

SM/09/248

September 15, 2009

To: Members of the Executive Board
From: The Acting Secretary
Subject: **IMF Committee on Balance of Payments Statistics—2008 Annual Report**

Attached for the **information** of Executive Directors is the 2008 Annual Report of the IMF Committee on Balance of Payments Statistics.

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Questions may be referred to Mr. Alexander, STA (ext. 39796).

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IMF COMMITTEE ON BALANCE OF PAYMENTS STATISTICS

ANNUAL REPORT

2008



International Monetary Fund

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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	Organization for Economic Cooperation and Development
<i>RCG</i>	<i>Remittances Compilation Guide</i>
RESTEG	Reserve Assets Technical Expert Group
SDMX	Statistical Data and Metadata Exchange
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
WGIIS	OECD Working Group on International Investment Statistics

EXECUTIVE SUMMARY

This annual report of the IMF Committee on Balance of Payments Statistics (Committee) for 2008 provides an overview of recent trends in balance of payments and international investment position (IIP) statistics, discusses the Committee's work program during 2008, and reviews the issues the Committee plans to address in the coming year.

Notable aspects of external sector statistics show the following recent trends:

- The global current account shows that recorded credits (such as exports) exceed recorded debits (such as imports), in line with the trend of growing positive balances, or surpluses, that began in 2004. In principle, surpluses should be offset by deficits across all economies combined, resulting in a current account balance of zero at the global level.
- The number of economies reporting IIP data for publication in the *Balance of Payments Statistics Yearbook* continues to increase, reaching 116 at end-2008.
- The 2007 Coordinated Portfolio Investment Survey (CPIS) covered over 70 economies; the results of the survey were released within a year, as was the case for the 2005 and 2006 CPIS.

The main features of the Committee's 2008 work program were:

- The finalization and adoption of the new IMF *Balance of Payments and International Investment Position Manual*, sixth edition (*BPM6*).
- Initial steps towards the implementation of *BPM6* as endorsed by the Committee, including a number of regional outreach seminars by the IMF explaining the proposed changes, and provision of the main balance of payments course on the basis of *BPM6*.
- Continuing preparatory work on the Coordinated Direct Investment Survey (CDIS) to be conducted in 2010 with reference to end-2009 data. The IMF conducted a number of CDIS seminars and posted the draft survey guide on the CDIS website.
- Start of the International Investment Position (IIP) statistics "pipeline" project aimed at expanding the number of IIP reporters, and initial steps by the IMF in constructing world and regional IIP tables that may include estimated data for economies that do not report IIP.
- Continued work on providing guidance on the compilation of statistics on remittances resulting in the release on the IMF website of the draft *International Transactions in Remittances: Guide for Compilers and Users*.
- Other work endorsed by the Committee included the establishment of a framework for statistical reporting by sovereign wealth funds (SWFs) in the context of the International Working Group (IWG) for SWFs, and discussions on emerging statistical data needs arising from the IMF Board's 2008 Review of Data Provision to the Fund for Surveillance Purposes.

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, 2008 are presented in Appendices I and II, respectively. The Committee held its twenty-first meeting at the IMF headquarters in Washington, D.C. in November 2008. 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 of the Committee and is structured as follows: Section II provides an overview of recent trends in balance of payments and IIP data published by the IMF's Statistics Department (STA); Section III discusses the Committee's work program during 2008; and Section IV reviews the issues on which the Committee plans to work in 2009.

II. RECENT TRENDS IN BALANCE OF PAYMENTS AND IIP DATA

3. Countries' annual balance of payments and IIP statistics for the period 2000–07² are published in the *Balance of Payments Statistics Yearbook (BOPSY)*, 2008. These data support the IMF's work on economic surveillance and are used for the analyses of economies' current, capital, and financial accounts.

4. *BOPSY 2008*³ covers balance of payments data reported by 174 economies, of which 116 economies also reported IIP data. Information on reporting practices by economy (updated to reflect end-December 2008 information) is available in Appendix III.

5. *BOPSY 2008* 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. Measurement differences arise from various factors, including incomplete coverage of transactions, inaccurate or inconsistent recording of transactions by compilers or reporters, classification differences, and timing differences. Further, partly due to resource constraints in compiling agencies, countries tend to focus data collection efforts on items and transactions that are

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

² Data for years prior to 2000 are available on the *Balance of Payments Statistics* CD-ROM.

³ These number counts are based on the hardcopy version of *BOPSY 2008*, published in 2008. *BOPSY 2008* is updated monthly online, and is available by subscription.

considered important for national policymaking, and on the most traditional areas of statistical coverage such as goods trade. Measurement differences tend to be most pronounced in the financial account where, for many countries, there are gaps in source data. Also, many countries have developed data collection systems to capture income and financial transactions on inward foreign direct investment, but outward foreign direct investment often is not adequately measured. The coverage of financial derivatives remains a key area of weakness, as many countries have not developed data collection systems that cover this area.

6. Periodic global surveys, such as the Coordinated Portfolio Investment Survey (CPIS), collect bilateral data and have assisted in reducing asymmetries and in closing data gaps. Further, undertaking comprehensive surveys that cover a broad range of financial instruments, such as surveys of nonbank financial institutions and the 2009 Coordinated Direct Investment Survey (CDIS), will also reduce asymmetries. Other initiatives to reduce asymmetries include promotion of internationally accepted standards, and the development of manuals and guides, such as the *Remittances Compilation Guide* (RCG) and the forthcoming *BPM6 Compilation Guide*.

7. Global balances are monitored by the Committee because they provide an indication of where measurement weaknesses lie in the accounts. In 2007, the global aggregation showed a further rise of the positive balance in the *current account*. The balance in the *financial account* grew more negative, and the capital account shifted from a positive to a negative balance, in 2007. Tables 1 and 2 on pages 8 and 9 of this report present the global balances by individual account.

A. Global Current Account

8. In 2007, the global *current account* balance was a positive \$316.9 billion, largely exceeding the absolute average over the period 2001–06 of \$101.6 billion (see Table 1). This is a continuation of a trend in recent years of increasingly positive balances, in contrast with the pattern through 2003 that saw debits exceed credits.⁴

9. Both the global *goods* and *services* balances grew in 2007. Global goods exports were \$210.5 billion larger than global goods imports. This compares with a small negative balance in 2001 and a pattern of generally increasing positive balances from 2002 onward. For services, the positive balance amounted to \$168.7 billion. The surplus of services exports over imports has been increasing since 2001, when a small negative balance was recorded. This appears to correspond with findings that services exports may be better monitored than imports. The most significant patterns underlying the overall trend for services are growing negative balances for *transport* and growing positive balances for *other services*.

10. The negative balance in the *income* account of \$71.0 billion arises from an excess of income payable over income receivable on *other direct investment*, *portfolio investment*, and *other investment* only being partly offset by the excess of *reinvested earnings* receivable

⁴ A positive balance 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.

versus payable. In recent years (2005–07), the global balances on goods, services, and income have been increasing both in absolute values, as well as in terms of the gross transactions recorded in these accounts (see the memorandum items in Table 1). *Current transfers* shifted to a positive \$8.8 billion balance, moving closer to a balanced position.

