

SM/08/152

May 15, 2008

To: Members of the Executive Board

From: The Secretary

Subject: **2007 *Annual Report* of the IMF Committee on Balance of Payments Statistics**

Attached for the **information** of Executive Directors is the 2007 *Annual Report* of the IMF Committee on Balance of Payments Statistics, which reports on the Committee's sixteenth year of operation. The Committee's terms of reference, presented in Appendix I of the report, call for the preparation of an annual report for presentation to the Managing Director. The report will also be published as a Fund publication.

Questions may be referred to Mr. Heath (ext. 37904) and Mr. Kozlow (ext. 39398) in STA.

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IMF COMMITTEE ON BALANCE OF PAYMENTS STATISTICS

ANNUAL REPORT

2007



International Monetary Fund

Contents	Page
List of Abbreviations	4
Executive Summary	5
I. Introduction.....	6
II. Recent Trends in Balance of Payments and IIP Data	6
A. Global Current Account	7
B. Global Capital and Financial Accounts.....	7
C. Revisions	8
D. Coordinated Portfolio Investment Survey (CPIS)	12
III. Work Program Undertaken by the Committee in 2007	14
A. Balance of Payments and International Investment Position Manual (<i>BPM6</i>).....	14
Worldwide consultation on the draft <i>BPM6</i>	14
Implementation of <i>BPM6</i>	16
B. Direct Investment	16
Coordinated Direct Investment Survey (CDIS) project.....	16
Progress report on the OECD's <i>Benchmark Definition of Foreign Direct Investment (BD4)</i>	17
C. Cross-border Financial Developments: Emerging Needs	17
Development of IIP statistics	18
Sovereign wealth funds.....	18
Statistics on assets and liabilities of Euro area investment funds including hedge funds	19
Securities databases	19
D. Services	20
Report on the meeting of the Task Force on Statistics of International Trade in Services	20
Bilateral trade in services: Report by the U.K. and the U.S.	20
Goods for processing and merchanting.....	20
E. Other Papers / Reports.....	21
IV. Future Work Program	21
Tables	
1. Global Transactions and Balances on Current Account, 2000–2006	9
2. Global Transactions and Balances on Capital and Financial Accounts, 2000–2006.....	10
3. Geographic Breakdown of Total Portfolio Investment: Top Ten Economies by Holders and Issuers, at Year-End 2006.....	13
Figures	
1. Impact of Data Revisions in 2007 on the Global Discrepancy on Current Account	11
2. Impact of Data Revisions in 2007 on the Global Discrepancy on Financial Account	11

Box

1. Proposed Classification of Transactions Relating to Intellectual Property in
Services Component of the *BPM6* Presentation15

Appendices

- I. Terms of Reference of the IMF Committee on Balance of Payments Statistics22
- II. IMF Committee on Balance of Payments Statistics as of December 31, 200723
- III. Reporting of Balance of Payments and International Investment Position Data
to the IMF: *BOPSY 2007*24
- IV. Medium-Term Work Program of the IMF Committee on Balance of Payments
Statistics: End-December 200728

LIST OF ABBREVIATIONS

<i>1993 SNA</i>	<i>System of National Accounts 1993</i>
BIS	Bank for International Settlements
<i>BD4</i>	<i>OECD Benchmark Definition of Foreign Direct Investment</i> , fourth edition
<i>BOPSY</i>	<i>Balance of Payments Statistics Yearbook</i>
<i>BPM5</i>	<i>Balance of Payments Manual</i> , fifth edition
<i>BPM6</i>	<i>Balance of Payments and International Investment Position Manual</i> , sixth edition
CDIS	Coordinated Direct Investment Survey
CPC	Central Product Classification
CPIS	Coordinated Portfolio Investment Survey
CSDB	Centralized Securities Database
ECB	European Central Bank
FDI	Foreign direct investment
G-8	Group of Eight
IIP	International investment position
IMF	International Monetary Fund
LCFAR	Liabilities constituting foreign authorities' reserves
OECD	Organisation for Economic Co-operation and Development
RESTEG	Reserve Assets Technical Expert Group
SDRs	Special drawing rights
SPE	Special purpose entity
SWFs	Sovereign wealth funds
TFFS	Inter-Agency Task Force on Finance Statistics
UNCTAD	United Nations Conference on Trade and Development

EXECUTIVE SUMMARY

This annual report of the IMF Committee on Balance of Payments Statistics (Committee) for 2007 provides an overview of recent trends in balance of payments and international investment position (IIP) statistics, discusses the Committee's work program during 2007, and reviews the issues the Committee plans to address in the coming year.

Notable aspects of external sector statistics show the following trends for 2007:

- Global discrepancies on the current account have become increasingly positive in recent years with credits (such as exports) exceeding debits (such as imports), reversing the more traditional negative sign.
- The number of economies reporting IIP data for publication in the *Balance of Payments Statistics Yearbook* continues to increase, reaching 113 at end-2007.
- The Coordinated Portfolio Investment Survey (CPIS) covers over 70 economies—the results of the last two surveys (2005 and 2006) were released with less than a one year lag.

The main features of the Committee's 2007 work program were:

- The work on the new IMF *Balance of Payments and International Investment Position Manual*, sixth edition (*BPM6*), with its release remaining on track for end-2008;
- Initial discussions on implementing *BPM6*, by setting out a work program for the Fund and its member countries.
- Continuing preparatory work on a Coordinated Direct Investment Survey (CDIS) for the end-2009 reference date, including preparation of the Compilation Guide; over 100 countries have indicated an interest in participating.
- Agreement on a strategy for developing IIP statistics, including working with member countries to try to steadily increase the number of reporters to the Fund.
- Discussion of the coverage and statistical treatment of sovereign wealth funds.

In addition to continuing work on the above, the work program of the Committee in the coming year includes finalizing guidance on the compilation of statistics on remittances.

I. INTRODUCTION

1. The IMF Committee on Balance of Payments Statistics (Committee) was established by the IMF's Executive Board in 1992 to improve the availability, consistency, and reliability of balance of payments and international investment position (IIP) statistics worldwide. This followed two IMF working party reports that investigated the principal sources of discrepancy in global balance of payments statistics published by the IMF.¹ The Committee's terms of reference and membership as of December 31, 2007 are presented in Appendices I and II, respectively. The Committee held its twentieth meeting at the IMF Headquarters in Washington in October 2007. The papers and summary of discussion for that meeting are available at <http://www.imf.org/external/bopage/stindex.htm#com>.

2. This annual report is required under the terms of reference and is structured as follows: Section II provides an overview of recent trends in balance of payments and IIP statistics published by the IMF's Statistics Department; Section III discusses the Committee's work program during 2007; and Section IV reviews the issues on which the Committee plans to work in 2008.

II. RECENT TRENDS IN BALANCE OF PAYMENTS AND IIP DATA

3. Countries' annual balance of payments and IIP statistics for the period 1999-2006² are published in the *Balance of Payments Statistics Yearbook (BOPSY)*, 2007. These data support the Fund's work on economic surveillance and are used for the analyses of countries' current, capital, and financial accounts.

