



Survey of Implementation of Methodological Standards for Direct Investment

May 2008

Organisation for Economic Co-operation and Development

Directorate for Financial and Enterprise Affairs

INTRODUCTION

Collection Authority

1. The Survey of Implementation of Methodological Standards for Direct Investment (SIMSDI)¹ is conducted by the Organisation for Economic Co-operation and Development (OECD) under the auspices of the OECD Working Group on International Investment statistics of the Investment Committee.

Purposes of the Survey

1. The purposes of the survey are to:
- (i) Determine the extent to which member countries have implemented the recommendations on direct investment statistics set out in the fourth edition of the OECD's *Benchmark Definition of Foreign Direct Investment (BMD4) (2008)*,²
 - (ii) Obtain from respondents standardized information on data sources and collection methods, and reporting practices for their foreign direct investment (FDI) data;
 - (iii) Facilitate the exchange of information between reporting economies; and
 - (iv) When approved by the individual respondents, to provide information to users of direct investment data, including financial analysts and academics,
 - a. on the practices of those economies in compiling their FDI data, and
 - b. whether or not those practices are in accordance with the recommendations of the international methodology.

Background to the Survey

2. The increasing importance of multinational enterprises, as well as their geographic and sectoral diversity, has stimulated interest in the area of direct investment statistics among policy makers, analysts and statisticians. OECD has a well known and established interest in foreign direct investment statistics through the collection and publication of data and for setting methodological standards for the measurement of direct investment.

¹ SIMSDI was initially designed jointly by IMF and OECD in 1997 when it was first conducted and complemented later by two subsequent exercises in 2001 and 2003. IMF recently decided to abandon the exercise due to material resource limitation of its Secretariat.

² The OECD *Benchmark Definition of Foreign Direct Investment (4th Edition)* is in line with the sixth edition of the IMF's *Balance of Payments and International Investment Position Manual (BPM6)* (2008).

3. The OECD Council in 2008 renewed the instructions addressed to the Committee on International Investment and Multinational Enterprises which include the following: (i) to continue to co-ordinate within the OECD the collection of information on international direct investment and multinational enterprises; (ii) to collect and publish at regular intervals stock and flow data on inward and outward foreign direct investment; and (iii) to prepare accompanying methodological notes in light of the results of the Survey of Implementation of Methodological Standards for Direct Investment, documenting the areas where the methodology used by Member countries differs from the OECD *Benchmark Definition of Foreign Direct Investment*.

4. The results of the first SIMSDI exercise in 1997 prompted experts to raise additional methodological questions, to identify difficulties for the implementation of some of the international standards, and to review the consistency of certain recommendations. SIMSDI has proved to be an indispensable working tool for the harmonisation, comprehension, and interpretation of FDI statistics. In sum, SIMSDI is an evaluation tool for the Benchmark Definition which is one of the instruments of the OECD. The present SIMSDI questionnaire is a revised version that incorporates the changes introduced by the 4th edition of the Benchmark Definition. It was endorsed by the experts of the OECD Working Group on International Investment Statistics by written procedure on 23 May 2008.

Instructions

Organisation of the survey questionnaire

5. The survey questionnaire has three parts:

Part 1 deals with data availability, coverage and sources;

Part 2 focuses on the methodology used to compile the data; and

Part 3 provides for general comments

6. The survey questionnaire has three annexes:

Annex I: Standard and supplemental FDI series according to BMD4

Annex II: International Standard Industry Classification (ISIC4)

Annex III: A glossary of FDI terms

How to complete the survey questionnaire

7. The format of the survey is multiple choice and most questions require a YES/NO/NA answer. [As the use of “NA” (not applicable) will vary according to the circumstances, instructions have been given for the specific questions or group of questions as relevant.] Please indicate the answer that applies to your country’s FDI statistics.

8. Space is provided for additional comments. If you feel that some questions fail to reflect the specific features of your practices or methodology please make use of the comments section after each question. This is particularly important where your compilation practices are a mixture of several methods/approaches etc. In many instances, you are also asked to use the comments boxes to respond to specific supplementary questions. Please respond to those specific questions, as well as providing an explanation of why you consider certain issues to be “not applicable” for your economy or why you do not follow the recommended methodology.

9. Space is also provided to enable you to indicate future plans for the implementation of the methodology set out in the *Benchmark Definition*. When including information on future plans, please be as specific as possible; for example, please provide target dates, mention series, and explain methodologies.

10. To facilitate your task of completing the questionnaire, definitions are provided in boxes at the beginning of certain sub-sections, as applicable. A glossary of terms has also been provided in Annex III of the questionnaire.

11. The responses to the questionnaire should always reflect **actual practices** as at the end of [Month, Year], not future plans – separate space has been provided in which to describe plans for the future.

12. Finally, it is recognized that the questionnaire is long and that not all questions may be applicable to all respondents. However, the length reflects in part the provision of space for comments after each set of question, which has been inserted to allow for the fact that countries’ practices may not always be adequately described in the multiple choice options – a fact that became clear from experience in analysing the results of the 1997 SIMSDI and the 2001 update.

13. The questionnaire should be completed in an electronic format according to the technical instructions provided by the OECD.

Who should complete the survey?

14. This survey should be completed by the main contact in the national institution which is the official compiler of FDI statistics in your country; this will usually be your country’s balance of payments or direct investment compilers. Please consult other statisticians or institutions in your country or seek OECD assistance if you are uncertain as to the purpose of, or the appropriate answer to, any question. The names and contact details of the OECD contact persons who can provide assistance is given on the next page.

15. Please note that only one copy of the survey form has been dispatched to each country. If parts of the survey are to be completed by other units, departments or institutions, please make sure that all questions have been reviewed before the completed form is returned to the OECD.

Cut-off Date

16. The information included in the completed survey should reflect the practices of your country at the agreed cut-off date of [Month, Year].

Due Date

Please return the completed questionnaire in electronic format as soon as possible but not later than [Day, Month, Year].

Where to Return the Survey Form? Who to contact for assistance?

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Methodological Reference Documents

- a) OECD *Benchmark Definition of Foreign Direct Investment*, 4th edition, 2008 [available in English and French] www.oecd.org/daf/investment
- b) Draft IMF *Balance of Payments and International Investment Position Manual*, 6th edition, 2008.

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QUESTIONNAIRE

Note to respondents:

This questionnaire covers standard and supplemental FDI statistics based on “asset/liability principle” and “directional principle” recommended by the *Benchmark Definition of Foreign Direct Investment, 4th edition*. It is expected that the two sets of data have the same coverage and apply same methodologies. At the event there are differences between the two sets of data, responses to this questionnaire should then relate to FDI statistics according to “directional principle”, unless for questions otherwise indicated.

PART 1. DATA

Section 1.1 Availability of data, frequency, and revision practices

Questions under this section are divided into three sub-sections:

1.1.1 Availability of data

1.1.2 Frequency of dissemination

1.1.3 Data revision practices

1.1.1 Availability of data

Definitions:

Direct investment position data
Direct investment income
Direct investment financial flows

1. Do you compile

➤ FDI transactions data?

Outward

Inward

Yes / No

Yes / No

➤ FDI position data?

Outward

Inward

Yes / No

Yes / No

2. If YES to any part of Question 1, do you also disseminate those FDI data?

Yes / No/ NA

3. If YES to Question 2, please indicate the title of the relevant national publication and/or the address of the website on which those data are disseminated.

4. If NO to Question 2, please explain the reasons why such data are not disseminated.

5. If NO, to any part of Question 1, please explain the reasons why such data are not compiled.

6. Are there other sources in your country that compile and disseminate FDI transactions and/or positions data:

➤ FDI transactions data?

Outward Inward

Yes/No Yes/No

➤ FDI position data?

Outward Inward

Yes / No Yes / No

7. If YES to any part of Question 6, do you also disseminate those FDI data? (*Select N.A, if your answer to question 6 is No*).

Yes / No/ NA

8. If YES to Question 7, please indicate (i) the degree of consistency with the dataset described above in questions 1 to 5; (ii) the title of the relevant national publication and/or the address of the website on which those data are disseminated.

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9. Do you report to the OECD for publication the following separately identifiable **standard** foreign direct investment **aggregates** according to the “**asset/liability**” principle? (*Select “NA” if you do not compile the relevant statistics for FDI*)

FDI: all entities

	Assets	Liabilities
Direct investment income	Yes / No/ NA	Yes /No/ NA
Direct investment financial flows	Yes / No/ NA	Yes /No/ NA
Direct investment position data	Yes / No/ NA	Yes /No/ NA

FDI: resident SPEs

	Assets	Liabilities
Direct investment income	Yes / No/ NA	Yes /No/ NA
Direct investment financial flows	Yes / No/ NA	Yes /No/ NA
Direct investment position data	Yes / No/ NA	Yes /No/ NA

Additional comments on reporting standard FDI aggregates to the OECD according to the asset/liability principle.

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Please indicate your specific future plans, if any, including target dates, for changes in data reporting of standard FDI aggregates according to the asset/liability principle.

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10. Do you report to the OECD for publication the following separately identifiable **standard** foreign direct investment data **by partner country** and **by industry** according to the “**directional principle**”? (Select “NA” if you do not compile the relevant statistics for FDI)

FDI: All entities excluding resident SPEs

	Outward	Inward
Direct investment income	Yes / No/ NA	Yes /No/ NA
Direct investment financial flows	Yes / No/ NA	Yes /No/ NA
Direct investment position data	Yes / No/ NA	Yes /No/ NA

FDI: resident SPEs

	Outward	Inward
Direct investment income	Yes / No/ NA	Yes /No/ NA
Direct investment financial flows	Yes / No/ NA	Yes /No/ NA
Direct investment position data	Yes / No/ NA	Yes /No/ NA

Additional comments on data reporting to the OECD for standard FDI statistics by partner country and by industry according to the “directional principle” including comments on confidentiality, as relevant.

Please indicate your specific future plans, if any, including target dates, for changes in data reporting of core FDI statistics according to the “directional principle”.

11. Do you report to the OECD for publication the following separately identifiable supplemental foreign direct investment data by partner country and by industry according to the “directional principle”? (Select “NA” if you do not compile the relevant statistics for FDI)

FDI: excluding resident SPEs and looking through non-resident SPEs

	Outward	Inward
Direct investment income	Yes / No/ NA	Yes /No/ NA
Direct investment financial flows	Yes / No/ NA	Yes /No/ NA
Direct investment position data	Yes / No/ NA	Yes /No/ NA

M&A type FDI

	Outward	Inward
Direct investment equity flows	Yes / No/ NA	Yes /No/ NA

FDI according to ultimate investing country

	Inward
Direct investment position data	Yes / No/ NA

Additional comments on data reporting to the OECD of supplemental FDI statistics by partner country and by industry according to the “directional principle” including comments on confidentiality, as relevant.

Please indicate your specific future plans, if any, including target dates, for changes in data reporting of supplemental FDI statistics according to the “directional principle”.

12. Please indicate whether you have any specific future plans for the compilation of separately identifiable data that could be reported to the OECD (*Select N.A. if you already compile the relevant statistics for FDI*).

Note: A/L = Asset/Liability principle; DP = Directional principle

		Outward	Inward
Direct investment income	A/L	1-2yrs / 2-5yrs / No/NA	1-2yrs / 2-5yrs / No/NA
	DP	1-2yrs / 2-5yrs / No/NA	1-2yrs / 2-5yrs / No/NA
Direct investment financial flows	A/L	1-2yrs / 2-5yrs / No/NA	1-2yrs / 2-5yrs / No/NA
	DP	1-2yrs / 2-5yrs / No/NA	1-2yrs / 2-5yrs / No/NA
Direct investment position data	A/L	1-2yrs / 2-5yrs / No/NA	1-2yrs / 2-5yrs / No/NA
	DP	1-2yrs / 2-5yrs / No/NA	1-2yrs / 2-5yrs / No/NA

Additional comments on future plans:

13. If you collect information on direct investment but do not report any or parts of data to the OECD, please indicate which series you do not report and specify the reasons.

14. If your legislation requires you to confidentialise information that may allow the identification of individual respondents, please describe the relevant provisions of the legislation.

15. Please describe any practical rules that you use to identify where information needs to be confidentialised under your legislation.

IMPORTANT:

The remainder of **Part 1: DATA** and all of **Part 2: METHODOLOGY** are designed for countries that:

- collect and compile direct investment data or;
- collect, compile and disseminate direct investment data, or;
- have established plans to collect and compile and disseminate direct investment data.

Countries that are not involved in such activities should go directly to Part 3, FINAL COMMENTS.

1.1.2 *Frequency of dissemination*

Questions under this sub-section are divided in two parts

1.1.2.1 Direct investment transactions data

1.1.2.2 Direct investment position data

Definitions:

- Dissemination**
- Periodicity**
- Timeliness**
- Final data**

1.1.2.1 Direct investment transactions data

16. What is the periodicity of your separately identifiable transactions data for the following?

Specify: M-Monthly; Q-Quarterly; Y-Calendar Year; F-Fiscal Year (specify period); I-Irregular; (Select N.A. if you do not compile the relevant FDI component)

	Outward	Inward
Income on equity	_____	_____
Income on debt (interest)	_____	_____
Reinvested earnings	_____	_____
Equity	_____	_____
Debt instruments	_____	_____

Additional comments on the periodicity of the transactions data.

Please indicate your specific future plans, if any, including target dates, for changes in the periodicity of the transactions data.

17. What is the timeliness of the transactions data for the following [that is, how many weeks/months (*specify*) after the close of the reference period are your transactions data disseminated for the first time]?

	Outward	Inward
Income on equity	_____	_____
Income on debt (interest)	_____	_____
Reinvested earnings	_____	_____
Equity	_____	_____
Debt instruments	_____	_____

Additional comments on the timeliness of transactions data.

Please indicate your specific future plans, if any, including target dates, for changes in the timeliness of the transactions data.

1.1.2.2 Direct investment position data

18. What is the periodicity of your position data for the following?

Specify: **M**-Monthly; **Q**-Quarterly; **C**-Calendar Year; **F**-Fiscal Year (*specify period*); **I**-Irregular; **N**-Never

	Outward	Inward
Equity (including reinvestment of earnings)	_____	_____
Debt instruments	_____	_____

Additional comments on the periodicity of the position data. (Insert into the box below)

Please indicate in the box below your specific future plans, if any, including target dates, for changes in the periodicity of the position data.

19. What is the timeliness of the position data for the following [that is, how many weeks/ months (*specify*) after the close of the reference date are your position data disseminated for the first time]?

	Outward	Inward
Equity (including reinvestment of earnings)	_____	_____
Debt instruments	_____	_____

Additional comments on the timeliness of the position data.

Please indicate your specific future plans, if any, including target dates, for changes in the timeliness of the position data.

1.1.3 *Data revision practices*

Questions under this sub-section are divided into three parts:

1.1.3.1 Direct investment transactions data

1.1.3.2 Direct investment position data

1.1.3.3 Revisions to incorporate the changes of BMD4

1.1.3.1 Direct investment transactions data

20. When are transactions data considered to be "final data" (i.e. data that are no longer subject to further regular revision, although they may still be subject to exceptional historical revisions due to methodological changes and/or changes in the data collection systems.)? Indicate the number of weeks/months (*specify*) after the data were first disseminated.

Weeks/months after the first dissemination of the data

	Outward	Inward
Income on equity	_____	_____
Income on debt (interest)	_____	_____
Reinvested earnings	_____	_____
Equity	_____	_____
Debt instruments	_____	_____

21. Are the data final when first released? (*Select N.A. if relevant statistics for FDI are not compiled or disseminated*)

Outward	Inward
Yes / No / NA	Yes / No / NA

22. Please provide a brief explanation of your revision practices for transactions data. This description should indicate:

- a) *How often the data are revised and for what period (e.g. every quarter for the previous two quarters, or once a year for the previous two years).*
- b) *How frequently the revised data are disseminated (such as instances where the data are revised monthly/quarterly but the revised data are disseminated only once a year).*
- c) *A general indication of the reasons for revisions (such as to incorporate the results of a more comprehensive survey).*
- d) *Whether the historical data are revised in cases of major changes in methodology or data collection systems, and if, so, how far back the historical data are revised.*
- e) *Whether the revised data are clearly identified in the disseminated data.*
- f) *Whether the general public are informed of the reasons for the revisions.*
- g) *Any instances of differences in the revision practices between the following sets of FDI data:*
 - Those reported to the OECD for publication.*
 - Those disseminated in national publications*
 - Those compiled but not disseminated.*

Please indicate your specific future plans, if any, including target dates, for changes in the revision practices for the transactions data.

1.1.3.2 Direct investment position data

23. When are position data considered to be “final data”? (i.e., data that are no longer subject to further regular revision, although they may still be subject to exceptional historical revisions due to methodological changes and/or changes in the data collection systems.)

Weeks/ months after first dissemination of data

	Outward	Inward
Equity (including reinvestment of earnings)	_____	_____
Debt instruments	_____	_____

24. Are the data final when first released? (*Select N.A. if relevant statistics for FDI are not compiled or disseminated*)

Outward	Inward
Yes / No / NA	Yes / No / NA

25. Please provide a brief explanation of your revision practices for the position data. This description should indicate:

- a) *How often the data are revised and for what periods (e.g. once a quarter for the previous two quarters, or once a year for the previous two years etc.)*
- b) *How frequently the revised data are disseminated (such as instances where the data are revised monthly/quarterly but the revised data are disseminated only once a year)*
- c) *A general indication of the reasons for revisions (such as to incorporate the results of a more comprehensive survey).*
- d) *Whether the historical data are revised in cases of major changes in methodology, and if so, how far back the historical data are revised.*
- e) *Whether the revised data are clearly identified in the disseminated data.*
- f) *Whether the general public are informed of the reasons for the revisions.*
- g) *Any instances of differences in the revision practices between the following sets of FDI data:*
 - Those reported to the OECD for publication.*
 - Those disseminated in national publications.*
 - Those compiled but not disseminated.*

Please indicate your specific future plans, if any, including target dates, for changes in the revision practices for the position data.

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1.1.3.3 Revisions to incorporate the changes of BMD4

26. Were your standard FDI data revised to incorporate the changes identified in BMD4? (*Select NA if the relevant FDI statistics are not compiled*)

FDI: all entities (*asset/liability principle*)

	Assets	Liabilities
Direct investment income	Yes / No/ NA	Yes /No/ NA
Direct investment financial flows	Yes / No/ NA	Yes /No/ NA
Direct investment position data	Yes / No/ NA	Yes /No/ NA

FDI: resident SPEs (*asset/liability principle*)

	Assets	Liabilities
Direct investment income	Yes / No/ NA	Yes /No/ NA
Direct investment financial flows	Yes / No/ NA	Yes /No/ NA
Direct investment position data	Yes / No/ NA	Yes /No/ NA

FDI: All entities excluding resident SPEs (*directional principle*)

	Outward	Inward
Direct investment income	Yes / No/ NA	Yes /No/ NA
Direct investment financial flows	Yes / No/ NA	Yes /No/ NA
Direct investment position data	Yes / No/ NA	Yes /No/ NA

FDI: resident SPEs (*directional principle*)

	Outward	Inward
Direct investment income	Yes / No/ NA	Yes /No/ NA
Direct investment financial flows	Yes / No/ NA	Yes /No/ NA
Direct investment position data	Yes / No/ NA	Yes /No/ NA

27. If YES, please indicate the earliest period that has been revised:

FDI according to Asset/Liability principle	Start year
Direct investment income	/_____/
Direct investment financial flows	/_____/
Direct investment position data	/_____/

FDI according to Directional principle	Start year
Direct investment income	/_____/
Direct investment financial flows	/_____/
Direct investment position data	/_____/

Additional comments on the revision of historical standard FDI statistics.

Please indicate your specific future plans, if any, including target dates, on the historical revision of standard FDI statistics.

