

Globalisation

Activity of Multinational Enterprises

Purpose

To supply relevant, reliable and internationally comparable information on the economic activity of multinational firms to policymakers and globalisation analysts. The database allows the construction of indicators on the impact of globalisation on the economy in terms of growth, productivity, employment, innovation, trade performance etc.

Non-member countries involved in the activity:

Costa Rica, Lithuania.

Main Developments for 2018

General aspects:

Update to 2015 for the maximum of countries.

Benchmark Definition of Foreign Direct Investment

Purpose

To set standards on how foreign direct investment data should be compiled according to international standards. Internationally comparable data, based on these concepts, makes it possible to measure the degree of economic integration and competitiveness of markets.

Objectives and outputs

- Following the Council recommendation of 2008:
 - (i) To continue work on Research Agenda;
 - (ii) To promote exchange of best practices and information between countries to facilitate implementation of BMD4 standards to improve FDI statistics;
 - (iii) To establish a communication strategy for revised standards;
 - (iv) To promote BMD4 recommendations for Enhanced Engagement countries

Non-member countries involved in the activity:

Brazil, China, India, Indonesia, Russian Federation, South Africa.

Main Developments for 2018

General aspects:

- Carried out a communications strategy for data users on revised FDI definitions and concepts;
- Identified recommendations needing further guidance;
- Providing regional and other assistance as appropriate to national compilers.
- Implementing a new metadata database
- Establishing new data transmission facilities using SDMX

Inter-Country Input-Output (ICIO) system and Trade in Value Added (TiVA) indicators

Purpose

Global value chains (GVCs) have become a dominant feature of the global economy. The proliferation of internationally fragmented production - driven by technological progress, cost, access to resources and markets, and trade policy reforms - challenges our conventional wisdom on how we look at and interpret trade statistics and, in particular, the policies that we develop around them. Traditional measures of trade, that record gross flows of goods and services each time they cross borders, may not accurately reflect modern trading practices and could, if taken alone, lead to ill-informed policy decisions.

To help address this issue, on 15 March 2012, the OECD and WTO announced a joint initiative to develop a database of Trade in Value Added (TiVA) indicators and to mainstream their production within the international statistics system. International support for this project was subsequently expressed at the G20 Trade Ministers meeting in Mexico in April 2012.

In order to develop TiVA indicators (<http://oe.cd/tiva>) and other metrics related to GVCs, it is necessary to construct a set of global input-output tables.

Objectives and outputs

Development of global Inter-Country Input Output (ICIO) tables drawing on national Input-Output tables (IOTs) and Supply-Use tables (SUTs), annual National Accounts (SNA) time series by industry and final demand categories, estimates of bilateral trade in goods by industry and end use (BTDixE), and bilateral trade in services (TIS) statistics. SNA household consumption statistics (COICOP) and Tourism Satellite Accounts (TSA) are also exploited. The main sources of data are OECD, Eurostat and UNSD databases and national statistics providers.

Development, production and publication of a suite of TiVA and other GVC-related indicators, calculated from the ICIO, as well as technical documentation and other supporting materials.

ICIO and TiVA indicators should cover as many countries, economic activities and years as possible - subject to availability and quality of underlying data.

Non-member countries involved in the activity:

Argentina, Brazil, Bulgaria, China, Chinese Taipei, Colombia, Costa Rica, Croatia, Cyprus, Europe, G20, Hong Kong, India, Indonesia, Lithuania, Malaysia, Malta, Morocco, Peru, Romania, Russian Federation, Saudi Arabia, Singapore, South Africa, Thailand.

Main Developments for 2018

General aspects:

Continued development of a new ICIO infrastructure based on the latest SNA08 National Accounts, Input-Output tables (IOTs) and SUTs and using a modified industry list based on ISIC Rev.4. Preliminary results covering the core target years, 2005 to 2015, are expected by end-March 2018. Formal publication of ICIO and TiVA indicators Q2-Q3 2018. Based on user feedback, the suite of TiVA indicators will be reviewed.

Other GVC-related indicators such as domestic employment embodied in foreign final demand (<http://oe.cd/io-emp>) and CO2 embodied in international trade (<http://oe.cd/io-co2>) will be updated. The quality of ICIO infrastructure will be improved. Not only by use of most recently published IOTs SUTs and SNA08 time series, but also by expected improvements in estimates of bilateral trade in services, better accounting for consumption by non-residents, better treatment of trade and transport margins and improved balancing procedures. The processes for constructing ICIO are also expected to benefit from an improved IT infrastructure at OECD and modified validation tools.

Survey of Implementation of Methodological Standards for Direct Investment- 2nd edition (SIMSDI-2)

Purpose

The primary purpose of SIMSDI, in accordance with the OECD Council recommendation of 22 May 2008 (and of 1995), is to regularly review national practices applied by OECD and non-OECD countries to compile foreign direct investment (FDI) statistics and to provide an objective benchmarking tool to assess the extent of the implementation of international standards recommended by the OECD and the IMF. SIMSDI also provides comprehensive detailed metadata for the users of FDI statistics. SIMSDI is the assessment tool of the Benchmark Definition of Foreign Direct Investment.

Objectives and outputs

SIMSDI, based on a standard questionnaire, allows compiling comprehensive and detailed metadata individually for all OECD and a number of non-OECD countries. Standard information allows bilateral comparisons and provides, to a large extent, the underlying differences that explain the cross-country discrepancies in FDI statistics. SIMSDI allows monitoring the methodological improvements over time of the countries included in the survey. SIMSDI also provides valuable information to OECD for the revision of international methodological standards, namely on the difficulties experienced by national compilers when implementing some of the recommendations or the relevance/irrelevance of some guidelines as economic factors may change over time. SIMSDI results are analysed in "Foreign Direct Investment Statistics: How countries measure FDI" (OECD and IMF countries) and in "How South Eastern Countries Measure FDI Statistics".

The SIMSDI questionnaire was revised to incorporate the revisions of the Benchmark Definition of Foreign Direct Investment, 4th edition.

Non-member countries involved in the activity:

Lithuania.

Main Developments for 2018

General aspects:

Collect metadata on FDI statistics from OECD member countries through a revised SIMSDI questionnaire. Complete the creation and implementation of the SIMSDI database in a new IT environment. Release a report analysing the results of the data collection.