



Forty-Second Meeting of the IMF Committee on Balance of Payments Statistics

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For information

Progress Report on *BPM6* Update and Next Steps

Prepared by the Balance of Payments Task Team

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Progress Report on *BPM6* Update and Next Steps ¹

BPM6 UPDATE PROCESS: PROGRESS OF PHASE II

- 1. Phase II of the *Balance of Payments and International Investment Position Manual, sixth edition (BPM6)* update process started in Q3/2022.** This phase involves preparing a high-level structure and an Annotated Outline (AO) of *BPM7*; drafting the chapters and annexes of the new manual; preparing an outreach strategy through workshops;² planning the preparation of compilation guidance; early implementation and testing of some of the proposals; and preparing the Committee-endorsed final draft of *BPM7*.
- 2. The [consolidated AO of *BPM7*](#) has been successfully completed and posted on the *BPM6* update website.** The consolidated AO brings together the final versions of the AOs of individual chapters/annexes that were approved by the IMF Balance of Payments Committee (the Committee) and the Advisory Expert Group (AEG) on National Accounts—for joint *BPM7/2025 SNA* chapters³—and benefitted from the feedback received during the stakeholder⁴ and global consultations with participation of statistical experts from a wide range of countries. The translated versions of the AO in Fund languages (Arabic, Chinese, French, Russian, and Spanish) will be posted as they become available.
- 3. The drafting of *BPM7* chapters/annexes was initiated in Q2/2023 and the process is gaining momentum.** With a view to streamlining the review process of draft chapters of *BPM7/2025 SNA*, the editorial teams of BPM/SNA agreed on a generic process for preparing/updating the chapters, which was shared with the Committee members. Following the generic process, lead reviewers (mainly from the AEG and the Committee) have been identified for each chapter/annex to ensure a focused review of the draft versions at different stages. Further, the initial versions of relevant *BPM7* (both joint and other chapters with common text) draft chapters have been reviewed by the SNA editors to identify any possible issues of consistency with the SNA.⁵ At this stage, initial versions of nine chapters—including four joint chapters—and two annexes have been completed and some of them were already reviewed by the lead reviewers.
- 4. The initial versions of the remaining chapters (including three joint chapters) and four new annexes will be drafted by the end of Q1/ 2024 (tentative timeline).** The remaining annexes with no significant updates and annexes covering the changes from *BPM6* and standard components and

¹ Prepared by Venkat Josyula and Jannick Damgaard, *BPM* editors and reviewed by Carlos Sánchez-Muñoz, *BPM* Project Manager.

² *BPM7/2025 SNA Outreach Strategy* is presented in this Committee meeting (refer to BOPCOM paper 23/04).

³ Joint chapters have been prepared in consultation with the SNA editors and the SNA Project Manager.

⁴ Primarily the statistical communities focused on Government Finance Statistics, Monetary and Financial Statistics, and System of Environmental-Economic Accounting.

⁵ On the same lines, relevant SNA draft chapters have been reviewed by the *BPM* editorial team.

selected other items will be taken up during Q2/2024. The preparation of draft chapters will also reflect the terms/definition agreed in the *Glossary of terms and definitions of macroeconomic statistics*.⁶

5. **The global consultation of the draft chapters/annexes is expected to start from November/December 2023.** The chapters that have been already reviewed by the lead reviewers—including the joint chapters—will be moved to global consultation following the BPTT/AEG consultation. This global consultation is being conducted for both the joint BPM/SNA chapters and BPM-only chapters using the UNwiki platform.⁷

6. **The last leg of Phase II of the *BPM6* update process will be carried out tentatively starting Q4/2024 and will culminate with the publication of *BPM7*.** It involves mainly the following steps: global consultation of Near-final Draft 1 of *BPM7* (i.e., consolidated version that includes the approved versions of chapters/annexes) for consistency and readability; preparation of the Near-final Draft 2 of *BPM7* (addressing the comments from global consultation and compilers) for review/endorsement of the Committee; prepare with the IMF's Communications Department (COM) the *BPM7* cover page and language-editing of the manual; preparation of the foreword and preface; submission of the Near-final Draft 3 of *BPM7* for approval by the Director of IMF's Statistics Department; finalizing the Near-final Draft 4 (pre-publication version) which includes index and cover page for posting. As the specifics of the digital versions of *BPM7/2025 SNA* are not yet determined, the above steps will be updated accordingly, and the Committee will be informed about further developments. It is also noted that the translation into Fund languages will be taken up after the release of the English language version of *BPM7*.

PROGRESS ON PREPARING CLARIFICATION/DISCUSSION/ISSUE NOTES AND COMPILATION GUIDANCE

7. **Although the preparation of the guidance notes on topics identified in the original *Compendium of Research Issues* has been completed, some additional issues have emerged requiring the preparation of clarification/discussion/issue notes.** Moreover, the preparation of the compilation guidance on crypto assets and other issues is ongoing.⁸ In addition to the two clarification notes—Classification of Expenditures of Companions of Business and Education-Related Travelers; and Treatment of Securities Under Reverse Transactions in Reserve Assets—that were approved by the Committee, the following issue notes/discussion notes have been prepared by the BPM/SNA editors and other authors for discussion at this meeting: (i) Equity: The Case of Negative Valuations; (ii) Treatment of Intellectual Property Products in Balance of Payments; (iii) Credit/Debit vs Revenue/Expenditure in Balance of Payments Statistics; and (iv) Issues Note on Resolving Outstanding Issues.⁹

⁶ The draft version of the glossary (finalized by the BPM/SNA editorial teams) was circulated to the AEG/Committee during September for receiving high-level feedback. A presentation (BOPCOM 23/13 and 23/14) on the glossary covering the key issues identified in the AEG/BOPCOM written consultation is part of the agenda of this meeting.

⁷ For BPM-only chapters, this platform will be used only for global consultation. The IMF Statistics Department developed a OneDrive platform for maintaining/saving different versions of BPM chapters, which is used by the BPM editors.

⁸ BOPCOM papers (23/06 and 23/07) provide update on the progress of these initiatives.

⁹ Except the second one, the other three papers were also presented at the AEG meeting in Paris (October 16–18, 2023).