



HELLENIC REPUBLIC

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PRESS RELEASE

INWARD FOREIGN AFFILIATES STATISTICS – IFATS: Year 2017

The Hellenic Statistical Authority (ELSTAT) announces data on the Structure of Inward Foreign Affiliates Enterprises in Greece, for the year 2017.

Inward Foreign Affiliates Statistics (IFATS) are compiled on the basis of the European Union law (Regulation (EC) 716/2007) with the aim of providing an estimation on the structure and development of the activities of inward foreign affiliates enterprises, that pertain to resident enterprises whose share capital is controlled by more than 50% by non-resident shareholders, their production factors use, their performance and their contribution to the total of the economy of Greece.

Inward Foreign Affiliates Statistics are conducted within the same framework of Structural Business Statistics (SBS) as a subset of them.

In 2017, 2,618 foreign affiliates enterprises were activated in Greece in the sectors of manufacture, construction, trade and services (excluding personal services). On the basis of data of the survey conducted in 2017, it is observed that the total turnover of foreign affiliates in Greece amounted to 37.5 billion euro. The production value and the gross value added of these enterprises amounted to 21.9 and 8.2 billion euro, respectively (Table 1).

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According to the survey data, the foreign affiliates in the aforementioned economic activity sectors spent 31.8 billion euro on the purchase of goods and services in the context of their activities during 2017; 17.0 billion of this amount correspond to the purchase of goods and services for resale without processing (Table 1).

In 2017, the number of persons employed in foreign affiliates in Greece amounted to 149.9 thousand persons and the relevant personnel cost amounted to 4.8 billion euro. Moreover, gross investment in tangible goods amounted to 1.2 billion euro (Table 1).

On the basis of survey data, it is observed that the foreign affiliates enterprises whose share capital is controlled by more than 50% by non-resident shareholders compared with the total of enterprises activated in Greece in manufacture, construction, trade and services (excluding personal services), in 2017 (Table 1, Graph 1), account for:

- 0.4% of the total number of enterprises;
- 15.1% of the total turnover;
- 14.5% of the total production value;
- 16.5% of the total value added at factor cost (gross value added);
- 15.0% of the total purchases of goods and services;
- 16.2% of the total purchases of goods and services purchased for resale in the same condition as received;
- 16.8% of the total personnel costs;
- 14.5% of the total gross investment in tangible goods;
- 6.4% of the total number of persons employed;

of these economic activity sectors.

