



GFS Notice of Decision

1.10 Super-dividends and Reinvested Earnings of FDI Entities¹

GFS Notice of Decision²:

In the update to the *GFSM 2014*, guidance on actual distributions from foreign direct investment (FDI) entities to their domestic public sector owners/investors (*GFSM 2014* para. 5.134) will be updated to explain that these payments are not divided into regular dividends and super-dividends. Instead, all payments, from both distributable income of the current period and accumulated retained earnings of previous periods (accumulated reserves), should be recorded as dividends (GFS code 1412). However, other distributions from these FDI entities, such as those generated through the sale of assets, will be treated as withdrawal of equity (GFS code 3225).

The conceptual treatment of other aspects of retained/reinvested earnings of FDI entities (*GFSM 2014* para. 5.134-5.135) will remain unchanged. However, where necessary, textual amendments to clarify its full alignment with [BPM7](#) (paras. 12.50-12.56) will be incorporated.³

Similarly, the conceptual guidance (*GFSM 2014* paras. 5.115-5.116) on distinguishing between dividends and super-dividends when assessing distributions from corporations to their owners will remain unchanged, but the paragraph will be amended to clarify that it applies only to resident corporations.

GFS Related Documents:

GFS Proposed Recommendations Document	GFSM PR 1.10
GFS Discussion Note	Not applicable
GFS Global Consultations	April 2025
Discussions at GFSAC Meeting(s)	May 2025
SNA/BPM Related Documents:	
Guidance/Issue Note	SNA/BPM: GN D.17 ; GN F.2

¹ Previous title was "Super-dividends and Reinvested Earnings of Public Corporations" but this has been amended to reflect that the Notice of Decision relates only to FDI entities.

² The final language used in the updated GFSM will be subject to review during the manual drafting phase to ensure consistency throughout the updated GFSM.

³ This text has been added to clarify that the GFSM will align with the *BPM7* on the treatment of retained/reinvested earnings of FDI entities, including on the recording of negative reinvested earnings in the cases where the dividends declared in a period are larger than the distributable income in that period.



STATISTICS

GFSM 2014 update

Global Consultation(s)	BPM: June 2021 ; February 2021 SNA: July 2022 ; November 2021
Discussions at the AEG/BOPCOM⁴ Meeting(s)	BOPCOM: June 2021 ; February 2021 Joint AEG/BOPCOM: October 2022 ; March 2022

⁴ AEG = Advisory Expert Group on National Accounts, BOPCOM = Balance of Payments Committee