



May 7, 2013

IMF COMMITTEE ON BALANCE OF PAYMENTS STATISTICS 2012 ANNUAL REPORT

EXECUTIVE SUMMARY

The Annual Report of the IMF Committee on Balance of Payments Statistics (Committee) for 2012 provides an overview of recent trends and discrepancies in global balance of payments statistics, summarizes the Committee's work program during 2012, and reviews the issues the Committee plans to address in the coming year.

During 2012, the IMF Statistics Department (STA), in consultation with the Committee, focused attention on implementing the methodology of the *Balance of Payments and International Investment Position*, sixth edition (*BPM6*); implementing enhancements to data that respond to the recommendations of the G20 Data Gaps Initiative (G20 DGI); and improving the availability and quality of external sector data. In particular, the *BPM6* basis data premiered in the August 2012 editions of the IMF's *International Financial Statistics* and the online Balance of Payments Statistics Database, as STA completed work on converting data for 2005 forward to a *BPM6* basis.

In 2013, STA and the Committee will continue with the above agenda and also (1) conduct further consultations on providing enhanced accessibility to data from surveys pertaining to reserve assets, namely data from the Survey of Securities Held as Foreign Exchange Reserves and the Instrument Composition of Transactions in Foreign Exchange Reserves; (2) participate in the governance of the Statistical Data and Metadata Exchange in cooperation with other interested parties, as well as to approve the Data Structure Definition for external sector statistics, to facilitate data transmission among economies and international agencies; and (3) explore the feasibility of collecting data on currency intervention activities for analytical and IMF surveillance purposes.

Approved By
Robert M. Heath

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Glossary

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|--------------|--|
| <i>BD4</i> | <i>OECD Benchmark Definition of Foreign Direct Investment, fourth edition</i> |
| BIS | Bank for International Settlements |
| <i>BOPSY</i> | <i>Balance of Payments Statistics Yearbook</i> |
| <i>BPM5</i> | <i>Balance of Payments Manual, fifth edition</i> |
| <i>BPM6</i> | <i>Balance of Payments and International Investment Position Manual, sixth edition</i> |
| CDIS | Coordinated Direct Investment Survey |
| CG | Compilation Guide |
| CPIS | Coordinated Portfolio Investment Survey |
| DGI | Data Gaps Initiative |
| DSD | Data Structure Definition |
| ECB | European Central Bank |
| EDS | External Debt Statistics |
| FDI | Foreign Direct Investment |
| FISIM | Financial Intermediation Services Indirectly Measured |
| G-20 | Group of twenty economies |
| HSS | Handbook on Securities Statistics |
| IAG | Inter-Agency Group on Economic and Financial Statistics |
| <i>IFS</i> | <i>International Financial Statistics</i> |
| IIP | International Investment Position |
| IMF | International Monetary Fund |
| <i>MSITS</i> | <i>Manual on Statistics of International Trade in Services</i> |
| OECD | Organization for Economic Cooperation and Development |
| RESTEG | Reserve Assets Technical Expert Group |
| SDMX | Statistical Data and Metadata Exchange |
| SEFER | Survey of Securities Held as Foreign Exchange Reserves |
| STA | IMF Statistics Department |
| UNCTAD | United Nations Conference on Trade and Development |
| WGIIS | OECD Working Group on International Investment Statistics |

INTRODUCTION

1. The IMF Committee on Balance of Payments Statistics (Committee) was established in 1992. Initially, a main purpose was to oversee the implementation of the recommendations of two studies on imbalances in measured world current account and financial flows.

The Committee's mandate has broadened over the years to cover improving the availability, consistency, and reliability of balance of payments and international investment position (IIP) statistics, fostering greater coordination of data collection among countries, and facilitating the exchange of statistics.¹

2. The Committee held its twenty-fifth meeting during January 14–16, 2013 in Washington, D.C. The meeting was rescheduled from October 29–31, 2012 due to Hurricane Sandy.² The participants in the meeting, which include members of the Committee and representatives from international organizations, are listed in Appendix II.

3. The following three sections of this Annual Report note recent trends in global balance of payments and IIP data; focus on the work undertaken by the Committee in 2012; and outline the Committee's medium-term work program, respectively.

RECENT TRENDS IN GLOBAL BALANCE OF PAYMENTS AND IIP DATA

4. A growing number of economies submit external sector statistics to the IMF for re-dissemination. Annual balance of payments and IIP statistics for the period 2005–11 are published in the *2012 Balance of Payments Statistics Yearbook (2012 BOPSY)*. For the 2012 BOPSY, 184 economies submitted balance of payments data, of which 134 also submitted IIP data. The number of reporters of quarterly IIP data increased to 79 economies from 70 in 2011.

5. In general, at the global level, the balance of payments account balances for all economies and international organizations combined should be zero, whereas, in practice, the data do not equal zero. The balances are of interest to the Committee, as they are a symptom of estimation errors that, when large, could lead to policy mistakes. A number of factors contribute to the global balances or statistical discrepancies. In particular, statistical discrepancies arise from incomplete coverage of transactions, misclassifications, different timing, and asymmetric valuations.

¹As noted in the Committee's 2011 Annual Report, the Committee's Terms of Reference was updated in 2011 to more clearly state its role. The updated Terms of Reference of the Committee is presented in Appendix I.

