



STATISTICS

Balance of Payments Task Team (BPTT)

Inaugural Meeting

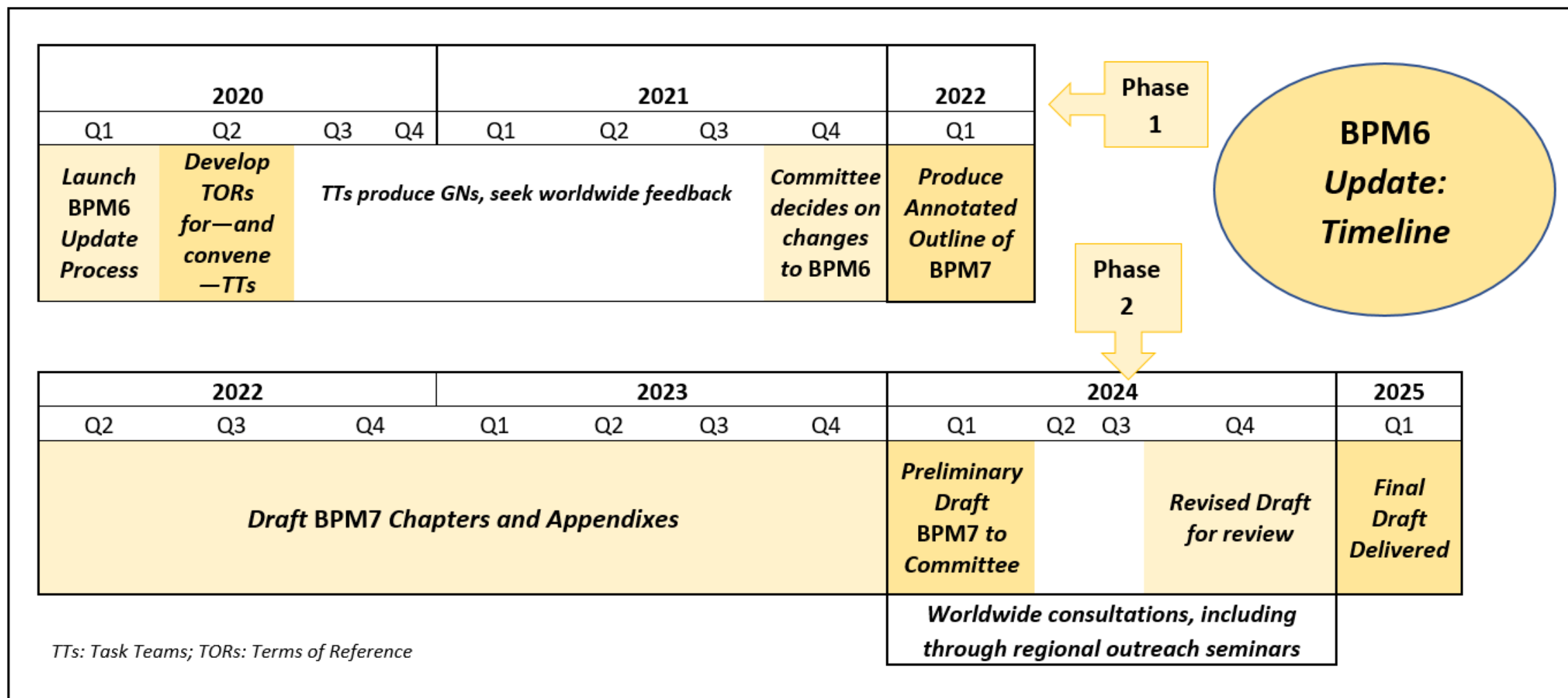
June 15, 2020



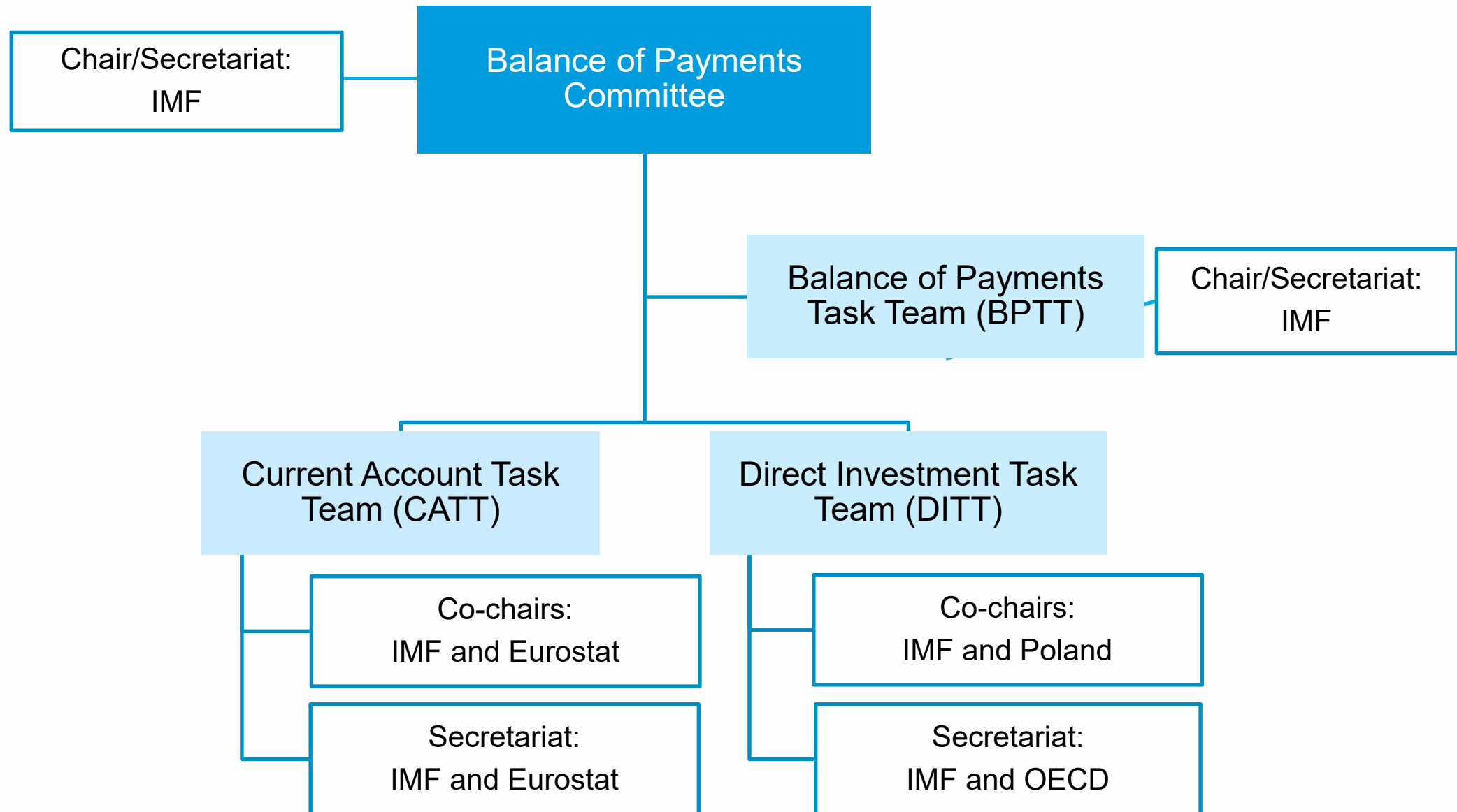
Outline

- a. Updating *BPM6* and SNA: BPTT role
- b. Terms of Reference and Working procedures
- c. Research Topics and Guidance Notes
- d. Preparation of Guidance Notes: Timetable and Proposed Assignments

