

**COMMISSION REGULATION (EC) No 747/2008****of 30 July 2008****amending Regulation (EC) No 716/2007 of the European Parliament and of the Council on Community statistics on the structure and activity of foreign affiliates, as regards the definitions of characteristics and the implementation of NACE Rev. 2****(Text with EEA relevance)**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

HAS ADOPTED THIS REGULATION:

Having regard to the Treaty establishing the European Community,

*Article 1*

Regulation (EC) No 716/2007 is amended as follows:

Having regard to 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 <sup>(1)</sup>, and in particular Article 9(2)(a) thereof,

1. Section 2 of Annex I is replaced by the text set out in Annex I to this Regulation.

Whereas:

2. The table for the activity breakdown levels 1 and 2 referred to in Annex III is replaced by the table set out in Annex II to this Regulation.

(1) Regulation (EC) No 716/2007 established a common framework for the systematic production of Community statistics on the structure and activity of foreign affiliates.

3. The table for the activity breakdown level 3 referred to in Annex III is replaced by the table set out in Annex III to this Regulation.

(2) It is necessary to adapt the definitions for the characteristics on research and development variables for the common module for inward statistics on foreign affiliates.

*Article 2*

Member States shall apply Annex III to Regulation (EC) No 716/2007 as amended by this Regulation:

(3) It is also necessary to adapt the activity breakdown levels following the adoption of Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 <sup>(2)</sup>.

— as regards levels 1 and 2, from 1 January 2010 (for reference year 2010 and subsequent years),

(4) Regulation (EC) No 716/2007 should therefore be amended accordingly.

— as regards level 3, from 1 January 2008 (for reference year 2008 and subsequent years).

(5) The measures provided for in this Regulation are in accordance with the opinion of the Statistical Programme Committee,

*Article 3*This Regulation shall enter into force on the 20th day following its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 30 July 2008.

For the Commission

Joaquín ALMUNIA

Member of the Commission

<sup>(1)</sup> OJ L 171, 29.6.2007, p. 17.<sup>(2)</sup> OJ L 393, 30.12.2006, p. 1. Regulation as amended by Regulation (EC) No 295/2008 (OJ L 97, 9.4.2008, p. 13).

## ANNEX I

## SECTION 2

**Characteristics**

The following characteristics as defined in the Annex to Commission Regulation (EC) No 2700/98 of 17 December 1998 concerning the definitions of characteristics for structural business statistics <sup>(1)</sup> will be compiled:

Code	Title
11 11 0	Number of enterprises
12 11 0	Turnover
12 12 0	Production value
12 15 0	Value added at factor cost
13 11 0	Total purchases of goods and services
13 12 0	Purchases of goods and services purchased for resale in the same condition as received
13 31 0	Personnel costs
15 11 0	Gross investment in tangible goods
16 11 0	Number of persons employed

The following characteristics will also be compiled by Member States for the 2009 reference year and subsequent years:

Code	Title and definition
22 11 0	<p>Total intramural R&amp;D expenditure (*)</p> <p>Research and experimental development comprise creative work undertaken on a systematic basis in order to increase the stock of knowledge, including of man, culture and society, and the use of this stock of knowledge to devise new applications.</p> <p>Intramural expenditures are all expenditures for R&amp;D (research and development) performed within the unit, regardless of the source of funds.</p> <p>R&amp;D must be distinguished from expenditures for a wide range of related activities. The following are therefore excluded from R&amp;D expenditure:</p> <ul style="list-style-type: none"> <li>— expenditures on education and training,</li> <li>— expenditures on other scientific and technological activities (e.g. information services, testing and standardisation, feasibility studies),</li> <li>— expenditures on other industrial activities (e.g. industrial innovations n.e.s.),</li> <li>— expenditures on purely financing activities (other administrations and other indirect supporting activities are included).</li> </ul> <p>Research and development expenditure may, depending upon national laws, be recorded in one of three places: movements in intangible assets, movements in tangible assets or operating expenditure.</p> <p>If under national law it may be partly or completely capitalised the expenditure is included in the movement of the intangible assets included in company accounts under <i>Fixed assets — intangible assets — costs of research and development</i>.</p> <p>If under national law it is only partially capitalised or not capitalised at all, the current expenditure is part of <i>Raw materials and consumables, other external charges, staff costs</i> and other operating charges and the capital expenditure is included in the movement of the tangible assets included in company accounts under <i>Fixed assets — tangible assets</i>.</p>

<sup>(1)</sup> OJ L 344, 18.12.1998, p. 49. Regulation as last amended by Regulation (EC) No 1670/2003 (OJ L 244, 29.9.2003, p. 74).