B. Global Capital and Financial Accounts

11. The balance on the *capital account*—comprising *capital transfers* and *acquisition and disposal of nonproduced, nonfinancial assets*—shifted to a negative \$15.8 billion in 2007, compared to a positive balance of \$9.5 billion in 2006 (see Table 2). The balance on the *financial account* increased significantly (in absolute value) to a negative \$167.9 billion in 2007, which compares to a negative \$42.3 billion in the previous year.⁵

12. The balance on *direct investment* was a negative \$49.9 billion in 2007, well under the absolute average balance in 2001–06 even though gross transactions have increased strongly through the period. For *portfolio investment* the global balance increased to \$103.5 billion, remaining below the absolute average of \$142.9 billion in 2001–06.

13. The balance on *financial derivatives* shifted to negative \$85.5 billion in 2007, somewhat larger (in absolute value) than in earlier years. Gross transactions in *financial derivatives* have trended higher since 2001, reflecting increased activity and improved reporting.⁶ Within *other investment*, the balance in 2007 dropped (in absolute value) to positive \$41.8 billion, well below the average absolute value in 2001–06.⁷ The balance in *reserve assets plus liabilities constituting foreign authorities' reserves (LCFAR)* again rose sharply (in absolute value) in 2007, to negative \$177.8 billion, as gross transactions also rose substantially.

C. Revisions

14. In 2008, data revisions increased the positive current account balance for 2005 by \$36.5 billion, to \$101.8 billion, and increased the positive current account balance for 2006 by \$42.0 billion, to \$201.7 billion (see Figure 1). These revisions were largely caused by an upward revision in the positive balance in services, and by a downward revision (less negative) in the negative balance in income for both years.

⁵ In the financial account, 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 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*.

⁶ Financial derivatives are often recorded on a net basis by the compiling economy (that is, transactions in assets are netted against transactions in liabilities), and so the balances in assets and in liabilities in this series should be viewed with caution.

⁷ Instruments in *Other investment* include trade credits, loans, and other assets and liabilities.

15. In 2008, data revisions increased the negative balance on the financial account for 2005 from negative \$3.4 billion to negative \$82.5 billion (see Figure 2). Revisions for 2006 decreased the negative balance to negative \$42.3 billion, from negative \$71.8 billion.⁸

⁸ 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, 2001–07¹
(In billions of U.S. dollars)

	2001	2002	2003	2004	2005	2006	2007	Absolute Average 2001–06
Current account balance	-134.7	-95.9	-12.8	62.7	101.8	201.7	316.9	101.6
Goods								
Credit	6,092.9	6,390.8	7,464.4	9,090.4	10,371.6	11,996.3	13,866.6	
Debit	6,113.4	6,374.4	7,413.6	9,053.7	10,317.0	11,869.7	13,656.1	
Balance on goods	-20.4	16.4	50.8	36.7	54.6	126.6	210.5	50.9
Services								
Credit	1,521.2	1,638.9	1,888.0	2,283.4	2,548.9	2,866.1	3,386.2	
Debit	1,530.7	1,628.9	1,860.4	2,217.4	2,453.1	2,730.8	3,217.6	
Balance on services	-9.5	10.0	27.6	66.0	95.8	135.3	168.7	57.4
Of which:								
Transportation	-66.2	-61.5	-77.9	-99.6	-113.4	-138.8	-149.7	92.9
Travel	25.2	29.0	31.5	46.6	49.1	73.8	83.0	42.5
Government services	-8.7	-15.5	-15.5	-21.5	-24.0	-30.3	-42.0	19.3
Other services	40.2	58.0	89.5	140.6	184.1	230.6	277.4	123.8
Income								
Credit	1,333.6	1,281.8	1,501.8	1,896.2	2,412.4	3,082.6	3,915.3	
Debit	1,407.7	1,372.9	1,572.4	1,907.9	2,430.8	3,124.9	3,986.4	
Balance on income	-74.0	-91.1	-70.6	-11.7	-18.4	-42.3	-71.0	51.4
Of which:								
Compensation of employees	-7.5	-7.8	-7.8	-5.7	-8.4	-12.5	-15.0	8.3
Reinvested earnings	105.9	61.0	94.8	138.1	33.0	187.1	221.0	103.3
Other direct investment income	-46.0	-23.6	-44.9	-25.6	80.6	-91.0	-155.2	51.9
Portfolio and other investment income	-126.4	-120.7	-112.7	-118.6	-123.6	-125.8	-121.8	121.3
Current transfers								
Credit	390.3	435.6	514.0	605.2	679.7	742.7	872.7	
Debit	421.0	466.7	534.7	633.5	709.9	760.7	863.9	
Balance on current transfers	-30.7	-31.1	-20.7	-28.3	-30.3	-17.9	8.8	26.5
Memorandum items ^{\2}								
Current account balance as percent of gross current account transactions	1.4	1.0	0.1	0.5	0.6	1.1	1.4	0.8
Goods balance as percent of gross goods transactions	0.3	0.3	0.7	0.4	0.5	1.1	1.5	0.5
Services balance as percent of gross services transactions	0.6	0.6	1.5	2.9	3.8	4.8	5.1	2.4
Income balance as percent of gross income transactions	5.4	6.9	4.6	0.6	0.8	1.4	1.8	3.3
Current transfers balance as percent of gross current transfer transactions	7.6	6.9	3.9	4.6	4.4	2.4	1.0	5.0

Source: *Balance of Payments Statistics Yearbook*, Volume 59, Part 2, 2008

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

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

2. Percentages were calculated by dividing the balance for the respective account by the average of credits and debits for that account.

Table 2. Global Transactions and Balances on Capital and Financial Accounts, 2001–07¹
(In billions of U.S. dollars)

	2001	2002	2003	2004	2005	2006	2007	Absolute Average 2001–06
Capital account balance	-4.9	-19.2	-21.4	-5.0	6.5	9.5	-15.8	11.1
Credit	49.5	47.9	58.2	70.2	101.3	134.3	106.2	
Debit	54.4	67.1	79.6	75.2	94.8	124.9	122.0	
Financial account balance	168.6	194.4	78.1	-220.2	-82.5	-42.3	-167.9	131.0
Direct investment	81.7	83.5	-17.7	-224.6	79.5	49.3	-49.9	89.4
Abroad	-723.2	-661.7	-666.5	-1,011.8	-1,070.7	-1,436.7	-2,204.0	
In the reporting economy	804.9	745.1	648.9	787.2	1,150.1	1,486.0	2,154.0	
Portfolio investment	49.7	165.9	133.8	224.3	195.0	88.9	103.5	142.9
Assets	-1,205.6	-743.0	-1,437.1	-1,902.7	-2,635.7	-3,017.2	-2,483.3	
Liabilities excluding LCFAR ²	1,255.3	908.9	1,570.9	2,127.0	2,830.7	3,106.1	2,586.8	
Financial Derivatives	7.1	-11.1	-9.3	-18.1	-13.8	51.8	-85.5	18.5
Assets	236.9	203.1	262.7	288.9	448.5	385.4	464.4	
Liabilities	-229.9	-214.2	-272.0	-307.0	-462.3	-333.6	-549.9	
Other investment	62.4	-14.2	-1.3	-145.5	-323.7	-139.6	41.8	114.4
Assets	-710.8	-671.2	-1,030.8	-2,224.2	-2,980.0	-3,517.1	-5,750.4	
Liabilities excluding LCFAR ²	773.1	657.0	1,029.6	2,078.7	2,656.4	3,377.5	5,792.1	
Reserves plus LCFAR	-32.1	-29.6	-27.5	-56.2	-19.5	-92.7	-177.8	42.9
Reserves	-151.1	-265.9	-501.4	-640.7	-528.7	-737.0	-1,202.7	
LCFAR	119.0	236.2	473.9	584.5	509.2	644.3	1,024.9	
Net errors and omissions ³	-28.9	-79.4	-43.9	162.5	-25.8	-168.8	-133.2	

Source: *Balance of Payments Statistics Yearbook*, Volume 59, Part 2, 2008.

