

Monetary and Financial Statistics Advisory Committee

Terms of Reference

Prepared by the Statistics Department
INTERNATIONAL MONETARY FUND

MONETARY AND FINANCIAL STATISTICS ADVISORY COMMITTEE: TERMS OF REFERENCE

I. Mandate

The **Monetary and Financial Statistics Advisory Committee (MFSAC)** is a diverse group of technical experts in Monetary and Financial Statistics. The MFSAC provides the IMF's Statistics Department with advice and technical input in the update of the *2016 Monetary and Financial Statistics Manual and Compilation Guide (MFSMCG)*. Additionally, the MFSAC is expected to advocate for the implementation of the *2028 MFSM* across IMF member countries.

The update of the *2016 MFSMCG* aims at (i) alignment with the updated international statistical standards (the *System of National Accounts 2025 (2025 SNA)*, *Balance of Payments and International Investment Positions Manual*, seventh edition (*BPM7*), and the current update of the *2014 Government Finance Statistics Manual (GFSM) and System of Environmental Economic Accounting - Central Framework (SEEA-CF)*), ensuring consistency and coherence among the different macroeconomic datasets; and (ii) addressing financial sector-specific issues beyond those covered in the other statistical standards. The latter include:

- The increasing interconnectedness of financial institutions and markets necessitates a deeper understanding of global financial networks and systemic risks, as financial shocks can rapidly spread across sectors and borders. Comprehensive macro-level data are crucial for effective policy and regulatory responses in this context.
- The impact of digitalization on the financial sector requires accurate measures of money and related indicators. The update will revisit the definition of money and other relevant aggregates considering Central Bank Digital Currencies, stablecoins, and other digital financial assets, and will provide guidance on emerging financial activities like FinTech, DeFi, Insurtech, and tokenization. This includes assessing their impact on traditional credit and liquidity aggregates and developing new, relevant metrics.
- The growing impact of nature (including climate change and biodiversity loss) on economic and financial risk. To better understand the risks that the degradation of nature could entail for financial stability and effectively address these financial risks, relevant statistics on the vulnerability of financial assets are needed. The update will also address the increasing need for data on climate finance and nature-positive investments, including the definitions of sustainable financial instruments.

The proposed update process will be divided into two main phases, expected to be completed by 2028/Q4. Phase I is to run between 2025/Q2–2026/Q3. During this period, the MFSAC is expected to contribute to the research agenda, discuss and reach conclusions, and consider proposals for endorsement. Phase II focuses on the drafting of the updated MFSM. The MFSAC will be consulted throughout Phase II on an as-needed basis, should any significant issues arise.

II. Operational Framework

Composition: The MFSAC will be comprised of individual members from the IMF member countries, and relevant regional and international organizations. IMF staff from the Statistics Department and other Fund departments will also be members of MFSAC. Members are invited to join the MFSAC in their personal capacity and not as representatives of their institutions. They are expected to have a range of experience and background in MFS, knowledge of financial sector issues and be capable of making sufficient commitment of time. The composition takes account of both the depth of expertise required to address the issues identified as well as a geographical balance, to portray countries' views across varying degrees of statistical capacity.

MFSAC members work on a voluntary basis with the capability of making enough commitment of time, and no remuneration is provided by the IMF. During discussions, Committee members are expected to share their personal perspectives as technical experts, rather than representing the views of their respective organizations. Furthermore, throughout their tenure, the MFSAC members may not disclose, deliver, or use any restricted or confidential information obtained from the IMF for personal gain or for the benefit of any person or entity without the consent of the IMF. (See Annex A for the proposed list of members of MFSAC). As part of their membership obligations, Committee members commit to attending the full meetings of the Committee and to actively participating, unless there are exceptional circumstances that prevent such attendance and participation. **Tenure:** The tenure of MFSAC will be four years, commencing from the official formation date. Members are expected to serve for the four-year period. The initial three years will be largely focused on the update process, and the last year will focus on supporting and advising on the implementation of the *2028 MFSM* across IMF member countries

Structure: To facilitate focused discussions, the MFSAC will function through thematic task teams for the update process. Each task team constituted will address a specific thematic set of issues of the research program for the *2016 MFSMCG* update.

The Financial Institutions Division of the IMF Statistics Department will serve as the Secretariat for the MFSAC. The Secretariat will keep an inventory of emerging issues that warrant MFSAC discussion and advice and will coordinate preparation of papers and the agenda for the MFSAC meetings and any other related activities, including maintaining a website. The MFSAC will be chaired by the Director of the IMF Statistics Department.

Communication: The working language of the MFSAC is English, without any translation of documents or interpretation at meetings and videoconferences. The MFSAC will work primarily through electronic means, including video conferences, with two physical meetings envisaged during its tenure. The IMF will facilitate electronic communication among MFSAC members by organizing videoconferences and using appropriate technologies for document flow and management. To promote wide consultation on—and dissemination of—its work, an IMF-hosted dedicated MFSAC webpage will post all MFSAC materials, namely these terms of reference, the list of issues to be covered, the discussion and clarification notes, as well as the agreed recommendations on each issue. The MFSAC Secretariat will be responsible for managing the webpage content.

III. Working Procedures, Outputs

The update work will be conducted primarily through thematic task teams, each focusing on specific research topics related to the *2016 MFSMCG* update. These task teams will discuss assigned topics, draft the relevant notes, reach conclusions, and present their recommendations/proposals at the MFSAC meeting for endorsement.

The task teams will produce two types of research notes:

1. **Discussion Notes:** These notes will address specific MFS issues not fully covered by the *2025 SNA/BPM7*.
2. **Clarification Notes:** These concise notes will address MFS-specific issues already covered in the *MFSMCG* but require further clarification.

These notes should comprise two sections—the first detailing the issue, and the second presenting and explaining the proposed recommendations. Additional background documentation, if needed for the purpose of these notes, may be considered/attached, as well.

The Notes will be discussed within the task teams by written consultations or videoconferencing. Once a consensus is reached, the proposed recommendations will be summarized in the second section of the Note and presented for discussion at the MFSAC. The endorsement of the recommendations at the MFSAC level will be subject to majority view, with the Secretariat documenting the opinions including the dissenting views. The ultimate decision on the acceptance of MFSAC recommendations resides with the Director of the IMF Statistics Department.

For those financial sector issues addressed in the update of the SNA/BPM/GFS/SEEA the MFSAC Secretariat will prepare concise notes (**Proposed Recommendations**) which propose how these recommendations will be incorporated into the updated MFSM. These Proposed Recommendations (approximately two pages each) will summarize the final recommendations and their rationale, providing links to the original SNA/BPM/GFS/SEEA guidance and related materials, and will explain how the recommendation is relevant for MFS and will be incorporated in the MFSM. These documents will also be shared with MFSAC members for information.

Following the discussion at the MFSAC, all three types of documents will be made publicly available for wider consultation, including the possibility of seeking views on testing the practicality of the proposals. Revised notes, following the public consultation, will be discussed at MFSAC only if significant changes to the proposed recommendations are to be reflected. All final notes will be posted on the MFSAC webpage.