

The Database on Immigrants in OECD Countries (DIOC): A new tool to address the challenges of international migration

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Migration issues are high on the policy agenda in many OECD countries. Academic and public interest in migration covers a broad range of questions, such as the impact of immigration on host countries, the economic and social integration of immigrants, the determinants of migration or the relationship between migration and development.

Providing answers to these questions requires comparative data on a wide array of dimensions related to migration. Data on migration flows are inherently difficult to compare across countries because the definition of what constitutes an immigrant tends to differ across countries, with some counting all movements and others only long-term ones. Differences of this kind, however, have little impact on the comparability of data on the immigrant population obtainable through population registers or censuses. To date, many factors have impeded the collection of comprehensive and comparative data on immigrants: the difficulty in accessing detailed data on immigrants in some countries, the tendency by countries to provide data according to national definitions rather than international standards (foreign-born vs. foreigner), etc.

The new Database on Immigrants in OECD Countries (DIOC) represents an important step forward in filling this gap. This database compiles information extracted from population censuses and registers of almost all OECD countries, sometimes complemented by labour force surveys. In the database, the population (aged 15 and older) living in each OECD country is disaggregated by country of birth, educational attainment, gender and several other key demographic, social and economic variables such as age, citizenship, duration of stay in the country of residence, field of study, employment status, and, for employed individuals, the occupation and sector of activity. In the DIOC, individuals are defined as immigrants on the basis of their place of birth, whatever their nationality. Overall, it contains information on immigrants from more than 200 countries of origin living in OECD countries. The reference year is the year 2000 or thereabouts, when the most recent decennial censuses were conducted. The objective is to update the database using data of the future census rounds as they become available.

The DIOC is the outcome of a multi-year project of the Directorate for Employment, Labour and Social Affairs (Non-member Economies and International Migration Division), which was carried out in collaboration with OECD national statistical offices. The database is now accessible to all users through the [OECD.Stat website](http://www.oecd.org/oeccdirect). The interface makes it easy to extract data on specific countries of birth or countries of destination and to create custom tables with many different dimensions.

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The recent publication *A Profile of Immigrant Populations in the 21st Century: Data from OECD Countries* (OECD 2008) presents a digest of the new information available in the DIOC. Synthetic tables, charts and maps give a preview of the richness of the data. Several thematic chapters discuss key cross-country differences and offer short analyses of specific issues, such as the gender dimension of the “brain drain”, the international migration of health professionals or the role of low-skilled foreign-born workers in the service sector. An introductory chapter provides an overview of the data available and presents a picture of international migration to the OECD area from four regions (Africa, Asia, Latin America and OECD countries themselves). The book also contains an appendix documenting the sources and methods used to compile the DIOC, including detailed information on the coverage, classifications and definitions of the variables.

The database is of interest to policy makers, researchers, students, journalists and anyone interested in obtaining comprehensive and comparative information on immigrants in OECD countries. The DIOC makes it possible to compare demographic characteristics and labour market outcomes of immigrants for specific country of birth across OECD countries. Even at highly aggregated levels, the data yield a number of interesting findings, some of which challenge the prevailing wisdom.

- On average, 7.5% of the total population in OECD countries was foreign-born circa 2000 (about 9% of people aged 15 years old and over). The highest percentages were recorded for Luxembourg (32.6%) followed by Australia (23%) and Switzerland (22.6%). On the other hand, less than 1% of the populations of Korea or Mexico were foreign-born.
- Immigrants in OECD countries consist about equally of men and

women. Overall, 51% of the immigrants in OECD countries are women and this proportion has increased in recent migration flows, notably in countries where family migration is predominant and/or where labour migration plays an important role in addressing needs in the domestic service and long-term care sectors.

- Immigrants tend to be under-represented among the youngest and oldest age groups. Immigrants are largely concentrated in the 25-64 age group. On average, 13.2% of the foreign-born are between 15 and 24 years old and 13.9% are over 65 years old, compared to 17.9% and 17.1%, respectively, for the native-born. There are, however, important differences by country of origin, due mainly to the history of international migration in each country.
- Immigrants are “more qualified” than the native-born. In the OECD area as a whole, the share of persons with tertiary education is higher for the foreign-born (23.6%) than for the native-born (19.1%). Despite marked differences across countries, this finding holds for most individual OECD countries. Similarly, the share of people with no or low educational attainment is higher for immigrants than for the native-born. In relative terms, the educational attainment of immigrants in OECD countries is thus well depicted by a U-shaped curve.
- The employment rate of immigrants compares more favourably to that of the native-born than commonly thought. On average, 62.3% of immigrants between 15 and 64 years old in OECD countries are employed, compared to 66% of the native-born. The difference between the two groups is even lower for women. Unemployment among

immigrants, however, remains relatively high, notably in some European countries, and the labour market outcomes of recent immigrants are generally not so positive. Finally, there are major differences in terms of labour market performance by country of origin and education level. Highly-skilled immigrants tend to have less favourable results on the labour market than low-skilled migrants in relative terms vis-à-vis the native-born. The employment gap between the foreign-born and the native-born persists, and indeed increases, in nearly all OECD countries, with the level of education. Furthermore, in almost all OECD countries, immigrants are more likely to be “overqualified” (i.e. working in jobs/occupations which require lower qualifications than they possess) than persons born in the country. This is due notably to problems of transferability of human and social capital and to lack of host-country language proficiency.

- There are more Latin American immigrants (19 million) in the OECD than Asian immigrants (16 million). Circa 2000, Mexico is the single most important origin country, with about 8.4 million persons born in Mexico living in other OECD countries (99% in the United States). The United Kingdom and Germany rank second and third with respectively 3 million and 2.4 million immigrants in other OECD countries. The main non-OECD countries in terms of importance are China and India (ranked 7th and 8th, respectively) with about 2 million migrants each.
- Non-OECD immigrants in the OECD represent a marginal share of the population of their origin countries. In 2000, there were about 57 million persons born in non-OECD countries living in the OECD area. They represented about 5% of the

total OECD population but no more than 1.1% of the population of their countries of origin. This proportion is even lower for India, China, Indonesia, Russia, Nigeria or Brazil, where less than 0.5% of the population has emigrated to the OECD. It reaches, however, 25% in Cape Verde, 20% in Albania, 13% in Lebanon and even higher figures in some of the small island states.

- The brain drain hits mainly small African and Caribbean countries. There is no generalised brain drain from developing countries to the OECD. The emigration rate of people holding a tertiary degree is generally low (i.e. less than few percentage points) in most large countries such as Brazil, Indonesia, Bangladesh, India and China. However, there are exceptions: a number of smaller countries – some of which are islands such as Jamaica, Haiti, Trinidad and Tobago, Mauritius and Fiji – have more than 40% of their highly-skilled population resident abroad, and sometimes as much as 80%.
- Comparing male and female highly-skilled emigration rates shows that women are proportionately more likely to emigrate to the OECD. This is true globally, as the average emigration rate of tertiary-educated women is 17.6% compared to 13.1% for men, but it also holds for almost all origin countries.

The webpage provides all relevant information on the new Database on Immigrants in OECD countries and the links to get access to the data:

www.oecd.org/els/migration/DIOC

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Fourth ECB Statistics Conference, Frankfurt, 24-25 April 2008

Richard Walton, DG-Statistics, European Central Bank

The Fourth European Central Bank (ECB) Statistics Conference continued a tradition of dialogue between compilers and users of statistics, including policy-makers, analysts, the media and the financial industry. There were four sessions, including a session jointly organised by the ECB's Directorate of General-Statistics and Eurostat.

The theme of this Conference was the development of a strategic vision for euro area statistics, to address the statistical challenges and opportunities in the next 10 years. This envisages even more intensive cooperation, not only among the statistics departments of the national central banks (NCBs) and the ECB, but also between those departments and external parties such as statistical institutes, supervisors and the financial industry. The gains resulting from these synergies will then be used to close some of the gaps still remaining in euro area statistics and to improve market transparency as regards to the issues that have come to the fore in the ongoing financial turmoil. The aim of the Conference was also to provide a forum to discuss and agree on the opportunities offered to develop and communicate financial, monetary and economic statistics.

The conference discussed the following themes:

- I. The role of harmonised monetary, financial and economic statistics in monetary and other economic policies.
- II. Future directions for the collection and compilation of statistics.
- III. Future co-ordination and collaboration strategies in the area of statistics.

