



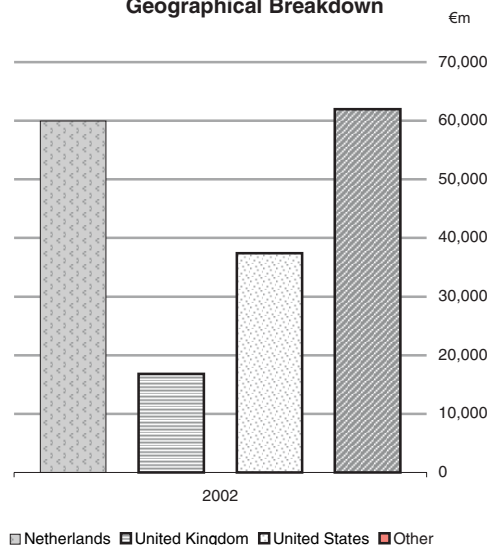
**Central Statistics Office**  
An Phríomh-Oifig Staidrimh

9 December 2003

## Foreign Direct Investment 2001 and 2002

NEW SERIES

**Stock of Inward Direct Investment  
Geographical Breakdown**



	€million	
	2001	2002
<b>Direct Investment</b>		
Flows - Abroad	-4,543	-3,277
Flows - In Ireland	10,785	25,895
Positions - Abroad - end year	38,962	33,156
Positions - In Ireland - end year	163,340	176,124

### USA and the Netherlands main sources of direct investment in Ireland

New figures show that in 2002 inflows of foreign direct investment (FDI) into Ireland from the Netherlands (€10,734m) and from the USA (€7,859m) together accounted for almost 72% of the total inflow of €25,895m recorded – see *Table 2*. At the end of the year, inward investment stocks stood at €176,124m and these two countries accounted for €97,362m or over half of the total FDI stock in Ireland, roughly similar to the situation at the end of 2001 – see *Table 4*.

The picture for 2001 was notably different in that there was sizeable disinvestment (amounting to €8,088m) by American companies in Ireland and this partly offset the inward investment flows from European investors of €17,579m and Japanese investors of €1,665m – see *Table 2*.

**These figures are compiled using the internationally recognised principle of immediate ownership** to determine the (immediate) geographical source – but not necessarily the ultimate origin – of investment into Ireland – see *Background Notes*. In this context, it has to be noted that much of the investment by American companies in Ireland is effected through intermediary subsidiaries located in a number of countries outside the USA. For example, it is known that a sizeable portion of the 2002 inflows of Dutch investment (i.e. €10,734m) originated in the USA.

Investment in foreign direct investment enterprises by Irish investors amounted to €3,277m in 2002 (compared to €4,543m in 2001) – see *Table 1*. The stock of direct investment abroad at the end of 2002 was €33,156m compared to €38,962m at the end of 2001. This decline in stocks was partly due to a drop in equity values and partly to the strengthening of the Euro against other major currencies. Direct investment abroad was concentrated in the EU, particularly Germany (€2,705m) and also in the USA (€2,244m) – see *Tables 1 and 3*.

For more information contact John Fitzpatrick at 01-498 4366 or Michael Connolly at 01-498 4203 or Reamonn McKeever at 01-498 4250.

Published by the Central Statistics Office, Ireland.

Ardee Road Skehard Road  
Dublin 6 Cork  
Ireland Ireland

LoCall: 1890 313 414

Tel: +353-1 498 4000 Tel: +353-21 453 5000  
Fax: +353-1 498 4020 Fax: +353-21 453 5555

Both offices may be contacted through any of these telephone numbers.

CSO on the Web: <http://www.cso.ie>

Director General: Donal Garvey

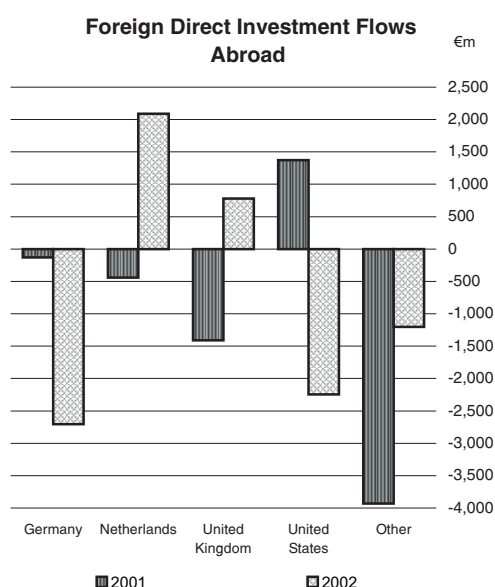
Enquiries:

BOP Statistics BOP Section, 01-498 4057  
bop@cso.ie  
Queries and Sales Information Section, ext 5032  
information@cso.ie

© Central Statistics Office  
The contents of this release may be quoted provided the source is given clearly and accurately. Reproduction for own or internal use is permitted.

