



Report on GVA of multi-regional enterprises

A survey of regional indicators used for the compilation of GOS of multi-regional enterprises

ANNEXES



EUROPEAN COMMISSION

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Annex 1

Methodological survey on Regionalisation of GOS of multi-regional enterprises

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onderwerp: Methodological survey on Regionalisation of GOS of multi-regional enterprises

Dear all,

We would like to come back on the methodological question of how gross operating surplus (GOS) of multi-regional enterprises is regionalised in EU Member States.

The average share of gross operating surplus (GOS), including mixed income of the 28 EU-Member States in gross value added (GVA) amounts to an average of 44%. Greece with a share of 64% has the highest ratio while Sweden, with a share of 36%, has the lowest ratio. These high values explain why Eurostat and DG REGIO are very interested to understand better how NSIs are regionalising GOS for multi-regional enterprises, with the objective of assessing and subsequently improving the comparability of regional GVA data among Member States. This survey focuses on the compilation method for GOS of the local units of multi-regional enterprises, i.e. mixed income is not looked at.

The main problem is that data on GOS for the local units of multi-regional enterprises are generally not available and have to be based on regional indicators. These regional indicators have a considerable impact on the resulting GVA. In order to assess the comparability across Member States, it is relevant to know which indicators have been used by the different NSIs for the allocation of GOS of multi-regional enterprises to their local units in different NUTS-2 regions and at NACE Rev. 2 (A*10).

Your cooperation is crucial for a better understanding of the used methodologies for the regionalisation of GOS of multi-regional enterprises. Therefore, we would kindly request you to complete the attached questionnaire as well as the Excel file on meta data. In terms of the reference year we would prefer 2012 which by now should be definitive for most countries. If you consider a different reference year more suitable please let us know.

If you have further questions, please contact our expert Bas de Vet (bastiaan.de.vet@gmail.com) directly. We would kindly ask you to return the completed questionnaire on GOS and the Excel file on meta data to us and to Bas de Vet until **30 June 2016**.

Thank you very much in advance for your support in this important matter.

Best regards

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4 bijlagen

Annex 2

Questionnaire: Share of gross operating surplus in total gross value added

Contents

<u>1.</u>	<u>Introduction</u>	4
<u>2.</u>	<u>Explanation of the file “Share of GOS in GVA example” and “Share of GOS in GVA to be completed”</u>	5
	<u>2.1</u>	<u>Country</u> 5
	<u>2.2</u>	<u>ESA 2010</u> 5
	<u>2.3</u>	<u>Reference year</u> 5
	<u>2.4</u>	<u>Regional detail</u> 5
	<u>2.5</u>	<u>Industrial detail</u> 5
	<u>2.6</u>	<u>The variables</u> 5
<u>3.</u>	<u>Overview</u>	6
<u>4.</u>	<u>The file “Meta data on indicators used”</u>	6
<u>5.</u>	<u>Transmission of the data</u>	6

1. Introduction

The average share of gross operating surplus (GOS) and mixed income of the 28 EU-Member States in gross value added (GVA) of these states is 44%. Greece with a share of 64% has the highest ratio while Sweden, with a share of 36%, has the lowest ratio.¹

The large differences in shares of GOS are to a large extent related to differences in the share of self-employed persons in total employment, relevant for the share of mixed income in the total for GOS and mixed income. The average share for self-employed persons regarding the 28 EU-Member States is 15,8%. Greece and Sweden have a share of respectively 33% and 5%.²

These data show that GOS and mixed income are next to compensation of employees an important component part of GVA. Mixed income is based on data from self-employed persons. GOS is based on regional and multi-regional legal entities (incorporated enterprises) and owner occupiers of dwellings. This survey focuses on the share of GOS of multi-regional enterprises in total GVA.

Both incorporated and unincorporated enterprises contribute respectively to GOS and mixed income. At the national level, estimates for GOS and mixed income are in principle based on a variety of sources. For instance, the Structural Business Survey (SBS) based on information at enterprise level or administrative data from tax authorities with generally data on enterprise level too. These data are as a rule not available for local kind of activity units (KAU's) of multi-regional units.

For the administrations of these enterprises are generally not designed for providing all needed data regarding the composition of GVA. For instance, establishments used for producing intermediate products that are used in establishments of the enterprise in other regions, are not producers for the market and these data are generally not readily available in the administration of the enterprise.

This poses a problem for those enterprises that have establishments in different regions (multi-regional enterprises). For generally, no data are available about output, intermediate consumption and value added, though in many cases wages paid, number of employees or hours worked are available for these establishments. This implies that in principle, data for GOS of the separate establishments cannot be directly based on the administration of a multi-regional enterprise.

¹ Eurostat database, (nama_10_gdp), last update 27-10-2014, NA_ITEM, gross value added and gross operating surplus and mixed income. Data for 2013. GVA of UK was not available.

² Eurostat database, (nama_10_a10_e), last update 29-10-2014, NA_ITEM, total employment (domestic concept) and self-employed (domestic concept).

The consequence is that GVA and GOS for the establishments of a multi-regional enterprise have to be based on indicators, like the regional distribution of compensation of employees, number of employees or hours worked by the employees.

The next section provides information about the questionnaire. See the file "Share of GOS in GVA_3".

2. Explanation of the file "Share of GOS in GVA_example" and "Share of GOS in GVA_to be completed"

The first file "Share of GOS in GVA_example" provides a numerical example. The second file "Share of GOS in GVA-to be completed" provides an empty file that has to be completed.

2.1 Country

Here should the country name be filled in.

2.2 ESA 2010

The compilation of the share of GOS has to be based on ESA 2010.