IV. How best to communicate European economic and financial statistics

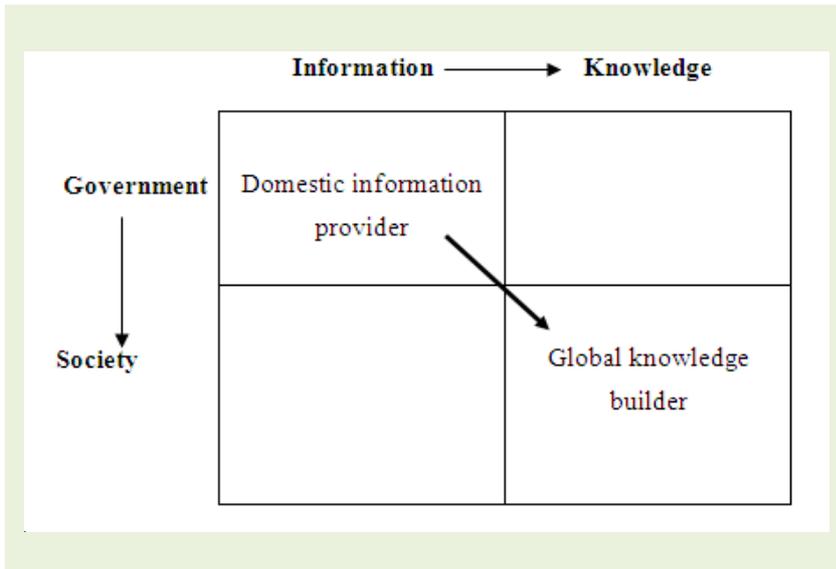
The Conference was opened by Jean-Claude Trichet, President of the ECB. In his opening address, *A strategic vision of Euro Area Statistics: the ECB View*, he referred to three themes:

1. Recent enhancements in euro area statistics (an updated overview of all available ECB statistics has recently been published; see <http://www.ecb.europa.eu/pub/ht/ml/index.en.html>) from the ECB policy-maker's perspective;)
2. The importance of an appropriate communication of statistics; and,
3. The strategy for the further development of euro area statistics.

When reviewing the first theme, Jean-Claude Trichet recalled the paramount importance of reliable and timely euro area economic, financial and monetary statistics for the ECB's decision-making.

Under the second theme, the ECB President stressed that communication with the general public and financial markets was crucial for any central bank, because it can help to enhance the effectiveness of monetary policy. Statistics play a particularly important role in this regard. In the third theme on the strategy for further development of euro area statistics, product and process innovations were set out.

Joaquín Almunia, the EU's Commissioner for Economic and Monetary Affairs, reviewed future challenges in the area of economic statistics, in the measurement of economic activity: intangibles; sustainability, in relation to public finances and resource depletion; indicators which complement GDP; structural indicators for employment, research and social



cohesion that measure our progress towards the goals of the Lisbon Strategy for Growth and Jobs; and indicators to monitor the EU's Sustainable Development Strategy.

Jürgen Stark, the Member of the ECB's Executive Board responsible for monetary policy, reflected on *The contribution of monetary and financial statistics to the conduct of monetary policy*. He highlighted a number of important statistical requirements for the effective conduct of monetary policy, focusing in particular on the ECB's monetary analysis. Consistency of the monetary data with other sources of relevant data facilitates the cross-checking of monetary

analysis with economic analysis (e.g. in the context of the euro area accounts).

The theme *Future directions for the collection and compilation of statistics* discussed generally agreed principles for the efficient production of statistics. Klaus Liebscher, Governor of the Oesterreichische Nationalbank, noted that new financial products and markets are developing with a speed unseen before; cross-country financial flows are booming; and, financial globalisation and integration are gaining in speed. Policy makers need timely statistics on these new financial phenomena. Important statistical gaps with

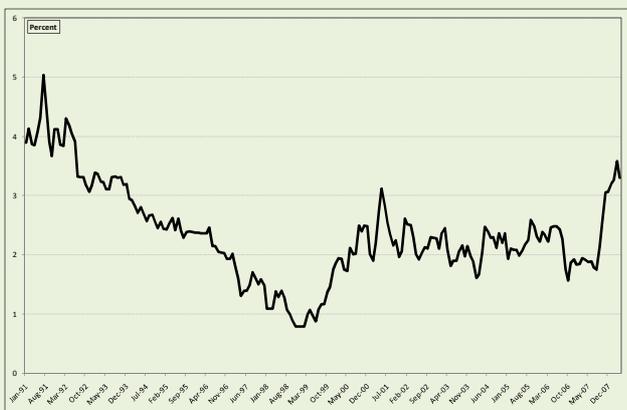
respect of the measurement of credit risk, of securitisations, of contingent credit exposures and of harmonised data on housing markets were noted.

Working together works

“Coming together is a beginning. Keeping together is progress. Working together is success” Henry Ford. The joint ECB/European Commission (Eurostat) Session, Future co-ordination and collaboration strategies in the area of statistics, was opened by Walter Radermacher, President of the German Federal Statistical Office, focusing on the role of networks and competence centres in the development, production and dissemination of statistics. The paper developed themes around the “European Centres and Networks of Excellence” and the work-sharing model which had been introduced in the area of data processing within the German statistical system.

In reviewing the European model of co-operation (ESSnet), Mr. Radermacher showed how ideas had evolved on centres and networks of excellence in which small groups of experts from several member states work on projects

**Chart 1 HICP:
Annual rate of change**



Source: Eurostat

**Chart 2
Consumer Survey: Price trends over last 12 months**



Source: European Commission Consumer Survey

that benefit the whole system. The presentation by João Cadete de Matos (Head of the Statistics Department, Banco de Portugal) on Central banks and statistical offices: avenues for further cooperation stressed that institutional cooperation, both at national and international level fosters the efficient use of resources in the compilation and dissemination of statistics.

The discussant Heli Jeskanen-Sundström, Director General of Statistics Finland and co-chair of the European Statistical System Task Force on Statistical Challenges, provided her views on the future collaboration between the European Statistical System (composed of Eurostat and National Statistical Institutes) and the European System of Central Banks (the ECB and the EU NCBs), recognising similarities in priorities and in the importance attached to credibility and integrity.

The medium is the message

Steven Keuning, Director General of Statistics at the ECB, introduced a thought-provoking session on Communication of statistics, quoting from Marshall McLuhan's iconic book, *The Medium is the Message: An Inventory of Effects*. Enrico Giovannini, the OECD Chief Statistician in *The role of communication in transforming statistics into knowledge*, discussed the context of the development of Web 2.0 – a market place where people meet, learn and interact – and other Information and Communication Technologies (ICT) in which communication was not just an appendix of the core business of data production, but a key function which could determine the success or failure of an official data provider.

What if we do nothing? Are we as statisticians out of business in ten years? Being cool is to be able to find interesting information. However, interesting does not always mean true! The OECD

believes that statistical data providers need to evolve from “information providers” to “knowledge builders”.

Inna Steinbuka from Eurostat touched on the hot topic of perceptions of the official price statistics, see Charts 1 and 2: How to narrow the gap between actual and perceived inflation? Inna argued that public trust in official inflation statistics should be strengthened, while also continuing to improve the quality of HICP statistical information and the effective communication with consumers.

Patrick Lane (“The Economist”) first awarded the acronym of the year to the FROOPP (a prize for the first correct answer) and remained confident that, despite the efforts of statisticians to improve communication tools, print media will always be needed. Users simply do not have time to interpret all the numbers. On the other hand, the media will also always need statistics to convey their message (at least to use its decorative function and put a chart on a page to attract the reader's attention).

Evan Davis, from BBC Radio 4's “Today” programme, stressed the importance of trust which goes with true independence and selling the objective story. “Tell people what you are doing, why you are doing it and if there are suspicions, try to understand why people think as they do and do not be too defensive.” The public, said Evan, associates independent statisticians with the Authorities who are not independent.

In his concluding remarks to the Conference, José Manuel González-Páramo, the Member of the ECB's Executive Board responsible for statistics, dealt with:

- Globalisation and a need for comparable key macroeconomic statistics among major economic areas and also world-wide aggregates with regional

breakdowns including the requirement to have quarterly world GDP statistics at a timeliness of 60 days;

- The IT revolution and promising new procedures like micro-databases and by way of example, the Centralised Securities Database, a reference micro-database for individual securities currently under development by the European System of Central Banks; and,
- The statistical response burden on reporting agents.

In view of the strategic relevance of issues discussed in this Conference, the ECB will soon publish the proceedings of this event. In the meantime, all contributions are available on the ECB website under <http://www.ecb.europa.eu/events/conferences/html/eastats4.en.html>

Survey of Dynamics and Motivations for Migration in New Zealand

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Background

New Zealand has lacked satisfactory information sources to analyse and interpret motivating factors behind internal migration flows. While some limited measures of people's moves are available, there has been almost no information on the motivations behind people's decisions to move, except for a few localised surveys.

In the March 2007 quarter, Statistics New Zealand undertook the first nationwide Survey of Dynamics and Motivations for Migration in New Zealand (DMM). The survey, which was run as a supplement to the quarterly Household Labour Force Survey, investigated what motivated some people to move from one place of residence to another, and,

conversely, what motivated people to stay where they were. Migration may involve a local move, a move from one part of New Zealand to another or, indeed, to and from New Zealand.

The factors that predispose people to move, and eventually trigger the decision to shift from one residential location to another, are many and varied. Notwithstanding the complexity of the migration decision process, the mix of factors involved is of sufficient importance to rank as a key social indicator of wellbeing for one area relative to another at a range of geographic scales. The development of the DMM survey and subsequent research has taken advantage of recent methodological and theoretical work done internationally, notably in the US and Scandinavia, and is specifically tailored to address local strategic policy needs.

