Statistics in focus

ECONOMY AND FINANCE

THEME 2 – 11/2003

BALANCE OF PAYMENTS

Contents

Increase in both degree of openness and FDI inflows in CCs from 1995 to 2000..............1

FDI and trade in goods and services main items of, respectively, financial and current accounts 2

Country contributions to the CCs' FDI and other aggregates previously examined.................4

FDI flows represented about 12% of gross fixed capital formation from 1995 to 2000 6

Manuscript completed on: 10.03.2003
ISSN 1024-4298
Catalogue number: KS-NJ-03-011-EN-N

Foreign Direct Investment and external financing in the Candidate Countries

Data 1995-2000

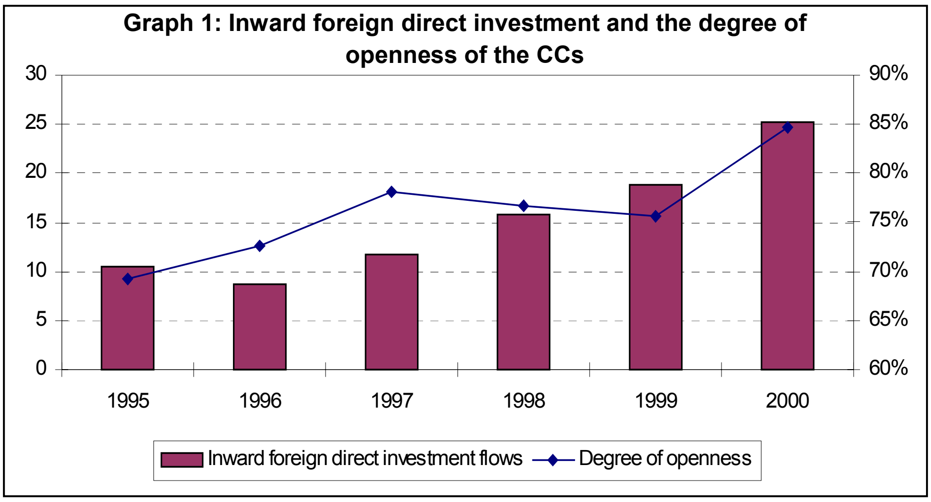
Irene Lovino

Foreign Direct Investment (FDI) statistics give information on one of the main aspects of globalisation: its importance has constantly increased since the second half of last decade. Eurostat maintains an FDI database with FDI statistics declared by the Candidate Countries[1] (CCs). It includes the geographical breakdown of FDI and also provides users with detailed data by sector of activity.

Foreign direct investment inflows to the CCs followed an upward trend over the 1995-2000 period. This article analyses the role of FDI in financing the growing trade deficit that characterised the CCs' current account during the period under examination. We describe the recent evolution of FDI inflows in the CCs, their degree of openness and the overwhelming importance of FDI and trade in, respectively, financial and current accounts. We also show the contribution of each country to the aggregate FDI total and to other items of the balance of payments, and the relative capacity of CCs to attract FDI (taking into account the characteristics of their respective economic systems). Finally, the ratio of FDI inflows over gross fixed capital formation is presented for the group as a whole and for each CC.

Increase in both degree of openness and FDI inflows in CCs from 1995 to 2000

Foreign direct investment is, in general, a supplement or an alternative to cross border trade in goods and services. The evolution of FDI inflows to the CCs is shown below together with a measure of the corresponding degree of openness, calculated as the ratio of the sum exports plus imports[2] over GDP.



Inward FDI flows should be read on the left-hand scale in Bn of ECU/EUR.
The degree of openness appears on the right-hand scale in percentage.

[1] *The Candidate Countries are: Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, the Slovak Republic, Slovenia and Turkey.*

[2] *Trade in both goods and services is considered.*

Inward FDI flows of the CCs as a whole surged by 142% in 2000 over 1995.[3] In 1998 and 1999, when the degree of openness slightly went down, inward FDI kept going up; 1996 was the only year when FDI inflows decreased (with a -17% annual drop) while the highest annual increases were registered in 1997, 1998 and 2000 (with 36%, 35% and 34%, respectively).

