

**IMF COMMITTEE ON BALANCE OF PAYMENTS STATISTICS
RESERVE ASSETS TECHNICAL EXPERT GROUP (RESTEG)**

TERMS OF REFERENCE

Prepared by the IMF Statistics Department

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RESERVE ASSETS TECHNICAL EXPERT GROUP (RESTEG)

Terms of Reference

1. Mandate and operation of the RESTEG

1.1 *Mandate*

The establishment of the Reserve Assets Technical Expert Group (RESTEG) was endorsed by the IMF Committee on Balance of Payments Statistics (the Committee) at its meeting in June 2005.

The main objective of the RESTEG is to advise the Committee, in the process of revising the fifth edition of the *Balance of Payments Manual (BPM5)* for reserve assets, by providing recommendations to the Committee on issues identified in BOPCOM Paper 05/70 (attached)¹ as having implications for the revision. Subject to the agreement of RESTEG, additional issues relating to reserve assets can be added. Subject to the Committee's concurrence, after it has completed its work on reserve assets on the *BPM5* revision, RESTEG can discuss and make proposals to the Committee on the issues in BOPCOM 05/70 relating to the revision of the *Data Template on International Reserves and Foreign Currency Liquidity: Guidelines for a Data Template (Guidelines)* (Appendix II of BOPCOM Paper 05/70). There is no intention to change the Data Template and so this topic will be considered out of the scope of RESTEG. Issues paper(s) will be prepared by RESTEG's Secretariat.

1.2 *Operational framework*

- (a) The primary means of communication will be electronic, but as needed RESTEG will hold occasional meetings.²
- (b) Membership of the RESTEG: The membership of the RESTEG includes representatives from selected IMF member countries and international organizations.
- (c) RESTEG will be chaired by the IMF.
- (d) The IMF will provide the secretariat.
- (e) The working language of the RESTEG is English only, without any translation of documents or interpretation at meetings.

¹ Document titled "Revision of *BPM5*: Issues on International Reserves."

² The first meeting is likely to be held during the first half of 2006 in Washington, D.C.

2. Revision to reserve assets issues and to the Guidelines

2.1 Scope

The RESTEG will provide (i) by September 2006, recommendations to the Committee for treating the issues identified in BOPCOM 05/70 that have implications for the revision of *BPM5*; and if work continues, (ii) by September 2007, proposals to the Committee on the other reserve assets and international liquidity issues identified in Appendix 1 of BOPCOM 05/70. Decisions on the acceptance of RESTEG recommendations for the revision of *BPM5* reside with the Committee.³

2.2 Timetable

In principle, the RESTEG will be operational between October 2005 and September 2007. However, in the event that additional work on specific international reserve issues is required after September 2007, the RESTEG members may be asked by the Committee to reconvene to review those issues.

2.3 Working methods

- (a) Documentation will be disseminated and comments collected primarily through electronic means.
- (b) The RESTEG will provide a written report to the Committee on point (i) of Section 2.1 above in preparation for the Committee's 2006 meeting. A similar written report will be provided to the Committee on point (ii) of Section 2.1 above, prior to the Committee's 2007 meeting. These reports will cover issues where:
 - (i) The RESTEG has reached a consensus view on issues; or
 - (ii) The RESTEG has been unable to reach a consensus view, in which case the report will set out views for and against particular approaches.
- (c) The RESTEG secretariat will produce documentation in the form of "issues paper(s)" for the consideration of RESTEG.

³ Unlike the *BPM5* update, the revision of the *Guidelines* does not fall under the auspice of the Committee. Nonetheless, the Committee's views will be an important input into the revision.