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Foreign Direct Investment in Light Industry: Comparative Aspects

Introduction

The aim of this article is to present the engagement and scale of direct foreign investment in light industry in Poland against the background of similar investment in other economic regions of the globe. An effort is made to determine the factors which make such investment unattractive for foreign investors and economic policy recommendations are offered to improve the situation.

1. The characteristics of foreign direct investment in the global economy

Foreign direct investment (FDI) is inseparably linked to the activities of transnational corporations. According to UN data, approximately 63,000 transnational corporations with approximately 690,000 foreign branches were in operation in 1999[1]. More than three-quarters of transnational corporate transactions originated in the highly developed countries, i.e., where the headquarters of such corporations were located. Fifty-two percent of the foreign branches of transnational corporations are located in the developing countries. FDI accounted for USD 5 trillion of capital investment in 1999. Foreign

[1] World Investment Report 2000. Cross-border Mergers and Acquisitions and Development, UN, New York and Geneva, 2000. p. 4.

branches of transnational corporations generated USD 13.6 trillion in gross sales, which was nearly twice as high as the USD 6.9 trillion figure estimated for the total worldwide export of goods and services in 1999[2].

UNCTAD data documents the dynamic annual growth rate over the past 15 years of FDI and FDI capital flowing across foreign borders[3]. One of the major factors contributing to the widening stream of FDI in the second half of the 1990's was the accelerating rate of transnational mergers and acquisitions, which took place on a scale hitherto unknown and primarily between companies of the highly developed countries. In 1999 record amounts of both outflowing as well as inflowing FDI were recorded, constituting USD 799.9 and 865.5 billion respectively. The aforementioned constituted a 16.6% increase in outflowing FDI and a 27.3% increase in inflowing FDI compared to 1998.

The main source of FDI capital and the main location of FDI transactions remains steadfastly in the highly developed countries. In 1999 more that 90% of FDI capital originated in the highly developed countries and more than three-quarters of FDI transactions were located in the same countries. This phenomenon creates a so-called crosscurrent of FDI capital in the contemporary global economy. The participation of the developing countries in inflowing FDI, which rose from approximated 20% in 1986-1990 to more than 33% in the late 1990's, fell to 24% in 1999. The countries of South Asia, East Asia, and Southeast Asia experienced the most drastic declines, with an overall decline of more than 11% in 1999 compared to 1997, which was of course connected with the financial crisis in the region. The countries of Central and Eastern Europe experienced a similar decline during this time, with their overall share of FDI falling from 4% in 1997 to 2.5% in 1999. In terms of total FDI, the top positions in Central and Eastern Europe were held by Poland, the Czech Republic, Russia, and Hungary.

A number of global economic regions continue to remain only on the fringes of FDI, in particular the countries of Africa, whose share of overall FDI fell to 1% in 1999. The least developed countries taken together received only 0.5% of overall global FDI.

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[2] World Investment Report 2000. op. cit. p. 4.

[3] World Investment Report 2000. op. cit.

2. The allocation of FDI according to industry branches and sectors in the global economy

The rapid recent growth of equity capital FDI in the global economy has been accompanied by structural changes in the nature of its investment into various industrial branches or sectors[4]. A long-term trend with regard to the aforementioned structural changes has been a shift away from industrial branches and sectors dependent on natural resources and towards the service sectors and technology-intensive industries. In the period 1988-1997 this trend was manifested by a decline in FDI in sector I industries (natural resources) and a corresponding increase in investment into service industries, both in the highly developed and developing countries. The share of processing industries in overall FDI remained constant during this period, and such industries constituted the major location site of FDI in the developing countries. In addition to the aforementioned basic and overall trends, one can observe the following changes in terms of FDI in specific industrial branches or sectors[5]:

- the **financial services sector** (banking, insurance, and securities' industries) occupied first place in terms of the outflow of global FDI, both with regard to its overall share and the annual and accumulated FDI, with **the trade industry** being in second place. The domination of the financial services industry in the structural allocation of FDI may be explained in part by the increased need for financial services by foreign branches of transnational corporations as well as by the restructuring occurring within the industry, consisting of acquisitions and mergers in the highly developed countries and the liberalisation of the financial services industry in the developing countries.
- in the highly developed countries FDI was also primarily located in the **finance and trade** sectors, while in the developing countries the **real estate and chemical industries** led the way in terms of receipt of FDI. In the highly developed countries the increase in the share of the inflow of accumulated FDI to the service sectors took place at the cost of a decrease in the share of inflow of FDI to the sector I (natural resources) and sector II (processing) industries. In the developing countries, on the other hand, while the increase in the share of the inflow of accumulated FDI to the service sectors took place at the cost of a decrease in the share of inflow of

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[4] World Investment Report 2000. op. cit., pp. 7-10, as well as World Investment Report 1999. Foreign Direct Investment and the Challenge of Development, UN, New York and Geneva, 1999, pp. 26-30.