Ref 239/2003

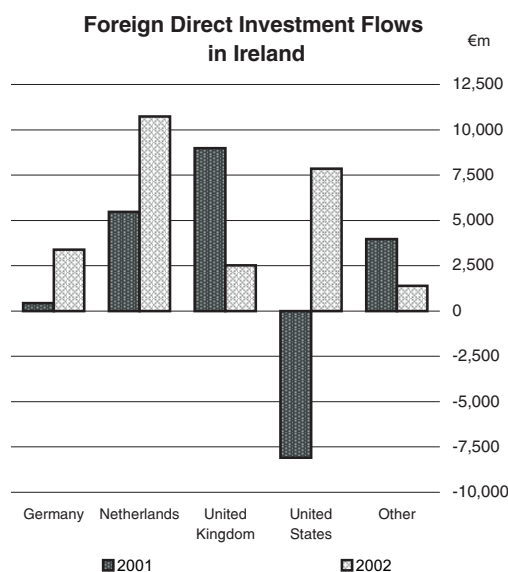
ISSN 1649-4660



Other points of note are:

- ◆ In 2002, inflows of €16,488m under the *reinvested earnings* heading exceeded inflows of €10,966m under *equity*. There was disinvestment of €1,559m under *other capital* (i.e. inter-affiliate loans, trade credits, transactions in securities, etc.) – see *Table 2*.
- ◆ Investment inflows from member states of the European Union amounted to €19,045m in 2001 and €18,336m (or over 70% of the total) in 2002 – see *Table 2*.
- ◆ While Japanese investors accounted for €1,665m inflows in 2001, there was significant disinvestment amounting to €3,335m in 2002 – see *Table 2*.

This Release presents new geographical analyses of foreign direct investment in Ireland covering flow and stock statistics. The figures result from the CSO's improved data collection and compilation arrangements and have been compiled in line with IMF methodological requirements specified in its *Balance of Payments Manual (5th Edition)*. As such, these FDI statistics are conceptually consistent with the International Investment Position and quarterly balance of payments statistics published by the CSO and the compilation methodology is essentially the same. The IMF manual defines direct investment as international investment based on an equity ownership of at least 10 per cent, reflecting a lasting interest by a resident in one economy (the direct investor) in an enterprise resident in another economy (the direct investment enterprise) – see *Background Notes*. Under this definition, investment is classified geographically on the basis of the location of the immediate owner(s) of the direct investment enterprise rather than that of the ultimate beneficial owner(s). Direct investment flows and stocks are cross-categorised according to the nature of the financial asset/liability (*equity, reinvested earnings and other capital*) as well as by *region/country* of the counterpart. For those entities involved in a direct investment relationship, inter-affiliate flows and stocks are also classified to the appropriate category of *direct investment* on the basis of the 'directional principle' rather than by category of foreign asset/liability. As a result, flows and positions between these affiliated enterprises are offset against one another in the figures shown and this can result in cell data signed in an unexpected way – see *Background Notes*. Also, for reasons of confidentiality some of the data has had to be suppressed or amalgamated.



