

IMF Committee on Balance of Payments Statistics Annual Report 2009

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International Monetary Fund

Contents	Page
List of Abbreviations	4
Executive Summary	5
I. Introduction	6
II. Recent Trends in Balance of Payments and IIP Data.....	6
A. Global Current Account.....	7
B. Global Capital and Financial Accounts.....	7
C. Revisions	8
D. Development of World and Regional IIP Aggregates, and Recent Trends in IIP Data	12
E. Coordinated Portfolio Investment Survey (CPIS).....	14
III. Work Program Undertaken by the Committee in 2009	16
A. Finalization and Implementation of the <i>BPM6</i>	16
B. Direct Investment	18
C. Remittances	20
D. Statistical Issues Arising from the Global Crisis	21
E. Reserve Assets.....	21
F. International Investment Position—Expanding Coverage and the Development of World Tables	22
G. Sovereign Wealth Funds (SWFs).....	23
H. Improving the Tracking of Cross-border Financial Exposures Using Aggregate and Bilateral Data	23
I. Other Papers and Reports	24
IV. Future Work Program.....	24
 Tables	
1. Global Transactions and Balances on Current Account, 2002–08	9
2. Global Balances on Capital and Financial Accounts, 2002–08.....	10
3. Global IIP-Aggregates Reported and Estimated, 2002–08.....	13
4. Geographic Breakdown of Total Portfolio Investment: Top Ten Economies by Holders and Issuers, at Year-End 2008 (Preliminary Data).....	15
 Figures	
1. Revisions in 2009 of Current Account Balances, 2002-07.....	11
2. Revisions in 2009 of Financial Account Balances, 2002-07	11
 Appendixes	
I. Terms of Reference of the IMF Committee on Balance of Payments Statistics	26
II. Membership of IMF Committee on Balance of Payments Statistics as of December 31, 2009.....	27

III. Reporting of Balance of Payments and International Investment Position Data to the IMF Statistics Department	28
IV. Medium-Term Work Program of the IMF Committee on Balance of Payments Statistics, End-December 2009	35

LIST OF ABBREVIATIONS

<i>2008 SNA</i>	<i>System of National Accounts, 2008</i>
<i>2009 BOPSY</i>	<i>Balance of Payments Statistics Yearbook, 2009</i>
BIS	Bank for International Settlements
<i>BPM5</i>	<i>Balance of Payments Manual, fifth edition</i>
<i>BPM6</i>	<i>Balance of Payments and International Investment Position Manual, sixth edition</i>
CDIS	Coordinated Direct Investment Survey
CIS	Commonwealth of Independent States
CPIS	Coordinated Portfolio Investment Survey
CSDB	Centralized Securities Database
ECB	European Central Bank
EWN	External Wealth of Nations
FDI	Foreign Direct Investment
G-20	Group of 20 economies
GAPP	Generally Accepted Principles and Practices
GRWG	Global Remittances Working Group
IAG	Inter-Agency Group on Economic and Financial Statistics
IFSWF	International Forum of Sovereign Wealth Funds
IIP	International Investment Position
IMF	International Monetary Fund
IMFC	International Monetary and Financial Committee
IWG	International Working Group on SWFs
LCFAR	Liabilities Constituting Foreign Authorities' Reserves
LEG	Local Enterprise Group
MCM	IMF Monetary and Capital Markets Department
<i>MSITS</i>	<i>Manual on Statistics of International Trade in Services</i>
OECD	Organization for Economic Cooperation and Development
PGI	Principal Global Indicators
<i>RCG</i>	<i>Remittances Compilation Guide</i>
RESTEG	Reserve Assets Technical Expert Group
SDR	Special Drawing Right
SPR	IMF Strategy and Policy Review Department
STA	IMF Statistics Department
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 2009 provides an overview of recent trends in balance of payments and international investment position (IIP) statistics, discusses the Committee's work program during 2009, and reviews the issues the Committee plans to address in the coming year.

The external sector statistics show the following trends:

- In principle, in the balance of payments accounts, current account inflows (receipts) and outflows (payments) should offset across all countries to result in a global discrepancy of zero. Similarly, financial account inflows (reductions in assets or increases in liabilities) and outflows (increases in assets or decreases in liabilities) should offset, but in practice, a statistical discrepancy always exists. The global current account recorded increases in both receipts and payments in goods, services, income, and transfers in 2008, however, the statistical discrepancy (reflecting the difference between receipts and payments) declined. In contrast, the financial account recorded decreases in inflows and outflows in all components, with the exception of financial derivatives, but the statistical discrepancy recorded a small increase.
- The number of countries reporting IIP data for publication in the *Balance of Payments Statistics Yearbook* increased to 118 at the end of 2009; 71 reported annual data and 47 reported quarterly data.
- Seventy-three economies responded to the 2008 Coordinated Portfolio Investment Survey (CPIS). The results of the survey were released within a year, in line with the target established for disseminating the data.