28. Were your FDI statistics revised to incorporate the changes identified in BMD4 for supplemental FDI data? (*Select NA if the relevant statistics for FDI are not compiled*)

FDI: excluding resident SPEs and looking through non-resident SPEs (*directional principle*)

	Outward	Inward
Direct investment income	Yes / No/ NA	Yes /No/ NA
Direct investment financial flows	Yes / No/ NA	Yes /No/ NA
Direct investment position data	Yes / No/ NA	Yes /No/ NA

M&A type FDI (*directional principle*)

	Outward	Inward
Direct investment equity flows	Yes / No/ NA	Yes /No/ NA

FDI according to ultimate investing country (*directional principle*)

	Inward
Direct investment position data	Yes / No/ NA

29. If YES, please indicate the starting year for historical revisions of your FDI statistics:

	Start year
FDI excluding resident SPEs and looking through non-resident SPEs	/_____/
M&A type FDI	/_____/
FDI according to ultimate investing country	/_____/

Additional comments on the revision of historical supplemental FDI statistics

Please indicate your specific future plans, if any, including target dates, on the revision of historical supplemental FDI statistics.

Section 1.2 Data coverage

Questions under this section are divided into two sub-sections:

1.2.1 Direct investment transactions data

1.2.2 Direct investment position data

1.2.1 Direct investment transactions data

30. Are there any major sectors of the economy and/or any elements within the economic sectors that are excluded from the “first release” of direct investment transactions data as compared to “final” release of transactions data. (For more details on major sectors, please refer to Annex II “Industry classification systems” *(Please insert “No” only if (i) no major sectors of the economy; or elements within the economic sectors are excluded; and (ii) there are no differences in the sectoral coverage of the different sets of FDI transactions data. Select N.A. if relevant statistics for FDI are not compiled)*)

Yes / No/ NA

31. If YES to Question 30, please indicate which sectors are excluded from the “first release” of direct investment transactions data as compared to “final” release of transactions data.

32. Are there any major sectors of the economy and/or any elements within the economic sectors that are excluded from “final” direct investment transactions data. (For more details on major sectors, please refer to Annex II “Industry classification systems” *(Please insert “NA” only if you do not compile FDI transactions data)*)

Yes / No/ NA

33. If YES to Question 32, please specify which sectors are excluded from the “final release” of direct investment transactions data. *(Please insert “NA” only if you do not compile FDI transactions data)*

Please indicate your specific future plans, if any, including target dates, for changes in the sectoral coverage of the transactions data.

1.2.2 *Direct investment positions data*

34. Are there any major sectors of the economy and/or any elements within the economic sectors that are excluded from the “first release” of direct investment positions data as compared to “final” release of positions data. *(Please insert “No” only if (i) no major sectors of the economy; or elements within the economic sectors are excluded; and (ii) there are no differences in the sectoral coverage of the different sets of FDI positions data. For more details on major sectors, please refer to Annex II “Industry classification systems” (Please insert “NA” only if you do not compile FDI positions data)*

Yes / No/ NA

35. If YES to Question 34, please specify which sectors are excluded from the “first release” of direct investment positions data as compared to “final” release of positions data.

36. Are there any major sectors of the economy and/or any elements within the economic sectors that are excluded from “final” direct investment positions data? (For more details on major sectors, please refer to Annex II “Industry classification systems” *(Please insert “NA” only if you do not compile FDI positions data)*)

Yes / No/ NA

37. If YES to Question 36, please specify in the box below which sectors are excluded from the “final release” of direct investment positions data.

Please indicate your specific future plans, if any, including target dates, for changes in the sectoral coverage of the positions data.

Section 1.3 Data collection methods and sources

Questions under this section are divided into four sub-sections:

1.3.1 National FDI statistical compilation system: Summary description

1.3.2 Direct investment transactions data

1.3.3 Direct investment position data

1.3.4 Business register

1.3.1 National FDI statistical compilation system: Summary description

38. What is the **primary** approach of your country to data collection?

	Outward	Inward
Statistical survey or census system	Yes / No /NA	Yes / No /NA
Bank settlements system	Yes / No /NA	Yes / No /NA
Administrative data <i>(Please specify below)</i>	Yes / No /NA	Yes / No /NA
Other data sources <i>(Please specify below)</i>	Yes / No /NA	Yes / No /NA

Administrative sources

Other sources

39. If a survey is the primary source, please indicate

- Population size _____
- Sample size _____
- Survey methodology (select one) _____
- Census _____
- Threshold survey _____
- Sample survey _____

40. If a threshold survey is used, please provide information on the methods used for recruitment to the survey, the coverage of investment above the threshold and methods for estimation for the population below the threshold.

41. If a sample survey is used, please provide information on the methods used to weight (or expand) the sample to represent the population.

42. Please indicate the response rate? _____%

43. Please provide information on the treatment and estimation for non-response.

44. If multiple surveys are used, please describe the outputs derived from the survey described above and the survey strategies for the derivation of other outputs.

45. Are supplementary data sources used?

Outward	Inward
Yes / No	Yes / No

46. If YES to Question 45, please describe them by reference to the categories listed above in Question 38.

1.3.2 *Direct investment transactions data*

Questions under this sub-section are divided into three parts:

1.3.2.1 Data collection methods: transactions data

1.3.2.2 Data sources: transactions data

1.3.2.3 FDI by type

1.3.2.1 Data collection methods: transactions data

Definitions:

FDI transactions data can be collected on an:

Aggregate basis

Individual transactions basis

Compulsory reporting requirements

Voluntary reporting requirements

47. Legal basis: Are your reporting requirements for transactions data primarily:

Outward

Inward

Compulsory / Voluntary/ NA

Compulsory/ Voluntary/ NA

(Use "NA" only if you do not compile inward and/or outward FDI transactions data.)

Additional comments on the reporting requirements for the transactions data.

Please indicate your specific future plans, if any, including target dates, for changes in the reporting requirements of the transactions data.

48. Are transactions data mostly collected on:

	Outward		Inward	
	Primary	Other	Primary	Other
An individual transactions basis?	Yes / No / NA		Yes / No / NA	
An aggregate basis?	Yes / No / NA		Yes / No / NA	
A mixture of individual transactions basis and an aggregate basis?	Yes / No / NA		Yes / No / NA	

(Use "NA" only if you do not compile inward and/or outward FDI transactions data.)

Additional comments on the collection methods of the transactions data.

Please indicate your specific future plans, if any, including target dates, for changes in the collection methods of the transactions data.

1.3.2.2 Data sources: transactions data

Definitions:

**International Transactions Reporting System (ITRS)
Bilateral sources**

49. What are your main data sources for direct investment transactions?

IE=income on equity, DIV=Dividends and distributed branch profits, RE-Reinvestment of earnings, ID=Income on debt, EC= Equity, DC=Debt instruments, ALL= If the same data source for all

	Outward		Inward	
	Primary	Other	Primary	Other
Monthly enterprise surveys of resident enterprises	_____	_____	_____	_____
Quarterly enterprise surveys of resident enterprises	_____	_____	_____	_____
Annual enterprise surveys of resident enterprises	_____	_____	_____	_____
An international transactions reporting system (ITRS)	_____	_____	_____	_____
Published sources (such as	_____	_____	_____	_____

company accounts)	_____	_____	_____	_____
Exchange control authorities	_____	_____	_____	_____
Investment approval authorities	_____	_____	_____	_____
Debt registers	_____	_____	_____	_____
Bilateral sources	_____	_____	_____	_____
Press reports	_____	_____	_____	_____
Other (<i>Please specify</i>)	_____	_____	_____	_____

Additional comments on data sources used for inward direct investment transactions.

Specifically:

- If an ITRS is used as a data source, please specify whether the ITRS system covers only cash transactions made through the domestic banking system, or whether it also covers (i) cash transactions made through the foreign bank accounts of enterprises, and/or (ii) non-cash transactions.
- If data from investment approval authorities are used as a source, please indicate the nature of the data being used – for example, whether the data are based on approvals to invest, or whether they are based on the investments actually made.
- If company accounts are used as a data source, please indicate whether the company accounts are those of the direct investment enterprise resident in your economy, or the company accounts of the direct investor resident abroad.

Please indicate in the box below your future specific plans, if any, including target dates, for changes in the data sources used for inward direct investment transactions.

1.3.2.3. FDI by type

Definitions:

Mergers and acquisitions

50. Do you compile FDI data by type? (*Use "NA" only if you do not compile FDI transactions*)

Yes/ No/ NA

51. If YES to Question 50, do you apply the following breakdowns for FDI by type?

Equity	Outward	Inward
M&A	Yes / No	Yes / No
Other	Yes / No	Yes / No
Greenfield investment	Yes / No	Yes / No
Extension of capital	Yes / No	Yes / No
Financial restructuring	Yes / No	Yes / No

Additional comments on the data compilation for equity transactions by type, including your definition of Greenfield investment, Extension of capital and Financial restructuring if you compile such breakdowns.

Please indicate in the box below your specific future plans, if any, including target dates, for changes data collection of equity transactions by type.

52. If YES to M&A in Question 51, please indicate whether you can provide M&A data according to the percentage of acquisition of equity to determine control by the investor? (*Use "NA" only if you do not compile such FDI breakdowns*):

Equity	Outward	Inward
M&A (+ 50%)	Yes / No/ NA	Yes / No / NA

53. Please provide comments on whether the transactions reported as 'M&A (+50%)' refer to transactions that take ownership to greater than 50% or are transactions of more than 50% of the equity?

1.3.3 Direct investment position data

Definitions:

The perpetual inventory method

54. Legal basis: Are your reporting requirements for position data primarily? (Use "NA" only if you do not compile inward and/or outward FDI position data.)

Outward

Inward

Compulsory / Voluntary / NA

Compulsory / Voluntary / NA

55. Are position data mostly collected on: (Use "NA" only if you do not compile inward and/or outward FDI position data.)

Outward

Inward

An individual position basis?

Yes / No / NA

Yes / No / NA

An aggregate position basis?

Yes / No / NA

Yes / No / NA

A mixture of an individual position basis
and aggregate position basis?

Yes / No / NA

Yes / No / NA

Additional comments on the collection methods of the position data.

Please indicate your specific future plans, if any, including target dates, for changes in the collection methods of the position data.

56. If the answer to Question 55 is No, how do you compile position data? (*Use "NA" only if you do not compile inward and/or outward FDI position data.*)

- (i) Perpetual inventory method (i.e. accumulation of transactions followed by adjustments for price, exchange rate movements, and other changes?)

Outward	Inward
Yes / No / NA	Yes / No / NA

- (ii) Other means

Outward	Inward
Yes / No / NA	Yes / No / NA

If Yes to other means, please specify:

57. If YES to any part of Question 56, do you adjust the data for the following non-transaction changes? (*Use "NA" only if you do not compile inward and/or outward FDI position data using the perpetual inventory method.*)

	Outward	Inward
Price changes	Yes / No/NA	Yes / No/NA
Exchange rate changes	Yes / No/NA	Yes / No/NA
Other non-transaction changes	Yes / No/NA	Yes / No/NA

58. If YES to any part of Question 57, please provide a brief description below of those adjustments.

Please indicate your future specific plans, if any, including target dates, for: (i) changes in your practices regarding any adjustments to the position data for non-transaction changes; (ii) changes in the use of a perpetual inventory method; or (iii) changes in the nature of the reporting requirements, such as the introduction of legislation that will make reporting compulsory.

59. Do you also compile your FDI position data according to ultimate host/investing country? : (Use "NA" only if you do not compile such inward and/or outward FDI position data.)

	Outward	Inward
FDI positions according to ultimate investing country	Yes / No / NA	--
FDI positions according to ultimate host country	--	Yes / No / NA

Additional comments on the collection methods of the position data according to ultimate host/investing country.

Please indicate your specific future plans, if any, including target dates, for changes in the collection methods of the position data according to ultimate host/investing country.

Definitions:

**International Transactions Reporting System (ITRS)
Bilateral sources**

60. What are your main sources for direct investment position data?

EC= Equity (including reinvestment of earnings), DC=Debt instruments, ALL= If the same data source for all

	Outward		Inward	
	Primary	Other	Primary	Other
Monthly surveys of resident enterprises	_____	_____	_____	_____
Quarterly surveys of resident enterprises	_____	_____	_____	_____
Annual surveys of resident enterprises	_____	_____	_____	_____
An international transactions reporting system (ITRS)	_____	_____	_____	_____
Published sources (such as company accounts)	_____	_____	_____	_____
Exchange control authorities	_____	_____	_____	_____
Investment approval authorities	_____	_____	_____	_____

Debt registers	_____	_____	_____	_____
Bilateral sources	_____	_____	_____	_____
Press reports	_____	_____	_____	_____
Other (<i>Please specify below</i>)	_____	_____	_____	_____

Additional comments on sources used for the inward direct investment position data.

Specifically:

- If an ITRS is used as a data source, please specify whether the ITRS system covers only cash transactions made through the domestic banking system, or whether it also covers (i) cash transactions made through the foreign bank accounts of enterprises, (ii) non-cash transactions; and/or stock positions.
- If company accounts are used as a data source, please indicate whether the company accounts are those of the direct investment enterprise resident in your economy, or the company accounts of the direct investor resident abroad.
- If data from investment approval authorities are used, please indicate the nature of the data being used – for example, whether the data are based on approvals to invest, or whether they are based on the investments actually made.
- Please indicate any differences in the data sources of the following sets of inward FDI position data:
 - Those reported to the OECD for publication.
 - Those disseminated in national publications.
 - Those compiled but not disseminated.

Additional comments on sources used for the outward direct investment position data.

Specifically:

- If an ITRS is used as a data source, please specify whether the ITRS system covers only cash transactions made through the domestic banking system, or whether it also covers (i) cash transactions made through the foreign bank accounts of enterprises, (ii) non-cash transactions; and/or stock positions.
- If company accounts are used as a data source, please indicate whether the company accounts are those of the direct investment enterprise resident in your economy, or the company accounts of the direct investor resident abroad.
- If data from investment approval authorities are used, please indicate the nature of the data being used – for example, whether the data are based on approvals to invest, or whether they are based on the investments actually made.

- Please indicate any differences in the data sources of the following sets of inward FDI position data:
 - Those reported to the OECD for publication.
 - Those disseminated in national publications.
 - Those compiled but not disseminated.

Please indicate your future specific plans, if any, including target dates, for changes in the sources used for **inward** direct investment position data.

Please indicate your future specific plans, if any, including target dates, for changes in the sources used for **outward** direct investment position data.

1.3.4 Business Register

Definition:

Business register

61. When collecting FDI data, do you use a business register? (*i.e. a register maintained by the FDI compilation unit of your institution, or a register maintained by another unit within your institution, or a register maintained by another institution in your country.*)

Outward	Inward
Yes / No / NA	Yes / No / NA

62. If you use a business register to compile FDI data, please complete one of the following options. Do you:

- | | |
|---|----------|
| (a) Use the same register for all four datasets, that is, inward transactions data, outward transactions data, inward position data, and outward position data? | Yes / No |
| (b) Use different registers for some or all of the four datasets? | Yes / No |

If YES to (b), please describe the differences between the registers.

63. Please indicate which of the following sources are used to update the business register(s)? (Select "NA" if your answer to question 61 is "No" or "NA").

	Outward	Inward
The international trade system's list of exporters/importers	Yes / No / NA	Yes / No / NA
The ITRS's list of transactors	Yes / No / NA	Yes / No / NA
Other statistical collection forms	Yes / No / NA	Yes / No / NA
Regional branches / office of the compiling agency	Yes / No / NA	Yes / No / NA
A register maintained by:		
- Government licensing and regulatory authorities	Yes / No / NA	Yes / No / NA
- The tax authorities	Yes / No / NA	Yes / No / NA
- Corporate affairs authorities	Yes / No / NA	Yes / No / NA
- Stock exchange authorities	Yes / No / NA	Yes / No / NA
- Industry associations	Yes / No / NA	Yes / No / NA
- Other department(s) within the statistical agency	Yes / No / NA	Yes / No / NA
A debt register	Yes / No / NA	Yes / No / NA
The financial press	Yes / No / NA	Yes / No / NA
Non-resident sources	Yes / No / NA	Yes / No / NA
Compulsory direct investment surveys	Yes / No / NA	Yes / No / NA
Voluntary direct investment surveys	Yes / No / NA	Yes / No / NA
Other (<i>Please specify below</i>)	Yes / No / NA	Yes / No / NA

Additional comments on the sources used to update the business register(s).

Please indicate your future specific plans, if any, including target dates, for either (i) changes in your practices regarding the sources used for the business register; or (ii) to use a business register.

64. How frequently is the business register updated? (Use "NA" if you do not use a business register)

Transactions/positions data	Outward	Inward
Ongoing	_____	_____
Quarterly	_____	_____
Biannually	_____	_____
Annually	_____	_____
Irregularly (<i>Please specify below</i>)	_____	_____

Additional comments on the frequency with which the business register is updated.

Please indicate your future specific plans, if any, including target dates, for changes in your practices regarding the frequency with which the business register is updated.

Section 1.4 Geographic and industrial classification

Questions under this section are divided into three sub-sections:

1.4.1 *Geographic classification*

1.4.2 *Industrial classification*

1.4.3 *Cross-tabulation of country/region and industry classification*

1.4.1 *Geographic classification*

65. Do you compile direct investment statistics broken down by country for the following? (*Use "NA" only if you do not compile the relevant FDI data.*)

	Outward	Inward
Standard FDI series		
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA
Supplemental FDI series		
Direct investment income looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment financial flows looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
M&A Type FDI equity	Yes / No / NA	Yes / No / NA
Direct investment position data looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment position according to UIC	..	Yes / No / NA

Additional comments on the compilation of direct investment data broken down by country.

Specifically, please indicate:

- Whether data that are compiled, but not disseminated, are available on request.
- Any differences in the data sources, coverage etc between the data in the country breakdowns and those in the aggregate data for direct investment income, direct investment financial flows, and direct investment position data.

Please indicate your future specific plans, if any, including target dates, for changes in your practices regarding the compilation of direct investment data broken down by country.

66. If YES to any part of Question 65, please indicate whether direct investment statistics broken down by country are disseminated for the following:

	Outward	Inward
Standard FDI series		
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA
Supplemental FDI series		
Direct investment income looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment financial flows looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
M&A Type FDI equity	Yes / No / NA	Yes / No / NA
Direct investment position data looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment position according to UIC	..	Yes / No / NA

67. If YES to any part of Question 66, please indicate the:

Direct investment income

	Outward	Inward
Number of countries according to OECD breakdown	_____	_____
Periodicity of disseminated data	_____	_____
Frequency of dissemination	_____	_____
Timeliness of disseminated data	_____	_____

Direct investment financial flows

	Outward	Inward
Number of countries according to OECD breakdown	_____	_____
Periodicity of disseminated data	_____	_____
Frequency of dissemination	_____	_____
Timeliness of disseminated data	_____	_____

Direct investment positions

	Outward	Inward
Number of countries according to OECD breakdown	_____	_____
Periodicity of disseminated data	_____	_____
Frequency of dissemination	_____	_____
Timeliness of disseminated data	_____	_____

Additional comments on the dissemination of direct investment data broken down by country.

Specifically:

Please indicate any differences in the data sources, coverage etc between the disseminated data showing the country breakdowns and those in the disseminated aggregate data for direct investment income, direct investment financial flows, and direct investment positions.

Please indicate your future specific plans, if any, including target dates, for changes in your practices regarding the dissemination of direct investment data broken down by country.

68. Do you compile direct investment statistics by regions or economic zones for the following? (*Use "NA" only if you do not compile statistics for the relevant FDI data.*)

	Outward	Inward
Standard FDI series		
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA
Supplemental FDI series		
Direct investment income looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment financial flows looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
M&A Type FDI equity	Yes / No / NA	Yes / No / NA
Direct investment position data looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment position according to UIC	..	Yes / No / NA

69. If YES to any part of Question 68 do you disseminate direct investment statistics by regions or economic zones for the following?