2.3 Reference year

The reference year is in principle based on the year with definite or final data. This should be preferably 2012, though definitive or final data for the reference years 2011 or 2010 are acceptable if the data for 2012 or 2011 are still provisional and probably based on more general extrapolation methods for most of the industries. It is assumed that the share of GOS in GVA for the multi-regional enterprises will not show considerable shifts for these years.

2.4 Regional detail

The data to be delivered to Eurostat should be based at NUTS 2.

2.5 Industrial detail

The data to be delivered to Eurostat should be at NACE Rev.2, A*10 including the manufacturing industry (section C), though it up to the countries to compile the data at greater industrial detail.

2.6 The variables

The following text is based on the file "Share of GOS in GVA_3"; Example Section A.

The variables needed for the compilation of the share of GOS of multi-regional enterprises in total GVA are: total GVA of the industry (column 3) and GOS of multi-regional enterprises in the same industry (column 6). These data are in millions of euro (MIO €) or in millions of the national currency (MIO NAC). If an industry does not have multi-regional enterprises, the columns 5, 6 and 7 do get zero's for all regions.

For verification purposes, it is relevant to include data for the multi-regional enterprises on compensation of employees (column 5) and other taxes less subsidies on production (column 7), though the focus is on GOS.

For the regionalisation of GOS it is relevant to know which indicators are used: the regional distribution of compensation of employees (column 8), number of employees (column 9), hours worked (column 11) or other indicators (column 11). It is sufficient to indicate for an industry only

once with an (X) which indicator has been used. If the industry does not have multi-regional enterprises, column 11 has to be filled in with “no multi-regional enterprises”.

In the example of section A, there were no multi-regional enterprises. In that case, the regional totals for GOS in MIO € or MIO NAC have to be filled in column 16 (No multi-regional enterprises). So, zero MIO € for all regions. In the example of sections B-E, column 13 (Number of employees) has been filled in.

The columns 17 to 21 provide for each industry at A*10 the percentage shares of total GOS of multi-regional enterprises in total GVA of this industry.

3. Overview

The sheet “Regional totals A10” gives an overview of the shares of GOS of the total of all industries in total GVA of all industries according to the distribution keys used.

4. The file “Meta data on indicators used”

The file “Meta data on indicators used” is intended to provide information about the sources (reference to surveys or administrative data) from which the indicators are taken and whether there were any changes in the indicators used for the regionalisation of GOS of multi-regional enterprises.

It is also useful to know, if NSI’s intend to change the indicator for the regionalisation of GOS of multi-regional enterprises.

5. Transmission of the data

The NSI’s are requested to provide the requested information before June 30, 2016.

Annex 3

Preliminary findings for the GOS of multi-regional enterprises project

The questionnaire has been provided March 30 to eleven EU-countries with the request to complete the questionnaire before July 1, 2016.

The countries involved in the project are: AT, BE, CZ, DE, ES, IT, NL, PL, PT, SK and UK.

A summary of the results are provided in ANNEX 1.

So far, NL, PT and UK provided data on the share of GVA and GOS of multi-regional enterprises in total GVA. The main results were:

NL: The share of GVA of multi-regional enterprises at NUTS-2 level varies between 37 and 60% of total GVA. Share of GOS of multi-regional enterprises at NUTS-2 level varies between 14 and 42% of total GVA.

PT: The share of GVA of multi-regional enterprises at NUTS-2 level varies between 15 and 38% of total GVA. Share of GOS of multi-regional enterprises at NUTS-2 level varies between 0 and 18% of total GVA.

UK: The share of GVA of multi-regional enterprises at NUTS-2 level varies between 35 and 57% of total GVA. Share of GOS of multi-regional enterprises at NUTS-2 level varies between 12 and 22% of total GVA.

Five other countries provided qualitative information about the method used. It regarded: BE, CZ, DE, ES and PL

Three countries provided a reaction, though no information about the regionalisation of GVA and GOS of multi-regional enterprises. It regarded: AT, IT and SK. I have sent an email to IT and SK for further information.

Main problem

Delivery of GOS (B.2g) is not compulsory in the ESA 2010 transmission programme of data. That is correct. And the main reported problem was, that it is difficult to regionalise other taxes less subsidies on production for multi-regional enterprises.

Though at NUTS-2 level, GVA (B.1g) and D.1 at A*10 is compulsory. This implies that GOS (B.2g) can be approached by the balance B.1g-D.1. It has still to be corrected by other taxes less subsidies on production of multi-regional enterprises. At this stage it should be mentioned that other taxes less subsidies (D.29-D.39) is generally very small compared to GVA. So, one could decide not correcting the balance B.1g-D.1, because it barely influences the result. If one wants to correct B.1g-D.1 for D.29-D.39, one could do the following:

At national level D.29-D.39 is available for A*21/A*64 (see table 3 of the ESA 2010 transmission programme of data), though not for multi-regional enterprises. So, the national total of D.29-D.39 has to be allocated to the national totals for uni-regional and multi-regional enterprises for the industries (A*21/A*64). An indicator for the allocation at the chosen industrial level has to be used. As generally done the indicator could be the share of

employed persons of the uni- and multi-regional enterprises in the total employment of the industry. When the national total of D.29-D.39 has been estimated, the next step would be to regionalise this total, using for instance the regional distribution of employed persons of multi-regional enterprises. After that, GOS (B.2g) can be estimated for each industry at NUTS-2 level.

