

FATS

in the EU

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What is FATS?

Foreign Affiliates Statistics (FATS)

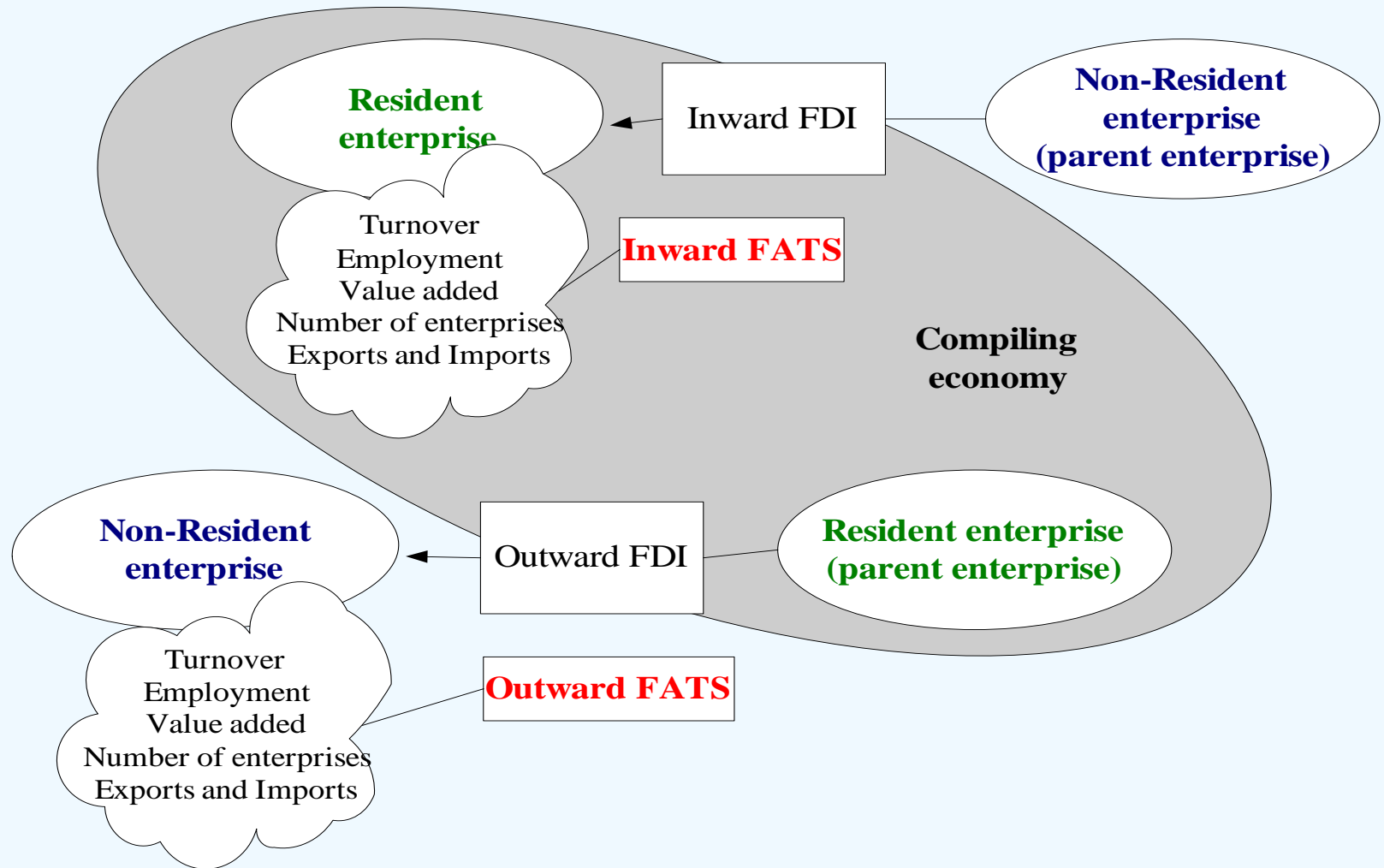
- ❑ Describes the overall activity of foreign affiliates
- ❑ Comprises inward and outward FATS data
- ❑ Measures the commercial presence through affiliates in foreign markets
- ❑ Provides information on the impact on the host economies

What is FATS?

Foreign Affiliates Statistics (FATS)

- ❑ Inward FATS describes the activity of foreign affiliates resident in the compiling economy
- ❑ Outward FATS describes the activity of foreign affiliates abroad controlled by the compiling economy

FATS relation with FDI



Why does the EU need FATS data?