4. *BOPSY 2007* (printed version) covers balance of payments data reported by around 170 economies, of which the vast majority report on the basis of the IMF's *Balance of Payments Manual*, fifth edition (*BPM5*). In addition, 113 economies reported IIP data. Information on reporting practice by economy is available in Appendix III.

5. *BOPSY 2007* also includes tables presenting regional and global aggregates for balance of payments data. While in principle at the global level the combined surpluses and deficits of the individual accounts, and the totals, for all countries and international organizations, should cancel out, in practice, the data do not sum to zero.³ The resultant global discrepancies are monitored by the Committee because they provide an indication of where measurement weaknesses lie in the accounts. Notably in 2006, the global aggregation showed a sharp rise in

¹ *Final Report on the Working Party on the Statistical Discrepancy in World Current Account Balances* (the so-called *Esteve Report*) (Washington: International Monetary Fund, 1987), and *Final Report of the Working Party on the Measurement of International Capital Flows* (the so-called *Godeaux Report*) (Washington: International Monetary Fund, 1992).

² Data for years prior to 1999 are available on the *Balance of Payments* CD ROM.

³ Measurement differences arise from incomplete coverage of transactions, inaccurate or inconsistent recording of transactions by the compiling countries (or the reporters), different classification or timing of transactions, and other measurement errors and discrepancies.

the (positive) discrepancy in the current account. Tables 1 and 2 on pages 9 and 10 of this report present the global balances by individual account.⁴

A. Global Current Account

6. In 2006, the global current account discrepancy registered a positive \$159.7 billion, continuing the trend in recent years of positive balances, in contrast with the previous pattern that saw debits exceed credits through 2003.⁵

7. Both the global *goods* and *services* discrepancies grew significantly in 2006, with global exports larger than global imports by \$238.8 billion. This compared with near balance in 2002, and negative discrepancies in earlier years. The reasons for this swing are not immediately clear, however, there are some possibilities. First, the swing in the surplus on trade in goods coincides with a sharp increase in the oil price. The price of a barrel of oil doubled from 2003 to 2006. For some oil producing countries data on exports are estimated by the Fund. Second, for services, recent work on the US/UK comparison (see page 20 of the report) provides evidence that exports could be better monitored than imports. Notable in recent years has been the growth of the positive discrepancy in “other services,” to \$209.2 billion in 2006.

8. The negative discrepancy of \$76.5 billion in the *income* account reflected a pattern similar to previous years, with the large excess of income payable over income receivable on portfolio and other investment dominating the positive discrepancy on direct investment. *Current transfers* recorded a negative \$2.6 billion discrepancy, moving closer to a balanced position.

B. Global Capital and Financial Accounts

9. As indicated in Table 2, the discrepancy on the *capital account*—comprising *capital transfers* and *acquisition and disposal of nonproduced, nonfinancial assets*—in 2006 was negative \$8.2 billion (about half of the size in 2005) and close to the average discrepancy for the six years to 2005. However, the gross credits and debits increased significantly in 2006, reflecting in part the recording of transfers relating to the Multilateral Debt Relief Initiative (MDRI) and Highly Indebted Poor Countries (HIPC) debt relief. The overall discrepancy of the *financial account* was moderate at a negative \$71.8 billion in 2006.⁶

⁴ In 2006, the U.S. dollar depreciated against other major currencies, so affecting the growth of the gross data reported in Tables 1 and 2. The direction of the impact of this depreciation on the discrepancies is not known.

⁵ A positive discrepancy indicates that more credits were recorded than debits, such as exports exceeding imports in the current account, and inflows exceeding outflows in the financial account.

⁶ Transactions in the financial account are recorded on a “net:gross” basis (that is, transactions in assets are netted against each other, as are transactions in liabilities, but transactions in assets are not netted against transactions in liabilities). Hence, the actual volume of cross-border transactions in such categories as portfolio investment and other investment is much larger than the values shown in Table 2. Data on “gross:gross” transactions for the financial account (that is, the recording of all transactions in the financial account on the same basis as the current account) are not reported under *BPM5*.

10. The discrepancy on *direct investment*, which has been volatile in the recent years, narrowed to a small negative \$8.3 billion in 2006, when both gross inflows and outflows increased markedly. The discrepancy also narrowed on *portfolio investment*, to \$68.5 billion, with bonds and notes accounting for the largest share of the positive discrepancy. Despite considerable progress made in collecting data on portfolio asset positions through the annual CPIS (see Section II. D ahead), further work needs to be done to expand the country coverage, particularly with respect to less developed economies that are major oil exporters.

11. With *financial derivatives*, reflecting increased activity, the discrepancy switched sign from negative \$11.5 billion in 2005 to positive \$49.3 billion in 2006.⁷ Within *other investment*, the discrepancy dropped by more than two-thirds from negative \$340.8 billion, in 2005, to negative \$98.0 billion in 2006.⁸ Departing from trend in the last few years, the discrepancy on *reserve assets plus liabilities constituting foreign authorities' reserves (LCFAR)* rose sharply to a negative \$83.2 billion in 2006.

C. Revisions

12. Revisions to years 2004 and 2005 resulted in the current account discrepancy switching from negative to positive with net changes of \$55.0 billion and \$71.3 billion, respectively (see Figure 1). This switch reflected both an increase in the positive discrepancy in goods and services and a reduction in the negative discrepancy in income. In years prior to 2004 and 2005, the revisions reduced the negative current account discrepancy.

13. In the financial account, the revisions in 2007 were less significant⁹—recorded discrepancies through 2005 in the 2007 *BOPSY* were almost at the same level as recorded in 2006 *BOPSY* (see Figure 2). This pattern is reflected in the absolute value of the moving annual average discrepancy for the period 2000–2005.

⁷ However, as financial derivatives are often recorded on a net:net basis by the compiling economy (that is, transactions in assets are netted against transactions in liabilities), the discrepancy in this series should be viewed with caution.

⁸ Other instruments in *Other investment* include trade credits, loans, and other assets and liabilities.

⁹ While the revision to the financial account discrepancy was less significant than to the current account discrepancy, this does not imply that the financial account data are more robust, as revisions to net series should be treated with caution because they reflect varying impacts of revisions on their components.