**Table 1 - Direct Investment<sup>1</sup> Flows Abroad Classified by Location of Investment**

€ million

Region/Country	2001				2002			
	Equity	Reinvested Earnings	Other Capital	Total	Equity	Reinvested Earnings	Other Capital	Total
<b>Europe</b>	-1,755	-1,270	-982	-4,004	-1,543	-1,329	1,637	-1,236
<b>EMU countries<sup>2</sup></b>	-1,394	-54	-605	-2,054	-1,265	-162	-461	-1,888
<b>EU countries</b>	-1,501	-967	-999	-3,466	-1,426	-1,070	1,403	-1,093
<i>of which:</i>								
<i>United Kingdom</i>	-106	-912	-392	-1,409	-160	-908	1,850	781
<i>France</i>	*	*	-50	-51	*	*	-66	-473
<i>Germany</i>	*	*	-128	-131	-2,725	9	12	-2,705
<i>Netherlands</i>	*	*	-422	-441	*	-88	*	2,092
<b>Americas</b>	183	-661	45	-433	-2,513	-656	764	-2,403
<i>of which:</i>								
<i>Canada</i>	*	*	*	4	*	*	25	48
<i>United States</i>	*	*	537	1,371	-1,780	-437	-27	-2,244
<b>Asia</b>	*	*	-19	49	*	*	13	197
<i>of which:</i>								
<i>Japan</i>	*	*	-10	-12	*	*	6	216
<b>Africa, Oceania and Polar Regions</b>	*	*	*	-23	*	*	97	41
<b>Not geographically allocated<sup>3</sup></b>	-1	-333	201	-132	*	-6	*	124
<b>Total</b>	-1,572	-2,247	-727	-4,543	-4,090	-1,842	2,656	-3,277

<sup>1</sup> The sign convention used is: for flows 'Abroad' a minus sign means investments abroad by Irish investors exceeded their disinvestments in the period, while an entry without sign means disinvestment exceeded investment

<sup>2</sup> The relevant EMU countries are: Austria, Belgium, Finland, France, Germany, Greece, Italy, Luxembourg, Netherlands, Portugal and Spain

<sup>3</sup> This category covers data supplied by respondents without a geographical breakdown

\* Confidential

Table 2 - Direct Investment<sup>1</sup> Flows into Ireland Classified by Location of Investors

€ million

Region/Country	2001				2002			
	Equity	Reinvested Earnings	Other Capital	Total	Equity	Reinvested Earnings	Other Capital	Total
<b>Europe</b>	<b>10,720</b>	<b>6,668</b>	<b>190</b>	<b>17,579</b>	<b>10,414</b>	<b>12,150</b>	<b>-1,204</b>	<b>21,358</b>
<b>EMU countries<sup>2</sup></b>	<b>8,341</b>	<b>3,934</b>	<b>73</b>	<b>12,347</b>	<b>10,359</b>	<b>10,439</b>	<b>-2,979</b>	<b>17,821</b>
<b>EU countries</b>	<b>13,098</b>	<b>4,666</b>	<b>1,279</b>	<b>19,045</b>	<b>10,583</b>	<b>11,428</b>	<b>-3,675</b>	<b>18,336</b>
<i>of which:</i>								
<i>United Kingdom</i>	<i>5,161</i>	<i>760</i>	<i>3,058</i>	<i>8,979</i>	<i>237</i>	<i>878</i>	<i>1,406</i>	<i>2,520</i>
<i>Belgium &amp; Luxembourg</i>	<i>*</i>	<i>*</i>	<i>-693</i>	<i>5,053</i>	<i>5,415</i>	<i>538</i>	<i>-2,759</i>	<i>3,194</i>
<i>France</i>	<i>*</i>	<i>*</i>	<i>326</i>	<i>1,001</i>	<i>*</i>	<i>*</i>	<i>-1,016</i>	<i>-758</i>
<i>Germany</i>	<i>*</i>	<i>*</i>	<i>201</i>	<i>441</i>	<i>1,522</i>	<i>406</i>	<i>1,459</i>	<i>3,388</i>
<i>Italy</i>	<i>*</i>	<i>*</i>	<i>-415</i>	<i>131</i>	<i>105</i>	<i>515</i>	<i>-998</i>	<i>-380</i>
<i>Netherlands</i>	<i>*</i>	<i>*</i>	<i>923</i>	<i>5,478</i>	<i>2,873</i>	<i>8,690</i>	<i>-828</i>	<i>10,734</i>
<b>North America</b>	<b>-929</b>	<b>3,359</b>	<b>-9,995</b>	<b>-7,567</b>	<b>191</b>	<b>4,695</b>	<b>3,194</b>	<b>8,081</b>
<i>of which:</i>								
<i>Canada</i>	<i>376</i>	<i>60</i>	<i>84</i>	<i>521</i>	<i>116</i>	<i>-11</i>	<i>116</i>	<i>222</i>
<i>United States</i>	<i>-1,305</i>	<i>3,299</i>	<i>-10,079</i>	<i>-8,088</i>	<i>75</i>	<i>4,706</i>	<i>3,079</i>	<i>7,859</i>
<b>Central America</b>	<b>*</b>	<b>*</b>	<b>190</b>	<b>968</b>	<b>392</b>	<b>-731</b>	<b>-771</b>	<b>-1,110</b>
<b>South America</b>	<b>*</b>	<b>*</b>	<b>-71</b>	<b>-71</b>	<b>0</b>	<b>0</b>	<b>331</b>	<b>331</b>
<b>Asia</b>	<b>*</b>	<b>*</b>	<b>1,420</b>	<b>1,511</b>	<b>78</b>	<b>81</b>	<b>-2,975</b>	<b>-2,817</b>
<i>of which:</i>								
<i>Japan</i>	<i>*</i>	<i>*</i>	<i>1,624</i>	<i>1,665</i>	<i>*</i>	<i>*</i>	<i>-3,478</i>	<i>-3,335</i>
<b>Africa, Oceania and Polar Regions</b>	<b>*</b>	<b>*</b>	<b>-108</b>	<b>-50</b>	<b>-116</b>	<b>-1</b>	<b>112</b>	<b>-5</b>
<b>Not geographically allocated<sup>3</sup></b>	<b>*</b>	<b>*</b>	<b>-1,251</b>	<b>-1,585</b>	<b>7</b>	<b>294</b>	<b>-246</b>	<b>57</b>
<b>Total</b>	<b>10,040</b>	<b>10,370</b>	<b>-9,625</b>	<b>10,785</b>	<b>10,966</b>	<b>16,488</b>	<b>-1,559</b>	<b>25,895</b>