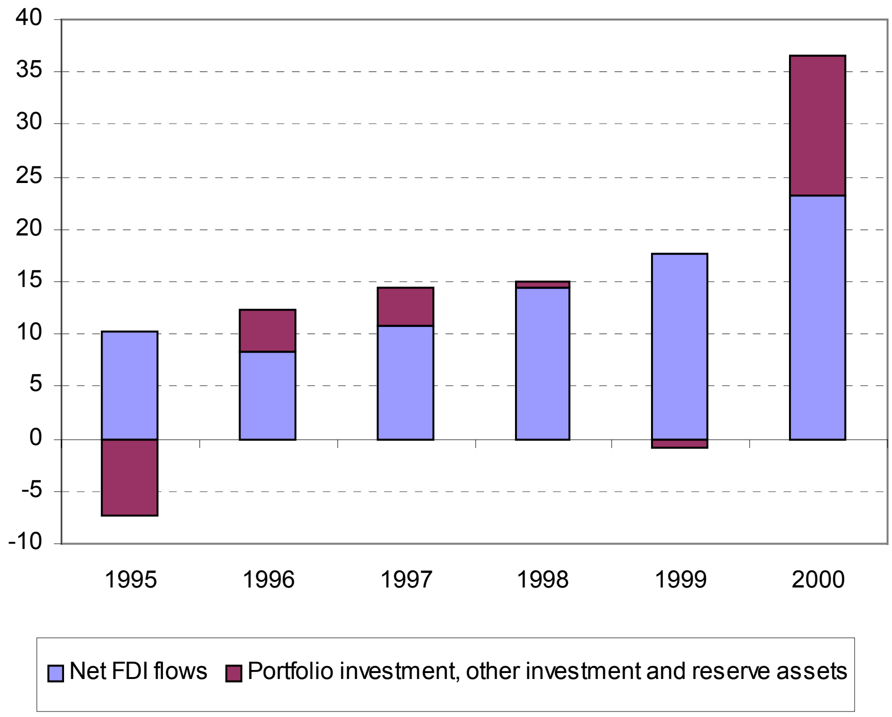
The degree of openness indicates the level of goods and services that a country exports and imports in comparison to its Gross Domestic Product (GDP). As shown in Graph 1, for the CCs as a whole this ratio experienced a 22% growth in 2000 over 1995. In fact, over the 1995-2000 period, GDP went up by 62% while trade in goods and services grew by 98% (90% for exports and 106% for imports), following the increasing integration of the CCs in international trade markets. Hence, from 69% in 1995 the degree of openness reached 85% in 2000.

Despite this overall expansion, the CCs' degree of openness narrowed in 1998 and 1999. In 1998, GDP growth (9%) was higher than the growth of both exports and imports of goods and services (7%), leading to a 2% reduction in the openness ratio. The following year, while trade in goods and services declined by 1% (mainly due to the 2% decrease in exports against the steadfastness of imports values), GDP grew by 1%, explaining the 1% decline in the degree of openness.

FDI and trade in goods and services main items of, respectively, financial and current accounts

In this paragraph we analyse the CCs' Balance of Payments considering their financial and current accounts from 1995 to 2000.[4] During this period, foreign direct investment net flows accounted for a minimum of 23% of the financial account components in absolute terms. The FDI share in the financial account continuously grew from 23% in 1995 to 51% in 2000 (except in 1997).

Graph 2: Foreign direct investment in the financial account balance of the CCs
Bn ECU/EUR



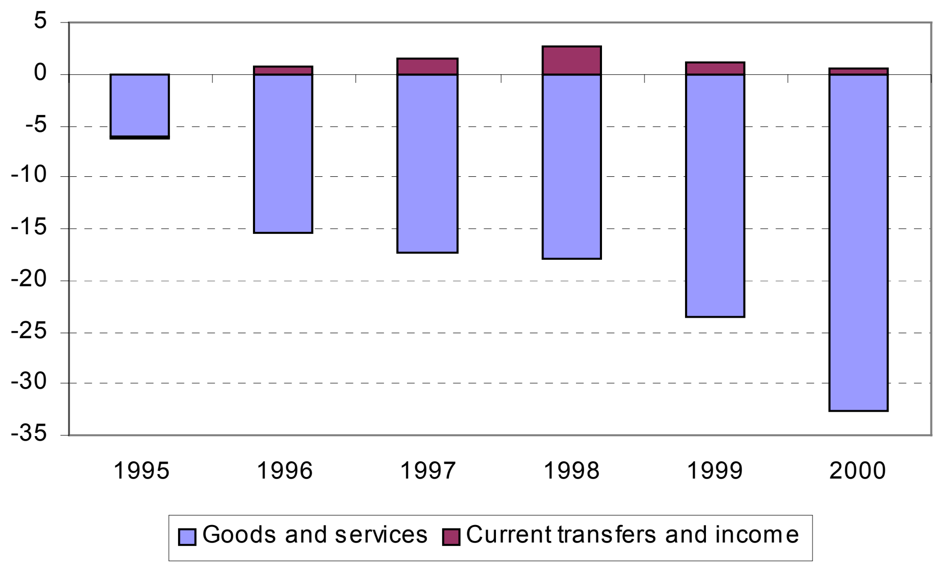
Looking at Graph 2, it is evident that FDI played a key role in the external financing process of the CCs during the period under examination. In 1995 and 1999, the sum of the other components of the financial account presented in graph 2 (portfolio investment, other investment and reserve assets) was negative, while net FDI flows remained positive. When this sum was positive (1996, 1997, 1998 and 2000), net FDI flows amounted to more than half of the total balance (67% in 1996, 75% in 1997, 97% in 1998 and 63% in 2000).

