

Foreign-controlled enterprises statistics - outward FATS

Statistics Explained

Data extracted in December 2024.
Planned article update: December 2025.

Highlights

" In 2022, the net turnover generated by EU affiliates located outside the EU was more than that of EU affiliates located in other EU countries. "

" Almost 2 out of every 3 employees and self-employed persons of an EU affiliates in 2022 were working outside the EU. "

" In 2022, manufacturing and distributive trades were the most significant areas of activity for EU affiliates abroad. "

This article looks at **outward foreign affiliate statistics** , providing information on the economic impact in EU affiliates abroad: for example, how many persons were employed by German affiliates in China, or what was the net turnover generated by French affiliates in the United States. Another article [Foreign-controlled enterprises statistics - inward FATS](#) looks at **inward FATS** . Note that the information presented in this article covers the market producers defined as **NACE** Sections B-S (excluding O).

Statistics on foreign affiliates

For statistical purposes, **foreign affiliates** are considered to be enterprises resident in one country and controlled by an institutional unit resident in another. There are 2 distinct sources of information: so-called inward FATS, which cover the activities of enterprises within the EU that are under foreign control and outward FATS, which cover the activities of EU affiliates abroad.

The globalised economy is increasingly characterised by intricate business networks. As a result, it can be difficult to untangle these complicated and often blurred chains of control. To do so, statistics on foreign affiliates are compiled according to the ultimate controlling institutional unit (UCI) — determined by proceeding up a foreign affiliate's chain of control until there is no further controlling interest; by doing so, potential double-counting of the same affiliates (by several countries) can be avoided. In this context, control refers to the ownership of a controlling share of the shareholders' voting power and the ability to determine the general policy of an enterprise, for example by choosing appropriate directors. In this way, an enterprise is said to be controlled by an institutional unit when the latter (a single investor or a group of investors acting together) owns — directly or indirectly — more than half of the voting shares in the enterprise.

Net turnover and employment by EU affiliates abroad

In 2022, the net turnover generated by EU affiliates located outside the EU were greater than those made by EU affiliates located in other EU countries

In 2022, a majority (61.6%) of the **net turnover** made by EU affiliates abroad was generated outside the EU (in non-EU countries). The remaining 38.4% reflected net turnover generated by EU foreign affiliates in other EU

countries. Note that these figures are based on an aggregate for 26 EU countries (excluding Estonia) and cover the market producers (as defined by NACE Sections B-S excluding O).

Irish (74.0%), Cypriot (69.6%) and Dutch (68.7%) affiliates recorded the highest shares of their total net turnover generated outside the EU. By contrast, more than three-quarters of the net turnover that was generated by Slovakian, Hungarian, Lithuanian, Romanian, Czech, Polish and Latvian foreign affiliates was made in other EU countries (see Figure 1).

