

Documentation of statistics for Foreign Owned Enterprises 2024

1 Introduction

The purpose of the statistics foreign-owned enterprises is to show the number of foreign-owned enterprises in Denmark and how this number develops over time. The statistics were compiled with the first reference year 2000 and is comparable from 2019 onwards. First as a pilot project and subsequent regulation determined in connection with the implementation of the Regulation (EC) No 716/2007 of The European Parliament and of The Council of 20 June 2007 on Community statistics on the structure and activity of foreign affiliates.

2 Statistical presentation

The statistics analyze the ownership country in terms of land for the ultimate owners. Statistical data contain country of the ultimate owner and selected variables taken from the General enterprise statistics such as turnover, number of employees and number of enterprises.

2.1 Data description

The statistics provide an annual account of the number of foreign-owned enterprises in Denmark, their turnover (DKK million), and the number of employees measured in full-time equivalents (FTEs). The statistics cover economically active foreign-owned enterprises in Denmark and classify companies according to the country of their ultimate owner.

In these statistics, the determination of a company's ownership is linked to the ultimate controlling owner, i.e. the entity that has control over the company and is able to determine its overall strategy, including, if necessary, appointing its board of directors. As a general rule, the controlling entity is interpreted as the ultimate owner that directly or indirectly holds more than 50 per cent of the voting rights in the company. The concept of the ultimate owner should be understood in relation to the direct owner, since a company may be directly owned from one country while ultimately being controlled from another country.

Example: A company in Denmark that is directly owned from, for example, Luxembourg, but is ultimately controlled by an owner in Sweden, will be classified in the statistics as a Swedish company. Conversely, a company directly owned from Luxembourg will be classified as a Danish company if the ultimate controlling owner is located in Denmark.

The statistical dataset contains information on the country of the ultimate owner, as well as selected variables from the General Business Statistics, including turnover, number of employees, and number of enterprises. The most important classification variables are the owner's country and industry.

The statistics are published in [NYT from Statistics Denmark](#) (only in Danish) and [Statbank Denmark](#).

When preparing the basis for the statistics, detailed information is calculated for all enterprises included. The statistical basis therefore allows for a number of alternative distributions beyond the published tables.

2.2 Classification system

The industry coding follows the Danish industrial classifications, Dansk Branchekode 2007 (DB07), which is the national version of NACE rev. 2. A complete overview can be found at the [DB07 site](#).

The number of foreign owned enterprises, their turnover and number of employees, is grouped according to whether the enterprises are owned from EU-27 outside Denmark, EU-28 outside Denmark, The Netherlands, Germany, United Kingdom, Norway, Sweden and the USA.

2.3 Sector coverage

Includes all sectors.

2.4 Statistical concepts and definitions

Foreign-owned enterprise: Active enterprise located in Denmark, which ultimately is owned by a foreign enterprise, regardless of the number of existing intermediate enterprise relations.

Number of employees: Persons on the payroll in full-time equivalent units.

Enterprise: Usually corresponding to the legal unit, e.g. limited-liability corporations, sole traders, partnerships, etc. In a few cases several legal units which are run as one entity are gathered into one enterprise.

Turnover: Turnover represents the net sales. Included are capitalised work performed by the firm for own purposes and all charges (transport, packaging, etc.) passed on to the customer. Excluded are reduction in prices, rebates, discounts, VAT and excise duties. Income classified as other operating income, financial income and extraordinary income in company accounts is also excluded from turnover.

The ultimate owner: The statistics are defining a company's ownership attached to the ultimate owner who has control over the company, ie, have the ability to determine a company's consult the general policy, if necessary by select a board. As a rule interpreted the controlling unit as the ultimate owner, directly or indirectly, more than 50 per cent. of equity or shareholders' voting rights. The ultimate owner must be understood in relation to the direct owner, since a company can immediately be owned (directly) from a country, even if it ultimately (ultimately) is the owner of another country.

2.5 Statistical unit

The unit in the statistics is enterprise. Usually corresponding to the legal unit, e.g. limited-liability corporations, sole traders, partnerships, etc. In a few cases several legal units which are run as one entity are gathered into one enterprise.

2.6 Statistical population

Danish and foreign-owned enterprises in Denmark.

2.7 Reference area

Denmark.

2.8 Time coverage

The statistics cover the period from 2019 onwards.

2.9 Base period

Not relevant for these statistics.

2.10 Unit of measure

The unit of measure is number, millions kr., thousand millions and percent depending on variable where it is published.

2.11 Reference period

The statistics for a given year t , relate to annual accounts ending in the period from 1 May of year t to 30 April of year $t+1$.

2.12 Frequency of dissemination

Annual statistics.

