

## BPTT Third Meeting (April 13, 2021)—Summary of Discussions

### INTRODUCTION

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1. The third meeting of the Balance of Payments Task Team (BPTT) was conducted virtually on April 13, 2021. Mr. Carlos Sánchez-Muñoz, Assistant Director of the IMF Statistics Department and Chief of the Balance of Payments Division, chaired the meeting. In his initial remarks, he indicated that the objective of the meeting was to present the outcomes of the IMF's Committee on Balance of Payments Statistics (BOPCOM) meeting conducted in February and to agree on the work plan of the BPTT for the next months. Further, he introduced Ms. Padma Hurree-Gobin, who took over as the BPTT co-secretariat recently.

### TOPICS PRESENTED AND SUMMARY DISCUSSIONS

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2. The Secretariat made a presentation on (i) the [Summary of Discussions \(SOD\) of the BOPCOM Thirty-Fifth Meeting \(February 22–25, 2021\)](#); and (ii) the proposed timeline for the preparation/review of BPTT's guidance notes (GNs) as well as for reviewing the GNs from other Task Teams (TTs). In addition, the IMF/UNSD provided a brief summary of the preliminary outcomes of the fifteenth meeting of the Advisory Expert Group on National Accounts (AEG) (April 6–8, 2021).

3. The Secretariat informed the meeting that nine GNs and one paper were presented for discussion at the Committee meeting, of which eight GNs were approved (BPTT–1, CATT–2, DITT–5, and FITT–1). On the GN *F.10 The Treatment of Cash Collateral*, the Financial and Payments Systems Task Team (FITT) is going to propose a way forward based on the guidance from the Committee and the AEG. The approved GNs will be part of the proposed annotated outline of *BPM7* with suggested modifications and, in some cases, after a final review of the Committee. Based on the paper, *Sustainable Finance: Developing Guidance for Data to Address Climate Change*, the Committee supported continuing the work with the preparation of GN *B.6 Sustainable Finance* for discussion at the October 2021 Committee meeting and provided suggestions on the issues to be covered.

4. The Secretariat provided an overview of the timeline and the work program of the BPTT in terms of GNs review for the forthcoming June 2021 Committee meeting. Similar to other TTs, the BPTT will have no more than two weeks to review its respective GNs. However, with regard to GNs from other TTs, a one-week review will be scheduled. In that respect, the BPTT review exercise of all GNs is expected to be completed by the end of April. The public consultation shall occur during May for the usual four-week duration. The Committee secretariat will have until June 15 to subsequently circulate the GNs together with each respective summary of the outcome of the public consultation to the Committee members.

5. With a view to easing the review process and to allow sufficient time for review before the June Committee meeting, the Secretariat informed BPTT that those GNs, which the Committee had formerly agreed to be discussed via written procedure will be circulated to the members by mid-May. As it stands now, three of the BPTT GNs (B.2, B.3, and B.12), two of the DITT (D.11 and D.18), one of CATT (C.5.2) are earmarked for written consultation. The Chair underscored the rationale behind those GNs meant for written consultation. The motivation is two-fold: either (i) the recommendations are straightforward/non-controversial, some not even requiring changes in the current standards, or (ii) the topics are of technical nature (thus difficult to discuss face to face) and of significant importance for the IMF's surveillance work, thus requiring prior consultation with Fund Departments and making it difficult to accommodate to the June timetable.

6. As matters stand, the BPTT will be reviewing for this round approximately 19 GNs—five of its own GNs and 14 coming from the different TTs. At this stage, the BPTT has already reviewed four GNs, altogether coming from the CATT, FITT, and GZTT, respectively. For the October 2021 meeting, 16 GNs are expected—three of which are BPTT's and 13 from the other TTs. These numbers do not include additional GNs that could also be received from the CMTT, DZTT, GZTT, IETT, and IFTT in the coming weeks/months.

7. The IMF/UNSD reported that the AEG discussed the following topics in the recent meeting: SNA update program, Consistency issues, Communication, Digitalization, Globalization, Well-being and Sustainability, and Financial and Payment Systems. Regarding the SNA update program, it was agreed that the GNs should clearly indicate whether the recommendations will have any impact on the core/central framework of the SNA. On the SNA consistency issues, the UNSD presentation referred to the inconsistent wordings/terminology in the *2008 SNA* and the clarification notes issued through the [SNA News and Notes](#). The AEG acknowledged the inconsistencies between the *BPM6* and the *2008 SNA* that need to be fixed in the ongoing update. While two GNs of the GZTT (*G.2 Treatment of MNE and Intra-MNE Flows* and *G.4 Treatment of Special Purpose Entities and Residency*) have been cleared for public consultation, one GN (*G.1 Valuation of Imports and Exports of Goods in International Standards CIF to FOB Adjustment*) has been posted for public consultation. The AEG members were asked to provide written comments on the FITT GNs F.3 and F.10 (*Reverse Transactions* and *Treatment of Cash Collateral*).

8. The UNSD expressed concern that some GNs have been received by members multiple times in their capacity as members of different TTs/AEG (quoting the recent example of CATT GN *C.6 Trade in Services Classification* that has been circulated to AEG, DZTT, and GZTT). While agreeing that this process may help in receiving comments from those TTs members who were not consulted earlier, it was underscored that when a GN is circulated multiple times, any changes to the version circulated earlier should be clearly specified. This would help the reviewers to quickly go through the relevant parts of the GN and provide additional comments on the recent version. Alternatively, if the same version is being circulated among different TTs, any member may either point out that comments had already been provided before or simply reiterate the same comments.

## ACTIONS

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*The BPTT Secretariat to:*

- *circulate GNs B.8, F.16, and D.11 before the end of this week.*

## ATTENDEES

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- **IMF:** Carlos Sánchez-Muñoz (Chair), Padma Hurree-Gobin and Venkat Josyula (Secretariat), Gustavo Adler, Marcelo Dinenzon, Hector Hernandez, Jennifer Ribarsky, and Niamh Sheridan
- **ECB:** Olga Monteiro
- **Eurostat:** Lena Frej-Ohlsson and Philippe de Rougemont
- **UNSD:** Herman Smith
- **Country representatives:** Amanda Seneviratne (Australia), Eric Boulay (Canada), Hu Hong (China), Jens Walter (Germany), Robert Pupynin (Russia), Paul Farello (USA), and Wilson Phiri (Zambia)