

Structure of multinational enterprise groups in the EU

Statistics Explained

*Data extracted in April 2023.
Planned article update: 30 April 2024.*



" In 2021, 155 983 multinational enterprise groups were operating in the EU-EFTA, employing over 45 million people, according to the European statistical register on multinational enterprise groups (EuroGroups Register)."

This article gives an overview of [multinational enterprise groups](#) operating in [EU countries](#) and [European Free Trade Association \(EFTA\) countries](#) in 2021, according to the data available in the [EuroGroups Register](#) (EGR). In 2021, according to the EGR:

- 155 983 multinational enterprise groups operated in EU and EFTA countries.
- They employed over 45 million people – around 1 in every 5 people employed in Europe worked for a multinational enterprise group.
- Most of these people worked for a multinational enterprise group controlled by an EU or EFTA country (77 % and 6 % respectively). The majority worked in a restricted number of large groups employing more than 1000 persons (82 %) carrying on more than 5 economic activities (75 %) and present in more than 6 EU-EFTA countries (75 %).

The EGR brings together microdata on multinational enterprise groups from the national statistical business registers in EU and EFTA countries, in line with the requirements in [Regulation \(EU\) No 2152/2019](#), and from a commercial data source for data outside the EU and EFTA. In 2021, the EGR contained information on:

- the structure of control (who controls whom) of the 155 983 multinational enterprise groups with activities in the EU and EFTA
- their main economic characteristics (employment, NACE, turnover and assets)
- their perimeter in terms of [legal units](#) (1.4 million) and [enterprises](#) (533 400 enterprises inside EU and EFTA countries and 443 700 enterprises outside the EU and EFTA).

Each legal unit in the EGR uses a single identifier (based on country code and national identifier), allowing this microdata to be linked with other statistical or administrative data. The EGR is updated annually and the microdata are sent to national statistical authorities, national central banks and the European Central Bank. They can only use this data for statistical purposes. On average, about 530 statisticians access the EGR online applications each year.

Multinational enterprise groups operating in the EU and EFTA countries

In the EGR a multinational enterprise group is defined as an enterprise group that operates in at least two countries, with one of these being in the EU or EFTA.

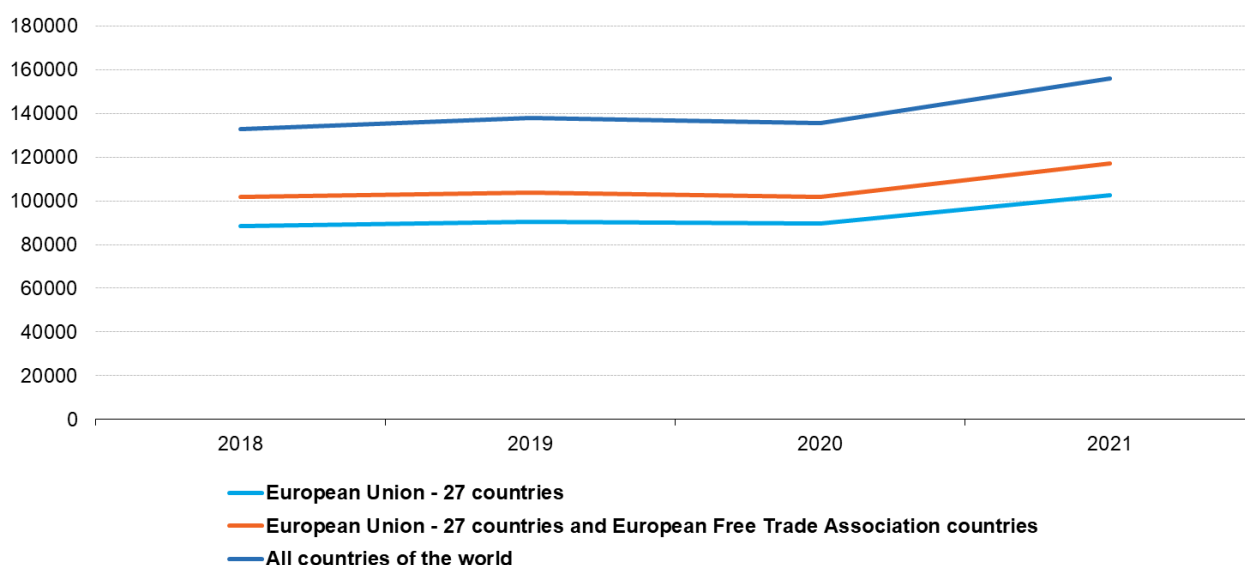
For data reference year 2021, the EGR includes 155 983 multinational enterprise groups operating in EU and EFTA countries, composed of:

- over 1.4 million legal units
- 533 400 enterprises in the EU and EFTA countries employing over 45 million people (i.e. around 1 in every 5 employed people in Europe)
- 443 700 enterprises outside the EU and EFTA.

Compared to 2018, the number of multinational enterprise groups recorded in EGR in 2021 increased by 17 % (see Figure 1), but this concerns mainly groups of a very small size and it is due to the implementation of the EBS Regulation (EU) No 2152/2019, increasing the coverage of legal units in the scope.

Multinational enterprise groups operating in EU-EFTA by controlling area, 2018-2021

(Unit)



Source: Eurostat (online data code: egr_mne)

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Figure 1: Multinational enterprise groups operating in EU-EFTA countries by controlling area, 2018-2021
Source: EuroGroups Register

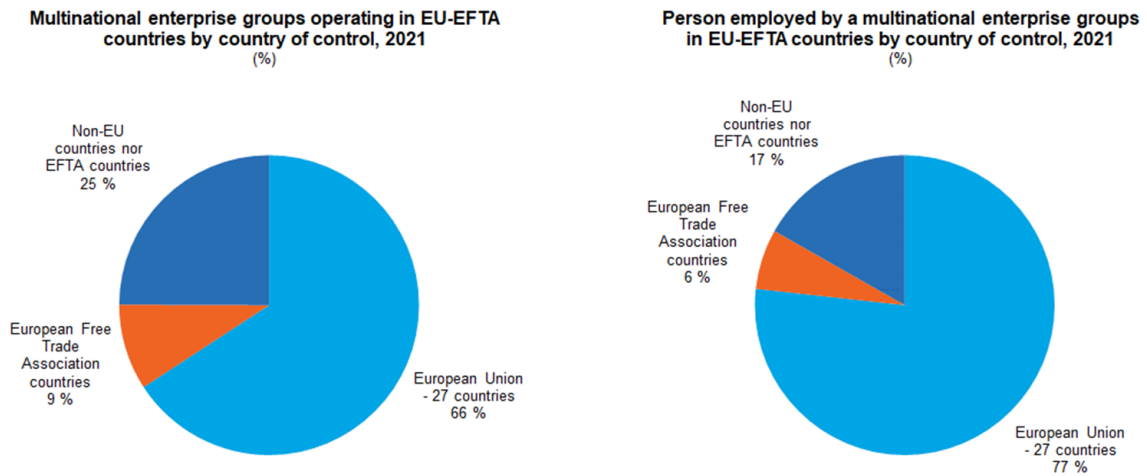
Who controls multinational enterprise groups operating in the EU and EFTA?