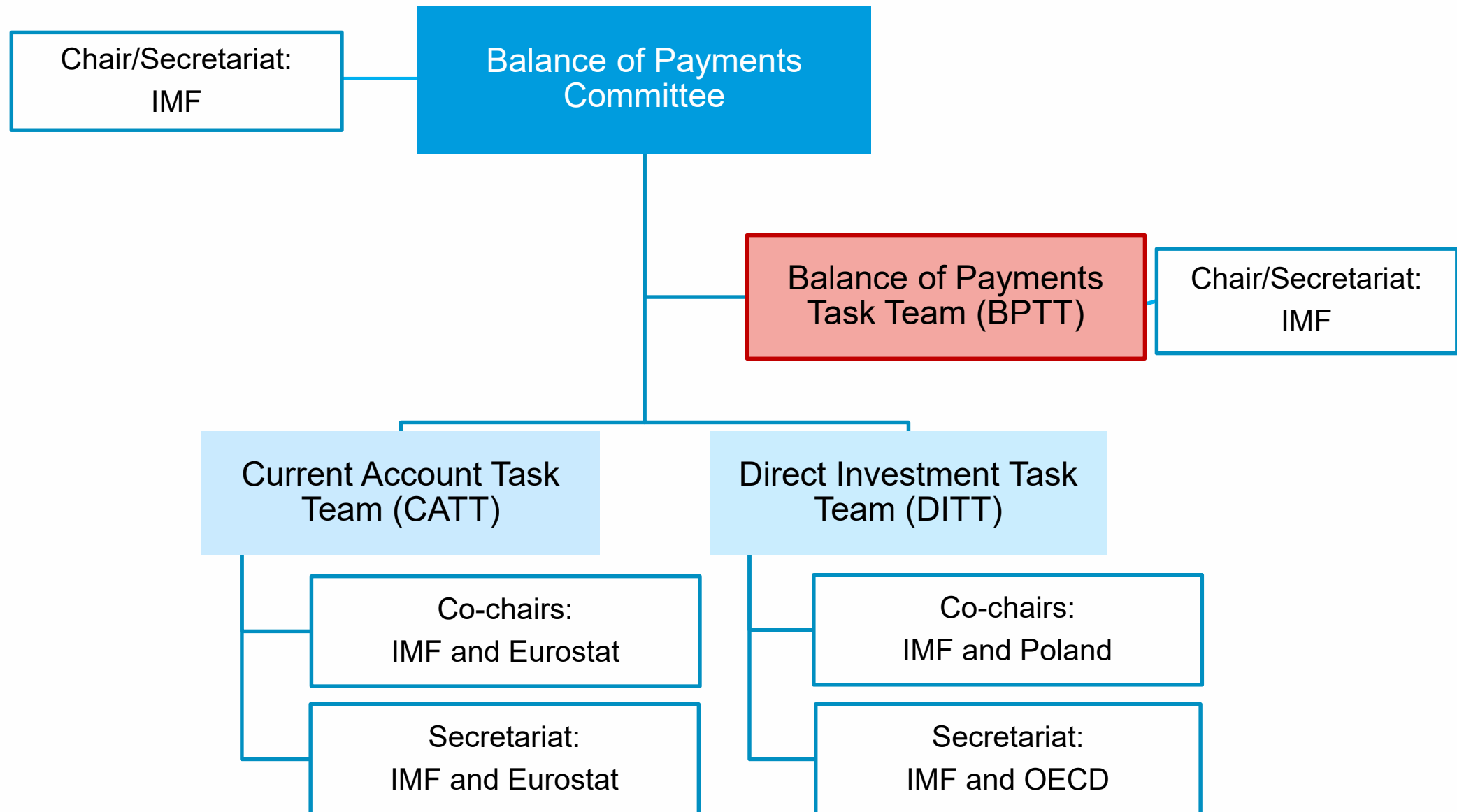
BPM6 Update Timeline



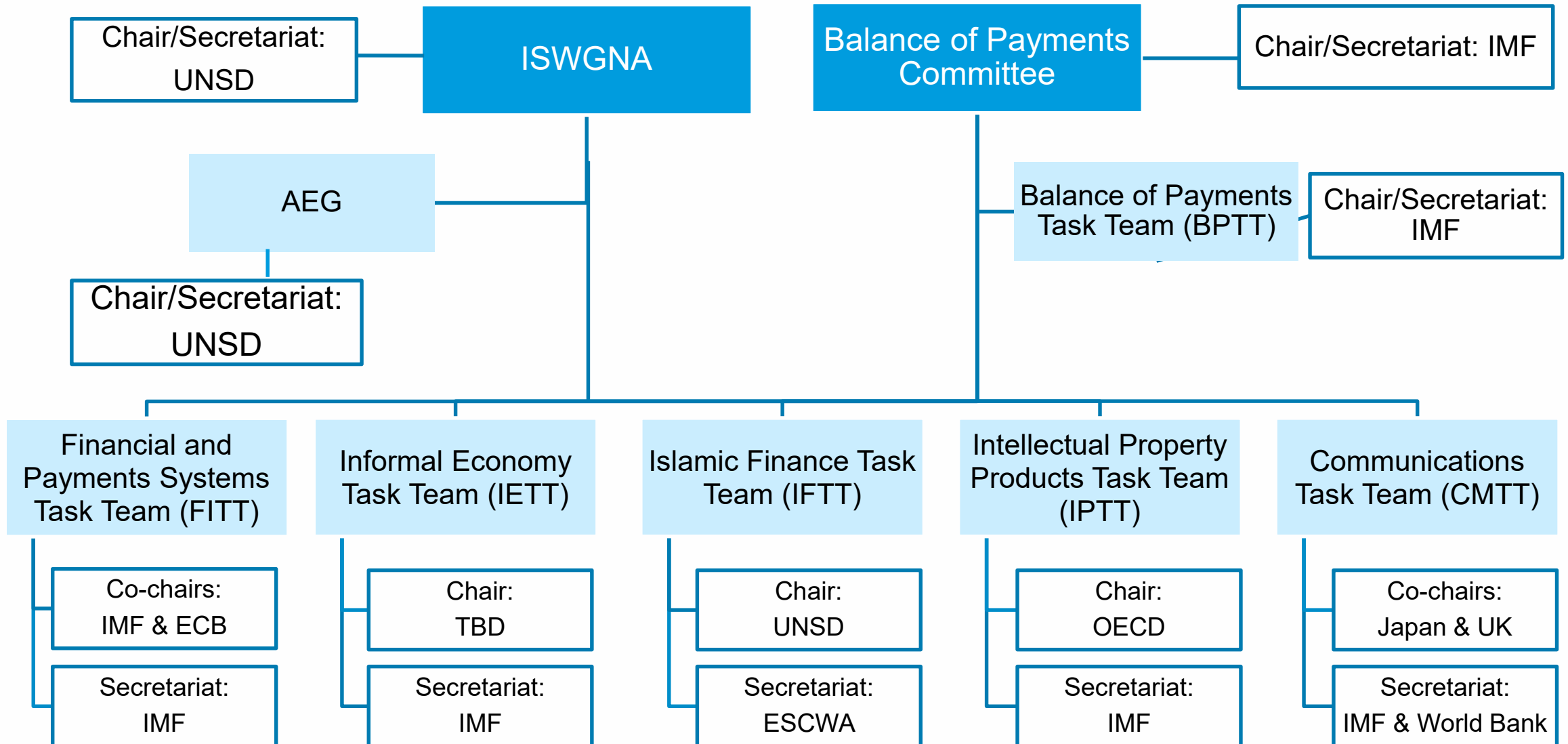
BPM7-only Task Teams



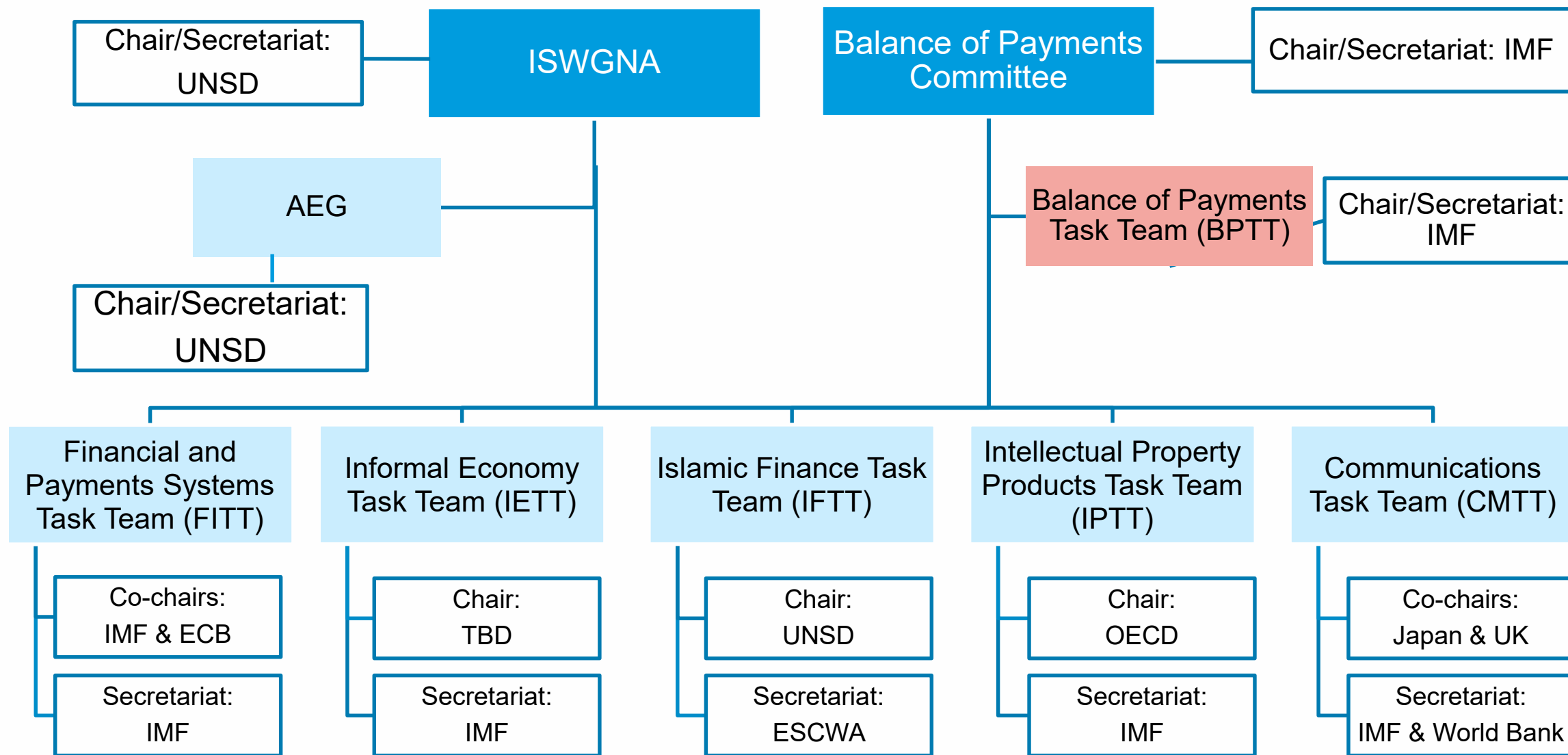
BPM7-only Task Teams



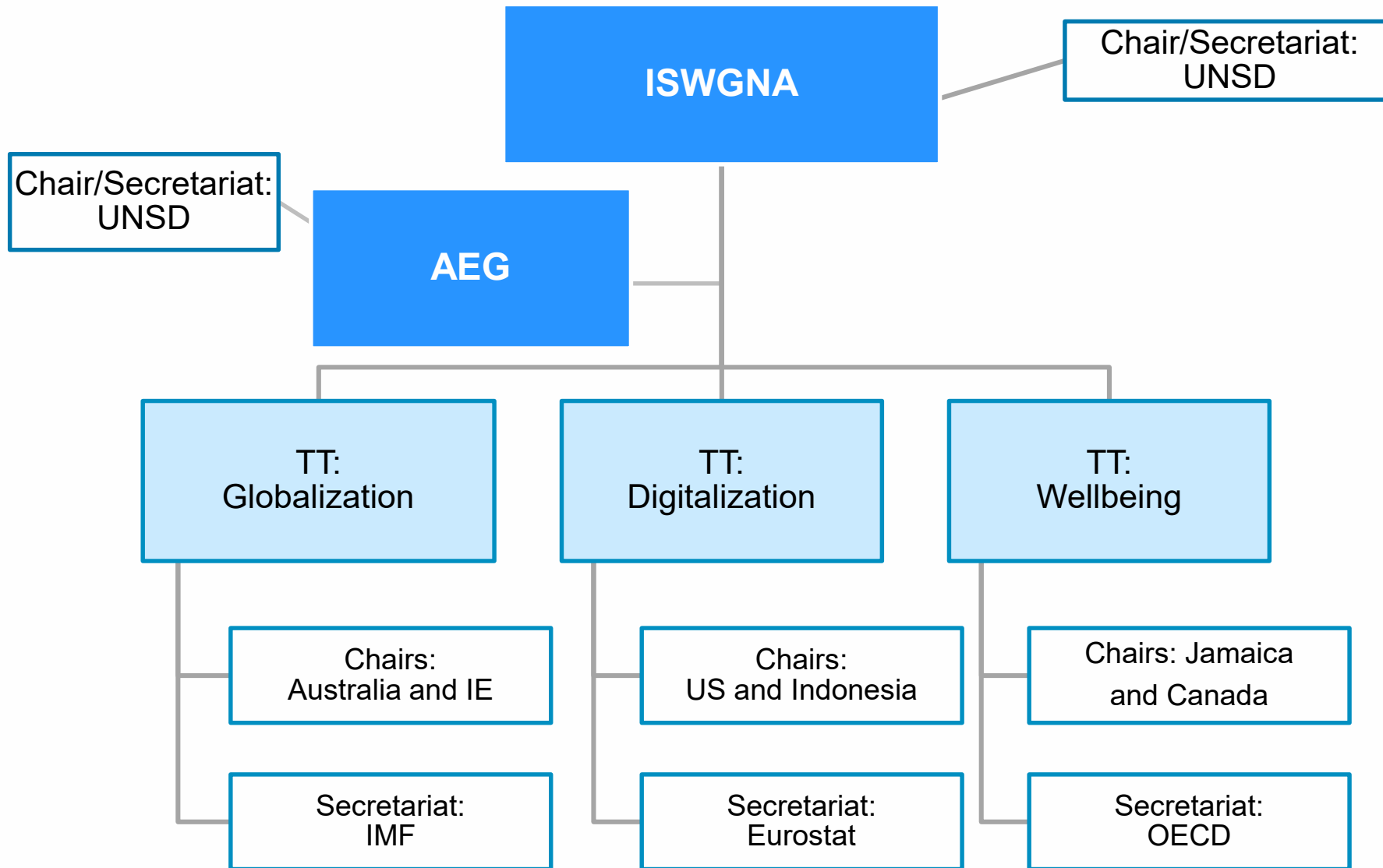
BPM7-SNA Joint Task Teams



BPM7-SNA Joint Task Teams



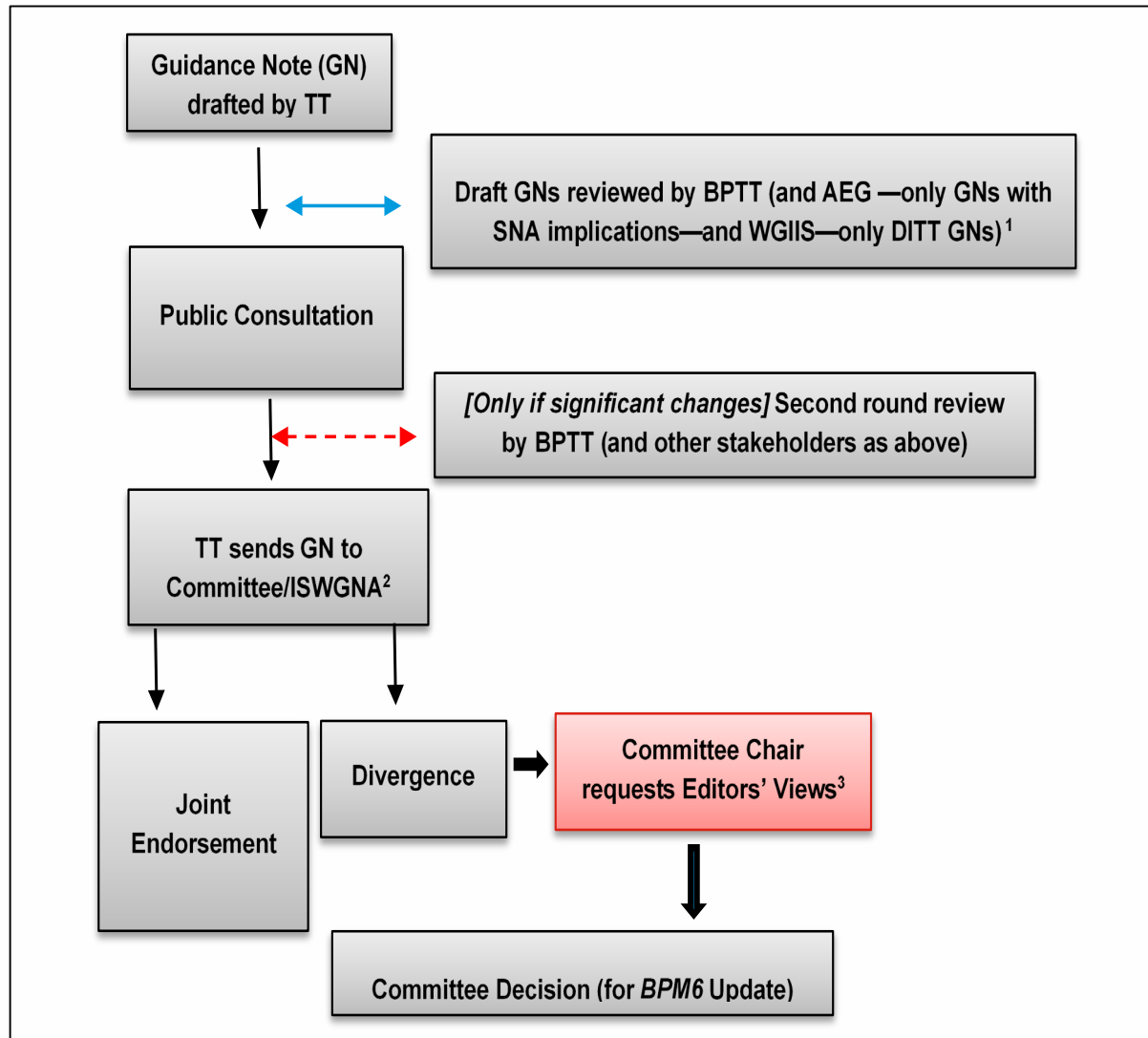
SNA-only Task Teams



BPTT's Role

- ✓ Besides its **own research agenda**, BPTT has an oversight/coordinating role:
 - ▶ Will **clear all notes** before they are presented to the Committee
 - ▶ Will **detect** at an early stage **coordination issues** with SNA TTs or across BPM TTs, whenever there is risk of overlaps/duplication → a single consolidated list of research issues to help detect inconsistencies
- ✓ Communication with the SNA TTs and the AEG becomes key
- ✓ Phase 2 (as of 2023): will provide advice to STA and the Committee on the BPM7 Annotated Outline (AO) and the draft chapters