[3] *See "The evolution of FDI in Candidate Countries: Data 1995-2000", Statistics in Focus, Economy and Finance, Theme 2 – 3/2002.*

[4] *Due to the relative low value of transactions recorded in the capital account in the Candidate Countries' Balance of Payments in comparison with the financial account, the capital account will not be considered hereafter. In fact, the capital account balance represented on average 5% of the overall capital and financial account of the CCs between 1995 and 2000. From a share of 15% in 1995, it varied between 2% and 4% throughout the remaining period.*

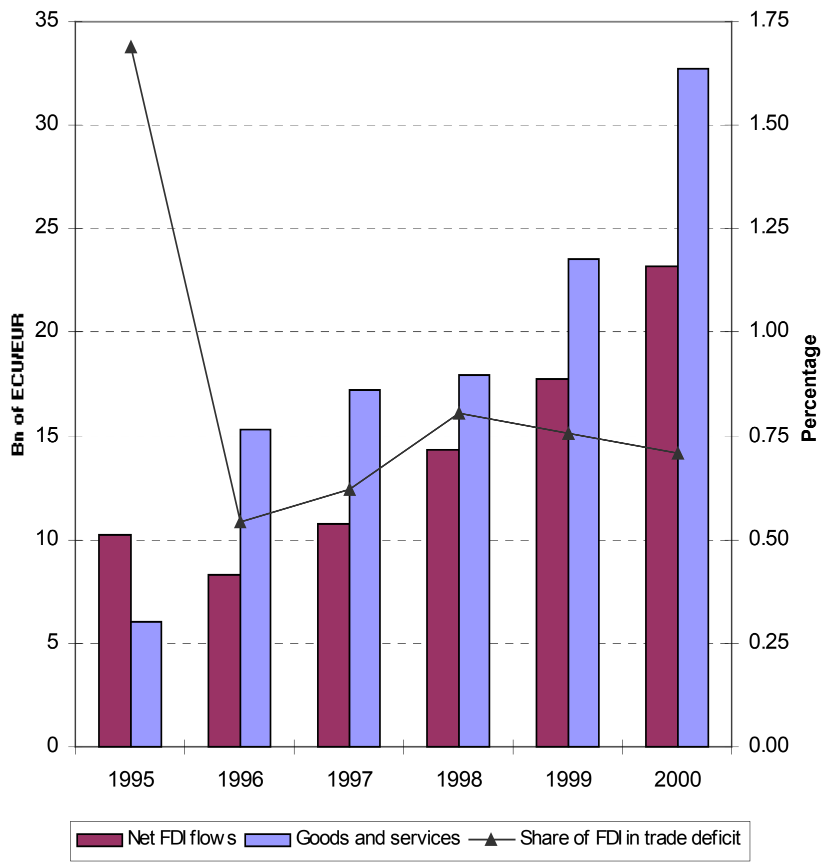
The current account balance worsened during the five years considered. Moreover, the main contributor to the worsening of the current account balance was the deficit of trade in goods and services. The latter registered a five-fold growth from 1995 to 2000 (from a deficit of ECU 6 bn to a deficit of EUR 32 bn) while, on the other hand, the sum of net income and current transfers was positive (except in 1995) and roughly doubled over the same period (in absolute value).

Graph 3: Trade in the current account balance of the CCs Bn ECU/EUR



The increasing importance of trade in goods and services in the current account is shown in Graph 3. In 1995 the trade balance represented 97% of the total while in 2000 it exceeded the current account balance as was compensated, for a small amount, by the sum of current transfer and income.

Graph 4: Trade balance and net foreign direct investment total flows to the CCs



The relative importance of foreign direct investment and trade in goods and services in, respectively, financial and current account balances highlights the role of FDI inflows in financing the CCs growing trade deficit in goods and services over the 1995-2000 period.

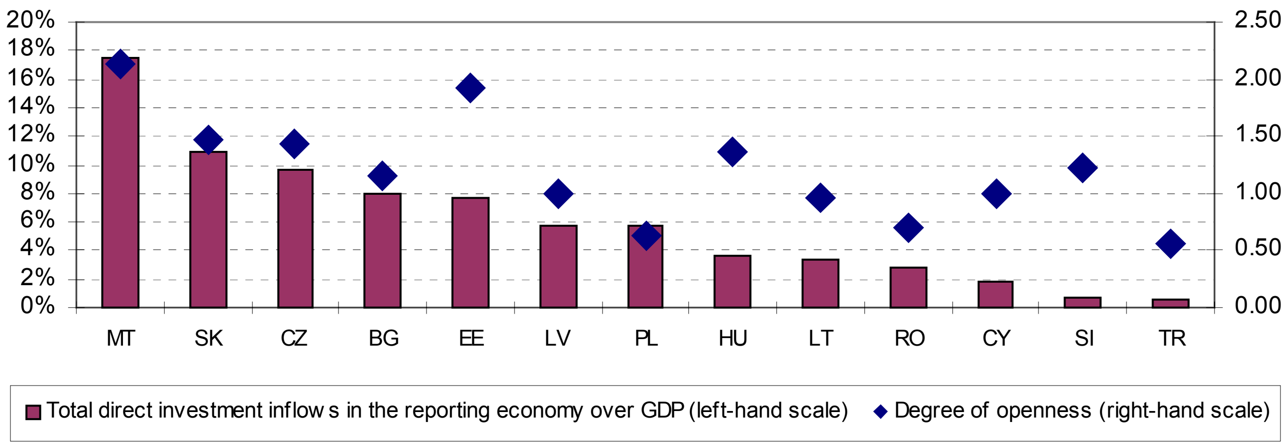
Graph 4 shows the increase in both trade balance and net FDI flows in absolute terms from 1995 to 2000 for the group of CCs as well as the ratio of FDI over trade deficit. In general, trade balance deficits were higher than the amount of net foreign direct investment, except in 1995, when net FDI flows accounted for 169% of the trade deficit.

