

Inward Foreign Affiliates Statistics – IFATS 2015

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 2015 in Montenegro covers business entities (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

1.1%

Share in the total value added

21.3%

The share of covered foreign-owned business entities in Montenegro in the total number of all active business entities that submitted financial statements is 1.1%, while their share in the total value added is 21.3% (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 44.9% of the number of covered foreign-owned business entities from EU member countries, while there are 55.1% from non-EU countries.¹*
- *71.8% of the turnover generated by covered foreign-owned business entities are from EU member countries, while there are 28.2% from non-EU countries.*
- *66.0% of production value generated by covered foreign-owned business entities are from EU member countries, while 34.0% are from non-EU countries.*
- *74.9% of the value added generated by covered foreign-owned business entities is from EU member countries, while 25.1% 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

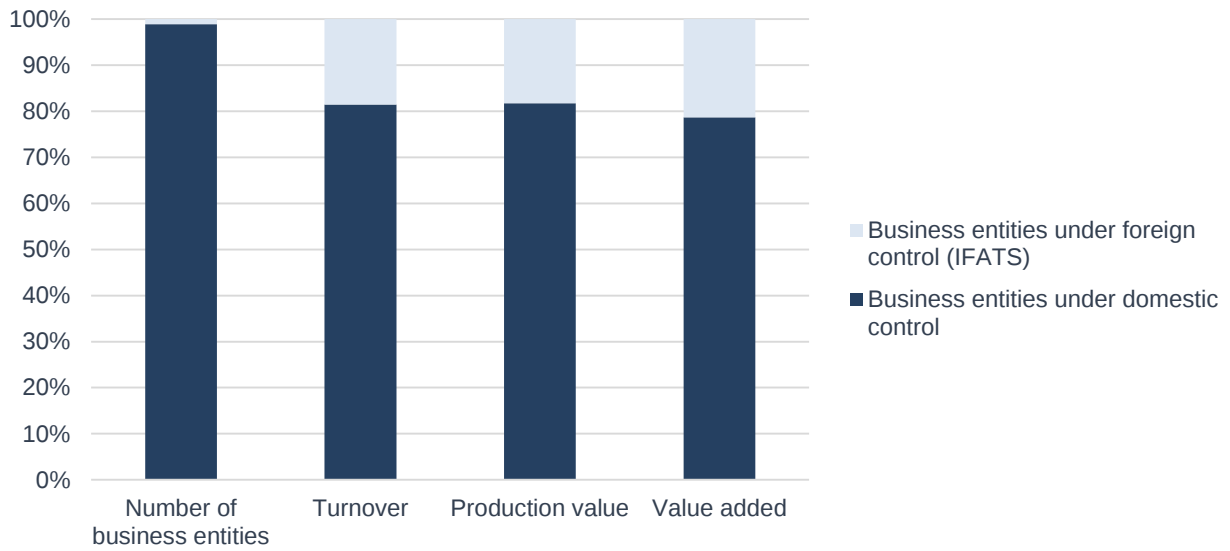
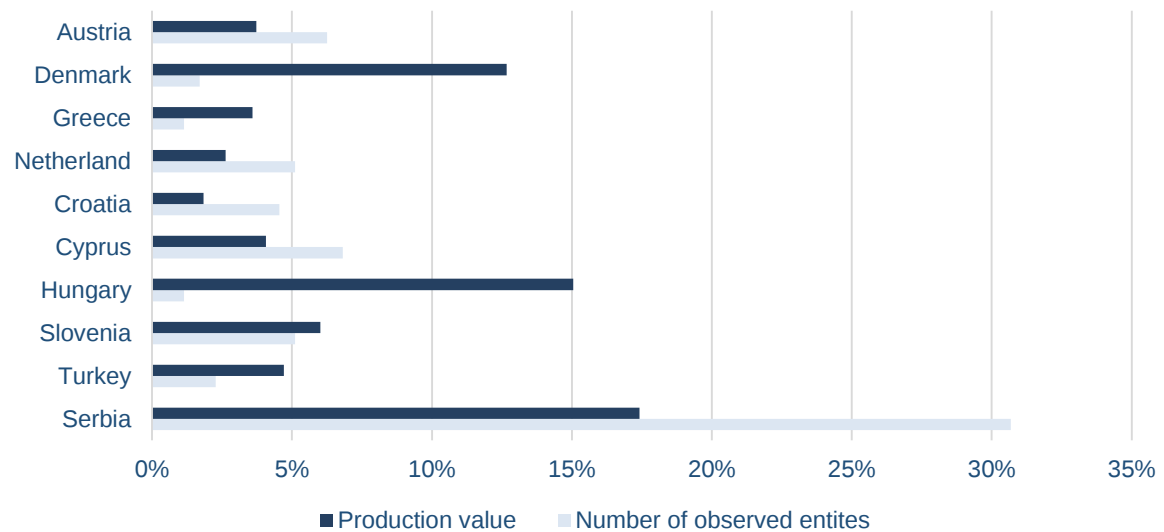


