

Article

Foreign-owned businesses in the UK non-financial business economy: 2021

Annual estimates of the number of foreign-owned businesses, turnover and approximate gross value added (aGVA) in the UK non-financial business economy for 2021 and revised estimates for 2020, from the Annual Business Survey (ABS).

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1 . Main points

- There were 2.5 million businesses operating in the UK non-financial business economy in 2021, of which 1.4% (36,724) were foreign-owned.
- The number of foreign-owned businesses increased by 4.2% from 35,231 in 2020 to 36,724 in 2021.
- Of the total approximate gross value added (aGVA) from the non-financial business economy, 29.0% was generated by foreign-owned businesses in 2021; foreign-owned businesses contributed £400 billion in aGVA.
- Foreign-owned aGVA in 2021 bounced back from a year of decline in 2020, rising by 17.8%; aGVA from UK-owned businesses increased by 13.3%, also following a year of decline in 2020.
- In 2021, 7.2% of foreign-owned businesses employed 250 persons or more compared with only 0.2% for UK-owned businesses.
- The largest proportion of foreign-owned businesses were in the wholesale and retail trade; repair of motor vehicles and motorcycles industry (22.3%), contributing £75 billion in aGVA.

2 . Contribution of foreign-owned businesses between 2015 and 2021

The number of foreign-owned businesses operating in the UK non-financial business economy has grown by 52.2% from 2015 to 2021, with the largest single year increase in 2018 (16.9%). Foreign-owned approximate gross value added (aGVA) has grown from approximately £320 billion to approximately £400 billion between 2015 and 2021 (24.1% increase).

The number of foreign-owned businesses in the UK non-financial businesses economy increased for each continent in 2021, with Oceania and Antarctica seeing the largest proportional increase (7.7%). Despite this, aGVA from Oceania and Antarctica owned businesses fell by 6.8%.

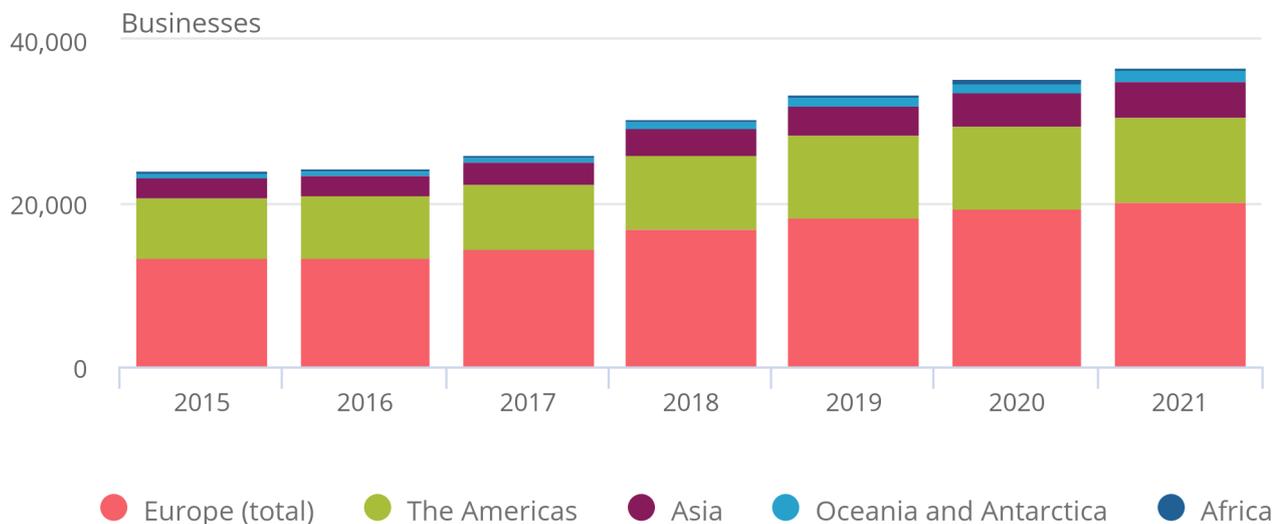
Asian foreign-owned businesses saw a 28.8% increase in aGVA in 2021, the largest proportional increase in aGVA of any continent. European-owned businesses continue to account for the largest proportion of foreign-owned businesses in 2021 (55.2%). European-owned businesses also contributed the largest proportion of foreign-owned aGVA (47.4%) in 2021, generating £190 billion.

Figure 1: European-owned businesses continue to account for the largest proportion of foreign-owned businesses in 2021

Count of UK foreign-owned businesses by continent, 2015 to 2021

Figure 1: European-owned businesses continue to account for the largest proportion of foreign-owned businesses in 2021

Count of UK foreign-owned businesses by continent, 2015 to 2021



Source: Annual Business Survey from the Office for National Statistics

3 . Foreign-owned businesses in the UK data

[Foreign-owned businesses in the UK: business count, turnover and aGVA, from the Annual Business Survey Dataset](#) | Released 6 July 2023

Annual estimates of foreign-owned businesses in the UK non-financial business economy by industry group, section, employment and turnover group, and country breakdown, 2021.

4 . Data sources and quality

The Annual Business Survey (ABS) covers the non-financial business economy, which accounts for approximately two-thirds of the UK economy in terms of approximate gross value added (aGVA). These data are the main source for understanding the detailed structure, conduct and performance of businesses across the UK.

Measuring the data

The average response rate before the coronavirus (COVID-19) pandemic was approximately 75%. The 2020 rate was lower than usual (58.8%) because the pandemic made it more difficult to contact respondents in order to process survey returns. This means that the estimates in this release are subject to more uncertainty than usual. Quality measures for the Annual Business Survey (ABS) results are available in our [Non-financial business economy, UK: quality measures dataset](#).

In 2021, 67.5% of sampled businesses were included in the final ABS results. This shows a marked improvement from the 2020 position but is still below the pre-coronavirus average.

Data sources and collection

The ABS is a sample survey of approximately 73,000 businesses across the UK. The ABS draws its sample from the [Inter-Departmental Business Register \(IDBR\)](#).

Quality and methodology

More quality and methodology information on strengths, limitations, appropriate uses, and how the data were created is available in our [Annual Business Survey Quality and Methodology Information](#) and [Annual Business Survey technical report](#) published on the [Annual Business Survey methodology page](#).

5 . Related links

[Non-financial business economy, UK and regional \(Annual Business Survey\): 2021 results](#)

Bulletin | Released 18 May 2023

Size and growth within the UK and regional non-financial sectors as measured by the Annual Business Survey.

[Non-financial business economy, UK and regional \(Annual Business Survey\): 2020 results](#)

Bulletin | Released 16 June 2022

Size and growth within the UK and regional non-financial sectors as measured by the Annual Business Survey.

[Non-financial business economy, UK and regional \(Annual Business Survey\): 2019 results](#)

Bulletin | Released 24 June 2021

Size and growth within the UK and regional non-financial sectors as measured by the Annual Business Survey.

6 . Cite this article

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