From 1996 to 2000, net FDI flows financed a minimum of 54% of the deficit (1996) arising from trade in the goods and services account. In 2000, this financing reached 71%, slowing down from 1998 when 80% of the trade deficit was financed by net FDI flows.

Country contributions to the CCs' FDI and other aggregates previously examined

For each CC, the ratio of direct investment inflows over GDP in 2000 is compared, in Graph 5, to the respective degree of openness for the same year. The countries are presented in decreasing order of the ratio of direct investment inflows over GDP.

Graph 5: Direct investment and the degree of openness in CCs, 2000



Malta stood ahead for both indicators. Inward FDI over GDP amounted to 17% while it was 11% for the Slovak Republic, which ranked second for this indicator among the CCs. In 2000, the Maltese economy was also the most open with a degree of openness of 213%. Estonia came second among the CCs taking into account the degree of openness, with a ratio of 192%. Turkey had a ratio of FDI over GDP of 0.5% and a degree of openness of 57%.

The average ratio of FDI over GDP ratio was 4%, with Hungary (4%), Lithuania (3%), Romania (3%), Cyprus (2%), Slovenia (1%) and Turkey (0.5%) below this average value. The average value of the degree of openness was 85%, and three countries stood below this average: Romania (71%), Poland (63%), Turkey (57%).

Estonia, Hungary and Slovenia had a relative high degree of openness compared to the ratio of FDI inflows over their respective GDP. This also holds true for Cyprus and Lithuania, although to a lesser extent.

Table 1: Structure of the financial and current accounts in the CCs in 2000 (in Mio EUR)

	Net goods and services	Net income and current tranfers	Net current account	Net total direct investment	Net portfolio investment	Net other investment and reserve assets	Net financial account
Candidate Countries	-32765	507	-32260	23193	1998	11343	34445
Bulgaria	-725	-34	-760	1083	-193	-85	808
Cyprus	-606	112	-494	-44	-221	559	295
Czech Republic	-1861	-1084	-2946	5359	-1915	-133	3271
Estonia	-228	-98	-326	358	117	-159	317
Hungary	-360	-1267	-1627	1225	-522	596	1409
Lithuania	-783	53	-731	406	286	-101	591
Latvia	-673	134	-538	435	-351	449	535
Malta	-421	-155	-576	643	-840	611	446
Poland	-11806	993	-10812	10114	3613	-3631	10512
Romania	-2098	627	-1471	1122	110	893	1121
Slovenia	-730	154	-576	77	176	278	531
Slovak Republic	-519	-252	-772	2294	631	-356	959
Turkey	-11955	1324	-10631	121	1107	12422	13650

In Table 1 the contributions of each CC to the main items of their Balance of Payments are presented for 2000. Two countries made up for the bulk of the current and financial account balances: Poland and Turkey. Altogether they represented 66% and 70% of the CCs' current and financial account balances. Concerning the main components of these accounts, the two countries as a whole accounted for 73% of the trade in goods and services balance (36% for both countries) and 44% of the net FDI flows (44% for Poland and 1% for Turkey).

Net FDI flows outpaced the trade deficit in six of the CCs, namely Bulgaria, the Czech Republic, Estonia, Hungary, Malta and Slovak Republic.

In the remaining part of this section we analyse the CCs' capacity to attract FDI, taking into account the characteristics of their economic systems, represented by GDP and by level of population.

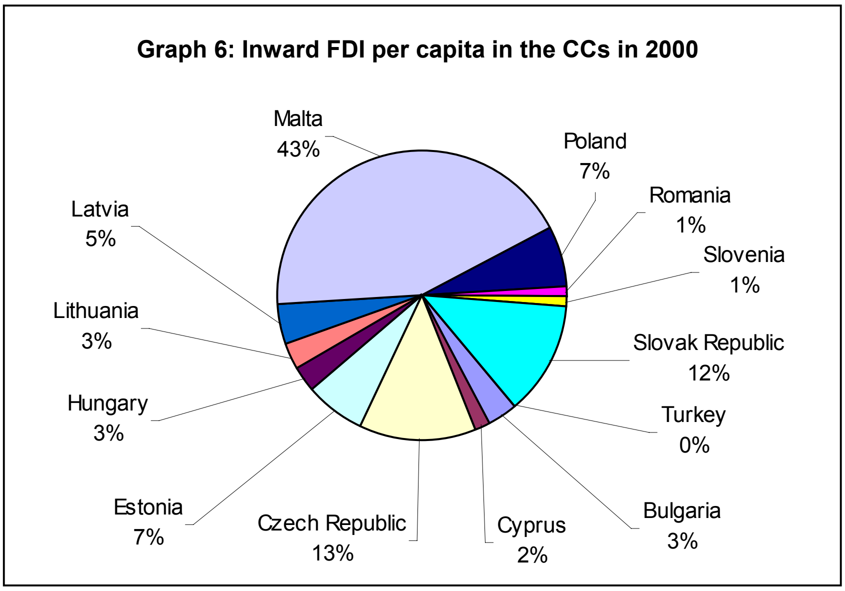
In order to show the attractiveness of each Candidate Country in comparison with relative GDP, the UNCTAD's FDI performance index[5] is shown in Table 2 over the 1995-2000 period for each country, the total of the group and the EU, as a reference.