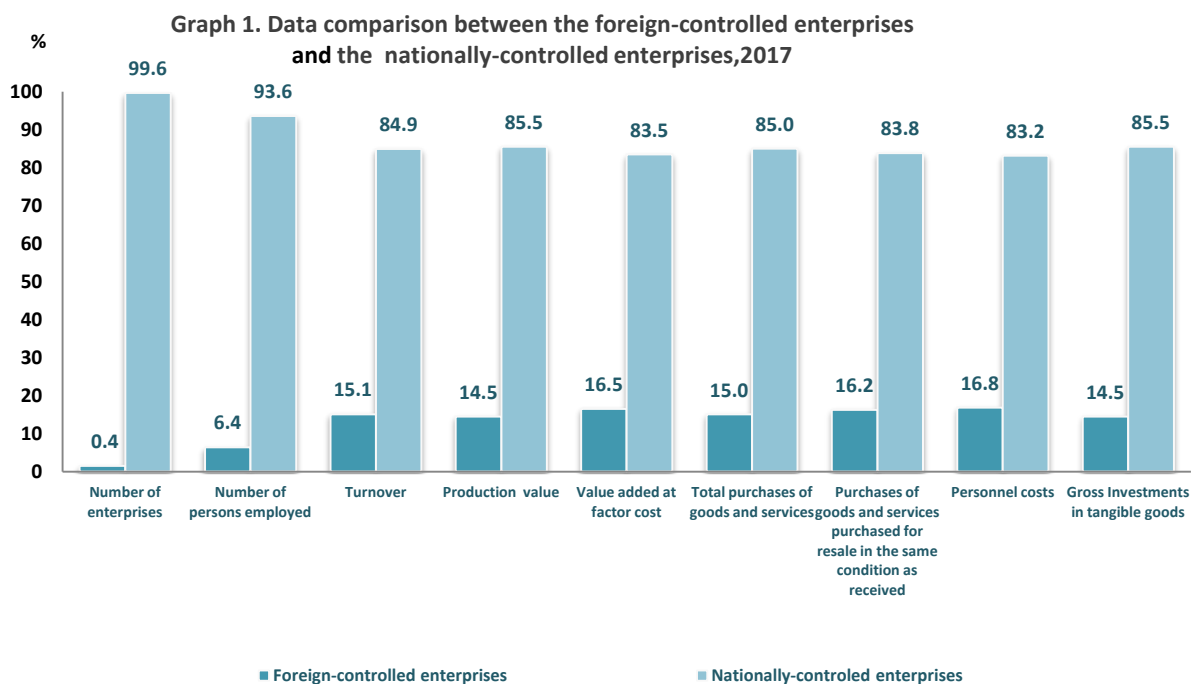


Table 1. Basic economic figures of foreign - controlled enterprises¹ residents in Greece, 2017

Characteristics	All enterprises being residents in Greece, economic activity sections B to N including S95 (excluding K) based on the activity classification NACE Rev.2	of which		Percentage of nationally - controlled enterprises to all enterprises being residents in Greece	Percentage of foreign - controlled enterprises to all enterprises being residents in Greece
		Enterprises residents in Greece controlled by institutional unit established in Greece (nationally controlled enterprises)	Enterprises residents in Greece controlled by institutional unit not residents in Greece (foreign –controlled enterprises)		
	(1)	(2)	(3)	(2)/(1)%	(3)/(1)%
in units					
Number of enterprises	719,492	716,874	2,618	99.6	0.4
Number of persons employed	2,343,485	2,193,607	149,878	93.6	6.4
in thousand €					
Turnover	248,959,423	211,437,454	37,521,969	84.9	15.1
Production value	151,392,370	129,461,353	21,931,017	85.5	14.5
Value added at factor cost	49,435,181	41,268,231	8,166,950	83.5	16.5
Total purchases of goods and services	211,382,714	179,605,717	31,776,997	85.0	15.0
Purchases of goods and services purchased for resale in the same condition as received	104,850,101	87,844,816	17,005,285	83.8	16.2
Personnel costs	28,776,688	23,930,772	4,845,916	83.2	16.8
Gross Investments in tangible goods	8,437,983	7,213,761	1,224,222	85.5	14.5

¹ Enterprises being residents in Greece over which an institutional unit not resident in Greece has the control, that cover the economic activity sections B, C, D, E, F, G, H, I, J, L, M, N and S95 based on the activity classification NACE Rev.2.

Out of 2,618 foreign affiliates in Greece in 2017, 2,140 enterprises were controlled by EU resident institutional units (81.7%) and 478 were controlled by non-EU resident institutional units (18.3%), (Table 2).