- ❑ To support a number of policy areas such as trade, internal market, competition, competitiveness, external relations
- ❑ To provide FATS information to enterprises
- ❑ To catch up with the data production with key EU trade partners, such as the US

FATS DATA PRODUCTION

Inward FATS data availability

(25 November 2005)

Reporter	1996	1997	1998	1999	2000	2001	2002
DE				E T V	E T V	E T V	
DK	E T V	E T V	E T V	E T V	E T V	E T V	E T V
ES				E T V	E T V	E T V	
FR				E T V	E T V	E T V	
IE		T			E T V		
IT		T					
LU				T E	T E		
NL		E T V	E T V	E T V	E T V	E T V	E T V
PT				E T V	E T V	E T V	
FI		E T V	E T V	E T V	E T V	E T V	
SE		E T V	E T V	E T V	E T V	E T V	
UK		E T V	E T V	E T V			

E Number of employees

T Turnover

V Value added at factor cost

FATS DATA PRODUCTION

Outward FATS data availability

(25 November 2005)

Reporter	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
BE		E T	E T	E T	E T	E T	E T	E T	E T	
CZ					E T I X V	E T I X V	E T I X V	E T I X V	E T I X V	
DE	E T		E T	E T	E T	E T	E T	E T	E T	
GR						E T	E T	E T	E T V	
FR	T	T	T	T	T	T	T	T		
LU				E T						
AT	E T	E T	E T I X	E T I X	E T	E T	E T	E T	E T	
PT			E T I X V	E T I X V	E T I X V	E T I X V	E T I X V	E T I X V		
FI			E T	E T	E T	E T	E T	E T	E T	E T
SE			E	E	E	E	E I X	E I X		
NO	T									

E Number of employees

T Turnover

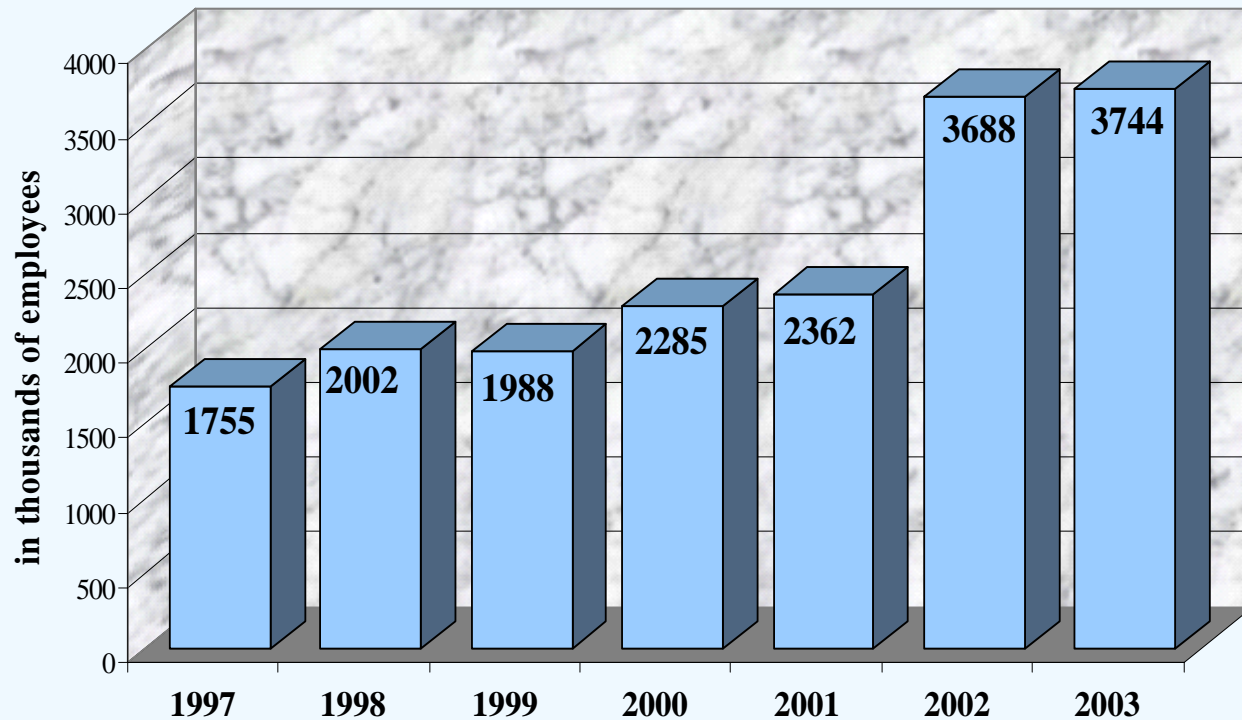
V Value added at factor cost

X Exports of goods and services

I Imports of goods and services

FATS DATA PRODUCTION

Total number of employees in foreign affiliates controlled by German companies (1997-2003)



THE DRAFT EU FATS REGULATION

DRAFT REGULATION OF THE EP/COUNCIL on Community Statistics on the Structure and Activity of Foreign Affiliates

- will be adopted by the EP and the Council (probably in 2006)
- first reference year could be 2006 (T)
- data shall be transmitted within T+20 months
- covers inward and outwards FATS
- Eurostat will have to release a methodological manual

The mandatory variables

Number of Enterprises, turnover, number of persons employed, 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, personnel costs, gross investment in tangible goods, total intra-mural R&D expenditure and total number of R&D personnel

The breakdowns

- Geographical level of all 25 MS, 15 EEA, candidate and other countries combined with the activity level of the Nace section level plus many 2 and 3-digits in manufacturing and services
- Very detailed geographical level for the total business economy