So my conclusion is, that I understand the argument that B.2g is not in the Eurostat transmission programme. However, this is in my opinion not sufficient

General remarks

DG-Regio is interested in GOS of multi-regional enterprises. Regarding the reaction so far, we have seen that it is difficult to compile this information, because it is not compulsory and not part of the compilation system. So, it is extra work for them. The countries that compiled GOS for multi-regional enterprises, use generally the same indicator, they used for the regionalisation of GVA of multi-regional enterprises. So, it might be questioned to focus more on the regionalisation of GVA of multi-regional enterprises instead of GOS. Probably, this information could be provided more easily.

The hesitation of the majority of countries to compile GOS of multi-regional enterprises is also related to the extra work they have to do. So, the question here is how well their automation system and basic data allow extra analysis. This could be a topic for a workshop, how the NSI's could improve their compilation system.

Annex 4

Main findings based on information in CIRCABC (2008 – 2009)

See the attached file.

Available information for the completion of GVA of multi-regional enterprises in the currently available inventories (CIRCABC); September 2016

Countries	Multi-regional enterprises (MRE) treated		Indicator used for multi-regionalisation				MRE in compilation table		Remarks (with reference to the inventory indicated by "x")
	Yes	No	Compensation of employees per local unit	Wages and salaries per local unit	Employees per local unit	No detailed info	Yes	Share of MRE in total GVA (%)	
1	2	3	4	5	5	7	8	9	10
AT	X				X		X	21,4	"Für multiregionale Einheiten des Typs ,UB' oder ,U' bzw. wenn beim Typ ,U' Betriebe unterschiedlicher NACE-Klassifikationen vorhanden sind, muss die BWS für die LKAUs geschätzt werden (Pseudo-bottom-up-Methode)."
BE	X			X			X	19,2	"In the case of multi-district-enterprises (i.e. enterprises having local units in more than one NUTS 3-region) the pseudo bottom up method is used (distribution key = wages and salaries per local unit)."
BG	X					X	X	1,2	"The transactions of multi-regional units are allocated to the correct regions, based on the direct information, or based on the regional key indicator."
CZ	X			X	X		X	21,6	"variables like as number of employees, wages and salaries and investments in enterprises, which have multi-regional character"
DE	X			Wages and salaries per local unit for the labour part and GFCF (10 years) for the capital part			Not explicitly included	0	BdV: The compilation table does not provide explicit information about multi-regional enterprises, though explicitly and extensively mentioned in the inventory. The compilation will be done firstly at state (NUTS1) and district (NUTS3) level. And secondly at NUTS2 level. NUTS2 is the sum of NUTS3.

Available information for the completion of GVA of multi-regional enterprises in the currently available inventories (CIRCABC); September 2016

Countries	Multi-regional enterprises (MRE) treated		Indicator used for multi-regionalisation				MRE in compilation table		Remarks (with reference to the inventory indicated by "x")
	Yes	No	Compensation of employees per local unit	Wages and salaries per local unit	Employees per local unit	No detailed info	Yes	Share of MRE in total GVA (%)	
1	2	3	4	5	5	7	8	9	10
DK		X				X	X	0,5	BdV: Not really discussed.
EL		X				X	X	6,9	BdV: Not mentioned in the inventory.
FI	X				X or turnover		X	1,2	"The industry desegregation method means that the transactions of National Accounts are divided to establishments relative to, for example, turnover or employment. In the top-down method the transactions of the industry are estimated with the indicator which should correlate in the best possible way with the described phenomenon."
FR	X			X	or X		X	19,2	"The added value of a company (as well as its other accounting variables) is then distributed between its establishments according to the key corresponding to the source with which it was paired (wage bill for CLAP, workforce for REPER)."
HU	X			X			X	0,8	"In the case of multi-regional enterprises (above 49 employees) having regional units in more than one county the gross value added figures are allocated to counties proportionally to the wages and salaries of their local units."

Available information for the completion of GVA of multi-regional enterprises in the currently available inventories (CIRCABC); September 2016

Countries	Multi-regional enterprises (MRE) treated		Indicator used for multi-regionalisation				MRE in compilation table		Remarks (with reference to the inventory indicated by "x")
	Yes	No	Compensation of employees per local unit	Wages and salaries per local unit	Employees per local unit	No detailed info	Yes	Share of MRE in total GVA (%)	
1	2	3	4	5	5	7	8	9	10
IE	X			X			X	100	"First of all each local unit has its percentage of its enterprise's Total Earnings Paid or wages bill calculated. Secondly, this percentage is used to distribute the "profit" figure calculated from the enterprise data to the relevant local units. This "profit" figure is then used to distribute the remainder of NOS and COC as outlined above. The use of Remainder of Output instead of Earnings is being examined for the manufacturing industry and it is hoped to use that in the future."
IT	Because of the method used implicitly done				X				"The estimate of the value added by worker drawn from the enterprises balance-sheets surveys (to be multiplied per labour units to obtain the bringing back to the universe) is the average between direct estimate (values for the economic activity units at local level of the domain object of survey) and a synthetic estimate (values relative to a macro/area, which the domain object of estimation is part of)."
LT	X			X			X	3	"The majority of these sub-activities are active in more than one region and for these multi-regional enterprises pseudo bottom-up method is used. Therefore, regionalizing gross value added of those activities, two indicators were chosen: wages and salaries and consumption of fixed capital."

