

Inward Foreign Affiliates Statistics – IFATS

2019

Inward Foreign Affiliates Statistics - IFATS describes the activity of business entities resident in the reporting country - Montenegro, and under the control of foreign business entities (legal entities and / or natural persons).

The survey is in accordance with the prescribed methodology based on the EU Regulation No 716/2007.

Business entities with the share of foreign capital (one or more countries) in total capital of 50% or more are observed. The main objective of this type of statistics is to show the share of these business entities in the domestic economy and their impact on it.

This survey in 2019 in Montenegro covers 464 business entities (sections B-J, L-N) which makes up 93% of the total production value of business entities that are foreign- owned.

Key indicators:

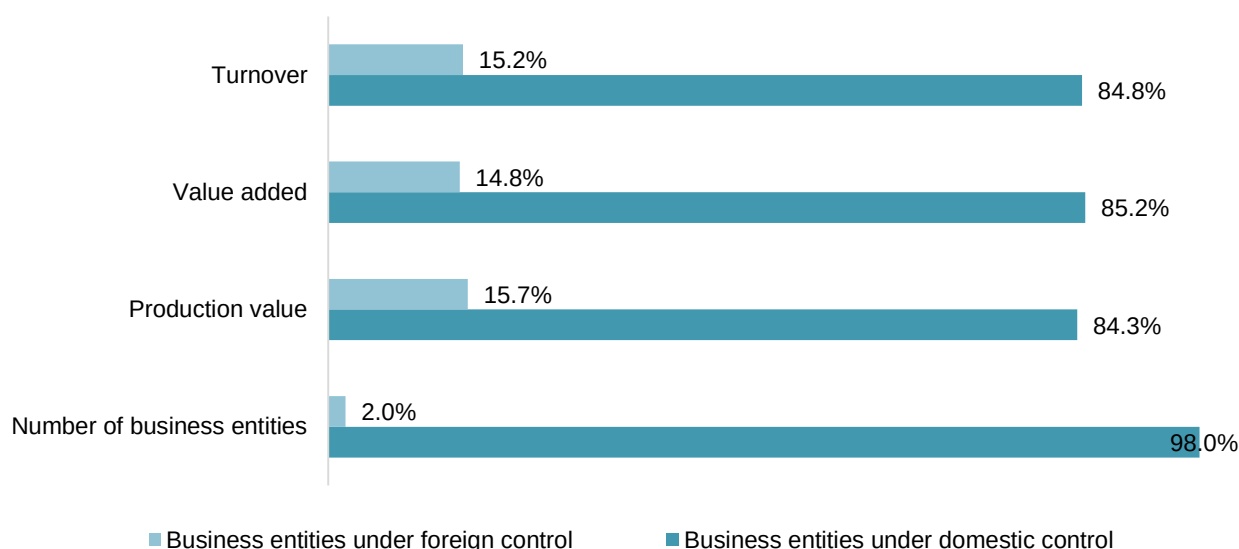


The share of foreign-owned business entities in Montenegro in the total number of all active business entities that submitted financial statements is 2.0%, while their share in the total value added is 17.4% (Sectors B-J, L-N).

Observed by the country of origin of equity ownership of business entities, the results are as it follows:

- There are 34.9% of the number of foreign-owned business entities from EU member countries, while there are 55.6% from non-EU countries.¹
- 54.5% of the turnover generated by foreign-owned business entities are from EU member countries, while there are 45.5% from non-EU countries.
- 46.6% of production value generated by foreign-owned business entities are from EU member countries, while 53.4% are from non-EU countries.
- 54.3% of the value added generated by foreign-owned business entities is from EU member countries, while 45.7% is from non-EU countries.

