

Inward Foreign Affiliates Statistics – IFATS 2017

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 2017 in Montenegro covers business entities (sections B-J, L-N) which makes up approx. 95% of the total production value of business entities that are foreign- owned.

Key indicators:

Share in the total number of business
entities

1.3%

Share in the total value added

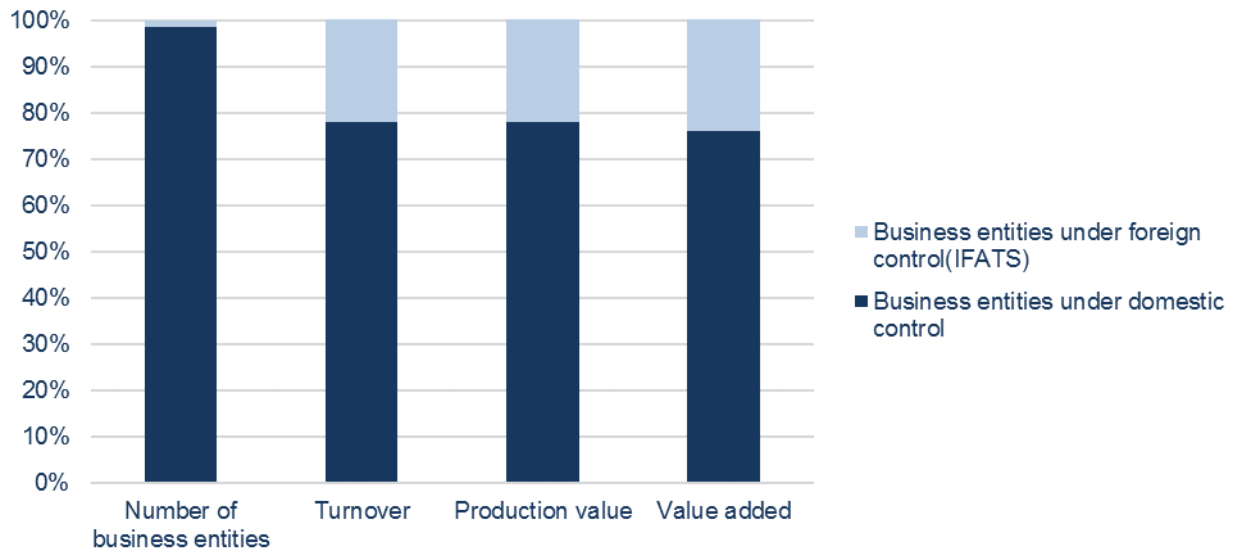
25.1%

The share of covered foreign-owned business entities in Montenegro in the total number of all active business entities that submitted financial statements is 1.3%, while their share in the total value added is 25.1% (Sectors B-J, L-N).

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

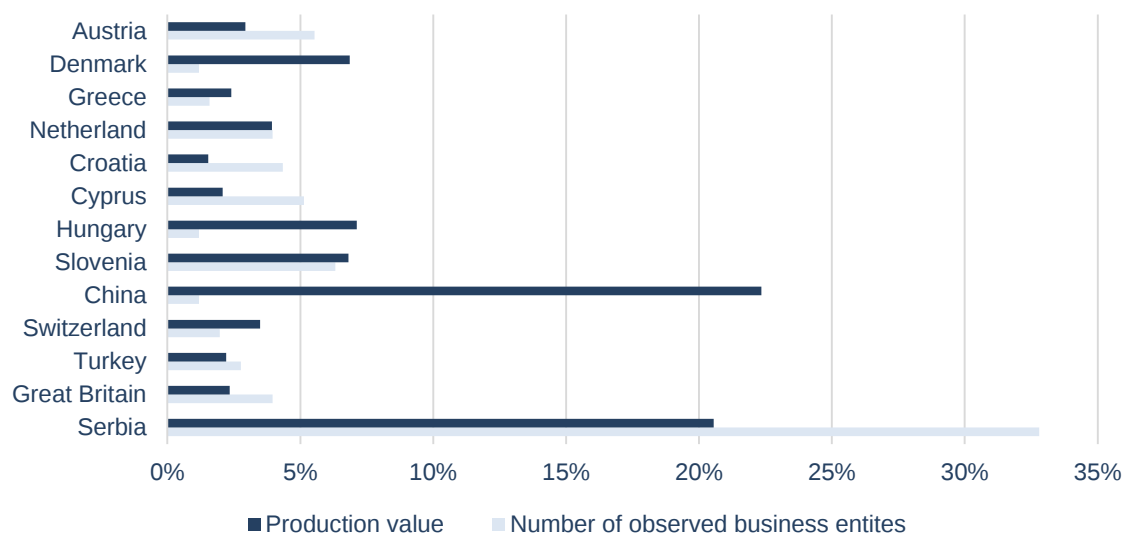
- *There are 43.1% of the number of covered foreign-owned business entities from EU member countries, while there are 56.9% from non-EU countries.¹*
- *54.8% of the turnover generated by covered foreign-owned business entities are from EU member countries, while there are 45.2% from non-EU countries.*
- *45.0% of production value generated by covered foreign-owned business entities are from EU member countries, while 55.0% are from non-EU countries.*
- *49.5% of the value added generated by covered foreign-owned business entities is from EU member countries, while 50.5% 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**