This article describes the main structural characteristics of multinational enterprise groups with activities in the EU and EFTA, looking at their country of control, size, economic activity and geographical presence in the EU and EFTA, and worldwide.

In 2021, 75 % of the multinational enterprise groups operating in the EU and EFTA were controlled by an EU country (66 %) or an EFTA country (9 %). Together, they employed 83 % of the total workforce of multinational enterprise groups in the EU and EFTA.

The remaining 25 %, employing 17 % of the workforce of these groups, were controlled by countries outside the EU and EFTA (see Figure 2 and Maps 1 and 2)

Multinational enterprise groups and employment in EU-EFTA countries by country of control, 2021



Source: Eurostat (online data code: egr_mne)

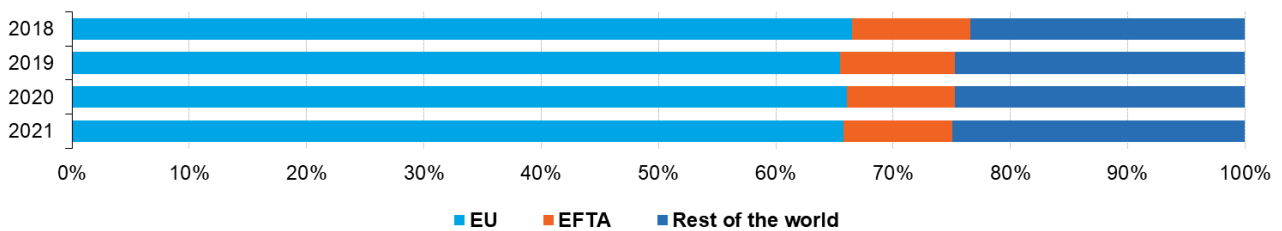
Source: Eurostat EGR

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Figure 2: Multinational enterprise groups and employment in EU-EFTA countries by area of control, 2021
Source: EuroGroups Register

Between 2018 and 2021, the distribution of multinational enterprise groups operating in EU-EFTA countries by controlling area is rather steady (see Figure 3). The EU ranked first accounting for from between 65 % to 66 % of the multinational enterprise group, EFTA accounted for 9 % to 10 %, and the rest of the world for 23 % to 25 %.

Distribution of multinational enterprise groups operating in EU-EFTA by controlling area, 2018-2021 (%)



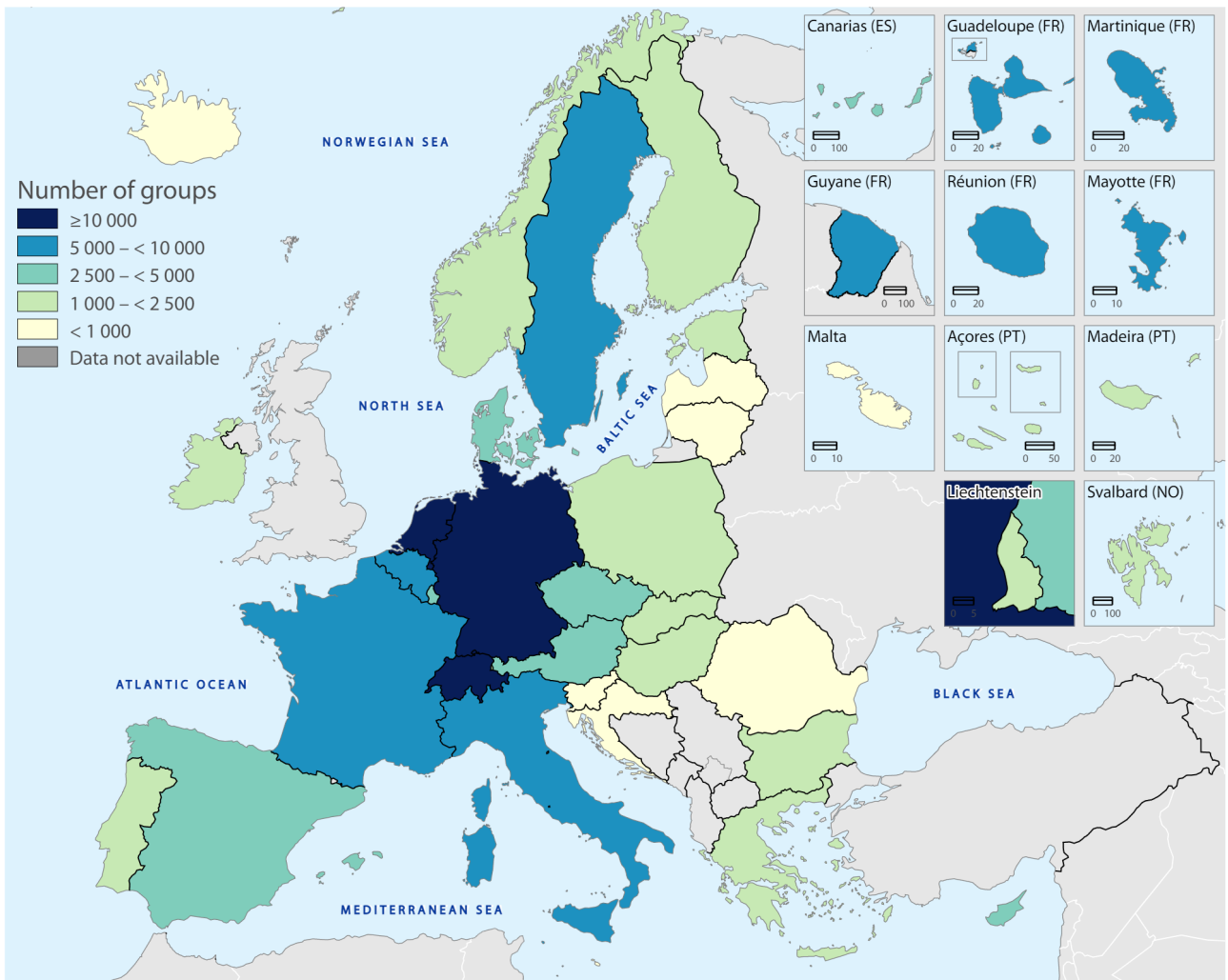
Source: Eurostat (online data code: egr_mne)

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Figure 3: Distribution of multinational enterprise groups operating in EU-EFTA by controlling area, 2018-2021
Source: EuroGroups Register

The control of a multinational enterprise group in the EGR is assigned to the country of the **Ultimate Controlling Institutional unit (UCI)**.

