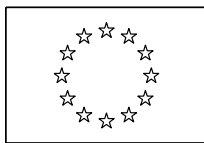


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**European Networking Exercises: The FDI Network**

**Prepared by the European Central Bank and Eurostat**





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24 September 2014

## **Networking Exercises: The FDI Network**

*For information of the IMF Balance of Payments Committee*

### **1. Introduction**

The purpose of this paper is to inform the IMF Committee on Balance of Payments Statistics on the 'FDI Network'. This project was launched in June 2009, under the auspices of Eurostat and the ECB, to reduce asymmetries and increase the internal consistency of the EU and euro area balance of payments statistics. The FDI Network is a secure tool for FDI compilers to exchange information (micro data) on FDI transactions and (since 2012) positions, while preserving the confidentiality of the data. Although it does not allow for the reconciliation of all transactions and positions, bilateral exchange of micro data between statisticians is considered as a good practice to reduce asymmetries and to identify the reasons behind them. Since its implementation in June 2009 and progressively, 27 Member States of the European Union have joined the Network.

### **2. Background**

Participation in the FDI Network is based on the following principles:

- It is a voluntary exercise.
- FDI compilers participating in the Network undertake to follow the rules and provisions laid down in the FDI Network Manual, which was produced by ECB/Eurostat and is updated regularly<sup>1</sup>.
- Any obligation of Eurostat or DG Statistics of the ECB under the FDI Network Manual shall be without prejudice to the rights and obligations with respect to the collection, transmission, dissemination and other uses of information, as laid down in primary or secondary Community legislation or elsewhere.

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<sup>1</sup> The FDI Network Manual of January 2013 is attached as an annex to this note.

### **3. Legal framework for the transmission of confidential data**

The transmission and exchange of confidential data in the context of the FDI Network is foreseen exclusively for statistical purposes and in particular for the purpose of increasing the consistency/quality of the EU/euro area balance of payments statistics. The transmission of confidential data is enabled pursuant to the Regulation (EC) No 184/2005 of the European Parliament and of the Council of 12 January 2005 on Community statistics concerning balance of payments, international trade in services and foreign direct investment (as revised)<sup>2</sup>, the Regulation (EC) No 223/2009 of 11 March 2009 on European Statistics<sup>3</sup>, Council Regulation (EC) No 2533/98 of 23 November 1998 concerning the collection of statistical information by the European Central Bank<sup>4</sup> and Guideline of the European Central Bank of 9 December 2011 on the statistical reporting requirements of the European Central Bank in the field of external statistics (recast) (ECB/2011/23)<sup>5</sup>.

### **4. Technical framework for a bilateral exchange of FDI transactions and FDI positions**

The exchange of micro level data on FDI transactions and positions between FDI compilers is based on a secure data exchange via the Eurostat data transmission tool “eDAMIS”. Eurostat acts as the 'mail box' receiving the encrypted file sent by the Member State wishing to share information on particular transactions/positions. Eurostat then decrypts the file (it can be Excel as well) to find out which is the counterpart country of the FDI transaction/position, encrypts the file again and forwards it to the counterpart country. The information is shared only between those countries which are parties to the financial transaction/position. The concerned countries will then try to reconcile their data.

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<sup>2</sup> Regulation (EC) No 184/2005 of the European Parliament and of the Council of 12 January 2005 on Community statistics concerning balance of payments, international trade in services and foreign direct investment, OJ L 35, 8.2.2005, p. 23.

<sup>3</sup> Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities (Text with relevance for the EEA and for Switzerland), OJ L 87, 31.3.2009, p. 164.

<sup>4</sup> Council Regulation (EC) No 2533/98 of 23 November 1998 (as amended by Council Regulation (EC) 951/2009) of 9 October 2009 concerning the collection of statistical information by the European Central Bank, OJ L 318, 27.11.1998, p. 8.

<sup>5</sup> Guideline of the European Central Bank of 9 December 2011 on the statistical reporting requirements of the European Central Bank in the field of external statistics (recast) (ECB/2011/23) (2012/120/EU), OJ L 65, 03.03.2012, p. 1-44.

## 5. Results of the network exercise

### *Reconciliation of FDI transactions*

Since its implementation in June 2009 the exchanges have been concentrated on FDI transactions. Specific exercises on the exchange of positions took place between May and June 2012 and May and June 2013 in order to better understand bilateral inconsistencies.

This section provides an overview of both the number of transactions exchanged (Table 1) and the corresponding amounts (Table 2) through the FDI Network, broken down into four periods: June 2009-2010, 2011, 2012 and 2013. Countries' involvement is shown not only in their ability to initiate an exchange, but also in their participation as respondents or counterparts of the exchanges initiated by other Network users.

For the reference year 2013, 143 transactions' requests were initiated via the FDI Network, which accounted for a total amount of € 478.3 bn (gross value). Three Member States of the European Union contributed to 77 % of the total number of reconciliation's requests for FDI transactions, which contributed to 86% of the total amounts in EUR to be reconciled.

**Table 1: Number of transactions analysed through the FDI Network, by period**

	Initiated by					(Acting as) Counterpart				
	2009-2010	2011	2012	2013	Total	2009-2010	2011	2012	2013	Total
Austria	12	17	4	4	37	3	4	6	1	14
Belgium	24	1	12	0	37	37	22	15	20	94
Bulgaria	4	0	0	0	4	0	1	0	1	2
Cyprus	0	7	2	1	10	3	2	0	2	7
Czech Republic	8	0	2	0	10	0	0	5	9	14
Denmark	2	1	0	0	3	2	2	3	2	9
Estonia	0	2	2	0	4	0	1	0	0	1
Finland	1	2	2	17	22	0	1	1	4	6
France	5	11	13	7	36	11	8	4	1	24
Germany	10	9	4	0	23	16	20	18	22	76
Greece	2	0	0	1	3	0	2	1	1	4
Hungary	2	8	1	2	13	2	2	0	0	4
Ireland	0	0	1	0	1	3	6	11	4	24
Italy	2	14	22	13	51	3	9	4	1	17
Latvia	0	1	0	0	1	0	0	1	0	1
Lithuania	1	0	0	0	1	0	1	0	0	1
Luxembourg	18	28	13	16	75	41	32	38	24	135
Malta	0	0	0	0	0	1	2	3	5	11
Netherlands	46	31	55	77	209	22	34	24	19	99
Poland	2	4	4	0	10	1	2	0	1	4
Portugal	0	2	3	2	7	1	1	0	0	2
Romania	0	0	0	0	0	1	0	0	1	2
Slovakia	0	0	0	0	0	1	0	0	0	1
Slovenia	0	1	3	0	4	0	0	0	0	0
Spain	6	4	1	2	13	4	9	6	4	23
Sweden	15	12	1	1	29	7	3	6	8	24
United Kingdom	8	24	16	0	48	9	15	15	13	52
<b>EU total</b>	<b>168</b>	<b>179</b>	<b>161</b>	<b>143</b>	<b>651</b>	<b>168</b>	<b>179</b>	<b>161</b>	<b>143</b>	<b>651</b>

**Table 2: Transaction amounts involved through the FDI Network, by period (€ billion)**

	Initiated by					(Acting as) Counterpart				
	2009-2010	2011	2012	2013	Total	2009-2010	2011	2012	2013	Total
<b>Austria</b>	19.2	43.2	2	1.1	<b>65.5</b>	6	7.9	7.1	2.5	<b>23.5</b>
<b>Belgium</b>	77.1	8.2	97.2	0.0	<b>182.5</b>	154.7	88.2	58.6	82.7	<b>384.2</b>
<b>Bulgaria</b>	0.5	0	0	0.0	<b>0.5</b>	0	0.1	0	0.2	<b>0.3</b>
<b>Cyprus</b>	0	2.5	0.3	0.2	<b>3.0</b>	2.3	0.7	0	1.7	<b>4.7</b>
<b>Czech Republic</b>	4.8	0	4	0.0	<b>8.8</b>	0	0	2.8	10.0	<b>12.8</b>
<b>Denmark</b>	2.7	2.8	0	0.0	<b>5.5</b>	9.6	2.6	7.2	8.5	<b>27.9</b>
<b>Estonia</b>	0	1.4	1.6	0.0	<b>3.0</b>	0	0.8	0	0.0	<b>0.8</b>
<b>Finland</b>	0.6	2.8	5.7	77.9	<b>87.0</b>	0	3	0.9	7.8	<b>11.7</b>
<b>France</b>	19.3	33.3	27.3	13.9	<b>93.8</b>	30.6	21	9	0.3	<b>60.9</b>
<b>Germany</b>	29.7	27.7	15.5	0.0	<b>72.9</b>	45	54.9	53.5	60.1	<b>213.5</b>
<b>Greece</b>	1	0	0	0.6	<b>1.6</b>	0	0.1	2.3	0.2	<b>2.6</b>
<b>Hungary</b>	9.7	53.8	3	7.3	<b>73.8</b>	9.9	10.5	0	0.0	<b>20.4</b>
<b>Ireland</b>	0	0	29	0.0	<b>29.0</b>	7.3	30.5	50.6	26.0	<b>114.4</b>
<b>Italy</b>	10.4	25.8	41.2	35.3	<b>112.7</b>	3.6	16.7	12.6	4.6	<b>37.5</b>
<b>Latvia</b>	0	0.8	0	0.0	<b>0.8</b>	0	0	0.8	0.0	<b>0.8</b>
<b>Lithuania</b>	0.2	0	0	0.0	<b>0.2</b>	0	0.7	0	0.0	<b>0.7</b>
<b>Luxembourg</b>	57.9	194.7	126	49.5	<b>428.1</b>	169.1	155.1	143.9	126.5	<b>594.6</b>
<b>Malta</b>	0	0	0	0.0	<b>0.0</b>	0	5	1.7	7.9	<b>14.6</b>
<b>Netherlands</b>	220.9	138.5	175.6	278.2	<b>813.2</b>	50.5	134.7	163.1	51.7	<b>400.0</b>
<b>Poland</b>	1.6	3.8	12.8	0.0	<b>18.2</b>	0.2	4.8	0	1.4	<b>6.4</b>
<b>Portugal</b>	0	4.1	5.4	2.4	<b>11.9</b>	7.5	0.6	0	0.0	<b>8.1</b>
<b>Romania</b>	0	0	0	0.0	<b>0.0</b>	0.2	0	0	0.8	<b>1.0</b>
<b>Slovakia</b>	0	0	0	0.0	<b>0.0</b>	0.5	0	0	0.0	<b>0.5</b>
<b>Slovenia</b>	0	0.1	0.8	0.0	<b>0.9</b>	0	0	0	0.0	<b>0.0</b>
<b>Spain</b>	23.5	12.6	2	9.5	<b>47.6</b>	14.2	50.3	16.3	18.6	<b>99.4</b>
<b>Sweden</b>	49.1	31.2	5.8	2.5	<b>88.6</b>	12.7	3.2	17.2	20.0	<b>53.1</b>
<b>United Kingdom</b>	23.2	85.4	68.9	0.0	<b>177.5</b>	27.6	81.4	76.1	46.8	<b>231.9</b>
<b>EU total</b>	<b>551.5</b>	<b>672.8</b>	<b>623.9</b>	<b>478.3</b>	<b>2326.5</b>	<b>551.5</b>	<b>672.8</b>	<b>623.9</b>	<b>478.3</b>	<b>2326.3</b>

### *Reconciliation of FDI positions*

The second annual exercise to exchange FDI positions took place between May-June 2013. This section provides an overview of both the number of positions exchanged (Table 3) and their corresponding amounts (Table 4) grouped by reference periods: end 2011, end 2012 or other reference periods. Between May-June 2013, Member States exchanged more data on positions than the total number of transactions exchanged over the whole 2013 year: 192 requests were formulated on positions against 143 on transactions. These 192 exchanges on positions' data initiated via the FDI Network accounted for a total amount of € 1,452 bn.