[5] World Investment Report 1999. op. cit., pp. 26-30.

FDI to the sector I (natural resources) industries, the share of the processing industry in the receipt of FDI continued to remain significant.

- in the branch structure of outflowing FDI from the highly developed countries the share of the processing industries was higher that the share of the same industries in the creation of added value in their respective national economies. This suggests that the branch structure of outgoing FDI does not necessarily reflect the comparative advantage enjoyed by or the market situation of the same industries in their home countries. In terms of outflowing FDI from the highly developed countries the relatively large share flowing to the processing industries is concentrated in such capital and technology-intensive industries as: the chemical industry (including pharmaceutical), the electric industry, and the transport industry. This reflects the global strategy of transnational corporations, which wish to take advantage of the technological development and the scope and range of international production. The recent mergers and acquisitions in the transportation and chemical (pharmaceutical) industries increased the concentration of FDI in these sectors.
- FDI in the service sector rose more rapidly in the last decade than in the other sectors, increasing its overall share in the FDI outflowing from developing countries from 45% in 1988 to 56% in 1997. Nevertheless, the service sector's share in outflowing FDI continues to be less than its share in the creation of value added in domestic production, which demonstrates that there continues to be room for further development and expansion of the service sector in the international arena.
- Transnational corporations originating from the US, whose share in accumulated global FDI is 25%, are not uniformly the major investors in each sector; e.g. UK corporations dominate in food processing, production of beverages and tobacco; Japanese transnational corporations are the leaders in manufacturing machines and equipment and in real estate and transport services, while German corporations are the leaders in investments in business services.

3. Foreign Direct Investment in Light Industry

Light industry, which encompasses manufacturing of fabrics, garments, and leather goods is not very popular with foreign investors in the world. This is the conclusion to be drawn based on analysis of the data presented in Table 1, which refers to global FDI inflows into light industry and the accumulated FDI inward stock in the years 1988 – 1997. In 1997 annual FDI inflow into light industry barely reached USD 4.1 billion, representing only 1.1% of the total global FDI inflows. This represents a significant decrease compared to 1988, when FDI in light industry accounted for 3% of total FDI in the world. In absolute terms investment in light industry increased (from USD 3.6 billion in 1988 to USD 4.1 billion in 1997), however, its growth dynamics were lower than those of the total FDI. Global FDI inflows increased almost threefold in the same period while the inflows directed to light industry increased by mere 13.5%[6].

The geographic structure of FDI in light industry indicates the substantial dominance of the developed countries among FDI location sites, exceeding what one would expect based on general FDI structure in the world. Light industry in developed countries received 72% of the world FDI flows directed to this sector in 1997 while in the same year these countries accounted for only 58.2% of total FDI global flows. 27% of FDI flows into light industry were directed to developing countries, among which Southeast Asian countries strongly prevailed (23% of FDI inflows into light industry).

Investments in light industry had different impacts on the economies of various groups of countries. For developed countries they represented 1.5% of total FDI inflows in 1997; for developing countries the ratio was only 0.7%. An exception were the African countries, where investments into light industry amounted to 19.3% of the total investment located in these countries. This ratio is heavily influenced by FDI inflows to light industry in Morocco, which received 10% of all FDI inflows to this sector for the entire African continent (data for 1995). It is worth noting that within the decade covered by our analysis, FDI in light industry diminished for all groups of countries when compared with total FDI inflows. This tendency is the most clear for the countries of Southeast Asia, where the share of FDI in light industry in total FDI inflows dropped from 4.8% in 1988 to 0.8% in 1997. Together with increase in FDI inflows in absolute terms, this confirms the above-mentioned shifts in the sectoral and branch structure of FDI.

Similar conclusions can be drawn from analysis of the changes in the amount and structure of FDI inward stock invested in light industry by foreign investors between 1988 – 1997 (see Table 1). The inward stock increased almost 2.4 times in the period in question, reaching the level of USD 37.2 billion in 1997, but its share in the total FDI stock capital worldwide decreased to only 1.3%, i.e. by a half percentage point less than ten years earlier. About 63% of FDI stock capital was invested in the highly developed countries and almost

[6] Own calculations based on UNCTAD data.