²The meeting was originally scheduled to extend from October 29 to noon October 31. In anticipation of the arrival of Hurricane Sandy, STA cancelled the meeting three days before the meeting was to begin. The meeting was subsequently rescheduled to January 2013. As a consequence of the hurricane, IMF Headquarters was closed on October 29–30.

6. According to data published in 2012 BOPSY, the global current account balance (reflecting the difference between current account receipts and payments) was consistently positive in 2005–11 (see Appendix Tables 1 and 2). It increased to \$454 billion in 2011, compared to \$392 billion in 2010. In both years, the balance on goods trade was largest, followed by services trade. The balances on primary and secondary incomes were much smaller. The global goods balance was \$388 billion in 2011, compared to \$334 billion in 2010, and the global services balance was \$128 billion in 2011, compared to \$110 billion in 2010.

7. In regard to reasons for an increase in the level of global current account discrepancies in the past couple of years, the Committee discussed a number of possible factors. Among these, the adoption of *BPM6* requires more models and indirect estimation and these will result in discrepancies if different countries have different models. Being part of a customs union also raises compilation challenges. Outsourcing, shuttle trade, smuggling, volatile exchange rates, and non-cash transactions (such as exchanges of shares) also can cause asymmetries.

8. World assets increased from \$116 trillion at end–2010 to \$122 trillion at end–2011 (see Appendix Table 3). World liabilities increased from \$116 trillion at end–2010 to \$122 trillion at end–2011. The balances in IIP assets and liabilities for all economies and international organizations combined should be a net positive figure at the world level, by the value of holdings of gold bullion included in monetary gold.³

WORK UNDERTAKEN BY THE COMMITTEE IN 2012

A. Implementation of the *BPM6*

9. The *BPM6* basis data premiered in the August 2012 editions of the Fund’s *International Financial Statistics* and the online *Balance of Payments Statistics Database*, as STA completed work on converting country data for 2005 forward to a *BPM6* basis. STA converted the data for countries who continued to report data to the IMF on a *BPM5* basis to a *BPM6* basis using standardized or generic conversion formulas, and countries were asked to approve or modify the results. To assist users in understanding the impact of conversion to *BPM6* and methodological changes from *BPM5* to *BPM6*, STA also posted a set of Frequently Asked Questions (FAQs) on Conversion from *BPM5* to *BPM6*.⁴ The Committee commended the IMF for the timely completion of work in releasing the *BPM6*–basis statistics in its publications, and expressed appreciation for the FAQs.

³ Gold bullion included in monetary gold is recorded as an asset in the IIP accounts, and there is no corresponding liability.

⁴ Available at: <http://www.imf.org/external/pubs/ft/bop/2007/bpm6faq.pdf>.

10. Committee members exchanged information on their experiences in implementing BPM6 and discussed related issues. Australia (the first country to fully implement *BPM6*) and the Russian Federation described their communication strategies and shared their experiences in this area. The European Central Bank (ECB) and Eurostat reported on the coordinated implementation of *BPM6* in the European Union (EU). A major step had been the finalization and publication of revised EU legal acts reflecting the changes to the international standards. The first transmission of data by EU member states according to *BPM6* is expected in June 2014, covering data for the first quarter of 2014 and all quarters of 2013. Japan updated the Committee on the status of its work in implementing *BPM6*—starting with January 2014 data, the first monthly balance of payments data according to *BPM6* would be published in March 2014; IIP data on a *BPM6* basis will be prepared for end-2014 and will be published in May 2015. China presented a paper on how the implementation of the *BPM6* guidelines on goods for processing may impact its balance of payments statistics. Germany shared information on its experiences in estimating insurance, reinsurance, and financial intermediation services indirectly measured (FISIM) on a *BPM6* basis, while the Russian Federation described its work on reporting the financial account on a gross basis.

B. Updating of Statistical Guides and Manuals

11. Work on the *BPM6 Compilation Guide (CG)* is on schedule. By end-December 2012, STA had prepared and posted on a dedicated IMF website, drafts of all chapters and appendices (except Appendix III on FISIM) of the *CG*, covering areas where major methodological changes were introduced in *BPM6*. The public review period for most of the chapters and appendices has concluded, and the text is currently being updated based on comments received. The schedule calls for posting a pre-publication draft of the *CG* on the IMF website in June 2013.

12. Work on updating the *External Debt Statistics (EDS) Guide* also is advancing well. The *EDS Guide* was published in 2003 and is being updated to come into line with *BPM6* and the *2008 System of National Accounts (2008 SNA)*. All draft chapters and appendices were posted for public comments by November 2012, and were reviewed by STA's main advisory group on external debt statistics—the Task Force on Finance Statistics (TFFS). The revised complete version was prepared for TFFS endorsement at its March 2013 meeting, and a pre-publication draft will be posted on the IMF website in September 2013.

13. Work on updating of the *International Reserves and Foreign Currency Liquidity: Guidelines for a Data Template (Guidelines)* was completed, and the *Guidelines* were posted on the IMF website in early February 2012 as a pre-publication draft (subject only to minor editing).⁵

⁵ The pre-publication draft of the updated *Guidelines* is posted at <http://www.imf.org/external/np/sta/ir/IRProcessWeb/dataguide.htm>.