A key outcome of this project is a deeper understanding of the context of existing population movement. Information on the motivations for internal migration is of interest when informing government policy on regional development and sustainability. In particular, any variability of this information with respect to demographic characteristics and geographic detail will be fundamental to any sound policy debate on regional development. Understanding who moves and why they move, and how this relates to where they move to, are fundamental to policy debates on regional development.

Overview of survey content

The five-yearly New Zealand Census of Population and Dwellings provides valuable information on one measure of internal migration. A question on usual residence five years ago has been included in the New Zealand censuses since 1971. However, census data do not include information about when the most recent move occurred, number of moves, and the reasons why

people are moving or not moving. The DMM survey allows analysis of internal migration as described by:

- usual residence information at last move (within last two years) and at time of interview;
- length of stay at current and previous residence;
- number of homes in the last 10 years;
- current living arrangement compared with arrangement at time of move;
- employment and occupation status at time of move;
- annual income and change in income compared with before the move;
- reasons for moving from and to a residence;
- reasons for not moving;
- reasons for moving to New Zealand;
- length of stay in previous country, date of arrival and address of first settlement in New Zealand;
- satisfaction ratings on outcome of move;
- intentions to move, including destination, time and reasons.

Survey response

From a sample of around 15,000 households on a statistically representative basis from rural and urban areas throughout New Zealand, the DMM survey received a sample of 23,465 individual responses. Weights were assigned to individual responses depending on age, sex and region to reflect the March 2007 quarter resident estimates for the adult population in permanent private dwellings.

There were an estimated 829,500 people who had moved at least once between the March 2005 and March 2007 quarters, which were 26 percent of the total estimated survey population (3,213,800). The majority of the population, 70 percent (2,264,700), had stayed at

the same usual address and the remaining 4 percent (119,600) had moved to New Zealand from overseas during the two-year period.

Classification of reasons for moving and not moving

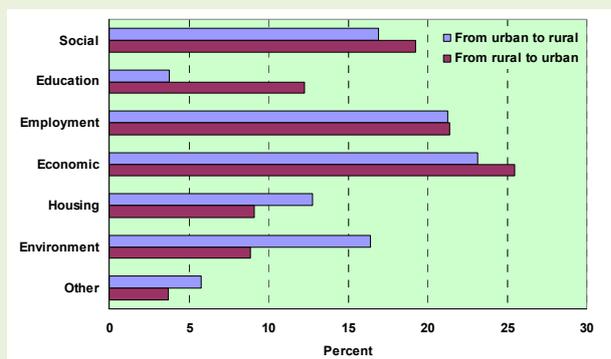
People's motivations and reasons for moving or not moving are varied, sometimes complex, and often best described as a series of responses. Since classifications of reasons did not exist, an initial draft classification was developed as a starting point, based largely on Scandinavian research. The use of open-ended questions for the reasons enabled the simultaneous development of this set of classification categories to best reflect individual responses. Interviewers were required to record the individual responses verbatim and were not given the task of having to fit the sometimes prolix responses into a fixed set of response categories.

The responses were then coded by a dedicated coding team. Interpretation and coding of the text responses were resource intensive, but reasons were described appropriately and with minimum information loss. The classification of reasons for moving is a three-level hierarchical classification. At the highest level reasons for moving are classified in the following categories: social, education, employment, economic, housing, environment, and other.

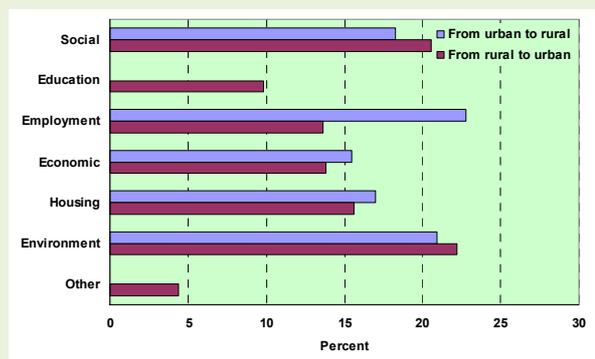
Mobility of the New Zealand urban and rural populations

New Zealand is a highly urbanised country and furthermore has a highly mobile population. Nearly all of the New Zealand population lives in urban areas (86 percent at the 2006 Census of Population and Dwellings), or in centres with populations of 1,000 or more, with almost three quarters of the population (72 percent) living in centres with populations of 30,000 or more (main urban areas).

Main reasons for moving from previous residence



Main reasons for moving to current residence



Increasingly, people have a different residence compared with that measured five years ago at the previous census. At the 2006 Census, 49 percent of the resident population, who were resident in NZ at the previous census, were living at the same residence, but the remaining (51 percent) were living at a different residence from five years previously. A quarter of a century ago, 43 percent of the population aged five years and over had changed residence within New Zealand at least once between the 1976 and 1981 Censuses.

As estimated by the DMM survey, 30 percent of the urban population and just 22 percent of the rural population had moved within New Zealand or from overseas between 2005 and 2007. Among the population who have moved within New Zealand in that two-year period, the majority moved within urban areas (85 percent), and only a small proportion of moves were within rural areas, from urban to rural, and from rural to urban areas (5 percent each).

Reasons for moving residence

The event of moving involves a decision-making process that includes reasons for moving from the previous residence and also reasons for choosing to live at the current residence. These two types of reasons describe the factors that drive people away from residences

and the factors that attract people to new residences.

People moving within rural areas moved from their homes mainly for employment reasons, primarily for better employment opportunities or to start a new job. This was followed by economic reasons such as having purchased or built a dwelling, or sold a dwelling. Moves within urban areas were mainly for the same economic reasons, but setting up home independently or moving with other people who were also moving were important social reasons for moving from a previous residence. A move from a rural to an urban area was also mostly driven by economic and employment reasons, but education-related reasons such as moving for your own or other's education became an important driving factor. In contrast, when people chose to move from an urban residence to a rural residence, it was frequently environmental factors prompting the move, such as not being satisfied with previous lifestyle.

It would be reasonable to assume that the factors that drive people away from a residence would influence their decision in choosing another residence. However, examining the reasons for moving to a residence reveals a distribution of preferred reasons different to the reasons for moving from a residence. Generally, people chose to move to their current residences

for environment, employment and social reasons.

People who moved from an urban residence chose a rural residence mostly for employment reasons. Environment reasons, especially lifestyle reasons, were also important. Conversely, when moving from a rural residence, an urban residence was mainly chosen for environment reasons because moving to a place with better services and facilities was important. Moves within urban areas involved choice of a residence that provided proximity to services and facilities, but also a residence in a more suitable suburb or town, and a better natural environment. In contrast, moves within rural areas resulted in choosing a residence that enabled better employment opportunities or to start a new job. Social reasons were also important such as to live closer to others.

The ranking of motivations for having chosen the current residence depends on a range of characteristics of the movers such as age, occupation and income. As an example, among movers within urban areas, from urban to rural areas, or from rural to urban areas, and aged 40 years and over, environment reasons were the preferred motives for choosing the current residence. The largest proportion of those moving within

Summary of reasons for moving

Type of move	Main reason for moving from previous residence		Main reason for moving to current residence	
	Most common	Second most common	Most common	Second most common
Within urban areas	Economic	Social	Environment	Social
From urban to rural areas	Economic	Employment	Employment	Environment
Within rural areas	Employment	Economic	Employment	Social
From rural to urban areas	Economic	Employment	Environment	Social

Most frequent main reason for moving to current residence by age

Type of move	Age group (years)						
	Under 20	20-29	30-39	40-49	50-59	60-69	70+
Within urban areas	Social	Social	Economic	Environment	Environment	Environment	Environment
From urban to rural areas	Social	Employment	Housing	Environment	Environment	-	-
Within rural areas	-	-	Employment	Employment	-	-	-
From rural to urban areas	-	Social	Employment	Environment	-	-	-

Symbol: - not available due to high sample errors for the category

rural areas, or from rural to urban areas, were agricultural (or fishery) workers who, when seeking better employment opportunities, would often be forced to move. This is particularly important for movers from residences in rural areas aged between 30–49 years. Social reasons for choosing the current residence were typical among the younger ages (under 20 years), who mostly moved to live with family or moved with parent(s).

Satisfaction rating of outcome of move

Respondents were asked to rate their satisfaction with their move. Their self-perception of the change in standard of living between their current residence and their previous residence was rated on a scale of five categories ranging from very satisfied to very dissatisfied. About one third of movers from rural to urban areas were satisfied or very satisfied with their current standard of living compared with the previous residence. However, close to one half of movers within rural areas, from urban to rural areas, or within urban areas, provided the same rating. The outcome of the move was also measured with

respect to ratings of social life, employment opportunities, housing and environment, as well as an overall rating, at the current residence in comparison with the previous residence.

Further information

This article gives a brief insight into the survey results and available information. For the first set of results and for more technical information please refer to the survey website (<http://www.stats.govt.nz/products-and-services/info-releases/survey-dynamics-motivations-migration-new-zealand.htm>). Further analysis of results will be published in a topic based report, *Internal Migration*, on the Statistics New Zealand website on 24 June 2008 (www.stats.govt.nz).

