

**Outward Foreign Affiliates Statistics 2012**  
**National Reference Metadata in Euro SDMX Metadata Structure (ESMS)**  
**National Statistics Office (NSO)**  
**Time Dimension: 2012**  
**Data Flow: MALTA\_OUTFATSES\_A\_MT**

Concept name	
1 Contact	
1.1 Contact organisation	National Statistics Office (NSO)
1.2 Contact organisation unit	Unit B1: Structural Business Statistics, Directorate B - Business Statistics
1.3 Contact name	Elaine G. Borg
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2 Metadata update	
2.1 Metadata last certified	30/06/2015
2.2 Metadata last posted	30/06/2015
2.3 Metadata last update	30/06/2015
3 Statistical presentation	
3.1 Data description	<p>Outward Foreign Affiliates Statistics (FATS) describes the activity of foreign affiliates abroad controlled by residents of the compiling country (Malta).</p> <p>The complete list of variables covered by the Inward FATS Regulation may be accessed through:</p>

	<p><a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32007R0716&amp;qid=1440655162997&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32007R0716&amp;qid=1440655162997&amp;from=EN</a>.</p> <p>In addition, the <a href="#">FATS Recommendations Manual</a> lays down detailed guidelines for the methodology, collection and compilation in the European Union.</p>
3.2 Classification system	Outward FATS data use <a href="#">NACE Rev. 2</a> as a classification for economic activities. In addition, countries are classified according to the official <a href="#">ISO 3166-1</a> codes.
3.3 Coverage - sector	Outward FATS data cover a wide range of economic activities; NACE Rev. 2 Sections B to S excluding O.
3.4 Statistical concepts and definitions	<p>Foreign affiliate in the framework of outward FATS is an enterprise or branch not resident in the compiling country, over which an institutional unit resident in the compiling country has direct or indirect control. FATS data are compiled according to the Ultimate Controlling Institution (UCI) concept. In this way, double counting of the same affiliates by several countries can be avoided.</p> <p>The Ultimate Controlling Institutional unit is an institutional unit; proceeding up a foreign affiliates chain of control, which is not controlled by another institutional unit. Control is the ability to determine the general policy of the affiliate by appointing appropriate managers. Control is often difficult to determine and in practice, the share of ownership is sometime used as a proxy for control. FATS thus focus on the affiliates that are majority-owned by a single investor or by a group of associated investors owning more than fifty percent of ordinary shares or voting power.</p> <p>The following characteristics are collected on mandatory basis:</p> <ul style="list-style-type: none"> <li>• Number of enterprises, which refer to the statistical units of outward FATS, i.e. the foreign affiliates abroad that are controlled by an institutional unit resident in Malta (variable 11110);</li> <li>• Turnover, which comprises of the totals invoiced by the observation unit during the reference period, and corresponds to market sales of goods or services supplied to third parties, including non-deductible taxes, duties and charges, rebates and discounts (variable 12120);</li> <li>• Number of persons employed, which is defined as the total number of persons (average annual headcount) who work in the observation unit (inclusive of working proprietors, partners working regularly in the unit and unpaid family workers), as well as persons who work outside the unit but belong to it and are paid by it (e.g. sales representatives, delivery personnel, and repair and maintenance teams) (variable 16110).</li> </ul>
3.5 Statistical unit	The statistical units for Outward FATS refer to enterprises or branches abroad that are controlled by an institutional unit resident in the compiling country (Malta), which is not controlled by another legal or private person.
3.6 Statistical population	The statistical population is made up of Maltese Ultimate Controlling Institutions (UCIs) which have 50 percent or more of ownership in foreign branches or subsidiaries.
3.7 Reference area	Malta.
3.8 Coverage - Time	Outward FATS data has been reported in NACE Rev. 2 classification from reference year 2010 onwards.
3.9 Base period	Not applicable.
4 Unit of measure	Monetary data are expressed in thousands of Euros. Variables such as number of enterprises and persons employed are expressed in units.
5 Reference	The data refers to the calendar year for FATS dataset. This report refers to year 2012.