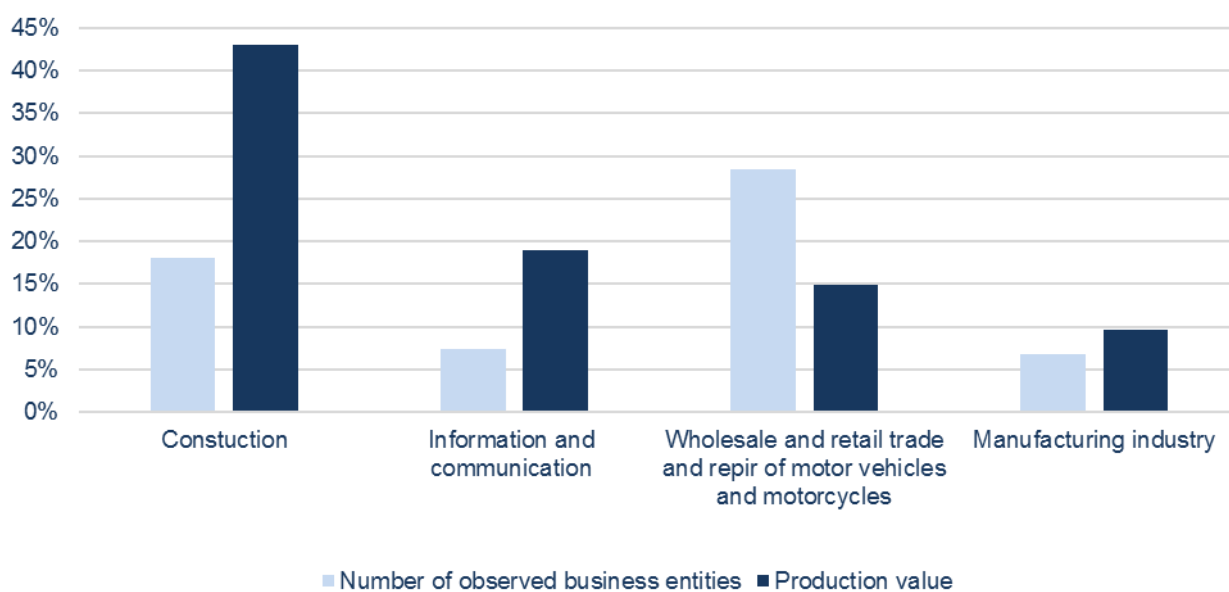
	Number of covered business entities	Turnover, in thous. EUR	Production value, in thous. EUR	Intermediate consumption, in thous. EUR	Value added, in thous. EUR
Austria	14	35 311	30 323	23 492	6 831
Denmark	3	91 947	70 873	38 394	32 480
Netherlands	10	99 321	40 709	20 624	20 085
Croatia	11	84 751	15 830	7 525	8 305
China	3	214 468	231 038	127 028	104 010
Cyprus	13	99 218	21 450	9 446	12 004
Hungary	3	86 388	73 692	31 204	42 488
Slovenia	16	228 424	70 420	37 972	32 449
Serbia	83	410 139	212 474	129 700	82 774
Switzerland	5	47 864	36 108	26 660	9 448
Turkey	7	23 563	22 862	21 018	1 844
Great Britain	10	50 467	24 274	11 031	13 243
Greece	4	136 720	24 908	10 786	14 122
Other countries	71	235 666	158 848	92 187	66 661
Total	253	1 844 247	1 033 810	587 067	446 742

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 China 22%, while its share in the total number of covered business entities amounted to 1%. On the other hand, with 33% of foreign-owned business entities covered, Serbia achieved 21% 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 95% 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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81000 Podgorica, IV Proleterske No 2, Phone (+382) 20 230-811, Fax (+382) 20 230-814

The release prepared by:

Tatjana POPOVIC

Phone/fax +382-20-223 261

E-mail: contact@monstat.org