

**Twenty-Third Meeting of the
IMF Committee on Balance of Payments Statistics
Washington, D.C.
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Statistical Work on Sovereign Wealth Funds

**Prepared by the Statistics Department
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I. INTRODUCTION

1. At its November 2009 meeting, the IMF Committee on Balance of Payments Statistics (Committee) was informed of STA's recent work on Sovereign Wealth Funds (SWFs). The Committee has long supported STA's work on SWFs, and has encouraged STA in its efforts to improve the coverage of SWFs in external sector statistics.
2. In 2009, STA noted that it (in cooperation with the IMF's Monetary and Capital Markets Department (MCM)) could consider initiating a pilot exercise, such as a survey, to determine the extent of the recording of SWF activities in balance of payments (BOP) and international investment position (IIP) statistics (see BOPCOM-09/24). Currently, the International Forum of SWFs (IFSWF)¹ is completing a survey conducted by MCM about the implementation of the Santiago Principles, including data issues. STA will seek MCM support to share the detailed outcomes with the aim to determine the strategy to follow with national compilers.
3. For the information of the Committee, STA has reviewed and updated to the extent feasible the table that uses publically available information to identify whether SWF are included in BOP and IIP statistics (Annex I). This table was originally provided to the Committee in 2007 (BOPCOM-07/06).

II. RECENT DEVELOPMENTS

4. The IFSWF met in Sydney, Australia on May 6–8, 2010,² where IFSWF members noted continuing progress in the application of the Generally Accepted Principles and Practices (GAPP; also sometimes called the Santiago Principles) since their adoption in October 2008, and reaffirmed the continuing importance of the GAPP. In particular, GAPP 5 states: "The relevant statistical data pertaining to the SWF should be reported on a timely basis to the owner, or as otherwise required, for inclusion where appropriate in macroeconomic data sets." (See <http://www.iwg-swf.org/pubs/gapplist.htm>.)
5. Since the adoption of the GAPP, some SWFs have issued their first annual reports/reviews and increased the amount of information on their websites. IFSWF members reiterated in their last meeting "their commitment to continue discussing the progress with the application of the Principles." They also noted that more work is needed toward improving the public understanding of the Principles. (See Sydney Statement by the IFSWF at <http://www.ifswf.org/pr/pr4.htm>).

¹ The Kuwait Declaration of April 2009 established the IFSWF to replace the International Working Group on SWFs.

² The next IFSWF meeting will be in Beijing, China in April 2011.

6. STA has also worked toward improving the coverage of SWFs in BOP/IIP statistics. As part of STA's regular work program, it has provided TA and training to member countries. In particular, STA has provided methodological guidance to countries with SWFs, and STA has emphasized the importance of including SWFs in macroeconomic statistics.

7. As noted, an earlier version of the table in Annex 1 was included in BOPCOM-07/06. It has been updated and expanded here, based on publicly available information such as country notes included in the IMF's *Balance of Payments Statistics Yearbook*. Although, some SWFs have issued their first annual reports/reviews and increased available information on their websites since 2007, further improvement in data coverage and dissemination is needed.

III. LOOKING AHEAD

8. As noted, there has been some improvements in the coverage of SWFs in BOP and IIP statistics, but more progress is needed. STA intends to consult with MCM on the survey results, to note the Fund's continuing interest in advancing statistical data improvements, consistent with GAPP 5.

9. A report on progress on the statistical work on SWFs will be provided to Committee members at its meeting in 2011.

Question to the Committee

Do Committee members have any comments on the planned work ahead?

Annex I

Selected Sovereign Wealth Funds³

Country Fund Name	SDDS/GDDS Country	Data in BOP/IIP as of 2007	Data in BOP/IIP as of 2010
Oil and Gas Exporting Countries			
Azerbaijan State Oil Fund	GDDS	Yes	Yes
Brunei Brunei Investment Authority	GDDS	No BOP/IIP dissemination	BOP dissemination SWF coverage unclear
Iran Foreign Exchange Reserve Fund	Neither	No BOP/IIP dissemination	No BOP/IIP dissemination
Kazakhstan National Fund	SDDS	Yes	Yes
Kuwait Kuwait Investment Authority	GDDS	SWF not included in IIP to STA Flows in Balance of Payments	No major change
Malaysia Khazanah Nasional BHD	SDDS	Only flows in Balance of Payments/No functional breakdown in IIP	No major change
Norway Norwegian Government Pension Fund - Global	SDDS	Yes	Yes
Oman State General Reserve Fund	GDDS	Yes, in reserves, flows only	Yes in reserves transactions, no IIP dissemination
Qatar Qatar Investment Authority	GDDS	No BOP/IIP dissemination	No BOP/IIP dissemination
Russia National Wealth Fund Reserve Fund	SDDS	Yes in reserves	Yes in reserves
Saudi Arabia Hassana Investment Co	GDDS	No IIP dissemination Flows in the balance of payments	SWF recently constituted Unclear coverage in BOP
Trinidad and Tobago Reserve Stabilization Fund	GDDS	No	No Major Change

³ This table is based on publicly available information.

UAE Abu Dhabi Investment Authority	GDDS	No BOP/IIP dissemination	Included in BOP, however not broken down
Venezuela FIEM	GDDS	Yes	Yes
Other Countries			
Australia Australia Future Fund	SDDS	Not disclosed	Not clear if disclosed in BPM6
Botswana Pula Fund	GDDS	Yes, in reserve flows/no IIP production	IIP production, probably also included
Chile Economic and Social Stabilization Fund Pension Reserve Fund	SDDS	Yes	Yes
China China Investment Corporation	GDDS	Established in September 2007	SWF coverage unclear
Kiribati Revenue Equalization Fund	GDDS	No BOP/IIP dissemination	No BOP/IIP dissemination
Korea Korea Investment Corporation	SDDS	Yes in reserves	Yes in reserves
Singapore Government Investment Corporation Temasek	SDDS	Yes, but no functional category breakdown	No major change