Period	
6 Institutional Mandate	
6.1 Institutional Mandate - legal acts and other agreements	As from 2007 onwards data are collected according to FATS <a href="#">Regulation (EC) No 716/2007</a> of the European Parliament and the Council (EC) of 20 June 2007 (FATS-R). The Commission adopted three other regulations implementing and amending the FATS-R being: 1) Commission Regulation (EC) No <a href="#">364/2008</a> on the technical format and transmission; 2) Commission Regulation (EC) No <a href="#">747/2008</a> on the structure and activity of foreign affiliates; and 3) Commission Regulation (EC) No <a href="#">834/2009</a> as regards the quality reports. In addition, the FATS Recommendations Manual is a reference document.
6.2 Institutional Mandate - data sharing	Not Applicable.
7 Confidentiality	
7.1 Confidentiality - policy	<p><u>At National level</u>: Confidentiality is one of the major principles guiding the activities of the NSO.</p> <p>Article 40 of the MSA Act stipulates the restrictions on the use of information and in Article 41, the prohibition of disclosure of information. Furthermore, Section IX of the Act (Offences and Penalties) lays down the measures to be taken in case of unlawful exercise of any officer of statistics regarding confidentiality of data. No cases of breaches in the law have been recorded to date.</p> <p>Since its inception, the NSO has always operated within a culture of strict confidentiality to which it is also bound by the provisions of the Data Protection Act. This Act, which came fully into effect on July 15, 2003, seeks to protect individuals against the violation of their privacy by the processing of personal data.</p> <p>Refer also to the NSO policy "Confidentiality of Personal and Commercial Data"  <a href="https://nso.gov.mt/en/nso/About%20NSO/Documents/NSO%20Policies/Confidentiality%20of%20personal%20and%20commercial%20data.pdf">https://nso.gov.mt/en/nso/About NSO/Documents/NSO Policies/Confidentiality of personal and commercial data.pdf</a></p> <p>Further information on access to microdata is available on the NSO's website through:  <a href="https://nso.gov.mt/en/Services/Microdata/Pages/Access-to-Microdata.aspx">https://nso.gov.mt/en/Services/Microdata/Pages/Access-to-Microdata.aspx</a></p> <p>During 2009, the NSO has set up a Statistical Disclosure Committee to ensure that statistical confidentiality is observed, especially when requests for microdata are received by the NSO.</p> <p>Upon employment, NSO employees are informed of the rules and duties pertaining to confidential information and its treatment. According to the MSA Act, before commencing work, every employee is required to take an oath of secrecy whose text is included in the Act.</p> <p><u>At European level</u>: Regulation (EC) No 223/2009 on European statistics (recital 24 and Article 20(4) of 11 March 2009 (OJ L 87, p. 164), stipulates the need to establish common principles and guidelines ensuring the confidentiality of data used for the production of European statistics and the access to those confidential data with due account for technical developments and the requirements of users in a democratic society.</p>
7.2 Confidentiality - data treatment	In cases of statistical confidentiality data is flagged on the respective data cell. Primary confidentiality is flagged on either too few enterprises (where the number of units is less than 3), or if the dominance share of the largest two units is 75% or more. This is identified and flagged by NSO using a common methodology applied by other statistical agencies.

	All other data cells which could be used to indirectly derive the value of the confidential data cell are suppressed (Secondary confidentiality). Secondary confidentiality for Outward FATS Statistics is applied by Eurostat.
8 Release policy	
8.1 Release calendar	In general, the NSO publishes a release calendar with a three-month advance notice on scheduled news releases.
8.2 Release calendar access	The news release calendar is available on the NSO website and is accessible through: <a href="http://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Releases-Calendar.aspx">http://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Releases-Calendar.aspx</a> .
8.3 Release policy - user access	A list of NSO policies can be accessed through: <a href="http://nso.gov.mt/en/nso/About_NS0/Pages/NSO-Policies.aspx">http://nso.gov.mt/en/nso/About_NS0/Pages/NSO-Policies.aspx</a>  The following policies are directly related to the users access to statistical data: <ul style="list-style-type: none"> <li>• <a href="#">Dissemination</a></li> <li>• <a href="#">Relations with the Media</a></li> <li>• <a href="#">Confidentiality of Personal and Commercial Data</a></li> </ul>
9 Frequency of dissemination	Annual.
10 Dissemination format	
10.1 Dissemination format - News release	The first News Release on Outward FATS was released for reference year 2012. The News Release can be accessed through: <a href="http://nso.gov.mt/en/News_Releases/View_by_Unit/Unit_B1/Structural_Business_Statistics/Pages/Outward-Foreign-Affiliates-Statistics.aspx">http://nso.gov.mt/en/News_Releases/View_by_Unit/Unit_B1/Structural_Business_Statistics/Pages/Outward-Foreign-Affiliates-Statistics.aspx</a> .
10.2 Dissemination format - Publications	Not applicable.
10.3 Dissemination format - online database	Not applicable.
10.4 Dissemination format - microdata access	Not applicable as data is transmitted only in aggregated format.
10.5 Dissemination format - other	Users can submit ad-hoc requests for data on the NSOs website through: <a href="http://nso.gov.mt/en/Services/Pages/Request-for-Information.aspx">http://nso.gov.mt/en/Services/Pages/Request-for-Information.aspx</a> .
11 Accessibility of documentation	
11.1	The <a href="#">FATS Recommendations Manual</a> lays down detailed guidelines for the methodology, collection and