Table 1. Global Transactions and Balances on Current Account, 2000–2006¹
(In billions of U.S. dollars)

	2000	2001	2002	2003	2004	2005	2006	Absolute Average 2000–2005
Current account balance	–149.6	–135.9	–96.5	–13.0	47.7	65.2	159.7	47.0
Goods								
Credit	6,347.5	6,087.3	6,380.5	7,457.2	9,085.2	10,355.8	11,978.1	
Debit	6,357.3	6,103.5	6,359.7	7,398.4	9,034.8	10,294.0	11,845.3	
Balance on goods	–9.8	–16.2	20.9	58.8	50.4	61.8	132.8	27.6
Services								
Credit	1,523.7	1,528.7	1,646.1	1,894.8	2,282.5	2,544.6	2,816.3	
Debit	1,540.6	1,559.3	1,657.6	1,886.6	2,245.4	2,482.7	2,710.2	
Balance on Services	–16.9	–30.6	–11.5	8.2	37.1	61.9	106.0	8.0
Of which:								
Transportation	–72.1	–67.2	–60.6	–76.6	–97.2	–110.4	–118.6	80.7
Travel	28.0	25.1	27.0	29.6	45.0	46.5	67.3	33.5
Government services	–21.0	–21.1	–28.0	–28.1	–35.5	–38.4	–51.8	28.7
Other services	48.1	32.5	50.2	83.3	124.8	164.1	209.2	83.9
Income								
Credit	1,434.1	1,333.6	1,270.0	1,482.8	1,862.7	2,338.9	2,949.4	
Debit	1,520.8	1,404.7	1,358.3	1,551.6	1,886.0	2,383.0	3,025.9	
Balance on Income	–86.7	–71.1	–88.3	–68.8	–23.3	–44.1	–76.5	63.7
Of which:								
Compensation of employees	–7.4	–8.5	–9.0	–9.3	–9.4	–13.6	–19.8	9.5
Reinvested earnings	65.8	106.0	61.3	95.0	133.5	3.5	159.9	77.5
Other direct investment income	–36.0	–45.7	–23.1	–45.3	–37.0	80.8	–88.0	17.7
Portfolio and other investment income	–109.2	–123.0	–117.5	–109.1	–110.4	–114.7	–128.7	114.0
Current transfers								
Credit	367.3	392.0	437.4	512.4	603.4	677.1	721.8	
Debit	403.6	410.0	455.0	523.6	620.0	691.5	724.5	
Balance on Current transfers	–36.2	–18.0	–17.6	–11.2	–16.6	–14.4	–2.6	19.0
Memorandum items								
Current account balance as percent of gross current account transactions	0.8	0.7	0.5	0.1	0.2	0.2	0.4	0.4
Goods balance as percent of gross goods transactions	0.1	0.1	0.2	0.4	0.3	0.3	0.6	0.2
Services balance as percent of gross services transactions	0.6	1.0	0.3	0.2	0.8	1.2	1.9	0.7
Income balance as percent of gross income transactions	2.9	2.6	3.4	2.3	0.6	0.9	1.3	2.1
Current transfers balance as percent of gross current transfer transactions	4.7	2.2	2.0	1.1	1.4	1.1	0.2	2.1

Source: IMF, *Balance of Payments Statistics Yearbook*, Volume 58, Part 2, 2007.

¹ The term “balance” in this table refers to the global difference between reported credits and debits.

Note: In the current account, a negative sign indicates an excess of debits (e.g., imports) over credits (e.g., exports).

**Table 2. Global Transactions and Balances on Capital and Financial Accounts,
2000–2006¹**
(In billions of U.S. dollars)

	2000	2001	2002	2003	2004	2005	2006	Absolute Average 2000–2005
Capital account balance	14.5	-5.1	-15.0	-21.5	-4.9	-15.0	-8.2	7.8
Credit	70.2	49.4	53.2	58.2	70.7	81.0	117.2	
Debit	55.7	54.5	68.2	79.7	75.6	96.0	125.5	
Financial account balance	237.0	158.8	176.0	72.2	-203.7	-3.4	-71.8	72.6
Direct investment	186.5	81.5	81.6	-19.1	-180.4	106.0	-8.3	42.7
Abroad	-1,337.4	-722.8	-661.2	-666.7	-963.5	-950.7	-1,378.2	
In the reporting economy	1,523.9	804.3	742.8	647.6	783.1	1,056.6	1,369.9	
Portfolio investment	77.5	47.2	161.0	135.8	247.7	258.0	68.5	154.5
Assets	-1,307.9	-1,206.1	-743.5	-1,437.3	-1,877.2	-2,582.7	-2,936.4	
Liabilities excluding LCFAR ²	1,385.3	1,253.3	904.5	1,573.2	2,125.0	2,840.7	3,004.9	
Financial Derivatives	-15.6	7.0	-11.1	-9.3	-18.1	-11.5	49.3	9.8
Assets	229.0	236.9	203.0	262.7	288.3	447.6	381.0	
Liabilities	-244.6	-229.9	-214.2	-272.0	-306.4	-459.1	-331.7	
Other investment	41.9	55.2	-21.2	-7.2	-196.4	-340.8	-98.0	78.1
Assets	-1,264.2	-716.3	-671.6	-1,037.6	-2,200.3	-2,996.3	-3,381.5	
Liabilities excluding LCFAR ²	1,306.1	771.5	650.4	1,030.4	2,003.9	2,655.4	3,283.5	
Reserves plus LCFAR	-53.3	-32.1	-34.2	-28.1	-56.5	-15.1	-83.2	36.5
Reserves	-173.6	-151.1	-270.4	-502.0	-641.0	-524.3	-727.5	
LCFAR	120.4	119.0	236.2	473.9	584.5	509.2	644.3	
Net errors and omissions ³	-101.8	-17.8	-64.5	-37.7	160.9	-46.8	-79.7	

Source: *Balance of Payments Statistics Yearbook*, Volume 58, Part 2, 2007.

Note: In the financial account, a negative sign indicates an excess of recorded outflows: the absence of a sign in the balances indicates an excess of recorded inflows.

1. The term "balance" in this table refers to the global difference between reported credits and debits.

2. Liabilities constituting foreign authorities' reserves (LCFAR). The data in LCFAR 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 assets series.

3. The sum of recorded flows with sign reversed.

Figure 1. Impact of Data Revisions in 2007 on the Global Discrepancy on Current Account

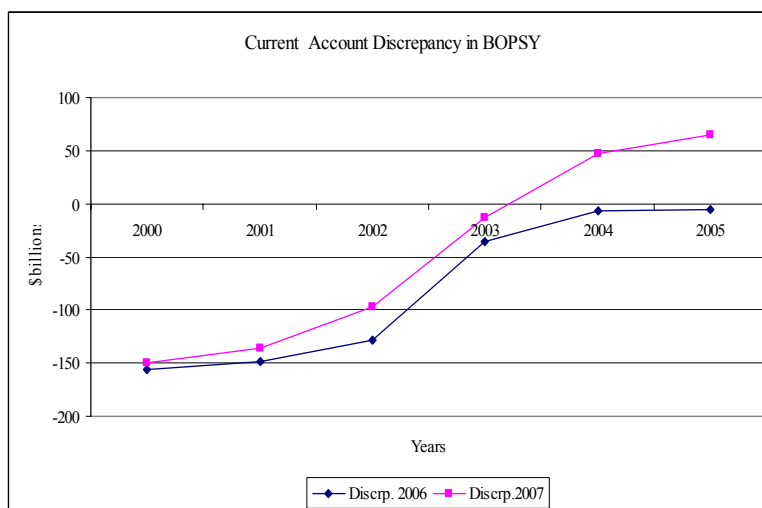
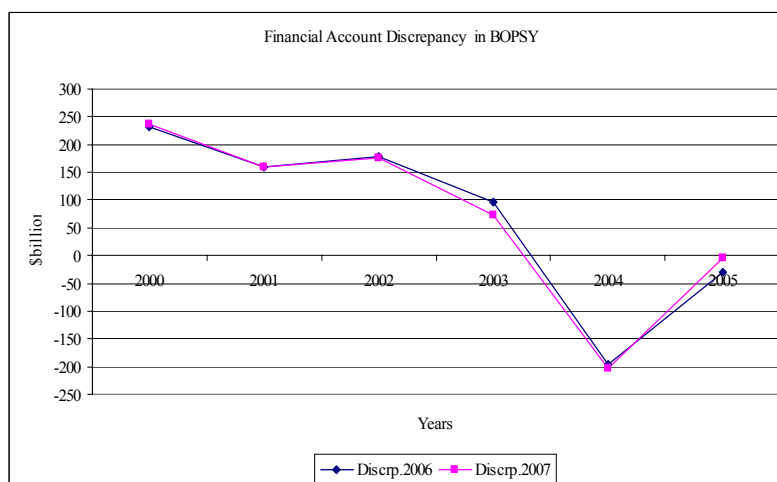