Multinational enterprise groups operating in EU-EFTA countries by country of control, 2021



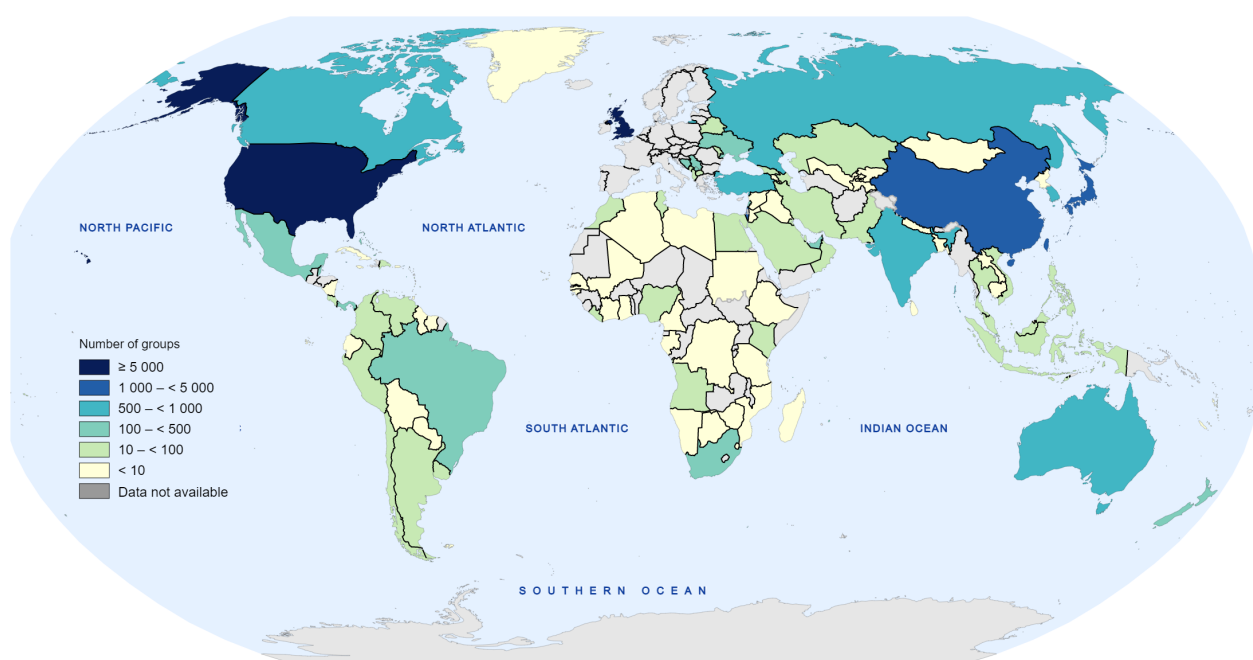
Eurostat EGR

Administrative boundaries: © EuroGeographics © UN-FAO © Turkstat
Cartography: Eurostat – IMAGE, 04/2023

Map 1: Multinational enterprise groups operating and controlled by EU-EFTA countries, 2021 Source: EuroGroups Register

More than 140 countries outside the EU and EFTA controlled at least one multinational enterprise group operating in the EU and EFTA (see Map 2).

Multinational enterprise groups operating in EU-EFTA countries controlled by extra-EU countries, 2021
By country of control



Eurostat EGR

Administrative boundaries: © EuroGeographics © UN-FAO © Turkstat
Cartography: Eurostat – IMAGE, 04/2023
The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the European Union

Map 2: Multinational enterprise groups operating in EU-EFTA countries and controlled by Extra-EU countries, 2021 Source: EuroGroups Register

According to the EGR, in 2021, the three countries outside the EU and EFTA that controlled the most multinational enterprise groups in the EU and EFTA are:

- the United Kingdom (more than 11 700 multinational enterprise groups)
- the United States (around 7 900 multinational enterprise groups)
- China including Hong Kong (around 2 700 multinational enterprise groups).

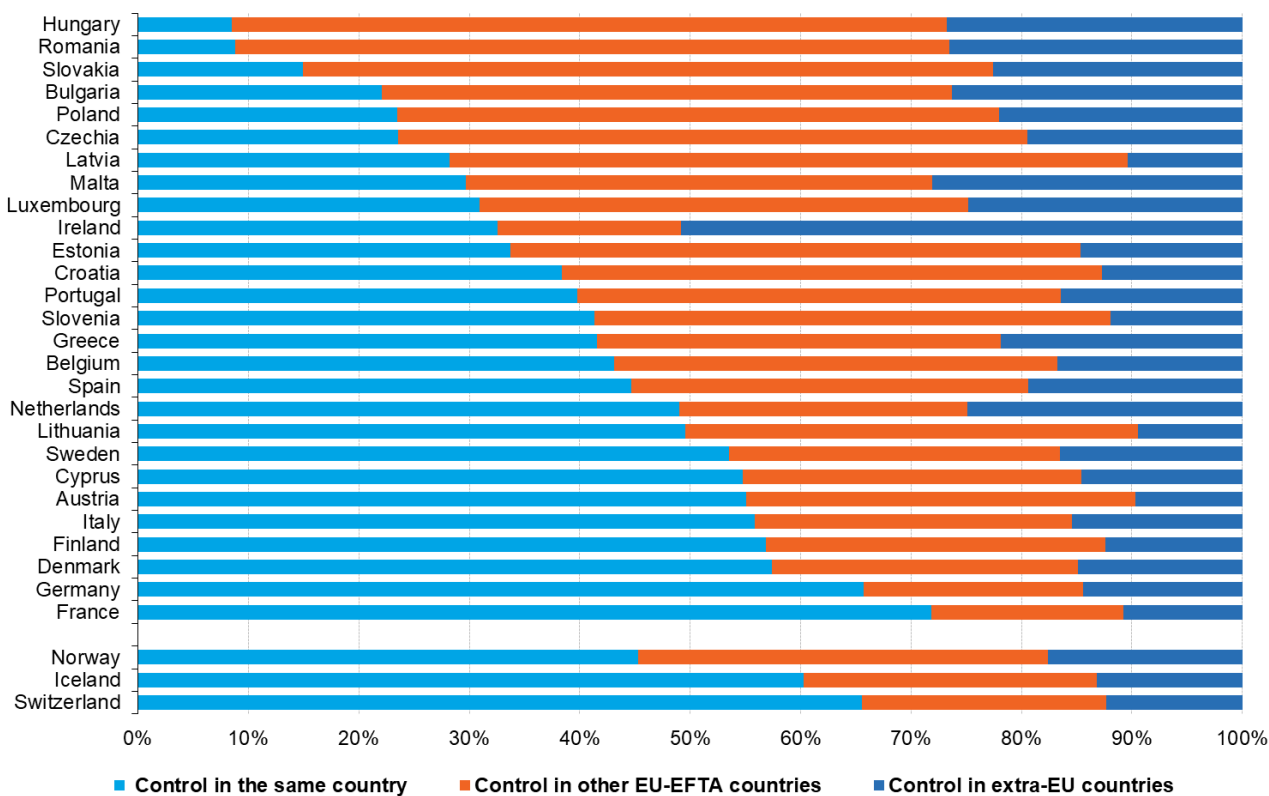
In 2021, the EGR recorded 635 multinational enterprise groups operating in EU-EFTA that were controlled by a Russian UCI and employed around 66 400 people in EU-EFTA countries. Moreover, around 3 400 multinational enterprise groups operating in EU-EFTA had legal units in Russia.

