

I. SUMMARY OF OUTCOMES OF THE THIRD MEETING OF THE DIRECT INVESTMENT TECHNICAL EXPERT GROUP (DITEG)¹

A. of

B. IMF Committee on Balance of Payments Statistics

C. and

D. OECD Workshop on International Investment Statistics

E. 7-11 March 2005, OECD Headquarters, Paris

The third meeting of the Direct Investment Technical Expert Group (DITEG) was held on 7-11 March 2005 at OECD Headquarters, in Paris. DITEG agenda included (i) issues pending from previous meetings for more research; and (ii) issues not previously discussed. At this last meeting, DITEG finalised its review and recommendations of all the items in the consolidated IMF/OECD list of topics requested by the IMF Balance of Payments Committee (Committee) and the OECD Workshop on International Investment Statistics (WIIS). The present summary includes the agenda items of the meeting and related outcome papers and administrative matters.

F. AGENDA

(i) Issues discussed but not concluded at DITEG December 2004 meeting

Issue #11: SPEs: Inclusion in direct investment of transactions between non-financial direct investment enterprises and affiliated financial SPE

See outcome paper (to be prepared by Carlos Sanchez Muñoz)

Issue #21: Various special cases: Banking entities

See outcome paper (to be prepared by Roger De Boeck and John Joisce)

Issue #14: Permanent debt between affiliated financial intermediaries

See outcome paper (to be prepared by Ralph Kozlow).

Issue #1: Valuation of direct investment equity

See outcome paper (to be prepared by John Joisce).

Issue #12: Country identification (Ultimate beneficial owner/Ultimate destination)

See outcome paper (to be prepared by Mark van Wersch)

1. For the list of participants please refer to DITEG's terms of reference.

Issue #3: Indirect investment: Fully Consolidated System, U.S. Method or 50 per cent ownership

See outcome paper (to be prepared by John Joisce)

Issue #20: Define terms more clearly

See outcome paper (to be prepared by Ayse Bertrand).

(ii) Issues deferred from DITEG December 2004 meeting

Issue #24: Direct investment stock (financial versus economic measurement)

See outcome paper (to be prepared by Roger De Boeck and Ralph Kozlow)

Issue #23: Inter-company transactions and amounts outstanding with fellow subsidiaries

See outcome paper (to be prepared by Yesim Sisik).

Issue #17: Multi-territory enterprises

For information (see BOPTEG outcome paper)

Issue #27: Principles for classification by industry (according to direct investor or direct investment enterprise)

See outcome paper (to be prepared by Paolo Passerini).

Issue #30: Mutual funds (units, sectorisation, transactions)

See outcome paper (to be prepared by John Joisce)

Issue #26: Accounting methods and the IAS

See background document (by Lidia Troshina)

Issue #25: Valuation of real estate

See outcome paper (to be prepared by Bruno Terrien).

Issue #21B: Various special cases: Shipping

See outcome paper (to be prepared by Yesim Sisik).

Issue #21C: Various special cases: Construction and natural resource exploration

See outcome paper (to be prepared by Lidia Troshina).

Issue #18: Application of direct investment to government

For information (see BOPTEG outcome paper)

Issue #15: Land and buildings owned by non-residents

See outcome paper (to be prepared by John Joisce)

G.

H. ADMINISTRATIVE MATTERS

The DITEG agreed that:

- (i) the outcome papers are to be prepared by the authors of the relevant issues papers. It was agreed that drafts would be prepared by 18 March 2005, if at all possible, for transmittal to the DITEG secretariat;
- (ii) the secretariat will circulate the draft outcome papers and summary of the conclusions to the members who will provide their comments by 1 April 2005 to the secretariat. After the outcome papers and summary of conclusions are finalized, they will be posted on the IMF's, OECD's and BEA's external website as from 8 April 2005.