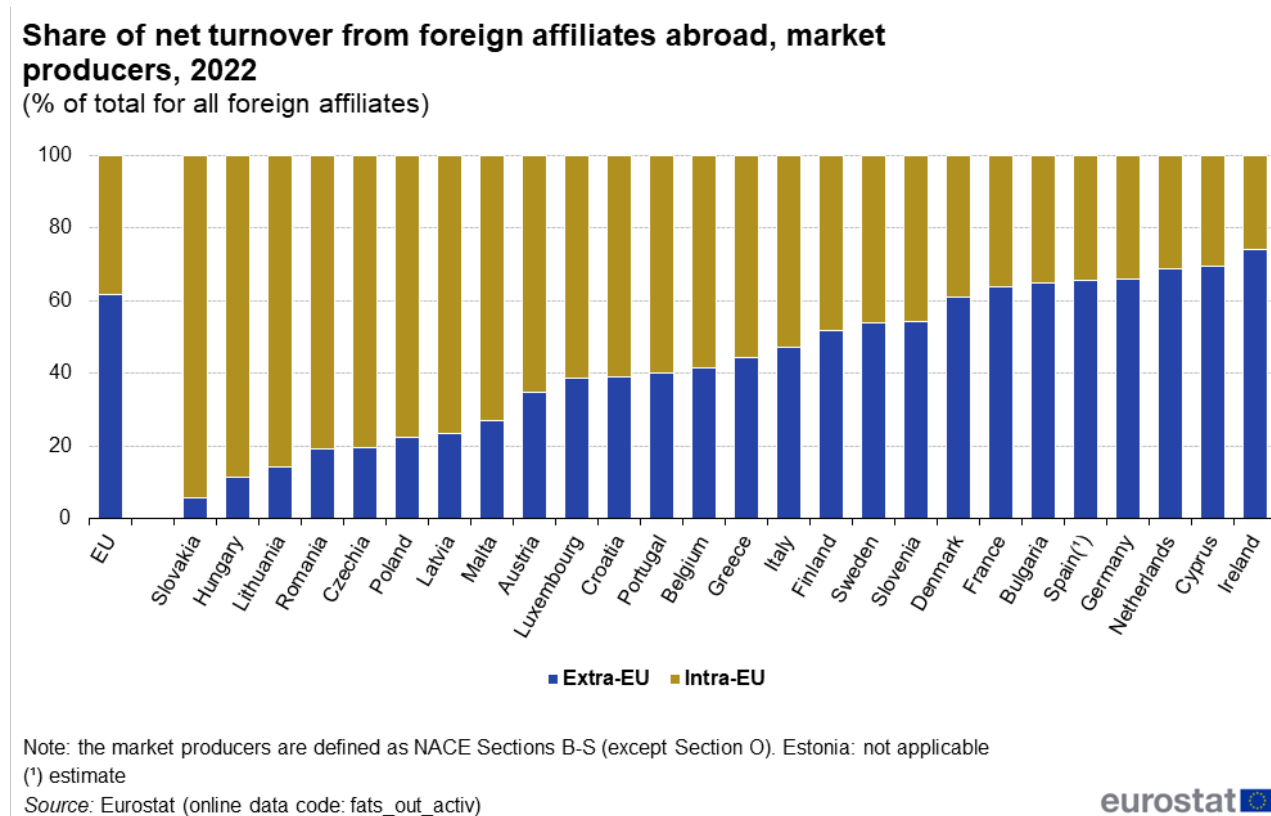


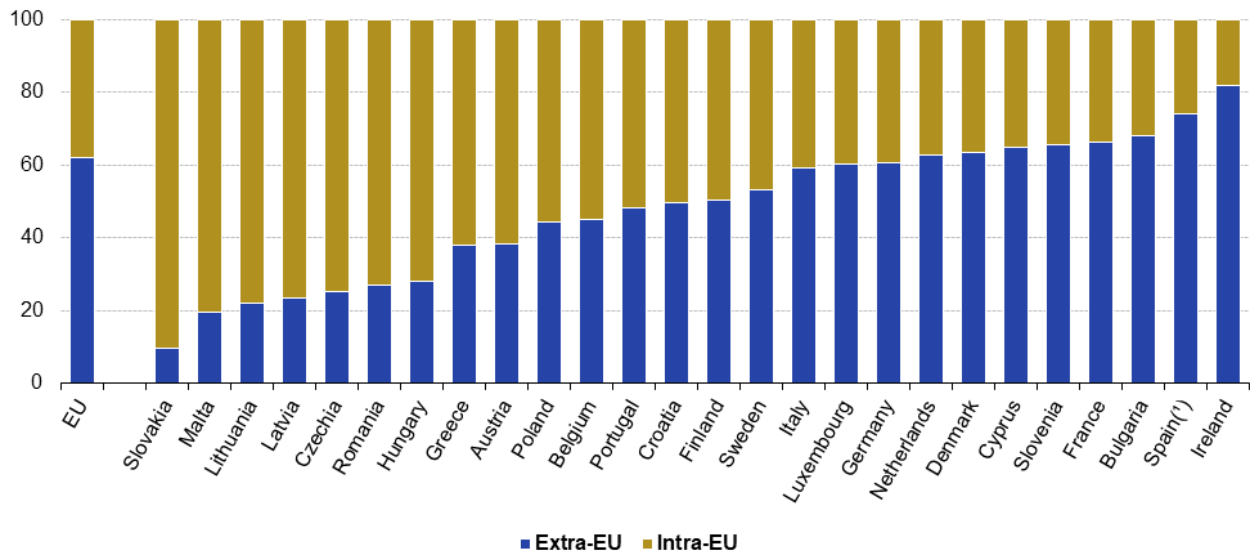
Figure 1: Share of net turnover from foreign affiliates, market producers, 2022 (% of total for all foreign affiliates) Source: Eurostat (fats_out_activ)