<sup>1</sup> The sign convention used is: for flows 'In Ireland' an entry without sign means that investment transactions into Ireland exceeded disinvestment, while a minus sign indicates that disinvestment exceeded investment

<sup>2</sup> The relevant EMU countries are: Austria, Belgium, Finland, France, Germany, Greece, Italy, Luxembourg, Netherlands, Portugal and Spain

<sup>3</sup> This category covers data supplied by respondents without a geographical breakdown

\* Confidential

**Table 3 - Direct Investment<sup>1</sup> Abroad End Year Positions Classified by Location of Investment**

€ million

Region/Country	2001			2002		
	Equity Capital & Reinvested Earnings	Other Capital	Total	Equity Capital & Reinvested Earnings	Other Capital	Total
<b>Europe</b>	<b>20,004</b>	<b>4,020</b>	<b>24,024</b>	<b>18,406</b>	<b>4,056</b>	<b>22,462</b>
<b>EMU countries<sup>2</sup></b>	<b>12,177</b>	<b>1,660</b>	<b>13,837</b>	<b>9,957</b>	<b>2,590</b>	<b>12,547</b>
<b>EU countries</b>	<b>17,633</b>	<b>3,611</b>	<b>21,244</b>	<b>15,421</b>	<b>3,794</b>	<b>19,215</b>
<i>of which:</i>						
<i>United Kingdom</i>	<i>5,451</i>	<i>1,950</i>	<i>7,401</i>	<i>5,451</i>	<i>1,195</i>	<i>6,646</i>
<i>France</i>	<i>35</i>	<i>67</i>	<i>101</i>	<i>*</i>	<i>102</i>	<i>*</i>
<i>Germany</i>	<i>*</i>	<i>*</i>	<i>226</i>	<i>*</i>	<i>132</i>	<i>*</i>
<i>Netherlands</i>	<i>*</i>	<i>*</i>	<i>4,425</i>	<i>*</i>	<i>*</i>	<i>3,329</i>
<b>Other European Countries<sup>3</sup></b>	<b>2,371</b>	<b>409</b>	<b>2,780</b>	<b>2,985</b>	<b>262</b>	<b>3,247</b>
<b>Americas</b>	<b>14,092</b>	<b>2,005</b>	<b>16,097</b>	<b>7,040</b>	<b>1,425</b>	<b>8,465</b>
<i>of which:</i>						
<i>Canada</i>	<i>*</i>	<i>*</i>	<i>96</i>	<i>*</i>	<i>*</i>	<i>*</i>
<i>United States</i>	<i>*</i>	<i>*</i>	<i>11,366</i>	<i>5,344</i>	<i>708</i>	<i>6,052</i>
<b>Asia, Africa, Oceania and Polar Regions</b>	<b>2,849</b>	<b>233</b>	<b>3,081</b>	<b>2,890</b>	<b>85</b>	<b>2,975</b>
<b>Not geographically allocated<sup>4</sup></b>	<b>-3,750</b>	<b>-491</b>	<b>-4,240</b>	<b>1,843</b>	<b>-2,588</b>	<b>-745</b>
<b>Total</b>	<b>33,195</b>	<b>5,767</b>	<b>38,962</b>	<b>30,179</b>	<b>2,977</b>	<b>33,156</b>