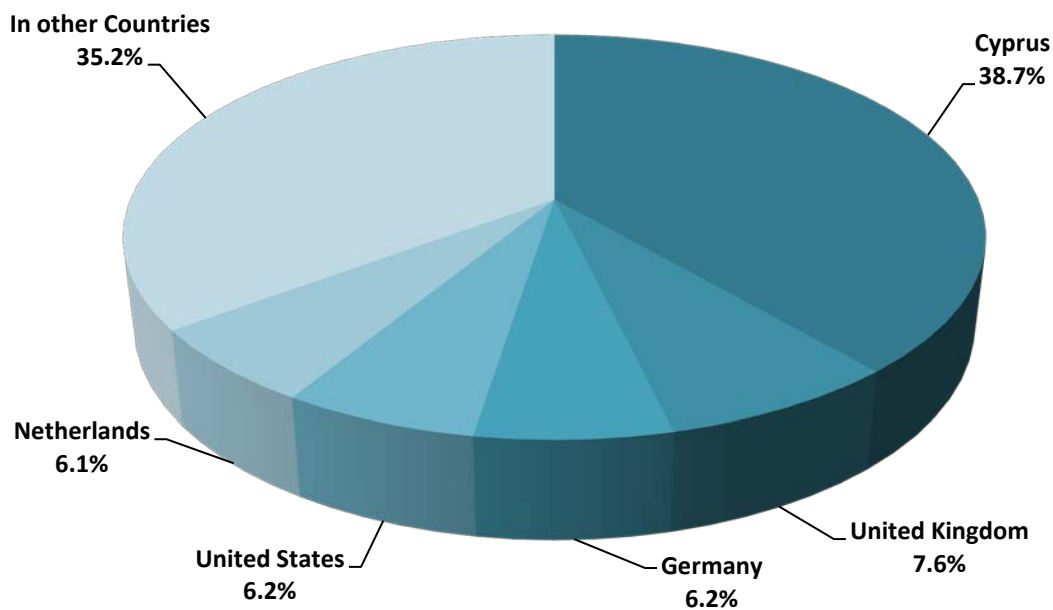
Table 2. Inward Foreign Affiliates enterprises allocated by the residency of the ultimate controlling institutional units, in EU countries and in non-EU countries, 2017²

Characteristics	Enterprises residents in Greece controlled by Institutional unit not residents in Greece	of which		(2)/(1) %	(3)/(1) %
		Enterprises residents in Greece and controlled by Institutional units residents in EU countries	Enterprises residents in Greece and controlled by Institutional units residents in non-EU countries		
	(1)	(2)	(3)		
in units					
Number of enterprises	2,618	2,140	478	81.7	18.3
Number of persons employed	149,878	124,690	25,188	83.2	16.8
in thousand €					
Turnover	37,521,969	30,166,243	7,355,726	80.4	19.6
Production value	21,931,017	18,053,679	3,877,338	82.3	17.7
Value added at factor cost	8,166,950	6,616,361	1,550,589	81.0	19.0
Total purchases of goods and services	31,776,997	25,750,136	6,026,861	81.0	19.0
Purchases of goods and services purchased for resale in the same condition as received	17,005,285	13,347,609	3,657,676	78.5	21.5
Personnel costs	4,845,916	3,829,633	1,016,283	79.0	21.0
Gross Investments in tangible goods	1,224,222	919,160	305,062	75.1	24.9

² Enterprises being residents in Greece over which an institutional unit not resident in Greece has the control, that cover the economic activity sections B, C, D, E, F, G, H, I, J, L, M, N and S95 based on the activity classification NACE Rev.2.

The five main countries of residency of the ultimate controlling institutional units are Cyprus with share 38.7% (1,012 enterprises), United Kingdom with share 7.6% (200 enterprises), Germany and United States with the same share 6.2% (162 enterprises in each), and Netherlands with share 6.1% (160 enterprises), (Graph 2).

Graph 2. Geographical breakdown of inward foreign affiliates enterprises, based on the country of residency of the ultimate controlling institutional unit, 2017



From the survey data, it is observed that the foreign affiliates enterprises with ultimate controlling institutional unit resident in Cyprus account for 38.7% of the total foreign affiliates enterprises in Greece, their turnover amounted to 4.2 billion euro, representing 11.3% of the total turnover of all foreign affiliates enterprises in Greece and amounted to 25,446 employees, representing 17.0% of the total of persons employed in foreign affiliates enterprises in Greece.

From the survey data it is observed that the foreign affiliates enterprises with ultimate controlling institutional unit resident in the fifth country in ranking order i.e. in the Netherlands account for 6.1% of the total foreign affiliates enterprises in Greece, their turnover amounted to 6.1 billion euro, representing 16.3% of the total turnover of all foreign affiliates enterprises in Greece and amounted to 17,192 employees, representing 11.5% of the total of persons employed in foreign affiliates enterprises in Greece (Table 3).

