



Eurostat Activities in the Area of MNE Groups

**UNECE, Group of Experts on National Accounts
Fifteenth Session**

Geneva, 22-25 May 2018

Agenda item B5b Globalisation, Data Sharing

Contents

- Early Warning System
- GNI MNE Group Pilot Exercise

Early Warning System

Purpose:

- Early knowledge of important MNE group restructuring
- Agree on treatment among countries concerned
- Ensure consistent statistics and coordinated implementation and communication
 - Business statistics, national accounts, balance of payments

Early Warning System, cont.

When triggered:

- As soon as restructuring of MNE group is known
 - More than one country affected
 - Restructuring is e.g.:
 - Change of group structure (e.g. creation of branches)
 - Move of assets
 - Change of global production arrangements
- Not all facts need to be available at beginning

Early Warning System, cont.

When a case is reported:

- An ad-hoc Task Force will be convened
- TF will provide agreed opinion on treatment of the case
- Opinion is shared with other countries

Early Warning System, cont.

Information exchange:

- Limited to what is necessary for the purpose
- Information on specific case only shared among Eurostat and affected countries
- Secure channels for exchange of information

EWS, overview of current cases

1. Online retailer
 2. Online media content seller
 3. International restaurant chain
 4. Low cost carrier
 5. Social network
 6. Oil and gas (1)
 7. Oil and gas (2)
 8. Consumer goods manufacturer
 9. Tobacco manufacturer
- closed
- ongoing

GNI MNE Group Pilot Exercise

- GNI: used for own resources of EU
- GNI Committee: verifies reliability, comparability and exhaustiveness of GNI of EU countries
- Globalisation identified as a risk area

GNI MNE Group Pilot Exercise, cont.

Aim:

- Evaluate the recording of a selection of MNE groups across Member States
- Primary: assess the plausibility and consistency of distribution of value added of these MNE groups within the EU
- Secondary: look at R&D, IPP

GNI MNE Group Pilot Exercise, cont.

- 25 MNE groups selected
 - 10 for 2018
 - 15 for 2019
- 2018 MNE groups already profiled
- 2019 MNE groups to be profiled in 2018, if possible

GNI MNE Group Pilot Exercise, cont.

- Process steered by joint TF Business Statistics and Macro-Economic Statistics Directors
- Kick-off meeting with Member States: 19-20 April 2018
- Extensive guidelines prepared
- Draft templates prepared
- Secure exchange of information and microdata

GNI MNE Group Pilot Exercise, cont.

For each MNE group:

- Determine all countries concerned (EuroGroups Register (EGR) as prime source)
- Global Decision Centre (GDC) country takes the lead
- Collects qualitative and quantitative information from all partner countries
- Comparison with published data for the MNE group as a whole (e.g. annual reports)
- Identification of inconsistencies

Thank you very much for your attention!