

16 September 2015

Inward FATS in Spain
Year 2013

In 2013, affiliates of foreign companies invoiced a total of 434.422 million euros and employed 1,270,499 persons.

Affiliates of France (18.9%), the United States (14.5%) and Germany (13.0%) produced the highest turnovers

The activity branches for which affiliates obtained the highest turnovers were *Mining and quarrying industries, energy, water and waste management* (15.4%) and *Transport equipment* (12.3%)

In 2013, 10,722 affiliates of foreign companies were accounted for in the sectors of *Industry, Trade* and other *Non-financial market services*.

The turnover generated by these affiliates stood at 434,422 million euros. Regarding the employment rate of affiliates, they employed 1,270,499 persons.

Structure of the Inward FATS in Spain

Results by branch of activity¹

37.5% of affiliate companies researched in the survey belonged to the *Services* sector, 35.4% to the *Trade* sector and the remaining 27.0% to *Industry*.

Main variables by activity sector

Year 2013. (Main economic variables in million euros)

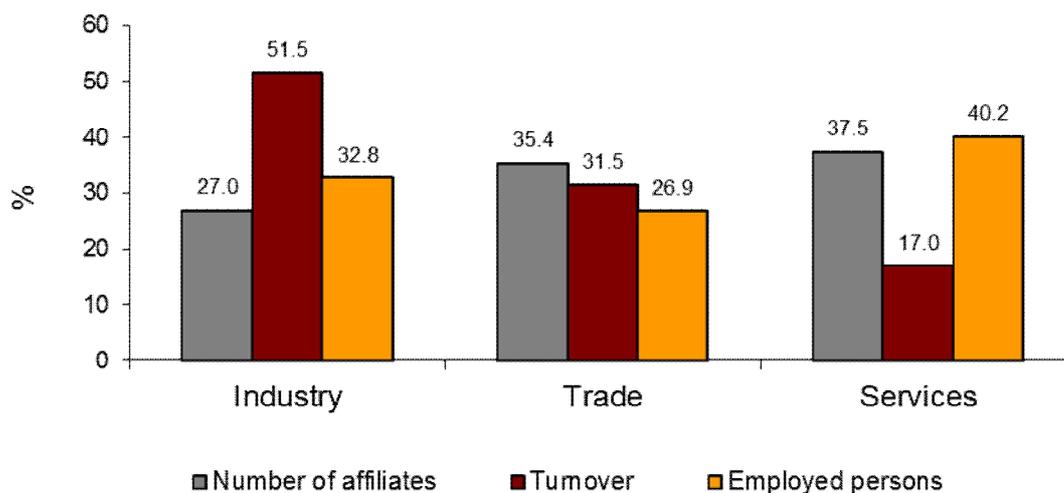
Sector	Affiliate companies	Employed persons	Turnover
Industry	2,900	417,017	223,844
Trade	3,796	342,211	136,906
Services	4,026	511,271	73,672
TOTAL	10,722	1,270,499	434,422

¹ The companies studied were classified according to their main activity. Likewise, all of the study variables referring to the company were assigned to said activity.

Industrial affiliates generated 51.5% of the total turnover of affiliate companies, *Trade* affiliates recorded 31.5% and those of *Services* generated 17.0%.

For the employment distribution by activity sectors, *Services* affiliates registered the highest percentage of persons (40.2% of the total), followed by *Industry* (32.8%) and *Trade* (26.9%).

Main variables by activity sector. Year 2013 (in percentage)



Other variables by activity sector

Year 2013. (in million euros)

	Industry	Trade	Services	Total
Production value	202,863	36,864	50,029	289,756
Added value at factor cost	40,197	18,616	27,533	86,346
Purchases and work carried out by other companies	158,266	103,216	32,533	294,016
Personnel costs	21,782	13,268	17,877	52,927
External services	27,895	17,078	16,269	61,243
Gross investment in material fixed assets	7,174	1,958	3,317	12,450
Total Operating Income	229,346	140,297	76,877	446,520
Total Operating Costs	219,025	136,516	73,206	428,747

Results by branch of activity

On analysing the number of affiliate companies for each of the 26 branches of activity of which information is offered in the survey, it was observed that the branches with the highest number of foreign affiliate companies were the two activities corresponding to *Wholesale trade* (which accounted for 25.5% of the total number of affiliates) and *Professional, scientific and technical activities* (with 11.1% of the total).