34% in the countries of Southeast Asia. Ten years earlier 74% of FDI inward stock in light industry was directed to developed countries and only 20% to Southeast Asia. This data confirms a clear tendency in the last decade to shift production to Southeast Asian countries. Thus, the changes in the proportions in annual FDI flows has to be considered carefully. If this increased interest on the part of investors in developed countries is maintained in the forthcoming years, then we will be able to speak about a reversal in the tendency which dominated in the last decade.

The share of FDI inward stock in light industry for groups of countries in the total FDI inward stock investment in these countries indicates, in the same fashion as do the ratios for annual FDI flows, the diminishing importance of these investment outlays in the global FDI structure. The most visible change can be seen among the Southeast Asian countries, where FDI inward stock dropped from 4.5% in 1988 to 1.4% in 1997.

The main FDI capital exporters in light industry are among the highly developed countries, i.e. United Kingdom, Japan, USA, Germany, Italy and France (see Table 2, FDI outward stock). As in the case of the UK and Japan, we cannot present the data representing only light industry, where their share is overestimated. However, these countries remain among the most significant exporters of capital in this sector. Compared to other sectors of the economy, these investment projects involve only 1.2% of the total FDI outward share capital invested by the highly developed countries. Additional information on the scale and geographic directions of involvement of various countries in investment projects in light industry is provided in Table 3, where we can find data on the employment generated by Japanese transnational corporations and their foreign subsidiaries in light industry in the mid-1990s. This data shows that Japanese transnational corporations generated more than 100,000 jobs in light industry in Japan and over 140,000 in foreign subsidiaries. Of the latter, 89% were those in developing countries. Geographical distribution of these jobs is far from uniform. If we take the entire pool of jobs in Japanese subsidiaries in developing countries as 100%, 94% were in the region of developing Asia, i.e. South Asia, Southeast Asia and developing countries – Pacific islands. The rest were generated in Latin America – 6% and less than 0.1% in Africa. It is also worth stressing that employment in the so called developing Asia increased in the mid-1990s at the rate of 11% annually while in other regions it contracted at a significantly higher rate (see Table 3).

Data on cross-border mergers and acquisitions in light industry (see Tables 4 and 4a) confirm that this area is not of particular interest to foreign investors. The share of mergers and acquisitions in light industry in the total amount of such transactions in the world economy, recorded by the sector of sellers, ranged between 0.6%-1.4% in the years 1988-1999. This share, calculated as broken down by purchaser sector, ranged between 0.3%-2.3% with the exception of the year 1993, when it amounted to 4.5%. However, if we relate the overall FDI in the form of mergers and acquisitions in light industry to the total FDI inflow in this sector, the importance of mergers and acquisitions increases. In 1997 the share of mergers and acquisitions in this flow reached 41%.

The above presented analysis confirms that in the modern world economy investor interest in FDI in light industry is limited when compared to other sectors. This is in line with the general tendency in FDI sectoral/ branch structure in the world economy. Together with a decreasing share of FDI in the processing industry, its share in some labour-intensive and raw materials-consuming industries also decreases. This does not mean, however, that these branches are no longer important in international economic flows. We have to remember the so-called outward processing traffic in the garment industry, which can be treated as a substitution for FDI. Moreover, data on the 50 fastest-developing trade flows in processed goods in the world economy in the years 1980-1995 indicates that, together with high-tech products, light industry goods enjoy a favourable position, especially: knitted underwear, special light fabric products, nonknitted underwear, and knitted fabrics, the trade in which increased faster than the average for overall world exports (see Table 5). Currently, the question still remains which factors cause light industry companies to choose trade than FDI as a traditional form of servicing foreign markets.

4. FDI in light industry in Poland against the background of trends in Central and Eastern Europe

Trends recorded in the global economy are confirmed when we analyse FDI structure in Central and Eastern European countries (see Table 6). In countries where more detailed data is available, foreign investment in light industry ranges between 1% - 2% of total FDI. Belarus is an exception, with an estimated share of 8% FDI in light industry.

In Poland, where light industry considerably declined during the economic transformation, a significant FDI inflow is absent. Total FDI engaged in Poland was estimated at USD 38.9 billion in 1999[7]. Investment projects exceeding USD 1 million, monitored by PAIZ (the Polish Agency for Foreign

[7] List of major investors in Poland, PAIZ, Warsaw, 1999.