6 out of 10 employees and self-employed persons by an EU foreign affiliates in 2022 were working outside the EU

A similar analysis is presented in Figure 2 with a focus on those people who were working for EU affiliates outside the EU. In 2022, almost two-thirds (61.9%) of the total number of employees and self-employed persons in the EU affiliates abroad were working outside the EU; note that these figures are based on information available for 26 EU countries (excluding Estonia) across the market producers. In half of these 26, a majority of the foreign affiliate workforce was found to be working outside the EU, with the highest proportions recorded among Irish (81.8%), Spanish (74.1%), Bulgarian (68.2%), French (66.2%) and Slovenian (65.7%) affiliates. In the other EU countries, at least a one-tenth of the workforce in their foreign affiliates was employed in non-EU countries (see Figure 2).

Share of employees and self-employed persons in foreign affiliates abroad, market producers, 2022

(% of total for all foreign affiliates)



Note: the market producers are defined as NACE Sections B-S (except Section O). Estonia: not available

(*) estimate

Source: Eurostat (online data code: fats_out_activ)

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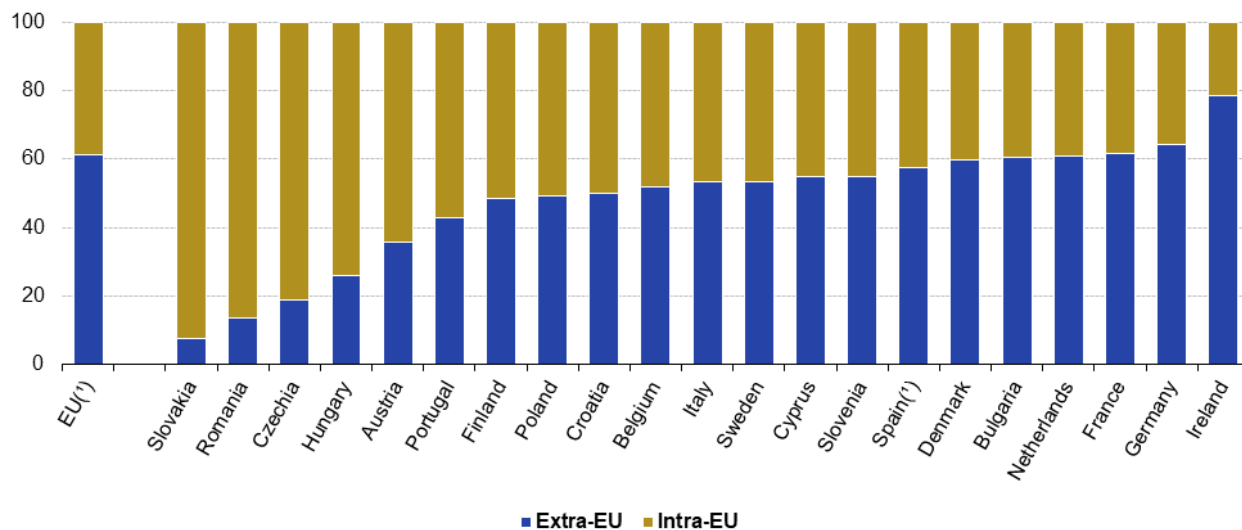
Figure 2: Share of employees and self-employed persons in foreign affiliates, market producers, 2022 (% of total for all foreign affiliates) Source: Eurostat (fats_out_activ)

In 2022, EU affiliates abroad allocated (61.2%) of their employee benefits expenses to locations outside the EU, demonstrating robust engagement with global labour markets

EU affiliates abroad also made substantial [expenditures on employee benefits](#), highlighting their role as significant employers in host countries. In 2022, (61.2%) of the total employee benefits expense was attributed to affiliates operating outside the EU, consistent with their broader employment distribution patterns. Irish (78.6%), German (64.4%), and French (61.6%) affiliates recorded the highest proportions of their total employee benefits expenses outside the EU. These figures underline their strong ties to non-EU labour markets. On the other hand, affiliates from countries such as Slovakia and Romania demonstrated a predominant focus on their workforce of foreign affiliates within the EU. Figure 3 illustrates these variations across different EU Member States.