Almost 90% of them aimed at reconciling positions at end 2011, and a very large majority of the requests took place on equity positions (81% of the total number of cases, nearly 84% of the total amounts engaged), compared to other capital. Three Member States of the European Union contributed to 41% of the total number of reconciliations' requests for FDI positions, corresponding to 72% of the total amounts in EUR channelled through the Network.

Table 3: Number of positions analysed through the FDI Network in 2013, by country and reference period

Ref. period	Initiated by				(Acting as) Counterpart			
	Other (*)	end 2011	end 2012	All periods	Other (*)	end 2011	end 2012	All periods
Austria	1	14	0	15	0	2	3	5
Belgium	0	13	0	13	0	9	0	9
Bulgaria	0	4	0	4	0	1	0	1
Cyprus	0	5	0	5	0	7	0	7
Czech Republic	0	1	0	1	0	2	0	2
Denmark	0	0	0	0	0	0	0	0
Estonia	0	0	0	0	0	0	0	0
Finland	0	0	0	0	1	0	0	1
France	0	10	0	10	0	6	1	7
Germany	4	9	0	13	0	6	0	6
Greece	0	0	0	0	0	4	0	4
Hungary	0	3	0	3	0	4	0	4
Ireland	0	0	0	0	2	16	0	18
Italy	0	24	0	24	0	6	1	7
Latvia	0	0	1	1	0	0	0	0
Lithuania	0	0	0	0	0	0	1	1
Luxembourg	0	35	0	35	5	28	0	33
Malta	0	0	0	0	0	5	0	5
Netherlands	9	22	0	31	0	25	0	25
Poland	0	8	0	8	0	3	0	3
Portugal	0	5	0	5	0	2	0	2
Romania	0	0	0	0	0	4	0	4
Slovakia	0	0	0	0	0	0	0	0
Slovenia	0	0	5	5	0	1	0	1
Spain	0	16	0	16	0	2	0	2
Sweden	0	3	0	3	0	2	0	2
United Kingdom	0	0	0	0	6	36	0	42
Norway	0	0	0	0	0	1	0	1
<b>TOTAL</b>	<b>14</b>	<b>172</b>	<b>6</b>	<b>192</b>	<b>14</b>	<b>172</b>	<b>6</b>	<b>192</b>

(\*) In this table, "Other" refers to requests for reconciliation on FDI positions either at end 2010, at end of a given month/quarter, or unknown reference period

Table 4: Amounts of positions analysed through the FDI Network in 2013, by country and reference period (€ billion)

Ref. period	Initiated by				Involved as counterpart's entity			
	Other (*)	end 2011	end 2012	All periods	Other (*)	end 2011	end 2012	All periods
Austria	0.1	23.6	0.0	23.7	0.0	3.5	0.7	4.2
Belgium	0.0	201.2	0.0	201.2	0.0	53.2	0.0	53.2
Bulgaria	0.0	0.8	0.0	0.8	0.0	1.6	0.0	1.6
Cyprus	0.0	4.8	0.0	4.8	0.0	47.8	0.0	47.8
Czech Republic	0.0	3.1	0.0	3.1	0.0	6.2	0.0	6.2
Denmark	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Estonia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Finland	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1
France	0.0	60.6	0.0	60.6	0.0	30.3	0.2	30.6
Germany	27.4	60.4	0.0	87.8	0.0	16.7	0.0	16.7
Greece	0.0	0.0	0.0	0.0	0.0	4.4	0.0	4.4
Hungary	0.0	2.6	0.0	2.6	0.0	22.3	0.0	22.3
Ireland	0.0	0.0	0.0	0.0	6.7	81.2	0.0	87.9
Italy	0.0	87.3	0.0	87.3	0.0	14.0	0.3	14.3
Latvia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lithuania	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Luxembourg	0.0	359.8	0.0	359.8	120.1	331.5	0.0	451.6
Malta	0.0	0.0	0.0	0.0	0.0	16.8	0.0	16.8
Netherlands	227.1	252.4	0.0	479.5	0.0	163.4	0.0	163.4
Poland	0.0	11.0	0.0	11.0	0.0	8.4	0.0	8.4
Portugal	0.0	8.2	0.0	8.2	0.0	6.9	0.0	6.9
Romania	0.0	0.0	0.0	0.0	0.0	5.5	0.0	5.5
Slovakia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Slovenia	0.0	0.0	1.2	1.2	0.0	0.2	0.0	0.2
Spain	0.0	103.5	0.0	103.5	0.0	2.4	0.0	2.4
Sweden	0.0	17.0	0.0	17.0	0.0	1.5	0.0	1.5
United Kingdom	0.0	0.0	0.0	0.0	127.7	376.9	0.0	504.6
Norway	0.0	0.0	0.0	0.0	0.0	1.4	0.0	1.4
<b>TOTAL</b>	<b>254.7</b>	<b>1196.2</b>	<b>1.2</b>	<b>1452.0</b>	<b>254.7</b>	<b>1196.2</b>	<b>1.2</b>	<b>1452.0</b>

(\*) In this table, "Other" refers to requests for reconciliation on FDI positions either at end 2010, at end of a given month/quarter, or unknown reference period

## **6. Possible impact on asymmetries**

The analysis of the results of the FDI Network on the exchange of transactions showed that inconsistencies could only be partly addressed in the most recent exercise. For the exercise conducted for year 2012, closed cases classified either as 'matched after investigation' or 'reconciled including correction' account for 14% of the total number of cases, corresponding to 11% of the transaction values. Also for year 2013, the closed cases may have a positive, but rather limited impact on the asymmetries: less than 7% of the requests for transactions corresponding to 11% of total transaction values and less than 7% of the requests for positions corresponding to 4% of total positions values led to corrections of FDI data. Regarding the results of the exercise, further action may be needed.

## **7. Lessons learnt from the recent exercise**

The conclusions from last year's reconciliation exercise through the Network were:

- More exchanges took place on FDI positions during May-June 2013, when the exercise was conducted, than on FDI flows during the whole year (the exchange of transactions runs over the entire year).
- Several Member States of the European Union were not actively engaged in the exchanges: only 12 Member States of the European Union presented at least one request on transactions and 17 participants were interested in reconciling their external positions vis-à-vis another partner.
- The number of requests which failed to be reconciled was important, which obviously negatively impacts on the asymmetries.
- Too many cases were not yet solved two months after the closure date of the reference period, in most cases because of no reply from the counterpart of the transaction/position.

## **8. Way forward**

In order to improve the results of the FDI Network, Eurostat launched as a first step a general consultation in May 2014 in order to collect participants' views towards a possible improvement of the functioning of the FDI Network. 25 Member States of the European Union have provided their views.

Based on the replies, the following issues were considered as relevant by Member States and the related actions are proposed:

### ***IT related issues***

Several contributions emphasized the importance of solving technical 'IT' constraints, like the number of failures or a time consuming data transmission procedure, and the wish to receive more data transmission feed-back.

In response to the Member States concerns, Eurostat noted that it was committed to improve the technical performance of the network by:

- taking measures to ensure that the technical problems experienced by some Member States are appropriately solved;
- if necessary, contacting the concerned countries on an ad-hoc basis;
- further investigating the possibility of using "secure" mails to fasten the process. The feasibility of implementing a better feed-back vis-à-vis initiating countries will be assessed;



- investigating the possibility to insert "automatic" reminders whenever the time is exceeded or, alternatively, warning the participant (by mail inside the network only) thorough regular monitoring of transactions/positions initiated in the system.

Almost 80% of the respondents declared being satisfied with the current encryption procedure. It will remain unchanged and further constitute the basis for initiating and exchanging confidential information on a secured basis.

### ***Definition and use of a status in the reconciliation process***

Currently six different statuses have been created and are currently used by the network users to identify the different steps of the reconciliation process: 'pending - waiting for contact', 'reconciliation in progress', 'closed - directly matched', 'closed – matched (investigation)', 'closed – reconciled (correction)' and 'closed - reconciliation failed'. The need for further clarifications in the use of the different statuses has been expressed by some Member States. In response to the comments, Eurostat and the ECB will revise parts of the FDI Network Manual related to the description of the reconciliation process, by inserting exact definitions of the different 'closed' statuses. Network users must have a common understanding and interpretation statuses.

### ***Communication among the Network participants***

In the course of the 2013 exercise, the communication between the initiator and the counterpart showed room for improvement. In this view, the Member States indicated the need of implementing deadlines at different stages of the reconciliation process, starting with the delivery of an acknowledgment of receipt issued by the counterpart. As in cases of no reply by the counterpart, Eurostat's possibilities to push for bilateral contacts were considered - because the exercise is run on a voluntary basis – as rather limited. In order to address this issue, Eurostat will review - starting from January 2015 - the FDI Network contact list twice a year, most likely at the beginning of each year and in May-June, which is the window period for the exchange of FDI positions.

### ***Reconciliation practices***

Some Member States felt not being always informed of the investigation's details when they are notified by the counterpart about the failure to reconcile their transactions. Furthermore, even if informed, the details provided by the counterpart were not always considered enough to launch a new reconciliation exercise. In most cases, a failure to reconcile cannot be directly related to the investigation process as the counterpart always contacts the concerned resident company, even if not in the surveyed population. The introduction of deadlines (a one month deadline for a counterpart to reply to a first contact, a three-month deadline to achieve the reconciliation of FDI flows/FDI positions) as part of the revision of the FDI Network Manual may improve the situation.

In addition, Eurostat will ask counterparts to systematically transmit their corresponding amount whenever a failure to reconcile is reported, in particular due to different valuation methods.

## **9. Conclusions**

Experience with the European FDI Network shows that data exchange can actually help to solve asymmetries, but several preconditions must be met first. There must be a willingness of both parties and the resources must be available to both sides, as any search of individual data is much more resource intensive than the global statistical treatment, and the methodologies used have to be sufficiently close. A higher response rate may be expected when Member States participating in the Network have more resources available, this probably will occur

after the implementation of the new methodological requirements of the BPM6 and the ESA 2010. It is also advisable that, in the medium term, FDI compilers internalise the FDI Network as a regular tool in their data production systems.

As part of the cooperation between the ESS and the ESCB, further guidance by the Committee on Monetary, Financial and Balance of Payments (CMFB) on how to better support the FDI Network will be needed. Ultimately, a resolution mechanism should be developed to help countries resolving their issues.