	Outward	Inward
Standard FDI series		
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA
Supplemental FDI series		
Direct investment income looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment financial flows looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
M&A Type FDI equity	Yes / No / NA	Yes / No / NA
Direct investment position data looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment position according to UIC	..	Yes / No / NA

70. If YES to any part of Questions 68 and/or 69, please indicate for which of the following economic zones you compile and disseminate direct investment data. (Use "NA" only if you do not compile the relevant FDI data)

Direct investment income

	Outward	Inward
EU-27	_____	_____
EFTA	_____	_____
OECD	_____	_____
NAFTA	_____	_____
CIS countries	_____	_____
ASEAN countries	_____	_____
OPEC countries	_____	_____
Other (specify other economic zone or region)		
<div style="border: 1px solid black; width: 150px; height: 20px; margin: 0 auto;"></div>		

Direct investment financial flows

	Outward	Inward
EU-27	_____	_____
EFTA	_____	_____
OECD	_____	_____
NAFTA	_____	_____
CIS countries	_____	_____
ASEAN countries	_____	_____
OPEC countries	_____	_____
Other (specify other economic zone or region)	_____	_____

Direct investment position data

	Outward	Inward
EU-27	_____	_____
EFTA	_____	_____
OECD	_____	_____
NAFTA	_____	_____
CIS countries	_____	_____
ASEAN countries	_____	_____
OPEC countries	_____	_____
Other (specify other economic zone or region)	_____	_____

Additional comments on the direct investment data broken down by region or economic zone.

Specifically, please indicate:

- Whether data that are compiled, but not disseminated, are available on request
- The periodicity, timeliness, and frequency of dissemination of the data.
- Any differences in the data sources, coverage etc between the data in the regional/economic zone breakdowns and those in the aggregate data for direct investment income, direct investment financial flows, and direct investment position data.

Please indicate future specific plans, if any, including target dates, for changes in your practices regarding the compilation and/or dissemination of direct investment data broken down by region or economic zone.

Definitions:

The following principles can be used as the basis for allocating data by country/region.

The debtor/creditor principle

The transactor principle

71. Which principle do you use for the geographic allocation of your direct investment transactions data?

	Outward	Inward
Debtor/creditor principle (allocate to the country of the debtor/creditor direct investment enterprise or direct investor, even if the amounts are paid to or received from another country)	Yes / No / NA	Yes / No / NA
Transactor principle (allocate to the country to which the funds are paid or from which the funds are received, even if this is not the country of the debtor/creditor direct investment enterprise or direct investor)	Yes / No / NA	Yes / No / NA

Additional comments on the geographic allocation principle used for transactions data.

Please indicate your future specific plans, if any, including target dates, for changes in your practices regarding the geographic allocation principle used for transactions data.

Definitions:

The immediate country basis (that is, allocated to the country of direct ownership); or

The ultimate country basis (that is, allocated to the ultimate host or controlling country).

72. Please indicate which of the following bases you use to compile the geographic breakdowns for your direct investment position data: *(Use "NA" only if you do not compile FDI position data or geographic breakdowns for the FDI position data.)*

	Outward	Inward
(i) An immediate country basis (the country of direct ownership)?	Yes / No / NA	Yes / No / NA
(ii) An ultimate country basis (the ultimate host or controlling country)?	Yes / No / NA	Yes / No / NA
(iii) Excluding resident SPEs	Yes / No / NA	Yes / No / NA
(iv) Looking-through non-resident SPEs	Yes / No / NA	Yes / No / NA

Additional comments on the geographic allocation basis used for position data.

Specifically:

Please describe instances involving the compilation of two separate sets of data (one using the immediate country basis, and the other using the ultimate country basis and provide your definition of the latter)

Please indicate your future specific plans, if any, including target dates, for changes in your practices regarding the geographic allocation basis used for position data.

Definition:

Bilateral sources

73. Do you use bilateral sources in the compilation of the following direct investment data, even as a crosscheck?

	Outward	Inward
Standard FDI series		
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA
Supplemental FDI series		
Direct investment income looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment financial flows looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
M&A Type FDI equity	Yes / No / NA	Yes / No / NA
Direct investment position data looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment position according to UIC	..	Yes / No / NA

(Use "NA" only if you do not compile geographic breakdowns for the relevant FDI data.)

Additional comments on the use of bilateral sources for the compilation of direct investment transactions and position data.

Please indicate your future specific plans, if any, including target dates, for changes in your practices regarding the use of bilateral data for the compilation of direct investment transactions and position data.

1.4.2 Industrial classification

74. Do you compile direct investment statistics broken down by industrial activity for the following?
(Use NA only if you do not compile statistics for the relevant FDI data.)

	Outward	Inward
Standard FDI series		
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA

Supplemental FDI series

Direct investment income looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment financial flows looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
M&A Type FDI equity	Yes / No / NA	Yes / No / NA
Direct investment position data looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment position according to UIC	..	Yes / No / NA

Additional comments on the compilation of direct investment statistics broken down by industrial activity.
(Insert into the box below.)

Please indicate in the box below future specific plans, if any, including target dates, for changes in your practices regarding the compilation of direct investment statistics broken down by industrial activity.

75. If you compile direct investment statistics broken down by industry, please indicate whether the industrial breakdown is based on: (Use "NA" only if your answer to Question 65 is "No" or "NA")

Direct investment income

	Outward	Inward
The industry of the resident direct investment enterprise/investor	Yes / No/ NA	Yes / No/ NA
The industry of the non-resident direct investment enterprise/investor	Yes / No/ NA	Yes / No/ NA

Direct investment financial flows

	Outward	Inward
The industry of the resident direct investment enterprise/investor	Yes / No/ NA	Yes / No/ NA
The industry of the non-resident direct investment enterprise/investor	Yes / No/ NA	Yes / No/ NA

Direct investment positions

	Outward	Inward
The industry of the resident direct investment enterprise/investor	Yes / No/ NA	Yes / No/ NA
The industry of the non-resident direct investment enterprise/investor	Yes / No/ NA	Yes / No/ NA

Additional comments on the basis used for the industrial breakdown. (Insert into the box below)

Please indicate in the box below future specific plans, if any, including target dates, for changes in your practices regarding the basis used for the industrial breakdown.

76. If YES to any part of Question 75, please indicate whether you disseminate direct investment statistics broken down by industrial activity for the following, (Use "NA" only if you do not compile statistics for the relevant FDI data.)

	Outward	Inward
Standard FDI series		
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA
Supplemental FDI series		
Direct investment income looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment financial flows looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
M&A Type FDI equity	Yes / No / NA	Yes / No / NA
Direct investment position data looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment position according to UIC	..	Yes / No / NA

77. If YES to any part of Question 76, please indicate the:

	Outward	Inward
Number of industrial activities in the most detailed breakdown	_____	_____

Definitions:

United Nations International Standard Industrial Classification for all Economic Activities (ISIC)
Nomenclature générale des activités économiques dans les Communautés européennes (NACE)

78. If you compile direct investment statistics by industrial activity, do you compile data for a detailed sectoral breakdown, such as the OECD/Eurostat ISIC/NACE classification systems for the following? (See Annex II for details of these classification systems.) Use “NA” only if you do not compile the relevant FDI data.

	Outward	Inward
Standard FDI series		
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA
Supplemental FDI series		
Direct investment income looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment financial flows looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
M&A Type FDI equity	Yes / No / NA	Yes / No / NA
Direct investment position data looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment position according to UIC	..	Yes / No / NA

Additional comments on the dissemination of direct investment data broken down by industrial activity.

Please indicate your future specific plans, if any, including target dates, for changes in your practices regarding the more detailed industrial classification used for the compilation and/or dissemination of direct investment data.

1.4.3 Cross-tabulation of country/region and industry classification

79. Do you compile direct investment statistics broken down by industrial sector AND by region/economic zone for the following? Use "NA" only if you do not compile the relevant FDI data.

	Outward	Inward
Standard FDI series		
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA
Supplemental FDI series		
Direct investment income looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment financial flows looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
M&A Type FDI equity	Yes / No / NA	Yes / No / NA
Direct investment position data looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment position according to UIC	..	Yes / No / NA

80. If YES to any part of Question 79, do you use the top-top classification (see Annex II):

	Outward	Inward
Standard FDI series		
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA
Supplemental FDI series		
Direct investment income looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment financial flows looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
M&A Type FDI equity	Yes / No / NA	Yes / No / NA
Direct investment position data looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment position according to UIC	..	Yes / No / NA

81. If YES to any part of Question 79 or 80, do you disseminate direct investment statistics broken down by both industrial sector AND region/economic zone for the following?

	Outward	Inward
Standard FDI series		
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA
Supplemental FDI series		
Direct investment income looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment financial flows looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
M&A Type FDI equity	Yes / No / NA	Yes / No / NA
Direct investment position data looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment position according to UIC	..	Yes / No / NA

Additional comments on the compilation and/or dissemination of direct investment data broken down by both industrial sector AND region or economic zone.

Specifically, please indicate:

Whether data that are compiled but not disseminated are available on request.

The periodicity, timeliness, and frequency of dissemination of the disseminated data.

Please indicate your future specific plans, if any, including target dates, for changes in your practices regarding the compilation and/or dissemination of direct investment data broken down by both industrial sector AND region/economic zone.

82. Do you compile direct investment statistics broken down by both industrial sector AND partner country for the following? (Use "NA" only if you do not compile the relevant FDI data.)

	Outward	Inward
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA

83. If YES to any part of Question 82:

➤ Do you disseminate direct investment broken down by both industrial sector AND partner country for the following?

	Outward	Inward
Standard FDI series		
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA
Supplemental FDI series		
Direct investment income looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment financial flows looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
M&A Type FDI equity	Yes / No / NA	Yes / No / NA
Direct investment position data looking through non-resident SPEs	Yes / No / NA	Yes / No / NA
Direct investment position according to UIC	..	Yes / No / NA

Additional comments on the compilation and/ or dissemination of direct investment data broken down by both industrial sector AND partner country.

Specifically, please indicate:

Whether data that are compiled but not disseminated are available on request.

The periodicity, timeliness, and frequency of dissemination of the disseminated data.

Please indicate your future specific plans, if any, including target dates, for changes in your practices regarding the compilation and/or dissemination of direct investment data broken down by both industrial sector AND partner country.

PART 2. METHODOLOGY

Section 2.1 Direct investment enterprises and direct investors

Questions under this section are divided into four sub-sections:

2.1.1 *Definition of direct investment enterprise*

2.1.2 *Definition of direct investor*

2.1.3 *Voting power*

2.1.4 *Indirectly-owned direct investment enterprises*

2.1.1 *Definition of direct investment enterprises*

Definitions:

Direct Investment (Foreign direct investment)

Direct investor

Direct investment enterprise

84. Do you, as the basic principle, apply the 10% ownership criterion to identify a direct investment enterprise that is a resident of your economy (inward direct investment)? *(Use "NA" only if you do not compile inward direct investment statistics)*

Yes / No / NA

85. In defining a direct investment enterprise do you calculate the 10% ownership by combining the holdings of all non-resident investors from a specific country, regardless of whether the ownership of each individual investor or group of related investors is less than 10%? *(Use "NA" only if you do not compile inward direct investment statistics)*

Yes / No / NA

86. Do you include in your definition, enterprises in which the investor owns 10% or more of the voting power of the enterprise but does not have an effective voice in management? *(Use "NA" only if you do not compile inward direct investment statistics)*

Yes / No / NA

87. Do you include in your definition, enterprises in which the investor owns less than 10% of the voting power of the enterprise but has an effective voice in management, such as the following? (Use "NA" only if you do not compile inward direct investment statistics)

Representation on the Board of Directors	Yes / No / NA
Participation in policy making	Yes / No / NA
Material inter-company transactions	Yes / No / NA
Interchange of managerial personnel	Yes / No / NA
Provision of technical information	Yes / No / NA
Other (Please specify.)	Yes / No / NA

88. Do you use a percentage of ownership different from 10% for inward direct investment enterprises? (Use "NA" only if you do not compile inward direct investment statistics)

Yes / No / NA

89. If YES to Question 88 please specify the percentage ownership you use:

____%

90. If Yes to Question 88, when defining a direct investment enterprise do you calculate the per cent ownership by combining the holdings of all non-resident investors from a specific country, regardless of whether the ownership of each individual investor or group of related investors is less than the percentage used in your definition? (Use "NA" only if you do not compile inward direct investment statistics)

Yes / No / NA

91. Do you use a value threshold such as a minimum net asset value of the enterprise, or some other criterion, to define an inward direct investment enterprise? (Use "NA" only if you do not compile inward direct investment statistics)

FDI transactions Yes / No / NA

FDI positions Yes / No / NA

92. If YES to Question 91, please specify the value threshold.

93. Do you treat incorporated enterprises differently from unincorporated enterprises when defining an inward direct investment enterprise? (Use "NA" only if you do not compile inward direct investment statistics)

Yes / No / NA

94. If YES to Question 93, please specify the differences in your treatment

95. Additional comments on your definition of an inward direct investment enterprise.

Please indicate your specific future plans, if any, including target dates, for changes in your definition of inward direct investment enterprises.

2.1.2 *Definition of direct investors*

96. Do you, as the basic principle, apply the 10% ownership criterion as defined above to identify direct investors that are residents of your economy (outward direct investment)? *(Use "NA" only if you do not compile outward direct investment statistics)*

Yes / No / NA

97. In defining a resident direct investor do you calculate the 10% ownership by combining the holdings of all investors resident in your economy in enterprises in a specific country, regardless of whether the ownership of each individual resident investor or group of related investors in an enterprise abroad is less than 10 per cent? *(Use "NA" only if you do not compile outward direct investment statistics)*

Yes / No / NA

98. Do you include in your definition, investors who own 10% or more of the voting power of the enterprise but do not have an effective voice in management? *(Use "NA" only if you do not compile outward direct investment statistics)*

Yes / No / NA

99. Do you include in your definition, investors who own less than 10% of the voting power of the enterprise but have an effective voice in management, such as the following: (Use "NA" only if you do not compile outward direct investment statistics)

Representation on the Board of Directors	Yes / No / NA
Participation in policy making	Yes / No / NA
Material inter-company transactions	Yes / No / NA
Interchange of managerial personnel	Yes / No / NA
Provision of technical information	Yes / No / NA
Other (Please specify.)	Yes / No / NA

100. Do you use a percentage of ownership other than 10% for outward direct investors? (Use "NA" only if you do not compile outward direct investment statistics)

Yes / No / NA

101. If YES to Question 100, please specify the percentage ownership you use:

____%

102. If YES to Question 100, when defining a direct investor do you calculate the per cent ownership by combining the holdings of all resident investors in a specific country, regardless of whether the ownership of each individual investor or group of related investors is less than the percentage used in your definition? (Use "NA" only if you do not compile outward direct investment statistics)

Yes / No / NA

103. Do you use a value threshold such as a minimum net asset value of the enterprise, or some other criterion, to define an outward direct investor? (Use "NA" only if you do not compile outward direct investment statistics)

FDI transactions Yes / No / NA

FDI positions Yes / No / NA

104. If YES to Question 103, please specify in the box below the value threshold.

105. Do you treat incorporated enterprises differently from unincorporated enterprises when defining an outward direct investor?

Yes / No / NA

106. If YES to Question 105, please specify the differences in your treatment

Additional comments on your definition of an outward direct investor.

Please indicate in the box below your specific future plans, if any, including target dates, for changes in your definition of an outward direct investor.

2.1.3 *Voting power*

107. Does the phenomenon exist in your country of the acquisition of increased voting power by means other than the outright purchase of shares (e.g. through financial derivative contracts or share lending/buy-back arrangements)? Such facilities can result in an investor having a very influential impact on the management of an enterprise without actually owning the proportion of shares commensurate with such influence.

Yes / No

108. If YES to Question 107, please describe how you treat this phenomenon in compiling your inward and outward FDI statistics.

2.1.4 Indirectly owned direct investment enterprises

Definitions:

Framework for Direct Investment Relationship (FDIR)

Subsidiaries

Associates

Fellow enterprises

Reinvested earnings of indirectly owned direct investment enterprises

109. Does your definition of direct investment enterprises follow the recommended rules for the identification of indirectly owned enterprises to be included in the “Framework of Direct Investment Relationship”? (See *BMD4* for the description of the FDIR.)

Outward	Inward
Fully / Partially / No	Fully / Partially / No

Note that:

- The answer “Fully” should be used only if you strictly apply to all indirectly-owned direct investment enterprises the FDIR treatment, and have answered “YES” to Q 112, Q113, and Q114 below.
- The answer “Partially” should be used when the responses to one or more of Questions 112 through 114 are not “YES”, or if the FDIR is not strictly applied to all indirectly-owned direct investment enterprises.
- The answer “NO” should be used when the responses Q 112, Q113, and Q114 are all “NO”, and the FDIR is not applied to any indirectly-owned direct investment enterprises

Additional comments on your application of the “Framework of Direct Investment Relationship”.

Please indicate your specific future plans, if any, including target dates, for changes in your application of the “Framework of Direct Investment Relationship”.

110. If the answer to Question 109 is “partially”, please describe the way in which your treatment differs from the FDIR treatment.

111. If the answer to Question 109 is “NO”, please indicate your practice to determine the direct investment relationship:

Participation Multiplication Method (PMM)	Yes / No/NA
Direct Influence/Indirect Control Method (DIIC)	Yes / No/NA
Exclude indirectly owned DIE from FDI data	Yes/ No/ NA
Other (Please specify)	Yes / No / NA

112. Do you include in your earnings data the relevant share of earnings of all indirectly owned direct investment enterprises? (Use “NA” only if you do not compile data on direct investment income.)

Outward	Inward
Yes / No / NA	Yes / No / NA

Additional comments on the treatment of earnings of indirectly owned direct investment enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in your treatment of earnings of indirectly owned direct investment enterprises.

113. Once you have identified a group of related enterprises as defined above, do you classify as direct investment transactions all equity and debt instruments (inter-company debt) transactions made directly between resident enterprises of the group and non-resident enterprises of the same group, without consideration of the percentage of equity directly held by these enterprises in each other? (Use “NA” only if you do not compile data on direct investment financial flows.)

Outward	Inward
Yes / No / NA	Yes / No / NA

Additional comments on the treatment of equity and debt instruments transactions of indirectly owned enterprises.

Please indicate in the box below your specific future plans, if any, including target dates, for changes in your treatment of transactions of indirectly owned direct investment enterprises.

114. Do you include in your direct investment position data (i) the relevant share of the reinvested earnings of all indirectly owned direct investment enterprises, and (ii) all equity and debt instruments (inter-company debt) positions held directly with all indirectly owned direct investment enterprises? (*Use "NA" only if you do not compile FDI position data.*)

Outward	Inward
Yes / No / NA	Yes / No / NA

Additional comments on the treatment of indirectly owned direct investment enterprises in your position data.

Please indicate your specific future plans, if any, including target dates, for changes in your treatment of indirectly owned direct investment enterprises in your position data.

115. Do you include in your direct investment data debt between fellow enterprises?

Yes / No

116. If yes, to Question 115, is your definition of fellow enterprises in line with the definition of BMD4, i.e. as enterprises in different economies both being directly or indirectly influenced by the same enterprise in the ownership hierarchy?

Yes / No

117. Reporting of direct investment relationships: Are all incorporated companies as well as branches resident in your country required by law to:

Produce consolidated accounts covering their subsidiary and associate companies, both foreign and domestic? Yes / No

Identify all transactions with the parent company? Yes / No

Additional comments on legal reporting requirements for direct investment relationships.