Table 3. Basic economic figures of inward foreign affiliates enterprises³, according to the country of residency of the ultimate controlling institutional unit, top five, 2017

Country of the ultimate controlling institutional unit	Number of enterprises, in units	Turnover, in thousand €	Production value, in thousand €	Value added at factor cost, in thousand €	Total purchases of goods and services, in thousand €	Purchases of goods and services purchased for resale in the same condition as received, in thousand €	Personnel costs, in thousand €	Gross Investments in tangible goods, in thousand €	Number of persons employed, in units
Cyprus	1,012	4,239,124	2,801,135	1,326,306	3,507,254	1,622,380	613,677	190,348	25,446
United Kingdom	200	2,292,298	1,156,834	434,506	2,054,169	1,292,798	315,317	57,872	9,953
Germany	162	4,550,973	2,478,521	857,630	3,923,083	2,275,407	475,696	106,647	14,136
United States	162	2,630,475	1,627,609	608,925	2,138,117	1,091,863	473,764	52,800	12,043
Netherlands	160	6,125,003	3,847,711	1,366,270	5,342,120	2,539,511	731,714	155,823	17,192
In other Countries	922	17,684,096	10,019,207	3,573,313	14,812,254	8,183,326	2,235,748	660,732	71,108
TOTAL	2,618	37,521,969	21,931,017	8,166,950	31,776,997	17,005,285	4,845,916	1,224,222	149,878

³ Enterprises being residents in Greece over which an institutional unit not resident in Greece has the control, that cover the economic activity sections B, C, D, E, F, G, H, I, J, L, M, N and S95 based on the activity classification NACE Rev.2.

In 2017, 2,618 foreign affiliates were activated in Greece in the sectors of manufacture, construction, trade and services (excluding personal services). The sector accounting for the biggest number of enterprises is trade with 930 enterprises, representing 35.5% of the total number of foreign affiliates. Section of professional, scientific and technical activities counts 297 enterprises or 11.3% of the total and the real estate activities section counts 276 enterprises, representing 10.5% of the total (Table 4).

As regards the total turnover of foreign affiliates in 2017, the sector of trade accounted for the largest share of turnover with 20.2 billion euro, or 53.8%. It is followed by sectors of manufacturing and information – communication, accounting a turnover of 8.3 billion euro (22.2%) and 2.6 billion euro (6.8%), respectively (Table 4).

Trade is the sector with the biggest gross value added, amounting to 2.6 billion euro or 32.4% of the total gross value added of all the foreign affiliates, followed by manufacturing with 2.1 billion euro, representing 25.2% of the total (Table 4).

As regards the number of persons employed, the trade sector is in the first place, with 58,853 persons, representing 39.3% of the total of persons employed in foreign affiliates in Greece, followed by manufacturing with 28,684 persons or 19.1% (Table 4).

The personnel cost of enterprises in the sector of trade amounted to 1.9 billion euro, or 39.0% of the total personnel cost of all foreign affiliates in Greece while the enterprises in manufacturing spent 1.1 billion euro, representing 22.3% (Table 4).

Table 4. Basic economic figures of inward foreign affiliates enterprises by economic activity section, 2017