Figure 2. Impact of Data Revisions in 2007 on the Global Discrepancy on Financial Account



D. Coordinated Portfolio Investment Survey (CPIS)

14. The CPIS has become an important source of portfolio investment data for the balance of payments and IIP. Following the initial launch in 1997, the IMF has conducted the CPIS annually since 2001. Details of the various surveys show positions data for equity, bonds, and money market instruments collected by over 70 large asset holding economies, with counterpart liability economy information.¹⁰ Liability positions at end-year can therefore be derived for all economies from data supplied regardless of whether an individual economy participated in the survey (the results are available at <http://www.imf.org/external/np/sta/pi/cpis.htm>).

15. At end-2006, cross-border holdings of securities collected in the CPIS reached \$32.4 trillion, an increase of 26 percent in dollar terms from the end-2005 level. Holdings of debt instruments increased by 18 percent, to \$18.6 trillion, and equity securities increased by over 30 percent from \$10.4 trillion in 2005 to \$13.8 trillion. The increase reflected increased cross-border activity, as financial markets continued to be more integrated, expanded coverage (four new participants in the 2006 survey, giving a total of 74 economies), and the impact of U.S. dollar depreciation.

16. Table 3 provides the results of the 2006 CPIS for the ten largest holders and issuers of securities (derived liabilities data). It can be seen that portfolio investment assets remain concentrated in a few economies, of which the top ten economies account for about 70 percent of the total holdings.

17. The timeliness of release of these data has improved over time, and results of the last two surveys (data for end-2005 and end-2006) were released with a timeliness of less than 12 months. The Committee welcomed the news of a reduction in the time lag in releasing the data and encouraged the Fund to increase the country coverage of the CPIS and provide greater publicity, given the value of the CPIS as a data source. The Organisation of Economic Co-operation and Development (OECD) invited the IMF to contribute to its globalization indicators initiative using the CPIS data.

¹⁰ The IMF also asks the large reserve-holding economies to provide a geographical breakdown of securities held as reserve assets (a similar survey is also undertaken for securities held by selected international organizations).

III. WORK PROGRAM UNDERTAKEN BY THE COMMITTEE IN 2007

18. In 2007 the Committee's top priorities were given to the new draft *Balance of Payments and International Investment Position Manual*, sixth edition, and the creation of a Task Force on conducting a CDIS. Also, the IMF produced an implementation strategy paper for the new *BPM6* and presented it for discussion by the Committee at its October 2007 meeting.

19. The Committee also focused on recent work on trade in services and financial developments, including discussions on the IIP, sovereign wealth funds (SWFs), and on investment funds including hedge funds. The Committee received various reports on work related to its interests.

A. *Balance of Payments and International Investment Position Manual, Sixth Edition (BPM6)*

20. The *BPM6* is on schedule for publication in late 2008. In March 2007, a draft *BPM6* was posted on the Fund's external website for worldwide consultation and a number of issues for consideration by the Committee emerged.

Worldwide consultation on the draft *BPM6*

21. Around 60 sets of comments were received from the worldwide consultation on *BPM6*. The respondents included compilers in member countries, international organizations, the private sector, and interested individuals. From June to September 2007, IMF staff revised the draft *BPM6* to take into account comments received and developments on the *1993 System of National Accounts (SNA) Revision 1*. A revised draft, with track changes, was discussed by the Committee at its meeting in October 2007.

22. The Committee resolved the relatively few key issues emerging from the worldwide consultation that needed Committee discussion. Subsequently, a revised draft was posted in early 2008 on the Fund's website, reflecting the decisions reached and taking account of recent work of the Task Force on Statistics of International Trade in Services, and on the fourth edition of the OECD's *Benchmark Definition of Foreign Direct Investment (BD4)*. When the revised *BPM6* draft was posted, it was accompanied by a summary note that sets out the significant changes since the March 2007 version.

23. The Committee decisions are covered in paragraphs 33–59 of the “Summary of the Outcomes of the Committee's Discussion” (available at <http://www.imf.org/external/pubs/ft/bop/2007/20.htm>).

24. One area of particularly close discussion has been the coverage of reserve assets. The Committee took the view that *BPM6* should follow strictly the principles that reserves should be claims on nonresidents in convertible currencies, and be liquid. Reflecting this view, claims on resident banks, and currencies of neighboring countries that do not meet the convertibility criteria, are to be excluded. Some countries were concerned about the possibility of excluding these assets. Recognizing these concerns, the Committee considered that there was need to explore ways of presenting data through additional information.

25. The Committee also spent some time at its meeting discussing the treatment of transactions relating to intellectual property. This is a growing area of importance in international trade activities, subject to discussion in the Committee and the Task Force on Statistics of International Trade in Services. The Committee agreed on the outcomes reflected in Box 1.

Box 1. Proposed Classification of Transactions Relating to Intellectual Property in Services Component of the <i>BPM6</i> Presentation			
	Use of intellectual property		Sale/purchase of ownership rights ³
Franchises and trademarks	Charges for the use of intellectual property		capital account entry
Outcomes of research and development	Charges for the use of intellectual property		research and development services
Software, audiovisual and other personal, cultural, and recreational services products, etc.:	License to use excluding reproduction and distribution ¹	License to reproduce and/or distribute ²	relevant service item ⁴
	relevant service item ⁴	charges for the use of intellectual property	
	relevant service item ⁴		
	relevant service item ⁴		
	goods		
<div>¹ Covers the case where a specific product is supplied with the right to use the intellectual property embodied in it, but not to copy it for further distribution. The transactions should be classified under the appropriate goods and services items.</div> <div>² Covers the case where authority to reproduce and/or distribute the intellectual property is delegated by its owner.</div> <div>³ Covers the case where there is a change of economic ownership of the whole of the intellectual property right in question. The seller no longer has any rights or obligations associated with the intellectual property. This case also includes second or subsequent outright sales of intellectual property rights.</div> <div>⁴ The relevant service item is either computer services, audiovisual and related services, or other personal, cultural, and recreational services, depending on the nature of the content provided.</div> <div>For example, the sale/purchase of a copy of a software package that is mass-produced, and is obtained by an individual to load onto a single computer, is covered by a license to use which excludes reproduction and distribution; this situation would be recorded in goods or services depending on the examples (see examples (b), (c), and (d) under software in the above table). If a manufacturer pays for the right to include the software on computers that it produces, then the payment would be a license to reproduce and/or distribute (charges for the use of intellectual property provided by the owner of the original).</div>			

Implementation of *BPM6*

26. The implementation of *BPM6* will take up a considerable part of the Committee's work program in the years ahead. The IMF staff provided a paper setting out a strategy for the *BPM6* implementation at the international level (see BOPCOM 7/14, available at <http://www.imf.org/external/pubs/ft/bop/2007/20.htm>). The paper covers the conversion of *BOPSY*, balance of payments training and technical assistance, update of written material, other strategies to support implementation, data standards, and linkage to *SNA 1993 Rev 1*.