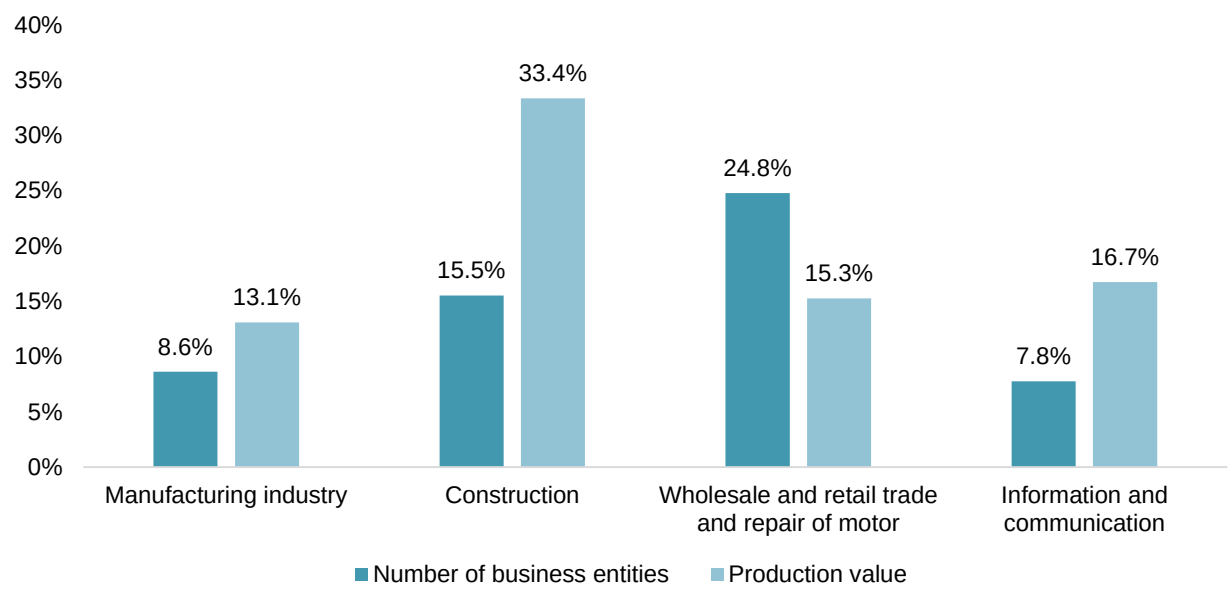
¹ Non-EU countries comprise: Great Britain, China, Turkey, Switzerland, Serbia, Russia, USA, Norway, Japan, North Macedonia, Bosnia and Herzegovina, Albania, Belarus, Ukraine, United Arab Emirates, Panama, Liechtenstein, Seychelles, etc.

Graph 1. Business entities under domestic and foreign control**Table 1. Inward Foreign Affiliates Statistics, by country**

	Number of covered business entities	Turnover, in thous. EUR	Production value, in thous. EUR	Intermediate consumption, in thous. EUR	Value added, in thous. EUR
Total	464	1 554 695	905 837	567 917	337 919
Austria	15	214 052	74 630	50 224	24 406
Bosnia and Herzegovina	27	46 427	16 020	9 898	6 122
British Virgin Islands	6	21 997	21 090	11 088	10 003
Netherlands	15	122 803	87 533	46 330	41 203
Croatia	21	231 058	91 725	35 171	56 554
Italy	19	18 276	16 416	14 961	1 455
China	4	149 982	150 125	115 453	34 672
Cyprus	14	89 463	18 261	10 374	7 887
Germany	9	17 793	15 359	11 955	3 404
Poland	7	20 410	20 931	10 969	9 962
Slovenia	20	66 998	40 175	24 414	15 760
Serbia	134	291 908	130 417	86 717	43 700
Switzerland	9	9 027	4 414	1 673	2 741
Turkey	20	66 313	64 166	49 156	15 010
United Arab Emirates	7	35 120	19 822	8 431	11 392
Great Britain	19	12 834	12 724	4 133	8 591
Other countries	118	140 234	122 028	76 969	45 058

Observed by countries, the largest share of production value covered by business entities in the total production value is generated by China 16.6%, while its share in the total number of covered business entities amounted to 0.9%. On the other hand, with 28.9% of foreign-owned business entities covered, Serbia achieved 14.4% of production value in the total generated production value of foreign-owned business entities.

Graph 2. Sectors with the largest share in total number and production value of foreign-owned business entities



METHODOLOGICAL NOTES

Data on the activities of foreign affiliates are collected by the Annual Report on Inward Foreign Affiliates Statistics (IFATS).

The survey on Inward Foreign Affiliates Statistics - IFATS, is in accordance with the prescribed methodology based on the EU Regulation No 716/2007 (Regulation EC No 716/2007 of the European Parliament and Council on Community statistics on the structure and activity of foreign affiliates).

The framework used for inward foreign affiliates statistics (IFATS) is a registry of surveys on foreign direct investments obtained from the Central Bank of Montenegro.

This survey covers Sectors B-J, L-N of the KD2010 Activity Classification, which is in accordance with the NACE Rev.2 activity classification.

Definitions

Number of business entities refers to businesses resident in the reporting country (Montenegro) and under supervision of foreign business entities (legal entities and / or natural persons) and have been active for at least a part of the reporting period.

Turnover includes calculated income from sale of products, goods and services by the reporting unit to third parties during the reference period, excluding VAT.

Production value is defined as the market value of all goods and services produced.

Intermediate consumption at purchase prices is the value of products and services that are transformed, used or consumed in the production process.

Gross value added represents the difference between gross production value and intermediate value (intermediate) consumption.

Confidentiality

Aggregated data for which there is a reason for confidentiality (due to a small number of units, dominance rules or secondary confidentiality) are not published, in accordance with the Law on Official Statistics and Official Statistical System (Official Gazette of Montenegro No 18/12).

Issued and printed by Statistical Office of Montenegro (MONSTAT)
81000 Podgorica, IV Proleterske 2, Phone (+382) 20 230-811, Fax (+382) 20 230-814

The release prepared by:

**Business Statistics, Foreign Affiliates Statistics and Structural
Business Statistics Department**

contact@monstat.org