C. G20 Data Gaps Initiative

14. STA continued its work to implement enhancements to data from the *Coordinated Portfolio Investment Survey (CPIS)*. In particular, STA continued to make progress in increasing the frequency, timeliness, and scope of data on portfolio investment assets, and continued its efforts to increase country participation in the CPIS. The IMF has redesigned the CPIS report forms to indicate semi-annual frequency and enhanced scope, i.e., introduction of new encouraged data items, to obtain separate data on short or negative positions, and on the institutional sector of foreign debtor. In regard to the latter, a new table will collect data on an encouraged basis from all economies, presenting their holdings of securities by domestic sector cross-classified by sector of issuer for each of the 25 economies identified by the IMF Executive Board with systemically important financial sectors.⁶ The IMF has continued outreach efforts to alert CPIS reporting economies to the changes in frequency, timeliness, and scope of the CPIS data that will take effect with the reporting to STA of end-June 2013 data in January 2014; and to increase CPIS participation through country technical assistance missions and country/regional training courses.

15. STA continued to focus on increasing the number of reporters of quarterly IIP statistics. The number of economies reporting quarterly IIP data increased to 79 as of March 2013, including three-quarters of the economies that subscribe to the IMF's Special Data Dissemination Standard (SDDS). Thirteen G-20 economies (including Euro Area) currently report quarterly IIP data; and five of the seven G-20 economies not currently reporting quarterly IIP data have indicated a timeframe for implementing quarterly dissemination ranging from 2013–2014.

16. With a view to advancing work on the DGI Recommendation #14, STA contributed to the creation of an inventory of available data at international organizations on cross-border exposures of financial and nonfinancial corporations.⁷ The next step is to develop a standardized template covering the available data on international exposures of large nonbank financial institutions. The Committee expressed broad support for the work in implementing Recommendation #14, which would be supported by implementing the enhancements to the CPIS and the reporting of data with a sectoral breakdown. However, the Committee noted that there would be challenges in collecting information on the sector of issuer.

17. The importance of external sector data for IMF surveillance work remains evident. The new IMF Framework for an Integrated Surveillance Decision covers both bilateral and multilateral surveillance; the latter requires high quality data, particularly for analysis of cross

⁶ The revised report forms reflecting enhancements to the scope and frequency were shared with CPIS and SEFER (Survey of Securities Held as Foreign Exchange Reserves) participants in early January 2012. SEFER is a companion survey to the CPIS; SEFER collects data on securities held in reserve assets, whereas the CPIS collects data on securities held in portfolio investment.

⁷ The inventory is posted on the Principal Global Indicators (PGI) website at <http://www.principalglobalindicators.org/default.aspx>.

border interconnections and potential spillovers. The *External Balance Assessments* (EBA) methodology was developed to analyze current accounts, exchange rates, and net asset positions of many economies simultaneously, relative to each other. The EBA serves as a key analytical input to the new *External Sector Report* (see <http://www.imf.org/external/np/res/eba/index.htm>).

D. Results from the Coordinated Direct Investment and Coordinated Portfolio Investment Surveys

18. Participation in the Coordinated Direct Investment Survey (CDIS) continues to grow as 86 economies participated in the end-2011 survey round. The CDIS collects data on inward and outward direct investment positions by immediate counterpart country, broken down between equity and debt, as of end-December of the reference year. In addition to the reporting-economy tables, the CDIS website (<http://cdis.imf.org>) also includes a set of global and regional tables, as well as mirror data that allows for bilateral data comparisons.

19. The results of the 2011 CPIS were published on schedule in November 2012 (see <http://cpis.imf.org>). These data, reported by 76 economies, were the eleventh annual set of CPIS data since the Committee launched the annual survey in 2001. The size of the reported assets was US\$ 39.5 trillion for 2011, compared to \$ 40.7 trillion in 2010. In addition to the reporting-economy tables, the CPIS website also includes a set of global tables that include derived liabilities data.

E. Data Sharing and Confidentiality

20. At its meeting in 2011, the Committee discussed the feasibility of enhanced accessibility to data from surveys conducted by STA pertaining to reserve assets, including data from SEFER and INFER. In 2012, STA corresponded with countries in regard to these surveys, in order to share its proposals aimed at improving global surveillance and the IMF's understanding of financial interconnectedness, while safeguarding the confidentiality provisions of reported data. The Committee supported STA's proposals but considered that they needed to be implemented cautiously and with further consultation, so to ensure broad support in this sensitive field of statistics.

F. Cross-Sector Data Consistency Work

21. The Cross-Sector Consistency Group (CSCG) was established in March 2012 in recognition of the importance of addressing inconsistencies in data that are reported to STA for different economic sectors. The CSCG is the central coordinating body for cross-sector consistency work in STA. It provides a forum for identifying and discussing data inconsistencies, and developing plans and taking actions to address them in collaboration with other Fund departments and reporting countries. The CSCG made considerable progress in organizing the work in STA and approaching an initial group of member countries where inconsistencies have been identified. The response from member countries has been very positive. Going forward, the

CSCG will continue monitoring cross-sector data inconsistencies; contact countries with significant inconsistencies; and maintain a list of methodological differences among the major macroeconomic statistical manuals and bring them to the attention of the relevant agencies and bodies. A paper is being prepared to inform IMF Executive Directors of STA's work in this area.