Please indicate your specific future plans, if any, including target dates, for changes in the legal reporting requirements for direct investment relationships.

--

Section 2.2 Components of direct investment income

Questions under this section are divided into four sub-sections:

- 2.2.1 *Measuring direct investment earnings*
- 2.2.2 *Dividends and distributed branch profits*
- 2.2.3 *Reinvested earnings and undistributed branch profits*
- 2.2.4 *Income on debt (interest)*

Definitions: Components of direct investment income: Income on equity Income on debt (interest)
--

2.2.1 *Measuring direct investment earnings*

Definitions: Current operating performance concept All-inclusive concept

118. According to your knowledge, are earnings calculated using the current operating performance concept? (Answer "YES" only if the responses to all items listed under Q119, Q120, and Q121 are also "YES")

Outward	Inward
Yes / No / NA	Yes / No / NA

119. Do direct investment earnings make allowance for the following items (that is, do you deduct the following items from the earnings data)?

	Outward	Inward
Provisions for depreciation of capital	Yes / No / NA	Yes / No / NA
Provisions for host-country income/ corporation taxes	Yes / No / NA	Yes / No / NA

Additional comments on the treatment of depreciation of capital and income and corporation taxes in the measurement of direct investment earnings.

Please indicate your specific future plans, if any, including target dates, for changes in the treatment of depreciation of capital and income and corporation taxes in the measurement of direct investment earnings.

120. Do your direct investment earnings data exclude the following items?

	Outward	Inward
Realised capital gains	Yes / No / NA	Yes / No / NA
Realised capital losses	Yes / No / NA	Yes / No / NA
Unrealised capital gains	Yes / No / NA	Yes / No / NA
Unrealised capital losses	Yes / No / NA	Yes / No / NA
Write-offs	Yes / No / NA	Yes / No / NA
Realised exchange rate gains	Yes / No / NA	Yes / No / NA
Realised exchange rate losses	Yes / No / NA	Yes / No / NA
Unrealised exchange rate gains	Yes / No / NA	Yes / No / NA
Unrealised exchange rate losses	Yes / No / NA	Yes / No / NA

Additional comments on the treatment of realised and/or unrealised capital gains and/or losses, realised and/or unrealised exchange rate gains and/or losses, and write-offs for calculating direct investment earnings.

Please indicate your specific future plans, if any, including target dates, for changes in the treatment of realised and/or unrealised capital gains and/or losses, realised and/or unrealised exchange rate gains and/or losses, and/or write-offs for calculating direct investment earnings.

121. Are your direct investment earnings data compiled:

	Outward	Inward
After <i>inclusion</i> of interest receivable and <i>deduction</i> of interest payable?	Yes / No / NA	Yes / No / NA
<i>Excluding</i> debt repayments receivable and payable?	Yes / No / NA	Yes / No / NA

Additional comments on the treatment of interest and debt repayments in the direct investment earnings data.

Please indicate your specific future plans, if any, including target dates, for changes in the treatment of interest and debt repayments in the direct investment earnings data.

122. When the earnings of direct investment enterprises are negative (that is, when the direct investment enterprise makes a net loss), do you record negative reinvested earnings under the Income section of the balance of payments data?

Outward	Inward
Yes / No / NA	Yes / No / NA

Additional comments on the treatment of net losses of direct investment enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in the treatment of net losses of direct investment enterprises.

123. Additional comments on current methods used to measure direct investment earnings.

Please indicate your specific future plans, if any, including target dates, for changes in the methods used to measure direct investment earnings.

2.2.2 Dividends and distributed branch profits

Definition:

Dividends

Distributed branch profits

124. Do you compile data on dividends and/or distributed branch profits for the following?

	Outward	Inward
Incorporated enterprises	Yes / No / NA	Yes / No / NA
Unincorporated enterprises	Yes / No / NA	Yes / No / NA

Additional comments on compilation of data on dividends and/or distributed branch profits of direct investment enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in your practices regarding the compilation of data on dividends and/or distributed branch profits of direct investment enterprises.

125. Please indicate when dividends and distributed branch profits are recorded.

A. For incorporated enterprises

	Outward	Inward
On the date they are declared payable?	_____	_____
On the date they are payable (due for payment)?	_____	_____
On the date they are paid?	_____	_____
Some other recording method? (Please specify)	_____	_____

B. For unincorporated enterprises

	Outward	Inward
On the date they are declared payable?	_____	_____
On the date they are payable (due for payment)?	_____	_____
On the date they are paid?	_____	_____
Some other recording method? (Please specify)	_____	_____

Additional comments on the date of recording dividends and distributed branch profits of direct investment enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in the practices in your country regarding the date of recording dividends or distributed profits of direct investment enterprises.

126. Are dividends and distributed branch profits recorded before deduction of any withholding tax for the following?

	Outward	Inward
Incorporated enterprises	Yes / No / NA	Yes / No / NA
Unincorporated enterprises	Yes / No / NA	Yes / No / NA

Additional comments on the treatment of withholding tax in calculating the dividends and distributed branch profits of direct investment enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in the treatment in your country of withholding tax in calculating the dividends and distributed branch profits of direct investment enterprises.

127. Which exchange rate is used to convert foreign currencies into the unit of account for data on dividends and distributed branch profits of direct investment enterprises? (Use “NA” for not applicable.)

	Outward	Inward
Exchange rate prevailing on the day of the transaction	_____	_____
Average exchange rate in the period in which the dividends and distributed branch profits are recorded	_____	_____
Other (please specify)	_____	_____

Additional comments on the exchange rates used for data on dividends and distributed branch profits of direct investment enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in the exchange rates used for data on dividends and distributed branch profits of direct investment enterprises.

128. Additional comments on other procedures regarding the measurement of dividends and distributed branch profits of direct investment enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in your practices for any other procedures regarding the measurement of dividends and distributed branch profits of direct investment enterprises.

2.2.3 *Reinvested earnings and undistributed branch profits*

Definitions:

Reinvested earnings and undistributed branch profits

129. Do you compile data on reinvested earnings and undistributed branch profits for direct investment enterprises for the following?

	Outward	Inward
Incorporated enterprises	Yes / No / NA	Yes / No / NA
Unincorporated enterprises	Yes / No/ NA	Yes / No / NA

Additional comments on the compilation of data on reinvested earnings and undistributed branch profits of direct investment enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in your practices regarding the compilation of data on reinvested earnings and undistributed branch profits of direct investment enterprises.

130. Are reinvested earnings and undistributed branch profits recorded in the FDI data in the reference period as FDI profits earned in that period less distributions in the period?

	Outward	Inward
Incorporated enterprises	Yes / No / NA	Yes / No / NA
Unincorporated enterprises	Yes / No/ NA	Yes / No / NA

131. If NO to Question 130, please specify how reinvested earnings are recorded in a particular reference period.

Additional comments on time of recording of data on reinvested earnings and undistributed branch profits of direct investment enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in your practices regarding the time of recording of data on reinvested earnings and undistributed branch profits of direct investment enterprises.

132. Which exchange rate is used to convert foreign currencies into the unit of account for data on reinvested earnings and undistributed branch profits of direct investment enterprises? *(Rank multiple responses using: 1 for the most frequent, 2 for the second most frequent and "NA" for not applicable.)*

	Outward	Inward
Exchange rate prevailing on the day of the transaction	_____	_____
Average exchange rate in the period in which the reinvested earnings and undistributed branch profits are recorded	_____	_____
Other (please specify)	_____	_____

Additional comments on exchange rates used for reinvested earnings and undistributed branch profits of direct investment enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in exchange rates used for data on reinvested earnings and undistributed branch profits for direct investment enterprises.

133. Additional comments on any other aspects of the measurement of reinvested earnings and undistributed branch profits of direct investment enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in your practices for any other aspects of the measurement of reinvested earnings and undistributed branch profits of direct investment enterprises.

2.2.4 *Income on debt (interest)*

Definitions:

Income on debt (interest)
Short and long-term debt securities

134. Do you compile data on direct investment income on debt (interest)? [Use "NA" only if you do not compile FDI income on debt (interest) statistics.]

	Outward	Inward
Incorporated enterprises	Yes / No / NA	Yes / No / NA
Unincorporated enterprises	Yes / No / NA	Yes / No / NA

Additional comments on the compilation of data on direct investment income on debt. (interest).

Please indicate your specific future plans, if any, including target dates, for changes in the practices for compiling interest income data on direct investment debt.

135. Do your data on direct investment income on debt include interest on the following? (Answer “N” if such transactions never occur and “NA” if you do not compile data on interest income on direct investment debt):

	Outward	Inward
Long-term loans	Yes / No / N / NA	Yes / No / N / NA
Short-term loans	Yes / No / N / NA	Yes / No / N / NA
Short and long-term debt securities	Yes / No / N / NA	Yes / No / N / NA
Trade credits	Yes / No / N / NA	Yes / No / N / NA
Financial leases	Yes / No / N / NA	Yes / No / N / NA
Financial derivatives*	Yes / No / N / NA	Yes / No / N / NA
Deposits, loans and other claims and liabilities related to usual banking transactions between affiliated banks (depository institutions)	Yes / No / N / NA	Yes / No / N / NA
Claims and liabilities related to financial intermediation of affiliated financial intermediaries (e.g. security dealers)	Yes / No / N / NA	Yes / No / N / NA

* not recommended

Additional comments on the items included in the data on direct investment income on debt (interest).

Please indicate your specific future plans, if any, including target dates, for changes in the items included in the data on direct investment income on debt (interest),

136. Please indicate the basis on which you record direct investment income on debt (interest).

	Outward	Inward
An accrual basis	_____	_____
A paid basis	_____	_____
Other (Please specify)	_____	_____

Additional comments on the basis for recording the data on direct investment income on debt (interest).

Please indicate your specific future plans, if any, including target dates, for changes in the basis for recording the data on direct investment income on debt (interest).

--

137. Which exchange rate is used to convert foreign currencies into the unit of account for data on direct investment income on debt (interest)? (*“NA” if data on direct investment income on debt are not compiled.*)

	Inward	Outward
Exchange rate prevailing on the day of the transaction	_____	_____
Average exchange rate in the period in which the interest is recorded	_____	_____
Other (please specify)	_____	_____

--

Additional comments on exchange rates used for data on direct investment income on debt (interest).

--

Please indicate your specific future plans, if any, including target dates, for changes in exchange rates used for data on direct investment income on debt (interest).

--

138. Additional comments on other procedures regarding the measurement of direct investment income on debt (interest).

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Please indicate your specific future plans, if any, including target dates, for changes in your practices for any other procedures regarding the measurement of direct investment income on debt (interest).

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Section 2.3 Components of direct investment financial flows

Questions under this section are divided into six sub-sections:

2.3.1 *Equity*

2.3.2 *Debt instruments*

2.3.3 *Transactions between fellow enterprises*

2.3.4 *Transactions between affiliated financial intermediaries*

2.3.5 *Transactions between non-financial enterprises and their FDI-affiliated financial intermediaries*

2.3.6 *Reverse investment*

2.3.1 *Equity*

Definitions:

Equity:

Voting stocks

Listed voting stocks

Unlisted voting stocks

Non-voting stocks

139. Please indicate which of the following types of equity transactions are included in your direct investment financial flows data on equity. (*Answer "N" if such transactions never occur and "NA" if data on FDI equity transactions are not compiled.*)

	Outward	Inward
Transactions involving listed voting stocks	Yes / No / N / NA	Yes / No / N / NA
Transactions involving unlisted voting stocks	Yes / No / N / NA	Yes / No / N / NA
Transactions involving other non-voting stocks (including participating preference [preferred] shares)	Yes / No / N / NA	Yes / No / N / NA
Non-cash acquisitions of equity (such as through the provision of capital equipment)	Yes / No / N / NA	Yes / No / N / NA

Additional comments on reporting practices for equity financial flows transactions.

Specifically:

- Please indicate whether participating preference [preferred] shares (if relevant in your economy) are included in the transactions data on FDI equity, and if not, where they are classified.
- Please describe any items other than those listed above that are included in your transactions data on FDI equity, such as non-participating preference [preferred] shares (which are treated as debt securities in international standards).

Please indicate your specific future plans, if any, including target dates, for changes in the reporting practices for equity transactions.

140. Which exchange rate is used to convert foreign currencies into the unit of account for equity transactions? (*Rank multiple responses using: 1 for the most frequent, 2 for the second most frequent method and "NA" for not applicable.*)

	Inward	Outward
Exchange rate prevailing on the day of the transaction	_____	_____
Average exchange rate in the period in which the transactions are recorded	_____	_____
Other (please specify in the boxes below).	_____	_____

Additional comments on exchange rates used for equity transactions.

Please indicate your specific future plans, if any, including target dates, for changes in exchange rates used for equity transactions.

2.3.2 *Debt instruments*

Definitions:

Debt instruments

141. Please indicate which of the following types of transactions are included in your direct investment data on debt instruments. (*Answer “N” if such transactions never occur, and “NA” if data on direct investment debt instruments transactions are not compiled.*)

	Outward	Inward
Long-term loans	Yes / No / N / NA	Yes / No / N / NA
Short-term loans	Yes / No / N / NA	Yes / No / N / NA
Short and long-term debt securities	Yes / No / N / NA	Yes / No / N / NA
Trade credits	Yes / No / N / NA	Yes / No / N / NA
Financial leases	Yes / No / N / NA	Yes / No / N / NA
Financial derivatives	Yes / No / N / NA	Yes / No / N / NA
Other financing (please describe below)	Yes / No / N / NA	Yes / No / N / NA

Additional comments on your reporting practices and/or items included in your direct investment data for debt instruments.

Specifically:

- Please indicate whether non-participating preference shares (if relevant in your economy) are included in the transactions data on FDI debt instruments, and if not, where they are classified.
- Please describe any items other than those listed above that are included in your transactions data on FDI debt instruments, such as deposits between non-financial direct investment enterprises and affiliated banks.

Please indicate your specific future plans, if any, including target dates, for changes in the reporting practices and/or items included in your direct investment data for debt instruments.

Definitions:

**Insurance companies' technical reserves
Loan/Debt guarantees & Invocation of a loan/debt guarantee**

142. Are the following items/activities included in your direct investment debt instruments transactions data? (*Answer "N" if such items/activities never occur, and "NA" if you do not compile data on direct investment debt instruments transactions.*)

	Outward	Inward
Changes in insurance companies technical reserves	Yes / No / N / NA	Yes / No / N / NA
Loan/Debt <u>guarantees</u> provided by a direct investor or related direct investment enterprise	Yes / No / N / NA	Yes / No / N / NA

Additional comments on the treatment in your direct investment data of changes in insurance companies' technical reserves and/or loan/debt guarantees.

Please indicate your specific future plans, if any, including target dates, for changes in the treatment in your direct investment financial transactions data for changes in the technical reserves of insurance companies and/or loan/debt guarantees and changes in insurance companies' technical reserves.

143. What is your practice for recording transactions arising from the invocation of a loan/debt guarantee provided by a direct investor or related direct investment enterprise following default by a direct investment enterprise which continues to trade? Indicate one of the following. (Answer "N" if these transactions never occur, and "NA" if you do not compile transactions data on direct investment.)

	Outward	Inward
(i) The entire amount of the loan/debt outstanding is treated as an FDI equity injection by the guarantor (direct investor/related direct investment enterprise) and recorded under <i>Direct investment, equity capital</i> at the time the guarantee is invoked	Yes / No / N / NA	Yes / No / N / NA
(ii) The entire amount of the loan/debt outstanding is treated as FDI lending by the guarantor (direct investor/related direct investment enterprise) and recorded under <i>Direct investment, debt instruments</i> at the time the guarantee is invoked	Yes / No / N / NA	Yes / No / N / NA
(iii) The periodic payments of principal and interest made by the guarantor (direct investor/related direct investment enterprise) are treated as FDI equity injections by the guarantor and recorded under <i>Direct investment, equity capital</i> at the time the periodic payments are made	Yes / No / N / NA	Yes / No / N / NA
(iv) The periodic payments of principal and interest made by the guarantor (direct investor/related direct investment enterprise) are treated as FDI lending by the guarantor and recorded under <i>Direct investment, debt instruments</i> at the time the periodic payments are made	Yes / No / N / NA	Yes / No / N / NA
(v) Other (please specify)	Yes / No / N / NA	Yes / No / N / NA

Additional comments on the treatment in your FDI transactions data of the invocation of loan/debt guarantees.

Specifically:

Please describe any differences in the treatment of invoked loan/debt guarantees involving defaulting direct investment enterprises that have gone into liquidation.

Please indicate in the box below your specific plans, if any, including target dates, for changes in the reporting practices in your direct investment transactions data for invoked loan/debt guarantees.

144. Which exchange rate is used to convert foreign currencies into the unit of account for debt instruments transactions? (Use "NA" for not applicable)

	Outward	Inward
Exchange rate prevailing on the day of the transaction	_____	_____
Average exchange rate in the period in which the transactions are recorded	_____	_____
Other (please specify)	_____	_____

Additional comments on exchange rates used for debt instruments transactions.

Please indicate your specific future plans, if any, including target dates, for changes in exchange rates used for debt instruments transactions.

2.3.3 Transactions between fellow enterprises

145. Do you include in your FDI statistics transactions between fellow enterprises? (Answer "N" if such transactions never occur and "NA" if data on the relevant direct investment category are not compiled.)

Yes / No / N / NA

146. If the answer to Question 145 is YES, please indicate the method used for recording such transactions:

	Outward	Inward
Asset/liability basis	Yes / No / N / NA	Yes / No / N / NA
Directional principle (according to the residence of ultimate controlling parent)	Yes / No / N / NA	Yes / No / N / NA
Other (please specify)		

Additional comments on reporting practices for transactions between fellow enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in the reporting practices for transactions between fellow enterprises data.

2.3.4 *Transactions between affiliated financial intermediaries*

Definitions:

Financial intermediaries
Transactions between affiliated financial intermediaries

147. Are the following transactions between affiliated financial intermediaries included in your direct investment transactions data? (*Answer "N" if such transactions never occur, and "NA" if data on direct investment equity and/or debt instruments are not compiled.*)

	Outward	Inward
Equity transactions	Yes / No / N / NA	Yes / No / N / NA
Debt transactions	Yes / No / N / NA	Yes / No / N / NA

Additional comments on the treatment in your direct investment data of transactions between affiliated financial intermediaries.

Specifically, please describe:

- Any instances where the treatment of financial auxiliaries (such as security dealers) differs from the treatment of affiliated financial intermediaries.
- Any other exceptions to your treatment indicated above.
- Any instances where equity transactions between financial intermediaries are considered to be immaterial.

Please indicate your specific future plans, if any, including target dates, for changes in the treatment in your direct investment data of transactions between affiliated financial intermediaries.

2.3.5 *Transactions between non-financial enterprises and their FDI-affiliated financial intermediaries*

Definitions:

Transactions between enterprises that are not financial intermediaries, and affiliated financial intermediaries

148. Do your FDI transactions data include transactions between enterprises that are not financial intermediaries and their FDI-affiliated financial intermediaries (including SPEs primarily engaged in financial intermediation for a group of related enterprises) for the following? (*Answer “N” if such transactions never occur and “NA if data on the relevant direct investment category are not compiled.*)

	Outward	Inward
Income on equity	Yes / No / N / NA	Yes / No / N / NA
Income on debt (interest)	Yes / No / N / NA	Yes / No / N / NA
Reinvested earnings	Yes / No / N / NA	Yes / No / N / NA
Equity	Yes / No / N / NA	Yes / No / N / NA
Debt instruments	Yes / No / N / NA	Yes / No / N / NA

Additional comments on the treatment in your direct investment data of transactions between non-financial enterprises and their FDI-affiliated financial intermediaries.

