



HELLENIC REPUBLIC

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PRESS RELEASE

INWARD FOREIGN AFFILIATES STATISTICS – IFATS: Year 2018

The Hellenic Statistical Authority (ELSTAT) announces data on the Structure of Inward Foreign Affiliates Enterprises in Greece, for the year 2018.

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 illustration of 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 2018, 2,997 foreign affiliates enterprises were active in Greece in the sectors of manufacture, construction, trade and services (excluding personal services). On the basis of 2018 survey data, total turnover of foreign affiliates in Greece amounted to 43.0 billion euro. The production value and the gross value added of these enterprises amounted to 25.4 and 8.9 billion euro, respectively (Table 1).

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According to the survey data, the foreign affiliates in the aforementioned economic activity sectors spent 36.2 billion euro on the purchase of goods and services in the context of their activities during 2018; 19.6 billion of this amount correspond to the purchase of goods and services for resale without processing (Table 1).

In 2018, the number of persons employed in foreign affiliates in Greece amounted to 174 thousand persons and the relevant personnel cost amounted to 5.2 billion euro. Moreover, gross investment in tangible goods amounted to 1.3 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 2018 (Table 1, Graph 1), account for:

- 0.4% of the total number of enterprises;
- 16.8% of the total turnover;
- 16.0% of the total production value;
- 18.2% of the total value added at factor cost (gross value added);
- 16.6% of the total purchases of goods and services;
- 18.2% of the total purchases of goods and services purchased for resale in the same condition as received;
- 17.2% of the total personnel costs;
- 21.2% of the total gross investment in tangible goods;
- 6.7% of the total number of persons employed;

of these economic activity sectors.

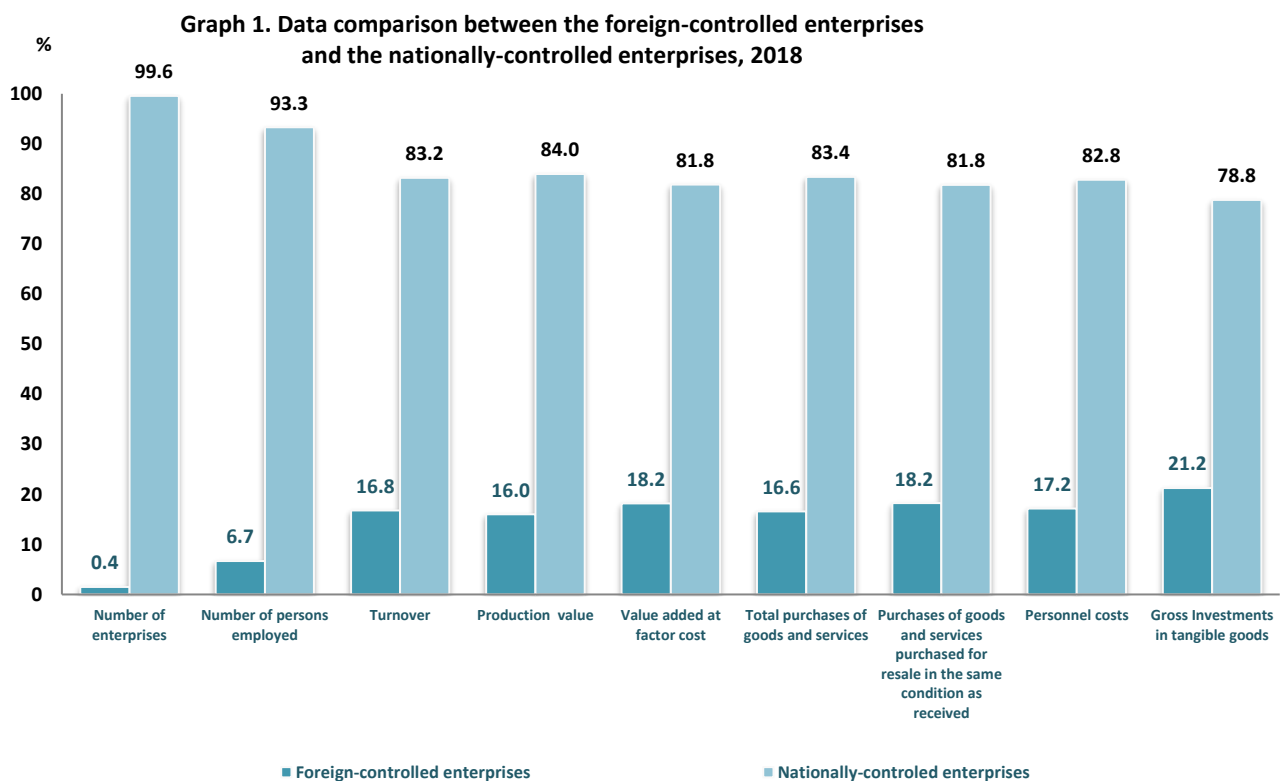


Table 1. Basic economic figures of foreign - controlled enterprises¹ residents in Greece, 2018

