

Statistical bulletin

# UK outward foreign affiliate statistics (OFATS): 2019

Estimates for turnover, employment and number of enterprises of UK companies that hold at least 50% of the voting power of one or more foreign affiliates or branches.

Contact: Shannon Dodge fdi@ons.gov.uk +44 20 3741 1779 Release date: 20 May 2022

Next release: To be announced

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## 1. Main points

- Total employment in UK outward foreign affiliates (OFATS) fell in 2019 compared with 2018; the number of employees fell by 70,900, from 3.92 million to 3.85 million (1.8% lower); this fall was mainly from the numbers of employees within administrative and support services and petroleum, chemicals, pharmaceutical, rubber and plastic products industries.
- The UK outward foreign affiliates total turnover increased in 2019 compared with 2018; the total turnover value increased by £39.1 billion, from £877 billion to £916 billion (4.5% higher); manufacturing saw the largest increase in the value of total turnover, followed by financial and insurance.
- The total number of enterprises increased in 2019 compared with 2018, from 36,600 to 37,000; the increase was spread across various industries, with wholesale retail seeing a larger increase over that period, while the administrative and support industry saw a particularly large decrease.
- From the 2020 annual reference period onwards, the collection of OFATS data has been embedded into
  <u>our annual Outward Foreign Direct Investment (FDI) Survey</u>, which will increase the size of the OFATS
  sample (from the current sample size of 200).

# 2. UK outward foreign affiliate statistics data

UK outward foreign affiliate statistics (OFATS): 2019

Dataset | Released 20 May 2022

Turnover, employment and number of enterprise estimates of foreign affiliates ultimately controlled by UK companies, by country and industry.

# 3. Measuring the data

#### **Data sources**

The main source of information for this outward foreign affiliate statistics (OFATS) release is the Office for National Statistics (ONS) annual OFATS Survey. This is combined with data from the Bank of England for all monetary financial institutions and other sources such as the Inter Departmental Business Register. Survey responses are used to impute values for every company in the OFATS population. As noted above, the ONS OFATS survey has now been embedded into the annual Outward Foreign Direct Investment (FDI) Survey from 2020 annual reference period onwards and that will be the main sample survey source for future OFATS results.

### Coverage and sample size

The OFATS estimates published within this bulletin cover the period 2018 to 2019; the 2018 estimates are revised, and the 2019 statistics are published for the first time. Previous OFATS estimates from 2010 to 2018 can be found on the Statistical Office of the European Communities (<u>Eurostat</u>) website.

The sample size for the OFATS survey is 200 enterprise groups.

### Quality

As part of <u>our wider FDI development plan</u>, the OFATS survey questions have been embedded into the annual Outward FDI survey. The OFATS survey has been discontinued and companies are now asked to complete the OFATS questions on the Outward FDI Survey instead. The coverage of the Outward FDI survey is much larger than the OFATS Survey and has a greater sample size and therefore, we envisage an improvement in the quality of the statistics in future releases. We also plan to review the systems used to compile OFATS following the collection of OFATS data through the annual Outward FDI survey.

# 4. Methodology

Imputation methods are used to assign values for non-responders in the sample, which include either ratio of means to calculate an imputation link or median imputation. These data also undergo distance from the mean outliering treatment to minimise the impact of extreme values upon survey estimates. Ratio estimation is used to produce outward foreign affiliate statistics (OFATS) estimates for the non-sampled population. We plan to review all methods used in the production of OFATS estimates as part of the wider foreign direct investment (FDI) development.

## 5. Related links

#### Developing foreign direct investment statistics: 2021

Article | Released 29 April 2021

An overview of our progress on the development of foreign direct investment (FDI) statistics since 2019, and our plans for the next phase of development.

#### Statistical Office of the European Communities (Foreign Affiliates Homepage)

Webpage | 2022

Statistical Office of the European Communities (Eurostat) foreign affiliates homepage, on which previous estimates for outward foreign affiliate statistics (OFATS) may be found.