Main results by branch of activity

Year 2013

Branch of activity	Affiliates		Employees		Turnover	
	Number	%	Number	%	Million €	%
Industry	2,900	27.0	417,017	32.8	223,844	51.5
Mining and quarrying industries, energy, water and waste	971	9.1	30,275	2.4	66,961	15.4
Food, beverages and tobacco	218	2.0	45,089	3.5	21,827	5.0
Textile, manufacture, leather and footwear	58	0.5	5,145	0.4	961	0.2
Wood and cork, paper and graphic arts	138	1.3	17,546	1.4	5,392	1.2
Chemical and pharmaceutical industry	294	2.7	47,578	3.7	28,486	6.6
Rubber and plastic products	193	1.8	32,972	2.6	8,769	2.0
Various non-metallic ore products	119	1.1	15,671	1.2	4,042	0.9
Metallurgy and manufacture of metallic products	228	2.1	35,837	2.8	16,523	3.8
Electrical, electronic and optical material and equipment	133	1.2	29,484	2.3	8,984	2.1
Mechanical machinery and equipment	202	1.9	24,430	1.9	6,319	1.5
Transport equipment	216	2.0	118,310	9.3	53,222	12.3
Various manufacturing industries	131	1.2	14,681	1.2	2,359	0.5
Trade	3,796	35.4	342,211	26.9	136,906	31.5
Sale and repair of motor vehicles and motorcycles	205	1.9	18,259	1.4	16,058	3.7
Commission trade	434	4.0	10,811	0.9	1,362	0.3
Wholesale of agrarian, food and household products	1,126	10.5	70,797	5.6	46,921	10.8
Wholesale of machinery, equipment and others	1,605	15.0	58,369	4.6	36,150	8.3
Retail trade food, fuel and equipment for ICT	131	1.2	106,383	8.4	25,329	5.8
Publishing, cinema, radio, television and communications	295	2.7	77,592	6.1	11,086	2.6
Services	4,026	37.5	511,271	40.2	73,672	17.0
Transport	178	1.7	27,625	2.2	5,387	1.2
Storage and activities connected to transport	357	3.3	34,229	2.7	6,517	1.5
Accommodation	216	2.0	78,990	6.2	4,157	1.0
Other retail trade	348	3.2	29,753	2.3	18,082	4.2
Computer activities	449	4.2	63,702	5.0	7,756	1.8
Real estate activities	659	6.1	3,943	0.3	2,525	0.6
Professional, scientific and technical activities	1,187	11.1	74,117	5.8	15,199	3.5
Administrative and support service activities	632	5.9	198,911	15.7	14,047	3.2
TOTAL	10,722	100.0	1,270,499	100.0	434,422	100.0

From the employment perspective, the branches of activity with the most employed personnel were *Administrative and support service activities* (15.7%), *Transport equipment* (9.3%) and *Retail trade of food, fuel and equipment for ICT* (8.4%).

Regarding turnover, the branches that contributed the greatest percentage to the total were *Mining and quarrying industries, energy, water and waste* (15.4%) *Transport equipment* (12.3%) and *Wholesale of agrarian, food and household products* (10.8%).

In turn, the branches with the slightest contribution were *Textile, manufacture, leather and footwear* (0.2%), *Trade intermediaries* (0.3%) and *Real estate activities* (0.5%).