<sup>1</sup> The sign convention used is: for year-end positions 'Abroad', an entry without sign indicates a net asset position, while a minus sign indicates a net liability position

<sup>2</sup> The relevant EMU countries are: Austria, Belgium, Finland, France, Germany, Greece, Italy, Luxembourg, Netherlands, Portugal and Spain

<sup>3</sup> Included are all European countries not members of EU

<sup>4</sup> This category covers data supplied by respondents without a geographical breakdown

\* Confidential

**Table 4 - Direct Investment<sup>1</sup> in Ireland End Year Positions Classified by Location of Investor**

€ million

Region/Country	2001			2002		
	Equity Capital & Reinvested Earnings	Other Capital	Total	Equity Capital & Reinvested Earnings	Other Capital	Total
<b>Europe</b>	<b>95,746</b>	<b>17,272</b>	<b>113,018</b>	<b>106,265</b>	<b>21,205</b>	<b>127,470</b>
<b>EMU countries<sup>2</sup></b>	<b>59,564</b>	<b>23,286</b>	<b>82,850</b>	<b>80,845</b>	<b>17,435</b>	<b>98,280</b>
<b>EU countries</b>	<b>89,485</b>	<b>18,721</b>	<b>108,206</b>	<b>100,996</b>	<b>14,039</b>	<b>115,035</b>
<i>of which:</i>						
<i>United Kingdom</i>	<i>29,117</i>	<i>-3,886</i>	<i>25,231</i>	<i>18,388</i>	<i>-1,578</i>	<i>16,810</i>
<i>Belgium &amp; Luxembourg</i>	<i>9,405</i>	<i>6</i>	<i>9,411</i>	<i>13,647</i>	<i>-1,549</i>	<i>12,099</i>
<i>France</i>	<i>1,694</i>	<i>-882</i>	<i>812</i>	<i>1,507</i>	<i>-1,993</i>	<i>-487</i>
<i>Germany</i>	<i>5,980</i>	<i>-106</i>	<i>5,874</i>	<i>9,045</i>	<i>1,272</i>	<i>10,317</i>
<i>Italy</i>	<i>5,313</i>	<i>-906</i>	<i>4,407</i>	<i>5,680</i>	<i>-1,735</i>	<i>3,945</i>
<i>Netherlands</i>	<i>45,532</i>	<i>10,745</i>	<i>56,276</i>	<i>50,300</i>	<i>9,640</i>	<i>59,940</i>
<i>Spain</i>	<i>269</i>	<i>-538</i>	<i>-269</i>	<i>*</i>	<i>*</i>	<i>-409</i>
<b>Other European Countries<sup>3</sup></b>	<b>6,261</b>	<b>-1,449</b>	<b>4,812</b>	<b>5,269</b>	<b>7,166</b>	<b>12,435</b>
<b>North American Countries</b>	<b>41,826</b>	<b>-2,835</b>	<b>38,991</b>	<b>41,989</b>	<b>2,020</b>	<b>44,009</b>
<i>of which:</i>						
<i>Canada</i>	<i>7,935</i>	<i>-709</i>	<i>7,227</i>	<i>6,890</i>	<i>-304</i>	<i>6,587</i>
<i>United States</i>	<i>33,890</i>	<i>-2,126</i>	<i>31,764</i>	<i>35,098</i>	<i>2,324</i>	<i>37,422</i>
<b>Central American Countries</b>	<b>7,239</b>	<b>16</b>	<b>7,255</b>	<b>6,099</b>	<b>-802</b>	<b>5,297</b>
<b>South American Countries</b>	<b>0</b>	<b>-693</b>	<b>-693</b>	<b>0</b>	<b>-510</b>	<b>-510</b>
<b>Asia, Africa, Oceania and Polar Regions</b>	<b>698</b>	<b>-2,668</b>	<b>-1,969</b>	<b>947</b>	<b>-5,189</b>	<b>-4,242</b>
<b>Not geographically allocated<sup>4</sup></b>	<b>5,358</b>	<b>1,381</b>	<b>6,738</b>	<b>10,468</b>	<b>-6,368</b>	<b>4,100</b>
<b>Total</b>	<b>150,867</b>	<b>12,473</b>	<b>163,340</b>	<b>165,768</b>	<b>10,356</b>	<b>176,124</b>