Investment), amounted at the same time to ca. 90% of total FDI. In 1999 FDI inflow to Poland reached USD 8.3 billion, a little less than in 1998. FDI still is regarded as a supplementary source of funding economic development in Poland, which is reflected in the ratio of accumulated FDI to GDP (19.1% in 1998) and the relation of annual FDI flows to total investment outlays (31% in 1998).

A sectoral structure analysis of FDI (above USD 1 million) in Poland (see Table 7) shows that:

- FDI is important in industry (49.2% of total FDI in 1999); however, its share decreased by 9.1 percentage points when compared to 1998,
- financial services are the second most attractive economic sector for foreign investors (22.4%); their share systematically increases,
- wholesale and retailing attracted 9.7% of total FDI while the construction sector attracted only 5.5% , both of which were slightly reduced FDI shares compared to 1998,
- the transportation and telecommunication branches recorded increased FDI inflow and reached the level of 5.4% in 1999, as against 2.6% in 1998,
- FDI share in sectors such as coal mining and the mineral extraction industry, as well as agriculture, was minor (0.2% and 0,1% respectively).

A more detailed structural analysis of the involvement of foreign direct investors in Polish industry in 1999 shows that with regard to FDI the following sectors dominated the economy: food processing and the production of beverages and tobacco – 13.1% of total FDI in Poland; and manufacturing of transport equipment – 12.5%. FDI in light industry amounted to ca. USD 247 million and accounted for 0.7% of the overall total FDI. Table 8 lists the major investors in Polish light industry according to data on investors who invested more than USD 1 million, as collected by PAIZ. Thirty companies are listed there, the largest of which invested USD 50 million in 1999. Structural analysis of investors by their country of origin indicates the predominance of German companies, which account for 34% of investment in light industry, followed by Italians – over 22%, and Americans – over 21%. Having in mind the deficiencies of the quoted statistical database, we may conclude that Polish light industry is of minor interest to foreign investors. The case of Poland is not an exception, it only confirms the trend observed in the global economy.

5. Policy recommendations with regard to foreign investors

For a potential host country to foreign capital with features favourable for light industry, such as relatively cheap, skilled labour and a long tradition in light industry, the question arises whether it should pursue specific policies to attract investment to this sector? Countries of Southeast Asia or some Central and Eastern European countries could capitalise on their comparative advantage in this area with capital support offered by other countries to modernise existing companies and implement modern strategies.

Taking the following into account:

- foreign investors already shifted some of the production capacity in light industry to Southeast Asia in the decade under analysis,
- textiles manufacturers, and garment manufacturers in particular, from highly developed countries took advantage of so-called outward processing in their relations with Central and Eastern Europe make use of the existing comparative advantage,
- in some Central and Eastern European countries the increasing upward pressure on wages has caused the advantage related to cheap labour to start to slowly disappear,
- countries undergoing systemic transformation aim to change the structure of their industries towards an increased share of technologically advanced industries,

then the answer to the above-posed question must be negative.

Countries that attract foreign capital should focus on business facilities in relation to both foreign and domestic investors. Policies addressed to foreign investors should include:

1) **investment promotion** (promotion of their country as an FDI location site; promotion of chosen regions or sectors of economy; in the latter e.g. Poland should concentrate on investment promotion in chosen sectors representing advanced technology),
2) **incentives** – fiscal, financial, others; on the other hand, **requirements** must also be imposed by the host country, e.g. environmental, competition-related,
3) **investors' services** after the investment project has been completed,
4) **improved business conditions**, reduced burden and stress (reduction of the so-called "hassle costs" as perceived by a business).

When it comes to Poland's investment policy, we would recommend that it address all the above elements in it. At the same time, we have to emphasise that incentives call for consideration of:

- restrictions resulting from international agreements concluded by Poland (mainly the Agreement on Subsidies and Countervailing Duties, Agreement on TRIMS/WTO),
- restrictions resulting from the financial potential of the state,
- compliance with the rule of equal incentives for foreign and domestic investors.

