

***Early Warning System - Case 6***

***Oil and gas companies - Merger/takeover***

*Final methodological assessment - prepared by the EWS secretariat with the approval of relevant EWS network members*

*Based on information available in September 2018*

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Eurostat's Early Warning System (EWS) informed the concerned countries in February 2018 about this merger/takeover.

Oil and gas company A with head office in EU Member State K is taken over by company B with head office in country L, outside the European Union.

Peculiarity of this merger/ takeover is that the newly formed group has its head office in Member State M (not Member State K or country L).

Concerned Member States K and M have provided further information through the Early Warning System. It appears that both Member States had detected the changes correctly in their surveys/administrations.

To the extent known, there are no large amounts of intellectual property products (IPPs) and/or factoryless goods production involved.

The direct impact of this event is limited to the opening of a new head office in Member State M which has a limited effect on the production and income accounts. Moreover, there is obviously an effect on FDI statistics and the property income flows associated with this.

Overall, the impact on the official statistics of this event seems limited but data are not yet available for all concerned statistical areas. The NSI's in both Member States will continue to monitor the possible impact of this merger going forward.

No further action is needed in the context of EWS.