Available information for the completion of GVA of multi-regional enterprises in the currently available inventories (CIRCABC); September 2016

Countries	Multi-regional enterprises (MRE) treated		Indicator used for multi-regionalisation				MRE in compilation table		Remarks (with reference to the inventory indicated by "x")
	Yes	No	Compensation of employees per local unit	Wages and salaries per local unit	Employees per local unit	No detailed info	Yes	Share of MRE in total GVA (%)	
1	2	3	4	5	5	7	8	9	10
LV	X				X		X	28	"3.2.1. If producer (mostly large and medium enterprises) operates in more than one region and performs more than one activity, allocation by regions is depends on information from 1-Annual (detailed information on performed activities) and 1-LKAU (number employees). When local kind of activities is shown, controls on number of employees are made. If there are no employees, local KAU is not taken into account."
MT		X				X			"The method used to calculate Regional Accounts for the Maltese Islands is primarily the top-down approach"
NL	X				X		X	16,6	"Third, the variables of large KAUs that operate in multiple regions is distributed based on the number of jobs per establishment (community)."
PL	X				X		X	1,1	"Indicators on the basis of data on employment by factual place of work by powiats (Z-06 report) are applied to distribution these categories."
PT	X				X		X	21,7	"In consequence, this administrative source enables to identify, among each IEH micro-data, the mono or multi-regional ones. In this last case, data on output, intermediate consumption and GVA are split by regions using the correspondent employment data of <i>Quadros de Pessoal</i> ."

Available information for the completion of GVA of multi-regional enterprises in the currently available inventories (CIRCABC); September 2016

Countries	Multi-regional enterprises (MRE) treated		Indicator used for multi-regionalisation				MRE in compilation table		Remarks (with reference to the inventory indicated by "x")
	Yes	No	Compensation of employees per local unit	Wages and salaries per local unit	Employees per local unit	No detailed info	Yes	Share of MRE in total GVA (%)	
1	2	3	4	5	5	7	8	9	10
RO		Probably based on the mixed method				Probably turnover	X	7,4	"The mixed method relies on the information provided by the SBS (chapter regarding information on the headquarter, local units and their main indicators - turnover, expenditures with employees, the average number of employees, the average number of persons involved in unit activities gross investments, net investments)."
SE	No data about multi-regional enterprises available	Compilation is basically at municipal level using employment as distribution key			X			0	"Turnover per employee is calculated for every 3- digit industry for enterprises with kind of activity units with more than one industry. Then the number of employees per local kind of activity unit is multiplied by the industry average regarding turnover per employee for the relevant industry of the local kind of activity unit. In such a manner we can derive a fictional turnover for each local kind of activity unit."
SI		Mainly top-down method used with wages and salaries as main indicator				X		0	"The main weakness of the methodology is that it is entirely based on the top-down calculation."

Available information for the compilation of GVA of multi-regional enterprises in the currently available inventories (CIRCABC); September 2016

Countries	Multi-regional enterprises (MRE) treated		Indicator used for multi-regionalisation				MRE in compilation table		Remarks (with reference to the inventory indicated by "x")
	Yes	No	Compensation of employees per local unit	Wages and salaries per local unit	Employees per local unit	No detailed info	Yes	Share of MRE in total GVA (%)	
1	2	3	4	5	5	7	8	9	10
SK	X					X	X	15	"Data on districts corresponding to NUTS 4 are available. In case of multi-regional units, the information from a separate module from the annual questionnaire of production branches Roč 1-01 (for reporting units with 20 employees and morVA per local unit (P1-P2) is available."
UK		X	X					0	BdV: Regional GVA in the UK is compiled exclusively using a top-down approach and the method of compilation is completely income-based.

Annex 5

Main results of the limited survey of GOS of multi-regional enterprises
The Excel file will be given separately.

GOS of MRE - Summary of reactions (1 December 2016)

Topics		
	AT	BE
Reactions so far (Y/N)	Y	Y
Quantification of GOS of MRE (Y/N)	N	N
GOS of MRE - Explicitly estimated at regional level (Y/N)	N	N
Estimation of GVA (B1g) by sector approach		
S11		
P1	Data by sector/branche	Adm. Data by sector/branche
P2	Data by sector/branche	Adm. Data by sector/branche
B1g	Balance of P1 - P2	Balance of P1 - P2
Multi-regional enterprises; indicator used	Wages and salaries of the local unit	Number of employees
S12		
P1		N.A.
P2		N.A.
B1g		Top-down; compensation of employees
Multi-regional enterprises; indicator used	Comp. of empl. or number of employees per local unit	Comp. of employees per local unit
S13		
P1		N.A.
P2		N.A.
B1g	Comp. of empl. or number of employees per local unit	Top-down; compensation of employees
Multi-regional enterprises; indicator used	Comp. of empl. or number of employees per local unit	Comp. of employees per local unit
S14		
P1		Adm. Data by sector/branche
P2		Adm. Data by sector/branche
B1g		Balance of P1 - P2
Multi-regional enterprises; indicator used	N.A.	N.A.
S15		
P1		N.A.
P2		N.A.
B1g		Top-down; compensation of employees
Multi-regional enterprises; indicator used	Comp. of empl. or number of employees per local unit	Comp. of employees per local unit
Estimation of GVA (B1g) by industry production approach		
P1		
P2		
B1g		
Multi-regional enterprises; indicator used		
GOS		
Additional info		
Estimation of GVA (B1g) by industry income approach		
D1		
GOS		
Additional info		
General approach		
General approach		
General approach		
Remark	GOS not compiled explicitly (as a balance)	GOS not compiled explicitly (as a balance)

GOS of MRE - Summary of reactions (1 December 2016)

