to scale back the scope of the GBI scheme by closing it to all but large scale cases on an exceptional basis”.¹⁶

Data on RSA, SFI and GBI grants to foreign companies by region are available in the annual report for the *Industrial Development Act 1982*. In 2011/12, 1 GBI (in England) application (by foreign companies) for grants was accepted, with a value of £1.25 million. The project is set to create 60 jobs (in 2010/11, 25 GBI (in England) applications by foreign companies for grants were accepted, with a value of £60 million. The projects were set to create 1,326 jobs and safeguard 2,693). There were no applications accepted for an RSA grant from foreign owned companies (in 2010/11, in Scotland, there was 1 application accepted for an RSA grant, worth almost £2 million safeguarding 218 jobs, in Wales, 2 applications were accepted for RSA grants, worth £4 million, creating 385 jobs). It is important to note that RSA grants are subject to strict conditions and when they are not met – for example, if employment commitments are not met – grants can be claimed back.¹⁷

5.3 Regional partners

In addition to UKTI’s programs, the devolved administrations and local authorities also provide assistance packages to investors. In England, the Regional Development Agencies (RDAs) and inward investment organisations of the devolved administrations work with UKTI “to encourage investment in their areas”. The RDA’s gave up responsibility for inward investment promotion in England at the end of March 2011 in preparation for their abolition.

UKTI has now developed an Investment Services Team to support FDI in England (excluding London, which has its own arrangements). The Investment Services Team is delivered by PA Consulting Group in partnership with OCO Consulting and the British Chambers of Commerce, but operates as a core part of UKTI.

The Investment Services Team is made up of:¹⁸

- Teams based in one of the sub-national offices who provide support to both new and existing investors in partnership with LEPs and local delivery partners. All enquiries regarding inward investment are sent to the FDI Hub in London who place the enquiry into the single national FDI pipeline and co-ordinate local and sectoral information into a coherent proposition to potential investors.
- Through their relationship with LEPs and delivery partners, the IST sector leads are responsible for delivering client specific propositions for potential investors with information about key local assets (for example property, information about local supply chains) which match their requirements. The 8 Partnerships Managers

¹⁵ *Industrial Development Act 1982: Annual Report for the year ended 31 March 2010*, HC 348, 27 July 2010

¹⁶ *Industrial Development Act 1982: Annual Report for the year ended 31 March 2011*, HC 1179, 30 June 2011

¹⁷ See HC Deb 6 November 2006 c750

¹⁸ BIS, *Attracting and supporting inward investment* – Accessed 18 September 2012

within IST are the first point of contact for LEPs or other local delivery partners for activities related to inward investment.

UKTI has also discussed with Local Enterprise Partnerships (LEPs) the role they could play in attracting and retaining FDI in their areas. The roles discussed include:¹⁹

- using their local knowledge to develop coherent propositions on their local offer and the international comparative advantage that it provides
- supporting UKTI in its work to deal with local issues such as planning, site finding, utilities, etc
- supporting account management activities for existing foreign investors

The devolved administrations have all signed Memoranda of Understandings (MoUs) with UKTI. UKTI now:²⁰

...Works at the local level through the 39 Local Enterprise Partnerships (LEPs) and, where appropriate, their respective investment agency. 37 of the LEPs have signed an MoU with UKTI. UKTI is in negotiation with the Greater London authority to sign an MoU on inward investment co-operation.

In Scotland, Scottish Development International (SDI) provides inward investment support and assistance, and reportedly safeguarded around 2,046 jobs through inward investment in 2010/11.²¹ Invest Northern Ireland (Invest NI) provides similar services and maintains a portfolio of land pre-approved for development and a range of property available for immediate leasing. Welsh programs presently administered by the Department of Enterprise, Innovation and Networks have helped attract over 700 international companies to Wales over the last forty years.²²

6 Further information

- UNCTAD, *World Investment Report 2012*, July 2012. The UNCTAD website also contains country factsheets and a database (see: www.unctad.org/wir).
- The OECD's FDI trend data is available via the *OECD Factbook 2011*. This publication and the investment database are available (through the Library intranet) on the [OECD iLibrary](#).
- Office for National Statistics, *Foreign Direct Investment involving UK companies*, 8 December 2011 and *MA4: Business monitor, Foreign Direct Investment – 2010*, February 2012. ONS also publishes quarterly mergers and acquisitions statistics; most recently, *First Release - Mergers and acquisitions involving UK companies – 4th quarter 2011*.
- Office for National Statistics, *UK Balance of Payments: The Pink Book 2012*. Chapters 8 and 10 consider the international investment position (including portfolio and other investments).