In 2021, according to EGR, 263 multinational enterprise groups operating in EU-EFTA were controlled by Ukraine and employed around 5 700 people in EU-EFTA countries. Moreover, around 1 200 multinational enterprise groups operating in EU-EFTA had legal units in Ukraine.

Figure 4 provides a breakdown of employment in multinational enterprise groups in the EU and EFTA by controlling area, i.e. with a controlling unit (UCI) in the same country, in other EU-EFTA countries or in extra-EU countries.

Employment in multinational enterprise groups in the EU and EFTA countries by area of control, 2021

(%)



Source: Eurostat EGR

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Figure 4: Employment in multinational enterprise groups in the EU and EFTA countries by area of control, 2021 Source: EuroGroups Register

Multinational enterprise groups in the EU and EFTA are mainly active in the manufacturing sector, and employment is concentrated in a small number of groups

In 2021, the EGR registered multinational enterprise groups operating in the EU and EFTA countries carried out a large variety of economic activities, covering 21 [NACE](#) sections and 88 [NACE](#) divisions.

Employment in multinational enterprise groups in the EU and EFTA countries by main activity of the group, 2021 (%)

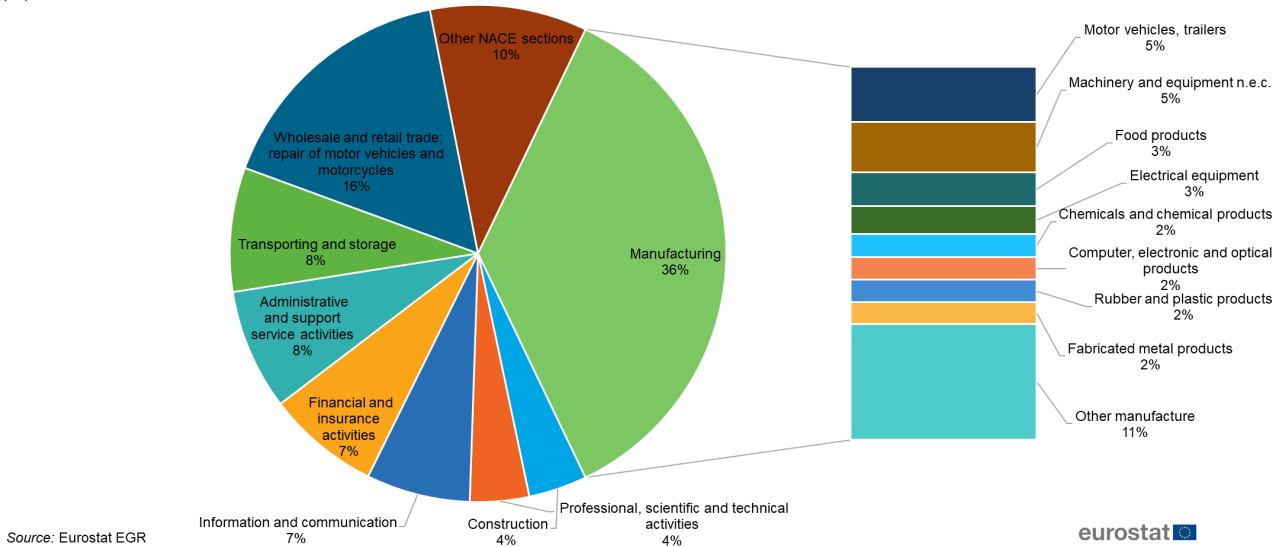


Figure 5: Employment in multinational enterprise groups in EU and EFTA countries by group main activity, 2021 Source: EuroGroups Register

The three economic activities with the largest employment at NACE section level are:

- manufacturing (36 %)
- wholesale and retail trade; repair of motor vehicles and motorcycles (16 %)
- transporting and storage (8 %).

Within manufacturing, the top three activities at NACE division level (see Figure 5) are:

- manufacture of motor vehicles, trailers and semi-trailer (5 %)
- manufacture of machinery and equipment (5 %)
- manufacture of food products (3 %).

Employment is highly concentrated in some economic sectors and in some few very large multinational groups, as shown by the Lorentz curve in Figure 6. The more the curve departs from the diagonal, the more employment is concentrated in a reduced number of multinational groups, i.e. if the groups were equally distributed the curve would follow a straight diagonal.