Life Cycle & Governance of TT Guidance Notes



1. BPTT reviews the draft GNs by other TTs. AEG also asked to review GNs that impact SNA,.
2. One-month public consultation
3. In case of major changes, second-round review by BPTT (and AEG where relevant)
4. GNs go to the Committee (and ISWGNA, for issues impacting SNA)
5. For cross-cutting SNA and BP issues, if divergent views emerge, Committee and ISWGNA Chairs request SNA/BPM editors' views.
6. If views still diverge, retaining the status quo (i.e., no change) would be carefully considered (placing the issue on a future research agenda).
7. Final decision on the *BPM6* Update resides with the Committee

Organization and Communication within BPTT

- A public webpage related to the BPTT work program (within a *BPM6* update website) launched <https://www.imf.org/en/Data/Statistics/BPM>

The screenshot displays two main sections of the IMF website. The left section is titled "UPDATE OF THE SIXTH EDITION OF THE BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT POSITION MANUAL (BPM6)". It features a sidebar with navigation links: "Compendium of Research Issues", "Task Teams (BOPCOM)", "Balance of Payments Task Team (BPTT)", "Current Account Task Team (CATT)", "Direct Investment Task Team (DITT)", and "Joint Task Teams". The main content area includes social media icons, the title "Update of the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6)", and a paragraph stating that the IMF Statistics Department has launched the update of the sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)*, targeting to publish an updated version of the Manual (*BPM7*) by March 2025. The right section is titled "BALANCE OF PAYMENTS TASK TEAM (BPTT)". It features a "BACK TO BPM6 HOMEPAGE" button, social media icons, and the title "Balance of Payments Task Team (BPTT)". The main content area includes a paragraph stating that the BPTT will advise the