Topics	CZ	DE
	Reactions so far (Y/N)	Y
Quantification of GOS of MRE (Y/N)	N	N
GOS of MRE - Explicitly estimated at regional level (Y/N)	N	N
Estimation of GVA (B1g) by sector approach		
S11		
P1	Adm. Data by sector/branche	
P2	Adm. Data by sector/branche	
B1g	Adm. Data by sector/branche	
Multi-regional enterprises; indicator used	Comp. of employees per local unit	
S12		
P1	N.A.	
P2	N.A.	
B1g	Top-down; compensation of employees	
Multi-regional enterprises; indicator used	Comp. of employees per local unit	
S13		
P1	N.A.	
P2	N.A.	
B1g	Top-down; compensation of employees	
Multi-regional enterprises; indicator used	Comp. of employees per local unit	
S14		
P1	Adm. Data by sector/branche	
P2	Adm. Data by sector/branche	
B1g	Balance of P1 - P2	
Multi-regional enterprises; indicator used	N.A.	
S15		
P1	N.A.	
P2	N.A.	
B1g	Top-down; compensation of employees	
Multi-regional enterprises; indicator used	Comp. of employees per local unit	
Estimation of GVA (B1g) by industry production approach		
P1		Known by enterprise
P2		Known by enterprise
B1g		Known by enterprise
Multi-regional enterprises; indicator used		Number of employees per local unit
GOS		Not compiled explicitly (as a balance)
Additional info		
		NACE Rev.2 divisions
		NUTS-2 done by aggregating NUTS-3
Estimation of GVA (B1g) by industry income approach		
D1		Number of employees per local unit
GOS		Turnover by company splitted on the basis of the number of employees per local unit
Additional info		
General approach		Firstly NUTS 0 --> NUTS 1
General approach		Secondly NUTS 1 --> NUTS 3
General approach		NUTS 2 = sum NUTS 3
Remark		Other taxes less subsidies included in GOS

GOS of MRE - Summary of reactions (1 December 2016)

Topics	Countries	
	ES	IT
Reactions so far (Y/N)	Y	Y
Quantification of GOS of MRE (Y/N)	N	N
GOS of MRE - Explicitly estimated at regional level (Y/N)	N	N
Estimation of GVA (B1g) by sector approach		
S11		
P1		
P2		
B1g		
Multi-regional enterprises; indicator used		
S12		
P1		
P2		
B1g		
Multi-regional enterprises; indicator used		
S13		
P1		
P2		
B1g		
Multi-regional enterprises; indicator used		
S14		
P1		
P2		
B1g		
Multi-regional enterprises; indicator used		
S15		
P1		
P2		
B1g		
Multi-regional enterprises; indicator used		
Estimation of GVA (B1g) by industry production approach		
P1	Known by establishment	
P2	Known by establishment	
B1g	Known by establishment	
Multi-regional enterprises; indicator used		
GOS	Not compiled explicitly (as a balance)	
Additional info		
Estimation of GVA (B1g) by industry income approach		
D1	No info	
GOS	No info	
Additional info		
General approach		
General approach		
General approach		
Remark		Micro-based estimation of GVA possible at regional and sub-regional level possible.

GOS of MRE - Summary of reactions (1 December 2016)

Topics	NL	PL
Reactions so far (Y/N)	Y	Y
Quantification of GOS of MRE (Y/N)	Y	N
GOS of MRE - Explicitly estimated at regional level (Y/N)	N	N
Estimation of GVA (B1g) by sector approach		
S11		
P1		Survey; data at enterprise and local level
P2		Survey; data at enterprise and local level
B1g		Balance of P1 - P2
Multi-regional enterprises; indicator used		Adm. data; data at enterprise and local level
S12		
P1		
P2		
B1g		
Multi-regional enterprises; indicator used		Number of employees per local KAU
S13		
P1		
P2		
B1g		
Multi-regional enterprises; indicator used		Number of employees per local KAU
S14		
P1		
P2		
B1g		Not specified
Multi-regional enterprises; indicator used		N.A.
S15		
P1		
P2		
B1g		Not specified
Multi-regional enterprises; indicator used		
Estimation of GVA (B1g) by industry production approach		
P1	Known by enterprise (128 industries)	
P2	Known by enterprise (128 industries)	
B1g	Balance of P1 - P2	
Multi-regional enterprises; indicator used	Compensation of employees per local unit	
GOS	Not compiled explicitly (as a balance)	
Additional info		
Estimation of GVA (B1g) by industry income approach		
D1	Compensation of employees per local unit	
GOS	Compensation of employees per local unit	
Additional info		
General approach		
General approach		
General approach		
Remark	Share of GVA of multi-regional enterprises at NUTS-2 level varies between 37 and 60% of total GVA. Share of GOS of multi-regional enterprises at NUTS-2 level varies between 14 and 42% of total GVA.	

GOS of MRE - Summary of reactions (1 December 2016)

Topics		
	PT	SK
Reactions so far (Y/N)	Y	Y
Quantification of GOS of MRE (Y/N)	Y	N
GOS of MRE - Explicitly estimated at regional level (Y/N)	N	N
Estimation of GVA (B1g) by sector approach		
S11		
P1	Data available for local KAUs	
P2	Data available for local KAUs	
B1g	Balance of P1 - P2	
Multi-regional enterprises; indicator used	Data available for local KAUs as a balance	
S12		
P1	Data available for local KAUs	
P2	Data available for local KAUs	
B1g	Balance of P1 - P2	
Multi-regional enterprises; indicator used	Data available for local KAUs as a balance	
S13		
P1	Indicator = sum of P2 and D1	
P2	Data are available for local KAUs	
B1g	Calculated as a balance of P1 and P2	
Multi-regional enterprises; indicator used	GOS is calculated as a balance	
S14		
P1	Data available for local KAUs	
P2	Data available for local KAUs	
B1g	Balance of P1 - P2	
Multi-regional enterprises; indicator used	Data available for local KAUs as a balance	
S15		
P1	Indicator = sum of P2 and D1	
P2	Data are available for local KAUs	
B1g	Calculated as a balance of P1 and P2	
Multi-regional enterprises; indicator used	GOS is calculated as a balance	
Estimation of GVA (B1g) by industry production approach		
P1		
P2		
B1g		
Multi-regional enterprises; indicator used		
GOS		
Additional info		
Estimation of GVA (B1g) by industry income approach		
D1		
GOS		
Additional info		
General approach		
General approach		
General approach		
Remark	Share of GVA of multi-regional enterprises at NUTS-2 level varies between 15 and 38% of total GVA. Share of GOS of multi-regional enterprises at NUTS-2 level varies between 0 and 18% of total GVA.	From the statistical survey, the available data are on P1 and P2 split by branches and regions. The GVA calculation in regions is based on data coming from annual statistical survey. The data on employment and of wages paid are used as important tools in the process of regionalization GVA in order to verify its correctness.