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World Bank Project to Support the Reform of the State Statistical System of Ukraine

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Background

The State Statistics Committee of Ukraine (SSCU) is a central government executive authority responsible for development and implementation of government policy in Ukraine in the area of statistics. Since the transition to a market economy during which the need for reform of the statistical system from one that served the needs of a centrally planned economy to one which meets the needs of a democratic society and market economy, it has been highlighted that the SSCU needs to perform a number of important activities aimed at the modernisation of Ukrainian statistics. From the very beginning, the development of Ukrainian statistics has been aimed at the introduction and adaptation of international statistical standards into national practice. The process of statistical reform started in 1992

and is being implemented in stages through the fulfilment of multi-annual integrated statistical programmes.

The first statistics reform programme, "The Government Program for Transition to International System of Accounting and Statistics", covered the period 1993-1997 and was characterised by a concentration of resources in key statistical areas. These included the set-up of a business register and basis of a system of national classifications, introduction of basic elements of National Accounts Balance of Payments and labour market statistics, as well as improvements to some other statistics. The second program of statistical reforms, 1998-2003, led to the further improvement of state statistics through a more focused program responsive to the demands of all users; domestic and international. Implementation of the program created a statistical system adapted to market conditions and international standards, and its success was demonstrated by the Ukraine's subscription to the SDDS. The third development programme, 2003-2008, was aimed at the comprehensive reform of national statistics by introducing new data collection, processing and dissemination methods that follow international and European statistical standards.

Considering the limited Government resources to cover comprehensive organisational reform, staff training at all levels, and the introduction of new data collection mechanisms and modern communication and information technology, the Government of Ukraine with the support of the World Bank initiated the preparation of the "Development of the State Statistics System for Monitoring the Social and Economic Transformation Project" to be implemented with the financial support of the World Bank.

Development of the State Statistics System for monitoring the social and economic transformation project: goal, objectives and components

The project aimed at supporting systematic changes in the area of state statistics, improvement of key areas, and strengthening of informational support to government authorities and the public on economic and social development in the Ukraine. This project has been prepared by the State Statistics Committee of Ukraine (SSCU), as a central agency responsible for the general project implementation, together with other beneficiary agencies (Ministry of Finance, Ministry of Economy and the National Bank of Ukraine) in close cooperation with the World Bank and is based on the outcomes of previous development programmes.

In March 2004 the World Bank Directors Board approved a 32 million USD loan to implement the project. The Loan Agreement between the IBRD and Ukraine to implement the five-year project was signed in July 2004 and implementation of the project commenced in June 2005 after ratification of the Loan Agreement by the Ukraine Parliament. The project completion date is December 2009.

The project goal

The project's goal is to set-up a stable state statistical system in the Ukraine. This will be done through complex system reform to better meet the needs of the government authorities and other users through objective statistical data on social and economic development in the country, regions, oblasts (an administrative and territorial division in some republics of the former Soviet Union) and sectors of economy.

The main project objectives

- To introduce international and, first of all, European standards in the field of statistics.
- To enhance the efficiency of state statistical system.
- To improve statistical data coverage, content and quality.
- To satisfy more completely the demands of various user groups in view of the transition to a market economy.
- To ensure information support and facilitate decision process at all government levels.
- To alleviate respondent reporting burden through wider use of sampling surveys, administrative data etc.

The outlined objectives are implemented through the overall reforming of the state statistical system by such directions:

- To improve the organisational structure and management system of the state statistics bodies.
- To strengthen institutional capacity in terms of data collection and processing.
- To improve the system of statistical data dissemination of information taking into account the needs of various user groups.
- To improve the process of statistical data production in all fields of economic and social spheres.
- To improve analytical capacities in using statistical information for decision-making and forecasting of social and economic processes.
- To introduce modern communication and information technology.

Project components

Organisational development and management

The implementation of this component will streamline the organisational set-up of the Ukraine State Statistical System, build

Institutional Management Systems, strengthen the system of staff training and re-training, develop improved statistical dissemination methods and a better user education strategy, and improve relations with respondents and data providers.

Statistical infrastructure

The implementation of this component is aimed at improving the basic elements of the statistical infrastructure, the implementation of a statistical register, the introduction of the unified classification system and the improvement of the legislative base of the state statistical system.

Data development

The implementation of this component is aimed at improving the quality and timeliness of a number of statistical surveys and outputs in line with international standards, including: household sample surveys; integrated annual enterprise statistics; sub-annual surveys of economic activities; national accounts; price statistics; government finance statistics; money and banking statistics; foreign trade statistics; balance of payments statistics; and, demography and social statistics.

This will be done through the enhancement of source data, improvements in compilation methodology, and the carrying out of selected pilot surveys to test the upgraded and newly introduced surveys.

Strengthening of information basis for decision making and forecasting in the Ministry of Economy

The implementation of the component is aimed at modernising data presentation methods and processing systems used for analytical purposes. These are applied to new short- and medium-term forecasting models that take into account specific behaviour of economic variables in the transition period. This will provide the

capability to the Ukrainian statistical system to ensure timeliness, consistency, accessibility and quality of statistical data that

International Conference on Survey Methods in Multinational, Multiregional, and Multicultural Contexts (3MC)

**25-28 June 2008,
Berlin Germany**

The 3MC conference presents state-of-the-art research on all aspects of cross-national and cross-cultural survey methods related to design, data collection, quality assurance, analysis and archiving. The conference focuses on the methods, tools, strategies and protocols that help maximize comparability across countries, languages and cultures. As a methodology conference for comparative research, 3MC promises to be a landmark.

It will bring together researchers and practitioners from around the globe, representing business, industry, public services such as health and education, academic researchers and public policy makers. 3MC advances the knowledge base needed to attain accurate and comparable data for key areas such as economics, marketing, education, health and the environment.

For more information, see:
<http://www.3mc2008.de/>

contribute to adopting sound decisions on fundamental issues of Ukraine's economic policy by government authorities.

Introduction of modern information and communication technology

The implementation of the component is aimed at upgrading data collection processing and storage systems and dissemination technologies for statistical outputs; though an improved technical infrastructure. Detailed design for the improved information technology (IT) sector of the State Statistics System is being developed. Introduction of modern software and hardware products will be accompanied by staff training on the application of these technologies to improve the skills and competencies of the staff using and managing computerised systems.

Implementation status

Currently the project is in the middle of its implementation stage and the relevant activities are being performed within the framework of the project as indicated in previous paragraphs. The works on improvement of methodology and statistics organisation have started and with the consultancy support of experts from a number of statistical institutions of EU-member states as well as other countries the adaptation of national practice to international statistical requirements in different statistical areas is being carried out.

In the framework of works aimed at the improvement of the organisational structure and management system of state statistical bodies as well as procedures for data collection, processing and dissemination, an experiment on the introduction into the Ukraine of a two-level system of statistical data collection, processing and dissemination has been conducted. This has been done through the adaptation of the Statistics Latvia automated information processing system into the local Ukrainian environment. The experiment identified a number of issues to be resolved for complete transition from a three-level data processing system to a

two-level one. Some of the experiment results are used for the design of the integrated data processing system as well as for optimisation of organisational structure of statistical bodies. As a starting point, over the last three years 48 local statistical units have been closed and their functions have been delegated to the regional statistical departments.

The project has supported the large-scale equipping of the local and regional statistical offices with computer and polygraph equipment to improve the data processing and dissemination process.

Before very recently, only four SSCU departments used SPSS software for statistics analysis and processing. Under the project a new version of the software has been purchased for wide use at central and regional levels and wide-scale training of the staff of statistical bodies at central and regional levels is under way.

The implementation of the World Bank supported project aimed at supporting the reform of Ukrainian statistical system is being conducted in close co-ordination with SSCU activities; EU Technical Assistance Tacis project; and other co-operation programmes the SSCU takes part in.

Nine new countries added to the OECD System of Unit Labour Cost and Related Indicators,
David Brackfield, OECD

New data

As of April 2008 the OECD System of Unit Labour Cost and Related Indicators database (referred to as the 'System') now includes nine new non-OECD member countries, namely: Bulgaria, Brazil, Cyprus (see note at end of article), Estonia, Latvia, Lithuania, Malta, Romania,

and Slovenia. [Quarterly unit labour cost](#) indicators are available for all the nine new countries with the exception of Brazil and Malta. [Annual unit labour cost](#) and related indicators (e.g. labour productivity, exchange rate adjusted unit labour cost indices, etc) are available for all of the nine new countries. The addition of these new countries has also enabled the compilation and addition to the System of data for the European Union (EU) area total. The combination of these new countries has added in excess of 400 new series to the quarterly database and over 1600 series to the annual database.

European Commission grant

The addition of these new countries data and related indicators to the System was possible through a grant from the European Commission (EC) to undertake this work. The European Commission grant to the OECD's Statistics Directorate was to enhance the OECD System of Unit Labour Cost and Related Indicators in three main ways:

- Increase the range of competitiveness indicators available in the System to allow deeper economic analysis.
- Increase the country coverage in the OECD System of Unit Labour Cost and Related Indicators to include the eight EU member states that are not part of the OECD, namely: Bulgaria, Cyprus (see note at end of article), Estonia, Latvia, Lithuania, Malta, Romania, and Slovenia.
- Research the possibility of including in the System the five major emerging OECD non-member economies: Brazil, China, India, the Russian Federation, and South Africa.