G. Statistical Data and Metadata Exchange (SDMX) Data Structure Definition and Governance

22. The SDMX is sponsored by seven international organizations (BIS, ECB, Eurostat, IMF, OECD, United Nations, and World Bank), to help address the circumstance where the same data are transmitted in different formats to different international organizations. The IMF has closely worked with the ECB and Eurostat, in collaboration with the OECD and the BIS, to finalize a Data Structure Definition (DSD) that can be used by all economies to report *BPM6*-basis data to all international agencies in the same SDMX format.

23. The SDMX DSD could be leveraged to reduce the data reporting burden by countries, and STA has encouraged Committee members to participate in a pilot implementation of the DSD that will be carried out starting in February 2013. A final DSD version (BOP-DSD V1.0) is expected to be released in late-spring of 2013.

H. Developments in Selected Other External Accounts Areas

24. Since the 2011 BOPCOM meeting, STA has conducted a number of activities in the area of remittances statistics. In particular, substantial work has been completed on translating the *International Transactions in Remittances: Guide for Compilers and Users* into Chinese, Spanish, Russian, and Arabic, and the French language translation is expected to be posted during 2013. Furthermore, STA has provided compilation guidance on remittances statistics through technical assistance missions and training seminars.

25. STA has also continued to work with balance of payments compilers in Sovereign Wealth Fund (SWF) countries to obtain the relevant data for inclusion in macroeconomic statistics. With the aim of increasing methodological guidance on the sectoral allocation and functional classification of the different types of SWF arrangements, it was agreed that Chapter 3 of the revised *Monetary and Financial Statistics Manual (MFSM)* (which will be combined with the *MFSM Compilation Guide*) will deal with SWFs and will present criteria for their sectoring, consistent with *BPM6* and the *2008 SNA*.

I. Discussion of Other Methodological Issues

26. The 2012 Committee meeting included discussions of a number of methodological issues. The IMF proposed a methodology for recording transactions related to distributions of IMF windfall profits from IMF gold sales.⁸ While Committee members welcomed both the logic of the proposal—presented in the format of Frequently Asked Questions (FAQs)—and the cross domain cooperation and consistency, some noted that the underlying premise of the proposal, i.e., that distributions of the profits from gold sales be recorded as superdividends, rested on members having an equity claim on the IMF. However, such classification is not currently followed by any members in their IIPs, and more importantly, gives rise to the need for guidelines to be used for valuing members' equity in the IMF. The IMF noted that the FAQs were compiled on the basis of a key principle: the IMF has a balance sheet, and if there is positive net worth, it belongs to the Fund's members. The distribution therefore reduces the members' claims on the IMF, and therefore it should not be regarded as some type of transfer. It also should not be regarded as a dividend, because it does not originate from current operating income.

27. To avoid creating negative equity claims on the IMF in IIPs of members, the IMF agreed that, as a temporary solution, the "other changes in financial assets and liabilities" account could be used to offset the recording of the withdrawal of equity so "other equity" would be unaffected in the IIP between the two end-periods. Going forward, the IMF will develop guidelines for use by member countries in valuing their equity in the IMF.

28. A difference between the 2008 SNA and BPM6 in recording the cost of transporting goods from the supplier to the purchaser was brought to the attention of the Committee in a paper written by Anne Harrison, the Editor of the 2008 SNA. According to *BPM6*, a uniform free on board (FOB) valuation basis is recommended, while the *2008 SNA* recognizes a variety of different bases to record cross-border trade. The *European System of Accounts 2010 (ESA 2010)* is consistent with the FOB valuation in *BPM6*. The issue will be discussed by the Intersecretariat Working Group on National Accounts Advisory Expert Group at its meeting in May 2013.

J. Work of Other International Organizations

29. The other international organizations participating in the Committee meeting reported on their work. The BIS presented information on its work to enhance the international banking statistics (IBS). The first stage of enhancements in the BIS locational by nationality banking statistics aim at receiving (i) full balance sheets, (ii) a detailed country dimension that would reveal the granular geographical exposure of banks' balance sheets, and (iii) more detailed

⁸ The two distributions (approved by the IMF Executive Board in February and September 2012) of windfall profits from recent gold sales were aimed at securing the resources for the Poverty Reduction and Growth Trust (PRGT). However, the profits could not be placed directly in the PRGT benefitting only some members, but would have to be first distributed to all IMF members in proportion to their quota shares, and then at least 90 percent of the distributed amount must be voluntarily transferred by the members to the PRGT.

reporting of individual currencies, where available. The second stage of enhancements in the IBS aim at collecting new data in the locational and consolidated banking statistics. The second stage objectives include (i) improving understanding of banks' credit exposures to particular countries and counterparty sectors, (ii) monitoring trends in the supply of bank credit to the financial and nonfinancial sectors of individual countries, and (iii) assessments of banks' funding risks. Most central banks are expected to start providing Stage 2 data starting with reporting period 2013/Q4. The two stages of enhancements were designed to make significant and long-lasting improvements to the IBS, and complement other international data initiatives, such as the G20 DGI.