The main outcomes of the Committee's 2009 work program were:

- Implementing the *Balance of Payments and International Investment Position Manual*, sixth edition (*BPM6*). Progress in 2009 included the endorsement of an outline and of a broad timetable for developing the *BPM6 Compilation Guide*.
- Continuing work on the Coordinated Direct Investment Survey (CDIS). At end-2009, 132 countries had expressed interest in participating in the survey. STA has modified its approach to outreach. Rather than focusing on large seminars for many countries, STA has also now conducted a series of workshops for certain regions and a few individual countries.
- Undertaking initiatives to address information gaps in response to the global financial crisis. The IMF's Statistics Department (STA) outlined for the Committee four such initiatives, namely, the Seventh Review of the Data Standards Initiatives; the creation of the Inter-Agency Group on Economic and Financial Statistics; the launch of the Principal Global Indicators website; and the development of a report for the G-20 Finance Ministers and Central Bank Governors, "The Financial Crisis and Information Gaps."

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 discrepancies in global balance of payments statistics published by the IMF.¹ The Committee's terms of reference and membership as at December 31, 2009 are presented in Appendices I and II, respectively. The State Administration of Foreign Exchange of the People's Republic of China hosted the twenty-second meeting of the Committee in Shanghai in November 2009. The papers and a summary of the 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 STA; Section III discusses the Committee's work program during 2009; and Section IV reviews issues on which the Committee plans to work in 2010.

II. RECENT TRENDS IN BALANCE OF PAYMENTS AND IIP DATA

3. Annual balance of payments and IIP statistics for the period 2000–08² are published in the *2009 Balance of Payments Statistics Yearbook (2009 BOPSY)*. These data support the IMF's work on economic surveillance and are used for the analyses of economies' current, capital, and financial accounts.

4. The *2009 BOPSY* covers balance of payments data reported by 174 economies,³ of which 118 also reported IIP data. Information on reporting practices by economy as at end–December 2009 is available in Appendix III.

5. The *2009 BOPSY* also includes tables presenting regional and global aggregates for balance of payments data and IIP data. While, in principle, at the global level the combined surpluses and deficits in the individual accounts of the balance of payments for all countries and international organizations should cancel out, in practice, the data do not sum to zero.⁴ The resultant global imbalances are monitored by the Committee because they provide an indication of where measurement weaknesses lie in the accounts. In 2008, the global aggregation showed a substantial

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

² Data for years prior to 2001 are available on the *Balance of Payments Statistics* CD-ROM.

³ These number counts are based on the hard copy version of the *2009 BOPSY*, published in 2009. The *2009 BOPSY* is updated monthly online, and is available by subscription.

⁴ Measurement differences arise from incomplete coverage of transactions, inaccurate or inconsistent recording of transactions by the compiling countries (or the reporters), different classification or timing of transactions, and other measurement errors and discrepancies.

reduction in the positive balance in the *current account*. The negative balance in the *financial account* increased slightly, and the capital account shifted from a negative to a positive balance. Tables 1 and 2 on pages 9 and 10 of this report present the global balances by individual account. The global aggregates of assets and liabilities in the IIP should also be equal. Recent years have seen a close match with recorded global assets being just less than recorded global liabilities.

A. Global Current Account

6. In 2008, the global *current account* balance was a positive \$298.1 billion. Although this represents a substantial decline from the 2007 level, the amount still exceeded the absolute average of \$116.2 billion over the period 2002–07 (see Table 1).

7. Both the global *goods* and *services* balances declined in 2008 and remained positive, following substantial increases in 2006 and 2007. The balances on these accounts have been consistently positive beginning in 2002. The global goods balance declined in 2008 to \$157.1 billion from \$174.5 billion in 2007 although the absolute values of both goods credits and goods debits increased strongly. The balances on transportation and government services grew more negative, and the balances on *travel* and *other services* grew more positive. The balance on *other services* has been steadily growing since 2001 and is at \$330.0 billion in 2008. This appears to correspond with findings that services exports may be better monitored than imports.

