

Global Value Chains

Reporting Period 2021 - 2023

Abbreviated explanations for the survey

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About the survey

Purpose of the survey

Global value chains the international organization and distribution of economic activities. They capture the **supply and purchase of goods and services to and from abroad** and the **relocation of economic tasks** abroad, so-called "(Out-)Sourcing". These developments in the organization of enterprises' production processes are vital to discuss globalization and its effects on the labour market or the creation of competitive advantages.

Despite the political relevance of the topic, there is a lack of comprehensive data and information at the European level. Therefore, the EU Commission introduced new statistics on global value chains in the European regulation on business statistics, which must be compiled by the member states **every three years**.

Objective

The aim of the survey is the collection of information on the economic globalization of Austrian enterprises and their integration in global value chains. Firstly, the survey examines which business functions were relocated from Austrian enterprises and the motives behind these activities. Secondly, international supply chains of goods and services are recorded in a previously unavailable breakdown according to their purpose of use. The survey concludes with questions on the influence of recent events on the organization of global supply chains.

Survey population

The population of the survey consists of all statistical **enterprises**, which employed at least 50 persons in 2023 and whose main activity belongs to the **sections B to N** of the NACE classification. Please find more information on the classification of economic activities online: <https://www.statistik.at/en/databases/classification-database>.

Legal basis and obligation to report

The Value Chains Statistics Regulation 2024, Federal Law Gazett No. 133/2024 is the national legal basis for the survey. The data specifications are regulated on the European level by the Implementing Regulation (EU) 2022/918.

The survey is conducted with a representative random sample that is sufficiently large to allow conclusions about the population. In the case of statistical enterprises which consist of several legal units, the legal unit with the highest number of employees (main legal unit) forms the survey unit. Only this unit is contacted as part of the survey.

The enterprises in the sample are legally **obliged to provide information** by the Value Chains Statistics Regulation 2024.

The legal submission deadline is **30 June 2024**.

If you are not able to meet the submission deadline, please contact us at Statistics Austria in advance.

About the questionnaire

The survey is carried out using Statistics Austria's electronic reporting system, the **eQuest web questionnaire**. Furthermore, it is possible to submit the questionnaire via the Business Service Portal (USP). The survey abbreviation is **UIS**.

The questionnaire contains filtering questions. If an enterprise indicates that it has not sourced or has not purchased or supplied any goods and/or services across borders, follow-up questions are hidden. This reduces the scope of the questionnaire and the time required to complete it. Therefore, we recommend to follow the order of the questions.

If it is not possible to report electronically due to a lack in technical equipment, a paper questionnaire can be sent subsequently. In this case, Statistics Austria must be notified in writing within two weeks after receiving the request to report.

Who should answer the questionnaire?

To answer the questions sufficient knowledge about internal organizational and strategic decision-making processes is required.

Therefore, all enterprises are contacted directly; the registration of **third-party respondents** (in auditing or tax consultancy) is not intended in this survey.

If you do not have the necessary information to answer the questionnaire, please forward the questionnaire to the respective colleagues or contact us: gvc@statistik.gv.at.

It may be necessary to obtain the relevant information from different departments. We would like to thank you in advance for your efforts in coordinating and organizing your response.

Contact

Statistics Austria is happy to help with all questions and issues concerning the survey.

Hotlines

General hotline: +43 1 71128-7272,
fax: +43 1 71128-7790, email: gvc@statistik.gv.at
for **general questions about the survey**, login details etc.
Mon - Thu 07.30 am - 16.00 pm, Fri 07.30 am - 13.00 pm

HELPDesk: +43 1 71128-8009,
fax: +43 1 71128-7775, email: helpdesk@statistik.gv.at
for **technical problems** with the online questionnaire
Mon - Thu 07.30 am - 16.00 pm, Fri 07.30 am - 13.00 pm

For specialized questions on the topic please, contact the project team:

- Isabella Bachleitner, MSc: +43 1 71128-7687 or email: gvc@statistik.gv.at
- Bakk. Erich Greul: +43 1 71128-7308 or email: gvc@statistik.gv.at

Mon, Tue, Thu, Fri 09.00 am - 13.00 pm

Please indicate the identification code (KZ) or the respondent identification (RID) found on your request to report to save time. In your own interest and to make queries easier, please save or print your reports.

Contents of the survey

Enterprise group

In the scope of the survey an enterprise group is an association of at least two enterprises (legal entities), where a leading entity has a controlling function over the rest of the group. Such a control function exists if one enterprise possesses more than 50% of the other enterprises or can determine the management of the subordinate enterprises.

In general, the term "enterprise group" is synonymous with the term "corporate group".

Business functions

Business functions are **general categories** for different **activities** that are performed regularly and on a long-term basis in enterprises. Business functions cover all aspects of enterprises' activities and tasks starting from designing and developing new products, manufacturing, purchasing and sales, logistics, marketing and advertising as well as administration, HR, accounting etc. All activities can be clustered with business functions in a standardized way. This makes **comparisons** of enterprises across **economic sectors and size classes** possible.