27. Central to the implementation strategy is the changeover of data in *BOPSY* to the presentation of the data according to *BPM6*. The Committee noted that effective implementation would require coordination with the implementation of related datasets, such as the *1993 SNA Rev 1* and the *BD4*. The need to coordinate *BPM6* implementation with regional statistical activities such as in Europe is also important.

28. Going forward,

- Provisionally, 2012 or 2013 are set as the possible dates for converting the *BOPSY* to *BPM6*.
- Fund staff are developing a *BPM5/BPM6* conversion matrix, which a number of Committee members offered to review.
- A questionnaire is to be sent to countries in 2009 inquiring into their implementation strategies. Committee members considered that this approach will help identify topics for which special support is needed.
- Work on preparation of the *Balance of Payments Compilation Guide* is to be given high priority by the IMF, possibly starting in 2009.
- Training on *BPM6* will start with a series of outreach seminars for senior managers in the first half of 2008.
- Committee members indicated their willingness to support the implementation strategy through the contribution of papers on national experiences in implementing *BPM6*.

B. Direct Investment

Coordinated Direct Investment Survey (CDIS) project

29. The Committee reviewed the progress on the CDIS project, which is a survey of direct investment positions with a reference date of end-2009. In May 2007, IMF management gave approval for the launch of CDIS. Since then, a CDIS Task Force, including representatives of other international agencies and member countries, has been established. It held its first meeting in June 2007 and produced an annotated outline of a

CDIS *Guide*. The Managing Director of the IMF wrote to all member countries and some nonmembers in August 2007 inviting their participation in the CDIS. The Committee welcomed this progress.

30. Well over 100 countries have indicated a willingness to participate in the CDIS, including a substantial majority of countries with sizable inward or outward direct investment positions. The Committee encouraged the IMF to follow up with nonrespondents and to liaise with regional agencies involved in such data.

31. The Committee considered that there was need to clarify the details to be provided as core data (foreign direct investment total amount per country, equity capital/other capital split, etc.), and to inform policy makers of the benefits of the CDIS data as a way of encouraging countries to provide this information.

Progress report on the OECD's *Benchmark Definition of Foreign Direct Investment (BD4)*

32. The OECD representative updated the Committee on the progress made with regard to the BD4 and indicated that the work remained on track for publication in the first half of 2008. The Committee noted that BD4 continues to be harmonized with *BPM6*.

33. The *BD4*, like *BPM6*, recommends an asset/liability approach for the main FDI aggregates, while both documents note the importance of using the directional principle—direct investment abroad and direct investment in the reporting economy—for certain analytical purposes; the *BD4* emphasizes the directional principle for counterpart information, and this is the approach that will be used in the Coordinated Direct Investment Survey. Both *BPM6* and the *BD4* extend the directional principle so that positions between fellow enterprises are treated as investment in the reporting economy or abroad depending on whether the ultimate controlling parent of the fellow enterprise is resident (outward) or nonresident (inward). The level of detail in *BPM6* and the *BD4* allows reconciliation between the asset/liability and directional principle approaches.

34. The Committee noted that the extended directional principle introduces complexities in compiling data, particularly in cases where the shareholding in a fellow enterprise is less than 50 percent. The Committee stressed the importance of ensuring consistency between *BPM6* and *BD4*.

C. Cross-border Financial Developments: Emerging Needs

35. There is a continuous user demand for data on financial flows and positions. The Committee received a report from the IMF's Policy Development and Review Department on the implication for data needs arising from the IMF's 2007 Decision on Multilateral Surveillance. The Committee noted that the framework introduced by the 2007 Decision focuses attention on the relevance of data, particularly on balance of payments and IIP data, which falls well within the mandate of the Committee. As well, the Fund's Monetary and Capital Markets Department provided the Committee with an overview of recent developments in global financial markets, and challenges in understanding the nature of

cross-border capital flows posed by information gaps. The paper underscored the usefulness of the CPIS data in providing information on capital flows to whom, from whom and, in this regard, called for expansion in coverage, particularly data on nonbank sectors.

36. The Committee concurred with the conclusions of the two papers: the need to improve the measurement of countries' IIP; improve coverage of the nonbank financial and "other sectors;" and improve data on bond markets in emerging economies. The Committee also noted that the datasets as identified in the Special Data Dissemination Standard and General Data Dissemination System frameworks should be seen as a minimum data requirement, and that countries should be prepared to provide additional data sought under the IMF surveillance framework. Against this background the Committee considered the following issues.

Development of IIP statistics

37. The Committee was apprised of the ongoing work in the IMF's Statistics Department to improve IIP statistics. The Committee supported the IMF strategy to steadily increase the number of countries compiling and reporting IIP data, as well as the initiative to develop IIP world and regional tables. The Committee also supported the idea of using supplementary data on currency composition as a basis for *BOPSY* reporting. However, some members observed that ample time is needed to develop such data, particularly data on foreign direct investment and trade credits.

Sovereign wealth funds

38. The growing policy and market interest in SWFs led to further Committee discussion on their coverage and statistical treatment.

39. There are a wide variety of institutional arrangements under which the SWFs are established, ranging from monetary authorities to various levels of government as well as public corporations, and assets held can range across the full gamut of the functional balance of payments and IIP classifications. The Committee emphasized that in describing and classifying the SWFs and their assets, it was most important that the existing statistical principles in *BPM6* and other macroeconomic manuals be the key criteria to apply.

40. On coverage, there was considerable Committee discussion of whether data on SWFs should be separately identifiable within the IIP. Currently, *BPM6* is drafted on the basis that identification be voluntary. A number of Committee members noted the growing policy interest in the activities of SWFs, that separately identifiable data provided on a mandatory basis would be valuable to policymakers, and that therefore there should be mandatory reporting of such data. However, it was noted that, in most cases, provision of such data would require disclosure of identified or identifiable information, which could be inconsistent with confidentiality provisions of statistics legislation in many countries. It was further acknowledged that this matter may be sensitive to a number of countries that were not represented on the Committee.

41. Going forward, the Committee supported work by the IMF Statistics Department to confirm the understanding of member countries' coverage and treatment of SWFs in the various external statistics datasets, and encouraged the Department to be actively involved in efforts to expand and improve statistical information on SWFs, both by developing a definition in consultation with Committee members and by providing statistical expertise in the ongoing discussions in the Fund and elsewhere.