30. The OECD's Working Group on International Investment Statistics (WGIIS) is proceeding with the implementation of the OECD Benchmark Definition of Foreign Direct Investment, 4th edition (BD4). Its research agenda includes the measurement of total financing of multinational enterprises (MNEs). The conceptual framework will allow identifying total assets controlled by MNEs before and after consolidation to eliminate capital in transit. UNCTAD has published the *World Investment Report 2012* which presents its new Investment Policy Framework for Sustainable Development. In addition, the Task Force on Statistics of International Trade in Services, which is chaired by the OECD, is working on a *Manual on Statistics of International Trade in Services Compilation Guide (MSITS 2010 CG)* that would complement the services chapters of the *BPM6 CG*, and text in the guides would be cross-referenced and harmonized. Finally, the BIS, ECB, and IMF have completed Part III (equity securities) of the *Handbook on Securities Statistics*.

31. The UNECE Task Force (TF) on Global Production was established in November 2011 by the Bureau of the Conference of European Statistician (CES) to provide support for the effective implementation of the guidelines in BPM6 and the 2008 SNA relating to global production.⁹ The TF's goal was to further address a number of unresolved conceptual and measurement issues related to global manufacturing, transactions in intellectual property products, merchanting, quasi-transit trade, and special purpose entities. The TF builds on work of the UNECE-led Group of Experts on the Impact of Globalization on National Accounts, which published *The Impact of Globalization on National Accounts* in February 2012. The Committee expressed support for the work being performed by the TF.

32. The full set of papers presented at the meeting of the Committee in Washington, D.C. are available at <http://www.imf.org/external/bopage/bopindex.htm>.

⁹ The TF comprises a number of countries, as well as Eurostat, IMF, OECD, United Nations Statistics Division, and World Trade Organization. Under its Terms of Reference, the TF is to consult with, and provide draft reports to, various bodies, including the IMF Committee on Balance of Payments Statistics, the Conference of European Statisticians (CES) Bureau and the OECD Working Party on National Accounts and International Trade.

MEDIUM-TERM WORK PROGRAM FOR 2013

33. The top priorities of the Committee will remain the implementation of *BPM6*, completion of the *BPM6 Compilation Guide*, and the CPIS data enhancements. In addition, expanding the number of countries reporting annual or quarterly IIP data will be a top priority. The medium-term work program of the Committee is shown in Appendix III.

34. The IMF is examining the possibility of collecting data on currency intervention activities for the purposes of financial analysis and surveillance, in response to an IMF Executive Board discussion of Data Provision to the Fund for Surveillance Purposes in November 2012. As part of the consultative process, the IMF would reconstitute the Reserve Assets Technical Expert Group (RESTEG), which was one of the specialized expert groups created by the Committee, to obtain its views. Before reconstituting RESTEG, the IMF will correspond with higher level policymaking officials within RESTEG member countries, to alert them to this consultation process.

Appendix I. Terms of Reference of the IMF Committee on Balance of Payments Statistics

1. The Committee will advise the IMF on methodological and compilation issues in the context of balance of payments and international investment position statistics, and foster greater coordination of data collection among countries.
2. The Committee will advise on the implementation of the Balance of Payments and International Investment Position Manual.
3. The Committee will bring to the attention of the IMF new developments that impact on the compilation of statistics of cross-border transactions or related stocks of financial assets and liabilities, and work with the IMF in determining how these activities should be treated in accordance with the Balance of Payments and International Investment Position Manual.
4. The Committee will advise the IMF on the identification and closing of data gaps in the external sector accounts, especially those arising from the need to support surveillance and analysis of cross-border financial interconnectedness.
5. The Committee will investigate ways in which data collection can be better coordinated among countries, with a view, *inter alia*, to facilitating the exchange of statistics (e.g., bilateral transactions or stock data). It will also identify related areas for study and determine how work in those areas should be carried forward.
6. Members are invited to join the Committee on a personal basis reflecting an appropriate level of seniority and expertise in the field of external statistics. As part of their membership obligations, Committee members commit to attending the full meetings of the Committee and to actively participate, unless there are exceptional circumstances that prevent such attendance and participation.
7. In carrying forward its work, the Committee will collaborate with other national compilers and with appropriate international organizations.

8. In consultation with the IMF's Statistics Department, the Committee will determine its work program and will meet under IMF auspices at least once a year.
9. The Committee's work will be summarized in an annual report to the Managing Director of the IMF.

Appendix II. Membership of the IMF Committee on Balance of Payments Statistics and Representatives of International Organizations

As of December 31, 2012

Chair

Robert Heath
IMF, Statistics Department

Francois Mouriaux
Bank of France

Other Members

Sabir Said Al-Harbi
National Centre for Statistics and Information
Oman

Patrick O'Hagan
Statistics Canada

Almut Steger
Deutsche Bundesbank, Germany

Zhi Wei Chen
State Administration of Foreign Exchange
People's Republic of China

Hidetoshi Takeda
Bank of Japan

Michael Davies
Australia Bureau of Statistics

Leslie Tang¹
Census and Statistics Department
China, Hong Kong SAR

Kenneth Egesa
Bank of Uganda

Sarahelen Thompson
Bureau of Economic Analysis
United States

Azizullah Khattak
State Bank of Pakistan

Lydia Troshina
Central Bank of Russia

Wataru Kikuchi
Ministry of Finance, Japan

Stefaans Walters
Reserve Bank of South Africa

Ralph Kozlow
IMF, Statistics Department

¹ Did not attend the meeting of the Committee held in January 2013.