The timeframe of the project was from July 2007 to April 2008, and during the course of the period a total of six OECD staff members worked for some part on the project, namely: Richard McKenzie (Principal Administrator), David

Brackfield (Administrator), Frédéric Parrot (Statistician), Alena Brin (Statistician), Elena Tosetto (Statistician), and Zakia Adam (Statistician). On the European Commission side the participants were: Frank Schönborn and Douglas Koszerek.

Annual competitiveness indicators

The introduction of the new annual competitiveness indicators into the System was completed in late 2007 and resulted in the System offering 11 further competitiveness indicators; in addition to the previous unit labour cost indicators offered. These are:

- exchange rate adjusted unit labour cost;
- labour income share ratio;
- labour productivity per unit labour input;
- labour productivity per employed person;
- labour productivity per hour worked;
- labour compensation per unit labour input;
- labour compensation per employee;
- labour compensation per employee hour worked;
- labour compensation per unit labour input indexes (\$US PPP adjusted);
- labour compensation per employee (\$US PPP adjusted);
- labour compensation per hour (\$US PPP adjusted).

The annual database also offers:

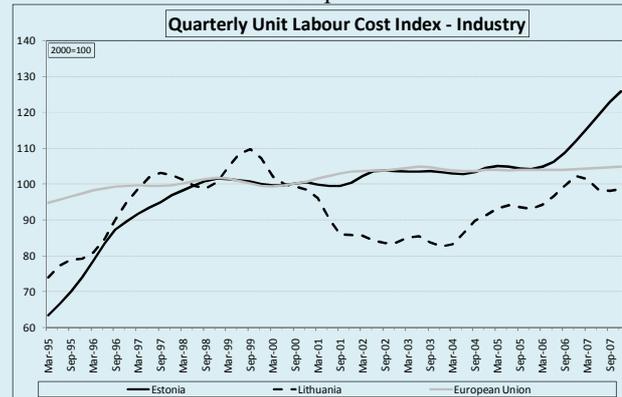
- unit labour cost;
- total labour costs;
- real output;
- nominal output;
- total employment to employees ratio:
 - total employment; hours worked and persons;
 - employees; hours worked and persons.

In virtually all cases these measures are available for the thirty OECD

Graph 1



Graph 2



Member countries, the eight EU member states not part of the OECD (as listed), and the Euro area, together with zone aggregate totals (OECD total, Major seven economies, OECD Europe, European Union) for the following economic activities based on ISIC rev. 3:

- total economy;
- manufacturing (ISIC D);
- industry (ISIC C_E);
- construction (ISIC F);
- trade, transport and communication (ISIC G_I);
- finance and business services (ISIC J_K);
- market services (ISIC activity based proxy G_K);
- business sector excluding agriculture (ISIC activity based proxy C_K).

Graph 1 highlights the large labour productivity growth in the Korean economy for the Industry sector over the last 30 plus years and in particular since the early 90's. This contrasts with Norway whose labour productivity grew faster than the Major Seven (G7) until the late nineties but in the last few years has seen negative labour productivity growth in the Industry sector; possibly as a result of the Mining sector.

The eight EU member states that are not part of the OECD

The second part of the grant project was to increase the country

coverage of the System to include these eight countries that belong to the European Union but are not OECD members. In all cases both annual and quarterly national accounts data was sourced via the European Commission's Statistics Office (Eurostat).

Eurostat was informed of the project and in the preliminary stages of the project worked with the OECD to help the OECD better understand the data, metadata and country methodology. With the agreement of Eurostat, the final part of the project, before publication, involved contacting these countries' national statistics offices in order to ask them to provide comments on the use of their data in compiling unit labour cost and related indicators and issues that may help analysts better understand their data.

After this consultation period the countries' data was added to the System in April 2007 and is freely and publicly available. For most of these eight countries the data series start in 1995 and with the exception of Malta all have quarterly unit labour cost indicators compiled. There is metadata available for all eight countries and these countries are updated quarterly as per the rest of the System.

Graph 2 illustrates how both Estonia and Lithuania had very high quarterly unit labour growth in Industry from 1995 to around 2000

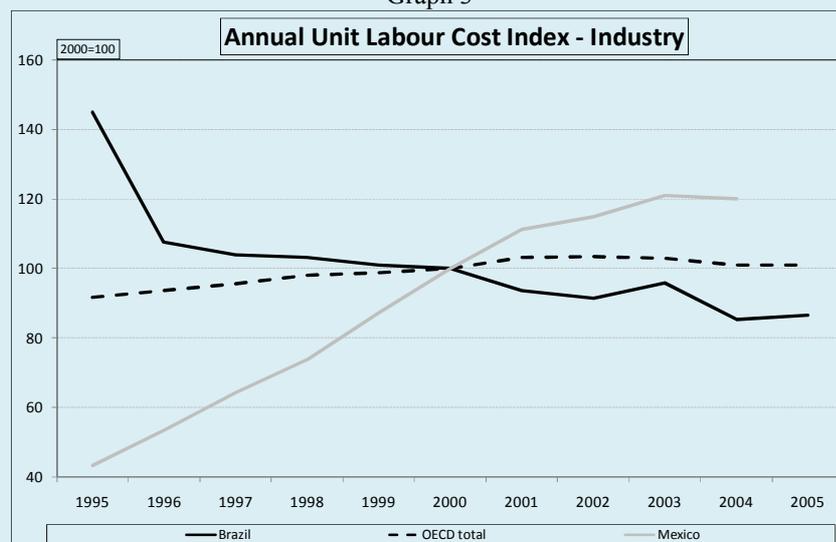
to converge with the EU area level. Since this date Lithuania has managed to consistently have lower unit labour cost growth in Industry than the EU area while Estonia since 2006 has seen high growth; possibly due to faster increasing wages.

Five major emerging OECD non-member economies

The final part of the project to enhance the OECD System of Unit Labour Cost and Related Indicators was to investigate the possibility of including annual data for the five major emerging OECD non-member economies (Brazil, China, India, Russian Federation, and South Africa). The investigation concluded that:

- It is currently not possible to compile unit labour cost and related indicators for China and India. This is mainly related to the availability of labour input data (compensation of employees and employment).
- In the future it should be possible to compile annual competitiveness indicators for the Russian Federation and South Africa. This work will continue with the cooperation of these two national statistics offices.
- The national statistics office of Brazil (IBGE) provided all data required to compile annual unit labour cost and related indicators.

Graph 3



- While there are some minor sector coverage issues and the measure for employment is 'jobs', these are clearly laid out in the metadata and these indicators have been compiled for Brazil.

Graph 3 shows a contrasting picture with Brazil showing mostly 10 years of negative annual unit labour cost growth in the Industry sector while Mexico recorded almost 8 years of increases. In contrast the OECD total area has been almost flat for this period. While a number of interpretations could be made of the country data as presented in the chart, care should be taken as data quality problems cannot be excluded.

Conclusion

This was a successful joint project between the OECD and European Commission that has helped create a database with over ten thousand freely available series on quarterly unit labour cost and annual competitiveness indicators.

All information on the System, including links to all the data, can found at the following site: <http://stats.oecd.org/mei/default.asp?rev=3>

For all data queries please contact stat.contact@oecd.org

(Endnote) Note by Turkey - the information in this database with reference to "Cyprus" relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognizes the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of United Nations, Turkey shall preserve its position concerning the "Cyprus issue". *Note by all the European Union Member States of the OECD and the European Commission* - The Republic of Cyprus is recognized by all members of the United Nations with the exception of Turkey. The information in this database relates to the area under the effective control of the Government of the Republic of Cyprus.

Implementation of the ESA95 in Turkey and the 1998-2006 Historical Revision. Extract of the official note from TurkStat

Introduction

The Turkish Statistical Institute (TurkStat) has published new

national accounts figures according to the European System of Accounts 1995 (ESA95), including a full scale revision of the quarterly Gross Domestic Product (GDP) series, for the period 1998-2006 in current and constant prices on 8 March 2008. Adopting the new standards provide a more relevant conceptual basis for measuring Turkey's economic and financial conditions and also ensures that Turkey's statistics are comparable with those of other countries. In a nutshell, the revised national accounts represent a major improvement in the measure of economic activities, in the comprehension of the accounts and in their harmonisation with other international standards.

This achievement is the result of a major undertaking that is referred to, in statistical terms as an historical revision. This historical revision, which represents the accumulation of several years of intense efforts, involved restating the accounts according to new statistical standards, incorporating a broad range of new and better source data and adopting updated statistical techniques.

Generally historical revisions are expected to improve national accounts in terms of exhaustiveness and comparability, entailing a production process with three phases as follows:

- Institutionalisation of the methodological knowledge;
- Production of robust source data harmonised with internationally accepted classifications; and,
- Aggregating and balancing the estimates on the basis of consistency and reliability.

During the revision process, in order to improve the human capital, technical assistance programs provided by international institutions such as EUROSTAT and the IMF along with institutional training programs were conducted concurrently.