**Annex**



EUROPEAN COMMISSION

EUROSTAT

UNIT G4 -  
GLOBAL TRANSACTIONS



EUROPEAN CENTRAL BANK

DIRECTORATE GENERAL  
STATISTICS

EXTERNAL STATISTICS DIVISION

January 2013

## **FDI Network Manual**

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## 1. General information

### **Purpose**

The purpose of the FDI Network is to facilitate a secure exchange of information on FDI (foreign direct investment) between the FDI Compilers (national authorities compiling FDI statistics), Eurostat and DG Statistics of the European Central Bank (ECB) in order to increase the quality of statistics produced by the European Statistical System (ESS) and European System of Central Banks (ESCB) authorities within their respective spheres of competence. In particular, the FDI Network aims, in accordance with the FDI Network Manual, at enhancing the quality of national and European external statistics (balance of payments and international investment position) and safeguarding the quality of the external statistics figures of the EU, as well as at ensuring coherence between the external statistics figures of the EU and those of the economic territory of the euro area, i.e. Member States which have adopted the single currency.

### **Background**

The FDI Network is the outcome of a workshop held at Eurostat's premises in Luxembourg on 25-26 November 2008 with the participation of 23 EU Member States. This workshop was jointly organised by Eurostat and the ECB as the result of a number of different initiatives targeting reduction of asymmetries and increasing the internal consistency of the EU and euro area balance of payments data.

In particular, the Balance of Payments Working Group has been monitoring the asymmetries in FDI for a number of years and has observed large and increasing asymmetries, which hamper the analytical usefulness of FDI data. In 2007, Eurostat initiated a *trilateral mirror exercise* to compare micro data for Luxembourg, the Netherlands and the United Kingdom. It turned out that only a few transactions could be matched. The conclusion of the exercise was that an exchange of data would be necessary to increase considerably the quality and consistency of FDI statistics.

In addition, the ECB worked on two initiatives in 2008, also paving the way for this workshop. First, the ECB hosted a workshop on *enhancing the internal consistency of the euro area b.o.p.* in May and June. One of the recommendations from that workshop was to address the large asymmetries in FDI. Second, in its thematic meeting in September, the ESCB Statistics Committee discussed a recommendation by the Statistics Task Force to *link FDI micro databases*, for which the exchange of information on large FDI transactions was seen as a good starting point.

The Balance of Payments Committee in its meeting in February 2009 endorsed the project plan for the FDI Network and considered the exchange of transaction level data as the most efficient means of asymmetry reduction.

Based on these recommendations, the FDI Network has been set up and the present document describes the principles and the working practices of the FDI Network.

## Principles

Participation in the FDI Network is based on the following principles:

- Participation in the FDI Network will take place on a voluntary basis.
- By virtue of participation in the FDI Network, the FDI Compilers undertake to follow the rules and provisions laid down in the FDI Network Manual and, in particular, the terms and conditions as laid down in Section 2 of the FDI Network Manual.
- Any obligation of Eurostat or DG Statistics of the ECB under the FDI Network Manual shall be without prejudice to the rights and obligations with respect to the collection, transmission, dissemination and other uses of information, as laid down in primary or secondary Community legislation or elsewhere.

## Legal framework for the transmission of confidential data

The transmission and exchange of confidential data in the context of the FDI Network is foreseen exclusively for statistical purposes and in particular for the purpose of increasing the quality of the EU/euro area balance of payments statistics. The transmission of confidential data is enabled pursuant to the Regulation (EC) No 184/2005 on Balance of Payments statistics<sup>6</sup>, the Regulation (EC) No 223/2009 on European Statistics<sup>7</sup> and the Guideline ECB/2004/15<sup>8</sup> on the statistical reporting requirements of the ECB in the field of balance of payments and international investment position statistics, and the international reserves template and the Council Regulation 2533/98 concerning the collection of statistical information by the European Central Bank<sup>9</sup>. For the comprehensive list of legal provisions in this context, please refer to Annex 1.

According to Article 8(3) of Regulation (EC) No 184/2005, Member States receiving confidential data from other Member States shall treat that information confidentially. To that end, the FDI Compilers shall take all necessary regulatory, administrative, technical and organisational measures to ensure confidentiality and the protection of confidential data and to prevent unlawful disclosure of confidential data.

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<sup>6</sup> Regulation (EC) No 184/2005 of the European Parliament and of the Council of 12 January 2005 on Community statistics concerning balance of payments, international trade in services and foreign direct investment, OJ L 35, 8.2.2005, p. 23.

<sup>7</sup> Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities (Text with relevance for the EEA and for Switzerland), OJ L 87, 31.3.2009, p. 164.

<sup>8</sup> Guideline of the European Central Bank of 16 July 2004 on the statistical reporting requirements of the European Central Bank in the field of balance of payments and international investment position statistics, and the international reserves template (ECB/2004/15), OJ L 354, 30.11.2004, p. 34.

<sup>9</sup> Council Regulation (EC) No 2533/98 of 23 November 1998 (as amended by Council Regulation (EC) 951/2009) of 9 October 2009 concerning the collection of statistical information by the European Central Bank, OJ L 318, 27.11.1998, p. 8.

## Access, terms and conditions

Access to the FDI Network is limited to the representatives of the FDI Compilers and Eurostat. Each FDI Compiler and Eurostat shall appoint from its staff up to four representatives who would obtain access to the FDI Network in accordance with the FDI Network Manual.

Access rights to the FDI Network are granted to the representatives of the FDI Compilers and managed by Eurostat. Eurostat maintains the list of the aforementioned representatives in the FDI Network.

For the purpose of updating the abovementioned list, the FDI Compilers will immediately notify Eurostat in writing in case of withdrawal of their respective representatives and their replacement by specifying the name(s) of the representative(s) replacing the withdrawn representative(s).

Confidential data shall only be accessible for the representatives in the aforementioned list maintained by Eurostat.

The FDI Network members are bound by the following terms and conditions derived from the applicable legal framework

- National rules of the Member States, *inter alia*, any provisions on confidentiality and/or data protection preventing the receipt, transmission or exchange of confidential data within the FDI Network are superseded by Community legislation listed in Annex 1, in particular Article 8(3) of Regulation (EC) No 184/2005 and Article 8a of Regulation (EC) No. 2533/98.
- Confidential data transmitted, exchanged or otherwise processed through the FDI Network shall be used exclusively for the statistical purposes.
- The FDI Compilers shall treat confidential data received, transmitted or exchanged through the FDI Network with at least the same level of protection as that applicable to protection of confidential data received, transmitted or exchanged from national statistical units.
- The FDI Compilers are deemed to have explicitly and irrevocably authorised that any information and data, including confidential data collected, transmitted and/or exchanged as a result of activities related to the FDI Network may further be transmitted by Eurostat beyond the first transmission of such information to the corresponding FDI Network member(s) as described in Annex 5: Technical framework of the FDI Network. Data shall be transmitted or exchanged strictly in accordance with the FDI Network Manual and shall not be further transmitted to any third parties.

## **Amendments of the FDI Network Manual**

For the purposes of ensuring flexibility and effective functioning of the FDI Network, certain provisions of the FDI Network Manual (e.g. contact details, IT-related issues, aspects pertaining to technical solutions and structural functioning of the FDI Network) may be amended from time to time jointly by Eurostat and DG Statistics of the ECB. Respective consolidated version of the FDI Network Manual will simultaneously be dispatched to all FDI Compilers in writing.

## **Contacts**

Questions on the principles of the FDI Network could be addressed to:

- Mr. Luis de la Fuente Layos, Eurostat (e-mail: Luis.De-La-Fuente-Layos@ec.europa.eu, tel.: + 352 4301 35583) or
- Ms. Beatriz Ruiz, ECB DG Statistics (e-mail: Beatriz.Ruiz@ecb.europa.eu, tel.: + 49 69 1344 7668)

IT-related questions regarding the FDI Network could be addressed to:

- Mr. Berthold Huber, Eurostat (e-mail: Berthold.Huber@ec.europa.eu, tel. +352 4301 35526)

The contact details of the FDI Compilers are specified on CIRCABC website dedicated to the FDI Network.<sup>10</sup>

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<sup>10</sup> Available at <https://circabc.europa.eu/w/browse/a4c837d7-d947-4da5-8c5b-8630f2ea7f5f>

## 2. Scope of data exchange and procedures for reconciliation

### 2.1 Scope of the data exchange

The FDI Network covers transactions, reclassifications and positions as defined in international standards (the IMF Balance of Payments and International Investment Position Manual and the OECD Benchmark Definition of FDI) which involve statistical units from at least two EU Member States.<sup>11</sup>

Transactions include equity capital, reinvestment of earnings, dividends and other capital. Reclassifications refer to specific transactions where a position from portfolio investment or other investment is reclassified into direct investment (or vice-versa) owing to reaching (or leaving) a level of participation of 10%. Reclassification can be also originated by changes in the residence of the statistical units involved in the FDI relationship. Positions include equity capital and other capital.

### 2.2 Exchange of FDI transactions and reclassifications

Eligible transactions and reclassifications

All transactions or reclassifications higher than EUR 2 billion shall be exchanged through the FDI Network. If a FDI Compiler has not recorded any or only very few transactions exceeding EUR 2 billion, up to five transactions below EUR 2 billion can be reported by the FDI Compiler to the FDI Network each quarter. Reclassifications are rarer and therefore can be exchanged on an ongoing basis without any predefined frequency.

Furthermore, as a way to enhance and extend the use of the Network a procedure to involve countries with small amount transactions is established. Eurostat and the ECB shall prepare a list of countries with small amount transactions. Then, on a voluntary basis and depending on availability, the countries with larger transactions (those outside the list) will initiate 5 transactions each quarter related to the countries in the list. The effort to reconcile those transactions will be predominantly expected from the concerned recipient countries.

Another basic input for the FDI Network participants will be the asymmetries tables provided in the Balance of Payments Annual Quality Reports. These tables should be used as a key tool to drive the exchange of transactions through the FDI Network as a complementary element to the regular exchange and should be part of the annual quality assurance procedures.

Initiation of data exchange

In view of asymmetry of availability of data on FDI transactions and reclassifications, and variations in the frequency of the collection of the FDI data, the FDI Compiler that first becomes aware of an FDI

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<sup>11</sup> In the FDI equity capital, a single transaction can involve up to three countries. Other capital transactions may sometimes involve 3 or more companies, e.g. in the case of debt reorganisation as described in paragraphs A2.48-52 of Appendix 2 of the 6<sup>th</sup> edition of the Balance of Payments and International Investment Position Manual. Those special cases are not covered in the FDI Network template, but can be dealt with via other secure means of communication.



transaction or reclassification shall share this information with the respective FDI Compiler(s) by filling in the relevant template and transmitting it to Eurostat through eDAMIS.<sup>12</sup>

#### Frequency

The FDI transactions and reclassifications will be exchanged on an on-going basis as soon as they become available to the FDI Compilers. However, the FDI Compilers shall seek information about all basic variables in the template as well as public documents and verify the details of the transaction before the first FDI data transmission in order to minimise the number of iterations in the process. Even though the FDI data will be exchanged on an on-going basis, the exchange may in practice take place in batches for some FDI Compilers. For instance, this could be an exceptional case if data are collected only on a quarterly basis.