Code	Title and definition
22 12 0	<p data-bbox="405 259 735 293">Total number of R&amp;D personnel (*)</p> <p data-bbox="405 311 1358 389">Research and experimental development comprise creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society, and the use of this stock of knowledge to devise new applications.</p> <p data-bbox="405 409 1358 517">All persons employed directly on research &amp; development (R&amp;D) should be counted, as well as those providing direct services such as R&amp;D managers, administrators and clerical staff. Those persons providing an indirect service, such as canteen and security staff, should be excluded, even though their wages and salaries are included as an overhead in the measurement of expenditure.</p> <p data-bbox="405 535 1358 589">R&amp;D personnel must be distinguished from personnel for a wide range of related activities. The following are therefore excluded from R&amp;D personnel:</p> <ul style="list-style-type: none"> <li data-bbox="405 607 884 640">— Personnel employed on education and training,</li> <li data-bbox="405 658 1358 712">— Personnel employed on other scientific and technological activities (e.g. information services, testing and standardisation, feasibility studies),</li> <li data-bbox="405 730 1211 763">— Personnel employed on other industrial activities (e.g. industrial innovations n.e.s.),</li> <li data-bbox="405 781 1171 815">— Personnel employed on administration and other indirect supporting activities.</li> </ul> <p data-bbox="405 833 628 866"><i>Link to company accounts</i></p> <p data-bbox="405 884 1358 960">The total number of research and development personnel may not be isolated in company accounts. It is part of the number of persons employed which is recorded in the notes on the company accounts (Article 43(8)).</p> <p data-bbox="405 978 596 1012"><i>Link to other variables</i></p> <p data-bbox="405 1028 852 1061">Part of the <i>number of persons employed</i> (16 11 0).</p>

(\*) Variables 22 11 0 and 22 12 0 shall be reported every second year. If the total amount of turnover or the number of persons employed in a division of NACE Rev. 2 Sections B to F represents, in a Member State, less than 1 % of the Community total, the information necessary for the compilation of statistics relating to characteristics 22 11 0 and 22 12 0 need not be collated for the purposes of this Regulation.

If the number of persons employed is not available, the number of employees (code 16 13 0) will be compiled instead.

Characteristics "total intramural R&D expenditure" (code 22 11 0) and "total number of R&D personnel" (code 22 12 0) are only required to be compiled for activities in NACE sections B, C, D, E and F. Up to reference year 2009, Member States will compile these characteristics as defined in the Annex to Commission Regulation (EC) No 2700/98 of 17 December 1998.

For NACE section K only the number of enterprises, turnover <sup>(1)</sup> and the number of persons employed (or the number of employees instead) will be compiled.

<sup>(1)</sup> For NACE Rev. 2 division 64 turnover will be replaced by production value.'

## ANNEX II

In Annex III to Regulation (EC) No 716/2007 the table for activity breakdown levels 1 and 2 is replaced by the following:

**'Activity breakdown levels 1 and 2 for outward statistics on foreign affiliates**

Level 1	Level 2	NACE Rev. 2
TOTAL ACTIVITY	TOTAL ACTIVITY	sec B to S (excluding O)
MINING AND QUARRYING	MINING AND QUARRYING	sec B
	Extraction of crude petroleum, natural gas and mining support service activities	div 06, 09
MANUFACTURING	MANUFACTURING	sec C
	Food products, beverages and tobacco products	div 10, 11, 12
	Total textiles and wood activities	div 13, 14, 16, 17, 18
	Textiles and wearing apparel	div 13, 14
	Wood, paper, printing and reproduction	div 16, 17, 18
	Petroleum, chemicals, pharmaceutical products, rubber and plastic products	Total petroleum, chemicals, pharmaceutical products, rubber and plastic products
	Coke and refined petroleum products	div 19
	Chemicals and chemical products	div 20
	Rubber and plastic products	div 22
	Total metal and machinery products	div 24, 25, 26, 28
	Basic metals and fabricated metal products	div 24, 25
Computer, electronic and optical products	Computer, electronic and optical products	div 26
	Machinery and equipment n.e.c.	div 28
Vehicles, other transport equipment	Total vehicles and other transport equipment	div 29, 30
	Motor vehicles, trailers and semi trailers	div 29
	Other transport equipment	div 30
	Total of other manufacturing	div 15, 23, 27, 31, 32, 33
ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	sec D
WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	sec E
	Water collection, treatment and supply	div 36
	Sewerage, waste management, remediation activities	div 37, 38, 39
CONSTRUCTION	CONSTRUCTION	sec F
TOTAL SERVICES	TOTAL SERVICES	sec G, H, I, J, K, L, M, N, P, Q, R, S