SECTION OF ECONOMIC ACTIVITY NACE Rev.2		Number of enterprises		Turnover		Value added at factor cost		Personnel costs		Number of persons employed	
		in units	%	in thousand €	%	in thousand €	%	in thousand €	%	in units	%
Mining and quarrying Electricity, gas, steam and air conditioning Water supply; sewerage, waste management and remediation activities	B+D+E	123	4.7	878,973	2.3	801,347	9.8	79,272	1.6	1,795	1.2
Manufacturing	C	254	9.7	8,329,631	22.2	2,058,539	25.2	1,080,965	22.3	28,684	19.1
Construction	F	125	4.8	517,777	1.4	88,180	1.1	56,756	1.2	1,670	1.1
Wholesale and retail trade; repair of motor vehicles and motorcycles	G	930	35.5	20,197,912	53.8	2,647,513	32.4	1,888,494	39.0	58,853	39.3
Transportation and storage	H	120	4.6	1,573,895	4.2	522,638	6.4	267,435	5.5	6,418	4.3
Accommodation and food service activities	I	145	5.5	689,052	1.8	351,117	4.3	219,397	4.5	12,653	8.4
Information and communication	J	224	8.6	2,566,629	6.8	893,961	10.9	517,160	10.7	12,739	8.5
Real estate activities	L	276	10.5	197,872	0.5	82,530	1.0	31,702	0.7	1,335	0.9
Professional, scientific and technical activities	M	297	11.3	1,073,393	2.9	493,875	6.0	416,090	8.6	8,982	6.0
Administration and support services activities; Repair of computers and personal and household goods	N+S95	124	4.7	1,496,835	4.0	227,250	2.8	288,645	6.0	16,749	11.2
Total		2,618	100.0	37,521,969	100.0	8,166,950	100.0	4,845,916	100.0	149,878	100.0

EXPLANATORY NOTES

Inward Foreign Affiliates Statistics	The purpose of the survey of Inwards Foreign Affiliates Statistics (IFATS), is the collection, compilation and publication of statistics on the structure, the economic activities and the geographical breakdown of enterprises as referred to in Annexes I, II and III of Regulation (EC) No 716/2007, according to the concept of the ' ultimate controlling institutional unit '. The aim of the compilation of these statistics is the analysis to the structure and activities of all foreign affiliates and their contribution to the total of the economy of Greece.
Reference period	Calendar year.
Legal framework	IFATS refer to the systematic compilation of statistics in accordance with the European legal framework, and in particular with the Regulation (EC) No 716/2007, Regulation (EC) No 747/2008 and Regulation (EC) No 364/2008.
Classification System	According to the European classification of economic activities NACE Revision 2.
Coverage	<p>The IFATS covers the sections B, C, D, E, F, G, H, I, J, L, M, N and division S95 of NACE Rev.2 classification. In particular:</p> <p>Section B: Mining and quarrying;</p> <p>Section C: Manufacturing;</p> <p>Section D: Electricity, gas, steam and air conditioning supply;</p> <p>Section E: Water supply; sewerage, waste management and remediation activities;</p> <p>Section F: Construction;</p> <p>Section G: Wholesale and retail trade; repair of motor vehicles and motorcycles;</p> <p>Section H: Transportation and storage;</p> <p>Section I: Accommodation and food service activities;</p> <p>Section J: Information and communication;</p> <p>Section L: Real estate activities;</p> <p>Section M: Professional, scientific and technical activities;</p> <p>Section N: Administrative and support services activities;</p> <p>Division S95: Repair of computers and personal and household goods.</p>
Population	Resident enterprises whose share capital is controlled by more than 50% by non-resident shareholders and they are recorded on the basis of the institutional unit which is the institutional unit, proceeding up a foreign affiliate's chain of control and is not controlled by another institutional unit (UCI).
Variables	The main variables that are compiled are the following: number of enterprises; turnover; production value; value added at factor cost; total purchases of goods and services; purchases of goods and services purchased for resale in the same condition as received; number of persons employed; personnel costs and gross investment in tangible goods.
Definitions	<p>The Regulation (EC) No,716/2007 of the European Parliament and of the Council of 20th of June 2007 on Community statistics on the structure and activity of foreign affiliates, establishes the following definitions:</p> <ul style="list-style-type: none">- inwards statistics on foreign affiliates mean statistics describing the overall activity of foreign affiliates resident in the compiling country,- foreign affiliate means an enterprise resident in the compiling country over which an institutional unit not resident in the compiling country has control,

control means the ability to determine the general policy of an enterprise by choosing appropriate directors, if necessary. In this context, enterprise A is deemed to be controlled by an institutional unit B when B controls, whether directly or indirectly, more than half of the shareholders' voting power or more than half of the shares,

- **foreign control** means that the controlling institutional unit is resident in a different country from the one where the institutional unit over which it has control is resident,
- **ultimate controlling institutional unit of a foreign affiliate** means the institutional unit, proceeding up a foreign affiliate's chain of control, which is not controlled by another institutional unit.