Table 1: Comparison of old and new GDP series at current prices

GDP Current Prices	Old methodology GDP Million NTL	New methodology OGDP Million NTL	New/Old Difference (%)	Old Growth Rate (%)	New Growth Rate (%)
1998	52,225	70,203	34.4		
1999	77,415	104,596	35.1	48.2	49.0
2000	124,583	166,658	33.8	60.9	59.3
2001	178,412	240,224	34.6	43.2	44.1
2002	277,574	350,476	26.3	55.6	45.9
2003	359,763	454,781	26.4	29.6	29.8
2004	430,511	559,033	29.9	19.7	22.9
2005	487,202	648,932	33.2	13.2	16.1
2006	576,322	758,391	31.6	18.3	16.9

Table 2: Comparison of old and new GDP series in real terms GDP

GDP Constant Prices	At 1987 prices GDP Thousand NTL	At 1998 prices GDP Million NTL	Old Constant Growth Rate (%)	New Constant Growth Rate (%)
1998	116,114	70,203		
1999	110,646	67,841	-4.7	-3.4
2000	118,789	72,436	7.4	6.8
2001	109,885	68,309	-7.5	-5.7
2002	118,612	72,520	7.9	6.2
2003	125,485	76,338	5.8	5.3
2004	136,693	83,486	8.9	9.4
2005	146,781	90,500	7.4	8.4
2006	155,732	96,738	6.1	6.9

In order to improve coverage and consistency of the GDP estimates, new data sources including a 2000 Building Census and a 2002 Census of Industry and Business Establishments were integrated. Moreover, methodological improvements in compilation of GDP estimates bringing about new developments in the estimates (e.g. chain linked volume index, FISIM) were introduced by replacing SNA68 with ESA95.

The benchmark year for revised GDP estimates, a first for TurkStat, were based on 2002 supply and use tables (SUT); the first table compiled on the concepts, definitions and classifications of the ESA95 resulting in relatively more integrated and consistent GDP estimates.

Since TurkStat has recently endeavoured to set-up a business register together with the regular updating process based on the results of the 2002 Census of Industry and Administrative Registers, comprehensive revisions were generally realised in order to

ensure the exhaustiveness after the censuses. This brought about, due to the long time periods between censuses, relatively big amounts of change in the estimates.

Overview of major improvements to Turkey's national accounts

The historical revision came from three broad sources of change: more comprehensive data sources, adoption of updated statistical standards and improved estimation techniques. The measure of economic activities was ingrained into more robust data sources, including the above mentioned censuses, improved tax and employment estimates, as well as annual household budget surveys from 2002 onwards. The general effect of these more extensive data sources was to increase the level of the nominal GDP.

Turkey's national accounts were compiled on the basis of SNA68 before the revision. The national accounts were restated according to the ESA95 which comprises a more comprehensive and integrated set of

accounts than the 1968 SNA. In particular ESA95 includes integrating the SUTs (already carried out), capital and financial accounts, and balance sheet accounts (yet to be carried out). In addition to the structure of the accounts themselves, changes to concepts and definitions, such as the new measurement for the Financial Intermediation Services Indirectly Measured (FISIM) and calculating value added at basic prices, were introduced.

A major component of the updated estimation methodology consisted of updating the Supply and Use tables (SUTs) for 2002 (from the previous 1998 SUTs) by integrating major new and improved data sources, such as the 2002 Census of Industry and Business Establishments. As well, the 2002 SUTs used the Statistical Classification of Economic Activities in the European Union (NACE Rev. 1) and the Statistical Classification of Products by Activity in the European Union (CPA). The SUTs are a very powerful validation instrument to

confront source data at a detailed level of industries and commodities. The updated SUTs results were also integrated in the quarterly GDP estimates for 2002.

Another important initiative was to adopt the chain-linking method in constant price estimation, giving more accurate aggregate volume growth rates. Moreover the base year was updated from 1987 to 1998. Finally, estimates for the non-observed economy were recalculated using more robust data sources, and the results integrated into the quarterly GDP estimates for 2002.

Revision size

In the first table, the levels of the both series are given in the current prices together with the percentage differences. It can be seen that percentage differences between two series differ between 26.3 % and 35.1 % through years 1998-2006.

Volume growth rates of the two series are given in the second table below. Regarding the volume growth of the both series, Turkish economy grew through years 1998-2006 34.1 % and 37.8 % according to previous and new estimates respectively.

The way forward

As noted earlier, the historical revision, notably implementing ESA95, is a first step in improving the data quality and will be followed by a number of further initiatives.

It is planned to compile annual GDP estimates based on the SUTs. The SUTs for 2002 were published by TurkStat together with the revised estimates. TurkStat will produce annual SUTs for the years 2003 and 2004 and the plan is to commence using them to benchmark the quarterly GDP estimates (the compilation of the quarterly GDP is currently carried out independently from the SUTs, except for 2002). As well, the

OECD Compendium of Productivity Indicators now available on internet

The OECD Compendium of Productivity Indicators was issued for the first time in 2005. The [present edition](#) constitutes the 2007-2008 update of the wide range of indicators which were published in 2006 but also includes new indicators on productivity.

The compendium also provides methodological notes and describes the measurement challenges and the data choices that were made, as well as the remaining measurement problems. It mainly draws on the OECD Productivity Database, but also on other sources such as the OECD STAN database for Structural Analysis, which enables productivity calculations for individual industries, the OECD System of Unit Labour Costs and Related Indicators and the OECD Structural and Demographic Business Statistics.

For more information, visit: <http://www.oecd.org/statistics/productivity/compendium>

implementation of a Strategic Plan will allow reducing the remaining data gaps for the national accounts in other areas. For instance, the business register system will be updated, leading to improved sample surveys and many new surveys will be introduced and existing ones improved to meet EU standards.

The impact of the historical revision and further anticipated adjustments from the Strategic Plan's implementation underline the importance to inform users of the timing and the type of revisions. As much as revisions are an integral part of good international practices, so is a stable policy to inform users about when and what types of revisions to the data they can expect. With the release of the 1998-2006 historical revision, the national accounts revision policy adopted by TurkStat is to publish the preliminary quarterly GDP estimates approximately 70-90 days after the reference quarter, to revise the quarters of the current year, while data for the previous years will remain frozen until the next annual revision. Revisions will be conducted once a year for the most recent 3 to 4 years based on the availability of annual SUTs. From time to time, TurkStat will conduct historical revisions to correspond to major updates to the international standards and/or availability of new data sources.

More information can be found here: <http://www.turkstat.gov.tr/>

The Coordinated Direct Investment Survey

John Joisce, IMF

The International Monetary Fund (IMF) is leading a worldwide statistical undertaking, referred to as the 2009 Coordinated Direct Investment Survey (CDIS), to measure direct investment positions as of year-end 2009. The IMF's interagency partners, including the Organisation for Economic Co-operation and Development (OECD), the Statistical Office of the European Communities (Eurostat), the European Central Bank (ECB), and the United Nations Conference on Trade and

Development (UNCTAD), are involved in this important initiative and have contributed essential support. As of end-May 2008, more than 130 economies had indicated interest in the CDIS, including virtually every major FDI-investing and FDI-receiving economy.

The objective of the CDIS is to collect comprehensive information on direct investment positions by immediate counterpart economy. Equity and debt investment are to be reported separately. Data for both inward and outward direct investment positions are sought, for countries where outward direct investment is not material data on inward direct investment positions are sufficient for participation in the CDIS.

The intent of the CDIS is to improve the quality of direct investment position statistics in the international investment position and by immediate counterpart economy. These data will be improved both directly and indirectly: directly because economies will be conducting surveys of their resident direct investors/direct investment enterprises, and indirectly because economies will see the survey results of other economies that will either validate their own direct investment data or indicate areas of inconsistency that could be usefully further explored.

The first estimates are to be reported to the IMF's Statistics Department by the end of September 2010 and are expected to be published by the end of 2010 or early in 2011. More comprehensive data will become available in 2011.

A draft *Coordinated Direct Investment Survey Guide* has been prepared and appears on the IMF's CDIS Home Page (www.imf.org/cdis). Also, a series of regional seminars on the subject commenced in 2008 and will continue in 2009. In organizing and conducting these seminars, the IMF will continue to work with the

NatStats08 Conference
19th - 21st Nov. 2008
Melbourne Australia

NatStats08 will give you an opportunity to meet with a wide range of key players involved in the production and use of the official data that informs and shapes a great deal of public and private policy and investment decisions across our nation.

This is a particularly important time in the evolution of our national statistical infrastructure as the many data custodians and producers of official statistical data seek to support the greater emphasis being placed by governments on both the importance of clearly defined outcomes for publicly funded initiatives and of establishing quantifiable measures to assess progress in achieving these outcomes.

The Conference will involve you in discussions on how we might improve and extend our measures of progress in Australian society as well as more generally improve the statistical base for the nation to assist and encourage informed decision making research and discussion within governments and the wider community in collaborative and cost effective ways.

For more information:

<http://www.nss.gov.au/natstats/natstatshome.nsf>

interagency partners mentioned above.

The OECD currently [disseminates](#) data for its member countries on direct investment transactions, positions, and income, by counterpart economy. Data are also available broken down by industry.