IMF's Committee on Balance of Payments Statistics (BOPCOM) in the process of revising the *BPM6*. BPTT will deal with general principles, structural and cross-cutting issues, review and coordinate the specialized topics covered by the other Task Teams (TTs), and liaise and ensure coordination with the TTs working under the aegis of the Advisory Expert Group on National Accounts (AEG) and with ongoing work in other statistical domains. Below the main content area, there are "Related Links" including "Terms of Reference" and "Compendium of Research Issues".

Key Features:

- Terms of Reference and research issues posted.
- A separate page to post Guidance Notes for public comments
- Link to provide feedback on GNs and a collaboration site (restricted) for BPTT Members

Research Topics Assigned to BPTT

Standard Framework of Guidance Notes

Section 1: The Issue

▪ Background

- ▶ Clear explanation of the issue
- ▶ Current international standards—including relevant references from manuals
- ▶ Concerns/shortcomings of the current standards

▪ Issues for discussion

- ▶ Possible alternative treatment/options
- ▶ Questions/Points for discussion

Section 2: Outcomes

▪ Recommendation

- ▶ To revise: proposed treatment/revision and its rationale
- ▶ Not to revise: reasons to support the position

▪ Rejected alternatives with reasons

▪ Required changes in the current standards

BPTT Research Topics: High Priority

Issue No.	Research Topic	Links to other TTs
B.1	Nationality concept	DITT/GZTT
B.2	Standardized definition of net international reserves/revisit reserves related liabilities definition	
B.3	Treatment of currency unions	
B.4	Reconciliation between flows and stocks	
B.5	International accounts supporting the analysis of welfare	SWTT
B.6	Sustainable finance	SWTT

DITT: Direct Investment Task Team; **GZTT:** Globalization Task Team;
SWTT: Sustainability and Well-Being Task Team