#### Timeliness

The FDI Compilers shall seek to exchange FDI transactions and reclassifications as soon as they become available. The FDI Compilers shall aim at exchanging FDI data on the largest FDI transactions as early as possible. Such FDI transactions are often announced through the media, and the FDI Compilers shall try to obtain information from statistical units at an early stage, perhaps even before the official deadline for reporting balance of payments data to the ECB and to Eurostat to allow for early data exchange.

Since all FDI Compilers shall provide feedback on the information received through the FDI Network, it may be faster to do it early in the process as statistical units may have less detailed information if respective information is collected several months after the FDI transaction takes place. Provided that the FDI Compilers may have to provide feedback to a number of FDI transactions, the feedback on the larger FDI transactions shall be given priority.

### **2.3 Exchange of FDI positions**

The exchange of FDI positions will take place according to three scenarios:

#### 1. General exercise.

The general exercise will be performed annually according to the following rules:

- The exchange will take place annually during a window period between May-June to be defined by Eurostat.
- The reference period of the positions will be decided by the initiator.
- Two criteria should be used for the selection of the positions to be exchanged:

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<sup>12</sup> The technical framework of the FDI Network and instructions on how to transmit and receive data through eDAMIS can be found in Annexes 4 and 5.

- Quantitative: a general indicative threshold of EUR 3 billion.
- Qualitative: based on the analysis of the bilateral asymmetries tables provided in the BOP Annual Quality Report. Each country could exchange one relevant position (inward or outward) with the partner countries with bigger asymmetries.

The two criteria are to be combined with the objective of given priority to explaining, and possibly reducing, bilateral asymmetries. This means that if a position is bigger than EUR 3 billion but there is not a relevant problem of asymmetries with the concerned partner country, the exchange might not be necessary.

- In order to reduce the burden of these annual exercises and avoid unnecessary repetition of exchanges, those positions reconciled in one exercise will not be exchanged again within the next 3 years. Regarding the cases where reconciliation was not possible but the reason for the difference was identified, further exchanges should not take place within the same time lag, unless relevant reasons modifying the situation justify so.

## 2.- Special cases identified in the report of the Task Force on Valuation of FDI Positions<sup>13</sup>.

- Situations under the Special Case 1 (observed market value vs. own funds at book value) and Case 3 (assets and liabilities reported in different currencies) should trigger an *ad hoc* exchange of information through FDI Network at any time of the year.
- Situations under Case 2 (recent transaction prices and other valuations including goodwill vs. own funds at book value) should be treated in the frame of the general exercise to exchange positions once a year, due to the potential for cases such as this arising frequently and the subsequent burden they could represent.

## 3.- Exceptional bilateral exchanges.

Exceptional bilateral *ad hoc* exchanges of positions between two participating countries may take place provided that, beforehand, the two countries have agreed so and Eurostat has given its technical agreement as facilitator of the exchanges.

## **2.4 Templates**

The FDI transactions, reclassifications and positions shall be reported according to the FDI Network templates in MS Excel format. Templates also provide guidance as to how fields of the templates shall be filled in<sup>14</sup>. There are three MS Excel templates available, which cover:

<sup>13</sup> See <https://circabc.europa.eu/w/browse/dd131c51-1b27-4539-b483-56cbeb7e1c8c>

<sup>14</sup> See Annex 2 for the FDI equity capital transactions and reclassifications, Annex 3 for FDI other capital transactions and reclassifications, and Annex 4 for the FDI positions. It is important to use the latest version of the templates available at the FDI Network website in CIRCABC (<https://circabc.europa.eu/w/browse/dd131c51-1b27-4539-b483-56cbeb7e1c8c>) when initiating a data

- FDI transactions, including equity, other capital, reinvestment of earnings and dividends and the FDI reclassifications. It contains separate worksheets for equity transactions (including reinvestment of earnings and dividends) and reclassifications (see Annex 2) and for other capital and reclassifications (see Annex 3).
- FDI positions, covering equity and other capital (see Annex 4).

In the templates, a distinction is made between basic and other variables. The basic variables are seen as the minimum requirement to start the reconciliation process whereas the other variables will make identification easier and ensure consistent recording in the subcomponents.<sup>15</sup> The FDI Compilers shall make their best effort to fill in all fields of the FDI templates before the first FDI data transmission.

In general, FDI transactions/positions shall be reported as gross transactions/positions as this is regarded as the best way to match FDI data. In practice, however, net FDI transactions are often collected or derived from positions. This means that it will not always be possible to obtain data for gross transactions.

When the FDI Compiler is aware of the amount of the gross FDI transaction/position, the FDI Compiler shall transmit to the FDI Network respective data on the gross FDI transaction/position. If the FDI Compiler is aware of the amount of net FDI transaction/position, the FDI Compiler shall transmit to the FDI Network respective data on the net FDI transaction/position and indicate in the relevant field in the FDI template that this is a net transaction/position. Balanced intra-monthly flows will be regarded as net FDI transactions. For each FDI transaction/position transmitted to the FDI Network, the FDI compiler shall indicate whether it is a gross or net transaction/position in the relevant field in the template.

As regards the sign convention, only positive figures shall be reported in the FDI Network. In the template for FDI other capital, a variable named “Debt position increase (yes/no)” is included in the template and used in the following way:

- ◆ **Yes:** an increase in the debtor position, i.e. an increase in the liabilities (from the debtor’s perspective) and consequently an increase of the assets (from the creditor’s perspective).
- ◆ **No:** a reduction in the debtor position, i.e. a decrease in the liabilities (from the debtor’s perspective) and consequently a reduction of the assets (from the creditor’s perspective).

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exchange through the FDI Network because the templates may be updated on an ongoing basis to reflect improvements suggested by FDI Compilers.

<sup>15</sup> Article 21 of Regulation (EC) No 223/2009 on European Statistics stipulates that transmission of confidential data may take place provided that this transmission is necessary for the efficient development, production and dissemination of European Statistics or for increasing the quality of European Statistics. Similarly Articles 8(4)(b), 8(5) and 8a(1) of Regulation (EC) No 2533/98 (as amended by Council Regulation (EC) 951/2009) refer to improving efficiency of statistical production. All variables, both basic and other, are perceived as being important for efficiency and/or for quality improvement purposes.

This convention follows the claims/liabilities approach rather than the inward/outward approach. In the template for FDI equity capital, all figures shall be positive as the information about the sign is embedded in the fields for FDI enterprise/seller/buyer.<sup>16</sup>

Furthermore, all amounts of the FDI transactions and positions shall be reported in EUR millions irrespectively of the currency denomination of the FDI transaction or position.

**Finally**, in order to follow up the recommendations in the Report of the Task Force on Valuation of FDI Positions, a specific field is included in the template used to exchange positions where the initiator will have to indicate whether the position correspond to any of the three Special Cases identified in that Report.

## **2.5 Reconciliation of data**

The concerned FDI Compiler will receive an e-mail notification from eDAMIS when it becomes a party to an FDI transaction, reclassification or position transmitted by another FDI Compiler. The first step to be undertaken by the FDI Compiler who obtained a respective e-mail notification would be to access the details of the relevant FDI transaction/reclassification/position in eDAMIS. The second step would be to identify the FDI information by virtue of the internal databases. If matching data are identified, the recipient FDI Compiler will send an e-mail to the initiator informing that matching FDI data were identified and no further data exchange is needed.

Data on transactions and reclassifications are deemed to be ‘matching’ if the differences between the amounts are less than EUR 0.5 billion and amount to less than 20% of the amount of the data initially transmitted to the FDI Network. Data on positions are deemed to be ‘matching’ if the differences between the amounts are less than EUR 3 billion and represent less than 20% of the amount of the data initially transmitted to the FDI Network.

At all times Eurostat shall be in copy ([estat-fdidxn@ec.europa.eu](mailto:estat-fdidxn@ec.europa.eu), i.e. functional Eurostat e-mail address with restricted access dedicated solely for the FDI Network) of the respective e-mail communications between the FDI Compilers. All e-mails concerning FDI data shall contain a unique reference ID (as described in Annex 4) of the respective FDI transactions, reclassifications or positions in the subject. As the e-mails will not be encrypted, confidential information should be included within the FDI Network template (additional information about related transactions may be included in the field for comments) and/or exchanged via phone calls.

If no matching data are identified, the resident statistical unit would be contacted referring to any public document on that specific FDI transaction/position and requested to check whether such FDI transaction/position is not reflected in its systems. If no public document about the FDI

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<sup>16</sup> For instance, if an FDI enterprise buys back its own shares from its direct investor, this is reflected in having the same company in the fields FDI enterprise and FDI buyer and the direct investor as FDI seller.

transaction/position is available, the resident company shall be contacted by the FDI Compiler. While contacting the resident company, the FDI Compiler shall not disclose to the statistical unit any confidential data. However, the FDI Compiler can for example inform the resident statistical unit that comparisons of country level FDI data take place between FDI Compilers in the EU as part of a quality exercise and that these comparisons have revealed that another EU country has recorded a large transaction/position vis-à-vis the country of the FDI Compiler in question. Consequently, the FDI Compiler is contacting a number of reporters to investigate if they have been involved in a large transaction/position with a particular counterpart country.

If, based on the abovementioned inquiry, it appears that the FDI data were not reported in earlier data transmissions to Eurostat or DG Statistics of the ECB by the respective FDI Compiler, it shall report as early as possible revised data including the transaction/position that was missing.

The company or the FDI Compiler may find a transaction/position that may be related to the initial although with important differences such as the counterpart country or the reported amount. If that is the case, the FDI Compiler will reply by e-mail to the FDI Compiler who initiated the data exchange and Eurostat informing them about the outcome of the investigations. A new FDI transaction/position would be recorded in eDAMIS so that a new reconciliation can be triggered. Also, if the FDI Compiler revises already reconciled data on the basis of new information, a new FDI template referring to the initial transaction/position should be filled in to allow for a new reconciliation process.

If no similar transaction/position is found even after contacting the statistical unit, the FDI Compiler will reply by e-mail to the FDI Compiler who has sent the initial FDI transaction/position and Eurostat, informing them about the failure in confirming the FDI transaction/position. Eurostat will report the failure of the reconciliation to DG Statistics of the ECB indicating the respective amounts relating to the transaction/position. Eurostat will not only have to be informed if the amounts recorded in the countries involved cannot be matched, but also if matching amounts are recorded in different periods or are a result of the application of different valuation principles, e.g. market value, own funds at book value or nominal value.

For the purposes of facilitating the reconciliation process, information on the FDI transactions/positions may be exchanged by phone between the concerned FDI Compilers.

Due to the specific nature of the FDI positions compared to transactions, a recommended period of three months is proposed for the counterpart to respond to the positions received.

Eurostat shall always be notified by the FDI Compilers of the matching FDI transactions/positions by e-mail. If the FDI transactions/positions do not match and each FDI Compiler has introduced a message into the FDI Network regarding the same FDI transaction/position, the respective FDI Compilers shall agree to start the reconciliation process on one of the two original messages and inform Eurostat that the other message will not be used. Eurostat needs to know the outcome relating to each message so that the status of the respective IDs of the FDI transaction/position can be updated.

At the end of the reconciliation process, the FDI Compiler will indicate in an email message to the counterpart and to Eurostat the close of the request either with success or failure.