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 2008 on the Global Balance in the Current Account

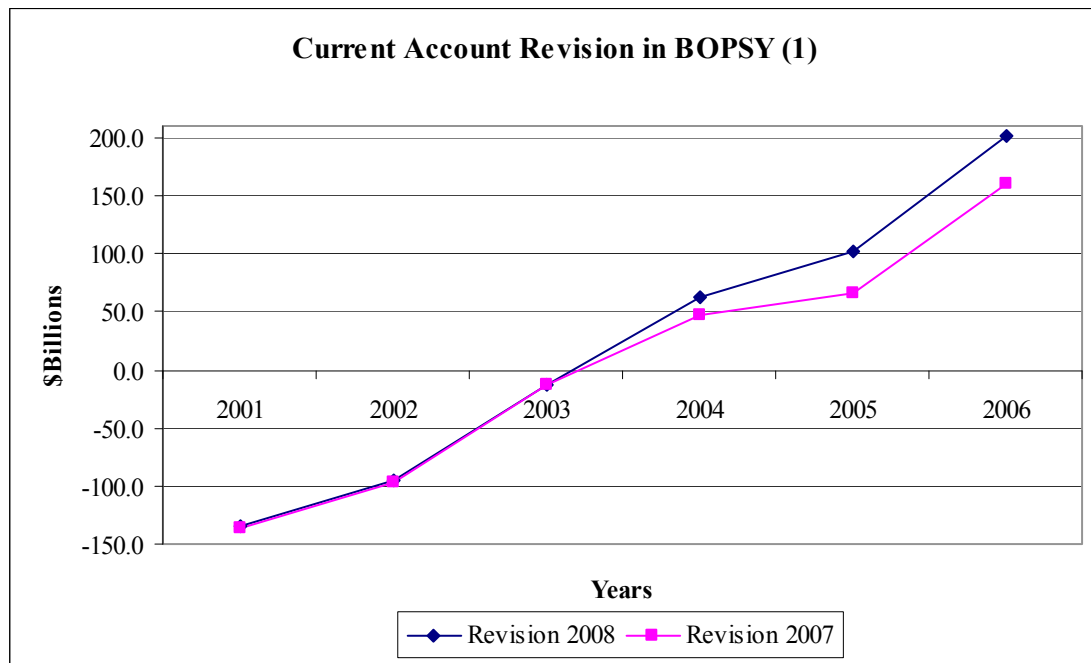
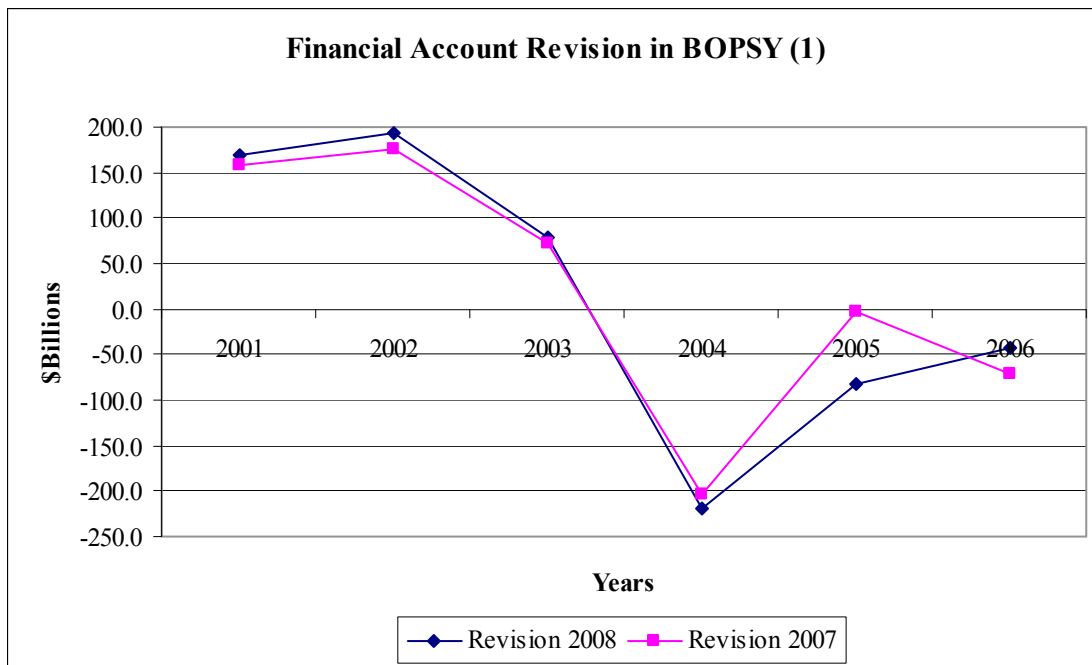


Figure 2. Impact of Data Revisions in 2008 on the Global Balance in the Financial Account



¹ BOPSY is the *Balance of Payments Statistics Yearbook*.

D. Coordinated Portfolio Investment Survey (CPIS)

16. 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.⁹ 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>).

17. At end-2007, cross-border holdings of securities collected in the CPIS reached \$39.4 trillion, an increase of 20 percent in dollar terms from the end-2006 level. Holdings of debt instruments increased by 15 percent, to \$21.6 trillion, and equity securities increased by over 26 percent, to \$17.8 trillion. The increase reflected increased cross-border activity, as financial markets continued to be more integrated, and the impact of U.S. dollar depreciation.

18. Table 3 provides the results of the 2007 CPIS for the 10 largest holders and, on the basis of data on holdings, also identifies the 10 largest issuers of securities (derived liabilities data). It can be seen that portfolio investment assets remain concentrated in a few economies, of which the top 10 economies account for about 70 percent of total holdings.

19. The timeliness of the CPIS data release has improved over time, with the results of the last three surveys (end-2005 through end-2007) being available less than 12 months after the period of reference. The coverage has also been generally improving, but the number of participants in the survey thus far for 2007 has dropped to 72 economies, from 74 in 2006.

20. The Committee expressed the view that the CPIS data are very useful, and that expansion in the coverage and improvement of the timeliness are areas for future work. It stressed the importance of timely availability of results from the survey. The Committee suggested that STA consider separately estimating the price and transaction effects that contribute to the growth in portfolio investment data. STA agreed with a Committee request to make efforts for developing a more user-friendly database that would more conveniently provide CPIS data in a time series format.

21. The OECD representative noted that it uses the CPIS data to calculate globalization indicators. It invited the IMF to contribute to the chapter that identifies globalization indicators for portfolio investment in the update of the OECD *Handbook on Economic Globalisation Indicators*.

⁹ 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).