Representatives of International Organizations

Bank for International Settlements
Karsten von Kleist

European Central Bank
Werner Bier
Nuno Silva

European Commission-Eurostat
Daniela Comini
Lauris Norlund

Organization for Economic Cooperation and Development
Ayse Bertrand
Bettina Wistrom

United Nations Conference on Trade and Development
Masataka Fujita

United Nations Statistics Division
Ivo Havinga

Secretariat (IMF, Statistics Department)

Florina Tanase
Paul Austin
Carmen Picon-Aguilar
Cornelia Hammer

Appendix III. Medium–Term Work Program of the IMF Committee on Balance of Payments Statistics for 2013

| Subject | Issue | Action |
|--|---|---|
| TOP PRIORITY | | |
| <i>Balance of Payments and International Investment Position Manual (BPM6)</i> | Implementation of the <i>BPM6</i> | IMF, Committee member(s), and/or the BOP-DSD Steering Group report on progress in implementing the new standards. |
| <i>BPM6 Compilation Guide</i> | Preparing the <i>BPM6 Compilation Guide</i> | A pre-publication draft of the <i>BPM6 Compilation Guide</i> to be posted on the IMF website at end-June 2013. |
| Coordinated Portfolio Investment Survey (CPIS) | Enhance the quality and availability of CPIS data. | IMF reports on implementation of enhancements to CPIS data. First semi-annual CPIS to be conducted for end-June 2013 (data to be released in early 2014). IMF to publish updated results of the 2011 CPIS. |
| International Investment Position (IIP) | Further development of annual and quarterly IIP estimates | IMF reports on developments and enhancements in IIP estimates, with reference to recommendations in the IMF/FSB Secretariat reports to G-20 Finance Ministers and Central Bank Governors. |

| Subject | Issue | Action |
|---|--|--|
| MEDIUM PRIORITY | | |
| Reserve Assets | <i>Reserve Template Guidelines</i> is published. Advice provided to countries regarding statistical treatment of reserve assets. | IMF reports on implementation of updated <i>Guidelines</i> and on other initiatives in the reserve assets area. IMF to report on results of efforts to broaden the sharing of confidential statistical data (SEFER and INFER) with the consent of the data provider. |
| | IMF conducts inquiries into feasibility of collecting and disseminating additional data on currency intervention activities of monetary authorities. | IMF informs policymakers in member countries of IMF interest in obtaining data on currency intervention activities, and consults RESTEG on conceptual and practical aspects. IMF reports on status of this initiative. |
| Coordinated Direct Investment Survey (CDIS) | Results of the CDIS | IMF reports on initial results from the 2011 CDIS and updated results from the 2009–10 CDIS. |
| International Trade in Services | <i>Manual on Statistics of International Trade in Services (MSITS)</i> | Report by OECD on activities of the Task Force on Statistics of International Trade in Services, including progress on preparing a Compilation Guide. |
| Sovereign wealth funds | Report on progress | Report by IMF |
| Remittances | <i>Remittances Compilation Guide (RCG)</i> | IMF to report on work on progress in the remittances area. |
| Research topics | Report on long-term research program in consultation with Inter-Secretariat Working Group on National Accounts | Report by UNSD and/or IMF |
| Securities statistics | <i>Handbook on Securities Statistics (SH)</i> , Working Group on Securities Databases and progress on the Centralized Securities Database (CSDB) | Report by BIS, ECB, and/or IMF on <i>SH</i> . Report by ECB on CSDB. |
| Global discrepancies | Developments in discrepancies in global balance of payments statistics | Report by IMF |
| External Debt | Improve reporting of external debt data | IMF reports on work on improving External Debt data, with reference to the work of the Task Force on Finance Statistics. |
| International financial statistics | Developments in banking and related statistics | Report by BIS |