<sup>1</sup> The sign convention used is: for year-end positions 'In Ireland' an entry without sign indicates a net liability position, while a minus sign indicates a net asset position

<sup>2</sup> The relevant EMU countries are: Austria, Belgium, Finland, France, Germany, Greece, Italy, Luxembourg, Netherlands, Portugal and Spain

<sup>3</sup> Included are all European countries not members of EU

<sup>4</sup> This category covers data supplied by respondents without a geographical breakdown

\* Confidential

## Background Notes

**Introduction** This release introduces a new statistical series on Foreign Direct Investment (FDI) which will be published annually from now on. The data presented cover the years 2001 and 2002 and show direct investment flows over the reference year along with end-year stocks (or positions) for Ireland broken down in greater geographical detail than was formerly available. These results further expand the range of Balance of Payments (BOP), International Investment Position (IIP) and related statistics published by the CSO. The figures presented are methodologically consistent with the data already presented in the quarterly balance of payments and annual IIP releases.

**International statistical standards** Taken together, the underlying methodologies used to compile these FDI as well as the various related statistics are consistent and follow as far as possible the recommendations of the IMF's *Balance of Payments Manual - 5th Edition* (BPM5) published in 1993 and its supplement, *Financial Derivatives: A Supplement to the 5th Edition (1993) of the Balance of Payments Manual* published in 2000. The methodology used also reflects particular interpretations of the BPM5 by the European Central Bank (ECB) and Eurostat.

The BOP and IIP releases include descriptions of the overall collection, compilation and presentation methodologies used. Further important details which specifically concern Direct Investment are given below.

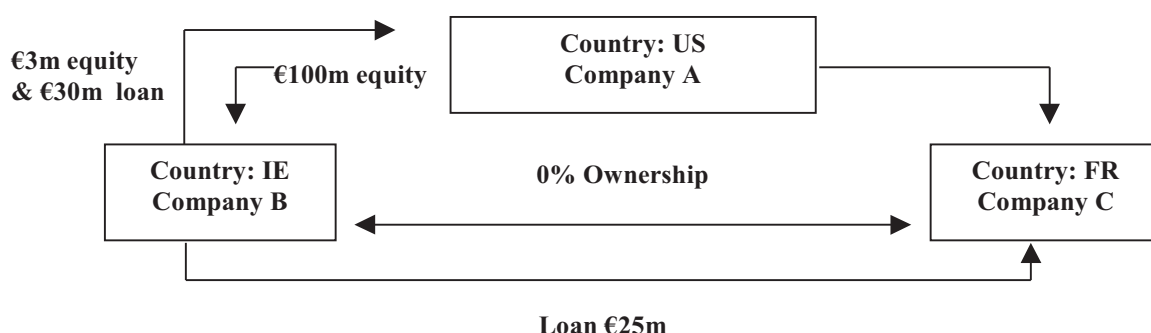
**Data collection** The general data collection arrangements have already been described in the BOP and IIP releases. In all about 2,000 enterprises identified using the CSO's statistical enterprise register are covered for FDI.

**Definition of Foreign Direct Investment** *Direct Investment* is a category of international investment that, based on an equity ownership of at least 10%, reflects a lasting interest by a resident in one economy (the direct investor) in an enterprise resident in another economy (the direct investment enterprise). Using this criterion, a direct investment relationship can exist between a number of affiliated enterprises whether the linkage involves a single chain or a number of chains. It can extend to a direct investment enterprise's subsidiaries, sub-subsidiaries and associates. Once the direct investment relationship is established, all subsequent financial (including income) flows between the related entities are recorded as direct investment transactions, regardless of the type of financial instrument used in the financing arrangement (except for financial intermediary affiliates among which direct investment transactions are limited to those involving equity and permanent debt). The components of direct investment transactions are *equity capital*, *reinvested earnings*, and *other capital*. *Equity capital* comprises investment in branches, shares in subsidiaries and associates (except non-participating preferred shares which are treated as debt securities) and other capital contributions. *Reinvested earnings* consists of the off-setting entry to the corresponding current account income item: it is the direct investor's share of the undistributed earnings of its branches, subsidiaries and associates. *Other capital* covers all other inter-affiliate financial transactions (borrowing and lending of funds), including debt securities and suppliers' credits (i.e. trade credits). Following the recommendations of the IMF, ECB, Eurostat and OECD, direct investment flows are recorded on a '*directional basis*' rather than the more usual assets/liabilities presentation. *Direct investment abroad* covers the investment by parent companies resident in Ireland in their foreign branches, subsidiaries and associated companies. *Direct investment in Ireland* covers the investment by foreign companies in their affiliates located in Ireland.