Concentration of the employment in multinational enterprise groups operating in EU-EFTA by main activity sector, 2021

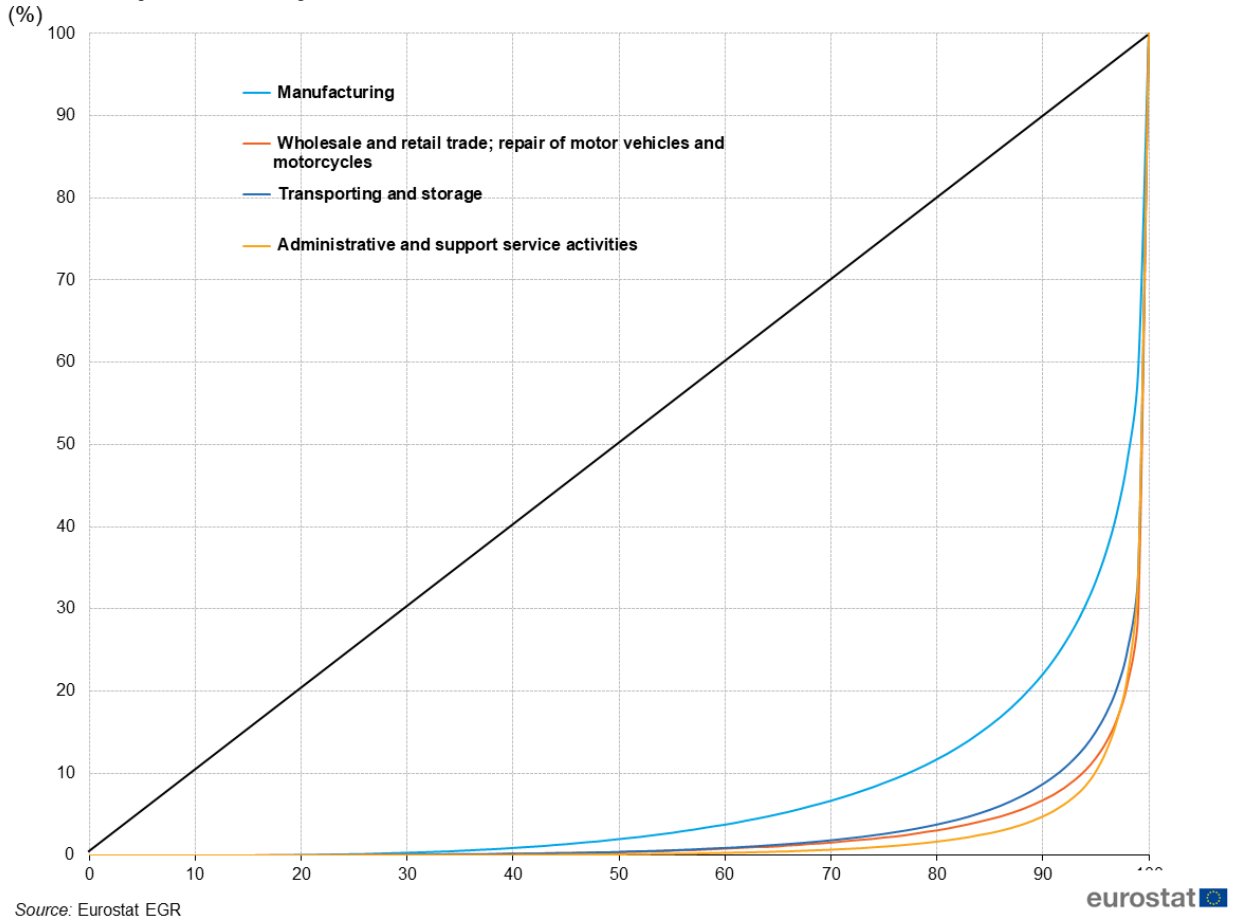


Figure 6: Concentration of the employment in multinational enterprise groups operating in EU-EFTA by main activity sector, 2021 Source: EuroGroups Register

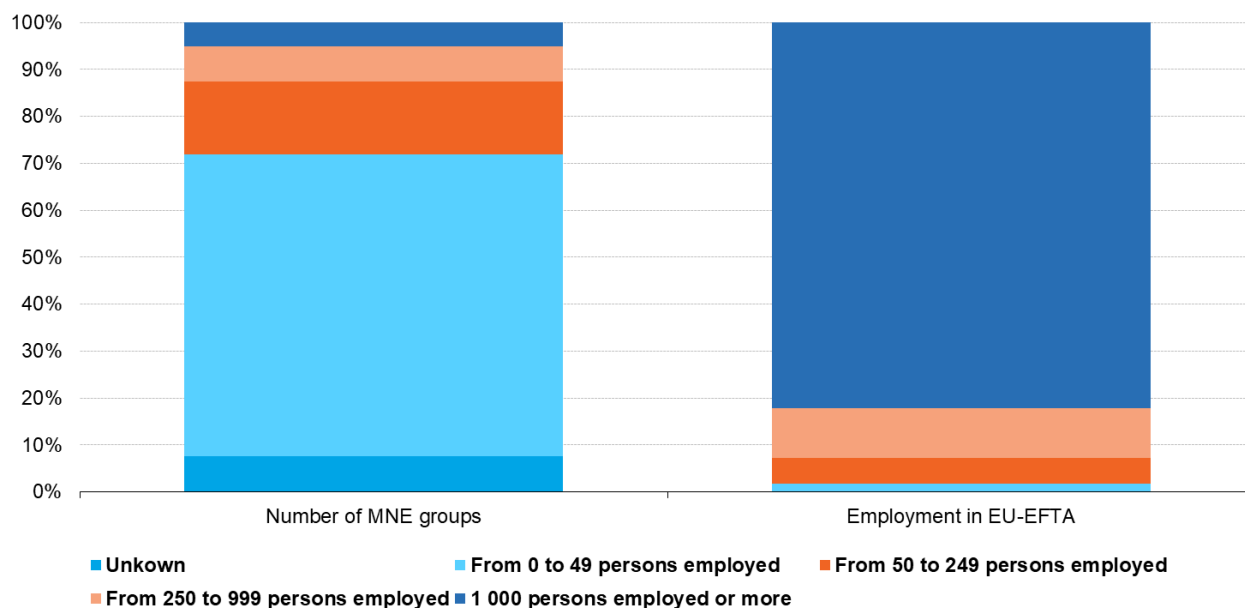
Large and diversified multinational enterprise groups are the biggest employers

In the 2021 EGR:

- 5 % of the largest multinational enterprise groups (employing more than 1000 persons) operating in the EU and EFTA countries, accounted for 82 % of the employment in these groups
- 64 % of the smallest (employing fewer than 50 persons), provided 2 % of employment (see Figure 7).