8. The negative balance on *income* increased in 2008, rising to negative \$99.3 billion from negative \$19.5 billion in 2007, although there were only small increases in income receivable and income payable in 2008. The negative balance on *portfolio and other investment income* increased in 2008, and the negative balance on *other direct investment income* declined slightly. The balance on *reinvested earnings* declined and remained positive. The balance on *current transfers* rose to positive \$31.1 billion in 2008, compared to \$18.4 billion in 2007, reflecting stronger growth in reported receipts than reported payments.

B. Global Capital and Financial Accounts

9. The balance on the *capital account*—comprising *capital transfers* and *acquisition and disposal of nonproduced, nonfinancial assets*—shifted to a positive \$5.8 billion, due to an increase in recorded capital account inflows and a decline in recorded capital account outflows.

10. The balance on the *financial account* became slightly more negative, rising from negative \$325.9 billion in 2007 to negative to \$339.0 billion in 2008. The imbalances in each of the various components of the financial account increased, with the exception of *financial derivatives*.

11. The negative balance on *direct investment* increased from \$86.1 billion in 2007 to \$256.5 billion in 2008. However, the levels of transactions in *direct investment abroad* and *direct investment in the reporting economy* both *decreased*, with the latter declining by a much larger absolute amount. The balance on *portfolio investment* almost doubled in 2008, to a positive of \$364.3 billion, despite significant declines in absolute value in financial account transactions in both *portfolio investment assets* and *portfolio investment liabilities*. The declines in the level of transactions in most financial account categories reflect the global crisis that affected international financial transactions toward the end of 2008. Financial account transactions in portfolio investment assets declined from \$2,501.1 billion in 2007 to \$98.1 billion in 2008, and the value of transactions

in corresponding liabilities (i.e., liabilities excluding those *constituting foreign authorities' reserves*) declined from \$2,690.5 billion in 2007 to \$462.3 billion in 2008.

12. The negative balance on *financial derivatives* declined in 2008. However, the value of gross transactions increased substantially, reflecting an increase in activity and improved reporting.⁵ The balance on *other investment* remained negative and increased sharply, to negative \$307.7, reversing the substantial decline in the balance in 2007.

13. Within *other investment*, transactions in assets and in liabilities changed direction, with net repayments of both assets and liabilities being reported. The level of activity in both of these accounts fell very sharply. *Other investment* primarily consists of transactions in loans and deposits.

14. The balance on *reserve assets and liabilities constituting foreign authorities' reserves* declined substantially to negative \$71.3 billion in 2008 from negative \$182.9 billion in 2007.

15. Net errors and omissions (reflecting the sum of global current, capital, and financial account balances, with the sign reversed) have been within a relatively narrow range (compared to gross transactions) in recent years, ranging from negative \$77.4 billion in 2002 to positive \$128.8 billion in 2004. Net errors and omissions were positive \$35.1 billion in 2008, compared to negative \$57.4 billion in 2007. These relatively small levels should be viewed with caution as, for many periods, increasingly positive balances on the current account were offset by increasingly negative balances on the financial account.

C. Revisions

16. Data revisions increased the level of imbalances on the current account for each of the six years, 2002–07, with the exception of 2004 (see Figure 1). Whereas the revisions resulted in consistent reductions in the balances in the goods account, the positive balances on all other components of the current account combined rose over the period. In 2007, there were upward revisions to the balances on services and current transfers and downward revisions to the negative balance on income. In the financial account, data revisions resulted in an increase in the balances for 2006 and 2007 and marginal changes in the balances for each of the preceding three years (see Figure 2). The substantial revisions to the financial account balances in 2006 and 2007 reflect revisions to *other investment*.

⁵ 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.

Table 1. Global Transactions and Balances on Current Account, 2002–08¹

(In billions of U.S. dollars)