Specifically:

- Please describe any instances where the treatment of financial auxiliaries (such as security dealers) differs from the treatment of affiliated financial intermediaries.
- Please describe any other exceptions to your treatment indicated above.

Please indicate your specific future plans, if any, including target dates, for changes in the treatment in your direct investment data of transactions between non-financial enterprises and their FDI-affiliated financial intermediaries.

2.3.6 *Reverse investment*

Definitions:

Reverse investment

When the equity participations are at least 10% in both directions, two direct investment relationships are established.

When the claims are not sufficient to establish a second, separate direct investment relationship.

149. When equity participation by the direct investment enterprise in its direct investor is sufficient to establish a direct investment relationship in its own right, how do you record the following transactions, assuming the direct investment enterprise is a resident of your economy and the direct investor is a non-resident?

A: The acquisition of equity by the direct investment enterprise in its direct investor. (Indicate one of the following): *(Use "NA" if data on direct investment equity are not compiled.)*

- (i) Direct investment abroad, equity, increase in claims on affiliated enterprise _____
- (ii) Direct investment in reporting economy, equity, increase in claims on direct investor _____
- (iii) Direct investment in reporting economy, equity, decrease in liabilities to direct investor _____
- (iv) Portfolio investment, increase in assets, equity securities _____
- (v) N.A. _____

B: The provision of a loan by the direct investment enterprise to its direct investor

(Indicate one of the following): (Use "NA" if data on direct investment debt instruments are not compiled.)

- (i) Direct investment abroad, debt instruments, increase in claims on affiliated enterprise _____
- (ii) Direct investment in reporting economy, debt instruments, increase in claims on
direct investor _____
- (iii) Direct investment in reporting economy, debt instruments, decrease in liabilities to
direct investor _____
- (iv) Other investment, increase in assets, loans _____
- (v) N.A. _____

Additional comments on the treatment in your compilation of direct investment data of reverse investment transactions in instances where the direct investment enterprise owns at least 10% of the direct investor.

Specifically:

Please indicate any instances where the treatment of reverse investment in the FDI position data differs from the treatment in the FDI transactions data. (Insert into the boxes below.)

The acquisition of equity by the direct investment enterprise in its direct investor:

The provision of a loan by the direct investment enterprise to its direct investor:

Please indicate your specific future plans, if any, including target dates, for changes in the treatment in your direct investment data of reverse investment transactions in instances where the direct investment enterprise owns at least 10% of the direct investor.

The acquisition of equity by the direct investment enterprise in its direct investor:

The provision of a loan by the direct investment enterprise to its direct investor:

150. When equity participation by the direct investment enterprise in its direct investor is not sufficient to establish a direct investment relationship in its own right, how do you record the following transactions, assuming the direct investment enterprise is a resident of your economy and the direct investor a non-resident?

A: The acquisition of equity by the direct investment enterprise in its direct investor.

(Indicate one of the following): (Use "NA" if data on direct investment equity are not compiled.)

- (i) Direct investment abroad, equity, increase in claims on affiliated enterprise _____
- (ii) Direct investment in reporting economy, equity, increase in claims on direct investor _____
- (iii) Direct investment in reporting economy, equity, decrease in liabilities to direct investor _____
- (iv) Portfolio investment, increase in assets, equity securities _____
- (v) N.A. _____

B: The provision of a loan by the direct investment enterprise to its direct investor.

(Indicate one of the following): (Use "NA" if data on direct investment equity are not compiled.)

- (i) Direct investment abroad, debt instruments, increase in claims on affiliated enterprise _____
- (ii) Direct investment in reporting economy, debt instruments, increase in claims on direct investor _____
- (iii) Direct investment in reporting economy, debt instruments, decrease in liabilities to direct investor _____
- (iv) Other investment, increase in assets, loans _____
- (v) N.A. _____

Additional comments on the treatment in your direct investment data of reverse investment transactions in instances where the direct investment enterprise does not own at least 10% of the direct investor.

Please also indicate any instances where the treatment of reverse investment in the FDI position data differs from the treatment in the FDI transactions data.

The acquisition of equity by the direct investment enterprise in its direct investor:

The provision of a loan by the direct investment enterprise to its direct investor:

Please indicate your specific future plans, if any, including target dates, for changes in the treatment in your direct investment data of reverse investment transactions in instances where the direct investment enterprise does not own at least 10% of the direct investor.

The acquisition of equity by the direct investment enterprise in its direct investor:

--

The provision of a loan by the direct investment enterprise to its direct investor:

--

Section 2.4 Components of direct investment position data

Questions in this section are divided into six sub-sections:

2.4.1 Equity and reinvestment of earnings

2.4.2 Debt instruments

2.4.3 Positions between fellow enterprises

2.4.4 Position data between affiliated financial intermediaries

2.4.5 Position data between non-financial enterprises and their FDI-affiliated financial intermediaries

2.4.6 Valuation of positions (assets and liabilities)

2.4.1 *Equity and reinvested earnings*

Definitions:

- Equity**
- Voting stocks**
- Listed voting stocks**
- Unlisted voting stocks**
- Non-voting stocks**
- Reinvestment of earnings**

151. Please indicate which of the following items are included in your direct investment position data for equity and reinvestment of earnings. (*Answer “N” if such transactions never occur, and “NA” if position data on direct investment equity and reinvested earnings are not compiled.*)

	Outward	Inward
Listed voting stocks	Yes / No / N / NA	Yes / No / N / NA
Unlisted voting stocks	Yes / No / N / NA	Yes / No / N / NA
Other non-voting stocks (including participating preference [preferred] shares)	Yes / No / N / NA	Yes / No / N / NA
Non-cash acquisitions of equity	Yes / No / N / NA	Yes / No / N / NA
Reinvestment of earnings	Yes / No / N / NA	Yes / No / N / NA

Additional comments on reporting practices for equity and reinvestment of earnings position data.

Please indicate your specific future plans, if any, including target dates, for changes in the reporting practices for equity and reinvested earnings position data.

2.4.2 Debt instruments

Definitions:

Debt instruments

152. Please indicate which of the following items are included in your direct investment position data on debt instruments. (Answer "N" if such items never occur, and "NA" if position data on direct investment debt instruments are not compiled.)

	Outward	Inward
Long-term loans	Yes / No / N / NA	Yes / No / N / NA
Short-term loans	Yes / No / N / NA	Yes / No / N / NA
Short and long-term debt securities	Yes / No / N / NA	Yes / No / N / NA
Trade credits	Yes / No / N / NA	Yes / No / N / NA
Financial leases	Yes / No / N / NA	Yes / No / N / NA
Financial derivatives	Yes / No / N / NA	Yes / No / N / NA

Additional comments on your reporting practices and/or items included in your direct investment data for debt instruments.

Specifically:

- Please indicate whether non-participating preference shares (if relevant in your economy) are included in the transactions data on FDI debt instruments, and if not, where they are classified.
- Please describe any items other than those listed above that are included in your transactions data on FDI debt instruments, such as deposits between non-financial direct investment enterprises and affiliated banks.

Please indicate your specific future plans, if any, including target dates, for changes in the reporting practices for the direct investment position data listed above.

Definitions:

Insurance companies' technical reserves

Loan/Debt guarantees & Invocation of a loan/debt guarantee

153. Are the following items/ activities included in your direct investment debt instruments position data? (*Answer "N" if such items/activities never occur, and "NA" if you do not compile data on direct investment debt instruments transactions.*)

	Outward	Inward
Insurance companies technical reserves	Yes / No / N/ NA	Yes / No / N / NA
Loan/Debt guarantees provided by a direct investor or related direct investment enterprise	Yes / No / N/ NA	Yes / No / N / NA

154. What is your practice for recording positions arising from the invocation of a loan/debt guarantee provided by a direct investor or related direct investment enterprise following default by a direct investment enterprise that continues to trade? Indicate one of the following. (*Answer "N" if these positions never occur and "NA" if you do not compile position data on direct investment.*)

	Outward	Inward
(i) The entire amount of the loan/debt outstanding is treated as an FDI equity injection by the guarantor (direct investor/related direct investment enterprise) and recorded under <i>Direct investment, equity capital</i> at the time the guarantee is invoked	Yes / No / N / NA	Yes / No / N / NA
(ii) The entire amount of the loan/debt outstanding is treated as FDI lending by the guarantor (direct investor/related direct investment enterprise) and recorded under <i>Direct investment, debt instruments</i> at the time the guarantee is invoked	Yes / No / N / NA	Yes / No / N / NA
(iii) The periodic payments of principal and interest made by the guarantor (direct investor/related direct investment enterprise) are treated as FDI equity injections by the guarantor and recorded under <i>Direct investment, equity capital</i> at the time the periodic payments are made	Yes / No / N/ NA	Yes / No / N/ NA
(iv) The periodic payments of principal and interest made by the guarantor (direct investor/related direct investment enterprise) are treated as FDI lending by the guarantor and recorded under		

Direct investment, debt instruments at the time the periodic payments are made

Yes / No / N/ NA

Yes / No / N/ NA

(v) Other (please specify in the boxes below)

Yes / No / N/ NA

Yes / No / N/ NA

Additional comments on the treatment in your FDI transactions data of the invocation of loan/debt guarantees.

Specifically:

Please describe any differences in the treatment of invoked loan/debt guarantees involving defaulting direct investment enterprises that have gone into liquidation.

Please indicate in the box below your specific plans, if any, including target dates, for changes in the reporting practices in your direct investment transactions data for invoked loan/debt guarantees.

2.4.3 *Positions between fellow enterprises*

155. Do you include in your FDI statistics positions between fellow enterprises? (*Answer “N” if such positions never occur and “NA if data on the relevant direct investment category are not compiled.*)

Yes / No / N / NA

156. If the answer to Question 155 is YES, please indicate the method used for recording such positions:

	Outward	Inward
Asset/liability basis	Yes / No / N / NA	Yes / No / N / NA
Directional principle (according to the residence of ultimate controlling parent)	Yes / No / N / NA	Yes / No / N / NA
Other (Please specify)		

Additional comments on reporting practices for positions between fellow enterprises.

Please indicate your specific future plans, if any, including target dates, for changes in the reporting practices for positions between fellow enterprises data.

2.4.4 *Positions between affiliated financial intermediaries*

Definitions:

Financial intermediaries

157. Are the following positions between affiliated financial intermediaries as defined above, included in your direct investment data? (*Answer “N” if such transactions never occur and “NA” if position data between affiliated intermediaries are not compiled.*)

	Inward	Outward
Equity	Yes / No / N / NA	Yes / No / N / NA
Debt transactions	Yes / No / N / NA	Yes / No / N / NA

Additional comments on the measurement of your direct investment position data between affiliated financial intermediaries.

Please indicate in the box below your specific future plans, if any, including target dates, for changes in the measurement of your direct investment position data between affiliated financial intermediaries.

2.4.5 *Positions between non-financial enterprises and their FDI-affiliated financial intermediaries*

Definitions:

Financial intermediaries

158. Do your FDI position data include the following positions between enterprises that are not financial intermediaries and their FDI-affiliated financial intermediaries (including SPEs primarily engaged in financial intermediation for a group of related enterprises)? (*Answer "N" if such positions never occur, and "NA" if data on direct investment equity and/or debt instruments are not compiled.*)

	Outward	Inward
Equity (including reinvestment of earnings)	Yes / No / N / NA	Yes / No / N / NA
Debt instruments	Yes / No / N / NA	Yes / No / N / NA

Additional comments on the treatment in your direct investment data of positions between non-financial direct investment enterprises and affiliated financial intermediaries.

Please indicate your specific future plans, if any, including target dates, for changes in the treatment in your direct investment data of positions between non-financial enterprises and their FDI-affiliated financial intermediaries.

2.4.6 Valuation of position data (assets and liabilities)

<p>Definitions:</p> <p>Book value</p> <p>Valuation of stocks (position data)</p> <p>Listed enterprises</p> <p>Unlisted enterprises</p>

159. When compiling position data on direct investment, which of the following valuation methods do you use? (Please respond using “N” if you never use a valuation method and “NA” for not applicable, that is, when the relevant data are not compiled.)

For equity (listed enterprises)

	Outward	
	Primary	Secondary
Market value	Yes / No / N / NA	Yes / No / N / NA
Recent Transaction price	Yes / No / N / NA	Yes / No / N / NA
Own funds at book value (OFBV)	Yes / No / N / NA	Yes / No / N / NA
Net asset value (NAV)	Yes / No / N / NA	Yes / No / N / NA
Including goodwill and intangibles	Yes / No / N / NA	Yes / No / N / NA
Excluding goodwill and intangibles	Yes / No / N / NA	Yes / No / N / NA
Market capitalisation method	Yes / No / N / NA	Yes / No / N / NA
Present value	Yes / No / N / NA	Yes / No / N / NA
Apportioning global value	Yes / No / N / NA	Yes / No / N / NA
Historic or acquisition cost	Yes / No / N / NA	Yes / No / N / NA
Accumulation of FDI equity flows	Yes / No / N / NA	Yes / No / N / NA
Stock market price index applied to accumulated FDI equity flows	Yes / No / N / NA	Yes / No / N / NA
Book value	Yes / No / N / NA	Yes / No / N / NA
Other (Please specify)	Yes / No / N / NA	Yes / No / N / NA

Inward

	Primary	Secondary
Market value	Yes / No / N / NA	Yes / No / N / NA
Recent Transaction price	Yes / No / N / NA	Yes / No / N / NA
Own funds at book value (OFBV)	Yes / No / N / NA	Yes / No / N / NA
Net asset value (NAV)	Yes / No / N / NA	Yes / No / N / NA
Including goodwill and intangibles	Yes / No / N / NA	Yes / No / N / NA
Excluding goodwill and intangibles	Yes / No / N / NA	Yes / No / N / NA
Market capitalisation method	Yes / No / N / NA	Yes / No / N / NA
Present value	Yes / No / N / NA	Yes / No / N / NA
Apportioning global value	Yes / No / N / NA	Yes / No / N / NA
Historic or acquisition cost	Yes / No / N / NA	Yes / No / N / NA
Accumulation of FDI equity flows	Yes / No / N / NA	Yes / No / N / NA
Stock market price index applied to accumulated FDI equity flows	Yes / No / N / NA	Yes / No / N / NA
Book value	Yes / No / N / NA	Yes / No / N / NA
Other (Please specify)	Yes / No / N / NA	Yes / No / N / NA

For equity (unlisted enterprises)

Outward

	Primary	Secondary
Recent Transaction price	Yes / No / N / NA	Yes / No / N / NA
Own funds at book value (OFBV)	Yes / No / N / NA	Yes / No / N / NA
Net asset value (NAV)	Yes / No / N / NA	Yes / No / N / NA
Including goodwill and intangibles	Yes / No / N / NA	Yes / No / N / NA
Excluding goodwill and intangibles	Yes / No / N / NA	Yes / No / N / NA
Market capitalisation method	Yes / No / N / NA	Yes / No / N / NA
Present value	Yes / No / N / NA	Yes / No / N / NA
Apportioning global value	Yes / No / N / NA	Yes / No / N / NA
Historic or acquisition cost	Yes / No / N / NA	Yes / No / N / NA
Accumulation of FDI equity flows	Yes / No / N / NA	Yes / No / N / NA
Stock market price index applied to accumulated FDI equity flows	Yes / No / N / NA	Yes / No / N / NA
Book value	Yes / No / N / NA	Yes / No / N / NA
Other (Please specify)	Yes / No / N / NA	Yes / No / N / NA

Inward

	Primary	Secondary
Recent Transaction price	Yes / No / N / NA	Yes / No / N / NA
Own funds at book value (OFBV)	Yes / No / N / NA	Yes / No / N / NA
Net asset value (NAV)	Yes / No / N / NA	Yes / No / N / NA
Including goodwill and intangibles	Yes / No / N / NA	Yes / No / N / NA
Excluding goodwill and intangibles	Yes / No / N / NA	Yes / No / N / NA
Market capitalisation method	Yes / No / N / NA	Yes / No / N / NA
Present value	Yes / No / N / NA	Yes / No / N / NA
Apportioning global value	Yes / No / N / NA	Yes / No / N / NA
Historic or acquisition cost	Yes / No / N / NA	Yes / No / N / NA
Accumulation of FDI equity flows	Yes / No / N / NA	Yes / No / N / NA
Stock market price index applied to accumulated FDI equity flows	Yes / No / N / NA	Yes / No / N / NA
Book value	Yes / No / N / NA	Yes / No / N / NA
Other (Please specify)	Yes / No / N / NA	Yes / No / N / NA

For debt instruments

Outward

	Primary	Secondary
Market value	Yes / No / N / NA	Yes / No / N / NA
Fair value	Yes / No / N / NA	Yes / No / N / NA
Nominal value	Yes / No / N / NA	Yes / No / N / NA
Amortised value	Yes / No / N / NA	Yes / No / N / NA
Face value	Yes / No / N / NA	Yes / No / N / NA
Book value	Yes / No / N / NA	Yes / No / N / NA
Historic or acquisition cost	Yes / No / N / NA	Yes / No / N / NA
Other (Please specify)	Yes / No / N / NA	Yes / No / N / NA

Inward

	Primary	Secondary
Market value	Yes / No / N / NA	Yes / No / N / NA
Fair value	Yes / No / N / NA	Yes / No / N / NA
Nominal value	Yes / No / N / NA	Yes / No / N / NA
Amortised value	Yes / No / N / NA	Yes / No / N / NA
Face value	Yes / No / N / NA	Yes / No / N / NA
Book value	Yes / No / N / NA	Yes / No / N / NA
Historic or acquisition cost	Yes / No / N / NA	Yes / No / N / NA
Other (Please specify)	Yes / No / N / NA	Yes / No / N / NA

Additional comments on the valuation methods used for the equity and debt instruments position data.

Please indicate your specific future plans, if any, including target dates, for changes in the valuation methods for equity and debt instruments position data.

160. If book values are used for the position data, please indicate your practices regarding the use of company accounts. (*Answer "NA" only if book values are NOT used to value the FDI position data.*)

For inward direct investment:

Do you use the values shown in the accounting records of the resident direct investment enterprise? Yes / No / NA

Do you use the values shown in the accounting records of the non-resident direct investor? Yes / No / NA

For outward direct investment:

Do you use the values shown in the accounting records of the resident direct investor? Yes / No

Do you use the values shown in the accounting records of the non-resident direct investment enterprise? Yes / No

Additional comments on the accounting records used to record book values for the position data.

Please indicate your specific future plans, if any, including target dates, for changes in the accounting records used to record book values for the position data.

161. Conversion to unit of account. Which exchange rate is used to convert foreign currencies into the unit of account for position data? (*Rank multiple responses using: 1 for the most frequent, 2 for the second most frequent and NA for not applicable, that is, when FDI position data are not compiled.*)

	Inward	Outward
Exchange rate prevailing on the day to which the position data relate	_____	_____
Exchange rate prevailing on the day the stocks were acquired	_____	_____
Other (please specify)	_____	_____

Additional comments on the conversion to unit of account for the position data.

Please indicate your specific future plans, if any, including target dates, for changes in your practices for the conversion to unit of account for the position data.

Section 2.5 Special cases

The questions in this section are divided into six sub-section:

- 2.5.1 *Quasi-corporations*
 - 2.5.2 *Land and building*
 - 2.5.3 *Collective investment institutions (CII)*
 - 2.5.4 *Special Purpose Entities (SPEs)*
 - 2.3.5 *Non-profit institutions serving households (NPISH)*
 - 2.5.6 *Natural resources exploration*
- 2.5.1 *Quasi-corporations*

Definitions:
Quasi-corporations

162. Do you follow the *BMD4* recommendations regarding the establishment of a direct investment relationship between a quasi-corporation and its parent enterprises with regard to the following activities? (See below for instructions regarding the use of “NA” in response to this question.)