Table 1. Global Balances on Current Account, 2005–2011

(In billions of U.S. dollars)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | Average balance 2005-2011 |
|---|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------------------------|
| Current account balance | 56.3 | 219.7 | 351.3 | 265.5 | 267.3 | 391.5 | 453.6 | 286.5 |
| Goods balance | 64.5 | 140.3 | 223.5 | 192.8 | 229.6 | 333.7 | 387.8 | 224.6 |
| Credit | 10,140.2 | 11,730.5 | 13,622.6 | 15,729.9 | 12,226.2 | 14,909.9 | 17,867.8 | |
| Debit | 10,075.7 | 11,590.1 | 13,399.1 | 15,537.0 | 11,996.7 | 14,576.2 | 17,479.9 | |
| Services balance | 64.4 | 112.1 | 168.2 | 120.4 | 97.5 | 110.2 | 128.3 | 114.4 |
| Credit | 2,556.1 | 2,896.1 | 3,464.0 | 3,882.2 | 3,490.4 | 3,820.9 | 4,243.5 | |
| Debit | 2,491.8 | 2,784.0 | 3,295.8 | 3,761.9 | 3,392.9 | 3,710.7 | 4,115.2 | |
| Primary Income balance | -50.0 | -45.8 | -44.8 | -63.7 | -35.3 | -29.8 | -36.0 | -43.6 |
| Credit | 2,442.8 | 3,155.1 | 4,066.6 | 4,023.6 | 2,977.0 | 3,165.9 | 3,577.5 | |
| Debit | 2,492.8 | 3,200.9 | 4,111.4 | 4,087.3 | 3,012.4 | 3,195.7 | 3,613.4 | |
| Secondary Income balance | -22.6 | 13.1 | 4.4 | 15.9 | -24.4 | -22.7 | -26.6 | -9.0 |
| Credit | 734.7 | 809.6 | 923.7 | 1,047.9 | 984.1 | 1,000.6 | 1,128.5 | |
| Debit | 757.3 | 796.5 | 919.3 | 1,031.9 | 1,008.5 | 1,023.3 | 1,155.1 | |
| Memorandum items | | | | | | | | |
| Current account balance as percent of gross current account transactions | 0.2 | 0.6 | 0.8 | 0.5 | 0.7 | 0.9 | 0.9 | 0.6 |

Table 1. Global Balances on Current Account, 2005–2011 (concluded)

(In billions of U.S. dollars)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | Average balance 2005-2011 |
|--|------|------|------|------|------|------|------|---------------------------------|
| Goods balance as percent of gross goods transactions | 0.3 | 0.6 | 0.8 | 0.6 | 0.9 | 1.1 | 1.1 | 0.8 |
| Services balance as percent of gross services transactions | 1.3 | 2.0 | 2.5 | 1.6 | 1.4 | 1.5 | 1.5 | 1.7 |
| Primary Income balance as percent of gross primary income transactions | 1.0 | 0.7 | 0.5 | 0.8 | 0.6 | 0.5 | 0.5 | 0.7 |
| Secondary Income balance as percent of gross secondary income transactions | 1.5 | 0.8 | 0.2 | 0.8 | 1.2 | 1.1 | 1.2 | 1.0 |
| Capital account balance as a percentage of gross capital account transactions | 13.5 | 5.4 | 8.1 | 2.2 | 3.6 | 15.9 | 10.4 | 8.4 |

Source: *Balance of Payments Statistics Yearbook*, Volume 63, Part 2, 2012

Table 2. Global Balances on Capital and Financial Accounts, 2005–2011

(In billions of U.S. dollars)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | Average balance 2005-2011 |
|--------------------------------------|-------------|--------------|--------------|-------------|--------------|--------------|--------------|---------------------------------|
| Capital account balance | 28.7 | 13.9 | -17.8 | 4.7 | -7.9 | 37.7 | 25.1 | 12.1 |
| Credit | 120.4 | 136.0 | 101.1 | 110.1 | 104.0 | 137.9 | 133.3 | |
| Debit | 91.7 | 122.2 | 118.9 | 105.4 | 111.9 | 100.2 | 108.2 | |
| Financial account balance | 74.2 | 144.0 | 331.3 | 65.0 | 151.8 | 176.6 | 135.7 | 154.1 |
| Direct investment | -120.4 | -84.7 | 153.3 | 181.9 | 4.6 | -34.6 | -52.9 | 6.8 |
| Assets | 1,305.2 | 1,721.8 | 2,770.6 | 2,436.2 | 1,408.5 | 1,651.8 | 2,014.0 | |
| Liabilities | 1,425.5 | 1,806.5 | 2,617.3 | 2,254.2 | 1,403.9 | 1,686.3 | 2,067.0 | |
| Portfolio investment | -206.8 | -160.9 | -153.3 | -292.3 | 226.9 | -213.4 | -319.1 | -159.8 |
| Assets | 2,571.5 | 2,829.1 | 2,562.2 | -55.7 | 1,822.6 | 1,323.1 | 105.8 | |
| Liabilities minus LCFAR ¹ | 2,778.2 | 2,990.0 | 2,715.5 | 236.6 | 1,595.7 | 1,536.5 | 424.9 | |
| Liabilities including LCFAR | 3,186.1 | 3,511.4 | 3,639.1 | 1,116.5 | 2,320.9 | 2,447.6 | 1,128.2 | |
| LCFAR (in Portfolio investment) | 407.9 | 521.4 | 923.6 | 879.9 | 725.3 | 911.1 | 703.3 | |

¹Liabilities constituting foreign authorities' reserves. The data in liabilities constituting foreign authorities' reserves were derived from information collected by the IMF from a sample of large reserve-holding countries. These data were used to adjust portfolio and other investment liabilities to align the data better with corresponding asset series.