¹⁹ *ibid.*

²⁰ *HC Deb c783w 07 Mar 2012*

²¹ Scottish Enterprise, *Annual Report 2010/11*, 1 July 2011

²² Welsh Assembly Government web site as at 12 March 2012:
<http://wales.gov.uk/topics/businessandconomy/bringbuswales/?lang=en>

- UKTI, *Great Britain and Northern Ireland Inward Investment 2011/12* , July 2012.
- Eurostat, *Statistics in Focus: Foreign direct investment flows hit by the crisis*, 24 June 2010 and *European Union foreign direct investment - Yearbook 2008*, 22 July 2008.
- Economist Intelligence Unit, *World investment prospects to 2010: Boom or backlash?*, 2006 (available in the Library holdings).
- Jones, Jonathan and Colin Wren, *Foreign Direct Investment and the Regional Economy*, 2006, available in the Library, statistics section.
- OECD Publishing, *Measuring Globalisation: OECD Economic Globalisation Indicators*, 2010, available (through the Library intranet) on [SourceOECD](#)

Annex 1 – FDI flows and stocks

£ million

	Net international FDI in the UK			UK investment abroad		
	FDI inflows		FDI stock	FDI outflows		FDI stock
	2010	2011	2011	2010	2011	2011
Europe	355	13,181	437,524	11,374	30,870	613,420
EU	-6,574	18,184	365,268	9,761	16,432	531,479
Austria	84	971	2,435	2,389	-50	952
Belgium	146	9,052	16,582	7,594	5,634	38,189
Bulgaria	..	..	..	-80	-1	88
Cyprus	47	93	2,463	-290	-180	662
Czech Republic	0	-2	26	-182	-68	440
Denmark	-209	91	3,575	511	-311	6,785
Estonia	..	..	..	9	1	87
Finland	64	63	875	-41	-392	1,544
France	-4,523	355	58,904	3,382	1,977	54,297
Germany	2,711	-4,444	49,166	-1,644	752	20,871
Greece	197	93	983	33	-230	1,417
Hungary	0	1	14	85	42	774
Irish Republic	1,238	-339	11,157	-7,731	3,249	44,708
Italy	146	398	2,099	362	-10	11,428
Latvia	-	-	-	-19	-24	48
Lithuania	-	-	-	3	6	41
Luxembourg	-3,490	-4,623	48,519	5,820	7,978	137,152
Malta	4	18	271	..	..	407
Netherlands	-4,216	13,122	123,164	-638	-728	142,811
Poland	2	4	98	73	130	3,804
Portugal	44	20	286	576	141	2,912
Romania	..	1	11	22	60	530
Slovakia	..	..	..	-17	24	275
Slovenia	..	0	0	..	..	320
Spain	889	2,554	39,742	2,148	-1,088	37,578
Sweden	294	759	4,894	-2,025	-456	23,358
EFTA	2,567	-2,424	38,568	1,468	2,212	24,617
Norway	216	23	2,397	-759	1,037	4,665
Switzerland	1,876	-2,033	35,270	2,221	1,178	19,926
Other European countries	4,362	-2,576	33,687	145	12,226	57,324
Russia	..	190	1,448	-1,859	846	7,904
UK offshore islands	3,984	-2,743	31,847	1,036	9,450	40,073

Note: A minus sign indicates net disinvestment

.. Indicates data are disclosive

Source: ONS, *Foreign Direct Investment*, 2011

Annex 1 - FDI flows and stocks (cont.,)

£ million

	Net international FDI in the UK			UK investment abroad		
	FDI inflows		FDI stock	FDI outflows		FDI stock
	2010	2011	2011	2010	2011	2011
The Americas	28,636	14,282	247,893	-13,814	19,004	293,108
Brazil	..	1	17	1,605	1,718	14,297
Canada	3,680	-44	17,867	-8,528	1,432	27,493
USA	22,829	15,013	203,828	-9,025	15,561	210,356
Asia	5,324	3,014	66,009	8,401	20,751	123,621
Near & Middle East countries	335	-858	4,913	-1,136	4,764	28,776
Other Asian countries	4,988	3,873	61,096	9,538	15,988	94,844
China	9	..	765	797	1,315	6,373
Hong Kong	2,995	2,004	20,504	2,180	3,518	33,289
India	48	563	2,831	1,856	7,147	13,672
Japan	-90	1,422	31,444	-568	1,984	5,842
Singapore	1	-467	3,829	392	-4,595	8,708
South Korea	..	38	941	833	412	4,426
Australasia & Oceania	-2,388	1,400	12,519	11,704	895	37,101
Australia	-2,392	1,388	11,645	11,487	430	36,144
New Zealand	4	9	286	156	374	637
Africa	181	38	2,222	7,822	-3,291	30,922
South Africa	35	58	1,124	2,459	1,809	10,699
World total	32,106	31,914	766,166	25,486	68,229	1,098,177
OECD	21,921	33,426	666,971	7,674	42,021	851,404
Central & Eastern Europe	0	..	..	-26	-2	248

Note: A minus sign indicates net disinvestment

.. Indicates data are disclosive

Source: ONS, *Foreign Direct Investment*, 2011