Table 3. Geographic Breakdown of Portfolio Investment: Top Ten Economies by Holders and Issuers, at Year-End 2007
(Preliminary data in billions of U.S. dollars)

TABLE 11: GEOGRAPHIC BREAKDOWN OF TOTAL PORTFOLIO INVESTMENT: TOP TEN ECONOMIES BY HOLDERS AND ISSUERS, AT YEAR-END 2007*(preliminary data)													
<i>(in billions of U.S. dollars)</i>													
Holders		1	2	3	4	5	6	7	8	9	10		
		United States	United Kingdom	France	Luxembourg	Germany	Japan	Ireland	Netherlands	Italy	Switzerland	Other	Total
Issuers													
1	United States	n.a.	895.8	273.8	459.1	284.2	813.3	479.9	376.7	122.1	135.0	4,164.0	8,004.0
2	United Kingdom	1,142.4	n.a.	239.0	211.8	203.4	162.8	389.4	131.6	53.5	64.7	1,030.1	3,628.7
3	Germany	421.7	159.1	407.9	369.0	n.a.	180.6	136.1	177.8	137.6	118.2	1,076.2	3,184.2
4	France	443.5	122.7	n.a.	251.1	247.6	146.0	117.4	130.1	135.0	76.0	719.8	2,389.2
5	Luxembourg	95.1	53.5	173.1	n.a.	476.0	98.6	47.1	78.8	373.6	154.6	615.8	2,166.3
6	Cayman Islands	543.9	53.3	115.8	86.0	43.8	357.3	54.1	19.8	26.2	58.5	388.0	1,746.7
7	Netherlands	235.1	154.0	279.3	133.4	189.1	76.1	64.6	n.a.	80.0	58.6	445.9	1,716.2
8	Italy	120.0	49.4	312.7	189.3	211.9	71.3	144.5	100.1	n.a.	12.0	299.3	1,510.5
9	Japan	582.3	158.9	110.6	87.6	31.3	n.a.	62.6	36.0	11.1	19.4	322.6	1,422.5
10	Spain	146.4	102.2	253.9	118.1	266.7	33.5	80.3	80.1	36.0	9.5	241.3	1,368.0
	Other	3,461.4	1,683.2	847.2	977.1	682.7	584.1	393.8	336.0	267.0	351.5	2,648.7	12,232.9
	Total	7,191.8	3,432.2	3,013.3	2,882.6	2,636.8	2,523.6	1,969.8	1,467.0	1,242.2	1,058.0	11,951.7	39,369.0
Note: n.a. = not applicable													

III. WORK PROGRAM UNDERTAKEN BY THE COMMITTEE IN 2008

22. In 2008, the Committee gave top priority to finalizing the *Balance of Payments and International Investment Position Manual*, sixth edition, and taking initial steps for the new manual's implementation. The IMF posted the draft *RCG* on its website in September 2008 for worldwide comments. The *RCG* is expected to be finalized (except for editing) by the end of 2008 or early 2009.¹⁰

23. The Committee also focused on the work on the CDIS project, on developments in the reporting of IIP statistics and regional and world IIP tables, and on emerging cross-border data needs. The Committee received various reports on work related to its interests.

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

24. At its meeting in November 2008, the Committee adopted the new *BPM6* by unanimous assent. The final version of the manual was published on the IMF website in December 2008. Committee members expressed the view that the update of the manual was well managed, that the cooperation between international agencies had been excellent, and that the completion of the new manual was a great achievement. In 2008, STA took initial steps towards implementing *BPM6*.

Work leading to the adoption of *BPM6*

25. In March 2008, STA posted a second draft of the manual on the IMF's external website for worldwide consultation. Also, between January and September 2008, nine outreach seminars were conducted in all regions of the world to explain the proposed changes and obtain feedback. Updated drafts of the manual, reflecting the comments that were received, were circulated to the Committee in July and October 2008. After the adoption of *BPM6* in the November 2008 Committee meeting, a pre-publication draft was completed that incorporated suggestions for clarifications to the October draft by Committee members and outcomes of the November *SNA* meeting. This draft of *BPM6*, subject only to editing, is published on the IMF website (<http://www.imf.org/external/pubs/ft/bop/2007/bopman6.htm>).

26. The update of the *Balance of Payments Manual* was conducted in parallel with the update of the *System of National Accounts (SNA)* to maintain consistency. *BPM6* also takes into account improved recording and methodological treatments contained in other manuals prepared by the STA, including *External Debt Statistics: Guide for Compilers and Users* (2003), *Monetary and Financial Statistics Manual* (2000), and *Government Finance Statistics Manual* (2001). In turn, these manuals will be updated to reflect the revisions made in the *BPM6* and *SNA 2008*.

¹⁰ The *RCG* was finalized, except for editing, and posted on the IMF website in December 2008 (<http://www.imf.org/external/np/sta/bop/remitt.htm>).

27. The Committee was invited to comment on the major changes introduced in the manual and on notable achievements of the update project. The most significant changes from *BPM5* made in *BPM6* were identified as follows:

- Elaboration of direct investment (consistent with the *Benchmark Definition of Foreign Direct Investment*, notably the redefinition in terms of control and influence, treatment of chains of investment and fellow enterprises, and presentation on a gross asset/gross liability basis as well as according to the directional principle).
- Revised treatment of goods for processing and merchanting.
- New concepts for remittances.
- Introduction of the concept of reserve-related liabilities.
- Improved measures of financial sector services, including financial intermediation services indirectly measured (FISIM), insurance, pensions, standardized guarantees, and buy/sell spreads.
- Development of nonmonetary gold, in particular unallocated gold accounts.
- Strengthened concordance with the *SNA* (such as full articulation of the *SNA/MFSM* instrument classification).
- Extensive additions to the manual—double the size because of increased detail and explanation, increased focus on balance sheets (including a chapter on other changes), and many new appendices (remittances, direct investment, etc.).

28. These changes provide greater clarity on the recording of transactions and, therefore, will improve consistency in recording across countries. Although some balance of payments aggregates are expected to change, the impact of these changes on overall balances—and on saving and investment—is expected to be small. The elaboration of direct investment will increase gross assets and gross liabilities, but there will be no effect on the net IIP, other than that which results from improved reporting.

29. For some countries, the revised treatment of goods for processing and merchanting is likely to have a major impact on gross goods and services transactions, and on the individual balances on trade in goods and on trade in services, due to the reclassification of transactions between goods and services. At a global level, these reclassifications should have no impact on the current account balance; however, bilateral trade balances may substantially change. In addition, some countries that had previously recorded a surplus on the balance of trade in goods would now record a deficit (and vice versa), because of these changes in treatment. Likewise, a deficit in the balance of trade in services would change to a surplus for some countries, both at bilateral levels and at the global level.

30. The improved measures of financial sector services present a more accurate picture of international trade in services. For instance, the *BPM6* now requires the estimation of the service relating to financial intermediation, instead of combining this amount with interest and including it in primary income.

31. The Committee noted the following major accomplishments:

- Harmonization among the various major international manuals, including the *SNA*, has been maintained. This has been supported by a good working relationship among all the consultative bodies and staff.
- The timetable has been maintained.
- There has been an enormous world-wide effort, with input from many economies, including wide involvement from outside the Committee.
- The conduct of nine regional outreach seminars in 2008, attended by participants from 173 economies.
- The first general balance of payments course has been conducted on the basis of the new manual. Guidance in the new manual seems to be well appreciated by economies.
- Many countries have already begun to improve and update their source data to be consistent with the new standards. For example, many countries have improved or begun to improve their surveys of direct investment to cover positions with fellow enterprises.