Documentation on methodology	compilation of Outward FATS Statistics.
11.2 Quality management - documentation	An annual quality report is provided to Eurostat. In addition, the Structural Business Statistics Unit annually documents all work processes and procedures, in the area of Outward FATS, for internal purposes.
12 Quality management	
12.1 Quality assurance	The data is compared with previous year's data and checked for any large changes especially due to large deviations in the main variables concerned. For example, data received on the variable of Turnover in Outward FATS is checked against previous years to make sure that the values are given in same monetary values, i.e. in Euros.
12.2 Quality management - assessment	All measures have been taken into consideration to assure that the data is of good quality. Data on shareholding percentage and country of UCI are checked against financial statements when available. Similar to the check on turnover mentioned above, a check on employment is made against previous years' data and fluctuations on both employment and turnover are confirmed with the respondents.
13 Relevance	
13.1 Relevance - User Needs	Eurostat is the main user of this data.
13.2 Relevance - User Satisfaction	A user satisfaction survey was carried out by NSO in 2014. Results showed that 48.1% regarded the quality of requests by the SBS Unit as high/good. These results are specific to the SBS Unit, not particularly to the area of Outward FATS statistics. Such information can be found using the following link: <a href="http://nso.gov.mt/en/News_Releases/View_by_Unit/Unit_01/Methodology_and_Research/Pages/User-Satisfaction-Survey.aspx">http://nso.gov.mt/en/News_Releases/View_by_Unit/Unit_01/Methodology_and_Research/Pages/User-Satisfaction-Survey.aspx</a> .
13.3 Completeness	All the mandatory data required under <a href="#">Regulation (EC) No. 716/2007</a> is transmitted.
14 Accuracy	
14.1 Accuracy - overall	For Outward FATS the financial statements may not show certain details such as percentage shareholding, or country of subsidiary. If queries arise in relation to variables not included in the financial statements, then the NSO corrects or confirms the data using emails or by calling the respondents.
14.2 Sampling error	Not applicable since the entire population is considered in Outward FATS.
14.3 Non-sampling error	The sources that give rise to this error include: <ul style="list-style-type: none"> <li>• different base year than the one required,</li> <li>• data not converted into Euro, and</li> <li>• number of employees not provided as an average for the year</li> </ul> <p>All known enterprise groups are surveyed for Outward FATS. Imputations for Outward FATS are usually done based on administrative sources and data from previous years is used.</p>
15 Timeliness and punctuality	
15.1 Timeliness	Data is to be provided at t+20 months after the end of the reference period.

15.2 Punctuality	Outward FATS data is delivered in a timely manner. The 2012 data was transmitted in August 2014.
16 Comparability	
16.1 Comparability - geographical	No thresholds on employment size class are considered for Outward FATS making the data comparable to other Member States. All units, as required by the FATS Recommendations Manual, which are active and have a shareholding of 50 per cent or more, are included in the dataset.
16.2 Comparability - over time	Reference years 2007 to 2012 are comparable except for the change in NACE classification to NACE Rev. 2 which took place in 2008. Over time, some country codes may have changed and updated accordingly.
17 Coherence	
17.1 Coherence - cross domain	Outward FATS data is compiled irrespective of FDI (Foreign Direct Investment) data as it uses different eligibility criteria. In FDI, the eligible units need to have a shareholding of ten per cent or more.
17.2 Coherence - internal	For Outward FATS data, a 50 per cent shareholding and over for each subsidiary is used therefore the data is not the same as FDI statistics (whereby a shareholding of 10 per cent or more is required).
18 Cost and Burden	Outward FATS data require only three mandatory variables and are therefore not particularly burdensome. The voluntary variables are not compiled in Malta since they require a number of different variables to be computed.
19 Data revision	
19.1 Data revision - policy	Once published, the data is considered final and is not subject to revisions.  The NSO adapts a general revision policy <a href="#">Revisions of Official Statistics</a> which is available on the NSOs website.
19.2 Data revision - practice	No revisions are normally made.
20 Statistical processing	
20.1 Source data	Outward FATS are based on the population of units provided by the Business Register, depending on the reference year required for surveying.
20.2 Frequency of data collection	Outward FATS Statistics are compiled annually.
20.3 Data collection	A paper questionnaire is posted to all relevant Maltese UCIs, together with a series of follow-ups after approximately one month.
20.4 Data validation	Queries related to data received on the Outward FATS questionnaires are solved by calling or sending emails to the respondents. NSO also helps respondents to fill in the questionnaire when difficulties are encountered.
20.5 Data compilation	When available, Outward FATS data are compared to the Financial Statements in terms of percentage shareholding of subsidiaries as well as the country of the subsidiary. Non respondents are chased by sending legal reminder letters since no administrative sources are available for the other variables. Data imputations from past years are used in rare circumstances. The data does not need to be grossed up since

	it is based on the population.
20.6 Adjustment	Not applicable.
21 Comment	No other comments.