Table 2: Inward FDI Performance Index
(Ratio of individual country's share in global FDI to its share in global GDP)

	1995	1996	1997	1998	1999	2000
Candidate Countries	*2.37*	*1.56*	*1.50*	*1.27*	*1.00*	*0.86*
European Union	*1.18*	*0.97*	*1.06*	*1.29*	*1.67*	*2.18*
Bulgaria	0.60	0.85	3.02	1.79	1.67	1.68
Cyprus	0.85	0.47	3.59	1.24	2.08	0.39
Czech Republic	4.32	1.91	1.53	2.03	2.61	2.06
Estonia	4.96	2.45	3.58	4.67	1.64	1.62
Hungary	9.46	3.91	2.97	1.84	1.17	0.77
Lithuania	1.05	1.49	2.30	3.66	1.28	0.72
Latvia	3.54	5.79	5.77	2.48	1.59	1.22
Malta	3.57	6.42	1.50	3.23	6.33	3.73
Poland	2.53	2.41	2.12	1.71	1.32	1.21
Romania	1.04	0.58	2.14	2.06	0.82	0.59
Slovenia	1.44	1.09	1.60	0.43	0.12	0.16
Slovak Republic	1.09	1.33	0.51	1.09	0.45	2.31
Turkey	0.46	0.31	0.26	0.20	0.12	0.10

In 2000, the highest FDI performance index of all CCs was recorded in Malta, followed by the Slovak Republic, the Czech Republic and Bulgaria. Turkey had the lowest inward performance index throughout the period. In the same years, eleven of the CCs performed well, attracting more foreign direct investment flows than suggested by their relative share in world gross domestic product: Malta (4.13 on average over the 1995-2000 period), Latvia (3.40), Hungary (3.35), Estonia (3.15), Czech Republic (2.41), Poland (1.88), Lithuania (1.75), Bulgaria (1.60), Cyprus (1.44), Romania (1.20), Slovak Republic (1.13). The only countries with an average FDI performance index over 1995-2000 period inferior to 1 were Turkey (0.24) and Slovenia (0.81).

[5] *The Inward FDI Performance Index is an index to benchmark success in attracting FDI. It is computed as the ratio of a country's share in global FDI flows to its share in global GDP. Countries with an index value of 1 are FDI recipients in line with their relative economic size. Countries with an index value superior to 1 attract more FDI than the value that may be expected on the basis of relative GDP. See United Nations Conference on Trade And Development (UNCTAD), World Investment Report 2002.*



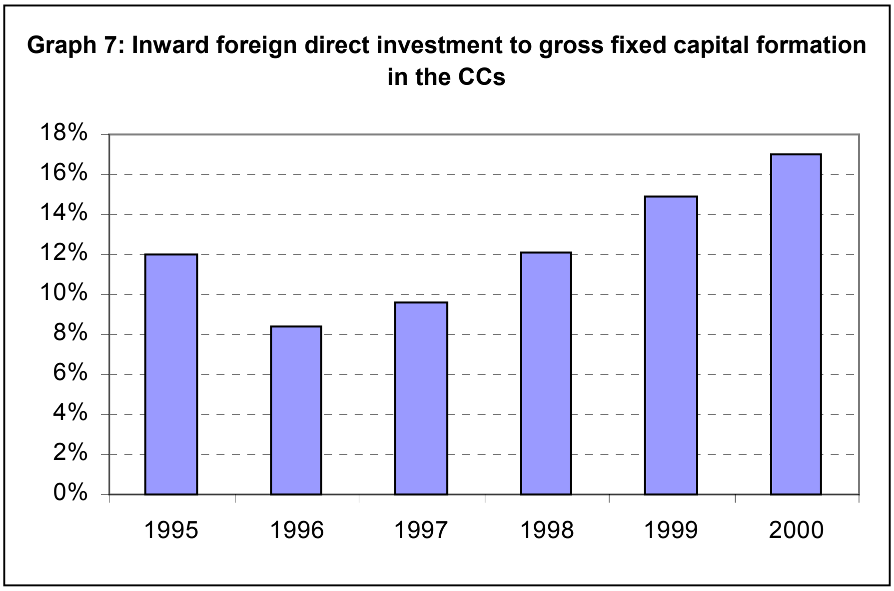
As another measure of relative capacity of each CC to attract FDI, Graph 6 shows the ratio of inward FDI flows over the population for each country in 2000.