Table 1. Inward Foreign Affiliates Statistics (IFATS), by country

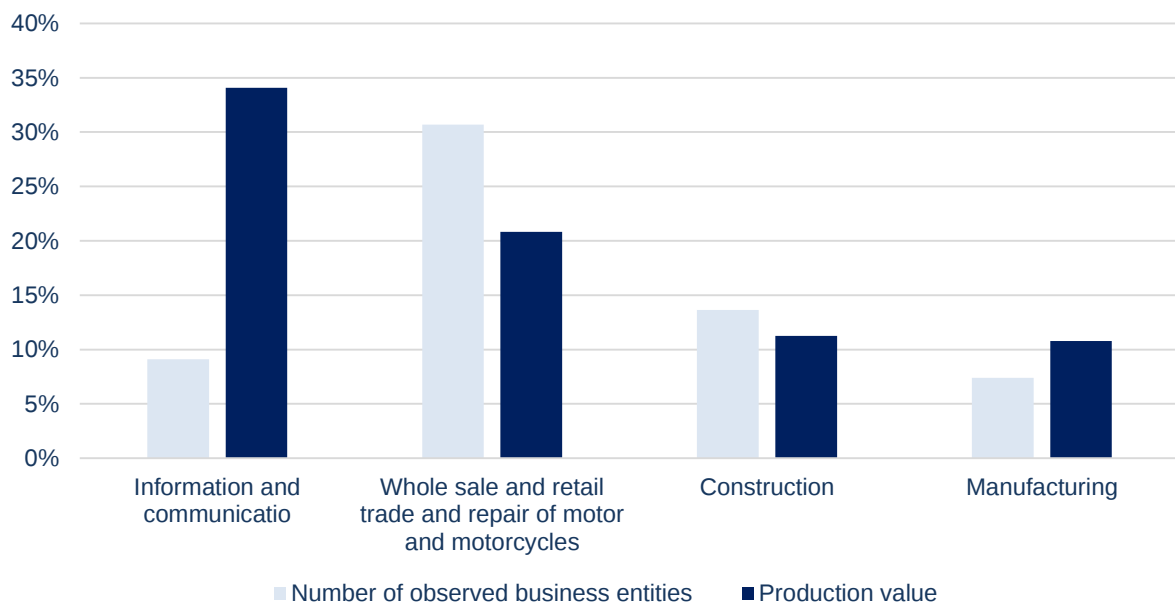
	Number of covered business entities	Turnover, in thous. EUR	Production value, in thous. EUR	Intermediate consumption, in thous. EUR	Value added, in thous. EUR
Austria	11	25 414	22 543	17 606	4 937
Bosnia and Herzegovina	6	20 738	7 570	5 686	1 884
Denmark	3	85 836	76 676	40 332	36 344
Netherlands	9	71 011	15 891	7 800	8 092
Croatia	8	57 298	11 142	4 892	6 250
Cyprus	12	91 496	24 637	9 718	14 919
Hungary	2	99 952	90 998	34 409	56 589
Germany	7	19 262	18 057	10 287	7 770
Russia	7	3 813	3 503	3 349	153
Slovenia	9	169 615	36 398	20 340	16 058
Serbia	54	187 500	105 363	63 009	42 353
Turkey	4	28 203	28 477	27 095	1 383
Other countries	44	323 128	163 706	75 586	88 120
Total	176	1 183 266	604 962	320 110	284 852

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 Serbia 17%, while its share in the total number of covered business entities amounted to 31%. On the other hand, with 1% of foreign-owned business entities covered, Hungary achieved 15% 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.

Published by Statistical Office of Montenegro (MONSTAT)
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