Table 2. Global Balances on Capital and Financial Accounts, 2005–2011 (concluded)

(In billions of U.S. dollars)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | Average balance 2005-2011 |
|---|---------|---------|---------|----------|----------|----------|----------|---------------------------------|
| Financial Derivatives (other than reserves) and Employee Stock Options | 11.3 | -70.6 | 123.0 | 338.7 | -93.3 | -94.8 | -11.3 | 29.0 |
| Assets | -452.5 | -354.0 | -444.2 | -797.5 | -965.5 | -1,143.0 | -1,487.6 | |
| Liabilities | -463.8 | -283.4 | -567.2 | -1,136.2 | -872.2 | -1,048.2 | -1,476.4 | |
| Other investment | 330.6 | 334.6 | 32.6 | -305.8 | -277.1 | 303.3 | 416.6 | 119.3 |
| Assets | 2,973.4 | 3,471.0 | 5,787.1 | -1,020.2 | -2,116.3 | 2,176.2 | 2,423.1 | |
| Liabilities minus LCFAR ¹ | 2,642.8 | 3,136.5 | 5,754.6 | -714.5 | -1,839.3 | 1,872.9 | 2,006.6 | |
| Liabilities including LCFAR | 2,811.9 | 3,338.4 | 5,937.7 | -903.9 | -1,825.0 | 1,928.6 | 2,303.4 | |
| LCFAR (in Other Investment) | 169.1 | 202.0 | 183.2 | -189.4 | 14.2 | 55.7 | 296.9 | |
| Reserves minus LCFAR | 59.5 | 125.5 | 175.7 | 142.5 | 290.6 | 216.1 | 102.4 | 158.9 |
| Reserves | 636.4 | 848.9 | 1,282.5 | 833.0 | 1,030.1 | 1,182.9 | 1,102.6 | |
| LCFAR | 576.9 | 723.4 | 1,106.8 | 690.5 | 739.5 | 966.8 | 1,000.1 | |
| Net errors and omissions ² | -10.8 | -89.6 | -2.1 | -205.2 | -107.6 | -252.6 | -343.0 | -144.4 |

Source: *Balance of Payments Statistics Yearbook*, Volume 63, Part 2, 2012

Note: In the financial account balance, a positive sign indicates a net increase in assets and/or a net decrease in liabilities, while a negative sign indicates a net increase in liabilities and/or a net decrease in assets.

¹ Liabilities constituting foreign authorities' reserves. The data in liabilities constituting foreign authorities' reserves were derived from information collected by the IMF from a sample of large reserve-holding countries. These data were used to adjust portfolio and other investment liabilities to align the data better with corresponding asset series.

²The sum of recorded transactions with sign reversed.

Table 3. Global IIP—Assets and Liabilities, 2005–2011

(In billions of U.S. dollars)

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---------------|---------------|-------------|-------------|------------|------------|------------|
| Assets | | | | | | | |
| World Total | 65,343 | 82,976 | 104,761 | 102,202 | 106,310 | 116,086 | 122,232 |
| Advanced Economies | 58,788 | 74,359 | 93,405 | 90,302 | 92,563 | 100,343 | 104,770 |
| Emerging and Developing Economies | 6,555 | 8,617 | 11,357 | 11,900 | 13,747 | 15,743 | 17,462 |
| Developing Asia | 1,875 | 2,520 | 3,539 | 4,056 | 4,747 | 5,650 | 6,390 |
| Europe | 993 | 1,505 | 2,169 | 2,192 | 2,327 | 2,487 | 2,631 |
| Central and Eastern Europe | 367 | 602 | 822 | 864 | 913 | 926 | 933 |
| CIS and Mongolia | 626 | 903 | 1,348 | 1,328 | 1,414 | 1,560 | 1,698 |
| Middle East and Northern Africa | 1,571 | 2,068 | 2,488 | 2,540 | 2,656 | 2,846 | 3,283 |
| Sub-Saharan Africa | 279 | 353 | 438 | 444 | 819 | 963 | 1,045 |
| Western Hemisphere | 1,838 | 2,170 | 2,723 | 2,668 | 3,197 | 3,797 | 4,114 |
| Liabilities | | | | | | | |
| World Total | 66,537 | 83,977 | 105,570 | 102,407 | 105,919 | 115,673 | 121,750 |
| Advanced Economies | 59,446 | 75,203 | 94,105 | 91,554 | 92,405 | 99,744 | 105,017 |
| Emerging and Developing Economies | 7,091 | 8,774 | 11,465 | 10,853 | 13,515 | 15,930 | 16,733 |
| Developing Asia | 1,776 | 2,200 | 2,732 | 2,893 | 3,658 | 4,598 | 5,260 |
| Europe | 1,585 | 2,265 | 3,341 | 2,903 | 3,337 | 3,657 | 3,576 |
| Central and Eastern Europe | 870 | 1,256 | 1,762 | 1,749 | 1,941 | 2,039 | 1,955 |
| CIS and Mongolia | 715 | 1,009 | 1,578 | 1,154 | 1,396 | 1,618 | 1,622 |
| Middle East and Northern Africa | 784 | 962 | 1,221 | 1,340 | 1,447 | 1,568 | 1,663 |
| Sub-Saharan Africa | 472 | 483 | 582 | 527 | 897 | 1,044 | 1,090 |
| Western Hemisphere | 2,474 | 2,863 | 3,589 | 3,189 | 4,175 | 5,063 | 5,144 |
| Net IIP¹ | -1,194 | -1,001 | -808 | -205 | 391 | 413 | 482 |

¹ The balances in IIP assets and liabilities for all economies and international organizations combined should be a net positive figure at the world level, by the value of holdings of gold bullion included in monetary gold.