Level 1	Level 2	NACE Rev. 2
WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	sec G
	Wholesale and retail trade and repair of motor vehicles and motorcycles	div 45
	Wholesale trade, except of motor vehicles and motorcycles	div 46
	Retail trade, except of motor vehicles and motorcycles	div 47
TRANSPORTATION AND STORAGE	TRANSPORTATION AND STORAGE	sec H
	TOTAL transport and storage	div 49, 50, 51, 52
	Land transport and transport via pipelines	div 49
	Water transport	div 50
	Air transport	div 51
	Warehousing and support activities for transportation	div 52
	Postal and courier activities	div 53
ACCOMMODATION AND FOOD SERVICE ACTIVITIES	ACCOMMODATION AND FOOD SERVICE ACTIVITIES	sec I
INFORMATION AND COMMUNI- CATION	INFORMATION AND COMMUNICATION	sec J
	Motion picture, video, television programme production, other enter- tainment activities	div 59, 60
	Telecommunications	div 61
	Other information and communication activities	div 58, 62, 63
FINANCIAL AND INSURANCE ACTIVITIES	FINANCIAL AND INSURANCE ACTIVITIES	sec K
	Financial intermediation, except insurance and pension funding	div 64
	— Activities of holding companies	group 64.2
	Insurance, reinsurance and pension funding, except compulsory social security	div 65
	Other financial activities	div 66
	REAL ESTATE ACTIVITIES	sec L
	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES
Legal and accounting activities		div 69
— Legal activities		group 69.1
— Accounting, bookkeeping and auditing activities; tax consultancy		group 69.2

Level 1	Level 2	NACE Rev. 2
	Activities of head offices; management consultancy activities	div 70
	— Activities of head offices	group 70.1
	— Management consultancy activities	group 70.2
	Architecture and engineering activities; technical testing and analysis	div 71
Scientific research and development	Scientific research and development	div 72
	Advertising and market research	div 73
	— Advertising	group 73.1
	— Market research and public opinion polling	group 73.2
	Other professional, scientific and technical activities, veterinary activities	div 74, 75
	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	sec N
	Rental and leasing activities	div 77
	Other administrative and support service activities	div 78, 79, 80, 81, 82
	EDUCATION	sec P
	HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	sec Q
ARTS, ENTERTAINMENT AND RECREATION	ARTS, ENTERTAINMENT AND RECREATION	sec R
	Creative, arts and entertainment activities	div 90
	Libraries, archives, museums and other cultural activities	div 91
	Sporting and other recreational activities; gambling and betting activities	div 92, 93
	OTHER SERVICE ACTIVITIES	sec S
	Activities of membership organisations	div 94
	Repair of computers and personal and household goods, other personal service activities	div 95, 96
	Not allocated'	

## ANNEX III

In Annex III to Regulation (EC) No 716/2007 the table for activity breakdown level 3 is replaced by the following:

**'Activity breakdown level 3 for inward statistics on foreign affiliates**

Level 3 (NACE Rev. 2)	
Heading	Requested level of detail
Business Economy	Sections B to N excluding K
MINING AND QUARRYING	Section B
MANUFACTURING	Section C
	All divisions 10 to 33
ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	Section D
	Division 35
WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	Section E
	All divisions 36 to 39
CONSTRUCTION	Section F
	All divisions 41 to 43
	All groups 41.1 and 41.2, 42.1 to 42.9, 43.1 to 43.9
WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTOCYCLES	Section G
	All divisions 45 to 47
	All groups 45.1 to 45.2, 46.1 to 46.9, 47.1 to 47.9
TRANSPORTATION AND STORAGE	Section H
	All divisions 49 to 53
	Groups 49.1 to 49.5
ACCOMMODATION AND FOOD SERVICES ACTIVITIES	Section I
	All divisions 55 to 56
	All groups 55.1 to 55.9, 56.1 to 56.3
INFORMATION AND COMMUNICATION	Section J
	All divisions 58 to 63
	Groups 58.1, 58.2, 63.1, 63.9
FINANCIAL AND INSURANCE ACTIVITIES	Section K
	All divisions 64 to 66
REAL ESTATE ACTIVITIES	Section L
	Division 68

## Level 3 (NACE Rev. 2)

PROFESSIONAL, SCIENTIFIC AND TECHNICAL  
ACTIVITIES

Section M

All divisions 69 to 75

ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES

Section N

All divisions 77 to 82

Groups 77.1 to 77.4'