Following business functions are applied in this survey:

Production of goods (including extraction of raw materials, energy products and similar)

This business function covers all business activities that are related with the producing or manufacturing goods, sourcing and mining of raw materials as well as generating and distributing energy.

Construction and civil engineering

This function captures all activities related to constructing buildings and infrastructure. It includes erecting buildings and street, preparing building sites, demolishing as well as installing electrical or plumbing infrastructure.

Management and administration

All activities and tasks carried out to organize, administer or manage an enterprise are summarized in this function. This includes activities in accounting, human resources, legal consulting, management, finances, tax auditing etc. The tasks can be carried out inside the enterprise or for clients.

Engineering and related technical services

This function summarizes activities such as constructing, developing, installing, controlling and maintaining technical machinery or buildings.

Research and development

This business function encompasses all activities related to research in natural sciences, social sciences, humanities and technology. These activities are often of an experimental or innovative nature and deliver new insights, products, processes or procedures.

Information and communication technology (ICT)

Here are all services included that maintain, program or test hardware and software or create and analyse data.

Marketing, sales, and after-sales services

This business function comprises all activities related to sales, especially wholesale and retail trade. Furthermore, all activities that aim to acquire customers or their attention are included. Typical activities clustered in this function are advertising, promoting, marketing, supporting customers in call centers as well as broking real estate or trade.

Transport, logistics and storage

This refers to all activities related to transporting goods or people, storage, organizing customs or processing orders. This includes the storage and packaging of goods and their dispatch.

Other services

This business functions contains all other services and tasks, that are not allocated to any other business function.

This includes activities related to

- Water supply or waste disposal,
- Tourism, accommodation and food services,
- Managing and maintaining properties and real estate,
- Repairing and maintaining commodities,
- Professional services, for example translation or photography,
- Service activities such as rental of commodities, security or cleaning
- Education and social work
- Art, music, sports etc.

Persons employed

Please report the **annual average** of number of persons employed in **2023**. This includes also self-employed persons and all employees in Austria as well as temporary workers and freelancers. Assign the persons to business functions according to the tasks they **mainly** perform. Your best estimate is fine.

Sourcing

Sourcing of business functions encompasses the complete or partial relocation of activities to another enterprise, which were previously performed by the enterprise.

Business functions can be sourced to an enterprise

- Inside the enterprise group as well as
- Outside the enterprise group to an external enterprise.

Sourcing can take place

- Domestically, inside the resident country as well as
- Internationally, to an enterprise abroad.

The questions do not include the mere expansion of activities in other enterprises that do not result from a movement of tasks. International sourcing also includes the relocation of activities abroad, that have already been sourced domestically.

Effects on jobs

Usually, sourcing leads to a **reduction in jobs**/personnel inside the enterprise, especially in relocated business functions. Please indicate the total number of jobs lost due to sourcing abroad. This includes "natural" reductions due to resignations or changes to other departments or areas if they are related to the sourcing.

Additionally, jobs could also be **created** as a result of international sourcing for example due to a reduction in costs or a focus on core competencies that are related to the sourcing.

High-Skilled

In this survey "high-skilled" refers to a formal training in the tertiary education system. This includes universities and colleges, advanced training courses also for crafts, installation activities or engineering.

Global supply chains

Supply chains map the exchange of goods and services along the entire process of their creation and transformation. This starts with the conception and ends with the final use by the consumers. Supply chains comprise trade with raw materials, intermediary goods and final products. If **national borders** are **crossed** within the process and value is added in several countries, the supply chains are global or international.

The questions on global supply chains only relate to the year **2023**.

The questions address purchases and supplies across borders of goods and services according to their use. Please select the respective value of goods and services is equal to or exceeds **EUR 100 000**.

Goods

In this survey all movable property is comprised by the term "goods".

On the contrary to trade statistics, goods are not classified according to their type but their **intended use**. This allows a rough distinction at which positions of the supply chains the crossing of borders took place.

The survey differentiates between six categories for goods:

- Raw materials
- Components
- Machinery
- Goods designed by own company for resale
- Goods designed by other company for resale
- Other goods (that are consumed by companies)

Services

In this survey services are defined as all activities that either change the condition of a good or a consumer (transformation) or enable the exchange of goods (including financial goods). It is often difficult to separate services from the goods they are associated with (e.g. installation and maintenance services for a machine). Typical examples of services can be found in the areas of administration, marketing, sales, tourism, research or IT.

The survey differentiates between following service categories:

- Management and administration
- Engineering and related technical services
- Research and development
- Information and communication technology (ICT)
- Marketing, sales and after-sales services
- Transport, logistics and storage
- Other services

Recent events

Global supply chains are dynamic and subject to geopolitical or economic conditions. In order to consider the impact of such current events, the Implementing Regulation by the EU Commission defines a flexible variable.

In the survey of 2024 enterprises are asked to assess the influence of increases in costs, supply shortages and problems with transportation capacities and policy constraints on their organisation of global supply chains. The second part asks to which extent enterprises adapted their global supply chains or business processes to overcome encountered constraints.