Distribution of multinational enterprise groups operating in EU-EFTA countries by group size, 2021

(%)



Source: Eurostat (online data code: egr_emp)

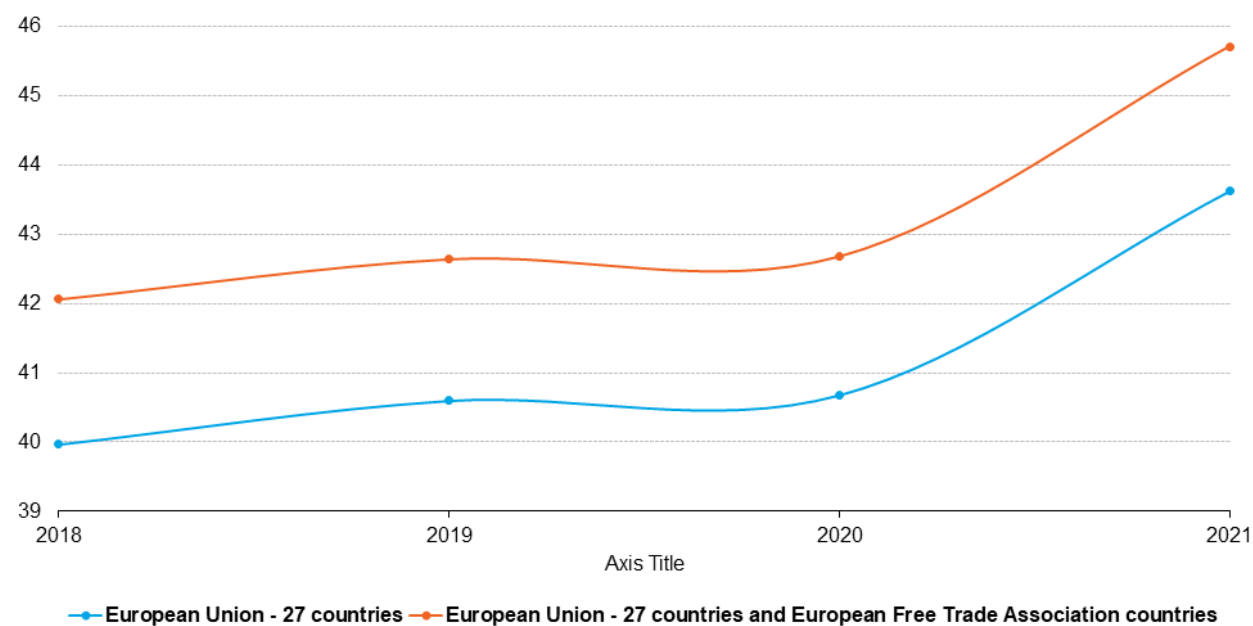
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Figure 7: Distribution of multinational enterprise groups operating in EU-EFTA countries by group size, 2021
Source: EuroGroups Register

According to the EGR, in 2021, multinational enterprise groups employed more than 45 million people in EU-EFTA countries as compared to 42 million in 2018. As with the number of multinational enterprise groups, the employment increase was higher in the last year, mainly due to an increased data coverage.

People employed by multinational enterprise groups in EU-EFTA countries, 2018-2021

(Millions of persons employed)



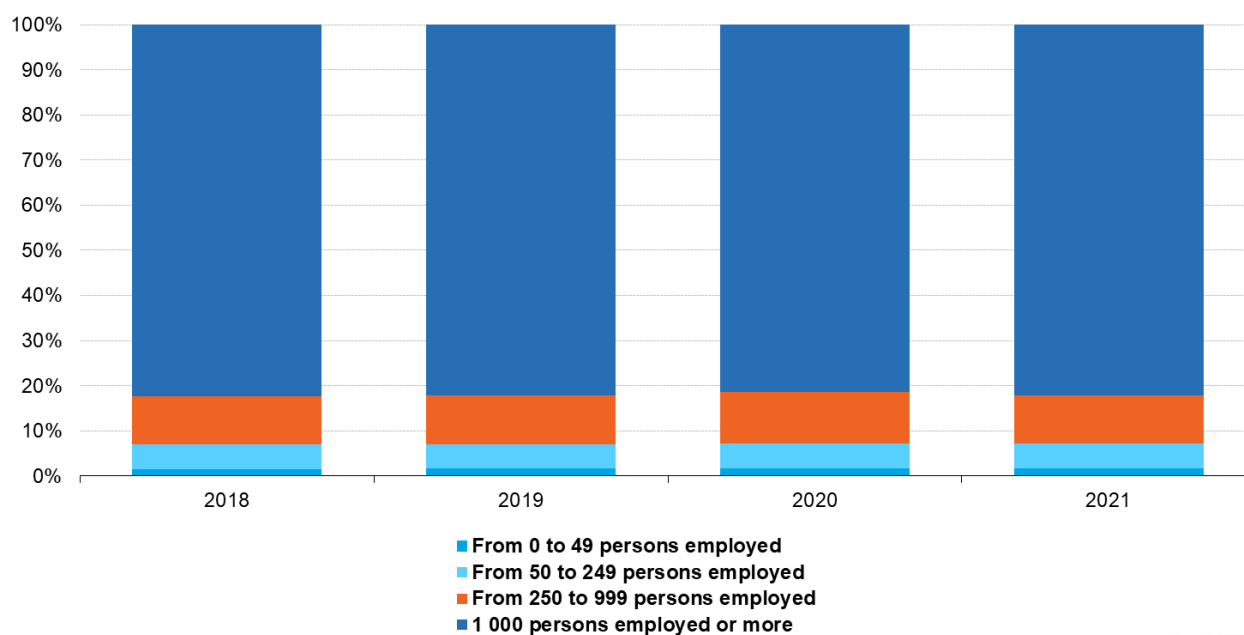
Source: Eurostat (online data code: egr_emp)

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Figure 8: People employed by multinational enterprise groups in EU-EFTA countries, 2018-2021 Source: EuroGroups Register

Between 2018 and 2021, the concentration of employment in the largest multinational enterprise groups was high and steady (see Figure 9), the largest groups ranked first, gathering from 81 % to 82 % of the people employed by these groups in EU-EFTA countries.

Distribution of employment in multinational enterprise groups operating in EU-EFTA by group size, 2018-2021 (%)



Source: Eurostat (online data code: egr_emp)

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Figure 9: Distribution of employment in multinational enterprise groups operating in EU-EFTA by group size, 2018-2021 Source: EuroGroups Register

In 2021, most multinational enterprise groups recorded in the EGR carried out more than one economic activity (56 %).

- 39 % carried out only one activity (mono-active groups)
- 48 % carried out 2-4 economic activities
- 8 % carried out more than 5 economic activities.

In the EGR, the diversification of a multinational enterprise group is determined by the number of activities carried out by its enterprises at NACE division level.

Most of the employment (75 %) was concentrated in the multinational enterprise groups carrying out more than 5 economic activities (see Figure 6).

