

## Concepts and Definitions

Statistics of foreign affiliates in Singapore are also known as inward foreign affiliates statistics (inward FATS). Inward FATS provide an overview of the activities of foreign affiliates in Singapore through a range of indicators such as value added, number of enterprises, employment, exports and imports of goods and services.

Inward FATS are compiled based on the guidelines and recommendations set out in the United Nations *Manual on Statistics of International Trade in Services 2010* (MSITS 2010).

**Foreign Affiliate** Refers to an enterprise with more than 50% equity owned by a single foreign investor. Foreign affiliates are generally a subset of majority foreign-owned enterprises. An enterprise is classified as a foreign affiliate if a single foreign investor has majority ownership (more than 50% ownership of the enterprise). On the other hand, foreign-owned enterprises may involve a group of foreign investors having a combined equity of more than 50% (with none of the investors owning more than 50% individually).

**Enterprise** Refers to an incorporated or registered entity (such as company, sole-proprietorship, partnership, association or society, etc).

**Value Added** Gross value added is derived by the output or income approach. The output approach measures value added as output less intermediate consumption. Output refers to the value of goods and services produced while intermediate consumption is value of goods and services consumed as inputs by a process of production, e.g. materials, utilities, fuel, rental paid for premises and equipment, banking and financial charges and other operating costs. The income approach derives value added as the sum of incomes generated from the domestic production of goods and services, which comprise gross operating surplus, remuneration and taxes (less subsidies) on production.

**Exports and Imports of Goods & Services:** Refer to cross-border transactions of goods and services between the Singapore economy and the rest of the world.

## Data Sources

The data sources used to compile inward FATS include enterprise surveys conducted by DOS (e.g. annual industry survey, international trade in services survey) as well as administrative data.

## Scope and Coverage

Inward FATS covers all foreign affiliates in Singapore across all industries operating in the reference year.