The geographical breakdown of the CCs' per capita FDI inflows confirms that Malta and the Czech Republic performed well in attracting FDI flows in comparison to their own characteristics. At the other end of the scale, both Romania and Slovenia received 1%, while Turkey's receipts were negligible.

FDI flows represented about 12% of gross fixed capital formation from 1995 to 2000

In the remaining part of the article we briefly analyse the weight of FDI over gross fixed capital formation during the 1995-2000 period for the group of CCs and, in 2000, for each of the 13 countries.

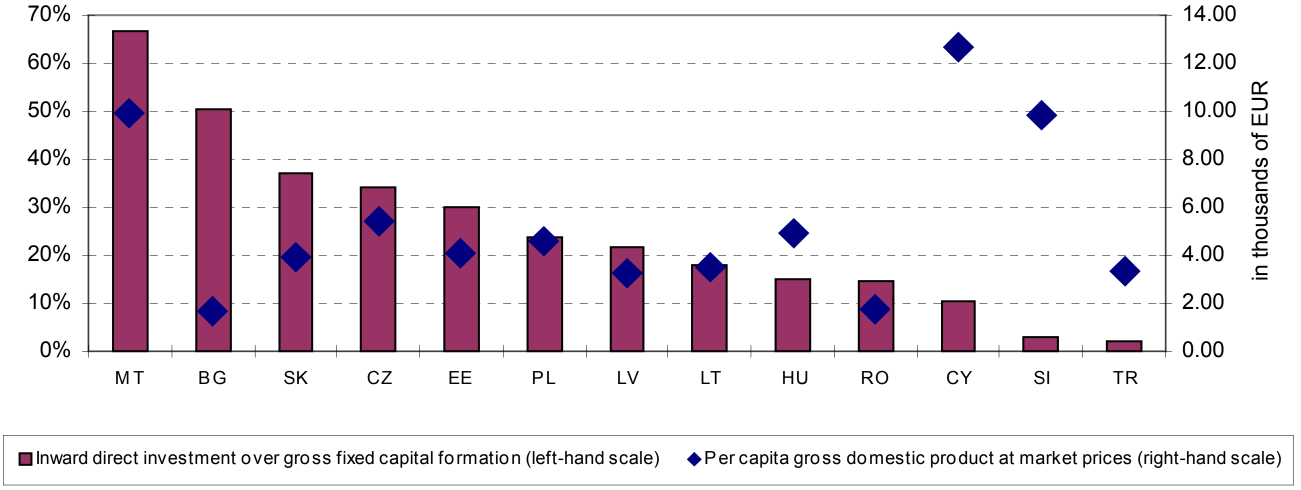
From 1995 to 2000, FDI inflows in the group of CCs accounted on average for 12% of their gross fixed capital formation (see Graph 7). This share rose by 42% from 1995 to 2000, giving FDI flows an even more significant role in financing the CCs' domestic activity. As a comparison, the ratio of FDI inflows over gross fixed capital formation in the EU-15 was 10% in 2000, and 3% in 1995.



The highest value of this ratio for the CCs was reached in 2000 with inward FDI flows representing 17% of the gross fixed capital formation.

In Graph 8 we show the ratio of FDI over fixed capital formation for each country in 2000. The CCs are ranked in decreasing order of the share of FDI inflows in their respective gross fixed capital formation. Inward FDI flows accounted for half or more of the gross fixed capital formation in Malta (67%) and Bulgaria (50%). This share was inferior or equal to 10% in three countries, namely Cyprus (10%), Slovenia (3%) and Turkey (2%).
GDP per capita at market prices is plotted in the same graph. Cyprus (EUR 12 686), Malta (EUR 9 885) and Slovenia (EUR 9 825) showed the highest figures in 2000. However, the share of FDI in the gross fixed capital formation in Malta was much higher than in the other two countries.
Bulgaria, on the other hand, which had the lowest GDP per capita (EUR 1 682), recorded the second largest ratio of inward FDI over gross fixed capital formation among the CCs.

Graph 8: Inward FDI over gross fixed capital formation in the CCs, 2000



➢ ESSENTIAL INFORMATION – METHODOLOGICAL NOTES

The methodological framework used is that of the fifth edition of the International Monetary Fund (IMF) Balance of Payments manual. The balance of payments is divided in two sub-balances: the current account and the capital and financial account. The current account records exports and imports of goods and services, income receivable and payable and current transfers. The capital account includes capital transfers and acquisition/disposal of non-produced non-financial assets, the financial account records financial transactions that include foreign direct investment, portfolio investment, other investment and reserve assets flows.

Foreign direct investment (FDI) is the category of international investment, within the Balance of Payments Financial Account, that reflects the objective of obtaining a lasting interest by a resident entity in one economy in an enterprise resident in another economy. The lasting interest implies the existence of a long-term relationship between the direct investor and the enterprise, and a significant degree of influence by the investor on the management of the enterprise. Formally defined, a direct investment enterprise is an unincorporated or incorporated enterprise in which a direct investor owns 10% or more of the ordinary shares or voting power (for an incorporated enterprise) or the equivalent (for an unincorporated enterprise).