2.13 Legal acts and other agreements

The statistics fall under Council Regulation (EF) no. 2019/2152 of 27. November 2019 on European Business Statistics on the structure and activity of foreign affiliates.

2.14 Cost and burden

The statistics are based on administrative sources. There is no direct response burden, in connection with the calculation of this statistic.

2.15 Comment

Other information can be found on the statistics [page](#) or available from Statistics Denmark.

3 Statistical processing

Information from the National Bank, the companies official accounts, commercial registers, the Business Register and other sources used to update the population of foreign-owned firms. There also used information from the General Enterprise statistics.

3.1 Source data

The statistics are based on information from National Bank, commercial registers, companies' official financial statements, the Business Register (ESR), and the [General Enterprise statistics](#). The National Bank provides information on foreign direct investments and ownership relationships. Commercial registers and companies' official financial statements are used as supplementary sources for identifying and validating ownership relationships. The ESR is used to identify the enterprises, while information on the companies' industry classification and size is obtained from the General Business Statistics.

3.2 Frequency of data collection

Yearly.

3.3 Data collection

Information is received or collected electronically from the registers and data providers used and is combined with other administrative data.

3.4 Data validation

Information on foreign ownership compared between years.

3.5 Data compilation

The population is formed on the basis of information about ownership from the National bank and the companies' official accounts. In addition, the companies must be economically active in the year in question, according to the activity criteria applied in the General Enterprise Statistics, and their activity must belong to the market sector (as opposed to, for example, publicly operated enterprises).

National Bank collects data on foreign direct investment in Denmark. Statistics Denmark receives information from the National Bank on foreign owned enterprises in Denmark namely the direct owner, ultimate owner and ownership. National Bank collects information via questionnaire.

In addition to the information received from the National Bank used information from enterprises official accounts and commercial registers. This information is kept together with data from National bank. The Business Register is used to identify the enterprises. Non-foreign-owned enterprises are considered Danish-owned.

From the General enterprise Statistics obtained concerning turnover, number of enterprises and employees for all industries in the private sector.

3.6 Adjustment

Not relevant for these statistics.

4 Relevance

Users: Public authorities, Eurostat, employers' and employees' federations, private firms, politicians, economists, journalists, students.

4.1 User Needs

Users: Public authorities, Eurostat, employers' and employees' federations, private firms, politicians, economists, journalists, students.

4.2 User Satisfaction

There is not carried out a user satisfaction survey.

4.3 Data completeness rate

Not relevant for the Danish publication.

5 Accuracy and reliability

The statistics cover the foreign-owned enterprises that can be identified using information from the National Bank, commercial registers, and companies' official financial statements. These sources are considered to cover the vast majority of foreign-owned enterprises, although some enterprises may not be identified. Consequently, the number of foreign-owned enterprises, as well as their turnover and employment, may be underestimated.

5.1 Overall accuracy

The statistics are based on several sources which, taken together, are considered to cover the vast majority of foreign-owned enterprises in Denmark. However, it is not possible to identify all foreign ownership relationships with complete certainty. As a result, some foreign-owned enterprises may be missing from the statistics, which may lead to an underestimation of the number of enterprises and the associated figures for turnover and employment. No estimates of the magnitude of this uncertainty are available.

5.2 Sampling error

Not relevant for these statistics, as the statistics are not based on a sample survey.

5.3 Non-sampling error

The main source of uncertainty is that not all foreign-owned enterprises can necessarily be identified in the sources used. In addition, information on ownership relationships, ownership shares, and the ultimate owner may be delayed, incomplete, or inconsistent. To reduce this uncertainty, the information is cross-checked across sources and against data from previous years. If an enterprise cannot be identified as foreign-owned, it is classified as Danish-owned. Missing information on foreign ownership may therefore lead to an underestimation of the number, turnover, and employment of foreign-owned enterprises.

5.4 Quality management

Statistics Denmark follows the recommendations on organisation and management of quality given in the Code of Practice for European Statistics (CoP) and the implementation guidelines given in the Quality Assurance Framework of the European Statistical System (QAF). A Working Group on Quality and a central quality assurance function have been established to continuously carry through control of products and processes.

5.5 Quality assurance

Statistics Denmark follows the principles in the Code of Practice for European Statistics (CoP) and uses the Quality Assurance Framework of the European Statistical System (QAF) for the implementation of the principles. This involves continuous decentralized and central control of products and processes based on documentation following international standards. The central quality assurance function reports to the Working Group on Quality. Reports include suggestions for improvement that are assessed, decided and subsequently implemented.