**Directional Principle for recording direct investment** In line with the quarterly BOP flow and annual IIP stock data, direct investments of Irish resident investors in foreign enterprises are recorded under the category *direct investment abroad* (which approximates to the assets concept). Similar investments made by foreign investors in enterprises located in Ireland are recorded under *direct investment in Ireland* (which closely equates to liabilities). The essential difference between the directional principle and the assets/liabilities approach centres on the treatment of reverse investment by a direct investment enterprise in its parent (direct investor) and on the treatment of financial flows and positions with other foreign affiliates covered by a direct investment relationship. In the Irish context, reverse *equity* investment in a parent enterprise rarely tends to occur and transactions are generally relatively small. However, substantial flows and positions under the category *direct investment – other capital* can take place.

These predominantly take the form of inter-affiliate loans but trade credits and transactions in financial securities between affiliates are also included. Rather than treating reverse *equity* investment flows and positions as straight-forward *direct investment abroad* or *direct investment in Ireland* in their own right, the internationally accepted directional principle recommends that such reverse investment be netted out of the original investment. For example, if a US direct investor A invests €100m in a direct investment enterprise B located in Ireland and B acquires a small reverse equity investment of €3m in its parent (A) then the value of *direct investment in Ireland-equity* is €97m (i.e. €100m less €3m). A similar treatment is applied to non-equity reverse investment. For example, if B advances a €30m loan to parent, A, *direct investment in Ireland-other capital* is €30m lower. Overall *direct investment in Ireland* from A to B is therefore €67m (i.e. €100m - €3m - €30m).

Given a number of considerations, there is some flexibility in the international standards regarding the treatment of non-equity reverse investment by a resident direct investment enterprise in its foreign affiliates (non-parent). In Ireland's case and in order to ensure that all inward and outward flows and stocks arising from an initial inward direct investment are retained within the *direct investment in Ireland* category, the same principle as for reverse equity or non-equity investment with a parent company is applied. For example, if resident direct investment enterprise, B, advances a loan of €25m to a sister company, C, located in France, *direct investment in Ireland – other capital* is lowered by €25m and overall *direct investment in Ireland* from A to B amounts to €42m (i.e. €100m - €3m - €30m - €25m) – see diagram below. Cases occur on an ongoing basis where the outward investment flows or positions of B (or other sister direct investment enterprises located in Ireland) exceed the amounts attributable to A under *direct investment in Ireland*. The equivalent treatment is applied for similar situations categorised under *direct investment abroad*.



#### Geographical allocation principle

In line with the international recommendations, direct investment flows and stocks are geographically attributed on the basis of country of location of immediate ownership of the direct investment enterprise rather than that of the ultimate beneficial owner. Therefore, if a US investor directly invests in a direct investment enterprise located in Ireland, the origin of the investment as presented in these statistics is US. If the US investor indirectly invests, through its Cayman Islands subsidiary, in an enterprise located in Ireland then the origin of the investment is Cayman Islands. In both cases, the country of location of the ultimate beneficial owner is US. This may have a significant impact on the geographic analysis of FDI statistics.

#### Structure of the Direct Investment (FDI) tables

Table 1 shows direct investment flows abroad broken down by geographic region or country of location of the foreign direct investment enterprise as well as by the type of direct investment (*equity*, *reinvested earnings* and *other capital*). Table 2 shows a similar breakdown for direct investment flows into Ireland. Table 3 shows the geographical breakdown of the year end positions data for direct investment abroad, while Table 4 gives the equivalent figures for direct investment in Ireland. Direct investment flows during the year plus valuation and other changes explain the difference between the stocks positions each year.