B. Implementation of *BPM6*

32. The implementation of *BPM6* will take up a considerable part of the Committee's work program in the years ahead. IMF staff provided a paper for the Committee setting out the strategy for the *BPM6* implementation at the international level. The paper elaborated on the discussion in the Committee in 2007.

Implementation date

33. In the Committee's 2007 meeting, it was agreed that the changeover to the data presentation according to *BPM6* in the IMF *Balance of Payments Statistics Yearbook (BOPSY)* is an important aspect of the implementation strategy. In 2007, the Committee provisionally decided for a conversion to the *BPM6* presentation format in 2012 or 2013. In view of the information gathered in the nine regional outreach seminars on *BPM6*, and also to maintain momentum in the work, the IMF favors converting *BOPSY* in 2012 (with reference to data for 2011).

34. In its discussions of November 2008, the Committee expressed diverging views on the conversion date in *BOPSY*. Some Committee members agreed with conversion in 2012, some favored converting in 2014. Others would prefer the conversion to occur after a “critical mass” had implemented *BPM6* standards. Some noted that within economies conversion of the balance of payments and the national accounts should coincide, with the implementation of major changes prioritized according to their importance in the respective economies. Some representatives of the international agencies raised the pros and cons of an internationally coordinated conversion to the new manuals across all or most economic data sets.

35. The IMF expressed the view that it should take the lead in setting the conversion date for the effort to be successful. The IMF noted that *BOPSY* has been an IMF publication for almost 60 years, and that a primary purpose is to provide consistent statistical data across economies for analytical, policy and research purposes. The conversions that took place in the past were all implemented one or two years after the publication of the new manual. The IMF will further consider this issue and consult with the Committee in early 2009.

Other efforts to facilitate the implementation of *BPM6*

36. **Conversion matrix.** At last year’s meeting, the Committee endorsed the preparation of a conversion matrix, mapping the *BPM5* and *BPM6* balance of payments and IIP items, and providing concise comments to the nature of the changes to assist economies in implementing the new manual. In the Committee meeting of November 2008, IMF staff presented a draft conversion matrix and invited Committee members to provide written comments to an enhanced version by end-January 2009. Several members agreed to trial-run the matrix.

37. **Compilation Guide.** During the regional outreach seminars, participants conveyed that the conversion matrix, as well as a timely update of the *Balance of Payments Compilation Guide (Compilation Guide)*, should receive a high priority to enhance the implementation of the new manual. The Committee discussed key elements of an approach for updating the *Compilation Guide*. There was agreement that many parts of the *Compilation Guide* could remain unchanged, and that the update could be focused on selected sections.

38. Committee members endorsed the IMF proposal to use a modular approach by producing and disseminating the *Compilation Guide* in separate chapters and boxes, and that priority be given to methodological changes that are especially difficult to implement. The Committee also agreed to publish updated chapters and new boxes for the *Compilation Guide* in electronic form upon their completion.

39. **Implementation questionnaire.** IMF staff briefed the Committee on the proposal to conduct a questionnaire on *BPM6* implementation plans of IMF members in the first half of 2009. The questionnaire aims at identifying areas where the Committee and the IMF itself can play a complementary role in supporting countries’ *BPM6* implementation plans. Also, the questionnaire can help identify methodological changes that are especially difficult to implement, and thus guide the work on the *Compilation Guide* and the *BPM6 Textbook*. It

40. The Committee supported the proposal, and saw scope for the questionnaire to identify country solutions to practical problems in implementing *BPM6* with a view to sharing this information with other data compilers. The results of the *BPM6* implementation questionnaire will be reported to the Committee at its meeting in 2009, and supporting strategies could be proposed at that time.

C. Remittances

41. The Committee was informed that STA has posted the draft *Remittances Compilation Guide* on the IMF's website in September 2008 for worldwide comments. Depending on the comments received, the *RCG* was expected to be finalized by the end of 2008 or early 2009.¹¹ The Committee was also briefed on the G-8 Heads of State meeting in Japan in July 2008, which endorsed recommendations from the November 2007 Berlin High-Level Meeting.

42. IMF staff also highlighted other work in the area of remittances, including the publication by the Center for Latin America Monetary Studies of a *Manual on Best Practices for the Compilation of International Remittances*, and the joint Bank of Thailand-IMF-SEACEN (South East Asian Central Banks) workshop on International Remittances in Chiangmai, Thailand, for SEACEN member countries. The *RCG* received the endorsement of SEACEN member countries. The IMF plans to hold similar workshops in Tunisia and in Singapore.

43. The Committee discussed a related initiative by the BIS Committee on Payments and Settlements Systems (CPSS) and the World Bank, who together led a task force to address payment system aspects of remittances. The task force produced a final report in January 2007, "General Principles for International Remittance Services", that sets out general principles that are designed to assist countries in improving the market for remittance services. The Committee acknowledged the report as an important element of the body of work on remittances.

44. The Committee congratulated IMF staff on completing the *RCG* and noted that, among its strengths, were the balanced evaluations of different methods of data collection, and its conclusion that a combination of different data collection methods may result in the highest quality estimates. The Committee also discussed the idea of a "super glossary" to ensure common definitions across statistical manuals. The Committee Chair thanked the international organizations for their collaboration in developing the *RCG*.

¹¹ See footnote 11.

D. Direct Investment

Coordinated Direct Investment Survey (CDIS)

45. The Committee reviewed the progress on the CDIS, which is a survey of direct investment positions to be conducted in 2010, with a reference date of end-2009. In May 2007, IMF management gave approval for the launch of the CDIS. Since then, a CDIS Task Force, including representatives of other international agencies and member countries, was established, and an implementation strategy based on four pillars was adopted.

- **Survey guide.** With input from the CDIS Task Force, the draft guide was completed in January 2008 and posted on the CDIS website¹² for world-wide comments. The guide is being updated to reflect feedback from the CDIS seminars (see below). The translations of the updated survey guide in five additional languages are nearing completion as of early 2009.
- **Formal invitations.** The IMF Managing Director sent formal invitations to all IMF members and some non-IMF members in late 2007, inviting their participation in the CDIS. About 130 jurisdictions have now indicated an interest in participating in the CDIS.
- **CDIS seminars.** A total of ten CDIS seminars were conducted in 2008, in which 128 jurisdictions and 189 participants attended. The impression from these seminars was that many economies are well prepared to participate in the CDIS, whereas some others may need substantial assistance. The IMF is considering targeted assistance to economies where it may be especially helpful or important.
- **Interagency cooperation.** The IMF's interagency partners with an interest in direct investment were involved in the CDIS from the earliest beginnings. These include the OECD, Eurostat, the ECB, UNCTAD, and other organizations.

46. The Committee was encouraged by the large number of countries expressing an interest in participating in the CDIS, and expected the survey to enhance the quality of direct investment statistics. The Committee supported the proposal for targeted assistance and training, and suggested visits to individual economies focused on country-specific issues in the form of seminars, workshops, and dialog. The Committee agreed that considerable progress has been made and that the CDIS is looking to become a very successful initiative.

OECD *Benchmark Definition of Foreign Direct Investment*

47. The OECD representative updated the Committee on the progress made with regard to the *Benchmark Definition of Foreign Direct Investment (BD4)* and other work undertaken

¹² See: <http://www.imf.org/external/np/sta/cdis/index.htm>.

by the OECD Working Group on International Investment Statistics (WGIIS). The OECD Council adopted the *BD4* unanimously and without reservation in April 2008. Additionally, the WGIIS agreed on a research agenda taken up in small electronic discussion groups (EDGs) that will report to the WGIIS. IMF staff were invited to participate in the EDGs, and the Committee members would be invited to comment on EDG reports. The Committee discussion of the WGIIS research agenda included the following topics.