The definitions of the characteristics are established by the Commission Regulation (EC) No 250/2009 of 11 March 2009 which implements Regulation (EC) No 295/2008 of the European Parliament and of the Council:

- **Turnover:** turnover comprises the total invoiced by the enterprise during the reference period and corresponds to the sales of goods and services to third parties,
- **Production value:** the production value measures the quantity that is actually produced by the enterprise, based on its sales, including the changes in stocks and the resale of goods and services,
- **Value added at production factor costs:** it is the gross income from operating activities after adjusting for operating subsidies and indirect taxes,
- **Total purchases of goods and services:** they include the value of all goods and services purchased during the accounting period for resale or consumption in the production process, except of the capital goods, the consumption of which is recorded as consumption of fixed capital,
- **Purchases of goods and services purchased for resale in the same condition as received:** purchases for resale are purchases of goods for resale to third parties, without further processing,
- **Gross investments in tangible goods:** investment during the reference period in all tangible goods. New and existing tangible capital goods are included, whether bought from third parties, acquired under a financial lease contract, produced for own use with having a useful life of more than one year,
- **Number of persons employed:** the total number of persons who work in the enterprise, including the working proprietors, partners and unpaid family members, as well as persons who work outside the enterprise who belong to it and are paid by it.

Comparability

Due to the change of the methodology used for the compilation of Inward Foreign Affiliates Statistics for the year 2015, and the revision of data provided for the year 2014 according to the new methodology, the data that are published on the website of ELSTAT for the year 2017, are comparable only with those of the years 2014, 2015 and 2016, while they are not comparable with the respective data for the previous years that are published on ELSTAT website.

Methodology

The main source, for the financial data of Inward Foreign Affiliates Statistics, is Structural Business Statistics (SBS) that are allocated in the respective sections of economic activities.

For the compilation of the Structural Business Statistics for the year 2017, administrative tax and other data were used with main source the tax declaration form “E3”, which provides most of the required information on the economic results of enterprises. The method was applied for the first time for the compilation of the Structural Business Statistics for the year 2015, while a relevant revision took place for the data of the year 2014.

The tax data cover only part of the statistical variables that are required, according to the relevant Regulation, to be estimated for Structural Business Statistics. For the estimation of the remaining variables, a survey was conducted on the large enterprises of each sector, which affect the economy of these sectors, in order to estimate the respective figures for the total enterprises population, based on the collected data.

Structural Statistics on Inward Foreign Affiliates include financial data by geographical breakdown, according to the concept of the ‘**ultimate controlling institutional unit**’.

The data of the country of the ultimate controlling institutional unit derive by ELSTAT’s Business Register of the reference year 2017 and a complementary survey that have been addressed directly to the enterprises.

Code of Practice

The European Statistics Code of Practice is based on 16 Principles covering the institutional environment, the statistical production processes and the output of statistics. A set of indicators of good practice for each of the Principles provides a reference for reviewing the implementation of the Code. The quality criteria for European Statistics are defined in the European Statistical Law.

Statistical authorities, comprising the Commission (Eurostat), National Statistical Institutes and other national authorities responsible for the development, production and dissemination of European Statistics, together with governments, ministries and the European Council, commit themselves to adhere to the Code. The Principles of the Code of Practice together with the general quality management principles represent a common quality framework in the European Statistical System. More information regarding the European Statistics Code of Practice can be found at the link «[Code of Practice](#)»,

<http://www.statistics.gr/en/european-statistics-code-of-practice>

References

More information on the Inward Foreign Affiliates Statistics can be found on ELSTAT website www.statistics.gr/en/statistics/ind, at the link «[Inward Foreign Affiliates Statistics](#)».