Share of employee benefits expenses in foreign affiliates abroad, market producers, 2022

(% of total for all foreign affiliates)



Note: the market producers are defined as NACE Sections B-S (except Section O). Estonia: not applicable. Greece, Lithuania, Latvia, Luxembourg and Malta: not available

(*) estimate

Source: Eurostat (online data code: fats_out_activ)

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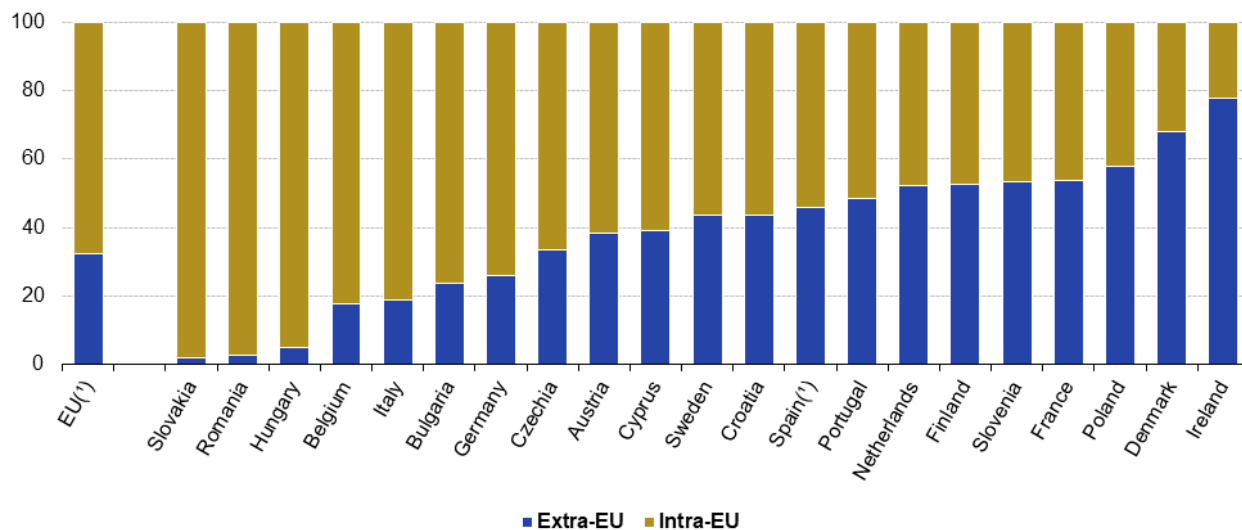
Figure 3: Share of employee benefits expenses in foreign affiliates, market producers, 2022 (% of total for all foreign affiliates) Source: Eurostat (fats_out_activ)

In 2022, 32.5% of the gross investment in tangible assets by EU affiliates abroad was allocated to non-EU countries and 67.5% was allocated to intra-EU countries, illustrating the EU's strategic focus on global expansion and long-term international commitments

EU affiliates have consistently demonstrated a long-term commitment to enhancing physical infrastructure and operations in foreign markets through their substantial [gross investments in tangible non-current assets](#) during 2022. A larger share of these investments was directed towards intra-EU countries (67.5%) compared with those channelled to extra-EU countries (32.5%). The highest proportions of gross investment outside the EU were observed in affiliates of Ireland (77.7%), Denmark (68.0%), and Poland (57.9%). By contrast, affiliates of Slovakia (98.2%), Romania (97.4%) and Hungary (94.9%) predominately directed their investments towards other EU countries. Figure 4 provides a detailed breakdown of these shares.

Share of gross investment in tangible non-current assets in foreign affiliates abroad, market producers, 2022

(% of total for all foreign affiliates)



Note: the market producers are defined as NACE Sections B-S (except Section O).

Estonia: not applicable.

Greece, Lithuania, Latvia, Luxembourg and Malta: not available.

(*) estimate

Source: Eurostat (online data code: fats_out_activ)

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Figure 4: Share of gross investment in tangible non-current assets in foreign affiliates, market producers, 2022 (% of total for all foreign affiliates) Source: Eurostat (fats_out_activ)