Pilot studies on

export of goods and services, imports of goods and services, intra-group export of goods and services, intra-group import of goods and services

The two R&D variables

- to be reported only every second year
- only compulsory for the Nace activities C, D, E and F, otherwise pilot studies
- Country threshold for reporting (per Nace division the turnover or number of persons employed less than 1 % of the Community total = no reporting necessary)
- First reference year: only 2007

The mandatory variables

number of enterprises, turnover, number of persons employed

The breakdowns

- High level of geographical aggregation (e.g. only 12 aggregates) combined with Nace section level plus many 2- and 3-digits in manufacturing or services
- 36 geographical areas combined with very high level of Nace aggregation
- Very detailed geographical breakdown combined with the activity total only

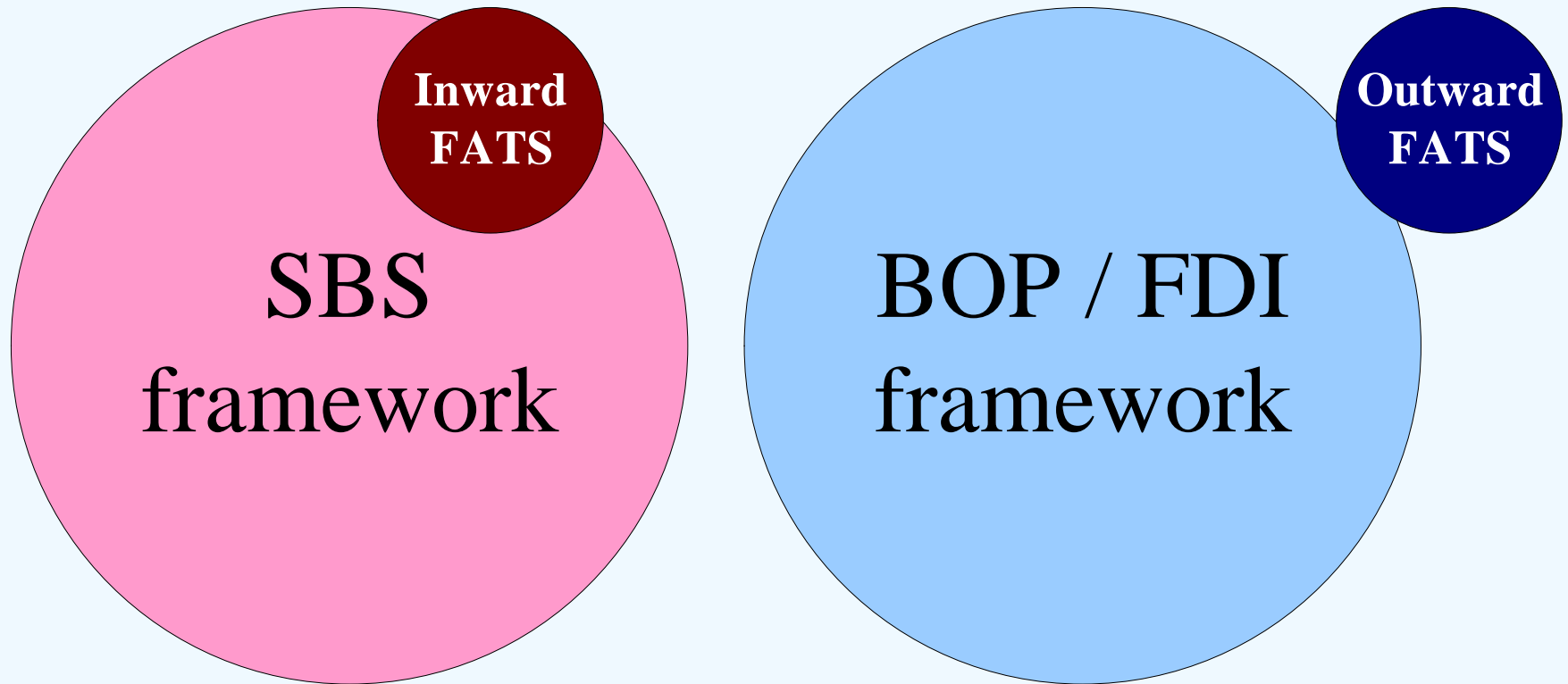
Pilot studies on

Personnel cost, export of goods and services, imports of goods and services, intra-group export of goods and services, intra-group import of goods and services, value added at factor cost, gross investment in tangible goods

R&D variables

Not recorded at all, therefore taken at rather low priority

FATS data production



FATS data production

National data sources:

Article 4 of the draft Regulation says:

- All national data sources to be considered as long as being appropriate
- Natural and legal persons as respondents shall supply the information required
- Otherwise best estimates shall be transmitted

This means that national data sources will be rather heterogeneous. Data quality problems may therefore arise.

FATS data dissemination

On EUROSTAT's home page



<http://epp.eurostat.ec.eu.int>

The **Inward** FATS data :

↳ theme *Industry, trade and services*

↳ domain *Structural business statistics*

The **Outward** FATS data :

↳ theme *Economic and Finance*

↳ domain *Balance and Payments*

**Thank you
for your attention!!!**