Table 1. Foreign Direct Investment in light industry [a] in the world economy between 1988 - 1997 (in millions of USD, %)

Item	1988		1997	
	USD	% [b]	USD	% [b]
1. FDI inflows to light industry – world in total	3, 632	3.0	4,123	1.1
Including:				
- developed countries	2, 638	2.8	2, 975	1.5
- developing countries	994	3.7	1, 147	0.7
- Africa	136 [c]	21.3 [c]	112 [d]	19.3 [d]
- Southeast Asia	887	4.8	970	0.8
- Latin America and Caribbean	- 29	-0.4	65	0.2
2. FDI inward stock in light industry – world in total	15, 054	1.8	37, 229	1.3
Including:				
- Developed countries	11, 068	1.5	23, 314	1.3
- Developing countries	3, 986	3.6	13, 915	1.4
- Africa	-	-	-	-
- Southeast Asia	3, 064	4.5	12, 584	1.4
- Latin America and Caribbean	922	2.3	1, 331	1.6

[a] Textiles, garments and leather products.

[b] FDI in the economy of a whole group of countries equals 100%.

[c] 1992. Based on inflows to Ethiopia, Kenya (approval basis), Mauritius (approval basis) and Morocco that accounted for 15% of total inflows to Africa in1992.

[d] 1995. Based on inflows to Ethiopia, Kenya (approval basis), Mauritius (approval basis) and Morocco that accounted for 10% of total inflows to Africa in1995.

Source: UNCTAD

Table 2. FDI outward stock of developed countries in light industry, 1988, 1997 (Values in millions of dollars and shares in percentage)

Country	1988		1997	
	USD	%	USD	%
Austria	63	0.5	395	1.1
Denmark	-	-	84	0.2
France	708	5.9	1, 299	3.5
Germany	1, 079	9.1	2, 741	7.3
Island	-	-	2	0.01
Italy	-	-	1, 970	5.2
Japan	2, 680	22.5	10, 855[a)]	28.9
Switzerland	-	-	497	1.3
United Kingdom	5, 763[b)]	48.4	16, 571[b)]	44.1
USA	1, 616	13.5	3, 203	8.5
FDI in light industry – world in total	11, 909	100.0	37, 618	100.0

[a)] Japan's data on a notification basis. Therefore, the data is overestimated, 1996 data
[b)] United Kingdom's manufacture of textiles includes wood products and printing & publishing.

Source: UNCTAD and own calculations

Table 3. Employment in light industry in Japanese parent companies and their subsidiaries, 1995, and employment growth rate, 1990-1995

Specification	1995	1990-1995
	Thousands of employees	Annual growth rate in %
Employment in parent companies	101	11,3
Employment in all subsidiaries	139	8,9
Out of which:		
Total in developing country subsidiaries	124	7,6
- Latin America	7,6	-13,6
- Africa	0,1	-33,7
- Developing Asia	117	11,0

Source: UNCTAD

Table 4. Cross-border M&A, by industry of sellers, 1988-1999 (billions of dollars, %)

Sector/industry	1988		1990		1992		1994		1996		1997		1999	
Total	115.6	100.0	150.6	100.0	79.3	100.0	127.1	100.0	227.0	100.0	304.8	100.0	720.1	100.0
Manufacturing	73.7	63.8	75.5	50.1	43.2	54.5	69.3	54.5	88.5	39.0	121.4	39.8	275.1	38.2
Textiles, garments, and leather products	0.8	0.7	1.3	0.9	0.8	1.0	1.4	1.1	0.8	0.4	1.7	0.6	4.3	0.6

Source: UNCTAD and own calculations.

Table 4a. Cross-border M&A, by industry of purchasers, 1988-1999 (billions of dollars, %)

Sector/industry	1988		1990		1992		1994		1996		1997		1999	
Total	115.6	100.0	150.6	100.0	79.3	100.0	127.1	100.0	227.0	100.0	304.8	100.0	720.1	100.0
Manufacturing	71.7	62.0	79.9	53.1	35.3	44.5	72.5	57.0	88.8	39.1	133.2	43.7	309.0	42.9
Textiles, garments, and leather products	0.6	0.5	3.4	2.3	0.4	0.5	0.3	0.2	0.8	0.4	1.3	0.4	2.0	0.3

Source: UNCTAD and own calculations.

Table 5. The fastest growing textile manufactures in world trade (ranked by 1995 value) (billions of USD and growth rates in %)

Products	1980	1990	1995	1980-1990	1990-1995	1980-1995
	USD			%		
1. Knitted underwear	3.4	11.8	21.3	13.3	12.4	13.0
2. Special textile fabric products	4.5	11.1	18.5	9.4	10.8	9.9
3. Nonknitted underwear	2.2	6.9	11.3	12.0	10.6	11.5
4. Knitted fabrics	2.6	6.0	10.4	8.9	11.6	9.8
Total – 50 fastest growing products	300.8	833.5	1,539.9	10.7	13.1	11.5
Total world manufactured exports	1,053.6	2,454.8	2,529.7	8.8	8.5	8.7