GOS of MRE - Summary of reactions (1 December 2016)

Topics	UK
Reactions so far (Y/N)	Y
Quantification of GOS of MRE (Y/N)	Y
GOS of MRE - Explicitly estimated at regional level (Y/N)	N
Estimation of GVA (B1g) by sector approach	
S11	
P1	
P2	
B1g	
Multi-regional enterprises; indicator used	
S12	
P1	
P2	
B1g	
Multi-regional enterprises; indicator used	
S13	
P1	
P2	
B1g	
Multi-regional enterprises; indicator used	
S14	
P1	
P2	
B1g	
Multi-regional enterprises; indicator used	
S15	
P1	
P2	
B1g	
Multi-regional enterprises; indicator used	
Estimation of GVA (B1g) by industry production approach	
P1	
P2	
B1g	Each Local Unit will have a value for GVA and CoE. However, not every Local Unit is sampled for the ABS. The ABS system produces an "apportioned universe" to ensure each Local Unit has a figure, regardless of whether or not it was sampled, for aGVA and for CoE. Using the universe, any Reporting Unit with Local Units in different NUTS2 regions were identified. An estimate for GOS was then produced only for those Local Units meeting the criteria.
Multi-regional enterprises; indicator used	Idem
GOS	Idem
Additional info	
Estimation of GVA (B1g) by industry income approach	
D1	Number of employees (see production approach for market services)
GOS	Number of employees (see production approach for market services)
Additional info	
General approach	
General approach	
General approach	
Remark	Share of GVA of multi-regional enterprises at NUTS-2 level varies between 35 and 57% of total GVA. Share of GOS of multi-regional enterprises at NUTS-2 level varies between 12 and 22% of total GVA.

Summary of qualitative info for regional GVA of MRE

Method used	AT	BE	CZ	DE	ES
Indicators used for regional GVA of MRE					
Wages and salaries of the local unit	X	X	-		
Comp. of empl. or number of employees per local unit	X	X	X		
Administrative data at local level					
Regional GOS of MRE					
To be estimated as a balance					
Not compiled explicitly	X	X	-	X	X
Germany					
Compilation at NUTS 1 and NUTS 3 (prod. Method)					
Wages and salaries of the local unit					
Number of employees per local unit				X	
Compilation at NUTS 1 and NUTS 3 (income method)					
Wages and salaries of the local unit					
Number of employees per local unit				X	
Turnover (based on number of employees per local unit)				X	
Spain					
GVA at local unit level available					X
Italy					
Micro based info on GVA					

Annex 6

Draft proposal for the Regional GVA Inventory; industry approach

<Country>

<Statistical Office>

<National Accounts Department>

Theme 41: National and Regional Accounts

Regional GVA Inventory; industry approach

Date: xx-xx-201x

Contact

- Chapter 1 Summary: overview of organisation, methodology and sources**
- 1.1 Organisation of the statistical process for compiling regional GVA**
 - 1.2 Overview of the methodology of regional GVA compilation**
 - 1.2.1 Regional territory
 - 1.2.2 Statistical unit and residence
 - 1.2.3 Classifications of industries and sectors
 - 1.2.4 Business register
 - 1.2.5 Methods used at the regional level
 - 1.3 Main sources used for the compilation of regional GVA**
 - 1.4 Compilation and reference table and meta data table**
- Chapter 2 Release and publication timetable, revision policy, access for the public**
- 2.1 Timetable for release and publication of provisional and final estimates**
 - 2.1.1 Publication calendar
 - 2.1.2 Current revisions
 - 2.2 Policy on benchmark revisions**
 - 2.3 Comparability over time**
 - 2.4 Transmission to international institutions other than Eurostat**
 - 2.5 Accessibility for the public**
 - 2.6 Policy for metadata**
- Chapter 3 Methodology for the calculation of regional GVA**
- 3.1 Principles applicable to all industries**
 - 3.1.1 Available sources and information
 - 3.1.2 Use of benchmarks and extrapolations
 - 3.1.3 Treatment of multi-regional enterprises, sources and variables used**
 - 3.1.4 Treatment of ancillary activities
 - 3.1.5 Treatment of the Extra-regio
 - 3.1.6 Approach to exhaustiveness
 - 3.1.7 Calculation of FISIM by user industries
 - 3.1.8 Adjustments for commuting
 - 3.1.9 Transition from GVA to GDP
 - 3.1.10 Method used for the compilation of regional GDP per capita**
 - 3.2 Specific methods and sources for compiling regional GVA**
 - 3.2.1 Agriculture, hunting and forestry and Fishing (A)
 - **Information needed for each industry A to U**
 - Sources and variables used
 - Bottom-up, Pseudo bottom-up, Mixed or Top-down method used
 - Statistical unit used
 - Treatment of multi-regional units, sources and variables used
 - Compilation table
 - Accuracy of the estimates (A, B or C-method)
 - 3.2.2 Mining and quarrying (B)
 - 3.2.3 Manufacturing (C)
 - 3.2.4 Electricity, gas and water supply (D and E)
 - 3.2.5 Construction (F)
 - 3.2.6 Wholesale and retail trade; repair (G)
 - 3.2.7 Transport and storage (H)
 - 3.2.8 Accommodation and food service activities (I)