- **Directional principle.** The EDG for the directional principle had a mandate to provide further clarifications and examples for its application, and finished its report by October 2008 for review by the WGIIS. The Committee's discussion of this item is addressed below.
- **Issues concerning voting power.** The Committee expressed some reservations regarding the inclusion in direct investment of enterprises where voting power may be effectively obtained by means other than direct ownership of equity, e.g., via holdings of derivatives. The OECD representative explained that the WGIIS will consider its adoption in March 2009 on the basis of a revised EDG report.
- **Globalization statistics.** The Committee was informed that the WGIIS has started important research work on globalization statistics. This work includes the reconciliation of direct investment statistics and activities of multinational enterprise. The WGIIS research agenda on globalization also includes work pertaining to ultimate investing and ultimate host countries, greenfield investments, and extensions of capital.
- **Data provision.** In view of the similar future data provisions of direct investment data to the IMF (CDIS) and the OECD, the Committee discussed whether the opportunity could be used to harmonize the coding system used in electronically transferring data to or between international agencies by 2010. It was announced that the IMF, the ECB, and Eurostat have taken initiatives to harmonize the Statistical Data and Metadata Exchange (SDMX) coding system.

48. The Committee congratulated the OECD representative on the adoption of *BD4*, and on the work accomplished by the WGIIS on the list of issues for further research.

Directional principle

49. The Committee was informed of discussions in the European Union on the implementation of the directional principle (DP) in *BD4*. These discussions pertain to concerns about negative positions that may arise when the DP is applied to “fellow” enterprises.¹³ A particular concern is that negative values can cause difficulty in interpreting

¹³ Entities in a direct investment relationship that have less than 10 percent equity in each other and are under the control or influence of the same investor.

data on direct investment, such as using these data to assess the relative attractiveness of economies for investment.

50. Some members of the Committee questioned whether direct investment data per se are good indicators of investment attractiveness, and the Committee expressed the view that additional information was needed to assess attractiveness. It was also noted that negative results in direct investment data occurred under the data standards contained in *BPM5* and *BD3*.

51. More generally, there was broad agreement that the interpretation of direct investment data is difficult and that extensive communication on this aspect is essential. Data presentations could focus on detailed subsets of data, as the interpretation of aggregated information (that includes in particular data for financial intermediaries and special purpose entities) sometimes may be misleading.

52. Some Committee members expressed concern that some compilers consolidate resident entities into local enterprise groups, while others treat each enterprise as a separate statistical unit and do not consolidate. No single approach is prescribed in *BPM6* and *BD4*, but classifications of inward and outward direct investment will be different when the DP is implemented. It was noted that the definition of units will also be discussed in the *BPM6 Compilation Guide*.

E. Other Work Undertaken by the Committee in 2008

Development of IIP statistics and IIP world tables

53. Statistics Department staff informed the Committee of developments in the reporting of IIP statistics, recent IMF-wide recognition of the growing importance of IIP data, and the progress in work by STA. This work pertains to the IIP “pipeline” project, which aims at expanding the number of IIP reporters, and steps to construct IIP world and regional tables.

54. The Committee expressed strong appreciation for the IMF’s work in developing IIP statistics in the context of its broader efforts to promote the balance sheet approach for assessing external vulnerabilities. It was noted that, in the regional tables, it would be important to include consolidated data for the euro area (as already compiled by the ECB). However, it was recognized that the compilation of consolidated regional tables for other areas could require substantial additional national efforts and resources.

55. Against the background of the progress to date, the Committee expressed its views in terms of a forward looking agenda: the need for high frequency IIP data, need for currency composition data, and dissemination of data that distinguishes changes in positions resulting from transactions and other changes. In view of the collection of bilateral data, not least through such initiatives as the CPIS and the CDIS, STA saw scope for developing bilateral breakdowns of IIP in the longer term.

Cross-border financial developments: emerging data needs

56. The Committee discussed a report from the IMF's Strategy, Policy, and Review Department on the 2008 Review of Data Provision to the Fund for Surveillance Purposes, and a preliminary assessment of the value of key data initiatives for the surveillance of the current financial crisis. The IMF Board's main conclusions were that the adequacy of data for surveillance improved in the last decade, but that there is room for much further improvement for many countries. It also concluded that priority should be given to move ongoing initiatives forward, especially those related to the measurement of (i) overall positions and exposures vis-à-vis the rest of the world, and (ii) sectoral positions and exposures. The lessons to be learned from the current crisis were not yet sufficiently clear to be fully considered in the 2008 Review.

57. In regard to external sector data, the report highlighted the value added of the IIP and CPIS statistics. Their value is however hampered as there is not universal coverage, no sectoral composition for the liability side, and limited information on exposures by individual currency. For the future, balance of payments and IIP data will remain key indicators, supplemented by the more detailed information in the CPIS on countries' holdings of securities and COFER data on the currency composition of reserves.

58. Areas for future work include (i) further coverage and improvement of the periodicity and timeliness of IIP and CPIS data; (ii) moving forward with the work program for SWFs; (iii) improved measurement of valuation changes; and (iv) geographic breakdowns in international investment position data. The importance of data on cross-border and sectoral exposures was highlighted.

59. The Committee appreciated the report. It was noted that policy makers are not always informed about all of the available data. Also, statistical data can only be produced with a time lag which, in some instances, may hamper timely analysis. In that regard, the Committee expressed the view that consideration should be given to what statisticians can do to capture rising risk exposures in real time.

Sovereign wealth funds (SWFs)

60. The Committee was informed of the progress made in the International Working Group (IWG) on SWFs. The IWG met on three occasions to identify and draft a set of generally accepted principles and practices that properly reflects SWF investment practices and objectives, and agreed on the Santiago Principles at its third meeting. An important milestone was the agreement on a definition.¹⁴

¹⁴ SWFs are special purpose investment funds or arrangements that are owned by the general government. Created by the general government for macroeconomic purposes, SWFs hold, manage, or administer assets to achieve financial objectives, and employ a set of investment strategies, which include investing in foreign financial assets. SWFs have diverse legal, institutional, and governance structures. They are a heterogeneous group, comprising fiscal stabilization funds, savings funds, reserve investment corporations, development funds, and pension reserve funds without explicit pension liabilities.

61. As regards the statistical work on SWFs, the Committee was informed that following the work of the IWG, a coherent framework for SWFs reporting within macroeconomic statistics has been established. The IMF congratulated the Committee for its far sighted decisions in 2005/06 to look into this issue. At the request of the Committee, the Statistics Department agreed to update the table on how countries with SWFs report the information in their macroeconomic statistics, with particular reference to external statistics. In this context, the Committee expressed interest in whether SWF assets are, or are not, included in reserves.

F. Other Papers/Reports

62. 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/2008/21.htm>. These include:

- Presentations by Canada, Japan, Hong Kong, SAR, and the IMF on goods for processing and merchanting,
- UNCTAD's *World Investment Report 2008*,
- BIS International Financial Statistics,
- OECD Report on International Trade in Services Statistics, and
- ECB Report on the Centralized Securities Database

IV. FUTURE WORK PROGRAM

63. Appendix IV sets out the medium-term work program of the Committee, as agreed at its 2008 meeting. Subjects are ranked by priority, but the rankings are not intended to reflect the absolute importance of each subject, but rather to reflect the relative priority assigned to each topic by the Committee, given the limited time and resources.