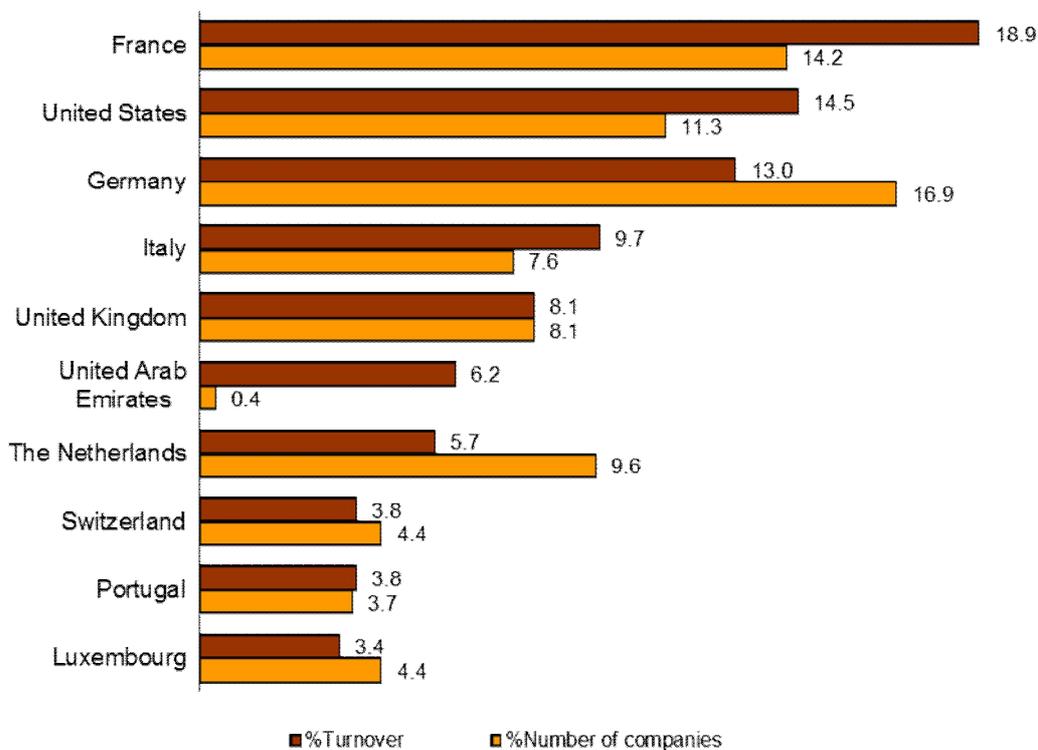
Results by country of the parent company

In 2013, the countries whose affiliates generated the greatest turnover were France (18.9%), the United States (14.5%) and Germany (13.0%).

In turn, the countries that contributed the highest number of companies were Germany (with 16.9% of the total), France (14.2%) and the United States (11.3%).

It is worth mentioning that the 10 main countries accounted for 80.5% of the total number of affiliates, overall reaching 86.9% of the total turnover of affiliate companies.

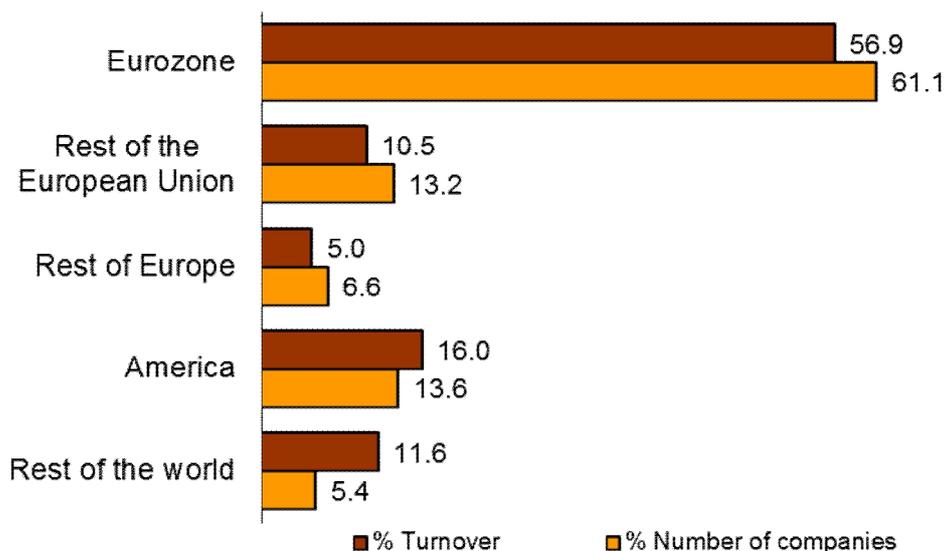
Main countries by turnover and number of affiliates. Year 2013



Results by geographical area of the parent company

Most companies which controlled affiliates in Spain were settled in the Eurozone (61.1%). The turnover generated by these affiliates was 56.9%.

Distribution by geographical area of the parent company. Year 2013



By economic sector, in the Eurozone there were 67.9% of the foreign companies that controlled *Industrial* affiliates, 62.0% of those that controlled affiliates in the *Trade* sector and 55.4% of those corresponding to the rest of the *Services* sector. These affiliates generated 57.3%, 61.8% and 46.6% of the turnover in *Industry*, *Trade* and *Services*, respectively.