FDI transactions

	Outward	Inward
Construction enterprises:	Yes / No / NA	Yes / No / NA
The operation of mobile equipment such as:		
Ships	Yes / No / NA	Yes / No / NA
Aircraft	Yes / No / NA	Yes / No / NA
Drilling rigs	Yes / No / NA	Yes / No / NA
Other equipment (<i>Please specify</i>)	Yes / No / NA	Yes / No / NA

FDI positions

	Outward	Inward
Construction enterprises:	Yes / No / NA	Yes / No / NA
The operation of mobile equipment such as:		
Ships	Yes / No / NA	Yes / No / NA
Aircraft	Yes / No / NA	Yes / No / NA
Drilling rigs	Yes / No / NA	Yes / No / NA
Other equipment (<i>Please specify in the boxes below</i>)	Yes / No / NA	Yes / No / NA

If the response to any part of Question 162 is “NA” please indicate in the comments boxes provided below whether the reason for selecting “not applicable” is that:

- *The operation of quasi-corporations in your economy by non-residents or the operation of quasi-corporations abroad by residents of your economy is forbidden by law, or*
- *Activities of quasi-corporations cannot be identified from the present data sources, or*
- *Activities involving quasi-corporations have not occurred to date, or*
- *Some other reason (please explain).*

Additional comments on the treatment of data related to quasi-corporations.

Please indicate your specific future plans, if any, including target dates, for changes in the practices concerning the treatment of data related to quasi-corporations.

2.5.2 Land and buildings

163. Do you apply the recommended treatment for land and buildings when the non-resident actual owner is one of the following? (See below for instructions regarding the use of “NA” in response to this question.)

	Inward	Outward
An enterprise	Yes / No / NA	Yes / No / NA
An individual	Yes / No / NA	Yes / No / NA

If the response to any part of Question 163 is “NA” please indicate in the comments boxes provided below whether the reason for selecting “not applicable” is that:

- The purchase or sale of land and/or buildings in your economy by non-residents or the purchase or sale of land and/or buildings abroad by residents of your economy is forbidden by law; or
- Purchases and sales of land and/or buildings in your economy by non-residents or the purchase or sale of land and/or buildings abroad by residents of your economy cannot be identified from the present data sources; or
- Purchases and sales of land and/or buildings in your economy by non-residents or the purchase or sale of land and/or buildings abroad by residents of your economy have not occurred to date; or
- Some other reason (please explain).

Additional comments on treatment of land and buildings

Please indicate your specific future plans, if any, including target dates, for changes in the practices concerning the treatment of land and buildings.

164. If YES to any part of Question 163, please indicate whether you include land and buildings that are acquired on long-term leases.

	Outward	Inward
Enterprises	Yes / No / NA	Yes / No / NA
Individuals	Yes / No / NA	Yes / No / NA

165. If YES to Question 164, please specify the period covered by your definition of a “long-term lease”

Period

Additional comments on treatment of long-term leases

Please indicate your specific future plans, if any, including target dates, for changes in the practices concerning the treatment of long-term leases.

2.5.3 *Collective investment institutions (CII)*

Definitions:

Collective investment institutions

166. Do you include in your direct investment statistics instances where an investor in another economy acquires at least 10% of the voting power in a collective investment institution in your economy (*Answer “N” if such cases never occur, and “NA” if you do not compile data on direct investment?*)

Yes / No / N/ NA

167. Do you include in your direct investment statistics instances where a collective investment institutions resident in your economy acquires at least 10% of the voting power in an entity resident in an another economy (*Answer “N” if such cases never occur, and “NA” if you do not compile data on direct investment.*)

Yes / No / N/ NA

168. If YES to question 166 and/or 167, please indicate which types of collective investment institutions are included in your direct investment statistics:

	Inward	Outward
Mutual funds	Yes / No / NA	Yes / No / NA
Master/feeder funds	Yes / No / NA	Yes / No / NA
Hedge funds	Yes / No / NA	Yes / No / NA
Distressed funds	Yes / No / NA	Yes / No / NA
Other (please describe)	Yes / No / NA	Yes / No / NA

Additional comments on treatment of collective investment institutions.

Please indicate your specific future plans, if any, including target dates, for changes in the practices concerning the treatment of collective investment institutions.

2.5.4 *Special Purpose Entities (SPEs)*

Definitions:

Special purpose entities (SPEs) [criteria for identification]

169. Do you include information on SPEs in your direct investment data?

	Outward	Inward
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA

170. Are SPE's established in your economy by non-residents?

Yes / No

171. If the answer to question 170 is YES, please indicate whether you report separately data on SPEs resident in your economy?

	Inward	Outward
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA

172. If the answer to Question 171 is NA, please indicate in whether the reason for selecting “not applicable” is that:

Activities of resident SPEs cannot be identified from the present data sources : Yes / No

Other (Please specify)

173. Are SPEs established abroad by your resident enterprises?

Yes / No

174. If the answer to question 173 is YES, then please indicate whether you report your FDI statistics by looking through non-resident SPEs set up by enterprises resident in your economy?

	Outward	Inward
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA

175. If the answer to question 174 is YES, please indicate whether you report your FDI statistics by looking through non-resident SPEs set up by enterprises resident in other economies?

	Outward	Inward
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA

176. If the answer to Question 174 and/or Question 175 is Yes, please describe your methodology to identify non-resident SPEs and to look through them.

177. If the answer to Question 174 or 175 is NA, please indicate whether the reason for selecting “not applicable” is that:

Activities of resident SPEs cannot be identified from the present data sources Yes / No

Other (Please specify)

Additional comments on treatment of SPEs in your direct investment data.

Please indicate your specific future plans, if any, including target dates, for changes in the practices concerning the treatment of SPEs in your direct investment transactions and position data.

Outward:

Inward:

Definitions:

Transactions between SPEs that are primarily engaged in financial intermediation and affiliated financial intermediaries.

178. Do you follow the rule regarding SPEs primarily engaged in financial intermediation specified in the definition box above for the following?

	Outward	Inward
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA

If the response to any part of Question 178 is “NA” please indicate in the comments boxes provided below whether the reason for selecting “not applicable” is that:

The establishment in your economy of SPEs that are primarily engaged in financial intermediation and/or the establishment abroad of SPEs that are primarily engaged in financial intermediation by residents of your economy are forbidden by law; or

The establishment in your economy of SPEs that are primarily engaged in financial intermediation and/or the establishment abroad of SPEs that are primarily engaged in financial intermediation by residents of your economy cannot be identified from the present data sources;

The establishment in your economy of SPEs that are primarily engaged in financial intermediation and/or the establishment abroad of SPEs that are primarily engaged in financial intermediation by residents of your economy have not occurred to date, or

Some other reason (please specify).

Additional comments on treatment of transactions of SPEs that are financial intermediaries in your direct investment data.

Outward:

Inward:

Please indicate in the boxes below your specific future plans, if any, including target dates, for changes in the practices concerning the treatment of SPEs that are financial intermediaries.

Outward:

Inward:

2.5.5 *Non-profit institutions serving households*

179. Do you include information on Non-profit institutions serving households (NPISH) in your direct investment data?

Outward

Direct investment income	Yes / No / NA
Direct investment financial flows	Yes / No / NA
Direct investment position data	Yes / No / NA

2.5.6 *Natural resources exploration*

Definitions:

The exploration of natural resources

Payments (bonus) made to a government by direct investors for the right to undertake a direct investment in the host economy

Shutdown of an FDI enterprise established for natural resources exploration

180. Do your direct investment data cover expenditures related to natural resources exploration for the following? (See below for instructions on the use of the “NA” response.)

Inward

Outward

Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA

If the response to any part of Question 180 is “NA” please indicate in the comments boxes provided below whether the reason for selecting “not applicable” is that:

Expenditure on natural resource exploration in your economy by non-residents and/or expenditure on natural resource exploration abroad by residents of your economy are forbidden by law, or

Expenditure on natural resource exploration in your economy by non-residents and/or expenditure on natural resource exploration abroad by residents of your economy cannot be identified from the present data source, or.

Expenditure on natural resource exploration in your economy by non-residents and/or expenditure on natural resource exploration abroad by residents of your economy have not occurred to date, or

Some other reason (please explain).

Additional comments on treatment of natural resource exploration expenditure in your direct investment

Please indicate your specific future plans, if any, including target dates, for changes in the practices concerning the treatment of expenditure on natural resources exploration in your direct investment transactions and/or position data.

181. In the case of a bonus payment made for the right to undertake a direct investment in the host economy, typically for concession rights related to the extraction of natural resources, do you follow the rule in the definition box above for the following?

	Inward	Outward
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA

If the response to any part of Question 181 is “NA” please indicate in the comments boxes provided below whether the reason for selecting “not applicable” is that:

Bonus payments for the right to undertake natural resources exploration in your economy by non-residents and/or bonus payments for the right to undertake natural resources exploration abroad by residents of your economy are forbidden by law.

Bonus payments for the right to undertake natural resources exploration in your economy by non-residents and/or bonus payments for the right to undertake natural resources exploration abroad by residents of your economy cannot be identified from the present data sources.

Bonus payments for the right to undertake natural resources exploration in your economy by non-residents and/or bonus payments for the right to undertake natural resources exploration abroad by residents of your economy have not occurred to date.

Some other reason (please explain).

Additional comments on treatment of bonus payments for the right to undertake natural resources exploration.

Please indicate your specific future plans, if any, including target dates, for changes in the practices concerning the treatment of bonus payments for the right to undertake natural resources exploration.

182. In instances of the shutdown of an FDI enterprise established for natural resources exploration do you follow the rule in the definition box above for the following?

	Outward	Inward
Direct investment income	Yes / No / NA	Yes / No / NA
Direct investment financial flows	Yes / No / NA	Yes / No / NA
Direct investment position data	Yes / No / NA	Yes / No / NA

If the response to any part of Question 182 is “NA” please indicate in the comments boxes provided below whether the reason for selecting “not applicable” is that:

Instances involving the shutdown of an FDI enterprise established in your economy by non-residents for natural resources exploration or established abroad by residents of your economy for natural resources exploration cannot be identified from the present data sources, or

Instances involving the shutdown of an FDI enterprise established in your economy by non-residents for natural resources exploration or established abroad by residents of your economy for natural resources exploration have not occurred to date, or

Some other reason (please explain).

Additional comments on the treatment of instances involving the shutdown of an FDI enterprise established for natural resources exploration

Please indicate your specific future plans, if any, including target dates, for changes in the practices concerning the treatment of instances involving the shutdown of an FDI enterprise established for natural resources exploration.

PART 3. FINAL QUESTIONS AND COMMENTS

Section 3.1 Dissemination of survey metadata

The OECD Working Group on International Investment Statistics requested that the results of the SIMSDI survey be made available to all interested parties as metadata, free of charge. The availability of this information to compilers and users as metadata of direct investment statistics enables the public to obtain a clear understanding of your country's methodology, facilitates the analysis of direct investment data, and promotes the exchange of bilateral information. All 30 OECD members that participated in the 2003 update of the 2001 and 1997 SIMSDI survey agreed that survey results being made available to the general public: <http://www.oecd.org/daf/simsdi>.

183. Please indicate whether you agree (or reconfirm your agreement) to the OECD making the responses to the questionnaire by your country available to the general public.

Yes / No

184. *If NO* to Question 183, please indicate whether you agree to the OECD making the information for your country available, on request, to compilers in member countries and to international organisations.

Yes / No

Section 3.2. Final comments

185. If your country is not involved in the collection, compilation or dissemination of direct investment data, but has specific plans for future changes regarding these activities, please describe these plans in the boxes below. (Please be specific – for example, provide information on target dates and data series, explain methodologies, and distinguish between transactions data and position data, if applicable.)

186. If this questionnaire has not adequately covered your system of direct investment statistics, or if you have any other comments, please give details in the boxes below.

187. Date of most recent update of the present SIMSDI survey for your country:

//DD/MM/YYYY//

Please verify that this questionnaire has been correctly completed

Please provide details of the contact person(s) completing this questionnaire.

Name of the person(s) completing this form:

Title (if applicable) of person(s) completing this form:

Division/Department:

Organisation/institution:

Street/postal address:

Telephone number:

Fax number:

E-mail address:

The Organisation for Economic Co-operation and Development appreciates the time and effort spent in completing this form.

THANK YOU.

ANNEX I: STANDARD AND SUPPLEMENTAL FDI SERIES ACCORDING TO BMD4

(1) Standard FDI statistics

(i) *FDI aggregates for macro-economic statistics* (according to the *assets/liability principle*)

- (a) Positions in Asset/liabilities of FDI
- (b) Transactions in Asset/liabilities of FDI
- (c) FDI income debits/credits

Memorandum item: FDI aggregates for resident SPEs

(ii) *FDI Statistics* (according to the *directional principle*)

- (a) Inward/Outward FDI positions
 - 1. Excluding resident SPEs
 - by partner country
 - by industry
 - 2. Resident SPEs
 - by partner country
 - by industry
- (b) Inward/Outward FDI financial flows (inflows/outflows)
 - 1. Excluding resident SPEs
 - by partner country
 - by industry
 - 2. Resident SPEs
 - by partner country
 - by industry
- (c) FDI income: receivables/payables
 - 1. Excluding resident SPEs
 - by partner country
 - by industry
 - 2. Resident SPEs
 - by partner country
 - by industry

(2) Supplemental FDI statistics (according to the directional principle)

(i) FDI Statistics (excluding resident SPEs and looking through non-resident SPEs)

(a) Inward/Outward FDI positions

- by partner country
- by industry

(b) Inward/Outward FDI financial flows (inflows/outflows)

- by partner country
- by industry

(c) FDI income: receivables/payables

- by partner country
- by industry

(ii) Mergers and Acquisition for FDI equity flows

(a) Inward/Outward FDI financial flows

- by partner country(or regions)
- by industry

(iii) Inward FDI positions according to Ultimate Investor Country

(a) by partner country

(b) by industry

(3) Supplemental FDI statistics (according to the directional principle recommended in the 3rd Edition of the Benchmark Definition–)³

(a) Inward/Outward FDI positions

- by partner country
- by industry

(b) Inward/Outward FDI financial flows (inflows/outflows)

- by partner country
- by industry

(c) FDI income: receivables/payables

- by partner country
- by industry

3.

These series are required according to the standards defined in the 3rd edition of the *Benchmark Definition of Foreign Direct Investment* in which the compilation of investment on a directional basis was limited to offsetting any reverse investment (by a direct investment enterprise in its direct investor).

Annex II: International Standard Industry Classification (ISIC4)

	ECONOMIC ACTIVITY	ISIC rev.4
	AGRICULTURE, FORESTRY AND FISHING	Section A
	MINING AND QUARRYING	section B
	Extraction of crude petroleum and natural gas; mining support services	division 06, 09
	MANUFACTURING	section C
	Food products, beverage, and tobacco products	divisions 10,11,12
	Textiles and wearing apparel	divisions 13,14
	Wood, paper, printing and reproduction	divisions 16, 17,18
	[TOTAL textiles + wood activities]	[divisions 13,14, 16, 17,18]
	Coke and refined petroleum products	division 19
	Manufacture of chemicals & chemical products	division 20
	Pharmaceuticals products and preparations	division 21
	Rubber and plastic products	division 22
	[TOTAL petroleum, chemical, pharmaceuticals, rubber and plastic products]	[divisions 19, 20, 21, 22]
	Basic metal and fabricated metal products	divisions 24, 25
	Computer, electronic and optical products	division 26
	Machinery and equipment n.e.c.	division 28
	[TOTAL metal , computer and machinery]	[divisions 24, 25, 26, 28]
	Motor vehicles, trailers and semi-trailers	division 29
	Other transport equipment	division 30
	Manufacture of air and spacecraft and related machinery	group 303
	[TOTAL vehicles and other transport equipment]	[divisions 29, 30]
	Other manufacturing	divisions 15, 23, 27, 31, 32, 33
	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	section D
	WATER SUPPLY; SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	section E
	Water collection, treatment and supply	division 36
	Sewerage, waste management and remediation activities	divisions 37, 38, 39
	CONSTRUCTION	section F
	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	section G
	Wholesale and retail trade and repair of motor vehicles and motorcycles	(divisions 45, 46, 47)
	Wholesale trade, except of motor vehicles and motorcycles	division 45
	Retail trade, except of motor vehicles and motor cycles	division 46
	TRANSPORTATION AND STORAGE	division 47
	Land transport and transport via pipelines	Section H
	Water transport	division 49
	Air transport	division 50
	Warehousing and support activities for transportation	division 51
	[TOTAL transport and storage]	division 52
	Post and courier activities	[divisions 49, 50, 51, 52]
	ACCOMMODATION AND FOOD SERVICE ACTIVITIES	division 53
	INFORMATION AND COMMUNICATION	Section I
	Motion picture, video and television programme production, sound recording and music publishing activities; programming and broadcasting activities	Section J
	Telecommunications	,divisions 59, 60
	Other information and communication activities	division 61
	FINANCIAL AND INSURANCE ACTIVITIES	Divisions 58, 62, 63
	Financial services activities, except insurance and pension funding of which:	section K
	Monetary intermediation	division 64
	Activities of holding companies	group 641
	Trusts, funds and similar financial entities	group 642
	Insurance, reinsurance and pension funding, except compulsory social security	group 643
	Activities auxiliary to financial services and insurance activities	division 65
	REAL ESTATE ACTIVITIES	division 66
	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	section L
	Legal and accounting activities	Section M
	Activities of head offices; management and consultancy activities	division 69
	Scientific research and development	division 70
	Advertising and market research	division 72
	Other professional, scientific and technical activities	division 73
	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	division 74
	Rental and leasing activities	Section N
	Other administrative and support services activities	division 77
	EDUCATION	divisions 78, 79, 80, 81, 82
	HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	Section P
	ARTS, ENTERTAINMENT AND RECREATION	Section Q
	of which: Sports activities and amusement and recreation activities	Section R
	OTHER SERVICE ACTIVITIES	division 93
	SUB-TOTAL	section S
	Of which: Private purchases & sales of real estate	
	Unallocated	
	TOTAL	

Top-top aggregation of ISIC4:

A	–	Agriculture, forestry and fishing
B, C, D and E	–	Manufacturing, mining and quarrying, and other industry <i>Of which: manufacturing</i>
F	–	Construction
G, H and I	–	Wholesale and retail trades, transport, accommodation, and food services activities
J	–	Information and communication
K	–	Financial and insurance activities
L	–	Real estate activities
M, N	–	Business services
O, P and Q	–	Public administration, defence, education, human health and social work activities
R, S, T and U	–	Other services

ANNEX III: GLOSSARY OF FDI TERMS

- Acquisition*** An acquisition is a business transaction between unrelated parties based on terms established by the market where each enterprise acts in its own interest. The acquiring enterprise purchases the assets and liabilities of the target enterprise. In some cases, the target enterprise becomes a subsidiary or part of a subsidiary of the acquiring enterprise.
- Activity of Multinational Enterprises*** In principle quantitative or qualitative information directly concerning multinational firms could be classified under activity of multinational enterprises. However, within the framework of the OECD *Handbook on Economic Globalisation Indicators*, data on the activity of multinationals covers all economic and industrial data which are not associated with FDI, portfolio or other financial transactions. Data collected by the OECD within the framework of the surveys on the economic activity of multinationals include 18 variables, notably gross output, turnover, value added, number of people in employment, employee compensation, gross operating surplus, gross fixed capital formation, R&D expenditures, number of researchers, total exports and imports, intra-firm exports and imports, and technological payments and receipts.
- Aggregate basis*** Data collected on this basis show the total amounts for transactions made [positions held by respondents during a specified reporting period [as at a specified reporting date], such as information obtained through enterprise surveys.
- Affiliated enterprises*** Affiliated enterprises are enterprises in a direct investment relationship. Thus, a given direct investor, its direct investors, its *subsidiaries*, its *associates*, and its *branches*, including all *fellow enterprises*, are affiliated enterprises. It is possible for a given enterprise to be a member of two or more groups of affiliated enterprises.
- All-inclusive concept*** The application of the all-inclusive concept is one of the two main approaches to measuring earnings. The concept is explained in the *International Accounting Standard, "Unusual and Prior Period Items and Changes in Accounting Policy"*. When earnings are measured on the basis of this concept, income is considered to be the amount remaining after all items (including write-offs and capital gains and losses, and excluding dividends and any other transactions between the enterprise and its shareholders or investors) causing any increase or decrease in the shareholders' or investors' interests during the accounting period, are allowed for. *This concept is not recommended by the Benchmark Definition (see also entry on Current Operating Performance Concept).*

Amortized value

reflects the value of a debt instrument as determined by the process of amortization. The amortization process refers to gradual elimination of a debt liability, such as a loan, in regular payments over a specified period of time according to the amortization schedule. On the date of each scheduled payment, amortized value is the same as nominal value, but it may differ from the nominal value on other dates because nominal value includes interest that has accrued and not been paid.

