

Supporting Statement for the BE-12 Benchmark Survey
of Foreign Direct Investment in the United States
OMB Control Number 0608-0042

B. Collections of Information Employing Statistical Methods

1. Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection method to be used. Data on the number of entities (e.g. establishments, State and local governmental units, households, or persons) in the universe and the corresponding sample are to be provided in tabular form. The tabulation must also include expected response rates for the collection as a whole. If the collection has been conducted before, provide the actual response rate achieved.

This survey is a benchmark survey, or census. A Form BE-12A, BE-12B, or BE-12C is required for all U.S. affiliates whose data are not consolidated or merged into a BE-12 report filed by another U.S. affiliate. BEA estimates it will mail the survey to approximately 22,700 U.S. companies. BEA estimates the universe of U.S. affiliates is 20,200 companies and that 2,500 companies that are contacted will not meet the criteria to be in the universe and will file a BE-12 Claim for Not Filing.

2017 BE-12 Universe and Response Rate	
Form Type	Estimated number of respondents
Universe	20,200
BE-12A	2,200
BE-12B	2,000
BE-12C	16,000
BE-12 Claim for Not Filing	2,500
Total respondents	22,700
Response rate in terms of assets of 2007 BE-12 survey	98.8%
Response rate in terms of assets of 2012 BE-12 survey	96.0%
Expected response rate in terms of assets of 2017 BE-12 survey	98.0%

2. Describe the procedures for the collection, including: the statistical methodology for stratification and sample selection; the estimation procedure; the degree of accuracy needed for the purpose described in the justification; any unusual problems requiring specialized sampling procedures; and any use of periodic (less frequent than annual) data collection cycles to reduce burden.

This information collection employs statistical methods for the purpose of expanding the data reported for the smallest foreign affiliates to the same level of detail reported for the largest affiliates. Specifically, for majority-owned U.S. affiliates reporting on Form BE-12B or BE-12C, BEA will estimate the additional detail that would have been filed on Form BE-12A. For minority-owned U.S. affiliates reporting on Form BE-12C, BEA will estimate the additional detail that would have been filed on Form BE-12B. Thus, filing by these affiliates on Form BE-12B or BE-12C will not affect the amount of detail that can be published for majority-owned and minority-owned affiliates. In general, the estimation will be accomplished by prorating reported data, such as total assets, among subcomponents that are not reported, using the distribution observed in the next higher size class of companies.

Estimates for missing reports or reports that do not pass data quality requirements will be derived by extrapolating forward their reported data from earlier years on the basis of year-to-year movement in the data reported by other affiliates.

3. Describe the methods used to maximize response rates and to deal with nonresponse. The accuracy and reliability of the information collected must be shown to be adequate for the intended uses. For collections based on sampling, a special justification must be provided if they will not yield “reliable” data that can be generalized to the universe studied.

Several steps will be taken to maximize response rates. In December 2017, BEA will provide respondents with advance notice of the survey by mailing them an announcement of the upcoming survey. The announcement will ask respondents to verify their mailing address and status as a reporter. It will also alert them to the availability of electronic filing. In March 2018, BEA will send another letter to all potential respondents.

Any person specifically contacted by BEA must respond, by filing either a completed form or a Claim for Not Filing by May 31, 2018 (or by June 30, 2018 for reporting companies that use BEA’s eFile system). Non-respondents will be sent follow-up notices and, in the event of continued nonresponse, may be referred to the Office of the General Counsel for further action, including possible referral to the Justice Department.

The response rates described in B.1., together with the estimation procedures described in B.2., will provide information of sufficient accuracy and reliability for the intended purpose.

4. Describe any tests of procedures or methods to be undertaken. Tests are encouraged as effective means to refine collections, but if ten or more test respondents are involved OMB must give prior approval.

BEA sent the planned changes to selected respondent companies and data users and requested their feedback. No respondents have submitted comments.

Many of the questions BEA is proposing to add to the survey have been collected in the past on the BE-12 (such as the state-level data), on other survey forms of the same survey (such as the supplements that will be added to the C form, which are already included on the A and B forms),

or on other surveys (such as the information that ties the BE-12 benchmark data more closely to the related BE-605 quarterly data).

The only questions that are truly new are the questions on the Legal Entity Identifier and the stock exchange and ticker symbol. BEA believes that these questions will be clear to survey respondents, but has not conducted testing to confirm this. These questions are only included on the A and B forms to minimize respondent burden. Adding these questions to the benchmark survey is in itself a test to help BEA determine whether it would be of value to add them to other BEA surveys in the future.

5. Provide the name and telephone number of individuals consulted on the statistical aspects of the design, and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.

The survey is designed and conducted within BEA by the Direct Investment Division (DID). For further information, contact Patricia Abaroa, Chief, DID, via email at patricia.abaroa@bea.gov or by phone at 301-278-9591.