Statistics on assets and liabilities of Euro area investment funds including hedge funds

42. The Committee was apprised of the new initiative by the European Central Bank (ECB) to collect and compile investment funds statistics in the Euro area on a harmonized basis from early 2009. Data on assets and liabilities are to be reported on a quarterly frequency. Detailed breakdowns by geographic counterpart area, sector of counterparty, maturity, and currency are included. This initiative followed a comprehensive assessment of the feasibility of meeting user needs and the associated costs of the new statistics. The Committee noted that the statistics cover resident hedge funds in the Euro area, and that the definition and concepts are aligned with *BPM6*. Going forward, the Committee encouraged ECB to continue with the work and looked forward to receiving a progress report once the statistics become available.

Securities databases

43. The growing importance of security market data for balance of payments compilers has led the Committee to take a close interest in the work of the ECB to develop a Centralized Securities Database (CSDB) that captures security issues by Euro area residents and by residents outside the Euro area. The Committee welcomed the progress made by the ECB and considered that there are benefits arising from international cooperation in this field such as the cross-checking of securities information by countries of issues of their own residents. The Committee also considered that with the launch of the ECB's CSDB, it is a good time to explore the possibilities of closer international cooperation in this field using appropriate mechanisms to deal with legal constraints on the sharing of information.

44. The Committee was updated on the work emerging from reconvening the Working Group on Securities Databases, in response to the G-8 meeting in Potsdam, Germany, in May 2007 and the framework of the "Action Plan for Developing Local Bond Markets in Emerging Market Economies and Developing Countries."

45. A small working group (perhaps through the reconvened Working Group on Securities Databases) is to be set up to study possible ways of establishing coordination in sharing securities data. Progress of the reconvened working group on securities databases will be reported to the Committee.

D. Services

Report on the meeting of the Task Force on Statistics of International Trade in Services

46. The OECD representative apprised the Committee of the progress of the work on revising the *Manual on Statistics of International Trade in Services* planned to be submitted for approval by the UN Statistical Commission in 2009. The manual sets out an elaboration of trade in services in the balance of payments and provides recommendations on the compilation of foreign affiliate statistics, which provide information on services delivered through a commercial presence. The Committee noted the growing policy interest in these data sets, particularly in globalization issues, but foresaw the challenges involved in collecting these data. The Committee agreed that there was a need to share experiences and information.

Bilateral trade in services: Report by the U.K. and the U.S.

47. United Kingdom and United States representatives shared their experiences on their joint work in comparing bilateral trade in services data between the two countries. This productive exercise is an early step in improving the overall quality of statistics of trade in services in both countries.

48. The data show exports of services of the two countries exceeding the corresponding import figures of their partner country, reflecting the pattern seen for the global aggregates, of credits exceeding debits. The Committee discussed some of the possible reasons for this discrepancy, considering that companies tend to monitor sales—their location and pattern of sales—better than purchases, while some members noted that there is anecdotal evidence of transfer pricing in financial services. The Committee noted that such reconciliation exercises require extensive preparatory work.

Goods for processing and merchanting

49. The Committee was apprised of Hong Kong SAR's strategy in preparing for implementation of the *BPM6* treatment of goods for processing and merchanting. Hong Kong SAR is currently exploring the cost-effectiveness of three possible options for collecting these data—expanding the trade declaration documents to be reported by traders to Hong Kong Customs; conducting an enhanced survey on outward processing trade activities; or applying new data models and imputations.

50. The Committee welcomed Hong Kong SAR's strategy, and underscored the need for countries to exchange information and share experiences in collecting and compiling these data. The Committee also noted that, given the significance of goods for processing and merchanting in some economies (like Hong Kong SAR), revisions of data in line with the new methodology could lead to significant changes in the relative ranking of countries in world exports of goods and services. The Committee encouraged countries to start collecting data on goods for processing and merchanting as soon as possible so that when data are converted to *BPM6* there will be information available to bridge across the “old” time series to the “new” series. Noting the potential impact of the change on the balance of payments

data, it was suggested that material be developed to help explain the change to users, including worked examples.

E. Other Papers / Reports

51. The Committee received papers and reports on various issues related to its work, which are available at <http://www.imf.org/external/pubs/ft/bop/2007/20.htm>. These include:

- Remittances: progress on definitions and compilation guidance
- Update of the *1993 SNA*
- Reporting external sector data to international agencies
- UNCTAD's 2007 *World Investment Report*
- BIS International Banking Statistics, and
- Activities of the Task Force on Finance Statistics (TFFS)

IV. FUTURE WORK PROGRAM

52. Appendix IV sets out the medium-term work program of the Committee as at end-2007. Subjects are ranked by priority, but the rankings are not intended to reflect the absolute importance of each topic but rather to reflect the relative priority assigned to each topic by the Committee, given the limited time and resources.

53. Top priorities are 1) finalization of the draft *BPM6* in light of comments received from the Committee at its October 2007 meeting, and 2) work on conducting a CDIS including preparation of the survey, compilation guide, and regional seminars.

54. High priority is accorded to implementation of *BPM6*, ensuring the activities of SWFs are adequately captured in macroeconomic statistics, and taking forward the request by the G-8 and others for improved data on remittances. With the work on *BPM6* due to be completed by end-2008, attention will be more focused on the implementation strategy, including coordination with the implementation of related datasets. The IMF will prepare a progress report for the next Committee meeting in November 2008.

55. The medium priority work program covers revision of the *Manual on Statistics of International Trade in Services* and of the *Reserve Template Guidelines*, undertaking the agreed research program, work on the CPIS, security databases, monitoring of global discrepancies on balance of payments, external debt and the IIP, and international financial statistics. For the CPIS, the IMF's Statistics Department will publish the results of the 2007 survey and report on progress on the 2008 survey. The ECB will report on progress on the operationalization of its Centralized Securities Database.

56. The next Committee meeting will be held during the week of November 3, 2008.

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

1. The Committee will oversee the implementation of the recommendations presented in the Report on the Measurement of International Capital Flows and in the Report on the World Current Account Discrepancy, 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 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 *BPM5*.
3. 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 among countries (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.
4. In carrying forward its work, the Committee will collaborate with other national compilers and with appropriate international organizations.
5. 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.
6. The Committee will prepare an annual report for presentation to the Managing Director of the IMF.