FDI flows and positions

Through direct investment flows, an investor builds up a foreign direct investment position that features on the international investment position of the country. This FDI position (sometimes called FDI stock) differs from the accumulated flows because of revaluation (changes in prices or exchange rates, and other adjustments like rescheduling or cancellation of loans, debt forgiveness or debt-equity swaps).

Gross fixed capital formation corresponds to the spending of producers on durable real assets, such as buildings, motor vehicles, plant and machinery, and improvements to land. In measuring the outlays, sales of similar goods are deducted. Land is excluded from gross fixed capital formation. Included is the value of construction work done by a firm's own employees. The term 'gross' indicates that consumption of fixed capital has not been deducted from the value of the outlays.

New Cronos Database

Eurostat compiles and publishes balance of payments data for the Candidate Countries.
All data used in this Statistics in Focus for the Candidate Countries, other than 2000 population, GDP figures and world FDI, can be found in the New Cronos database.
World FDI data have been extracted from the UNCTAD database.
The data for population and GDP have been extracted, respectively, from the World Bank Indicators and the IMF World Economic Outlook online database.

Further information:

- **Databases**

  NewCronos,
  Domain Theme2/bop/bopcc

To obtain information or to order publications, databases and special sets of data, please contact the **Data Shop** network:

BELGIQUE/BELGIË

Eurostat Data Shop
Bruxelles/Brussel
Planistat Belgique
Rue du Commerce 124
Handelsstraat 124
B-1000 BRUXELLES / BRUSSEL
Tel. (32-2) 234 67 50
Fax (32-2) 234 67 51
E-mail: datashop@planistat.be
URL: http://www.datashop.org/

DANMARK

DANMARKS STATISTIK
Bibliotek og Information
Eurostat Data Shop
Sejrøgade 11
DK-2100 KØBENHAVN Ø
Tlf. (45) 39 17 30 30
Fax (45) 39 17 30 03
E-mail: bib@dst.dk
URL:: http://www.dst.dk/bibliotek

DEUTSCHLAND

STATISTISCHES BUNDESAMT
Eurostat Data Shop Berlin
Otto-Braun-Straße 70-72
(Eingang: Karl-Marx-Allee)
D-10178 BERLIN
Tel. (49) 1888-644 94 27/28
(49) 611 75 94 27
Fax (49) 1888-644 94 30
E-Mail: datashop@destatis.de
URL:http://www.eu-datashop.de/

ESPAÑA

INE Eurostat Data Shop
Paseo de la Castellana, 183
Despacho 011B
Entrada por Estébanez Calderón
E-28046 MADRID
Tel. (34) 915 839 167/ 915 839 500
Fax (34) 915 830 357
E-mail: datashop.eurostat@ine.es
URL: http://www.ine.es/prodyser/datashop/index.html

FRANCE

INSEE Info Service
Eurostat Data Shop
195, rue de Bercy
Tour Gamma A
F-75582 PARIS CEDEX 12
Tél. (33) 1 53 17 88 44
Fax (33) 1 53 17 88 22
E-mail: datashop@insee.fr

ITALIA – Roma

ISTAT
Centro di Informazione Statistica
Sede di Roma, Eurostat Data Shop
Via Cesare Balbo, 11a
I-00184 ROMA
Tel. (39) 06 46 73 31 02/06
Fax (39) 06 46 73 31 01/07
E-mail: dipdiff@istat.it
URL: http://www.istat.it/Prodotti-e/Allegati/Eurostatdatashop.html

ITALIA – Milano

ISTAT
Ufficio Regionale per la Lombardia
Eurostat Data Shop
Via Fieno 3
I-20123 MILANO
Tel. (39) 02 80 61 32 460
Fax (39) 02 80 61 32 304
E-mail: mileuro@tin.it
URL: http://www.istat.it/Prodotti-e/Allegati/Eurostatdatashop.html

LUXEMBOURG

Eurostat Data Shop Luxembourg
46A, avenue J.F. Kennedy
BP 1452
L-1014 LUXEMBOURG
Tél. (352) 43 35-2251
Fax (352) 43 35-22221
E-mail: dslux@eurostat.datashop.lu
URL: http://www.datashop.org/

NEDERLAND

Centraal Bureau voor de Statistiek
Eurostat Data Shop-Voorburg
Postbus 4000
2270 JM VOORBURG
Nederland
Tel. (31-70) 337 49 00
Fax (31-70) 337 59 84
E-mail: datashop@cbs.nl
URL: www.cbs.nl/eurodatashop

NORGE

Statistics Norway
Library and Information Centre
Eurostat Data Shop
Kongens gate 6
Boks 8131 Dep.
N-0033 OSLO
Tel. (47) 21 09 46 42/43
Fax (47) 21 09 45 04
E-mail: Datashop@ssb.no
URL: http://www.ssb.no/biblioteket/datashop/

PORTUGAL

Eurostat Data Shop Lisboa
INE/Serviço de Difusão
Av. António José de Almeida, 2
P-1000-043 LISBOA
Tel. (351) 21 842 61 00
Fax (351) 21 842 63 64
E-mail: data.shop@ine.pt