64. Top priorities are (1) the implementation of *BPM6*; this priority embraces a number of specific sub-tasks, including communicating with users on major changes, updating the *Compilation Guide*, and the use of SDMX; (2) final editing of *BPM6*, and (3) continuing the important progress that has already been made on the CDIS.

65. High priority will be given to work on the CPIS, in recognition of data user interest in further developing this data set and improving data dissemination. A high priority was also given to remittances, including finalizing the *Remittances Compilation Guide* and providing compilation guidance to economies seeking to improve their data.

66. Medium priority is assigned to further work on SWFs. This subject is no longer a high priority in recognition of the completion of substantial work in this area by the IWG and the IMF.

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, 2008)

Chair

Adelheid Burgi-Schmelz
IMF, Statistics Department ¹

Members

Ahmed Al-Kholifey
Saudi Arabian Monetary Agency ²

Stuart Brown
Office for National Statistics
United Kingdom

Teresa Cornejo
Central Bank of Chile

Michael Davies
Australian Bureau of Statistics

Robert Heath
IMF, Statistics Department

Han Hongmei
State Administration of Foreign Exchange
People's Republic of China

Mr. Joji Ishikawa
Bank of Japan

Mr. Hideki Konno
Ministry of Finance, Japan

Ralph Kozlow
IMF, Statistics Department

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

Michael Debabrata Patra ³
Reserve Bank of India

Art Ridgeway
Statistics Canada

Eduardo Rodriguez-Tenés
Bank of Spain

Almut Steger
German Bundesbank

Lidia Troshina
Central Bank of Russia

Stefaans Walters
Reserve Bank of South Africa

Obie Whichard
Bureau of Economic Analysis, United States

Representatives of International Organizations

Ayse Bertrand
Organization for Economic Cooperation and
Development

Werner Bier ⁴
European Central Bank

William Cave
Organization for Economic Cooperation
and Development

Masataka Fujita
United Nations Conference on Trade and
Development

Ivo C. Havinga
United Nations Statistics Division

Mushtaq Hussain ³
Statistical Office of the European Communities

Philippe Mesny
Bank for International Settlements

Representative from the Process of Updating the System of National Accounts

Anne Harrison, Editor SNA Update

Secretariat (IMF Statistics Department)

Paul Austin

John Joisce

Mark van Wersch

¹ Lucie Laliberté chaired portions of the 2008 meeting.

² Accompanied by Ibrahim Binmayouf.

³ Did not attend 2008 meeting of the Committee

⁴ Accompanied by Pierre Sola.

Appendix III. Reporting of Balance of Payments (BOP) and International Investment Position (IIP) Data to the IMF Statistics Department (STA) ¹