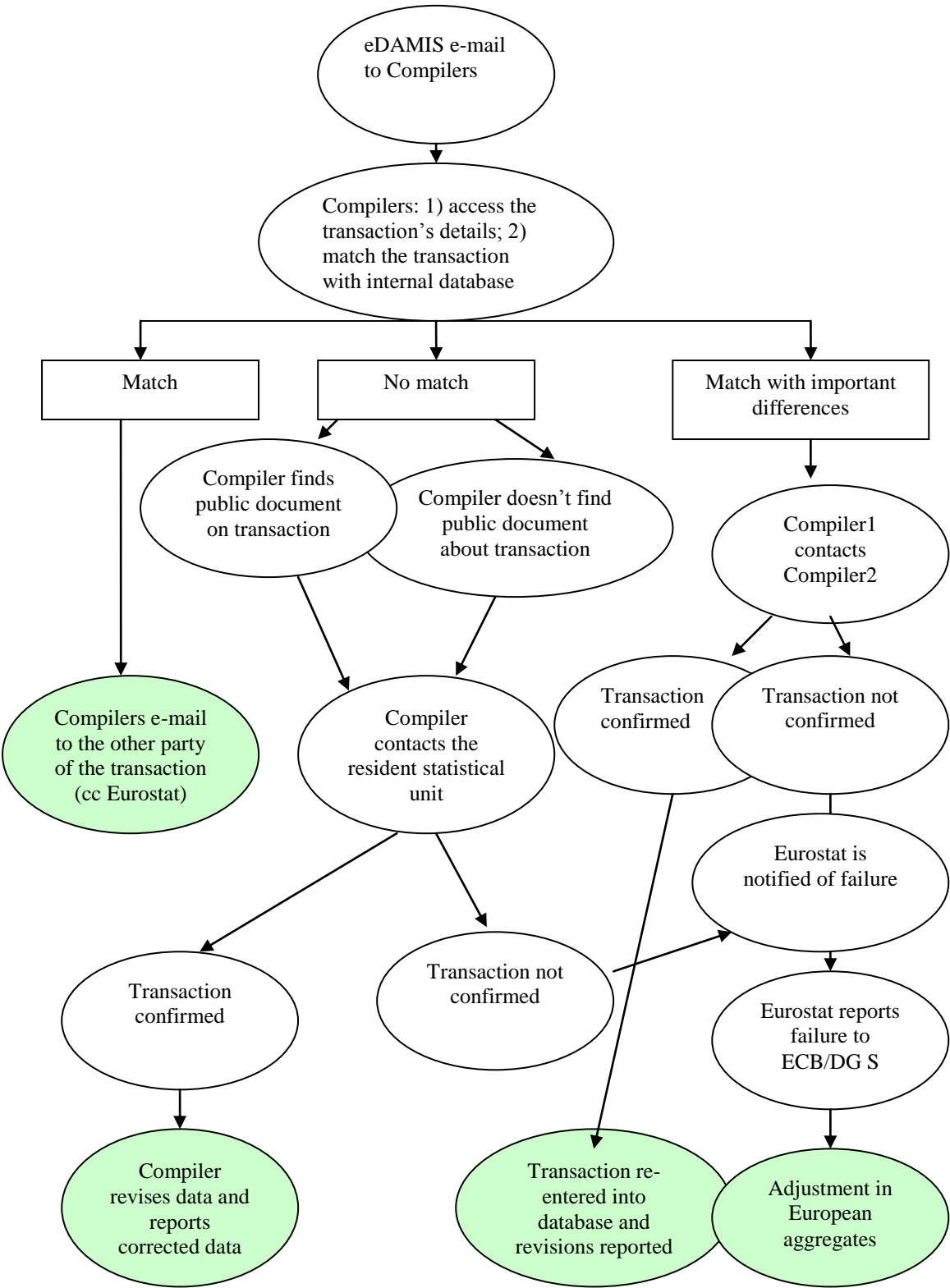
The decision about possible corrections in the FDI national figures remains at the discretion of each party involved in the exchange. In particular, in the Special Cases identified in the report of the Task Force on Valuation of FDI Positions, the compiler in the counterpart country will decide whether making or not the adjustments transmitted by the initiator of the exchange.<sup>17</sup> Eurostat and the ECB may include an adjustment in the European aggregates if deemed necessary, and communicate that to the concerned compilers. Corrections to EU/euro area aggregates will be decided by Eurostat/ECB based on the available information from the exchanges, but without modifying published detailed country figures.

The reconciliation process will be followed up by a table periodically pre-filled by Eurostat as much as possible and sent to the participants of the FDI Network for validation and/or completion. The information shall refer to non-confidential data helping to analyse the outcome of the FDI Network exchange and to improve the reconciliation process by analysing the experiences already made. The table shall contain the unique reference ID to identify each transaction/position and could include status information about reconciliations with information already received from companies (amount, period, recording, time ranges needed to reconcile), reconciliations after contacting companies (amount, period, recording, time ranges needed to reconcile), possible impact on the FDI statistics of Eurostat, pending reconciliations (i.e. pending differences in amount, use of different valuation methods, period or recording), and failures to reconcile after contacting companies. Each country will check the information pre-filled by Eurostat in the template for both the initiated and the received transactions/positions and complete and/or validate it accordingly.

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<sup>17</sup> The FDI Network should be regarded as a platform to facilitate the exchange of data between Member States. Neither Eurostat nor the ECB will reconcile non-matching transactions/positions by applying automatic rules; if Eurostat and/or the ECB decide to make an adjustment to the EU/euro area aggregates, published detailed country figures will not be modified.

The following scheme summarises the reconciliation procedure (example for transactions):



## Annex 1: Framework for the transmission of confidential data

The following provisions concern the transmission and exchange of confidential data in the context of the FDI Network:

Article 8(3) of Regulation (EC) No 184/2005 stipulates that:

*“(3) The exchange of confidential data, as defined by Article 13 of Regulation (EC) No 322/97, shall be allowed between Member States where the exchange is necessary to safeguard the quality of the balance of payment figures of the European Union.*

*Member States receiving confidential data from other Member States shall treat that information confidentially”.*

Article 8(3) of Regulation (EC) No 184/2005 is an enabling clause, i.e. it allows for the exchange of confidential data between Member States for quality improvement and safeguarding purposes. The Regulation overrides national legislation (even if national law would prevent exchange of confidential data); hence for the purposes of quality improvement of balance of payments figures of the European Union, the exchange of confidential data between Member States is allowed.

According to Article 2(1) of Regulation (EC) No 184/2005, Member States shall submit to the Commission (Eurostat) non-confidential data on balance of payments, international trade in services and foreign direct investment as referred to in Annex I of the Regulation.

Further, Article 21(1) of Regulation (EC) No 223/2009 on European Statistics (repealing and replacing Regulation (EC) No 322/97) sets forth that transmission of confidential data from an ESS authority that collected the data to another ESS authority may take place provided that this transmission is necessary for the efficient development, production and dissemination of European Statistics or for increasing the quality of European Statistics.

Moreover, Article 21(2) of Regulation (EC) No 223/2009 on European Statistics provides that transmission of confidential data between an ESS authority that collected the data and an ESCB member may take place provided that this transmission is necessary for the efficient development, production and dissemination of European Statistics or for increasing the quality of European Statistics, within the respective spheres of competence of the ESS and the ESCB, and that this necessity has been justified.

In addition, according to Article 21(3) of Regulation (EC) No 223/2009 on European Statistics, any further transmission beyond the first transmission shall require the explicit authorisation of the authority that collected the data. Article 21(5) of Regulation (EC) No 223/2009 on European Statistics states that confidential data transmitted shall be used exclusively for statistical purposes and only accessible to staff working in statistical activities within their specific domain of work.

Furthermore, pursuant to Article 8(1) of Regulation (EC) No 184/2005, the transmission of confidential data between Eurostat and the ECB may take place to the extent this transmission is necessary to ensure coherence between the balance of payments figures of the European Union and those of the economic



territory of the Member States which have adopted the single currency.

Recital 8 of the Regulation (EC) No 184/2005 provides that the ECB Guideline (ECB/2003/7) of 2 May 2003, which is replaced by the Guideline ECB/2004/15, together with certain other instruments listed in the said recital define the general rules for compiling FDI statistics.

Article 2 of the Guideline ECB/2004/15 provides that the national central banks (NCBs) shall make available to the ECB data on the cross-border transactions and positions as well as stocks of reserve assets, other foreign currency assets and reserve-related liabilities necessary to enable the ECB to compile the aggregated balance of payments and international investment position statistics and the international reserves template of the euro area.

Article 4 of the same Guideline ECB/2004/15 provides that where the sources for part or all of the data described in Article 2 are competent authorities other than NCBs, NCBs shall establish the appropriate modalities of cooperation with these authorities to ensure a permanent structure for transmission of data which fulfils the ECB's standards, in particular on data quality, and any other of its requirements as set out in this Guideline, unless the same result is already achieved by national legislation.

Article 8(4)(a) of the Council Regulation 2533/98 (as amended by Council Regulation (EC) 951/2009) provides that the transmission of information within the ESCB shall take place to the extent and at the level of detail necessary required for the performance of the ESCB tasks.

Article of 8(1) of the Council Regulation 2533/98 (as amended by Council Regulation (EC) 951/2009) provides that the ESCB shall use the confidential statistical data exclusively for the exercise of the ESCB tasks, except (a) if the reporting agent or the other legal or natural person, entity or branch which can be identified, has explicitly given its consent to the use of the said statistical information for other purposes; (b) for transmission to the members of ESS in accordance with Article 8a(1); (c) for granting scientific research bodies access to confidential statistical information which does not allow direct identification, and with the prior explicit consent of the authority which provided the information; (d) as regards national central banks, if the said statistical information is used in the field of prudential supervision or, in accordance with Article 14.4 of the Statute, for the exercise of functions other than those specified in the Statute.