EU affiliates abroad in manufacturing and distributive trades

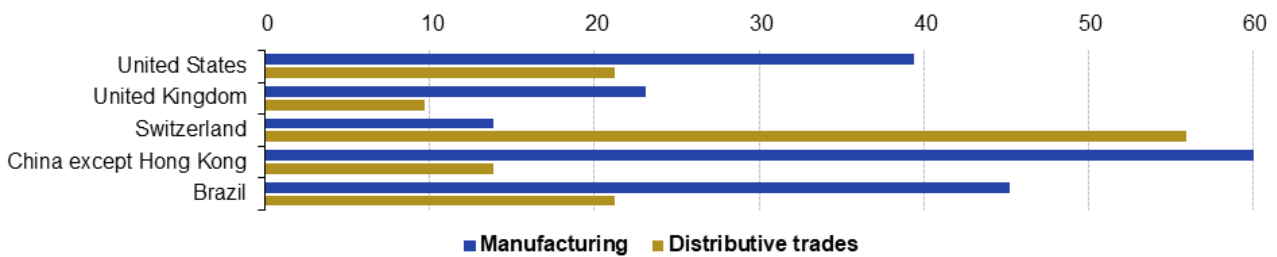
Manufacturing and distributive trades were the most significant areas of activity for EU affiliates abroad

In 2022, the United States was the most significant partner country in terms of both net turnover and employment generated by EU affiliates abroad. Manufacturing and distributive trades were the 2 largest areas of economic activity for EU affiliates abroad.

The top 5 partner countries in terms of net turnover by EU affiliates were: the United States, United Kingdom, Switzerland, China except Hong Kong and Brazil. The share of the net turnover in manufacturing and distributive trades in relation to the total net turnover of EU affiliates in each of these countries is shown in Figure 5.

Net turnover in the top 5 partner countries, 2022

(% of market producers total for all EU affiliates in the partner country)



Note: The market producers are defined as NACE Sections B-S (except Section O).

Source: Eurostat (online data code: fats_out_activ)

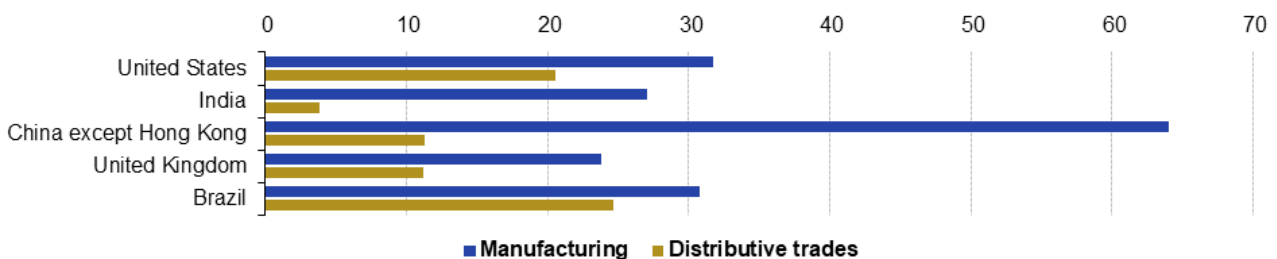
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Figure 5: Net turnover in the top 5 partner countries, 2022 (% of market producers total for all EU affiliates in the partner country) Source: Eurostat (fats_out_activ)

Figure 6 shows a similar analysis for employment by EU affiliates abroad. The top 5 partner countries in terms of employment in EU affiliates were: the United States, India, China except Hong Kong, United Kingdom and Brazil. The share of employment in manufacturing and distributive trades in relation to the total workforce of EU affiliates in each of these countries is shown in Figure 6. For example, in the United States, employment in manufacturing represented 31.8% of total employment in the market producers generated by EU affiliates in the United States.

Employees and self-employed persons in the top 5 partner countries, 2022

(% of market producers total for all EU affiliates in the partner country)



Note: The market producers are defined as NACE Sections B-S (except Section O).

Source: Eurostat (online data code: fats_out_activ)

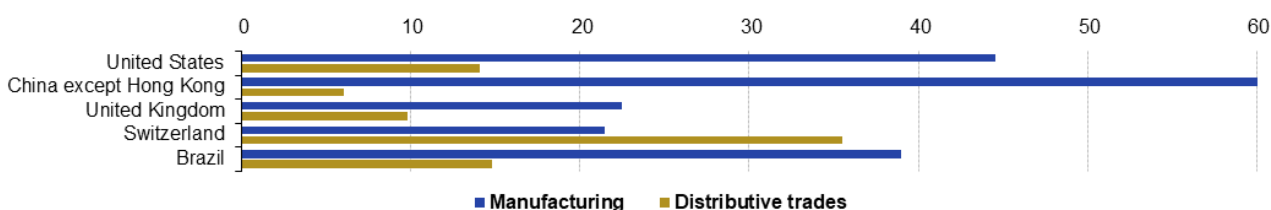
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Figure 6: Employees and self-employed persons in the top 5 partner countries, 2022 (% of market producers total for all EU affiliates in the partner country) Source: Eurostat (fats_out_activ)

