

Inward Foreign Affiliates Statistics – IFATS

2014

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 of Inward Foreign Affiliates Statistics - IFATS, 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 2014 in Montenegro covers business entities with 10 and more employees (sections B-J, L-N) which makes up approx. 90% of the total production value of business entities that are foreign-owned.

Key indicators:

Share in the total number of business
entities

0.8%

Share in the total value added

27.0%

The share of covered foreign-owned business entities in Montenegro in the total number of all active business entities that submitted financial statements is 0.8%, while their share in the total value added is 27.0% (Sectors B-J, L-N).

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

- *There are 45.0% of the number of covered foreign-owned business entities from EU member countries, while there are 55.0% from non-EU countries.¹*
- *80.4% of the turnover generated by covered foreign-owned business entities are from EU member countries, while there are 19.6% from non-EU countries.*
- *78.4% of production value generated by covered foreign-owned business entities are from EU member countries, while 21.6% are from non-EU countries.*
- *84.7% of the value added generated by covered foreign-owned business entities is from EU member countries, while 15.3% is from non-EU countries.*

¹ Non-EU countries comprise: 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

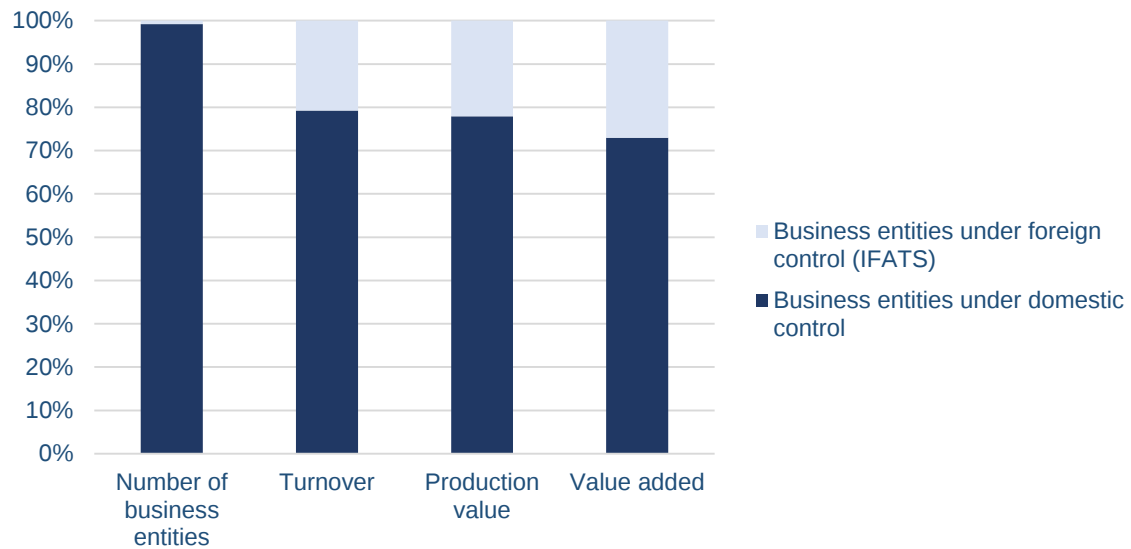
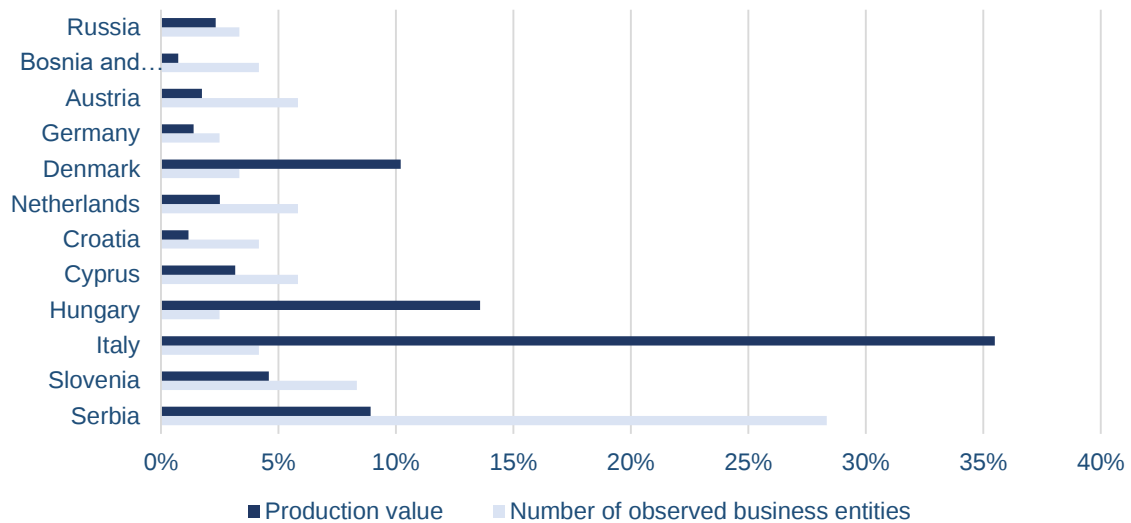