## Annex 2: Template for FDI equity transactions (including RIE and dividends) and reclassifications

<b>Unique reference ID</b>	Used to identify any communication concerning the same transaction/reclassification
<b>Contact details (name, e-mail, telephone)</b>	Contact details of the FDI Compiler filling in the template
<b>Compiling country</b>	ISO country code of the FDI Compiler filling in the template
<b>Amount (in EUR million)</b>	The transaction/reclassification amount in EUR million with no decimals (the amount shall be converted into EUR even if the transaction is denominated in a different currency). The amount shall always be reported as a positive figure.
<b>Payment method</b>	Cash, exchange of shares, debt conversion, etc. (to be filled in only for transactions)
<b>Gross/net equity / reinvested earnings / dividends transaction or reclassification</b>	Indicate whether the transaction is recorded on a <b>gross or net basis</b> , the type of the transaction/flow, i.e <b>equity transaction, reinvestment earnings or dividends</b> , or <b>if the exchange of data refers to a reclassification</b> . The gross transaction shall be reported if available. Otherwise, the net transaction can be reported. In case of reclassifications, indicate whether it represents an increase or a decrease in the equity position of the direct investor.
<b>Date/period</b>	If the specific transaction/reclassification date is available, it shall be reported in the format dd-mm-yyyy (e.g. 29-01-2009). If only the period is available, it shall be reported in the following format for monthly figures Mmm-yyyy (e.g. M01-2009) or Qq-yyyy (e.g. Q1-2009)
<b>FDI enterprise: country</b>	ISO country code of the FDI enterprise involved in the transaction/reclassification
<b>FDI enterprise: name</b>	Full name of the FDI enterprise involved in the transaction/reclassification
<b>FDI enterprise: ID</b>	ID number of the FDI enterprise including an indication of the type of ID (national business register, tax register, etc.)
<b>FDI enterprise: ISIN</b>	If the FDI enterprise is listed, the 12-character ISIN code may be added when available
<b>FDI enterprise: SPE (yes/no)</b>	If the FDI enterprise is a Special Purpose Entity according to national definitions, write "yes". If not, write "no".
<b>FDI enterprise: UCP country</b>	The ISO country code of the FDI enterprise's ultimate controlling parent
<b>FDI seller: country</b>	ISO country code of the FDI seller involved in the transaction, also in case it is the same as the country of the FDI enterprise or a non-EU country (to be filled in only for transactions)
<b>FDI seller: name</b>	Full name of the FDI seller involved in the transaction; if the transaction is the result of the FDI enterprise issuing new shares, the name of the FDI enterprise shall be reported here (to be filled in only for transactions)
<b>FDI seller: ID</b>	ID number of the FDI seller including an indication of the type of ID: national business register, tax register, etc. (to be filled in only for transactions)
<b>FDI buyer: country</b>	ISO country code of the FDI buyer involved in the transaction, also in case it is the same as the country of the FDI enterprise or a non-EU country (to be filled in only for transactions)
<b>FDI buyer: name</b>	Full name of the FDI buyer involved in the transaction; if the transaction is the result of the FDI enterprise buying its own shares, the name of the FDI enterprise shall be reported here (to be filled in only for transactions)
<b>FDI investor: country</b>	ISO country code of the FDI investor (to be filled in only for RIE and dividends)
<b>FDI investor: name</b>	Full name of the FDI investor (to be filled in only for RIE and dividends)
<b>FDI investor: ID</b>	ID number of the FDI investor including an indication of the type of ID: national business register, tax register, etc (to be filled in only for RIE and dividends).
<b>FDI buyer: ID</b>	ID number of the FDI buyer including an indication of the type of ID: national business register, tax register, etc. (to be filled in only for transactions)
<b>Public links</b>	If possible in any way, a link to a public document referring to the transactions /reclassifications shall be included (even if it is not available in English)
<b>Comments</b>	The FDI Compilers are welcome to share additional information in this field. This could be more detailed information about the specific transaction/reclassification included in the template or information about related transactions. Documents can be included directly by clicking Insert => Object and choosing the relevant file Object and choosing the relevant file (this procedure allows to embed the additional document in the Excel file and therefore it will also be encrypted).
<b>Colour codes:</b>	
Basic variable: Field <u>shall</u> be filled in (public documents/links to be searched and added if available)	
Other variable: Field <u>may</u> be filled in if information is available	

### Annex 3: Template for FDI other capital transactions and reclassifications

<b>Unique reference ID</b>	Used to identify any communication concerning the same transaction/reclassification
<b>Contact details (name, e-mail, telephone)</b>	Contact details of the FDI Compiler filling in the template
<b>Compiling country</b>	ISO country code of the FDI Compiler filling in the template
<b>Amount (in EUR million)</b>	The transaction/reclassification amount in EUR million with no decimals (the amount shall be converted into EUR even if the transaction is denominated in a different currency). The amount shall always be reported as a positive figure.
<b>Gross/net transaction/reclassification</b>	Indicate whether the other capital transaction is recorded on a <b>gross or net basis</b> , or <b>if the exchange of data refers to a reclassification</b> . The gross transaction shall be reported if available. Otherwise, the net transaction can be reported. In case of reclassifications, indicate whether it represents an increase or a decrease in the other capital position of the direct investor.
<b>Date/period</b>	If the specific transaction/reclassification date is available, it shall be reported in the format dd-mm-yyyy (e.g. 29-01-2009). If only the period is available, it shall be reported in the following format for monthly figures Mmm-yyyy (e.g. M01-2009) or Qq-yyyy (e.g. Q1-2009)
<b>Type (loan/trade credit/other)</b>	Indicate the b.o.p. sub-item of the transaction/reclassification, i.e. loan, trade credit or other
<b>Debtor: country</b>	ISO country code of the debtor company
<b>Debtor: name</b>	Full name of the debtor company
<b>Debtor status (FDI investor/FDI enterprise/fellow enterprise)</b>	Status of the debtor company in its relation to the creditor company. If FDI investor is written in this field, the field for creditor status must be filled in with FDI enterprise. If FDI enterprise is written in this field, the field for creditor status must be filled in with FDI investor. If fellow enterprise is written in this field, the field for creditor status must be filled in with fellow enterprise.
<b>Debt position increase (yes/no)</b>	Write "yes" if there has been an increase in the debtor position, i.e. an increase in the debtor's liabilities and consequently an increase of the creditor's assets. Write no if there has been a reduction in the debtor position, i.e. a decrease in the debtor's liabilities and consequently a reduction of the creditor's assets
<b>Debtor: ID</b>	ID number of the debtor company including an indication of the type of ID (national business register, tax register, etc.)
<b>Debtor: ISIN</b>	If the transaction is in securities, 12-character ISIN code of the security if available
<b>Debtor: UCP country</b>	The ISO country code of the debtor company's ultimate controlling parent
<b>Creditor: country</b>	ISO country code of the creditor company
<b>Creditor: name</b>	Full name of the creditor company
<b>Creditor status (FDI investor/FDI enterprise/fellow enterprise)</b>	Status of the creditor company in its relation to the debtor company (see detailed explanation in the field for debtor status)
<b>Creditor: ID</b>	ID number of the creditor company including an indication of the type of ID (national business register, tax register, etc.)
<b>Creditor: UCP country</b>	The ISO country code of the creditor company's ultimate controlling parent
<b>Public links</b>	If possible in any way, a link to a public document referring to the transactions/reclassifications shall be included (even if it is not available in English)
<b>Comments</b>	The FDI Compilers are welcome to share additional information in this field. This could be more detailed information about the specific transaction/reclassification included in the template or information about related transactions/reclassifications. Documents can be included directly by clicking Insert => Object and choosing the relevant file (this procedure allows to embed the additional document in the Excel file and therefore it will also be encrypted).
<b>Colour codes:</b>	
	Basic variable: Field <u>shall</u> be filled in (public documents/links to be searched and added if available)
	Other variable: Field <u>may</u> be filled in if information is available

## Annex 4: Template for FDI equity and other capital positions

<b>Unique reference ID</b>	Used to identify any communication concerning the same position
<b>Contact details (name, e-mail, telephone)</b>	Contact details of the FDI Compiler filling in the template
<b>Compiling country</b>	ISO country code of the FDI Compiler filling in the template
<b>Amount (in EUR million)</b>	The position amount in EUR million with no decimals (the amount shall be converted into EUR even if the position is denominated in a different currency)
<b>Type of position (drop down list)</b>	Indicate whether the position reported represents an equity or an other capital position. In case of other capital position, indicate whether it is a liability to shareholder, a reverse liability (claim to shareholder) or a liability to other affiliated enterprise (fellows).
<b>Special case: (drop down list)</b>	Indicate if the position corresponds to any of the three special cases according to the recommendations in the Report of the Task Force on Valuation of FDI Positions, the possible choices being case 1, case 2, case 3, or not applicable.
<b>Valuation</b>	Indicate if the position was valued using market prices, own funds at book value or any other method
<b>Consolidated data (yes/no)</b>	If data stems from consolidated accounting, write "yes" - If not, write "no"
<b>Share (as percentage)</b>	The percentage of capital held in the direct investment relationship
<b>Date</b>	End of a specific year in the format dd-mm-yyyy (e.g. 31-12-2011)
<b>FDI enterprise: country</b>	ISO country code of the FDI enterprise
<b>FDI enterprise: name</b>	Full name of the FDI enterprise
<b>FDI enterprise: ID</b>	ID number of the FDI enterprise including an indication of the type of ID (national business register, tax register, etc.)
<b>FDI enterprise: ISIN</b>	If the FDI enterprise is listed, the 12-character ISIN code may be added when available
<b>FDI enterprise: SPE (yes/no)</b>	If the FDI enterprise is a Special Purpose Entity according to national definitions, write "yes". If not, write "no".
<b>FDI enterprise: UCP country</b>	The ISO country code of the FDI enterprise's ultimate controlling parent
<b>FDI investor: country</b>	ISO country code of the FDI investor
<b>FDI investor: name</b>	Full name of the FDI investor
<b>FDI investor: ID</b>	ID number of the FDI investor including an indication of the type of ID (national business register, tax register, etc.)
<b>FDI investor: SPE (yes/no)</b>	If the FDI investor is a Special Purpose Entity according to national definitions, write "yes". If not, write "no".
<b>Public links</b>	If possible in any way, a link to a public document referring to the positions shall be included (even if it is not available in English)
<b>Comments</b>	The FDI Compilers are welcome to share additional information in this field. This could be more detailed information about the specific position included in the template or information about related positions. Documents can be included directly by clicking Insert => Object and choosing the relevant file Object and choosing the relevant file (this procedure allows to embed the additional document in the Excel file and therefore it will also be encrypted).
<b>Colour codes:</b>	
	Basic variable: Field <u>shall</u> be filled in (public documents/links to be searched and added if available)
	Other variable: Field <u>may</u> be filled in if information is available

## Annex 5: Technical framework of the FDI Network

### Description of eDAMIS and the flow of information

The transmission of confidential data in the FDI Network will take place through eDAMIS, which is used by Eurostat for secure data transmissions.<sup>18</sup>

As a preparation for data transmission, the FDI Compilers need to install WinPT software (downloadable from the FDI Network CIRCABC group) and generate private and public encryption keys using the WinPT software. The FDI Compilers will transmit their public key to Eurostat via e-mail. Eurostat will also transmit its public key to the FDI Compilers. The FDI Compilers will use the received Eurostat public key for encryption of data before transmission whereas the self-generated private keys will be used for decryption of received data.

Before data are transmitted to the FDI Network, the FDI Compilers will encrypt the FDI Network template and send it to Eurostat through eDAMIS. The ciphering is integrated into eDAMIS, allowing the FDI Compilers to automatically encrypt the data file with the public key by merely checking the encryption box in eDAMIS sending page before transmission of the data. Eurostat will then decrypt the information with its private key and identify the concerned FDI Compilers. To maintain a high level of security, only the staff members of Eurostat's FDI team will be authorised to access Confidential Data and will have the decryption key. The information will then be encrypted with the individual public encryption keys of the receiving institutions and send the encrypted template through eDAMIS. The FDI Compilers receiving the file will then decrypt the file with their private decryption key and get access to the information in the template.