Ancillary corporation

An *ancillary* corporation is a wholly-owned subsidiary whose productive activities are ancillary in nature: that is, confined to providing services to the parent corporation and/or other ancillary enterprises owned by the same parent corporation. The kinds of services which may be produced by an ancillary unit are transportation, purchasing, sales and marketing, various kinds of financial or business services, computing and communications, security, maintenance, and cleaning. In some cases, the ancillary unit is located in a different economy from the companies it serves. An ancillary corporation is recognized as a separate institutional unit when it is resident in a different economy from that of any of its owners, even if it is not, in practice, autonomous.

Assets, Direct Investment

Direct investment assets can be ascribed to the following three categories:

- (i) investment by a resident direct investor in its non-resident direct investment enterprises
- (ii) reverse investment by a resident direct investment enterprise in its non-resident direct investor(s)
- (iii) investment by a resident fellow enterprise in non-resident fellow enterprises.

Asset/liability principle

The asset/liability principle records all FDI financial claims on and obligations to non-residents using the normal balance sheet data showing gross assets and liabilities for positions, and net transactions for each category. The data presented on this basis, while compiled distinguishing the nature of the relationship between the counterparts (according to Framework for Direct Investment Relationships), do not incorporate any offsetting of reverse direct investment transactions or positions in equity or debt between a direct investment enterprise and its direct investor. Similarly, the asset/liability presentation does not incorporate any offsetting of any transactions or positions between fellow enterprises.

Associate, Direct Investment Enterprise

An associate is a direct investment enterprise

- (i) in which an investor owns directly at least 10% of the voting power and no more than 50%;
- (ii) where an investor and its subsidiaries combined own at least 10% of the voting power of an enterprise but no more than 50%, the enterprise is regarded as an associate of the investor for FDI purposes;
- (iii) where an associate, either as an individual or in combination

with its subsidiaries, own more than 50% of an enterprise, this enterprise is regarded for FDI purposes as an associate of the higher level investor.

Balance of Payments

The Balance of Payments is a statistical system through which economic transactions occurring during specific time periods between an economy and the rest of the world can be summarised in a systematic way. The IMF *Balance of Payments and International Investment Manual* provides conceptual guidelines for compiling balance of payments statistics according to international standards.

Bilateral sources

Involve the use of direct investment statistics that are compiled by other countries, or by international organisations.

Book value

Book value is a term that broadly encompasses many different accounting methods. It represents the values that appear on the books of an enterprise. It could represent the values on the books of direct investors or on the books of direct investment enterprises.

Branch, Direct Investment Enterprise

A branch is any unincorporated direct investment enterprise in the host country fully owned by its direct investor. Thus, this term encompasses branches as commonly defined – i.e. formally organised business operations and activities conducted by an investor in its own name – as well as other types of unincorporated operations and activities.

All or most of the following features should be present for a branch to be recognised:

- (i) undertaking or intending to undertake production on a significant scale based in the territory for one year or more in a territory other than that of its head office:
 - (a) if the production process involves physical presence, then the operations should be physically located in that territory. Some indicators of an intention to locate in the territory include purchasing or renting business premises, acquiring capital equipment, and recruiting local staff;
 - (b) if the production does not involve physical presence, such as in some cases of banking, insurance, or other financial services, the operations should be recognised as being in the territory by virtue of the registration or legal domicile of those operations in that territory;
- (ii) the recognition of the operations as being subject to the income tax system, if any, of the economy in which it is located even if it may have a tax-exempt status.

Business Register

A business register is a list of enterprises or establishments maintained by countries to assist in the compilation of their business statistics generally and which can identify those enterprises involved in foreign direct investment and therefore help in the compilation of these statistics.

Centre of Predominant Economic Interest

An institutional unit has a *centre of predominant economic interest* in an economic territory when there exists, within the economic territory, some location, dwelling, place of production, or other premises on which or from which the unit engages and intends to continue engaging, either indefinitely or over a finite but long period of time, in economic activities and transactions on a significant scale. The location need not be fixed so long as it remains within the economic territory. In most cases, it is reasonable to assume that an institutional unit has a predominant centre of economic interest in the territory if the unit has already engaged in economic activities and transactions on a significant scale in the country for one year or more, or if the unit intends to do so.

Collective Investment Institutions

Collective investment institutions (CIIs) are incorporated investment companies and investment trusts, as well as unincorporated undertakings (mutual funds or unit trusts), that invest in financial assets (mainly marketable securities and bank deposits) and real estate using the funds collected from investors by means of issuing shares/units (other than equity). The CII can be open-ended, if there is no limit to the number of shares/units on issue, or closed-ended, where the number of shares/units on issue is fixed. The shares/units can be quoted or unquoted. The CII may pay periodic dividends, capitalise the income or a combination of those approaches, depending on the terms set out in its prospectus. Also referred to as *collective investment scheme, collective investment vehicle, investment fund*.

Compulsory reporting requirements

Situation where legislation creates a legal obligation for data reporters to provide the requested information (and usually an appropriate penalty for non-compliance).

Conduit

A conduit is an enterprise that obtains or borrows funds, often from unaffiliated enterprises, and remits those funds to its direct investor or another affiliated enterprise. Some conduits and holding companies may have a substantial physical presence as evidenced by office building, equipment, employees, etc. Others may have (little) or no physical presence and may exist only as *shell companies*.

Confidentiality

In compiling and presenting FDI statistics, compilers in many countries may encounter the possibility of confidential data occurring in the results to be disseminated. Such information generally does not directly identify the entity, e.g. the name and address of an enterprise, to which the data relate. However, the particular context in which the data are presented e.g. classification by: country of counterpart, activity of enterprise, type of financial instrument as well as cross-classifications of these attributes, may allow users to determine the identity of the entity in question and the value of its activity from the information provided (as well as other information they may have independently available to them). In general, the greater the level of detail in the analyses, as well as the degree of concentration of particular types of enterprises and their activities in a compiling country, the greater the likelihood of confidential data arising. For many countries, national statistical legislation prohibits the direct or indirect disclosure of information relating to a particular individual or entity. Many international

organisations also operate statistical confidentiality regimes to ensure that confidential statistical information is not disseminated.

Current operating performance concept (COPC)

The current operating performance concept is the concept recommended by the Benchmark Definition to measure direct investment earnings. The concept is explained in the International Accounting Standard, “Unusual and Prior Period Items and Changes in Accounting Policy”. When earnings are measured on the basis of this concept, such earnings consist of income from normal enterprise operations before non-recurring items (such as write-offs) and capital gains and losses are accounted for (see also entry on All-inclusive-concept not recommended by the *Benchmark Definition*).

Debt securities

Debt securities include bonds, debentures, commercial paper, promissory notes and other tradable non-equity securities.

Debtor/creditor principle

A *debtor* is a person or an entity which has a financial obligation to another person or entity. Conversely, a *creditor* is a person or entity which has a financial claim on another person or entity. Therefore, a debtor has a financial liability to a creditor and a creditor has a financial claim (an asset) on a debtor. For FDI statistical purposes, under the debtor/creditor principle, the FDI assets (both transactions and positions) of the compiling economy are allocated to the economies of residence of the non-resident debtors; its FDI liabilities are allocated to the economies of residence of the non-resident creditors allocated on the basis of the debtor/creditor principle. This principle, recommended by the *Benchmark Definition* as the basis for geographical allocation, differs from the *transactor* principle.

Deposits

Typical forms of deposits include savings deposits, term deposits, transferable and non-transferable deposits in local or foreign currencies.

Direct Investment

(see *Foreign Direct Investment*).

Direct Investment Enterprise

(see *Foreign Direct Investment Enterprise*).

Direct Investor

(see *Foreign Direct Investor*).

Directional Principle

Presentation of the FDI data on a directional basis reflects the direction of influence by the direct investor underlying the direct investment: *inward or outward direct investment*. FDI according to directional principle relates to the treatment of *reverse investment* and to the treatment of *fellow enterprises*.

- (i) Reverse investment
- (ii) Investment between fellow enterprises:
 - If the ultimate controlling parent is a resident of the compiling economy, then the transactions and positions between the two fellow enterprises are categorised as *outward foreign direct investment*
 - if the ultimate controlling parent is not a resident of the compiling economy, then the transactions and positions between the two fellow enterprises are categorised as *inward foreign direct investment*.

<i>Dissemination</i>	Refers to all the means by which data are made available to the public, including dissemination on the Internet.
<i>Distributed earnings</i>	Distributed earnings consist of <i>dividends</i> and <i>distributed branch profits</i> . Distributed earnings can be paid out of current or past earnings and may result in negative reinvested earnings if the distribution of dividends exceeds total earnings in a particular reference period.
<i>Dividends</i>	Dividends are earnings distributed to shareholders from common and participating preferred stock, whether voting or non-voting, according to the contractual relationship between the enterprise and the various types of shareholders, before deduction for withholding taxes. Dividends exclude liquidating dividends and bonus shares (which are dividends in the form of additional shares of stock). These can be recorded on the date they are payable, on the date they are paid, or at some other point in time. The Benchmark Definition recommends recording dividends on the date they are payable.
<i>Economic territory</i>	<p>Economic territory is defined as including all the areas under the effective economic control of a single government. Economic territory has the dimensions of physical location as well as legal jurisdiction. With regard to its composition, an economic territory (or economy) consists of all the institutional units that are resident in that territory. The concepts of <i>economic territory</i> and <i>residence</i> are designed to ensure that each institutional unit is a resident of a single economic territory.</p> <p>The economic territory includes the land area, airspace, territorial waters, including jurisdiction over fishing rights and rights to fuels or minerals. In a maritime territory, the economic territory includes islands that belong to the territory. The economic territory also includes territorial enclaves in the rest of the world. These are clearly demarcated land areas (such as embassies, consulates, military bases, scientific stations, information or immigration offices, aid agencies, central bank representative offices with diplomatic immunity, etc.) located in other territories and used by governments that own or rent them for diplomatic, military, scientific, or other purposes with the formal agreement of governments of the territories where the land areas are physically located.</p>
<i>Enterprise</i>	An enterprise is an institutional unit engaged in production. An enterprise may be <i>a corporation</i> , <i>a non-profit institution</i> , or <i>an unincorporated enterprise</i> . Corporate enterprises and non-profit institutions are complete institutional units. An unincorporated enterprise, however, refers to an institutional unit—a household or government unit—only in its capacity as a producer of goods and services.

Enterprise group

An enterprise group consists of all the enterprises under the control of the same owner. When a group of owners has control of more than one enterprise, the enterprises may act in a concerted way and the transactions between them may not be driven by the same concerns as “arm’s length” transactions. The Framework for Direct Investment Relationships can be used to determine which enterprises are under control or influence of the same owner.

- A *multinational enterprise group* consists of all the enterprises located in different economies and under the control or influence of the same owner wherever located
- An *economy-specific enterprise group* consists of all the enterprises located in the same economy and under the control or the influence of the same owner also located in the same economy. Ownership links that are external to the economy are not recognised in the formation of *local enterprise* groups.

Equity capital

Equity capital comprises: (i) equity in branches; (ii) all shares in subsidiaries and associates (except non-participating, preferred shares that are treated as debt securities and included under direct investment, debt instruments); and (iii) other contributions of an equity nature. Ownership of equity is usually evidenced by shares, stocks, participations, depositary receipts or similar documents. Shares and stocks have the same meaning while depositary receipts are securities that represent ownership of securities by a depositary. This category includes proprietors’ net equity in quasi-corporations, as well as shares and equity in corporations. It also includes preferred stocks or shares that provide for participation in the residual value on dissolution of an incorporated enterprise. Reinvestment of earnings comprises the claim of direct investors (in proportion to equity held) on the retained earnings of direct investment enterprises. Reinvestment of earnings represents financial account transactions that contribute to the equity position of a direct investor in a direct investment enterprise.

Establishment

An establishment is an enterprise, or part of an enterprise, that is situated in a single location and in which only a single (non-ancillary) productive activity is carried out or in which the principal productive activity accounts for most of the value added.

Exchange rate changes

Exchange rate changes reflect the impact that changes in exchange rates have on instruments that are denominated in a currency other than that in which the accounts are compiled. Exchange rate changes may be referred to by enterprises as realised or unrealised exchange rate or foreign exchange gains or losses. They should not be included in the earnings of an enterprise when calculating income flows.

Face value

is the undiscounted amount to be paid to the holder at maturity. It is also known as “par value” or simply “par.” Before maturity, the market value of a bond may be greater or less than face value, depending on the interest rate payable and the perceived risk of default. As bonds approach maturity, market value approaches face value. For example, if interest rates are higher

than the bond's coupon rate, then the bond is sold at a discount (below par). Conversely, if interest rates are lower than the bond's coupon rate, then the bond is sold at a premium (above par).

Fair value

is a market-equivalent value. It is defined as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's-length transaction. It thus represents an estimate of what could be obtained if the creditor had sold the financial claim.

Fellow enterprises

An enterprise in one economy may be related through the *Framework of Direct Investment Relationships – FDIR* to another enterprise in the same economy, or in a different economy, without either being a direct investor in the other, but through both being directly or indirectly influenced by the same enterprise in the ownership hierarchy. This 'common parent' must be a direct investor in at least one of enterprises in question. Such enterprises can be considered to be related through a 'horizontal' linkage within the FDIR – not involving FDI voting power of 10% or more – and are called fellow enterprises. It should be noted, however, that for FDI statistics, only cross-border transactions and positions between FDI-related enterprises should be recorded.

Final data

In this questionnaire relate to data that are no longer subject to further regular revision, although they may still be subject to exceptional historical revisions due to methodological changes and/or changes in the data collection system.

Financial derivatives

Financial derivatives are financial instruments that are linked to another specific financial instrument or indicator or commodity, and through which specific financial risks can be traded in financial markets in their own right. The value of a financial derivative is based on the price of an underlying item, such as an asset or index. Unlike debt instruments, financial derivatives do not require the advance of principal amounts that are required to be repaid and do not generate investment income. Financial derivatives are used for a number of purposes including risk management, hedging, arbitrage between markets, and speculation. Financial derivatives are excluded from direct investment.

Financial intermediary

Financial intermediaries consist of (i) central bank; (ii) deposit-taking corporations other than central bank (e.g. banks); (iii) money market funds; (iv) investment funds other than money market funds; (v) other financial intermediaries, except insurance companies and pension funds; (vi) insurance corporations and (vii) pension funds. However, for the purposes of excluding debt between related financial intermediaries, insurance corporations and pension funds are not considered "financial intermediaries".

Financial Lease

A financial lease is a method of financing the purchase of a good by the lessee (as opposed to taking out a loan for the purchase). A financial lease arrangement is to be taken as presumptive evidence that a change of ownership is intended. A change of ownership is imputed because the lessee assumes all rights, risks, rewards, and responsibilities of ownership

in practice and, from an economic point of view, can be regarded as the *de facto* owner. During the life of the financial lease, the lessor expects to recover most or all of the cost of the goods and carrying charges.

Foreign Direct Investment (FDI)

Foreign direct investment (FDI) is a category of investment that reflects the objective of establishing a lasting interest by a resident enterprise in one economy (*direct investor*) in an enterprise (*direct investment enterprise*) that is resident in an economy other than that of the direct investor. The lasting interest implies the existence of a long-term relationship between the direct investor and the direct investment enterprise and a significant degree of influence on the management of the enterprise. The direct or indirect ownership of 10% or more of the voting power of an enterprise resident in one economy by an investor resident in another economy is evidence of such a relationship. Some compilers may argue that in some cases an ownership of as little as 10% of the voting power may not lead to the exercise of any significant influence while on the other hand, an investor may own less than 10% but have an effective voice in the management. Nevertheless, the recommended methodology does not allow any qualification of the 10% threshold and recommends its strict application to ensure statistical consistency across countries.

Foreign Direct Investment Enterprise

A foreign direct investment enterprise is an enterprise resident in one economy and in which an investor resident in another economy owns, either directly or indirectly, 10% or more of its voting power if it is incorporated or the equivalent for an unincorporated enterprise.

The numerical threshold of ownership of 10% of the voting power determines the existence of a direct investment relationship between the direct investor and the direct investment enterprise. An ownership of at least 10% of the voting power of the enterprise is regarded as the necessary evidence that the investor has sufficient influence to have an effective voice in its management.

Foreign Direct Investor

A foreign direct investor is an entity (an institutional unit) resident in one economy that has acquired, either directly or indirectly, at least 10% of the voting power of a corporation (enterprise), or equivalent for an unincorporated enterprise, resident in another economy. A direct investor could be classified to any sector of the economy and could be any of the following:

- (i) an individual;
- (ii) a group of related individuals;
- (iii) an incorporated or unincorporated enterprise;
- (iv) a public or private enterprise;
- (v) a group of related enterprises;
- (vi) a government body;
- (vii) an estate, trust or other societal organisation; or
- (viii) any combination of the above.

In the case where two enterprises each own 10% or more of each other's voting power, each is a direct investor in the other.

A direct investor has a direct investment enterprise operating in a country

other than the economy of residence of the foreign direct investor

Framework for Direct Investment Relationships (FDIR)

The Framework for Direct Investment Relationships (FDIR) is a generalised methodology for identifying and determining the extent and type of direct investment relationships. The FDIR allows compilers to determine the population of direct investors and direct investment enterprises to be included in FDI statistics.

For a compiling economy, the FDIR identifies all enterprises related to a particular enterprise whether it is a direct investor or a direct investment enterprise or both. For example, within a group, it is possible that a direct investment enterprise itself owns 10% or more of the voting power of another non-resident enterprise, in which case the direct investment enterprise is itself a direct investor in a further direct investment enterprise. The question is therefore whether there is a direct investment relationship between the further enterprise and the original enterprise.

The residence of units is not a feature of the definition of subsidiaries and associates for FDI purposes. The FDIR may include within the relationship enterprises that are resident in the same economy. However, foreign direct investment is only recorded when there is a financial transaction or position between entities in different economies that are in a direct investment relationship (including fellow enterprises).

Historic cost

in its strict sense, reflects the cost at the time of acquisition, but sometimes it may also reflect occasional revaluations.

Holding Companies

A *holding company* is a company established to hold participation interests in other enterprises on behalf of its owner. Some *holding companies* may have a substantial physical presence as evidenced by, for example, office buildings, equipment, and employees. Others may have little or no physical presence and may exist only as shell companies.

Immediate host/investing country

Immediate host/investing country is the basis for geographical allocation with respect of the first counterparty.

Income, Direct Investment

Direct investment income is part of the return on the direct investment position; that is, the return on equity and debt investment. Direct investment income consists of *earnings on equity investment* (for example, a resident direct investor's share in the net income or earnings of its direct investment enterprises) plus *income on debt* between direct investors and direct investment enterprises and between fellow enterprises. Direct investment income payables are calculated in a similar way. Direct investment income is recorded as it accrues. However, as debt instruments involving FDI-related financial intermediaries are excluded from direct investment, so is the debt income between them.