Table 1. Inward Foreign Affiliates Statistics (IFATS), by country

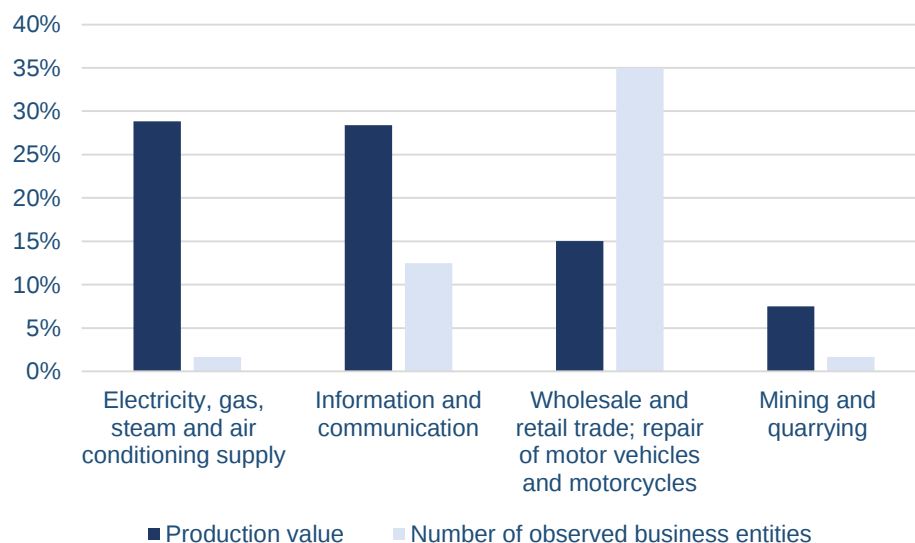
	Number of covered business entities	Turnover, in thous. EUR	Production value, in thous. EUR	Intermediate consumption, in thous. EUR	Value added, in thous. EUR
Austria	7	15 834	12 478	8 732	3 746
Bosnia and Herzegovina	5	15 857	5 232	3 151	2 082
Denmark	4	81 521	72 697	40 641	32 056
Netherlands	7	98 566	17 826	8 376	9 450
Croatia	5	44 320	8 333	3 812	4 521
Italy	5	287 264	252 742	109 472	143 270
Cyprus	7	88 290	22 499	7 821	14 678
Hungary	3	105 409	96 716	36 926	59 790
Germany	3	11 025	9 927	6 898	3 030
Russia	4	15 950	16 586	16 294	292
Slovenia	10	126 012	32 695	20 555	12 140
Serbia	34	128 965	63 575	34 696	28 879
Other countries	26	278 299	100 765	58 687	42 078
Total	120	1 297 313	712 071	356 061	356 010

Graph 2. Share in total number and production value of covered foreign-owned business entities, by country



Observed by countries, the largest share of production value covered by business entities in the total production value is generated by Italy 35%, while its share in the total number of covered business entities amounted to 4%. On the other hand, with 28% of foreign-owned business entities covered, Serbia achieved 9% of production value in the total generated production value of foreign-owned business entities.

Graph 3. Sectors with the largest share in total number and production value of covered 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.

It covers business entities in which the share of foreign capital in the total capital is 50% or more and which make up about 90% of the total value of the production of foreign owned business entities.

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).

The release has been changed in accordance with the Instructions for the preparation of publications, releases and other documents of the Statistical Office. The data has not been changed, ie the data are the same as in the previously published release.

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