### How to get ready to use eDAMIS

The technical preparation to participate in the FDI Network can be summarised in the following four steps:

1. Provide contact details (country, institution, name, phone number, e-mail address and CIRCABC user ID) of up to 3 staff members of your FDI Compiler designated to participate in the FDI Network to Eurostat ([Marta.Vasariete@ec.europa.eu](mailto:Marta.Vasariete@ec.europa.eu) and [Berthold.Huber@ec.europa.eu](mailto:Berthold.Huber@ec.europa.eu)).<sup>19</sup>
2. In CIRCABC, Eurostat provides the software WinPT itself and the related documentation, both needed for the installation of the encryption facilities.<sup>20</sup> Install the software (WinPT) and generate the private/public keys. The private keys are used for decryption of incoming files. Please refer to the Eurostat document "WinPT documentation: installation and encryption for the

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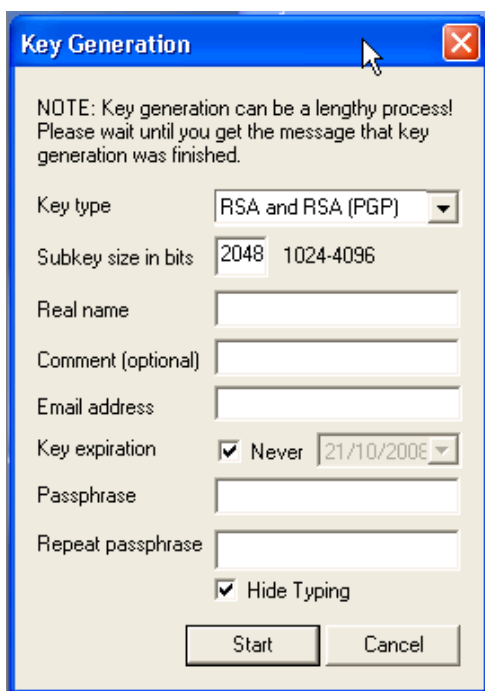
<sup>18</sup> A presentation of eDAMIS and the flow of information can be found on the dedicated FDI Network website in CIRCABC: <https://circabc.europa.eu/w/browse/a4c837d7-d947-4da5-8c5b-8630f2ea7f5f>

<sup>19</sup> The FDI Compilers who have already filled in the *Questionnaire for the preparation of the first data exchanges in the FDI Network* (dated 23 January 2009) do not need to provide contact details again.

<sup>20</sup> Only one public key and one private key should be generated for each FDI Compiler. WinPT itself and detailed instructions on how to install it and generate public/private keys can be downloaded from CIRCABC: <https://circabc.europa.eu/w/browse/3aa408fc-8f21-4858-bfce-80412be5b61b>

FDI Network (C4)" in this CIRCABC section. It provides a detailed technical description of the installation procedure. When creating the pair of keys the following **naming convention for key generation** should be respected. This name cannot be changed anymore retroactively without destroying the keys, and the name is also used by Eurostat to attribute the public key to the respective country:

When running through the key creation procedure of the WinPT software, the user will find the dialog box below:



Please use the following names:

Real name: [2 letters ISO code for Member State]NCB (ISO code plus institution **NCB or NSI**), correct examples, **DKNCB, ATNCB, ITNCB, IENSI**, etc.

In the Comment field, please enter: **FDIDXN**

E-mail address is not crucial, the address will not be used technically as a real address, however the "@" sign has to be included; you can use e.g. your real e-mail address.

Passphrase:

When entering the password for the access to the (public and private) key within the field "Passphrase", this password should contain at least 8 characters. It is recommended to include some special characters, numbers and/or capital letters.

3. The FDI Compilers transmit their public keys to Eurostat via e-mail ([estat-fdidxn@ec.europa.eu](mailto:estat-fdidxn@ec.europa.eu)). The public keys are used for encryption of outgoing files by Eurostat.
4. The FDI Compilers prepare a secure environment where the private key and the confidential

files can be stored.

### **IT assistance**

All FDI Compilers are now using eDAMIS for the transmission of data to Eurostat. In case of technical problems, the FDI Compilers are encouraged to contact their respective coordinator. Eurostat also offers IT support through the eDAMIS central support team ([estat-support-edamis@ec.europa.eu](mailto:estat-support-edamis@ec.europa.eu)).

### **Disclaimer**

Eurostat accepts no responsibility or liability whatsoever with regard to any damages caused by any disruptions or technical errors arising from or associated with the technical and/or IT solutions of the FDI Network. Information on any technical and IT solutions may have been created or structured in files or formats that are not error-free and Eurostat cannot guarantee that any of its services will not be interrupted or otherwise affected by such problems.

### **Flow of information: assigning reference IDs in eDAMIS**

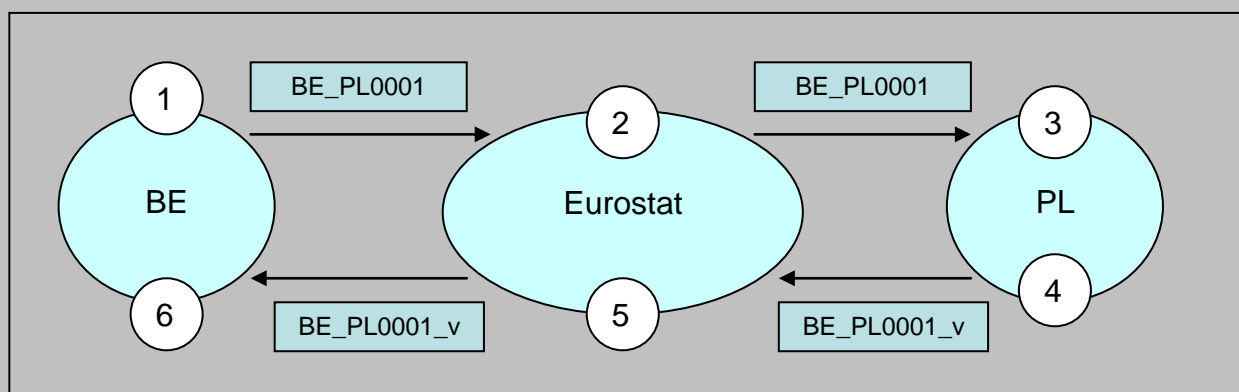
Messages transmitted to the FDI Network through eDAMIS must have a unique reference ID. The FDI Network template shall be given the name of the unique reference ID before it is transmitted through eDAMIS. All communication related to a specific FDI transaction shall refer to the same reference ID, but with version numbers to make the ID unique.

When an FDI Compiler wishes to exchange information on an FDI transaction, he/she will enter the unique reference ID into the according field of the template, and will give a file name to the template according to this unique reference ID. Even more important, this ID has also to be filled into the text comment field of eDamis when transmitting the template through eDamis. This ID will consist of the two-character ISO country codes of the EU Member States involved in the specific FDI Transaction, divided by an underscore and starting with the country code of the FDI Compiler initiating the data exchange. The country codes will be followed by a 4-digit sequential number to make the reference ID unique. This sequence number shall be increased by one with each new FDI transaction introduced into the FDI Network, and the numbering is not dependent of the counterpart country, i.e. the number represents the total amount of transactions already initiated by the sender. The numbering is done manually by the sender as this cannot be done automatically in eDAMIS at this stage. The sender is responsible for making sure that the reference ID of the initial message is unique. The receiver(s) will use the initial reference ID followed by the extension \_V1, \_V2, etc., depending on the version, if there is a need to send corrected/additional data related to the specific FDI transaction.

#### **Box: Workflow of FDI data and reference IDs in eDAMIS**

In the following example, it is assumed that the FDI Compiler in Belgium (hereinafter referred to as “BE”) detects an FDI transaction to be exchanged with the FDI Compiler in Poland hereinafter referred to as “PL”) as the only counterpart. The following steps describe the flow of information and how the

unique reference ID is designed for FDI data transmissions.



**Step 1:** BE wishes to exchange information on the specific FDI Transaction with PL as the counterpart country. Assuming this is the first time that BE transmits FDI data to the FDI Network, the reference ID shall be BE\_PL0001 (in case a second counterpart would be involved in the FDI transaction, e.g. from Austria, the reference ID would be accordingly BE\_AT\_PL0001, the order of the counterpart countries is made alphabetically according to the two-character ISO country code). Had it been the fifth transaction that BE initiated, the reference ID would have been BE\_PL0005. BE fills in the FDI Network template, names the file BE\_PL0001 (BE\_AT\_PL0001), encrypts it using the public Eurostat key and uploads it to eDAMIS. Please insert the reference ID also into the free text field of eDAMIS.

**Step 2:** Eurostat receives the encrypted file through eDAMIS, decrypts it with the Eurostat private key, encrypts it with the PL public key, uploads it to eDAMIS, and an e-mail notification will be sent to PL. For the example of AT being also involved, the file would be encrypted twice by Eurostat, with the PL key and the AT key, and the accordingly encrypted files would be sent to PL and to AT.

**Step 3:** PL receives the e-mail notification, downloads the file from eDAMIS and decrypts it using the PL private key. If it turns out that PL has different information in its system, the preferred option is to call the BE colleagues to discuss the matter by phone.

**Step 4:** Assuming that it is necessary to send corrected/additional data to BE, PL would fill in the new data in the template, name it BE\_PL0001\_V1 (BE\_AT\_PL0001\_V1), encrypt it using Eurostat's public key and upload it to eDAMIS.

**Step 5:** Eurostat receives the encrypted file through eDAMIS, decrypts it with the Eurostat private key, encrypts it with the BE public key, uploads it to eDAMIS, and an e-mail notification will be sent to BE.

**Step 6:** BE receives the e-mail notification, downloads the file from eDAMIS and decrypts it using the BE private key. If BE agrees with this or if reconciliation is not possible, no further messages in eDAMIS would need to be sent (Section 4 describes what shall be done in each of the two scenarios). In case that an additional exchange of data would take place, the file would be named BE\_PL0001\_V2 (BE\_AT\_PL0001\_V2).

**Step 7:** If BE agrees with the data proposal or reconciliation is not possible, BE sends an email to PL (cc to Eurostat) for closing the request.



The ID reference numbers in eDAMIS have to be unique, but in principle, two messages responding to the initial message could have the same name if sent simultaneously. In such case, Eurostat would rename the last received message and inform the sender. Moreover, a situation could occur, in which two FDI Compilers simultaneously make initial data transmissions. In such case, the FDI Compilers involved would agree to start the reconciliation process on one of these and inform Eurostat that the other one would not be used.

The exchange through the FDI Network also allows the transmission of confidential methodological documents. If the document relates to a specific transaction already transmitted, the reference ID of the methodological document shall consist of the related transaction reference id plus the suffix \_D1, \_D2, ... \_Dx, (example: PL\_BE0015\_D2 is the reference ID for the second methodological document related to the transaction PL\_BE0015). The mentioning of this reference ID within the free text comment field of eDamis is mandatory as it is the only way to identify its connection with the related transaction.

The exchange of positions through the FDI Network follows the same structure as that one of transactions, apart from the details regarding the eDamis transmission, the reference id and the template described below.

For the exchange of positions through the FDI Network a dedicated pair of datasets within the domain FDIDXN of eDamis shall be used to distinguish this exchange from those of transactions and reclassifications. FDIDXN\_PMS2EU\_N should be selected by the initiating Member State for the transmission of positions to Eurostat and FDIDXN\_PEU2MS\_N will be used by Eurostat for the transmission of positions to the counterpart Member State.