SCHWEIZ/SUISSE/SVIZZERA

Statistisches Amt des Kantons
Zürich, Eurostat Data Shop
Bleicherweg 5
CH-8090 Zürich
Tel. (41) 1 225 12 12
Fax (41) 1 225 12 99
E-mail: datashop@statistik.zh.ch
URL: http://www.statistik.zh.ch

SUOMI/FINLAND

STATISTICS FINLAND
Eurostat Data Shop Helsinki
Tilastokirjasto
PL 2B
FIN-00022 Tilastokeskus
Työpajakatu 13 B, 2. kerros, Helsinki
P. (358-9) 17 34 22 21
F. (358-9) 17 34 22 79
Sähköposti: datashop@stat.fi
URL: http://tilastokeskus.fi/tk/kk/datashop/

SVERIGE

STATISTICS SWEDEN
Information service
Eurostat Data Shop
Karlavägen 100 - Box 24 300
S-104 51 STOCKHOLM
Tfn (46-8) 50 69 48 01
Fax (46-8) 50 69 48 99
E-post: infoservice@scb.se
URL:http://www.scb.se/tjanster/datashop/datashop.asp

UNITED KINGDOM

Eurostat Data Shop
Office for National Statistics
Room 1.015
Cardiff Road
Newport NP10 8XG
South Wales
United Kingdom
Tel. (44-1633) 81 33 69
Fax (44-1633) 81 33 33
E-mail: eurostat.datashop@ons.gov.uk

UNITED STATES OF AMERICA

HAVER ANALYTICS
Eurostat Data Shop
60 East 42nd Street
Suite 3310
NEW YORK, NY 10165
USA
Tel. (1-212) 986 93 00
Fax (1-212) 986 69 81
E-mail: eurodata@haver.com
URL: http://www.haver.com/

Media Support Eurostat (for professional journalists only):
Bech Building Office A4/017 • L-2920 Luxembourg • Tel. (352) 4301 33408 • Fax (352) 4301 35349 • e-mail: eurostat-mediasupport@cec.eu.int

For information on methodology

Irene Lovino, Eurostat/B5, L-2920 Luxembourg, Tel. (352) 4301 35134, Fax (352) 4301 33859, E-mail: irene.lovino@cec.eu.int
ORIGINAL: English. Nelly Ahouilihoua carried out the data processing and statistical analysis.

Please visit our web site at **www.europa.eu.int/comm/eurostat/** for further information!

A list of worldwide sales outlets is available at the **Office for Official Publications of the European Communities**.

2 rue Mercier – L-2985 Luxembourg
Tel. (352) 2929 42118 Fax (352) 2929 42709
URL: http://publications.eu.int
E-mail: info-info-opoce@cec.eu.int

BELGIQUE/BELGIË – DANMARK – DEUTSCHLAND – GREECE/ELLADA – ESPAÑA – FRANCE – IRELAND – ITALIA – LUXEMBOURG – NEDERLAND – ÖSTERREICH PORTUGAL – SUOMI/FINLAND – SVERIGE – UNITED KINGDOM – ÍSLAND – NORGE – SCHWEIZ/SUISSE/SVIZZERA – BALGARIJA – CESKÁ REPUBLIKA – CYPRUS EESTI – HRVATSKA – MAGYARORSZÁG – MALTA – POLSKA – ROMÂNIA – RUSSIA – SLOVAKIA – SLOVENIA – TÜRKIYE – AUSTRALIA – CANADA – EGYPT – INDIA ISRAËL – JAPAN – MALAYSIA – PHILIPPINES – SOUTH KOREA – THAILAND – UNITED STATES OF AMERICA

Order form

I would like to subscribe to Statistics in focus (from 1.1.2003 to 31.12.2003):
(for the Data Shop and sales office addresses see above)
All 9 themes (approximately 200 issues)

☐ Paper: EUR 240
Language required: ☐ DE ☐ EN ☐ FR

Statistics in focus can be downloaded (pdf file) free of charge from the Eurostat web site. You only need to register. For other solutions, contact your Data Shop.

☐ Please send me a free copy of 'Eurostat mini-guide' (catalogue containing a selection of Eurostat products and services)
Language required: ☐ DE ☐ EN ☐ FR

☐ I would like a free subscription to 'Statistical References', the information letter on Eurostat products and services
Language required: ☐ DE ☐ EN ☐ FR

☐ Mr ☐ Mrs ☐ Ms
(Please use block capitals)

Surname: ________________ Forename: ____________________
Company: ________________ Department: ___________________
Function: ____
Address: ____
Post code: _______________ Town: ______________________
Country: ____
Tel.: ____________________ Fax: _______________________
E-mail: ____

Payment on receipt of invoice, preferably by:

☐ Bank transfer
☐ Visa ☐ Eurocard

Card No: ______________________ Expires on: ____/____

Please confirm your intra-Community VAT number:
If no number is entered, VAT will be automatically applied. Subsequent reimbursement will not be possible.

____