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Best Practices for Communicating the *BPM6* Migration

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I.   Introduction

1.   This paper identifies a number of best practices that would assist data users to prepare for, and understand the impact of, the adoption of the sixth edition of the IMF's *Balance of Payments and International Investment Position Manual* (*BPM6*) by national data compilers. It identifies a number of activities (Table 1) that could be undertaken by compilers to enable their data users to anticipate and understand changes to data in the balance of payments and International Investment Position accounts (IIP). In general, data users should be alerted to any major changes in methodology as early as possible, to allow them to adequately prepare to receive and use data on the new basis.

2.   For most countries, main data users include country authorities, data redistributors and resellers, international organizations, students, academia, and the business community.

3.   The paper contains separate sections for best practices could be undertaken before the release of *BPM6*-basis data, those that could be undertaken simultaneously with the first release of data on a *BPM6* basis, and those that could be undertaken after data are first released on a *BPM6* basis. This paper also contains cross-references to papers on communication strategies by countries that have adopted *BPM6*.

II.   Before the Release of *BPM6*-basis Data

4.   It would be useful to develop a comprehensive **communications plan** that lists actions and key target dates to undertake so that users are informed well in advance of the introduction of *BPM6*-basis data. For example, some actions to consider are press briefings, press releases, meetings with major data users, articles, and the posting of Frequently Asked Questions on *BPM6*-data conversion on your public website. These are described somewhat more fully below.

5.   Users should be informed of your **planned date** for releasing balance of payments and IIP statistics on a *BPM6*-basis. As noted, economies should inform users well in advance of their plans to disseminate *BPM6*-basis data. Economies may wish to consider posting a note on their National Summary Data Page (NSDP), and/or on the website of the main data pages accessed by users of your statistics, to alert data users of the date on which the *BPM6*-basis data will be released, the main methodological and presentational changes that are being introduced, and the possible impact of these changes on the balance of payments and IIP.

6.   A **press release** should be issued that provides data users with this same information (i.e., date of conversion; main changes being introduced; and possible impact of those changes). The press release should note that *BPM6* serves as the standard international framework for statistics on the transactions and positions between an economy and the rest of the world.

7.   Users should be informed of **the historical time period that will be revised**, that is, of the date on which the *BPM6*-basis time series will begin. Any breaks in series that will arise due to the introduction of major methodological changes should be highlighted in notes to data tables and articles.

8.   Compilers should consider preparing **articles or papers** summarizing the methodological and presentational changes that will be implemented, highlighting those that will have a substantial impact on their data. For example, it may be helpful to explain the new sign convention. The press release could refer to these papers, or to information on the IMF website, for further explanations.

9.   An **informational paper could be sent to the main stakeholders** outlining the key changes that implementation of *BPM6* will involve, and a calendar with target dates for the implementation process.

10.   In cases where implementation of the *2008 System of National Accounts* coincides with implementation of *BPM6*, it would be worthwhile for compilers of external sector statistics to closely coordinate with compilers of national accounts statistics, including on main messages to the public and other data users. Even if the two standards are adopted at different times, it is important that national accounts compilers and balance of payments compilers keep each other appraised of actions they each will be undertaking and to coordinate as much as practical

11.   Compilers should **assess the likely impact** of adopting *BPM6* on their balance of payments and IIP data, in order to prepare explanatory notes to help data users to understand the changes in the data.

12.   For answers to any questions not comprehensively covered in the explanatory notes, it would be useful to provide the name of a **contact person or an e-mailbox address** to answer any queries from stakeholders and other data users related to the *BPM6* migration process. This contact information could also be posted on the NSDP.

13.   On the basis of the feedback received from the users, economies could prepare a set of **Frequently Asked Questions** (FAQs) with the aim of assisting users in their understanding of the new methodology. Your FAQs could be adapted from (or linked to) the FAQs (http://www.imf.org/external/pubs/ft/bop/2007/bpm6faq.pdf) that the IMF prepared to explain the main methodological and presentational changes arising from adoption of *BPM6*. The IMF FAQs are organized into the following sections: (i) those that pertain to methodology (i.e., the impact of *BPM6* on high level aggregates and on individual accounts); (ii) presentational changes (i.e., the impact of *BPM6* on sign conventions, account titles, and other presentational changes); (iii) information on statistical data publications; and (iv) how to request assistance and further information.