- 3.2.9 Information and communication (J)
- 3.2.10 Financial and insurance activities (K)
- 3.2.11 Real estate activities, treatment of services of owner-occupied dwellings (L)
- 3.2.12 Professional, scientific and technical activities; administrative and support service activities (M and N)
- 3.2.13 Public administration and defence; compulsory social security (O)
- 3.2.14 Education (P)
- 3.2.15 Human health services and social work activities (Q)
- 3.2.16 Arts, entertainment and recreation and Other service activities (R and S)
- 3.2.17 Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use (T)
- 3.2.18 Extra-territorial organisations and bodies (U)
- 3.3 Methods and sources for compiling regional GVA at current prices for the most recent year (preliminary data)**
- 3.4 Regional GVA at constant prices and regional growth rates**

Chapter 4 Quality assessment and improvement

- 4.1 Self-assessment of the methodology for compilation of regional GVA**
- 4.2 Plans for further improvement**

Annex 1 – Regional GVA, compilation and reference table (overview)

Annex 2 – Meta data of sources and variables used for the regionalisation of GVA by industry

Annex 7

Draft proposal Regional GVA inventory; sector by industry approach

<Country>

<Statistical Office>

<National Accounts Department>

Theme 41: National and Regional Accounts

Regional GVA inventory; sector by industry approach

Date: xx-xx-201x

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CONTENTS

- 1 Summary: overview of organisation, methodology and sources**
 - 1.1 Organisation of the statistical process for compiling regional GVA**
 - 1.2 Overview of the methodology of regional GVA compilation**
 - 1.2.1 Regional territory
 - 1.2.2 Statistical unit and residence**
 - 1.2.3 Classifications of industries and sectors
 - 1.2.4 Business register
 - 1.2.5 Methods used at the regional level
 - 1.3 Main sources used for the compilation of regional GVA**
 - 1.3.1 Non-financial corporations (S.11) and households (S.14)
 - 1.3.2. Financial corporations and general government (S.12 and S.13)
 - 1.3.3 Non-profit institutions (NPI) serving households (S.15)
 - 1.3.4 Enterprises having more than one local unit located in different regions (multi-regional enterprises)
 - 1.4 Compilation and reference table and meta data table**
- 2 Release and publication timetable, revision policy, access for the public**
 - 2.1 Timetable for release and publication of provisional and final estimates**
 - 2.1.1 Publication calendar
 - 2.1.2 Current revisions
 - 2.2 Policy on benchmark revisions (i.e. occasional revisions)**
 - 2.3 Comparability over time**
 - 2.4 Transmission to international institutions other than Eurostat**
 - 2.5 Accessibility for the public**
 - 2.6 Policy for metadata**
- 3 Methodology for the calculation of regional GVA**
 - 3.1 Principles applicable to all industries**
 - 3.1.1 Available sources and information
 - 3.1.2 Use of benchmarks and extrapolations
 - 3.1.3 Treatment of multi-regional enterprises, sources and variables used**
 - 3.1.4 Treatment of ancillary activities
 - 3.1.5 Treatment of the Extra-regio
 - 3.1.6 Approach to exhaustiveness
 - 3.1.7 Calculation of FISIM by user industries
 - 3.1.8 Adjustments for commuting
 - 3.1.9 Transition from GVA to GDP
 - 3.1.10 Method used for the compilation of regional GDP per capita**
 - 3.2 Methods and sources for compiling regional value added at current prices**
 - 3.2.1 Non-financial corporations (S.11)**
 - 3.2.1.1 Agriculture, hunting and forestry and Fishing (A)
 - **Information needed for each industry A to U**
 - Sources and variables used
 - Bottom-up, Pseudo bottom-up, Mixed or Top-down method used

- Statistical unit used
 - Treatment of multi-regional units, sources and variables used
 - Compilation table
 - Accuracy of the estimates (A, B or C-method)
 - 3.2.1.2 Mining and quarrying (B)
 - 3.2.1.3 Manufacturing (C)
 - 3.2.1.4 Electricity, gas and water supply (D and E)
 - 3.2.1.5 Construction (F)
 - 3.2.1.6 Wholesale and retail trade; repair (G)
 - 3.2.1.7 Transport and storage (H)
 - 3.2.1.8 Accommodation and food service activities (I)
 - 3.2.1.9 Information and communication (J)
 - 3.2.1.10 Real estate activities (L)
 - 3.2.1.11 Professional, scientific and technical activities; administrative and support service activities (M and N)
 - 3.2.1.12 Education (P)
 - 3.2.1.13 Human health services and social work activities (Q)
 - 3.2.1.14 Arts, entertainment and recreation and Other service activities (R and S)
 - 3.2.1.15 Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use (T)
- 3.2.2 Households (S.14)**
- 3.2.2.1 Agriculture, hunting and forestry and Fishing (A)
 - 3.2.2.2 Construction (F)
 - 3.2.2.3 Wholesale and retail trade; repair (G)
 - 3.2.2.4 Transport and storage (H)
 - 3.2.2.5 Accommodation and food service activities (I)
 - 3.2.2.6 Information and communication (J)
 - 3.2.2.7 Financial and insurance activities (K)
 - 3.2.2.8 Real estate activities (L)
 - 3.2.2.9 Professional, scientific and technical activities; administrative and support service activities (M and N)
 - 3.2.2.10 Human health services and social work activities (Q)
 - 3.2.2.11 Arts, entertainment and recreation and Other service activities (R and S)
 - 3.2.2.12 Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use (T)
- 3.2.3 Financial institutions (S.12)**
- 3.2.3.1 The central Bank (S.121)
 - 3.2.3.2 Other monetary financial institutions (S.122)
 - 3.2.3.3 Other financial intermediaries (S.123) and financial auxiliaries (S.124)
 - 3.2.3.4 Insurance corporations and pension funds (S.125)
- 3.2.4. General government (S.13)**
- 3.2.4.1 Central government (excluding social security funds)
 - 3.2.4.2 State government (excluding social security funds)
 - 3.2.4.3 Local government (excluding social security funds)