Number of affiliates of foreign companies by geographic area and sector

Year 2013

Geographic area	Industry		Trade		Services		Total	
	Number	%	Number	%	Number	%	Number	%
Eurozone	1,971	67.9	2,355	62.0	2,230	55.4	6,555	61.1
Rest of the European Union	304	10.5	406	10.7	704	17.5	1,414	13.2
The rest of Europe	145	5.0	252	6.6	311	7.7	708	6.6
America	334	11.5	499	13.2	629	15.6	1,462	13.6
The rest of the world	147	5.1	284	7.5	152	3.8	583	5.4
TOTAL	2,900	100.0	3,796	100.0	4,026	100.0	10,722	100.0

Turnover of affiliates of foreign companies by geographic area and sector

Year 2013

Geographic area	Industry		Trade		Services		Total	
	Millions €	%	Millions €	%	Millions €	%	Millions €	%
Eurozone	128,213	57.3	84,603	61.8	34,346	46.6	247,162	56.9
Rest of the European Union	12,834	5.7	12,376	9.0	20,304	27.6	45,514	10.5
The rest of Europe	8,941	4.0	7,878	5.8	4,991	6.8	21,811	5.0
America	38,504	17.2	19,194	14.0	11,751	16.0	69,449	16.0
The rest of the world	35,351	15.8	12,855	9.4	2,280	3.1	50,486	11.6
TOTAL	223,844	100.0	136,906	100.0	73,672	100.0	434,422	100.0

Representation of the foreign affiliates within the Spanish economy

The affiliates of foreign companies settled in Spain within the *Industrial, Trade and Non-financial services* sector recorded 0.5% of the total companies within those sectors in 2013.

The turnover and employment generated by those companies resulted in 28.0% and 13.3% of the total, respectively.

Results by activity sector

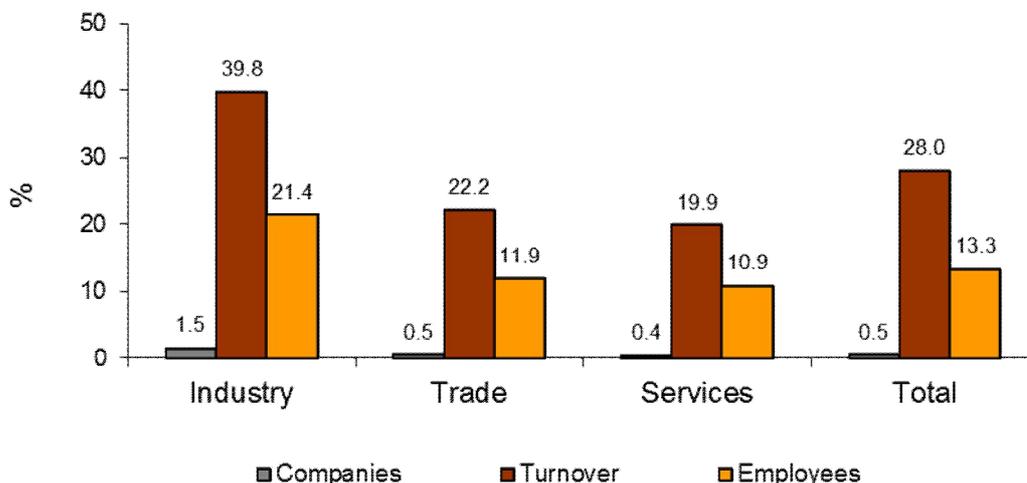
Within the *Industrial* sector, 1.5% of the companies were affiliates of foreign companies. As it refers to *Trade*, the percentage was 0.5% and to *Services*, the percentage was 0.4%.

Regarding turnover, *Industrial, Trade and Services* affiliates generated 39.8%, 22.2% and 19.9%, respectively, of the total turnover generated by the companies within each of them.

In turn, 21.4% persons employed in *Industry* worked in affiliates of foreign companies in 2013. *Trade* and *Services* recorded a percentage of 11.9% and 10.9%, respectively.