5.6 Quality assessment

The statistics combine information from several sources and thereby provide broad coverage of foreign-owned enterprises in Denmark. Information on ownership relationships is cross-checked across sources and compared with data from previous years. However, it is not possible to identify all foreign ownership relationships with complete certainty. As a result, some foreign-owned enterprises may be missing from the statistics or may be assigned to an incorrect owner country. This may be particularly important for detailed breakdowns by industry and owner country. No estimates of the magnitude of this uncertainty are available.

5.7 Data revision - policy

Statistics Denmark revises published figures in accordance with the [Revision Policy for Statistics Denmark](#). The common procedures and principles of the Revision Policy are for some statistics supplemented by a specific revision practice.

5.8 Data revision practice

There have been no revisions of previously published versions of the statistics.

6 Timeliness and punctuality

The statistics are published once a year. The statistics are usually published about 20 months after the reference year.

6.1 Timeliness and time lag - final results

The statistics are published approx. 18-20 months after the end of the reference year.

6.2 Punctuality

The statistics are usually published without delay in relation to the scheduled date.

7 Comparability

The statistics have been republished for the period 2019-2021 with a new activity limit that includes economically active companies and with more economic units that have been implemented in the General Enterprise Statistics. Several industries are affected by this. There is thus no direct comparability with the previous time series for the period 2000-2021.

The statistics supplement the General Enterprise Statistics with information on foreign-owned enterprises. Every year figures are submitted to Eurostat. This includes special industry aggregates, not published nationally.

7.1 Comparability - geographical

Every year figures are submitted to the statistical office of EU, Eurostat. This includes special industry aggregates, not published nationally. Data for all EU countries can be found in the [Eurostat database](#). The statistics are produced following the principles of an EU regulation, so the results are comparable.

7.2 Comparability over time

The statistics exists from the year 2000, but with several methodological changes. The Statbank covers the older discontinued time series from 2004-2021. The statistics are revised with a new activity threshold, from 2019 onwards, and several large enterprises are now defined as economic units as is the case in the general enterprise statistics.

7.3 Coherence - cross domain

The statistics on foreign owned enterprises supplement the General enterprise statistics.

7.4 Coherence - internal

The statistics are based on an integrated statistical dataset in which information on ownership, turnover, and employment is linked at the enterprise level. In addition, enterprises must be economically active in the year in question, according to the activity criteria applied in the [General Enterprise statistics](#), and their activity must belong to the market sector (as opposed to, for example, publicly operated enterprises). Each enterprise is included only once and is assigned to a single ultimate owner country.

8 Accessibility and clarity

The statistics are published in [NYT from Statistics Denmark](#) (only in Danish) and [Statbank Denmark](#).

8.1 Release calendar

The publication date appears in the release calendar. The date is confirmed in the weeks before.

8.3 User access

Statistics are always published at 8:00 a.m. at the day announced in the release calendar. No one outside of Statistics Denmark can access the statistics before they are published.

8.2 Release calendar access

The Release Calendar can be accessed on our English website: [Release Calendar](#).

8.4 News release

The figures are published in a yearly news release, [NYT from Statistics Denmark](#) (only in Danish).

8.5 Publications

Not available.

8.6 On-line database

The statistics are published in the StatBank under the subject [Foreign companies in Denmark](#) in the following tables:

- [IFATSE1](#): Foreign owned enterprises by industry, country, unit and time
- [IFATSE2](#): Foreign owned enterprises by countries, unit and time

8.7 Micro-data access

Researchers and other analysts from authorized research institutions can be granted access to the underlying microdata by contacting [Denmark's Data Portal](#).

The survey data are organized in annual files comprising a complete set of items for every single business enterprise, which can be used for tables and for research purposes.

8.8 Other

The survey data are organized in annual files comprising a complete set of items for every single business enterprise. The survey files can easily yield alternative breakdowns and tabulations, in addition to those published.

8.9 Confidentiality - policy

By publishing and service tasks the [Data Confidentiality Policy at Statistics Denmark](#) is followed.

8.10 Confidentiality - data treatment

In connection to publication and delivery of customized statistics, a so-called confidentiality test of data is made. The confidentiality test is made on the basis of two criteria: 1. The number criteria: If one data cell contains less than 3 observations (enterprises) employment and financial information can not be published 2. The dominance criteria: If one or two observations (enterprises) contained in one data cell, alone or together constitute a certain percentage of the total turnover of the cell, the turnover and other financial information as well as full-time employees for this group can not be published.

8.11 Documentation on methodology

Not available.

8.12 Quality documentation

Results from the quality evaluation of products and selected processes are available in detail for each statistics and in summary reports for the Working Group on Quality.

9 Contact

The administrative placement of these statistics is in the division of Business Dynamics, Business Statistics. The contact person is Asbjørn Hviid Mikkelsen, tel.: + 45 2942 6836 and e-mail: AHM@dst.dk.