Direct Investment Data Reported to the IMF Have Grown Strongly Over the Past Decade

In the years 1997 to 2006, the number of countries reporting inward direct investment positions to the IMF's Statistics Department has risen by 57 percent, from 61 to 96. Those reporting outward direct investment positions have risen by 55 percent, from 52 to 81. Over that time, the reported value of the global inward direct investment positions grew 4.6 times, from \$3,138 billion to \$17,440 billion. The reported value of outward direct investment positions grew from \$3,940 billion to \$18,610 billion, a growth of 3.7 times. These increases also capture the increase in the number of countries reporting data and improved coverage by those already reporting data.

The reported value of the top 10 recipients of direct investment has risen from \$2,539 billion in 1997 to \$9,383 billion in 2006, an increase of 270 percent; see Table 1. The composition of the top 10 recipients changed substantially too. Whereas the United States and France remained the top two recipients throughout this time, with the U.S. value more than doubling and France's more than tripling, Luxembourg and China P.R. gained prominence as recipients of direct investment, with end-2006 stocks of \$1,165 billion and \$544 billion, respectively. Neither of these countries produced estimates of their direct investment positions in 1997. It should be noted that in the case of Luxembourg, a relatively small economy, much of this investment is subsequently channeled abroad. Belgium saw an almost fourfold increase, while the

Table 1. Top Ten Recipients of Direct Investment, Value of Inward Direct Investment, End-1997 and End-2006 (Millions of U.S. dollars)

Economy	End-1997	Economy	End-2006
United States	824,136	United States	2,099,426
France	399,726	France	1,344,670
United Kingdom	287,315	Luxembourg	1,164,856
Hong Kong SAR	249,360	United Kingdom	1,137,407
Germany	190,737	Hong Kong SAR	769,079
Canada	135,944	Germany	750,192
Belgium	128,728	Belgium	632,052
Netherlands	122,193	China, P.R.	544,158
Australia	101,043	Netherlands	502,226
Spain	100,025	Spain	439,379
<i>Total of top 10</i>	<i>2,539,206</i>	<i>Total of top 10</i>	<i>9,383,445</i>

Note: Valuation methods may not be uniform across countries

Table 2. Top Ten Direct Investing Economies, Value of Outward Direct Investment, End-1997 and End-2006 (Millions of U.S. dollars)

Economy	End-1997	Economy	End-2006
United States	1,068,063	United States	2,855,619
France	598,654	France	2,024,545
United Kingdom	384,272	United Kingdom	1,511,451
Germany	296,281	Luxembourg	1,075,502
Japan	271,904	Germany	1,025,166
Hong Kong SAR	235,763	Netherlands	718,829
Netherlands	198,554	Hong Kong SAR	689,018
Switzerland	165,365	Switzerland	546,614
Canada	152,969	Spain	509,172
Italy	130,668	Belgium	483,090
<i>Total of top ten</i>	<i>3,502,493</i>	<i>Total of top ten</i>	<i>11,439,006</i>

Note: Valuation methods may not be uniform across countries.

Netherlands and Spain each saw the stock of their inward direct investment quadruple. Canada and Australia dropped out of the top 10.

For outward direct investment, the top 10 direct investing economies saw the value of their total positions more than triple from \$3,502 billion in 1997 to \$11,439 billion in 2006; see Table 2. The United States, France, and the United Kingdom remained the top three investing economies throughout this period. Their total direct investment abroad in 2006 was 2.8 times, 3.4 times, and 3.9 times their 1997 levels, respectively. As with inward direct investment, one of the more striking changes between 1997 and 2006 was the emergence of the

importance of Luxembourg as a major outward direct investor: in 1997, it did not produce estimates on direct investment abroad. Another major change between 1997 and 2006 was that Japan, fifth in 1997, was not in the top 10 in 2006. Canada and Italy also dropped out.

Implementation strategy

An important element of the IMF's implementation strategy is the development of the *CDIS Guide*. The *Guide* was prepared with input from a Task Force made up of selected member economies, and regional and international organizations. To the maximum extent possible, it has drawn on the methodological guidance set out in

the draft sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)* and the fourth edition of the *OECD Benchmark Definition of Foreign Direct Investment (BD4)*.

The objectives of the *Guide* are to help identify the units to be surveyed, to describe the information to be collected, to provide model survey forms that show how the data can be collected, and to provide guidance on how to conduct a survey of direct investment entities. Printed copies of the *Guide* will be distributed to participating and other economies and is being translated into Arabic, Chinese, French, Russian, and

Spanish; these versions will be placed on the CDIS website.

As part of the process to maximize the effectiveness of the CDIS, the IMF is conducting several regional seminars on the subject. It is likely that there will be more than a dozen seminars in 2008 and 2009. The seminars in 2008 are designed to clarify concepts and to help address any survey design and survey frame issues. The seminars in 2009 will focus on participant progress and on identifying problems and how they might be resolved. Such seminars provide an excellent opportunity for compilers to share experiences on issues of concern in preparing national surveys.

In view of the potential loss of information that confidentiality constraints may cause for economies, the IMF has prepared a preliminary set of economy groupings for reporting in the CDIS. These are set out in Annex I of the *Guide*. The intention behind these groupings is to retain some information, on a regional basis, where data for individual economies cannot be divulged.

The IMF will provide technical and other assistance, but only to a limited extent. Hence, involvement of international and regional organizations in promoting the CDIS with their members has been sought. The following are some avenues that are being explored further:

- The OECD and countries in the Middle East and North Africa have created a task force to improve direct investment statistics. The OECD has offered to work with these countries in the CDIS. The OECD is also prepared to convene workshops/seminars through its network of direct investment experts, as resources permit.
- UNCTAD and regional organizations with which it is affiliated, including the

Conference on Data Quality for International Organizations

**7-8 July 2008
Rome, Italy**

The primary purpose of the conference is to provide statistical experts from international or supra-national organisations with a forum to discuss specific data quality issues related to their work and to exchange experiences regarding the various quality mechanisms developed for improving the collection and dissemination of international data. It is expected that the discussions at this year's meeting will build on the extensive work in the field of data quality assessment that has recently been undertaken by the CCSA under Eurostat's leadership, which has led to the preparation of guidelines for the Implementation of Quality Assurance Frameworks for International Organizations Compiling Statistics (refer also to SA/2007/14/Add.4 from the tenth session of the CCSA).

This year's conference offers therefore a unique opportunity to discuss how these guidelines, or specific elements thereof, can be applied in international agencies.

For more information :
<http://q2008.istat.it/>

Common Market for Eastern and Southern Africa (COMESA) Task Force on FDI Statistics, have been working to improve the quality of FDI data.

- Eurostat and the ECB are organizing seminars and workshops to provide technical assistance for their member states.
- Subject to the agreement of European Union member states, Eurostat and the ECB have indicated they may jointly take responsibility for preparing the EU component of a CDIS in collecting and processing compiled data.
- In addition to its interagency partners, indicated above, other regional organizations, such as the Centre for Latin American Monetary Studies, have been working with the IMF and with their own members to improve the quality of FDI data.

Post-assessment

The IMF will conduct a post-assessment of the compiled data and the lessons learned after revised data have been received in 2011. Participants will be asked to assess improvement in their direct investment data arising at least in part from their participation in the CDIS. The post-assessment will consider whether and how mailing lists, sample frames, data editing procedures, follow-up procedures, and related activities may have improved. The post-assessment will also help determine whether the

CDIS should be repeated, either annually, like the Coordinated Portfolio Investment Survey, or periodically.

NEWS IN BRIEF

Eurostat Manual of Supply, Use and Input-Output Tables

This manual has recently been published and is available for [download](#) on the Eurostat website.

Supply and use tables and symmetric input-output tables are an integral part of the European System of Accounts (ESA 1995). The manual discusses compilation issues and provides best practices and harmonised solutions.

In recent years the interest in these specific statistics has seen an impressive resurgence. With the globalisation of economic activities, many analysts have rediscovered the great utility of these data for several purposes of analysis and policy advice. Some examples of applications are highlighted in this document – environmental effects in the context of sustainable development, tables on physical flows, extended monetary tables or social accounting matrices. The list could easily be extended.

The strategic objective of the publication is to enhance the statistical basis in this area. The Eurostat Manual intends to ease the compilation of supply, use and input-output tables, foster quality and stimulate harmonisation of methods. The main emphasis of the Manual is to describe the methodologies and procedures for the compilation of supply, use and input-output tables in the European Union.

The 2008 release is consequently derived from a 2002 version; it further elaborates intelligibility and transparency. The theoretical explanation of the compilation steps is accompanied by a complete set of empirical tables, which illustrates the recommendations using real data. Boxes examine special issues in more detail and flow diagrams visualise concepts and interrelations. Moreover, various numerical examples provide an easy access to the complex compilation procedures.

Due to its clear focus on the practical implementation, the Eurostat Manual complements SNA 1993 and ESA 1995 as well as the United Nations' Handbook of Input-Output Table Compilation and Analysis' of 1999. For national accounts experts the Eurostat Manual may serve as reference book. Finally, interested data users may also benefit from this publication as a source of background information and clarification.