Characteristics	All enterprises being residents in Greece, active in 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 established outside of Greece (foreign –controlled enterprises)		
	(1)	(2)	(3)	(2)/(1)%	(3)/(1)%
in units					
Number of enterprises	709,696	706,699	2,997	99.6	0.4
Number of persons employed	2,596,210	2,422,215	173,995	93.3	6.7
in thousand €					
Turnover	256,489,299	213,449,790	43,039,509	83.2	16.8
Production value	158,780,634	133,349,273	25,431,361	84.0	16.0
Value added at factor cost	49,191,874	40,260,229	8,931,645	81.8	18.2
Total purchases of goods and services	218,130,106	181,913,742	36,216,364	83.4	16.6
Purchases of goods and services purchased for resale in the same condition as received	107,730,676	88,093,465	19,637,211	81.8	18.2
Personnel costs	30,444,004	25,209,990	5,234,014	82.8	17.2
Gross Investments in tangible goods	6,260,861	4,931,771	1,329,090	78.8	21.2

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 2,997 foreign affiliates in Greece in 2018, 2,471 enterprises were controlled by EU resident institutional units (82.4%) and 526 were controlled by non-EU resident institutional units (17.6%), (Table 2).

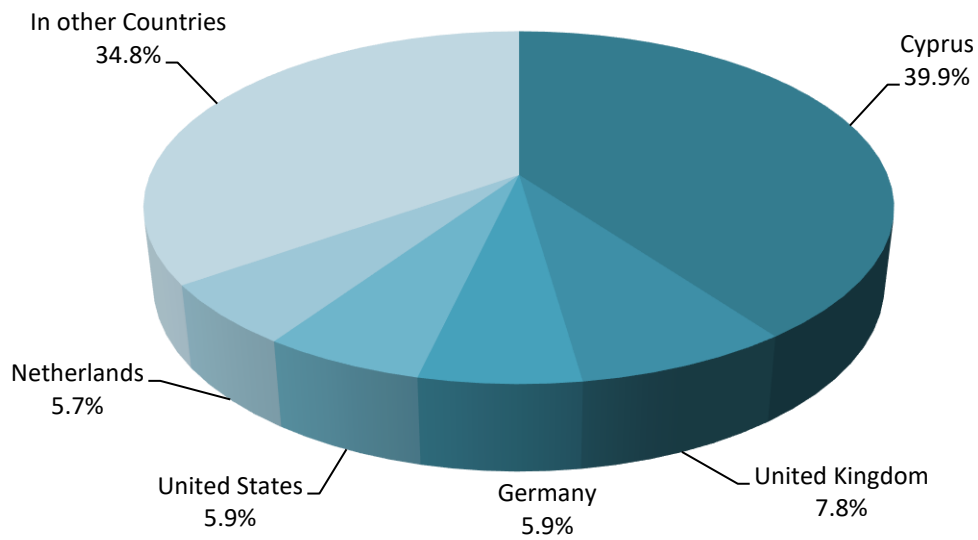
Table 2. Inward Foreign Affiliates enterprises allocated by the residency of the ultimate controlling institutional units, in EU countries and in non-EU countries, 2018²

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	2,997	2,471	526	82.4	17.6
Number of persons employed	173,995	142,868	31,127	82.1	17.9
in thousand €					
Turnover	43,039,509	33,297,051	9,742,458	77.4	22.6
Production value	25,431,361	20,107,643	5,323,718	79.1	20.9
Value added at factor cost	8,931,645	6,912,111	2,019,534	77.4	22.6
Total purchases of goods and services	36,216,364	28,100,747	8,115,617	77.6	22.4
Purchases of goods and services purchased for resale in the same condition as received	19,637,211	14,814,686	4,822,525	75.4	24.6
Personnel costs	5,234,014	3,981,717	1,252,297	76.1	23.9
Gross Investments in tangible goods	1,329,090	952,734	376,356	71.7	28.3

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 39.9% (1,197 enterprises), United Kingdom with share 7.8% (234 enterprises), Germany and United States with the same share 5.9% (176 enterprises in each), and Netherlands with share 5.7% (170 enterprises), (Graph 2).

Graph 2. Geographical breakdown of inward foreign affiliates enterprises, based on the country of residency of the ultimate controlling institutional unit, 2018



From the survey data, it is observed that the foreign affiliates enterprises with ultimate controlling institutional unit resident in Cyprus accounted for 39.9% of the total foreign affiliates enterprises in Greece, their turnover amounted to 4.8 billion euro, representing 11.2% of the total turnover of all foreign affiliates enterprises in Greece and had 36,046 employees, representing 20.7% of the total of persons employed in foreign affiliates enterprises in Greece.

