

THE COUNCIL,

Having regard to the Resolution of the Council of 7th March 1967, concerning the Improvement of Capital Markets entrusting a group of official statisticians with examining how financial statistics can be improved [C/M(67)4 (Final), Item 36 b)];

Having regard to the Recommendation of the Council of 23rd March 1976, relating to the improvement of information on the activities of multinational enterprises [C(76)43], and its reference to a list of fourteen items which are defined in the report by the Industry Committee [IND(75)2];

Having regard to the Resolution of the Council of 13th June 1979, endorsing the recommendations of the Report of the Committee on International Investment and Multinational Enterprises on the Review of the 1976 Declaration and Decisions on international investment and multinational enterprises which include periodical analytical studies of recent trends in international direct investment flows [C/M(79)16 Part I (Final), Item 163 a) to j)];

Having regard to the Resolution of the Council of 28th November 1979 on the Terms of Reference of the Committee on International Investment and Multinational Enterprises [C(79)210(Final)];

Recognising, with the Committee on International Investment and Multinational Enterprises, the deficiencies of the data at present collected on international direct investment, in particular from a comparability point of view;

1. RECOMMENDS that Member countries bring progressively their methodology closer to the detailed benchmark definition of foreign direct investment as set out in Annex II to Document C(82)141 as they change their methods of collection and processing of data on foreign direct investments;

2. INSTRUCES the Committee on International Investment and Multinational Enterprises, with the collaboration of the Group of Financial Statisticians, to co-ordinate within OECD the collection of information on international direct investment and multinational enterprises, and to collect and publish, at regular intervals, as part of the periodical studies of recent trends in international direct investment flows, available Member country stock and flow data on inward and outward foreign direct investments; these data should be accompanied by notes describing the areas where the methodology used differs from the benchmark definition.

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In adopting this Recommendation, the Council:

1. NOTED the Report by the Committee on International Investment and Multinational Enterprises [C(82)141 and Corrigendum 1] and its Annex II prepared at the request of the Committee, by the Group of Financial Statisticians of the Committee on Financial Markets, which provide a detailed benchmark definition of foreign direct investment compatible with the general benchmark definition of the International Monetary Fund Balance of Payments Manual, and which supersedes the definition of items 2, 3, 12, 13 in the list of fourteen items used by the Industry Committee in its work on the improvement of information on the activities of multinational enterprises;

2. AGREED to the derestriction of the Recommendation and of the above document C(82)141 and Corrigendum 1 and the annexes thereto.