Distribution of multinational enterprise groups operating in EU-EFTA by diversification of activities, 2021 (%)

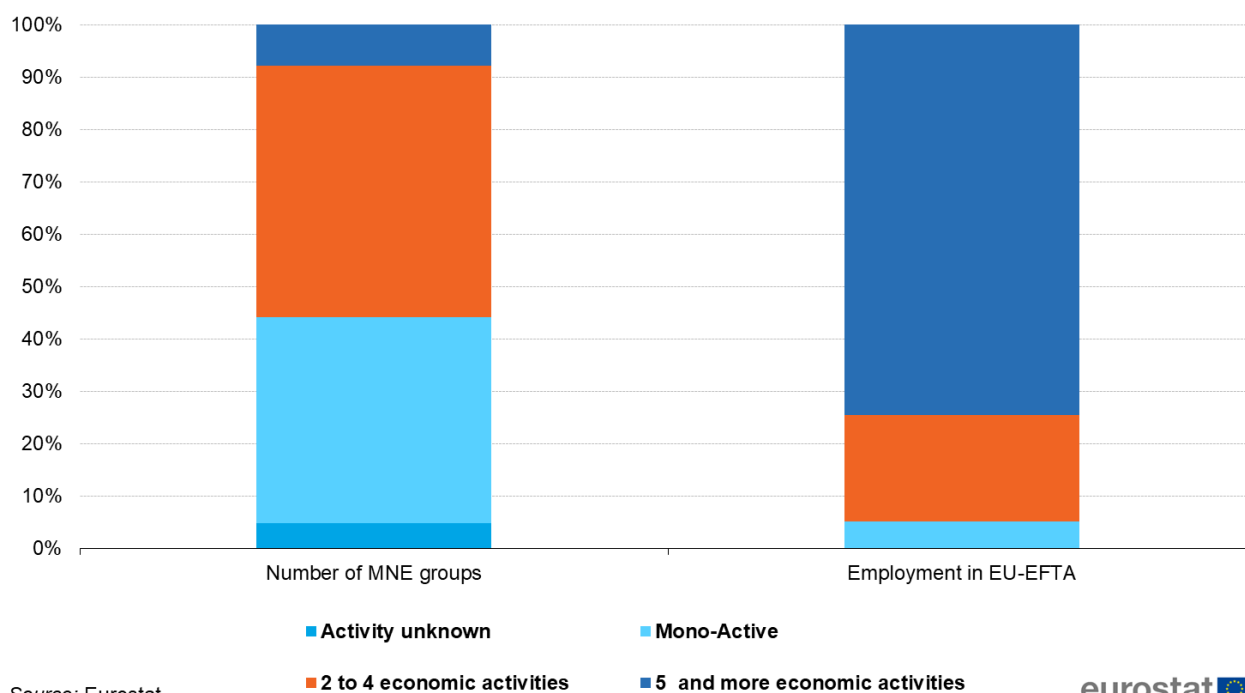


Figure 10: Distribution of multinational enterprise groups operating in EU-EFTA by diversification of activities, 2021 Source: EuroGroups Register

Most of the multinational enterprise groups with activities in the EU and EFTA have operations only inside the borders of EU-EFTA

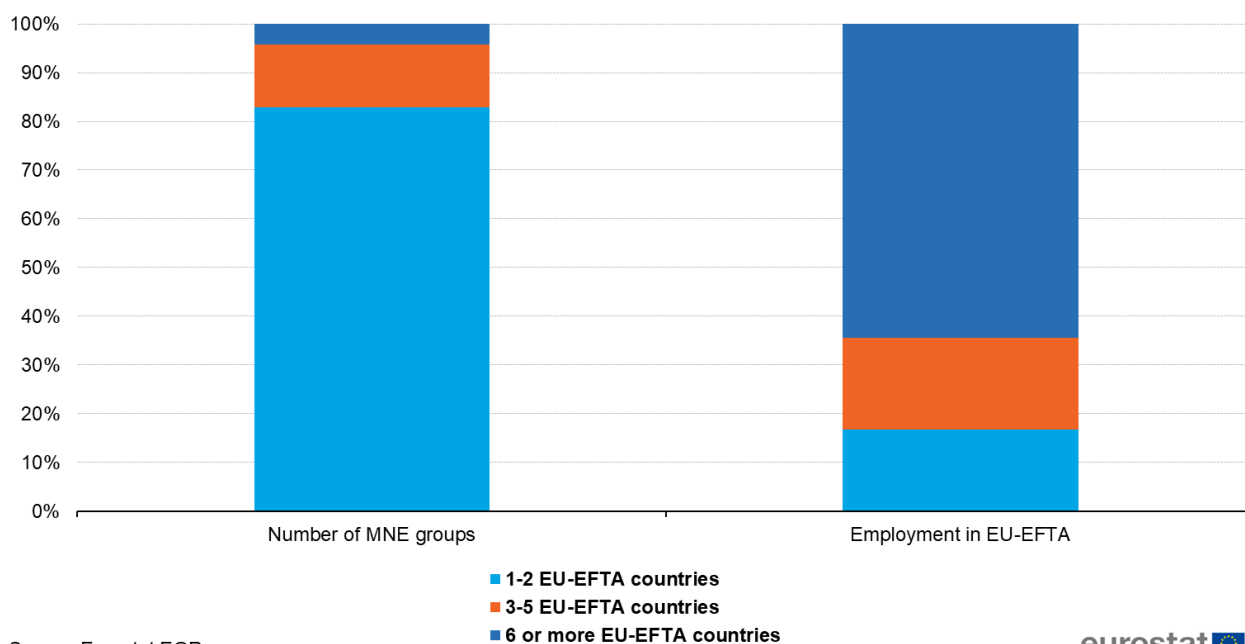
In 2021, 60 % of the multinational enterprise groups operating in the EU and EFTA operated only within the borders of the EU-EFTA; while 40 % of them also operated in the rest of the world.

In 2021, the EGR recorded that:

- 4 % of multinational enterprise groups active in the EU and EFTA area are present in 6 or more EU and EFTA countries, employing 64 % of the people working in a multinational enterprise group in the EU and EFTA.
- 13 % of multinational enterprise groups were present in between 3 and 5 EU and EFTA countries, employing 19 % of people.
- 83 % of multinational enterprise groups were present in fewer than 3 EU and EFTA countries, employing 17 % of people (see Figure 11).