Relation between the data of affiliates and total companies within the sector. Year 2013

(percentage)

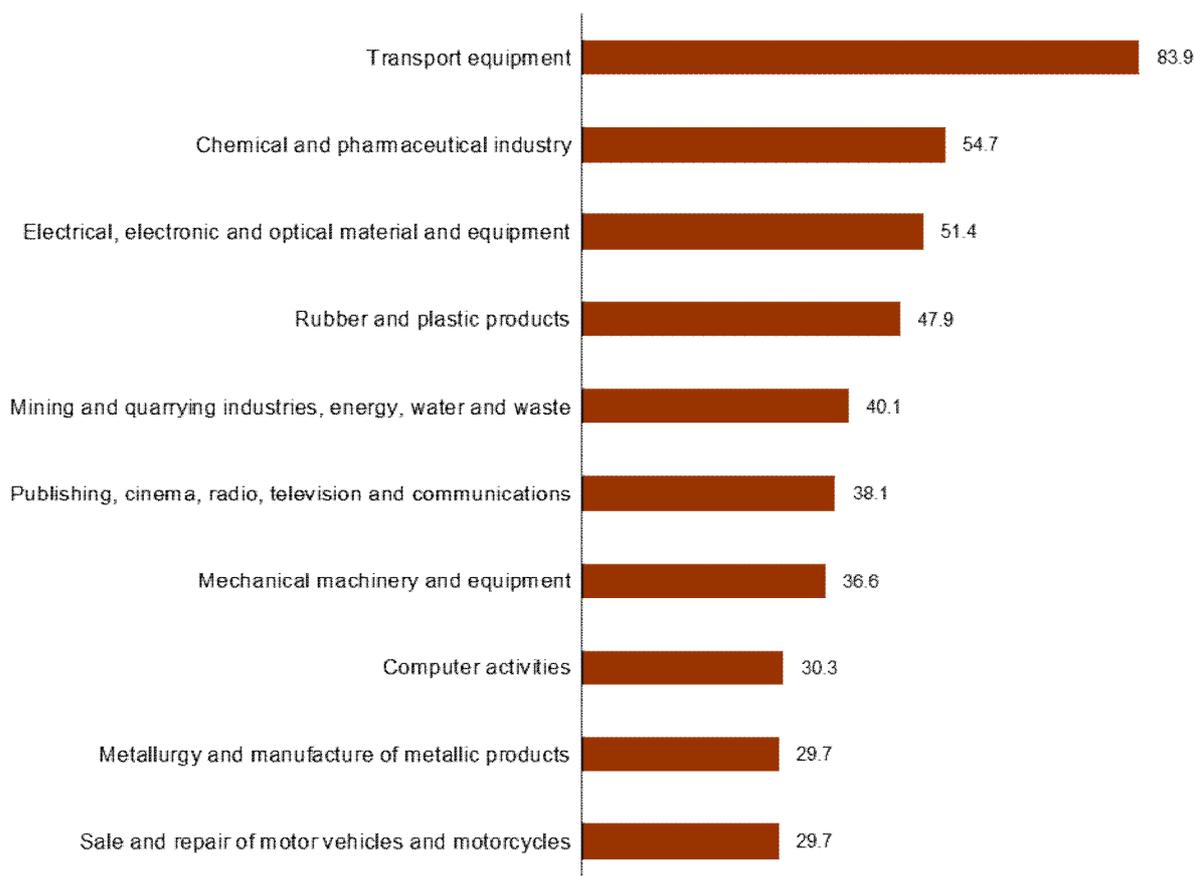


Results by branch of activity

Regarding the weight of affiliates of foreign companies by branch of activity, it is worth noting *Transport equipment*, in which 83.9% of the total turnover was generated by affiliate companies.

The following branches with a considerable weight regarding affiliates were *Chemical and pharmaceutical industry*; *Electrical, electronic and optical material and equipment* and *Rubber and plastic products*. Those companies contributed by 54.7%, 51.4% and 47.9%, respectively, to the total turnover generated within each branch of activity.

Main branches of activity by turnover generated by the affiliates, as compared with the total of each branch. Year 2013 (percentage)



In turn, the branches of activity that registered a lower contribution to the affiliate companies were *Textile, manufacture, leather and footwear* and *Accommodation and Transport*, all them registering a turnover of the affiliates below 10% of the total.

Results by parent company country

In terms of added value, it was observed that the affiliates of French companies contributed the most to the total generated by foreign affiliates, with 4.5% of the added value generated by affiliates settled in Spain in all sectors analysed. The French affiliates were also those which contributed the most to the total added value in *Industry* (5.5%), *Trade* (5.8%) and the rest of *Services* (3.2%) sectors.

