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Globalisation Statistics: Foreign Affiliates

2023

## IN 2023, THE GVA OF FOREIGN AFFILIATES IN PORTUGAL INCREASED 11.3% IN NOMINAL TERMS

In 2023, there were 10 705 foreign affiliates in Portugal (+2.9% compared to 2022), corresponding to 2.1% of all non-financial companies. These companies employed around 682 thousand persons, generated a turnover of 154 billion euros and a gross value added (GVA) of 38 billion euros, corresponding to 18.5% of employment, 29.0% of turnover and 27.8% of GVA of non-financial companies in Portugal (+6.7%, +5.2% and +11.3% compared to 2022, respectively).

On average, each foreign affiliate employed about 64 persons, significantly more than the average for domestic companies, which was around 6 persons. Between 2022 and 2023, the weight of persons employed by foreign affiliates, in relation to total companies, increased (+0.1 p.p), with an increase of around 43 thousand persons employed by foreign affiliates.

In 2023, the GVA of foreign affiliates in Portugal grew by 11.3% in nominal terms (+19.9% in 2022). This growth contrasts with that of domestic companies, whose GVA increased by 14.6% (+18.1% in 2022). Of the total GVA generated by foreign affiliates in Portugal, large companies (652 companies) contributed 65.7% of the total GVA generated by these companies. Most of the GVA (67.0%) was generated by companies controlled by entities based in the European Union, with France standing out as the main country of origin of capital control (15.6% of GVA).

In the same year, the apparent labour productivity and the average monthly remuneration per person employed in foreign affiliates were 67.0% and 42.5% higher than in domestic companies, reaching 55 674 euros and 1 745 euros, respectively.

In 2023, foreign affiliates with an exporting profile, which accounted for 43.3% of the total GVA of these companies, recorded a 14.4% growth in GVA, above the 9.0% observed in foreign affiliates without an exporting profile.

Exports by foreign affiliates accounted for 37.9% of total national exports of goods and decrease 56 million euros compared to the previous year (-0.2%), reversing the growth trend of previous years (+20.8% in 2022). The same happened with total international trade exports, which decrease by 1.4% (+23.2% in 2022).