Distribution of multinational enterprise groups by number of EU-EFTA countries in which the group is present, 2021

(%)



Source: Eurostat EGR

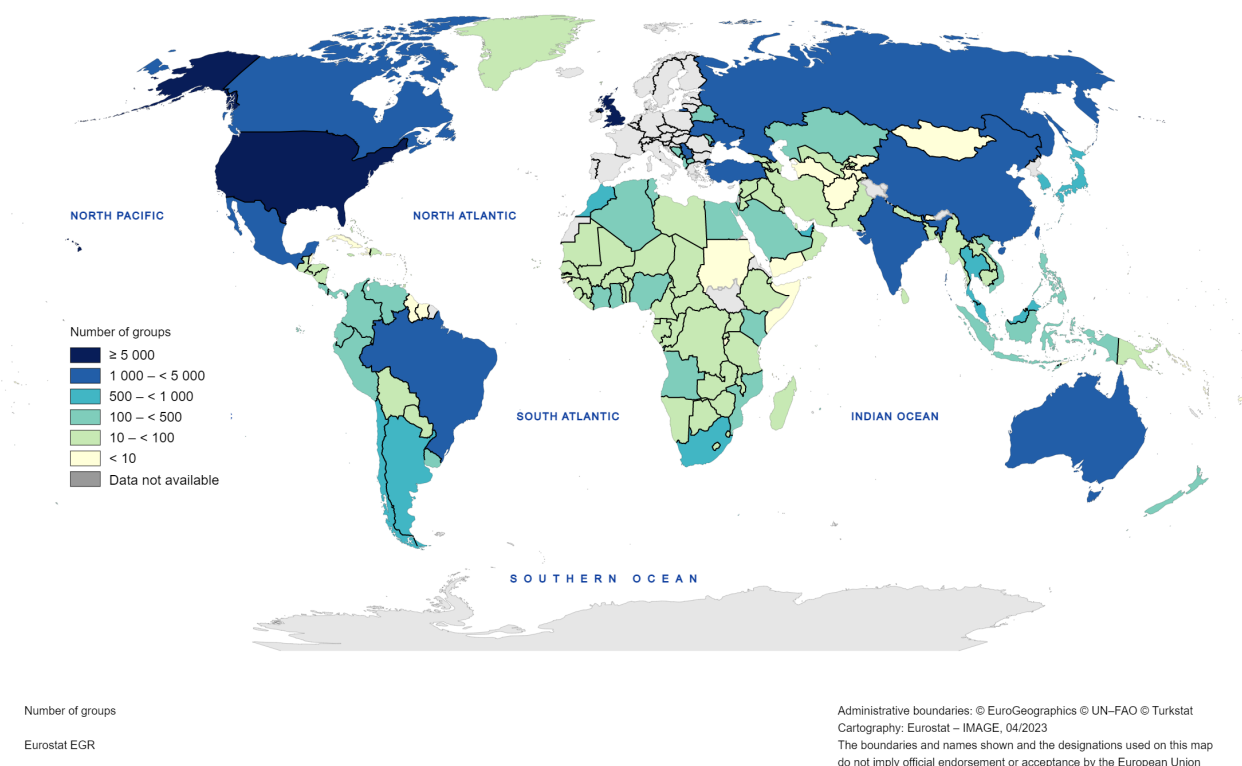
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Figure 11: Distribution of multinational enterprise groups by number of EU-EFTA countries in which the group is present, 2021 (%).png Source: EuroGroups Register

Presence of European multinational enterprise groups in countries outside the EU and EFTA, in 2021

In 2021, the EGR recorded around 24 900 multinational enterprise groups controlled by EU and EFTA countries having legal units located in non-EU countries.

- 55 % of these multinational enterprise groups had at least one legal unit in the United Kingdom
- 22 % of them operated in the United States (see Map 3).



Map 3: Presence of multinational enterprise groups controlled by EU-EFTA in extra-EU countries, 2021
Source: EuroGroups Register

Feedback

To help Eurostat improve these experimental statistics, users and researchers are kindly invited to give us their [feedback by email](#)

Data sources

The **EuroGroups register** (EGR) database is the source of the above-mentioned multinational enterprise groups data. The EGR is the statistical business register of the EU Member States and EFTA countries for multinational enterprise groups. It produces data in yearly cycles and covers microdata on the groups and their consisting enterprises and legal units.

The EGR aims to register all multinational enterprise groups that have enterprises in EU Member States or EFTA countries, including European and non-European groups. EGR does not cover all-resident enterprise groups – those that consist of enterprises only in 1 country, nor independent enterprises.

However, the EGR final frame includes additional foreign-controlled units. These are either single legal units or all-resident enterprise groups without an identified foreign-controlling parent, where only the residence country of the foreign parent has been delivered to the EGR. Such additional foreign-controlled units are not included in this article.

The EGR microdata help explore to the structure and impact of multinational enterprise groups in Europe. We can analyze group size, complexity and employment patterns in European countries, together with their European influence.

The EGR makes it possible to present results from two sides: from the multinational enterprise group perspective, based on the country of control of the group, and from the national perspective of the country in which the group is located, irrespective of where the UCI is located.

The EGR is a statistical business register that serves statistical purposes only. Access to EGR data is restricted to national statistical institutes and national central banks that produce official statistics in the EU Member States and EFTA countries.

Context

Globalisation and the increasing complexity of multinational enterprise group activities means it is difficult to produce business statistics and macroeconomic statistics and correctly and consistently reflect MNE group activities in European statistics. To better analyse cross-border transactions of large multinational enterprise groups and correctly record them in statistical business registers, statisticians in the European Statistical System [European Statistical System \(ESS\)](#) and European System of Central Banks (ESCB) need to be able to observe the complete and correct economic structures of multinational enterprise groups.

Other articles

- [EuroGroups register identification service](#)
- [EuroGroups register FATS online interface](#)

Dedicated section

- [Statistical business registers \(SBR\)](#)
- [Globalisation of businesses](#)

Methodology

- [Multinational enterprise groups methodological note](#)
- Methodology on enterprise groups and registers is available in the [Business registers Recommendations manual](#)
- EuroGroups Register metadata [EGR Metadata Report](#)

Database

- [Multinational enterprise groups in EU-EFTA countries by controlling country](#)
- [Persons employed in multinational enterprise groups by size class](#)

Legislation

- [Regulation \(EEC\) No 696/1993](#) of 15 March 1993 on the statistical units for the observation and analysis of the production system in the Community ([Summary](#))
- [Regulation \(EU\) 2019/2152](#) of the European Parliament and of the Council of 27 November 2019 on European business statistics, repealing 10 legal acts in the field of business statistics
- [Implementing Regulation \(EU\) 2020/1197](#) of 30 July 2020 laying down technical specifications and arrangements pursuant to Regulation (EU) 2019/2152 of the European Parliament and of the Council on European business statistics repealing 10 legal acts in the field of business statistics