3.2.4.4 Social security funds

3.2.5 Non-profit institutions serving households (S.15)

3.3 Methods and sources for compiling regional GVA at current prices for the most recent year

3.4 Regional GVA in volume and regional growth rates

4 Quality assessment and improvement

4.1 Self-assessment of the methodology for the compilation of regional GVA

4.2 Plans for further improvements

Annex 1 – Regional GVA, compilation and reference table (overview)

Annex 2 – Meta data of sources and variables used for the regionalisation of GVA by sector and industry

Annex 8

Meta data of sources and variables used for the regionalisation of GVA by industry and compilation table

Annex 8 will be provided separately.

Annex 8 – Compilation table of GVA by industry

NACE Rev. 2 section	Seq. No. A*10	Seq. No. A*38	Seq. No. A*64	Industries	Bottom-up methods						
					survey data		Administrative data		Survey data	GVA Sub-total of bottom-up methods	
					exhaustive (census based)				Sample based		
					mono-regional	multi-regional	mono-regional	multi-regional			
					GVA	GVA	GVA	GVA	GVA (grossing-up of the data)		
1				2	3	4	5	6	7		
A	1	1	1	Crop and animal production, hunting and related service activities							
			2	Forestry and logging							
			3	Fishing and aquaculture							
B	2	2	4	Mining and quarrying							
C (= 2a of A*10)		3	5	Manufacture of food products, beverages and tobacco products							
		4	6	Manufacture of textiles, wearing apparel, leather and related products							
		5	7	Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials							
			8	Manufacture of paper and paper products							
		9	9	Printing and reproduction of recorded media							
		6	10	Manufacture of coke and refined petroleum products							
		7	11	Manufacture of chemicals and chemical products							
		8	12	Manufacture of basic pharmaceutical products and pharmaceutical preparations							
		9	13	Manufacture of rubber and plastic products							
			14	Manufacture of other non-metallic mineral products							
		10	15	Manufacture of basic metals							
			16	Manufacture of fabricated metal products, except machinery and equipment							
		11	17	Manufacture of computer, electronic and optical products							
		12	18	Manufacture of electrical equipment							
		13	19	Manufacture of machinery and equipment n.e.c.							
		14	20	Manufacture of motor vehicles, trailers and semi-trailers							
			21	Manufacture of other transport equipment							
		15	22	Manufacture of furniture; other manufacturing							
			23	Repair and installation of machinery and equipment							
		D	17	16	24	Electricity, gas, steam and air conditioning supply					
		E		25	Water collection, treatment and supply						
				26	Sewerage, waste management and remediation activities						
	F	3	18	27	Construction						
G		19	28	Wholesale and retail trade and repair of motor vehicles and motorcycles							
			29	Wholesale trade, except of motor vehicles and motorcycles							

			30	Retail trade, except of motor vehicles and motorcycles							
H	4	20	31	Land transport and transport via pipelines							
			32	Water transport							
			33	Air transport							
			34	Warehousing and support activities for transportation							
			35	Postal and courier activities							
I		21	36	Accommodation and food service activities							
J	5		22	37	Publishing activities						
				38	Motion picture, video and television programme production, sound recording and music publishing activities; programming and broadcasting activities						
		23	39	Telecommunications							
		24	40	Computer programming, consultancy and related activities; information service activities							
K	6	25	41	Financial service activities, except insurance and pension funding							
			42	Insurance, reinsurance and pension funding, except compulsory social security							
			43	Activities auxiliary to financial services and insurance activities							
L	7		26	44	Real estate activities						
		26a	44a of which:	Of which: imputed rent of owner-occupied dwellings							
M	8	27	45	Legal and accounting activities; activities of head offices; management consultancy activities							
			46	Architectural and engineering activities; technical testing and analysis							
		28	47	Scientific research and development							
		29	48	Advertising and market research							
			49	Other professional, scientific and technical activities; veterinary activities							
N	30		50	Rental and leasing activities							
			51	Employment activities							
			52	Travel agency, tour operator and other reservation service and related activities							
			53	Security and investigation activities; services to buildings and landscape activities; office administrative, office support and other business support activities							
O	9	31	54	Public administration and defence; compulsory social security							
P		32	55	Education							
Q		33	56	Human health activities							
		34	57	Social work activities							
R		35	58	Creative, arts and entertainment activities; libraries, archives, museums and other cultural activities; gambling and betting activities							

			59	Sports activities and amusement and recreation activities						
S	10	36	60	Activities of membership organisations						
			61	Repair of computers and personal and household goods						
			62	Other personal service activities						
T		37	63	Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use						
U		38	64	Activities of extraterritorial organisations and bodies						

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