Source: UNCTAD

Table 6. Sectoral and industrial distribution of inward FDI stock in some Central and Eastern European countries, latest year available (%)

Specification	Belarus 1998	Czech Republic 1997	Hungary 1997	Latvia 1998	Poland 1997	Slovenia 1997	Ukraine 1998
Primary sector	54	1	2	1	1	-	4
Secondary sector:	46	45	39	18	45	38	43
Textiles, leather products, and garments	8	2	2	2	1	2	1
Tertiary sector	.	43	59	79	44	53	40
Unspecified	.	11	-	2	10	8	12

Source: UNCTAD

Table 7. Sectoral structure of main FDI in Poland, 1997-1999 (millions of USD, %)

Item	1997		1998		1999	
	USD	%	USD	%	USD	%
Production	11,042.0	62.4	15,912.1	58.3	17,318.4	49.2
Financial services	3,130.4	17.7	4,802.9	17.6	7,861.8	22.4
Wholesale, retailing, repairs	1,408.5	8.0	2,942.7	10.8	3,398.4	9.7
Construction	554.9	3.1	1,685.3	6.2	1,930.3	5.5
Transportation and telecommunication	743.5	4.2	719.3	2.6	1,891.7	5.4
Hotels and restaurants	305.5	1.7	429.8	1.6	423.1	1.2
Services: municipal, social and individual	354.6	2.0	397.8	1.5	1,585.3	4.5
Public utilities	96.5	0.5	241.8	0.9	473.0	1.3
Real estate administration, rental and business related services	38.3	0.2	112.0	0.4	190.2	0.5
Agriculture	15.0	0.1	24.1	0.09	30.1	0.1
Coal mining and extraction	16.2	0.1	11.8	0.04	68.3	0.2
Total investment projects exceeding USD 1 million	17,705.4	100	27,279.6	100	35,171.0	100

Source: PAIZ and own calculations.

Table 8. Major foreign investors in light industry in Poland (Values in millions of dollars and shares in percentage)

Investor	Country	Invested capital	Sector of economy
1. Sud Wolle AG	Germany	50.0	Fabrics and textiles
2. Lee Bell Inc.	USA	29.4	Fabrics and textiles
3. Adolf Ahlers AG	Germany	22.0	Fabrics and textiles
4. Levi Strauss	USA	20.0	Fabrics and textiles
5. Tessitura Bresciana	Italy	16.0	Fabrics and textiles
6. Coats Viyella Plc	UK	15.0	Textiles
7.Teresio Guazzone Group	Italy	12.3	Fabrics and textiles
8. Legler	Italy	12.0	Fabrics and textiles
9. Leo Gros	France	10.8	Fabrics and textiles
10. Pagh Morups Bornekonfektion APS	Denmark	8.3	Fabrics and textiles
11. Condor	Italy	5.0	Leather and leather products
12. Filatura e Tesstura di Tollegno SpA	Italy	5.0	Fabrics and textiles
13. Bianca Modern	Germany	4.5	Fabrics and textiles
14. La Fourmi	France	3.8	Leather and leather products
15. Ahlers Goldress	Germany	3.6	Fabrics and textiles
16. Budzinsky +Hor GmbH +Co	Germany	3.5	Fabrics and textiles
17. Dossche	Belgium	3.5	Leather and leather products
18. Deni Cler	USA	3.4	Fabrics and textiles, leather and leather products
19. Karma Bella	Holland	3.1	Fabrics and textiles
20. Finanziaria Mobiliare Immobiliare di Pollone	Italy	2.5	Fabrics and textiles
21. Dallas International	Turkey	2.1	Fabrics and textiles
22. Hellenic Fabric	Greece	1.5	Fabrics and textiles
23. D.M.R.	Italy	1.3	Fabrics and textiles
24. Danish Partner ApS	Denmark	1.3	Fabrics and textiles
25.ETC Couture	Holland	1.3	Fabrics and textiles
26. Immobiliare Sifra	Italy	1.2	Leather and leather products
27.Velda	Belgium	1.2	Fabrics and textiles
28. Carly Gry	Denmark	1.0	Fabrics and textiles
29. Il Yeong Industrial	Korea	1.0	Fabrics and textiles
30. Schoenfabriek Helioform Quality Shoes BV	Holland	1.0	Leather and leather products
Total FDI in light industry		246.7	
FDI exceeding USD 1 million		35, 171.0	

Source: PAIZ