The Excel template to be used for the exchange of positions is available on the CIRCABC group FDI Network (direct link: <https://circabc.europa.eu/w/browse/dd131c51-1b27-4539-b483-56cbeb7e1c8c> ). Its structure is described within the Annex to this document.

A unique reference id with a structure different from that one for the flows transmissions is to be applied. It consists of the elements P (position), initiating Member State (2 letters), counterpart Member State (2 letters), the reference year (forthcoming exercise: 2010) and a two-digit increasing sequence number (01 – 99), each of these elements separated by underscore (\_), example: P\_ES\_NL\_2010\_05.

## Annex 6: Transmitting and receiving data through the FDI Network

### Accessing eDAMIS

Eurostat's eDAMIS web portal can be accessed by the link: <https://webgate.ec.europa.eu/edamis>

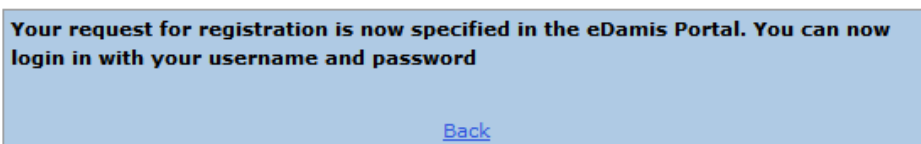
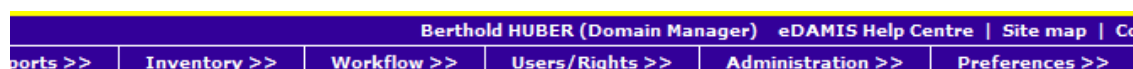
To access eDAMIS the user will need to sign in with the CIRCABC user ID and password. Users which do not have access to CIRCABC can either self-register on the eDAMIS web portal or obtain a CIRCABC user ID by contacting Eurostat ([Marta.Vasariete@ec.europa.eu](mailto:Marta.Vasariete@ec.europa.eu) or other e-mail provided by Eurostat).

The users will be granted rights to the eDAMIS FDIDXN as specified above in Annex 4.

Users need to log on to eDAMIS in order to make the system generate an eDAMIS ID and directory before the first FDI data are being sent to recipient institution via eDAMIS.

**To obtain access to the FDI Network, the users need to perform the abovementioned first logon to eDAMIS.**

After logging on to eDAMIS for the first time, the users will receive the following message:



Top

To proceed to the login section, users need to click [Back](#) and re-enter their CIRCABC user ID and password. Logged-in users will get connected to eDAMIS with their CIRCABC user ID.

The screenshot below illustrates the interface of the eDAMIS framework:

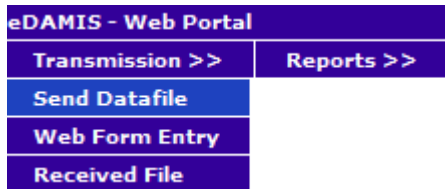
### Welcome to eDAMIS Portal

Transmitted Datafiles Status											
Country	Organisation	User	Date	Sent as	Dataset	Year	Period	Action	Size	Encr.	Status
DK	DNB	bentskri	2009-02-06 11:45:12	FDIDXN_MS2EU_N_EU_2009_0002_V0002_N.XLS	FDIDXN_MS2EU_N	2009		New	24576	Y	Acknowledged
DK	DNB	whatlmi	2009-02-02 15:51:28	2-11122008-EN-BP.pdf	FDIDXN_MS2EU_N	2009		New	102291	N	Acknowledged

Navigation: |< << >> >| Page 1/1  
Go to page:  Go!

### Transmission of FDI data

In order to send files, users need to proceed to the menu [Transmission](#) and select the item [Send Datafile](#).

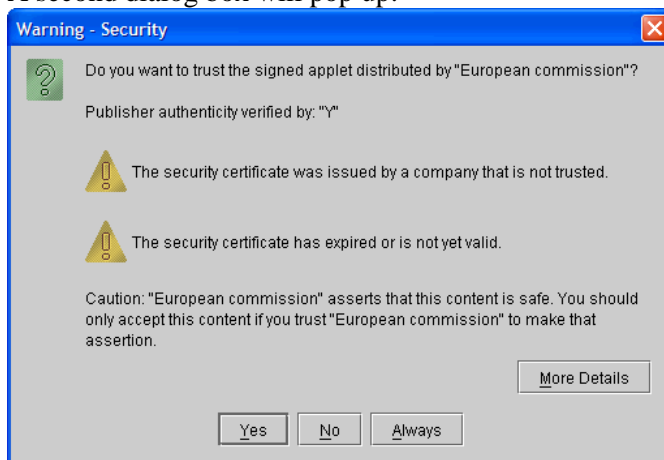


The first time the user sends a file, the user will be asked to **accept the certificate from web site "\*.ec.europa.eu"**.

It is important that the user **confirms each of the security warnings by clicking Always**, otherwise no transmission can be performed.



A second dialog box will pop up:



**Users are kindly requested to answer again with Always**. If user just confirms with YES, it will be asked again each time it want to start a transmission; if the user click NO, there is no way to transmit files.

These security issues described above shall only appear once, that is during your first transmission of FDI data.

After having accepted all these certification windows, the **Send Datafile** window will show up (it can take up to one minute).

Within the interface, the user should insert the following information:

1. Select the file/template to be sent (the file has to be named manually according to the file naming convention set out in Annex 4)
2. **Dataset** for sending transactions is **MS2EU**, **dataset for sending positions is PMS2EU**
3. **Year** shall be current year
4. **Period** = 4-digit sequence number used in the unique reference ID (2-digits for positions)
5. **Encrypt?** should be **checked** (the box is checked by default)

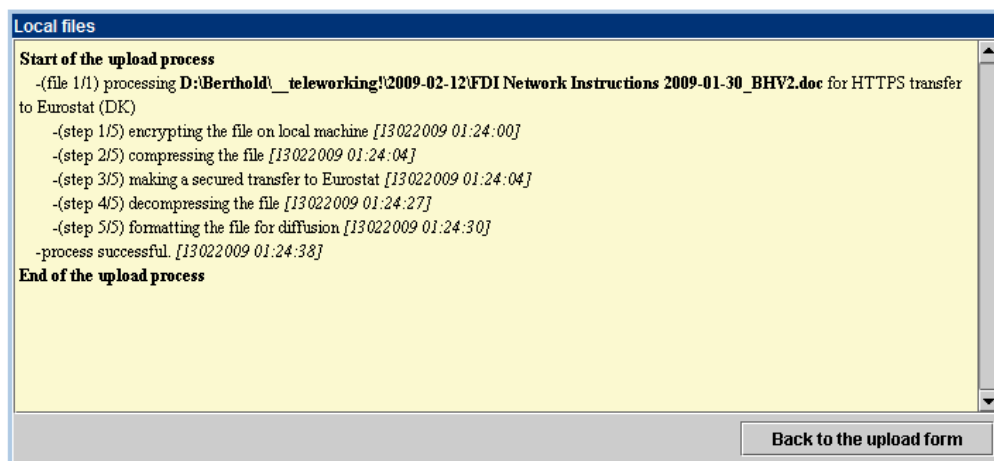
File name	Dataset	Country	Confidential?	Year	Period	Action	Validation?	Encrypt?
Z:\data\incoming\dec\ Browse...	FDIDXN_MS2EU_N	DK	<input checked="" type="checkbox"/>	2009	0004	New	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Important:** Please insert the **unique reference ID** into the **free text comments** field (when constructing the unique reference ID, the country codes should always be separated with an underscore "\_" after the final country, add the 4-digit sequence number without a preceding underscore; the unique reference ID has also to be inserted to the first field of the FDI template):

In case you would like to add another comment in the free text field, please **assure** that it is **separated by a space from the unique identifier** and that the **unique identifier** is positioned **first**.

After having confirmed [Perform transfer](#), the user will be presented information describing the process of data transmission.

## Send Datafile



After the sending data file, the user directly receives a confirmation e-mail titled *Acknowledgement of Data Transfer* according to the example below, also including the information introduced in the sender comment.

EDAMIS/STADIUM IV - Acknowledgement of Data Transfer

-----

Dataset : FDIDXN\_MS2EU\_N  
Action : New  
Period : /2009  
Data file sent : FDIDXN\_MS2EU\_N\_EU\_2009\_0003\_V0003\_ITAT.XLS  
User id : bentskri

Reception date : 13/02/2009 15:26:51

Sender comment : DK\_IT\_AT0001 (TEST-FILE, example equity transaction)

### Receipt of FDI data

This section describes the reverse process – receiving a file from another FDI Compiler. When another FDI Compiler sends an encrypted file to Eurostat, Eurostat decrypts that file and encrypts the file again with the recipients' encryption key and sends the encrypted file to the respective FDI Compiler. The recipient FDI Compiler will receive a notification by e-mail (sample presented below):

EDAMIS/STADIUM IV - Advance Notification of Data Transfer (C)

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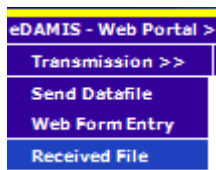
Dataset : FDIDXN\_EU2MS\_N  
Collect date : 15/02/2009 13:00  
Action : new  
Period : 4/2009  
Original filename : FDIDXN\_EU2MS\_N\_EU\_2009\_0004\_V0001\_N.XLS  
Data file destination : /cf\_app\_doc/work/ESTAT/edamis/departure/DK-DNB-EWP/BENTSKRI/arrival/FDIDXN\_EU2MS\_N\_EU\_2009\_0004\_V0001\_N.XLS,/cf\_app\_doc/work/ESTAT/edamis/departure/DK-DNB-EWP/HUBERBEL/arrival/FDIDXN\_EU2MS\_N\_EU\_2009\_0004\_V0001\_N.XLS,/cf\_app\_doc/work/ESTAT/edamis/departure/DK-DNB-EWP/NIELSRIO/arrival/FDIDXN\_EU2MS\_N\_EU\_2009\_0004\_V0001\_N.XLS  
Forwarded file(s) :  
User id : huberbl

Full Name : Berthold HUBER  
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!!!!!!!!!!!! S E N D E R M E S S A G E !!!!!!!!!!!!!  
Sender message : IT\_DK0004 (test file, how to use comment field)

The message will contain information on the original name of the sent file and the name of the file (and path) after being transmitted and stored. The example of the sender message at the bottom of the box above represents what the sender (Eurostat) has entered into the *free text comments* field. It allows identifying the original sending FDI Compiler and a receiving FDI Compiler of the FDI transaction file.

After having received this notification, the eDAMIS user(s) in question will log on to eDAMIS and go to the menu **Transmission** → **Received File**.



Then the following entry (or a similar entry) will be shown:

### Received File

Available datafiles									
Date	Datafile name	Dataset	Year	Period	Action	Size	Free Text	Explanatory Notes	
09/02/15:1 090215:1300	<a href="#">FDIDXN EU2MS N EU 2009 0004 V0001</a>	FDIDXN_EU2MS_2009			N	1996	IT_DK0004 (test file, how to use comment field)		<a href="#">Delete</a>

By clicking on its name (blue hyperlink), the data file can be opened and/or stored.

The respective data file and any confidential data shall always be stored and processed in the confidential environment.