Appendix II. IMF Committee on Balance of Payments Statistics as of December 31, 2007

Chair

Robert W. Edwards
IMF, Statistics Department

Sergei Shcherbakov
Central Bank of Russia

Members

Sulieman Al-Kholifey¹
Saudi Arabian Monetary Agency

Almut Steger
German Bundesbank

Michael Atingi-Ego
Bank of Uganda

Stefaans Walters
Reserve Bank of South Africa

Stuart Brown
Office for National Statistics, United Kingdom

Obie Whichard
Bureau of Economic Analysis, United States

Representatives of International Organizations

Teresa Cornejo
Banco Central de Chile

Ayse Bertrand
Organisation for Economic Co-operation
and Development

Bronwyn Driscoll
Australian Bureau of Statistics

Werner Bier³
European Central Bank

Han Hongmei
People's Republic of China

William Cave
Organisation for Economic Co-operation
and Development

Joji Ishikawa
Bank of Japan

Maria-Helena Figueira
Statistical Office of the European Communities

Hideki Konno
Ministry of Finance, Japan

Masataka Fujita
United Nations Conference on Trade and
Development

Robert Heath
IMF, Statistics Department

Ivo C. Havinga
United Nations Statistics Division

Ralph Kozlow
IMF, Statistics Department

Philippe Mesny
Bank for International Settlements

Lily Ou-Yang Fong
Census and Statistics Department,
China, Hong Kong SAR

Representatives from the Process of Revising the System of National Accounts 1993

Michael Debabrata Patra²
Reserve Bank of India

Carol S. Carson
Anne Harrison

Art Ridgeway
Statistics Canada

Secretariat

Eduardo Rodriguez-Tenés
Bank of Spain

John Joisce
IMF, Statistics Department

Andrew Kitili
IMF, Statistics Department

¹ Dr. Al-Kholifey was accompanied by Ahmed Alsayyari.

² Did not attend 2007 meeting of the Committee.

³ Reimund Mink attended on behalf of Werner Bier.

**Appendix III. Reporting of Balance of Payments (BOP) and
International Investment Position (IIP) Data to the IMF: *BOPSY* 2007**

CC	Country Name	WHAT IS REPORTED								
		BOP		Period	Frequency		IIP	Period	Frequency	
		BPM5	Other	Most Recent Year	Quarterly	Annual		Most Recent Year	Quarterly	Annual
512	Afghanistan, I.R. of		X	1989		X				
914	Albania	X		2006	X					
612	Algeria		X	1991		X				
614	Angola	X		2006		X	X	2006		X
312	Anguilla	X		2005		X				
311	Antigua & Barbuda	X		2005		X				
213	*Argentina	X		2006	X		X	2001		X
911	Armenia	X		2006	X		X	2006	X	
314	*Aruba	X		2006	X		X	2006		X
193	*Australia	X		2006	X		X	2006	X	
122	*Austria	X		2006	X		X	2006		X
912	Azerbaijan	X		2006	X		X	2006	X	
313	*Bahamas, The	X		2006	X					
419	*Bahrain	X		2006		X	X	2006		X
513	Bangladesh	X		2006	X		X	2006		X
316	*Barbados	X		2005		X				
913	Belarus	X		2006	X		X	2006	X	
124	*Belgium ³	X		2006	X		X	2006	X	
339	Belize	X		2006	X					
638	Benin	X		2005		X	X	2005		X
218	Bolivia	X		2006	X		X	2006	X	
963	Bosnia and Herzegovina	X		2006	X					
616	Botswana	X		2006		X	X	2006		X
223	*Brazil	X		2006	X		X	2006	X	
918	*Bulgaria	X		2006	X		X	2006		X
748	Burkina Faso	X		2001		X	X	2001		X
618	Burundi	X		2006		X	X	2006		X
522	Cambodia	X		2006	X		X	2006		X
622	Cameroon	X		2004		X				
156	*Canada	X		2006	X		X	2006	X	
624	Cape Verde	X		2006	X					
626	Central African Republic	X		1994		X				
628	Chad	X		1994		X				
228	*Chile	X		2006	X		X	2006		X
924	China P.R.: Mainland	X		2006		X	X	2006		X
532	*China P.R.: Hong Kong SAR	X		2006	X		X	2006		X
546	*China P.R.: Macao SAR	X		2006		X				
233	*Colombia	X		2006	X		X	2006	X	
632	Comoros		X	1995		X				
634	Congo, Republic of	X		2005		X				
238	*Costa Rica	X		2006	X		X	2006	X	
662	Côte d'Ivoire	X		2006		X	X	2006		X
960	Croatia	X		2006	X		X	2006		X
423	*Cyprus	X		2006	X		X	2006		X
935	*Czech Republic	X		2006	X		X	2006		X
128	*Denmark	X		2006	X		X	2006	X	
611	Djibouti	X		2006		X	X	2003		X
321	Dominica	X		2005		X				
243	Dominican Republic	X		2006		X	X	2005		X
309	Eastern Caribbean Currency Union	X		2005		X				
248	Ecuador	X		2006	X		X	2006		X
469	*Egypt	X		2006		X	X	2006		X

CC	Country Name	WHAT IS REPORTED								
		BOP		Period	Frequency		IIP	Period	Frequency	
		BPM5	Other	Most Recent Year	Quarterly	Annual		Most Recent Year	Quarterly	Annual
253	El Salvador	X		2006	X		X	2006	X	
642	Equatorial Guinea	X		1996		X				
643	Eritrea	X		2000	X					
939	*Estonia	X		2006	X		X	2006	X	
644	Ethiopia	X		2006	X					
163	Euro Area	X		2006	X		X	2006	X	
816	Faroe Islands ⁴	X		2003		X				
819	Fiji	X		2006		X				
172	*Finland	X		2006	X		X	2006	X	
132	*France	X		2006	X		X	2006		X
887	French Polynesia	X		2006		X				
646	Gabon	X		2004		X				
648	Gambia, The	X		2006		X				
915	Georgia	X		2006	X		X	2006		X
134	*Germany	X		2006	X		X	2006	X	
652	Ghana	X		2006		X				
174	*Greece	X		2006	X		X	2006	X	
328	Grenada	X		2005		X				
258	Guatemala	X		2006	X					
656	Guinea	X		2004		X				
654	Guinea-Bissau	X		2004		X	X	2004		X
336	Guyana	X		2006		X				
263	Haiti	X		2006		X	X	2006		X
268	Honduras	X		2006		X				
944	*Hungary	X		2006	X		X	2006	X	
176	*Iceland	X		2006	X		X	2006	X	
534	*India	X		2006	X		X	2006		X
536	*Indonesia	X		2006	X		X	2006		X
429	Iran, I.R. of	X		2000		X				
433	Iraq		X	1977		X				
178	*Ireland	X		2006	X		X	2006		X
436	*Israel	X		2006	X		X	2006	X	
136	*Italy	X		2006	X		X	2006		X
343	Jamaica	X		2006		X	X	2006		X
158	*Japan	X		2006	X		X	2006		X
439	Jordan	X		2006	X		X	2006		X
916	*Kazakhstan	X		2006	X		X	2006	X	
664	Kenya	X		2006		X				
826	Kiribati		X	1994		X				
542	*Korea	X		2006	X		X	2006	X	
443	*Kuwait	X		2006		X	X	2006		X
917	Kyrgyz Republic	X		2006	X		X	2006		X
544	Lao, P.D.R.		X	2001		X				
941	*Latvia	X		2006	X		X	2006	X	
446	*Lebanon	X		2006	X					
666	Lesotho	X		2006	X		X	2006	X	
668	Liberia		X	1987		X				
672	Libya	X		2006		X				
946	Lithuania	X		2006	X		X	2006	X	
137	*Luxembourg	X		2006	X		X	2006	X	
962	Macedonia, FYR	X		2006	X		X	2005		X
674	Madagascar	X		2005	X					
676	Malawi		X	2002		X				
548	*Malaysia	X		2006	X		X	2006		X
556	Maldives	X		2006		X	X	2006		X
678	Mali	X		2005		X	X	2005		X
181	*Malta	X		2006	X		X	2005		X
682	Mauritania		X	1998		X				
684	*Mauritius	X		2006	X		X	2006	X	
273	*Mexico	X		2006	X		X	2006		X
921	Moldova	X		2006	X		X	2006	X	