Official French Statistics Portal (Portail de la statistique publique française)

The web Portal of official statistics has been established at the request of the French National Council for Statistical Information ([Cnis](#)) to enable the public to have better access to all the statistical information produced by official statistics.

Official statistics are produced in France by many agencies. The National Institute for Statistics and Economic Studies ([Insee](#)) compiles statistics on population and businesses. Statistical departments of ministries, ([SSM](#)), as well as by other public bodies according to their area of expertise, complement and broaden this information with specialized statistics (agriculture, education, industry, tourism...). Each of these services publishes, be it on paper or on-line, statistics it produces. The work programmes of official statistics are presented annually to the CNIS. The latter, through its committee, delivers to new surveys, if they do meet the criteria notably opportunity and conformity, a [label](#) of general interest and statistical quality.

The web portal provides a unified access to these statistics sometimes scattered over several sites. It is fed by the websites of official statistics producers (INSEE, statistical departments of ministries and other qualified bodies). The list and the links to these websites are available in the national category [Territorial websites](#). <http://www.statistique-publique.fr>

BIAC Newsletter, March 2008

In this issue, BIAC speaks about the importance of keeping markets open for sovereign wealth funds. In addition, some of the significant policy work currently on the BIAC agenda, as well as some important upcoming events are highlighted.

Headlines include:

- Keep OECD markets open for Sovereign Wealth Funds
- Climate Change and Innovation top the agenda at April G8 Business event
- Economics of climate change to be addressed at OECD Council Ministerial in June
- BIAC Organising Business Stakeholder Meeting at OECD Ministerial on the Future of the Internet Economy, Seoul, Korea June 16-18
- BIAC Nanotechnology experts to meet in New York on May 7
- Business experts increasingly engaged with OECD on Environment
- BIAC welcomes business organisations in Brazil, Chile, Slovenia and South Africa as new Observers
- OECD Competition Committee Celebrates its 100th Session with Meeting to Highlight Past Accomplishments and Future Challenges

The newsletter can also be found online at: www.biac.org/comms/newsletter/BIACNewsMar08.pdf.

RECENT PUBLICATIONS

All OECD publications can be ordered on line at:
www.oecd.org/bookshop

▲ OECD-FAO Agricultural Outlook 2008-2017

This edition covers the outlook for commodity markets during the 2008 to 2017 period, and brings together the commodity, policy and country expertise of both Organisations. The report analyses world market trends for the main agricultural products, as well as biofuels. It provides an assessment of agricultural market prospects for production, consumption, trade, stocks and prices of the included commodities.

For further information see: www.agri-outlook.org

▲ African Economic Outlook 2008

This fact-filled reference book brings the reader the latest available economic information for most of the economies of Africa. Drawing on the expertise of both the African Development Bank and the OECD, it opens with an overview that examines the international environment, macroeconomic performance, progress towards attaining the Millennium Development Goals, and governance and political issues. This edition includes a special focus on technical and vocational skills development. The second part provides individual country reports for 35 countries. Each country report provides an assessment of recent economic performance, projections for 2008 and 2009, an examination of structural issues, and a discussion of the political and social context.

▲ A Profile of Immigrant Populations in the 21st Century: Data from OECD Countries

This publication presents and discusses some of the key information available in the newly created Database on Immigrants in OECD Countries (DIOC). The many graphs and tables include data on: immigrants' demography including age, gender and duration of stay; and their labour market outcomes including labour market status, occupation and sector of activity.

▲ Geographical Distribution of Financial Flows to Developing Countries: Disbursements, Commitments, Country Indicators, 2002-2006: 2008 Edition

This publication provides comprehensive data on the volume, origin and types of aid and other resource flows to around 150 developing countries. The data show each country's intake of official development assistance and well as other official and private funds from members of the Development Assistance Committee of the OECD, multilateral agencies and other key donors. Key development indicators are given for reference.

OUT SOON

▲ OECD Employment Outlook 2008

As ageing populations put more downward pressure on economic growth in the coming decades, it is essential that OECD countries improve labour market performance. This edition of OECD's annual report on labour markets brings the reader not only detailed information on recent labour market developments, but also in-depth analysis of the effects of various policy measures and prospects through 2009. The analysis includes coverage of the youth labour market in OECD Countries; informal employment and undeclared work; labour market discrimination and policies to combat it; the link between job stress and mental health problems; and the pay and working conditions offered by multinational firms. This book includes StatLinks, URLs which link statistical tables and graphs to Excel spreadsheets on the internet.

▲ Environmental Performance of Agriculture at a Glance

In OECD countries, agriculture uses on average over 40% of land and water resources, and thus has significant affect on the environment. This report provides the latest and most comprehensive data and analysis on the environmental performance of agriculture in OECD countries since 1990. It covers key environmental themes including soil, water, air and biodiversity and looks at recent policy developments in all 30 countries.

The **Statistics Newsletter** is published by the **Statistics Directorate of the OECD**

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Deadline for articles for the next issue:

30 August 2008

Contributors in this issue:

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Forthcoming OECD Meetings

N.B. Unless otherwise indicated attendance at OECD meetings and Working Parties is by invitation only

2008	
23-24 June	Working Party on Private Pensions, Insurance and Private Pensions Committee, Directorate for Financial and Enterprise Affairs, Paris, France
23-24 June	Short-term Economic Statistics Working Party (STESWP), Directorate for Statistics, Paris
24-25 June	Committee on Fiscal Affairs, Centre for Tax Policy and Administration, Paris, France
25 June	Task Force on Insurance Statistics, Directorate for Financial and Enterprise Affairs, Paris, France
22-24 September	8 th Annual Workshop of Greenhouse Gas Emission Trading, International Energy Agency, Paris, France. See http://www.iea.org/Textbase/work/workshopdetail.asp?WS_ID=381 for more information.
22-24 September	Working Party on Trade in Goods and Trade in Services Statistics (WPTGS), Directorate for Statistics, Paris, France
29 September-1 October	CERI Schooling for Tomorrow Conference: A Decade of Schooling for Tomorrow, Centre for Educational Research and Innovation Governing Board (CERI), Paris, France
6-7 October	Committee on Energy Research and Technology (CERT), International Energy Agency, Paris
6-7 October	18 th Meeting of the Working Group on Chemical Accidents, Working Group on Chemical Accidents, Environment Directorate, Bordeaux, France
6-8 October	Working Group on International Investment Statistics (WGIIIS), Directorate for Financial and Enterprise Affairs (DAF), Paris, France
24-27 November	21 st meeting of the Wiesbaden City Group on Business Registers, Directorate for Statistics, Paris, France

Other Statistics Meetings

2008	
15-17 July	United Nations Expert Group Meeting on Industrial Statistics, New York, United States.
21-24 July	Workshop on the Organization of National Statistical Systems and User-Producer Relations Colombo, Sri Lanka.
19-22 August	United Nations Workshop on Manufacturing Statistics, Santiago, Chile
10-13 October	2008 Annual Meetings of the International Monetary Fund and the World Bank, Washington, D.C., United States.
14-16 October	IAOS Conference on Reshaping Official Statistics, Shanghai, China. For more information, see: http://isi.cbs.nl/iaos/
19-22 October	Third Global Congress of Women in Politics and Governance, theme "Gender and Climate Change", Manila, Philippines. For more information, see http://www.capwip.org



Training Course
**"Statistics, Knowledge and Policy:
Understanding Societal Change"**
September 16th to 19th 2008, Siena (Italy)

Target Audience: 20 high flying future leaders from around the world (statisticians, economists, policy analysts, government officials and researchers).

Main focus: The importance of statistics for democracy and democratic decision-making; measures of progress that go "beyond GDP"; tools to transform statistics into knowledge; evidence, civic engagement and policy making; the role of National Statistical Offices in the 21st Century.

Scope: Is life getting better? Are our societies making progress? How many of us have the evidence to answer these questions? The world is changing and there is a global need, in this 'information age', to better understand social change.

To learn more about how to use measurement, analytical and communication tools, the OECD, in collaboration with the Richard Goodwin School of Economics of the University of Siena and STATEC Luxembourg, has organised a training course on "**Statistics, Knowledge and Policy: Understanding Societal Change**".

The course, organised in the context of the Project on "*Measuring the Progress of Societies*" has been designed to provide assistance to those wanting to understand the progress of their societies and formulate evidence-based policies.

Teachers: Outstanding experts from international organisations and academic institutions.

Practical information: The Summer School will be held at the "Scuola Superiore Santa Chiara" of the Siena University, in Siena, Italy, one of the most beautiful and historical Italian cities. The course will be in English. Participants will need to be able to cover their own expenses. The course will begin at 3pm on 16th September and finish at lunch time on the 19th. The participation fee (900 euros) includes:

- accomodation (3 nights)
- breakfast and lunches (3 days)
- coffee breaks
- a CD/DVD with all training materials.

Registration: Space is limited to just 20 applicants and participants will be selected according to their role and experience, in order to achieve a good balance for peer to peer learning. Applicants should write to Ms Barbara Iasiello barbara.iasiello@oecd.org (or contact her at +33 (0) 145249436), attaching a CV. The deadline for registration is 31st July 2008.

Visit our website at www.oecd.org/oecdworldforum for more information