Regarding the main countries investing in each sector by branch of activity, according to the percentage of added value that generated their affiliates on the total of the branch of activity, worth noting Germany, that generated 22.5% in *Transport equipment*; France, 21.8% in *Rubber and plastic products*, and the United States, 20.5% in *Commission trade* 16.6% in *Chemical and pharmaceutical industry*.

Main investing countries by branch of activity

Year 2013. (According to the value generated by their affiliates)

Branch of activity	Country	% the value added in each branch
Industry	France	5.5
Mining and quarrying industries, energy, water and waste	Italy	13.1
Food, beverages and tobacco	France	4.1
Textile, manufacture, leather and footwear	France	2.2
Wood and cork, paper and graphic arts	The United States	3.3
Chemical and pharmaceutical industry	The United States	16.6
Rubber and plastic products	France	21.8
Various non-metallic ore products	France	7.7
Metallurgy and manufacture of metallic products	Luxembourg	5.5
Electrical, electronic and optical material and equipment	Germany	14.3
Mechanical machinery and equipment	The United States	14.9
Transport equipment	Germany	22.5
Various manufacturing industries	France	3.8
Trade	France	5.8
Sale and repair of motor vehicles and motorcycles	Germany	5.1
Commission trade	The United States	20.5
Wholesale of agrarian, food and household products	The United States	7.0
Wholesale of machinery, equipment and others	The United States	5.0
Retail trade food, fuel and equipment for ICT	France	12.2
Other retail trade	France	5.4
Services	France	3.2
Transport	United Kingdom	2.3
Storage and activities connected to transport	Germany	2.6
Accommodation	United Kingdom	2.0
Publishing, cinema, radio, television and communications	United Kingdom	10.7
Computer activities	The United States	8.4
Real estate activities	The Netherlands	3.6
Professional, scientific and technical activities	The United States	3.9
Administrative and support service activities	The Netherlands	4.0
TOTAL	France	4.5

Methodological note

The Services Sector Inward Foreign Affiliates Statistics (Inward FATS) offers information regarding the main economic variables of the affiliates of foreign companies that operate in the sectors of industry, trade and the rest of the non-financial market services. The scope of this survey includes those affiliate companies whose main activity is included in sections B to E, G to J and L to N of the National Classification of Economic Activities in force (CNAE-09). This survey fulfils, in this area, (EC) Regulation no. 716/2007 of the European Parliament and of the Council, of 20 June 2007, regarding the community statistics on the structure and activity of foreign affiliates.

Affiliates of foreign companies are considered to be those companies located in Spain that are controlled by a non-resident institutional unit or company. To this end, control is understood to be the ability to determine the general policy of the company. One unit controls another, when it directly or indirectly possesses more than half of the shareholders' vote, or more than half of the shares; nevertheless, at times, this ability to control may be made effective through a minority control, that is, without the need to possess half of the shares or of the votes (for example, if the percentage, even below 50%, is greater than that of any other owner). In accordance with the methodology established by the European regulation on affiliates statistics, the criterion applied in this survey to determine the company that controls each affiliate is that of the final owner. The final owner of a foreign affiliate is considered to be that institutional unit or company that, proceeding hierarchically upwards along the chain of control of said affiliate, exercises control over itself, not being controlled, in turn, by any other unit.

This statistical operation provides information regarding the main variables, broken down both by the activity, size or Autonomous Community of the affiliate company, and by the country or geographical area of the parent company (final owner).

In order to enrich the dissemination of this survey and favour the comparative analysis of the results thereof, we also present, aside from the specific data regarding affiliates provided by the survey, additional data regarding the percentage represented by the results of the affiliate companies, as compared with the total companies. This additional data has been obtained from the corresponding structural surveys of each sector: The Industrial Companies Survey, whose object of study is the group of industrial companies with one or more paid employed persons, the Annual Trade Survey and the Annual Services Survey, orientated towards the research of those companies whose main activity belongs to the areas of trade and of non-financial market services, respectively.

The Services Sector Inward Foreign Affiliates Statistics (Inward FATS) completes the information provided by the Outward Foreign Affiliates Statistics (Onward FATS) in the area of the statistics on the economic globalization.