Income on Debt

Income on debt is interest receivables comprising interest accruing to residents (direct investors, direct investment enterprises and fellow enterprises) on their debt receivables, and interest payables comprising interest accruing to non-residents (direct investment enterprises, direct investors and fellow enterprises) on debt payables. No direct investment

interest receivables or payables are recorded when both parties are related financial intermediaries (such as commercial banks, savings institutions, credit unions, mutual funds or finance companies).

Income on Equity

Income on equity relates to the return of the direct investor on the equity component of the direct investment position. The amounts are based on the direct investor's percentage share (based on their equity share) in the current earnings of the given direct investment enterprise and consist of *distributed earnings* and "*reinvested earnings*".

Indirectly Owned Direct Investment Enterprises

As a matter of principle, foreign direct investment statistics cover all enterprises in which direct investors have, directly or indirectly, a direct investment interest. This group of enterprises is specified according to the Framework for Direct Investment Relationships (FDIR)

Individual transactions basis

Data collected on this basis consist of information on each of the individual transactions made by respondents during a specified reporting period, such as information collected from an international transactions reporting system (ITRS).

Institutional Unit

An institutional unit *is an economic entity that is capable, in its own right, of owning assets, incurring liabilities and engaging in economic activities and in transactions with other entities. (Ref: SNA)*

Insurance company technical reserves

are actuarial reserves against outstanding risks, prepayments of premiums, reserves for with-profits insurance, and reserves against unsettled claims.

International Standard Industry Classification – ISIC

The international standard industry classification (ISIC) is the industry classification recommended by the *Benchmark Definition (see also NACE)*.

International Transactions Reporting System (ITRS)

An international transactions reporting system (ITRS) measures individual balance of payments cash transactions passing through the domestic banks and may also measure (i) individual cash transactions passing through foreign bank accounts of enterprises; (2) non-cash transactions; and (3) stock positions. Statistics are compiled from forms submitted by domestic banks to the compilers and may also be compiled from forms submitted by enterprises to the compiler.

Inward Direct Investment

Inward direct investment is investment by a non-resident direct investor in a direct investment enterprise resident in the host economy; the direction of the influence by the direct investor is "*inward*" for the reporting economy. Also referred to as direct investment in the reporting economy.

Joint venture

A joint venture is a contractual agreement between two or more parties for the purpose of executing a business undertaking in which the parties agree to share in the profits and losses of the enterprise as well as the capital formation and contribution of operating inputs or costs. It is similar to a *partnership*, but typically differs in that there is generally no intention of a continuing relationship beyond the original purpose. A joint venture may not involve the creation of a new legal entity. Whether a quasi-corporation is identified for the joint venture depends on the arrangements of the parties

and legal requirements. The joint venture is a quasi-corporation if it meets the requirements for an institutional unit, particularly by having its own records. Otherwise, if each of the operations is effectively undertaken by the partners individually, then the joint venture is not an institutional unit and the operations would be seen as being undertaken by the individual partners to the joint venture. Because of the ambiguous status of joint ventures, there is a risk that they could be omitted or double-counted, so particular attention needs to be paid to them.

Land and buildings

Land is the ground, including the soil covering and any associated surface waters, over which ownership rights are enforced; included are major improvements that cannot be physically separated from the land itself but it excludes any buildings or other structures situated on it or running through it; cultivated crops, trees and animals; subsoil assets; non-cultivated biological resources and water resources below the ground.

Ownership of land and buildings by a non-resident is treated as an equity investment by the non-resident in a resident notional enterprise, which in turn is treated as the owner of the land and buildings. Any rent earned through leasing the land and buildings is recorded as a dividend (income on equity) paid by the notional unit to the direct investor.

Liabilities, Direct Investment

Direct investment liabilities can be ascribed to the following three categories:

- (i) investment of non-resident direct investor in resident direct investment enterprises
- (ii) reverse investment of non-resident direct investment enterprises in resident direct investors
- (iii) investment of non-resident fellow enterprises in resident fellow enterprises.

Listed shares

Listed shares are equity securities that are listed on an organized stock exchange. Their values can, therefore, be determined by multiplying the number of shares held by the direct investor(s) by the most recent bid/ask prices or at the price at which the shares were last traded. In this manner, a market price value of the holdings of the shares held by the direct investor(s) – and thus the value of the share liability of the direct investment enterprise to its direct investor(s) – can be determined.

Usually, the equity securities of only a relatively small portion of direct investment enterprises are publicly traded on organized stock exchanges because most direct investment enterprises are either 100% owned by the direct investor or are held by a small group of investors. (Listed shares are also referred to as *quoted shares*).

Loans

Loans are financial assets that are created when a creditor lends funds directly to a debtor through an instrument that is not intended to be traded. This category includes all loans and advances (except accounts receivable/payable which are treated as a separate category of financial assets). It also covers the treatment of financial leases and repurchase agreements.

Loan/Debt guarantee

Only borrowing that results in a direct liability of the recipient direct investment enterprise to its direct investor or a related direct investment enterprise is included in the FDI data. For example, if the direct investor/related direct investment enterprise borrows funds from a bank and then on-lends those funds to the direct investment enterprise, that debt should be included in the FDI data. However, in some instances direct investment enterprises may borrow funds that are guaranteed by its direct investor or a related direct investment enterprise, rather than lent directly by the direct investor/related direct investment enterprise. (In other words, the liability of the recipient direct investment enterprise is to a non-affiliated entity, such as a bank, and the direct investor/related direct investment enterprise that guaranteed the borrowing only has a contingent liability in the event of default by the recipient direct investment enterprise.) In other instances, a direct investor or related direct investment enterprise may merely make arrangements for funding to be provided to a direct investment enterprise by a non-affiliated entity, and have no liability for the debt in the event of default by the recipient direct investment enterprise. Loans/debt involving (i) liabilities merely guaranteed by a direct investor/related direct investment enterprise, and (ii) funding merely arranged by a direct investor/related direct investment enterprise, should be excluded from the FDI data. When a loan/debt guarantee made by a direct investor or related direct investment enterprise is invoked following default by a direct investment enterprise, there is a flow of funds from the guarantor to the lender. These funds are considered to be direct investment, regardless of whether the defaulting direct investment enterprise continues to trade, or goes into liquidation

Market Value

Market value is the conceptually ideal basis for valuing direct investment transactions and positions. Market valuation places all assets at current prices rather than when last purchased or re-valued, and promotes consistency in the value of assets of different vintages. It also promotes consistency when comparing stocks, transactions and other flows of different enterprises, industries, and countries.

Merger

A merger occurs when two (or more) companies agree to merge into a new single company rather than remain separated for creating business synergies.

Multi-territory enterprise

A multi-territory enterprise is an enterprise operating as a seamless operation over more than one economic territory. Such an enterprise, even though it has substantial activity in more than one economic territory, cannot be separated into a parent and branch(es) because it is run as a seamless operation and cannot supply separate accounts for each territory. Multi-territory enterprises are typically involved in cross-border activities and include shipping lines, airlines, hydroelectric schemes on border rivers, pipelines, bridges, tunnels, and undersea cables. Some non-profit institutions serving households (NPISH) may also operate in this way.

Natural resources exploration

When a direct investment enterprise is set up for the exploration of natural resources, inward direct investment flows provided to the direct investment enterprise by the direct investor located abroad that are used for exploration

should be recorded as *direct investment, equity capital*. When a payment (bonus) is made to a government by direct investors for the right to undertake a direct investment in the host economy, typically for concession rights related to the extraction of natural resources, the amount of the bonus is to be treated as direct investment, equity capital, when there is a clear intention to establish a direct investment enterprise (such as in the case of a contractual agreement between the investor and the government); and (ii) in instances of the shutdown of an FDI enterprise established for natural resources exploration, no transactions should be recorded in the balance of payments statistics, and the Other Adjustments heading of the international investment position statement should be used to show the reduction in direct investment assets.

Nomenclature générale des activités économiques dans les Communautés européennes (NACE)

The *Nomenclature générale des activités économiques dans les Communautés européennes* (NACE) is the industry classification of the European Communities (see also ISIC).

Nominal value

refers to the outstanding amount the debtor owes to the creditor at any point in time. Nominal value comprises the outstanding amount reflecting the sum of funds originally advanced, plus all subsequent advances, plus interest that has accrued, less any repayments (which includes any payments covering interest accrual). Nominal value in domestic currency of a debt instrument denominated in foreign currency also includes holding gains or losses arising from exchange rate changes.

Nominee

A nominee is a legal device for holding assets for confidentiality or convenience reasons. Assets held by a nominee are treated as being owned by the beneficial owner, rather than by the nominee or by a quasi-corporation. However, for issuers of securities, it may be difficult to identify whether nominees hold claims in their own right or as nominees, and if the latter, it may be difficult to identify the beneficial owner.

Non-profit institution (NPIs)

Non-profit institutions (NPIs) are legal or social entities, created for the purpose of producing goods and services, whose status does not permit them to be a source of income, profit, or other financial gain for the units that establish, control, or finance them. The motives leading other institutional units (persons, corporations, or governments) to create NPIs are different to those for creating an institution with a profit motive. By convention they produce only individual services but not collective services. The majority of NPIs are non-market producers even though they can be market producers (they are then classified as corporations)

NPIs engaged in non-market production are of two types: (i) NPIs controlled by governments; and (ii) NPIs serving households (i.e. those providing non-market goods and services to households financed mainly by transfers from non-government sources, namely households, corporations or non-residents).

Notional unit

A notional unit is a kind of a quasi-corporation. It is identified for statistical purposes for direct non-resident ownership of immobile non-

financial assets such as land and buildings. Land and buildings can only be used for production in the territory in which they are located. Therefore, the land and buildings and other structures owned by a non-resident are always treated as being owned by a resident notional institutional unit that is in turn owned by non-resident unit(s) holding the legal title.

***Other Accounts
Receivable/Payable***

Includes advances and deferred payments in respect of exchange of non-produced assets.

Outward Direct Investment

Outward direct investment is investment by a resident direct investor in a non-resident direct investment enterprise; the direction of the influence by the direct investor is ‘*outward*’ for the reporting economy. Also referred to as direct investment abroad.

Partnership

Household unincorporated market enterprises also include unincorporated partnerships that are engaged in producing goods or services for sale or barter on the market. The partners may belong to different households. When the liability of the partners for the debts of the businesses is unlimited, the partnerships must be treated as unincorporated enterprises and remain within the household sector since all the assets of the household, including the dwelling itself, are at risk if the enterprise goes bankrupt. However, unincorporated partnerships with many partners, such as some large legal, accounting or architectural firms, are likely to behave like corporations and should be treated as quasi-corporations assuming complete sets of accounts are available for the partnerships. Partnerships whose partners enjoy limited liability are effectively separate legal entities and, as already noted, are treated as corporations.

Periodicity

Refers to the period to which each data point relates, e.g. quarterly and annual data. Periodicity for flow (transaction) data is specified in terms of the interval represented by a single data point, while periodicity for stock (position) data is specified in terms of the interval between data points. For example, quarterly periodicity for balance of payments data means that one quarter is the interval that is represented by a single estimate. *Periodicity* may differ from both the *frequency of compilation* and the *frequency of dissemination*. For example, a country may compile data that cover a time period of one quarter (that is, data with a quarterly periodicity) every month (that is, a monthly frequency of compilation) and disseminate these only once a year (that is, an annual frequency of dissemination.)

Perpetual inventory method

refers to the process of deriving data on stocks (position data) from transaction data. Under this method, for which a stock estimate for some base point in time is required, the compiler may calculate the value of a stock at the end of a period as being equal to the value of the stock at the beginning of the period, plus the impact of transactions and non-transaction changes in the value of the stock during the period.

Positions

FDI positions data indicate the levels of investment at a given point in time. Also referred to as ‘FDI stocks’.

Quasi-corporation

A quasi-corporation is an unincorporated business that operates as if it was an entity separate from its owners. Examples are *branches, land ownership, partnerships (both of limited and unlimited liability), trusts*, and resident portions of *multi-territory enterprises*. These quasi-corporations are treated as if they were corporations, i.e. as separate institutional units from the units to which they legally belong. For example, quasi-corporations owned by households or government units are grouped with corporations in the non-financial or financial corporate sectors. The purpose of this treatment is to separate from their owners those unincorporated enterprises which are sufficiently self-contained and independent that they behave in the same way as corporations.

Quoted Shares

See *listed shares*.

Reinvestment of earnings/Reinvested earnings

Reinvestment of earnings/reinvested earnings refer to earnings on equity accruing to direct investors less distributed earnings, proportionate to the percentage ownership of the equity owned by the direct investor(s). Reinvested earnings are included in direct investment income because the earnings of the direct investment enterprise are deemed to be the income of the direct investor (proportionate to the direct investor's holding of equity in the direct investment enterprise), whether they are reinvested in the enterprise or remitted to the direct investor. Because reinvested earnings are not actually distributed to the direct investor but rather increase the direct investor's investment in its affiliate, an entry that is equal to that made in the direct investment income account but of opposite sign is entered in the direct investment transactions account. In the direct investment income account, this transaction is referred to as "reinvested earnings", while in the direct investment transactions account, this transaction is referred to as "reinvestment of earnings".

Residence

The residence of an economic entity (or an institutional unit) is determined on the basis of the *economic territory* with which it has the strongest connection determined by its *predominant centre of economic interest*. While some units may have connections with more than one territory, for statistical consistency, there is a need to attribute a single economic territory based on objective and comprehensive criteria.

An institutional unit is resident in an economic territory when there exists, within the economic territory, some location, dwelling, place of production, or other premises on which or from which the unit engages and intends to continue engaging, either indefinitely or over a finite but long period of time, in economic activities and transactions on a significant scale. (BPM)

Reverse Investment

A direct investment enterprise may acquire financial claims in its direct investor. When such claims are not sufficient to establish a second, separate direct investment (i.e. do not qualify for the 10% ownership of voting power), the transactions/positions are referred to as *reverse investment* which are recorded as follows:

- for the economy in which the direct investment enterprise is

resident: claims on direct investor

- for the economy in which the direct investor is resident: liabilities to affiliated enterprises

Within *reverse investment*, direct investment enterprises may raise loans which they on-lend to their direct investor, or may make loans to their direct investor from their own resources, which is also reverse investment. Such loans should be treated as direct investment debt and be included in the direct investment statistics.

Round-tripping

Round-tripping refers to the channelling abroad by direct investors of local funds and the subsequent return of these funds to the local economy in the form of direct investment.

Shell Company

A shell company is a company that is formally registered, incorporated, or otherwise legally organised in an economy but which does not conduct any operations in that economy other than in a pass-through capacity. Shells tend to be *conduits* or *holding companies* and are generally included in the description of Special Purpose Entities.

Special Purpose Entities (SPE)

Multinational enterprises (MNEs) often diversify their investments geographically through various organisational structures. These may include certain types of Special Purpose Entities. Examples are *financing subsidiaries, conduits, holding companies, shell companies, shelf companies and brass-plate companies*. Although there is no universal definition of SPEs, they do share a number of features. They are all legal entities that have little or no employment, or operations, or physical presence in the jurisdiction in which they are created by their parent enterprises which are typically located in other jurisdictions (economies). They are often used as devices to raise capital or to hold assets and liabilities and usually do not undertake significant production.

An enterprise is usually considered as an SPE if it meets the following criteria:

- (i) The enterprise is a legal entity,
 - a. Formally registered with a national authority; and
 - b. subject to fiscal and other legal obligations of the economy in which it is resident.
- (ii) The enterprise is ultimately controlled by a non-resident parent, directly or indirectly.
- (iii) The enterprise has no or few employees, little or no production in the host economy and little or no physical presence.
- (iv) Almost all the assets and liabilities of the enterprise represent investments in or from other countries.
- (v) The core business of the enterprise consists of group financing or holding activities, that is – viewed from the perspective of the compiler in a given country – the channelling of funds from non-residents to other non-residents. However, in its daily activities, managing and directing plays only a minor role.

Standard Data Reporting

Standard data reporting is obligatory; also referred to as “core data”.

Subsidiary, Direct Investment Enterprise

A subsidiary is a direct investment enterprise:

- (i) in which an investor owns more than 50% of its voting power i.e. it is controlled by the investor;
- (ii) Where an investor and its subsidiaries combined own more than 50% of the voting power of another enterprise, this enterprise is also regarded as a subsidiary of the investor for FDI purposes.

Supplemental Data Reporting

Supplemental data reporting is not obligatory but strongly encouraged.

Time of Recording

Time of recording is the date relevant to a particular data item

Timeliness

Refers to the speed with which the data are disseminated; that is the lapse of time between the end of a reference period (or a reference date) and dissemination of the data. Note that if new data are disseminated only once a year, but the periodicity of the data is quarterly, the timeliness of the data refers to the lapse of time between the end of the first of the four newly disseminated quarters and the time of dissemination. For example, if at the end of March 2008 data are disseminated for the four quarters of 2007, the timeliness is “between 3 and 12 months”; with 12 months being the lapse of time between the first quarter of 2007 and end-March 2008, and 3 months being the lapse of time between the last quarter of 2007 and end-March 2008.

Trade Credit (receivables and payables)

Trade credit represents (generally) short-term credit between FDI-related enterprises in the ordinary course of business by suppliers/buyers of goods and services. These credits are registered from the time the goods or services are provided until payment is received (or vice versa).

Transactions (Direct Investment)

Direct investment transactions are *financial flows* and *income flows* between direct investors, direct investment enterprises, and/or other fellow enterprises. Transactions (flows) provide information for FDI activity within a given period of time

Transactor Principle

According to the transactor principle, transactions resulting from changes in claims and liabilities are allocated to the country of residence of the non-resident party to the transaction (the transactor) even if this is not the country of residence of the direct investment enterprise or direct investor. This principle differs from the *debtor/creditor* principle that is recommended by the *Benchmark Definition* as the basis for geographical allocation.

Transfer Pricing

The transaction value for a good or service between related enterprises may not always reflect market values. *Transfer pricing* refers to this distortion between transaction values and market values. It can be motivated by income distribution or equity injections or withdrawals. Where the distortion is significant and data is available to do so, it is recommended that adjustments be made to remove the impact of transfer pricing.

Ultimate Investing Country The ultimate investing country is a geographical allocation determining the location of the ultimate source of control of the stocks of inward FDI for a reporting economy. It is recommended to compile, on a supplemental basis, inward FDI positions according to the UIC.

Unlisted Shares Unlisted shares are a form of equity that is not listed on an organised or public stock exchange. By their nature, a market valuation estimate is not regularly available for unlisted equity and an approximation to the market value is required to measure direct investment. Several methods for approximating market value are acceptable:

- Recent transaction price
- Own funds at book value
- Net asset value
 - Including goodwill and intangibles
 - Excluding goodwill and intangibles
- Market capitalization method
- Present value of expected earnings
- Apportioning market value of global enterprise group to local operation.

Unquoted Shares See *unlisted shares*.

Valuation Changes Valuation changes reflect changes in the market value of a position due to exchange rate changes or other price changes.

Volume Changes The volume of financial assets and liabilities for an economy can change due to either transactions or other changes in volume. The causes of other changes in volume include debt cancellation and write-offs, liquidations, uncompensated seizure, and reclassifications.

Voluntary reporting requirements Situations where there is no legal obligation for reporters to provide the requested information.

Voting Power Generally, ordinary shares provide voting power. While voting power is generally obtained through the purchase of equity, it is possible to have voting power that is not in the same proportion as the equity ownership (for example, “golden shares” have greater voting power than other shares). It is also possible to obtain voting power without purchasing equity (for example, through swaps and repurchase agreements).