III.   Simultaneous With the Release of Data on a *BPM6*-basis

14.   A **press release** should be issued, that refers back to the information released earlier and provides any new insights. It could refer to papers and articles previously prepared that explain the main methodological changes from *BPM5* to *BPM6*.

15.   In case the full historical time series is not revised, compilers could release a **paper that identifies the main breaks in the series** caused by the migration to *BPM6*.

16.   Compilers should **update the balance of payments and IIP metadata reports** to provide information on the new concepts, data sources, and methods underlying the data and therefore help users to understand the characteristics of the *BPM6* data. The updated metadata could highlight and explain in detail the changes in source data or estimation methods that have been undertaken to produce data on a *BPM6*-basis. New data sources and methods should be described with sufficient detail to allow users to appropriately interpret the data. A hyperlink to the metadata reports could be provided on the webpage that displays the data.

17.   It would be useful to provide additional explanations to the new terminology and classification in **comments boxes and footnotes** to the disseminated balance of payments and IIP data, in order to assist users in understanding the methodological changes from *BPM5* to *BPM6*. References to the new metadata reports, press releases, and explanatory papers could also be provided.

IV.   After Data are First Released on a *BPM6*-basis

18.   After data are first released on a *BPM6*-basis, countries should continue to provide support to main data users. One activity that should be considered is **updating the set of FAQs** to address any important questions that arose after data were released on a *BPM6*-basis and that were not addressed by the initial set of FAQs.

19.   Once the data are converted to a *BPM6* basis, compilers could assess and cross-check these data to prepare and **disseminate articles or papers explaining the impact of the adoption of *BPM6*** on their data and the main changes from *BPM5* data. These papers could also analyze the impact on key aggregates.

20.   Compilers may wish to consider introducing a longer back-run of historical data on a *BPM6* basis. Such **extensions of the historical time series** should be brought to data user attention in advance of the release of the data.

21.   *BPM6* contains more standard items and supplemental details than *BPM5*, and so compilers are likely to expand their data sets over time. In particular, compilers are encouraged to close data gaps on data items useful for surveillance, such as on currency composition of IIP, and sectoral data (see Appendix 9 of *BPM6*). **The refinements and**

improvements should be described in articles or notes before, during, and after they are released to the public.

V. Country Experiences On Communicating With Users

22.   Some countries have moved to *BPM6* and have experience with some of these "best practices". This section refers to some documents disseminated by these countries that discuss their communications strategies.

-       Strategy for Communicating to Users the Introduction of *BPM6*: Paper by Central Bank of Russia (BOPCOM-12/08)

-       Implementation of *2008 SNA* and *BPM6* in Australian Statistics: Paper by Australian Bureau of Statistics (BOPCOM-12/09)

-       Outlook for Implementation of *BPM6* in Chile: Report by the Central Bank of Chile (BOPCOM-09/06)

-       Modernizing and Enhancing BEA's International Economic Accounts: U.S. Bureau of Economic Analysis (May 2010)

Question for the Committee:

1. Do the members of the Committee have any additional insights on best practices for communicating the adoption of BPM6?

Table 1. Summary of Best Practices for Communicating the Adoption of *BPM6*

Best Practices for Communicating the Adoption of *BPM6*		
Prior to the adoption of *BPM6*	**When *BPM6* data are first released**	**After *BPM6* data are first released**
Develop a communications plan		
Publicize the date on which *BPM6* data will first be released		
Press release	New press release; press briefing	
Inform on the period that will be revised	Explain the main breaks in the series	Inform on the extensions of the historical time series
Disseminate articles and papers summarizing the methodological changes	Update the metadata reports	The refinements and improvements should be described in articles or notes
Informative paper to stakeholders		
Assess the impact on the data	Comments boxes and footnotes to the disseminated data	Disseminate articles and papers explaining the impact on the data
Coordination with national accounts compilers	Coordination with national accounts compilers	Coordination with national accounts compilers
Provide an e-mail address to answer queries		
Prepare a set of FAQs		Update the set of FAQs