



Twenty-Eighth Meeting of the IMF Committee on Balance of Payments Statistics

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BOPCOM—16/16

2017 Work Program of the IMF Committee on Balance of Payments Statistics

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1. The purpose of this paper is to discuss the proposed work program of the IMF Committee on Balance of Payments Statistics (Committee) for 2017 (Table 1). The top priority items indicate the strategic areas of focus. Medium priority items identify important work encompassing existing and new statistical initiatives that would also depend on the availability of resources.
2. STA's strategic focus is informed by the broader role the IMF plays in supporting its global membership. In this context, the Communiqué of the Thirty-Fourth Meeting of the International Monetary and Financial Committee (IMFC) in October 2016 welcomed the IMF's support for Low Income Countries (LICs) as well as fragile states and small states to boost their policy formulation and implementation capacities and strengthen economic institutions. Other important themes that emerged included a call for further work on the impacts of globalization, emerging technologies, and digitalization.
3. The Committee is asked to adopt or suggest changes to the proposed work program for 2017.

I. TOP PRIORITIES

4. On the proposed work program for 2017, a top priority topic continues to be the enhancement of external sector statistics (ESS) in IMF's membership, with particular focus on countries with low statistical capacity (CLSC), considering analytical and policy needs and the structure of economies. While a significant number of economies produce comprehensive high quality ESS, there is still a need for assistance to CLSC for offering policymakers a set of data that would assure a better understanding of CLSC situation vis-à-vis the rest of the world; and to enhance transparency and public access to ESS data.
5. The second top priority aims to improve the comprehensiveness of the coverage of special purpose entities (SPEs) in ESS, including by developing an appropriate strategy for addressing existing gaps. Recent international developments have underscored that while the economic relevance of the SPEs in terms of contribution to GDP in the host economies may generally be limited, their operations generate substantial cross-border income and other flows, and become associated with sizeable cross-border assets and liabilities. Therefore, it is considered a strategic priority to fill the gaps in international accounts related to SPEs so as to better understand the impact of globalization.
6. Another top priority will be the work on the ESS research agenda. The 2015 Committee meeting agreed that the work should be initiated for scoping the research agenda in ESS, and this was confirmed by the significant number of topics suggested by the Committee members and by the IMF staff. In this regard, the work of the Committee is expected to focus on clarifying/updating/developing the ESS methodology with a view to

maintaining the relevance of the international accounts, while at the same time leaving some space for addressing emerging issues.

7. Finally, another priority will be on enhancing the IIP to better support balance sheet analysis.¹ In recent years, there has also been increasing emphasis on enhancing IIP data to include foreign currency, remaining maturity, and additional detail on reserve-related liabilities. This topic is considered a strategic priority for the IMF's bilateral and multilateral surveillance operations, as it helps to deepen understanding of the nature and implications of cross-border linkages and spillovers, including from a sectoral perspective. Giving priority to these topics is also consistent with the G-20 Data Gaps Initiative Phase2 (DGI 2). The Committee is expected to continue sharing country experiences in compiling IIP enhancements with the ultimate goal of expanding the country coverage for such enhancements.

II. MEDIUM PRIORITIES

8. One of the medium priority topic is global discrepancies in cross-border statistics. Support will continue to be given to a more bilaterally focused approach for addressing statistical discrepancies and countries will be encouraged to conduct and disseminate the results of bilateral comparisons.

9. Second medium-priority topics that will be covered during 2017 is the work on promoting the compilation of quarterly Coordinated Portfolio Investment Survey (CPIS), and in increasing the number of economies compiling the enhancements implemented under DGI2. Subject to the outcome of the Committee's discussion, particular emphasis may be placed on improving the availability of data on issuer sector through a centralized multilateral exchange of information.

Question for the Committee:

Do Committee members endorse the proposed work program for 2017?

¹ Balance sheet analysis focuses on *stock* variables measuring assets and liabilities at a certain point in time—for example including debt, outstanding credit, and foreign reserves—and is crucial to assessments of the evolution of *flow* variables of interest. Shocks to stock variables can drive economic activity (for example through the effects of household wealth on consumption or capital on production). Individual stock variables can be amalgamated into balance sheets at different levels in the economy; and the granularity of the data—such as currency and maturity compositions—facilitates analysis of external vulnerabilities.

**Table 1. Proposed Work Program of the IMF Committee on
Balance of Payments Statistics for 2017**

Topic	Activities	Outcomes
TOP PRIORITY		
Implementation of the strategy to compile external sector statistics (EES) (balance of payments and IIP) in countries with low statistical capacity (CLSC)	Conduct a survey of remaining <i>BPM5</i> reporters with the aim of identifying/confirming CLSC status and assess TA needs so as to facilitate implementation of a strategy geared towards disseminating key ESS components with improved periodicity and timeliness.	Committee to comment on draft survey. The survey results will provide stock taking on expected timeline for implementation, main limitations foreseen that might prevent the timely implementation, and TA needs.
Coverage of special purpose entities (SPE) in ESS	Establish a BOPCOM task force for developing initiatives for collecting and disseminating ESS statistics on SPEs. The task force may consider different actions, e.g. a survey of existing SPE practices in offshore centers.	An inventory of collection systems in place on SPEs activities. Strategy for collecting and compiling data on SPEs.
Work on research agenda	Develop guidance on topics included in working agenda for 2016–2017.	Guidance notes approved through written procedures and posted on <i>BPM6</i> website or BOPCOM papers approved at 2017 Committee meeting.
International investment position	Share Committee’s members experience in implementing the IIP enhancements, including the compilation of data on currency composition, other financial corporations, and nonfinancial corporations.	Increased number of countries compiling IIP enhancements, including Committee members’ countries.

Topic	Activities	Outcomes
MEDIUM PRIORITY		
Reducing global and bilateral asymmetries	Support a pilot project on the centralized exchange of the list of ISIN codes associated with foreign securities held by national holders.	Improved quality and availability of sector of issuer data in CPIS.
	Continue supporting the bilaterally-focused approach to addressing statistical discrepancies in global balance of payments statistics.	IMF and other international organizations to continue conducting regular studies of bilateral asymmetries.
CPIS	Review the updated <i>CPIS Guide</i> .	Updated <i>CPIS Guide</i> released.