	2002	2003	2004	2005	2006	2007	2008	Average Balance 2002-07
Current account balance²	-97.8	-20.0	55.0	103.4	253.6	403.3	298.1	116.2
Goods								
Credit	6,393.6	7,466.9	9,069.3	10,375.0	11,993.6	13,866.8	16,014.7	
Debit	6,381.2	7,421.8	9,046.4	10,330.4	11,885.2	13,692.3	15,857.5	
Balance on goods	12.4	45.1	22.9	44.6	108.4	174.5	157.1	68.0
Services								
Credit	1,639.9	1,889.4	2,285.4	2,549.8	2,888.4	3,454.5	3,858.6	
Debit	1,637.6	1,868.4	2,218.9	2,457.0	2,735.6	3,224.6	3,649.4	
Balance on services	2.2	20.9	66.5	92.7	152.8	229.9	209.2	94.2
<i>of which:</i>								
Transportation	-56.1	-71.0	-88.1	-97.2	-106.1	-111.4	-130.9	-88.3
Travel	29.0	31.6	48.3	46.6	68.0	75.9	80.2	49.9
Government services	-28.4	-28.3	-36.0	-36.0	-42.0	-47.0	-70.0	-36.3
Other services	57.7	88.6	142.3	179.4	233.0	312.5	330.0	168.9
Income								
Credit	1,278.7	1,498.9	1,890.6	2,431.8	3,128.3	4,024.1	4,047.7	
Debit	1,373.4	1,575.6	1,906.8	2,444.2	3,152.0	4,043.6	4,147.0	
Balance on income	-94.7	-76.6	-16.2	-12.4	-23.8	-19.5	-99.3	-40.5
<i>of which:</i>								
Compensation of employees	-7.8	-7.8	-6.0	-8.1	-9.8	-8.7	-16.2	-8.1
Reinvested earnings	60.8	94.2	136.5	34.9	182.5	230.6	196.1	123.3
Other direct investment income	-23.6	-44.8	-26.0	88.6	-75.8	-135.7	-123.5	-36.2
Portfolio and other investment income	-124.1	-118.2	-120.8	-127.8	-120.7	-105.7	-155.8	-119.5
Current transfers								
Credit	435.8	511.6	605.5	692.7	760.6	872.2	975.0	
Debit	453.5	521.0	623.8	714.2	744.5	853.8	943.9	
Balance on current transfers	-17.7	-9.4	-18.3	-21.5	16.1	18.4	31.1	-5.4
Memorandum items ³								
Current account balance as percent of gross current account transactions	0.5	0.1	0.2	0.3	0.7	0.9	0.6	
Goods balance as percent of gross goods transactions	0.1	0.3	0.1	0.2	0.5	0.6	0.5	
Services balance as percent of gross services transactions	0.1	0.6	1.5	1.9	2.7	3.4	2.8	
Income balance as percent of gross income transactions	3.6	2.5	0.4	0.3	0.4	0.2	1.2	
Current transfers balance as percent of gross current transfer transactions	2.0	0.9	1.5	1.5	1.1	1.1	1.6	

Source: *Balance of Payments Statistics Yearbook*, Volume 60, Part 2, 2009.

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

¹ The term balance in this table refers to global reported credits minus 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 Balances on Capital and Financial Accounts, 2002–08¹
(In billions of U.S. dollars)

	2002	2003	2004	2005	2006	2007	2008	Average Balance 2002-07
Capital account balance	-20.4	-22.5	-2.5	28.3	16.4	-20.1	5.8	-3.5
Credit	48.0	58.3	73.8	123.9	143.5	107.2	112.3	
Debit	68.4	80.8	76.3	95.5	127.1	127.3	106.5	
Financial account balance	195.6	73.7	-181.2	-66.0	-201.1	-325.9	-339.0	-84.1
Direct investment	83.5	-18.7	-240.7	87.9	27.4	-86.1	-256.5	-24.4
Abroad	-661.8	-668.1	-1,008.4	-1,066.2	-1,501.2	-2,437.1	-2,107.4	
In the reporting economy	745.3	649.5	767.7	1,154.2	1,528.6	2,351.1	1,850.8	
Portfolio investment	163.6	153.1	239.8	229.9	115.5	189.4	364.3	181.9
Assets	-742.9	-1,434.5	-1,906.3	-2,554.8	-2,846.2	-2,501.1	-98.1	
Liabilities excluding LCFAR	906.5	1,587.6	2,146.2	2,784.7	2,961.7	2,690.5	462.3	
Liabilities including LCFAR	1,079.3	1,818.0	2,531.5	3,192.6	3,483.1	3,614.1	1,342.2	
LCFAR in Portfolio investment	-172.8	-230.4	-385.3	-407.9	-521.4	-923.6	-879.9	
Financial Derivatives	-11.1	-9.3	-18.1	-13.0	55.2	-104.2	-67.7	-16.8
Assets	203.9	263.4	292.0	450.4	362.0	434.2	771.8	
Liabilities	-215.0	-272.7	-310.1	-463.4	-306.9	-538.4	-839.6	
Other investment	2.1	-24.0	-113.6	-350.9	-305.3	-142.0	-307.7	-155.6
Assets	-637.5	-1,044.0	-2,224.7	-2,954.7	-3,454.4	-5,780.9	691.9	
Liabilities excluding LCFAR ²	639.6	1,020.1	2,111.1	2,603.8	3,149.2	5,638.9	-999.6	
Liabilities including LCFAR	703.1	1,263.6	2,310.3	2,772.9	3,351.1	5,822.0	-1,189.1	
LCFAR in Other Investment	-63.5	-243.5	-199.2	-169.1	-202.0	-183.2	189.4	
Reserves plus LCFAR	-42.5	-27.4	-48.7	-19.9	-93.9	-182.9	-71.3	-69.2
Reserves	-278.7	-501.3	-633.2	-596.9	-817.3	-1,289.7	-761.8	
LCFAR ²	236.2	473.9	584.5	576.9	723.4	1,106.8	690.5	
Net errors and omissions ³	-77.4	-31.2	128.8	-65.7	-68.9	-57.4	35.1	