BPTT Research Topics: Medium Priority

Issue No.	Research Topic
B.7	Arrears in IIP
B.8	Recording citizenship by investment programs
B.9	Treatment of tax amnesty
B.10	Auxiliary reconciliation tables
B.11	Other economic flows on insurance and pension reserves
B.12	Treatment of illiquid equity in international organizations in the IIP

BPTT Research Topics: Another Task Team Primarily Responsible

Issue No.	Research Topic	Links to other TTs
B.13	Considering separate institutional units of SPEs that are resident in a different territory to that of their owners	DITT/GZTT
B.14	Treatment of digital economy	CATT/DZTT
B.15	Sectorization of MNEs	DZTT
B.16	Revision policies and studies	CMTT
B.17	Emission permits	SWTT

CATT: Current Account Task Team; CMTT: Communications Task Team;
DITT: Direct Investment Task Team; GZTT: Globalization Task Team;
SWTT: Sustainability and Well-Being Task Team

Preparation of Guidance Notes

Approval Process for Guidance Notes (GNs)

- **Step 1:** First draft of the GN by authors, including summary of recommendations
- **Step 2:** Review by Chair and Secretariat
- **Step 3:** Consultations within BPTT (written or via VC if necessary)
- **Step 4:** Finalize GN based on consultation
- **Step 5:** Release draft GN for wider public consultation
- **Step 6:** Incorporate comments and circulate within BPTT
- **Step 7:** Second review by BPTT (and AEG *only* if there are significant changes for issues that impact SNA)
- **Step 8:** Presentation to the Committee and to the ISWGNA for endorsement

Key Targets along the Timeline



Timeline for the GNs

Timeline	Number of weeks
Drafting of the GN	3
Consultation within the AEG if topic impacts the SNA	2
Incorporate comments and circulate within BPTT	1
Draft finalized	1
Posting for public consultation	4
Incorporation of comments, discussion within TT and finalization by chair	1
If significant changes, only, second round of review to BPTT/AEG/other stakeholders	1
GN final version including recommendations completed and sent to BOPCOM	1
BOPCOM Discussion/Decision*	2
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* GNs to be discussed at BOPCOM meetings should be sent at least 2 weeks in advance of meeting date; for written consultations, two weeks timeline suggested

Balance of Payments Task Team (BPTT)

Research Topics : **High-Priority** Items

Issue No.	Research Topic	Who Proposed the Topic	Estimated Deadline for GN
B.1	Nationality concept	France, Netherlands, Eurostat	TBD with author(s)
B.2	Standardized definition of net international reserves/revisit reserves-related liabilities definition	IMF	Proposed date: 2020 BOPCOM
B.3	Treatment of currency unions	IMF	Proposed date: 2020 BOPCOM
B.4	Reconciliation between flows and stocks	Germany, France	Proposed date: 2020 BOPCOM
B.5	International accounts supporting the analysis of welfare	France	TBD with author(s)
B.6	Sustainable finance	Netherlands	Stocktaking: 2020 BOPCOM GN: 2021 BOPCOM

Balance of Payments Task Team (BPTT)

Research Topics : **Medium-Priority** Items

Issue No.	Research Topic	Who Proposed the Topic	Estimated Deadline for GN
B.7	Arrears in IIP	Russia	TBD with author(s)
B.8	Recording citizenship by investment programs	IMF	Written procedure (no set date)
B.9	Treatment of tax amnesty	IMF	Written procedure (no set date)
B.10	Auxiliary reconciliation tables	OECD	TBD with author(s)
B.11	Other economic flows on insurance and pension reserves	Australia	TBD with author(s)
B.12	Treatment of illiquid equity in international organizations in the IIP	IMF	2021

Timeline for the GNs of Other TTs (FITT Example)

Timeline	Number of weeks	Tentative schedule
Drafting of the GN	3	July 3, 2020
Consultation within the TT members	2	July 17, 2020
Draft finalized	1	July 24, 2020
Draft GN submitted for review to BPTT (and AEG/WGIIS) by TT Chairs	1	July 31, 2020
Incorporate comments and circulate within TT	1	August 7, 2020
Posting for public consultation	4	September 4, 2020
Incorporation of comments, discussion within TT and finalization by co-chairs	1	September 11, 2020
If significant changes, only, second round of review to BPTT/AEG/other stakeholders	1	September 18, 2020
GN final version including recommendations completed and sent to BOPCOM (via BPTT)	1	September 25, 2020
BOPCOM Discussion/Decision*	2	To be sent to Committee around end-September 2020
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* GNs to be discussed at BOPCOM meetings should be sent at least 2 weeks in advance of meeting date; for written consultations, two weeks timeline suggested