The foreign affiliates enterprises with ultimate controlling institutional unit resident in the fifth country in ranking order i.e. in the Netherlands accounted for 5.7% of the total foreign affiliates enterprises in Greece, their turnover amounted to 7.6 billion euro, representing 17.7% of the total turnover of all foreign affiliates enterprises in Greece and had 31,621 employees, representing 18.2% 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 five main countries of residency of the ultimate controlling institutional unit, 2018

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	1,197	4,826,389	3,227,619	1,191,739	3,891,537	1,825,860	765,660	157,011	36,046
United Kingdom	234	2,904,442	1,503,952	568,600	2,545,001	1,658,332	349,529	30,348	11,244
Germany	176	4,578,217	2,433,304	900,412	4,041,234	2,443,563	446,978	277,410	14,205
United States	176	3,073,981	1,953,077	745,460	2,429,501	1,235,047	540,674	225,419	13,251
Netherlands	170	7,624,554	3,963,242	1,396,942	6,395,984	3,828,282	734,698	93,193	31,621
Other Countries	1,044	20,031,926	12,350,167	4,128,492	16,913,107	8,646,127	2,396,475	545,709	67,628
TOTAL	2,997	43,039,509	25,431,361	8,931,645	36,216,364	19,637,211	5,234,014	1,329,090	173,995

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 2018, 2,997 foreign affiliates were active 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 1,014 enterprises, representing 33.8% of the total number of foreign affiliates. Section of professional, scientific and technical activities counts 345 enterprises or 11.5% of the total and the real estate activities section counts 318 enterprises, representing 10.6% of the total (Table 4).

As regards the total turnover of foreign affiliates in 2018, the sector of trade accounted for the largest share of turnover with 22.0 billion euro, or 51.0%. It is followed by sectors of manufacturing and information – communication, accounting a turnover of 10.0 billion euro (23.4%) and 2.9 billion euro (6.7%), respectively (Table 4).

Trade is the sector with the biggest gross value added, amounting to 2.8 billion euro or 31.3% of the total gross value added of all the foreign affiliates in Greece, followed by manufacturing with 2.1 billion euro, representing 23.8% of the total (Table 4).

As regards the number of persons employed, the trade sector is in the first place, with 62,226 persons, representing 35.8% of the total of persons employed in foreign affiliates in Greece, followed by manufacturing with 30,397 persons or 17.5% (Table 4).

The personnel cost of enterprises in the sector of trade amounted to 1.8 billion euro, or 34.0% of the total personnel cost of all foreign affiliates in Greece, while the enterprises in manufacturing spent 1.2 billion euro, representing 22.0% (Table 4).

Table 4. Basic economic figures of inward foreign affiliates enterprises by economic activity section, 2018

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	154	5.1	1,197,269	2.8	342,163	3.8	104,983	2.0	2,632	1.5
Manufacturing	C	277	9.2	10,073,789	23.4	2,121,595	23.8	1,152,932	22.0	30,397	17.5
Construction	F	159	5.3	776,634	1.8	171,665	1.9	106,130	2.0	3,032	1.7
Wholesale and retail trade; repair of motor vehicles and motorcycles	G	1,014	33.8	21,958,511	51.0	2,791,930	31.3	1,781,009	34.0	62,226	35.8
Transportation and storage	H	132	4.4	1,983,465	4.6	667,963	7.5	301,430	5.8	7,189	4.1
Accommodation and food service activities	I	173	5.8	876,546	2.0	463,051	5.2	270,099	5.2	16,289	9.4
Information and communication	J	273	9.1	2,863,869	6.7	985,094	11.0	569,208	10.9	14,541	8.4
Real estate activities	L	318	10.6	340,212	0.8	194,231	2.2	39,594	0.8	1,760	1.0
Professional, scientific and technical activities	M	345	11.5	1,171,263	2.7	449,699	5.0	432,762	8.3	10,396	6.0
Administration and support services activities; Repair of computers and personal and household goods	N+S95	152	5.1	1,797,951	4.2	744,254	8.3	475,867	9.1	25,533	14.7
Total		2,997	100	43,039,509	100	8,931,645	100	5,234,014	100	173,995	100

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	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: Section B: Mining and quarrying; Section C: Manufacturing; Section D: Electricity, gas, steam and air conditioning supply; Section E: Water supply; sewerage, waste management and remediation activities; Section F: Construction; Section G: Wholesale and retail trade; repair of motor vehicles and motorcycles; Section H: Transportation and storage; Section I: Accommodation and food service activities; Section J: Information and communication; Section L: Real estate activities; Section M: Professional, scientific and technical activities; Section N: Administrative and support services activities; Division S95: Repair of computers and personal and household goods.
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	The Regulation (EC) No,716/2007 of the European Parliament and of the Council of 20 th of June 2007 on Community statistics on the structure and activity of foreign affiliates, establishes the following definitions: <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 2018, are comparable only with those of the years 2014, 2015, 2016 and 2017.

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.

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»](#).