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
512	Afghanistan, I.R. of		X	1989		X				
914	Albania	X		2007	X					
612	Algeria		X	1991		X				
614	Angola	X		2007		X	X	2007		X
312	Anguilla	X		2007		X				
311	Antigua & Barbuda	X		2007		X				
213	*Argentina	X		2007	X		X	2007		X
911	Armenia	X		2007	X		X	2007	X	
314	*Aruba	X		2007	X		X	2007		X
193	*Australia	X		2007	X		X	2007	X	
122	*Austria	X		2007	X		X	2007		X
912	Azerbaijan	X		2007	X		X	2007	X	
313	*Bahamas, The	X		2007	X					
419	*Bahrain	X		2007		X	X	2007	X	
513	Bangladesh	X		2007	X		X	2007		X
316	*Barbados	X		2005		X				
913	Belarus	X		2007	X		X	2007	X	
124	*Belgium	X		2007	X		X	2007	X	
339	Belize	X		2007	X					
638	Benin	X		2006		X	X	2006		X
218	Bolivia	X		2007	X		X	2007	X	
963	Bosnia and Herzegovina	X		2007	X					
616	Botswana	X		2007		X	X	2007		X
223	*Brazil	X		2007	X		X	2007	X	
516	Brunei Darussalam	X		2006		X				
918	*Bulgaria	X		2007	X		X	2007		X
748	Burkina Faso	X		2001		X	X	2001		X
618	Burundi	X		2007		X	X	2007		X
522	Cambodia	X		2007	X		X	2007		X
622	Cameroon	X		2007		X		1997		
156	*Canada	X		2007	X		X	2007	X	
624	Cape Verde	X		2007	X					
626	Central African Republic	X		1994		X				
628	Chad	X		1994		X				
228	*Chile	X		2007	X		X	2007	X	
924	China P.R.: Mainland	X		2007		X	X	2007		X
532	*China P.R.: Hong Kong SAR	X		2007	X		X	2007		X
546	*China P.R.: Macao SAR	X		2006		X				
233	*Colombia	X		2007	X		X	2007	X	
632	Comoros		X	1995		X				
634	Congo, Republic of	X		2007		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
238	*Costa Rica	X		2007	X		X	2007	X	
662	Côte d'Ivoire	X		2007		X	X	2007		X
960	Croatia	X		2007	X		X	2007		X
423	*Cyprus	X		2007	X		X	2007		X
935	*Czech Republic	X		2007	X		X	2007		X
128	*Denmark	X		2007	X		X	2007	X	
611	Djibouti	X		2006		X	X	2003		X
321	Dominica	X		2007		X				
243	Dominican Republic	X		2007		X	X	2006		X
309	Eastern Caribbean Currency Union	X		2007		X				
248	Ecuador	X		2007	X		X	2007		X
469	*Egypt	X		2007		X	X	2007		X
253	El Salvador	X		2007	X		X	2007	X	
642	Equatorial Guinea	X		1996		X				
643	Eritrea	X		2000	X					
939	*Estonia	X		2007	X		X	2007	X	
644	Ethiopia	X		2007	X					
163	Euro Area	X		2007	X		X	2007	X	
816	Faroe Islands ²	X		2003		X				
819	Fiji	X		2006		X				
172	*Finland	X		2007	X		X	2007	X	
132	*France	X		2007	X		X	2007		X
887	French Polynesia	X		2007		X				
646	Gabon	X		2005		X				
648	Gambia, The	X		2007		X				
915	Georgia	X		2007	X		X	2007	X	
134	*Germany	X		2007	X		X	2007	X	
652	Ghana	X		2007		X		1997		
174	*Greece	X		2007	X		X	2007	X	
328	Grenada	X		2007		X				
258	Guatemala	X		2007	X					
656	Guinea	X		2007	X		X	2007	X	
654	Guinea-Bissau	X		2004		X	X	2004		X
336	Guyana	X		2007		X				
263	Haiti	X		2007		X	X	2007		X
268	Honduras	X		2007	X		X	2007		X
944	*Hungary	X		2007	X		X	2007	X	
176	*Iceland	X		2007	X		X	2007	X	
534	*India	X		2006	X		X	2007	X	
536	*Indonesia	X		2007	X		X	2006		X
429	Iran, I.R. of	X		2000		X				
433	Iraq	X		2006		X				
178	*Ireland	X		2007	X		X	2007		X
436	*Israel	X		2007	X		X	2007	X	
136	*Italy	X		2007	X		X	2007		X
343	Jamaica	X		2007		X	X	2007		X
158	*Japan	X		2007	X		X	2007		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
439	Jordan	X		2007	X		X	2007		X
916	*Kazakhstan	X		2007	X		X	2007	X	
664	Kenya	X		2007		X				
826	Kiribati		X	1994		X				
542	*Korea	X		2007	X		X	2007	X	
443	*Kuwait	X		2007		X	X	2007		X
917	Kyrgyz Republic	X		2007	X		X	2007		X
544	Lao, P.D.R.	X		2007	X					
941	*Latvia	X		2007	X		X	2007	X	
446	*Lebanon	X		2007	X					
666	Lesotho	X		2007	X		X	2007	X	
668	Liberia	X		2007		X				
672	Libya	X		2006		X				
946	Lithuania	X		2007	X		X	2007	X	
137	*Luxembourg	X		2007	X		X	2007	X	
962	Macedonia, FYR	X		2006	X		X	2006		X
674	Madagascar	X		2005	X					
676	Malawi		X	2002		X				
548	*Malaysia	X		2007	X		X	2007		X
556	Maldives	X		2007		X	X	2007		X
678	Mali	X		2006		X	X	2006		X
181	*Malta	X		2007	X		X	2006		X
682	Mauritania		X	1998		X				
684	*Mauritius	X		2007	X		X	2007	X	
273	*Mexico	X		2007	X		X	2007		X
921	Moldova	X		2007	X		X	2007	X	
948	Mongolia	X		2006	X					
351	Montserrat	X		2007		X				
686	Morocco	X		2007	X		X	2006		X
688	Mozambique	X		2007	X		X	2007		X
518	Myanmar	X		2007	X		X	2007	X	
728	Namibia	X		2007	X		X	2007		X
558	Nepal	X		2007	X					
138	*Netherlands	X		2007	X		X	2007	X	
353	*Netherlands Antilles	X		2007	X					
839	New Caledonia	X		2007		X				
196	*New Zealand	X		2007	X		X	2007	X	
278	Nicaragua	X		2007	X		X	2007		X
692	Niger	X		2006		X	X	2006		X
694	Nigeria	X		2007		X	X	2007		X
142	*Norway	X		2007	X		X	2007		X
449	Oman	X		2007		X				
564	*Pakistan	X		2007	X		X	2007		X
283	*Panama	X		2007	X		X	2007	X	
853	Papua New Guinea	X		2005		X				
288	Paraguay	X		2007	X		X	2007	X	
293	Peru	X		2007	X		X	2007	X	
566	*Philippines	X		2007	X		X	2007		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
964	*Poland	X		2007	X		X	2007		X
182	*Portugal	X		2007	X		X	2007		X
968	*Romania	X		2007	X		X	2007	X	
922	*Russian Federation	X		2007	X		X	2007		X
714	Rwanda	X		2007		X	X	2007		X
862	Samoa	X		2007	X					
716	Sao Tome and Principe	X		2007		X				
456	Saudi Arabia		X	2007		X				
722	Senegal	X		2006		X	X	2006		X
516	Serbia	X		2007	X					
718	Seychelles	X		2007	X					
724	Sierra Leone	X		2007		X	X	2007		X
576	*Singapore	X		2007	X		X	2007		X
936	*Slovak Republic	X		2007	X		X	2007	X	
961	Slovenia	X		2007	X		X	2007		X
813	Solomon Islands	X		2006		X				
726	Somalia		X	1989		X				
199	*South Africa	X		2007	X		X	2006		X
184	*Spain	X		2007	X		X	2007	X	
524	Sri Lanka	X		2007	X					
361	St. Kitts & Nevis	X		2007		X				
362	St. Lucia	X		2007		X				
364	St. Vincent and the Grenadines	X		2007		X				
732	Sudan	X		2007	X		X	2007		X
366	Suriname	X		2007	X					
734	Swaziland	X		2007		X	X	2007		X
144	*Sweden	X		2007	X		X	2007		X
146	*Switzerland	X		2007	X		X	2007	X	
463	Syrian Arab Republic	X		2006		X				
923	Tajikistan	X		2007	X					
738	Tanzania	X		2007		X	X	2007		X
578	*Thailand	X		2007	X		X	2007		X
742	Togo	X		2006		X	X	2006		X
866	Tonga	X		2007	X					
369	Trinidad & Tobago	X		2005		X				
744	Tunisia	X		2007		X	X	2007		X
186	*Turkey	X		2007	X		X	2007		X
925	Turkmenistan	X		1998	X					
746	Uganda	X		2007	X		X	2007		X
926	*Ukraine	X		2007	X		X	2007		X
112	*United Kingdom	X		2007	X		X	2007	X	
111	*United States	X		2007	X		X	2007		X
298	*Uruguay	X		2007	X		X	2007		X
846	*Vanuatu	X		2007	X		X	2007	X	
299	*Venezuela	X		2007	X		X	2007	X	
582	Vietnam	X		2007	X					
487	West Bank and Gaza	X		2005		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
474	Yemen, Republic of	X		2007	X		X	2006	X	
754	Zambia	X		2007		X		1985		
698	Zimbabwe		X	1994	X					
	Total	177	9		114	72	116		47	69

Notes:

CC = country code

* Participated in the 2007 CPIS

1. The cut off date for this report is December 2008. Data submitted to STA are published in the *BOPSY*, and the *International Financial Statistics*, in print and electronic formats.
2. 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 2008

Subject	Issue	Action
TOP PRIORITY		
<i>Balance of Payments and International Investment Position Manual (BPM6)</i>	Final editing of <i>BPM6</i> , start work on a <i>BPM6 Compilation Guide</i> (with attention to goods for processing and foreign direct investment issues), conduct a questionnaire on implementation plans and challenges.	IMF to complete editing of <i>BPM6</i> by end-year 2009 or early-2010. Work begins on a <i>BPM6 Compilation Guide</i> . Paper by IMF on progress by economies in implementing <i>BPM6</i> .
Coordinated direct investment survey	Report on conducting the 2009 coordinated direct investment survey and preparations for the survey	IMF to prepare and disseminate additional CDIS material, including model forms and translated versions of the CDIS Guide, and to prepare a paper on progress.
HIGH PRIORITY		
Coordinated portfolio investment survey (CPIS)	Improve the quality of disseminated CPIS data.	IMF to develop, and begin implementing, a plan to improve the quality of CPIS data. IMF to publish results of 2008 CPIS and update results of 2007 CPIS.
Remittances	Request by G-8 and others for improved data on remittances	IMF to post final <i>Remittances Compilation Guide</i> on best compilation practices and provide compilation help.
MEDIUM PRIORITY		
International trade in services	Revision of <i>Manual on Statistics of International Trade in Services (MSITS)</i>	Paper by OECD on activities of the Task Force on Statistics of International Trade in Services, on the revision of <i>MSITS</i> .
Sovereign wealth funds	Report on progress	Paper by IMF
Reserve assets	<i>Reserve Template Guidelines</i>	Report on work to update <i>Guidelines</i>
Research topics	Report on long-term research program in consultation with Inter-Secretariat Working Group on National Accounts	Paper by IMF
Securities statistics	Update on the Working Group on Securities Database and progress on the CSDB	Papers by IMF and others
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 on work of the Task Force on Finance Statistics
International financial statistics	Developments in banking statistics	Report by BIS