Figure 7 presents analysis focused on employee benefits expenses by EU affiliates abroad. The top 5 partner countries in terms of employee benefits expenses were: the United States, China except Hong Kong, United Kingdom, Switzerland, and Brazil. The share of these expenses in manufacturing and distributive trades relative to the total employee benefits expenses of EU affiliates in each of these countries is shown in Figure 7. For example, the employee benefits expenses incurred by market producers operated by EU affiliates in the United States, in manufacturing activity, accounted for 44.6%, while those incurred in distributive activities accounted for 14.1%.

Employee benefits expenses in the top 5 partner countries, 2022

(% of market producers total for all EU affiliates in the partner country)



Note: The market producers are defined as NACE Sections B-S (except Section O).

Source: Eurostat (online data code: fats_out_activ)

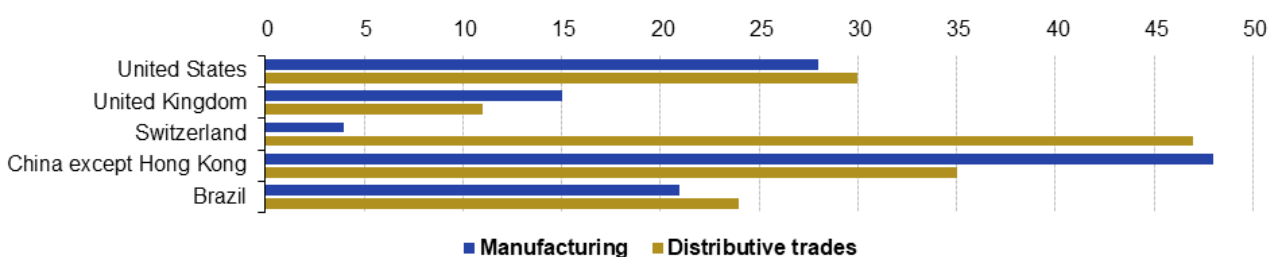
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Figure 7: Employee benefits expenses in the top 5 partner countries, 2022 (% of market producers total for all EU affiliates in the partner country) Source: Eurostat (fats_out_activ)

In terms of gross investment in tangible non-current assets by EU affiliates abroad, the top 5 partner countries were: United States, the United Kingdom, Switzerland, China except Hong Kong and Brazil. The share of gross investment tangible non-current assets in manufacturing and distributive trades in relation to the total tangible asset investments by EU affiliates in each of these countries is displayed in Figure 8. For example, in United States, investments in manufacturing represented 28.0% of the total gross investment in tangible non-current assets, while investments in distributive trades accounted for 30.1%.

Gross investment in tangible non-current assets in the top 5 partner countries, 2022

(% of market producers total for all EU affiliates in the partner country)



Note: The market producers are defined as NACE Sections B-S (except Section O).

Source: Eurostat (online data code: fats_out_activ)

eurostat

Figure 8: Gross investment in tangible non-current in the top 5 partner countries, 2022 (% of market producers total for all EU affiliates in the partner country) Source: Eurostat (fats_out_activ)

Source data for tables and graphs

- [Outward foreign affiliates statistics: tables and figures](#)

View this article online at http://ec.europa.eu/eurostat/statistics-explained/index.php/Outward_foreign_affiliates_statistics

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Other articles

- [Globalisation patterns in EU trade and investment](#)

- [Foreign-controlled enterprises statistics - inward FATS](#)

Database

- [Globalisation in business statistics \(gbs\)](#), see:

Foreign controlling EU enterprises - outward FATS (fats_out)

Dedicated section

- [Globalisation of businesses](#)

Methodology

European business statistics compilers' manual for Foreign affiliates statistics

- [EBS compilers' manual for FATS](#)

Metadata

- [Foreign controlled EU enterprises - outwards FATS \(fats_out\) \(ESMS metadata file — fats_esms\)](#)

Further methodological information

- [Globalisation of businesses methodology](#)

Legislation

- [European Commission — reflection paper on harnessing globalisation \(COM\(2017\) 240\)](#)