CC	Country Name	WHAT IS REPORTED								
		BOP		Period	Frequency		IIP	Period	Frequency	
		<i>BPM5</i>	Other	Most Recent Year	Quarterly	Annual		Most Recent Year	Quarterly	Annual
948	Mongolia	X		2006	X					
351	Montserrat	X		2005		X				
686	Morocco	X		2006	X		X	2006		X
688	Mozambique	X		2006	X		X	2006		X
518	Myanmar	X		2006	X		X	2006	X	
728	Namibia	X		2006	X		X	2003		X
558	Nepal	X		2006	X					
138	*Netherlands	X		2006	X		X	2006		X
353	*Netherlands Antilles	X		2005	X					
839	New Caledonia	X		2006		X				
196	*New Zealand	X		2006	X		X	2006	X	
278	Nicaragua	X		2006	X		X	2005		X
692	Niger	X		2005		X	X	2005		X
694	Nigeria	X		2005		X				
142	*Norway	X		2006	X		X	2006		X
449	Oman	X		2006		X				
564	*Pakistan	X		2006	X		X	2006		X
283	*Panama	X		2006	X		X	2006	X	
853	Papua New Guinea	X		2005		X				
288	Paraguay	X		2006	X		X	2006	X	
293	Peru	X		2006	X		X	2006	X	
566	*Philippines	X		2006	X		X	2006		X
964	*Poland	X		2006	X		X	2006		X
182	*Portugal	X		2006	X		X	2006		X
968	*Romania	X		2006	X		X	2006	X	
922	*Russian Federation	X		2006	X		X	2006		X
714	Rwanda	X		2006		X	X	2006		X
862	Samoa	X		2006	X					
716	Sao Tome and Principe	X		2003		X				
456	Saudi Arabia		X	2006		X				
722	Senegal	X		2004		X	X	2005		X
718	Seychelles	X		2006	X					
724	Sierra Leone	X		2006		X	X	2006		X
576	*Singapore	X		2006	X		X	2006		X
936	*Slovak Republic	X		2003	X		X	2003	X	
961	Slovenia	X		2006	X		X	2006		X
813	Solomon Islands	X		2006		X				
726	Somalia		X	1989		X				
199	*South Africa	X		2006	X		X	2006		X
184	*Spain	X		2006	X		X	2006	X	
524	Sri Lanka	X		2006	X					
361	St. Kitts & Nevis	X		2005		X				
362	St. Lucia	X		2005		X				
364	St. Vincent & the Grenadines	X		2005		X				
732	Sudan	X		2006	X		X	2006		X
366	Suriname	X		2006	X					
734	Swaziland	X		2006		X	X	2006		X
144	*Sweden	X		2006	X		X	2005		X
146	*Switzerland	X		2006	X		X	2006	X	
463	Syrian Arab Republic	X		2006		X				
923	Tajikistan	X		2006	X					
738	Tanzania	X		2006		X	X	2006		X
578	*Thailand	X		2006	X		X	2006		X
742	Togo	X		2005		X	X	2005		X
866	Tonga		X	2006	X					
369	Trinidad & Tobago	X		2005		X				
744	Tunisia	X		2006		X	X	2006		X
186	*Turkey	X		2006	X		X	2006		X
925	Turkmenistan	X		1998	X					
746	Uganda	X		2006	X		X	2006		X

CC	Country Name	WHAT IS REPORTED								
		BOP		Period	Frequency		IIP	Period	Frequency	
		<i>BPM5</i>	Other	Most Recent Year	Quart-erly	Annual		Most Recent Year	Quart-erly	Annual
926	*Ukraine	X		2006	X		X	2006		X
112	*United Kingdom	X		2006	X		X	2006	X	
111	*United States	X		2006	X		X	2006		X
298	*Uruguay	X		2006	X		X	2006		X
846	*Vanuatu	X		2006	X		X	2006	X	
299	*Venezuela	X		2006	X		X	2006	X	
582	Vietnam	X		2005	X					
487	West Bank and Gaza	X		2005		X				
474	Yemen, Republic of	X		2006	X		X	2006	X	
754	Zambia	X		2006		X				
698	Zimbabwe		X	1994	X					
Total		171	13		110	74	113		41	72

Notes:

CC = country code

* Participated in the 2006 CPIS

¹ In *BOPSY 2007* country pages (printed version) are provided for 171 economies, of which 113 reported IIP. Countries report IIP data of varying comprehensiveness.² The cutoff date for this report is *BOPSY 2007*, i.e., end-year 2006 data.³ BOP data prior to 2002 cover Belgium-Luxembourg.⁴ Faroe Islands balance of payments data cover current account components only.

**Appendix IV. Medium-Term Work Program of the IMF Committee on
Balance of Payments Statistics: End-December 2007**

Subject	Issue	Action
TOP PRIORITY		
<i>BPM6</i>	Finalize <i>Balance of Payments and International Investment Position Manual (BPM6)</i>	IMF staff to prepare revised new Manual
Coordinated direct investment survey	Report on conducting a coordinated direct investment survey and preparations for the survey	IMF to complete compilation guide and regional seminars to start
HIGH PRIORITY		
Implementation of <i>BPM6</i>	Implementation strategy for <i>BPM6</i> including preparation for the compilation guide	Paper by IMF staff on progress
Sovereign wealth funds	Improving statistical information	Paper by IMF staff
Remittances	Request by G-8 and others for improved data on remittances	Luxembourg City Group to finalize Manual on best compilation practices
MEDIUM PRIORITY		
International trade in services	Revision of <i>Manual on Statistics of International Trade in Services</i>	Paper by OECD on activities of the Task Force on Statistics of International Trade in Services, on the revision of the trade in services manual
Reserve assets	Reserve Template guidelines	Technical expert group to report back on work to update Guidelines
Research topics	Agree on long-term research program in consultation with Inter-Secretariat Working Group on National Accounts.	Paper by IMF
Coordinated portfolio investment survey	Results of the 2007 Coordinated Portfolio Investment Survey	IMF to publish results of 2007 CPIS and update results of 2006 CPIS
Security databases	Update on the working group on Securities Database and progress with the CSDB	Papers by IMF and ECB
Global discrepancies	Developments in discrepancies in global balance of payments statistics	Paper by IMF
External debt	Improve reporting of external debt data	Paper by IMF staff on work of the Inter-Agency Task Force on Finance Statistics
International banking statistics	Developments in banking statistics	Report by BIS