Source: *Balance of Payments Statistics Yearbook*, Volume 60, Part 2, 2009.

Note: In the financial account, a negative sign indicates an excess of recorded outflows (i.e., increases in assets or decreases in liabilities); the absence of a sign in the balances indicates an excess of recorded inflows (i.e., decreases in assets or increases in liabilities).

¹ Table 2 also includes global balance net errors and omissions.

² Liabilities constituting foreign authorities' reserves. The data in liabilities constituting foreign authorities' reserves 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 transactions with sign reversed.

Figure 1. Revisions in 2009 of Current Account Balances, 2002-07⁶

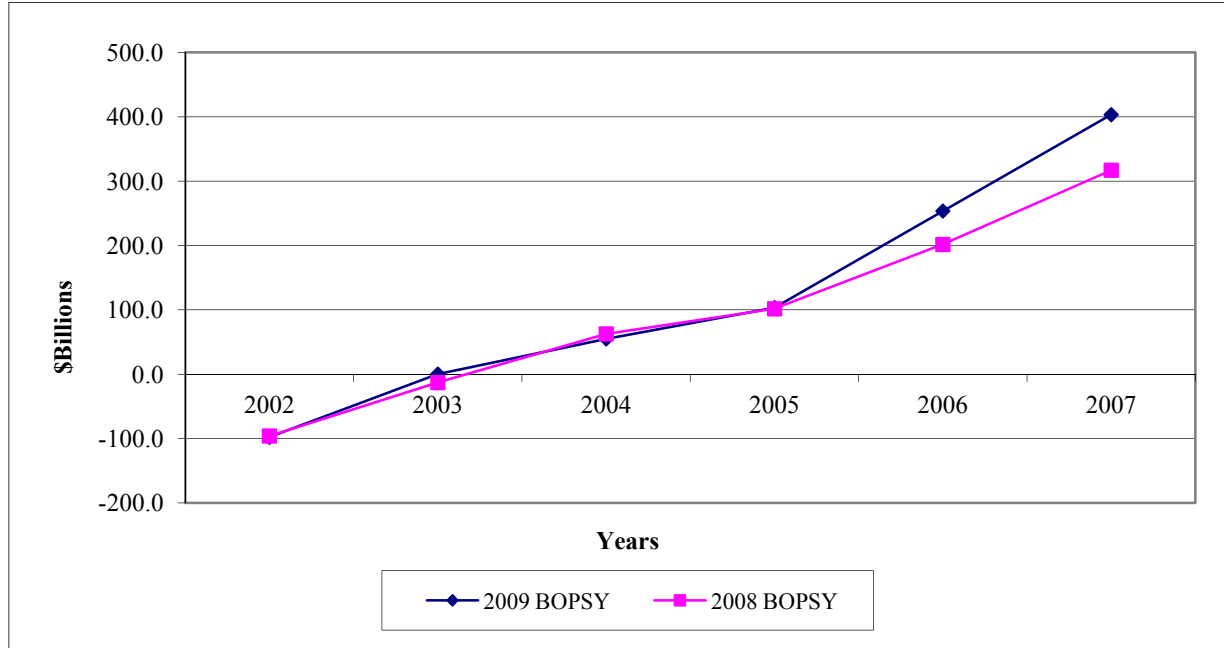
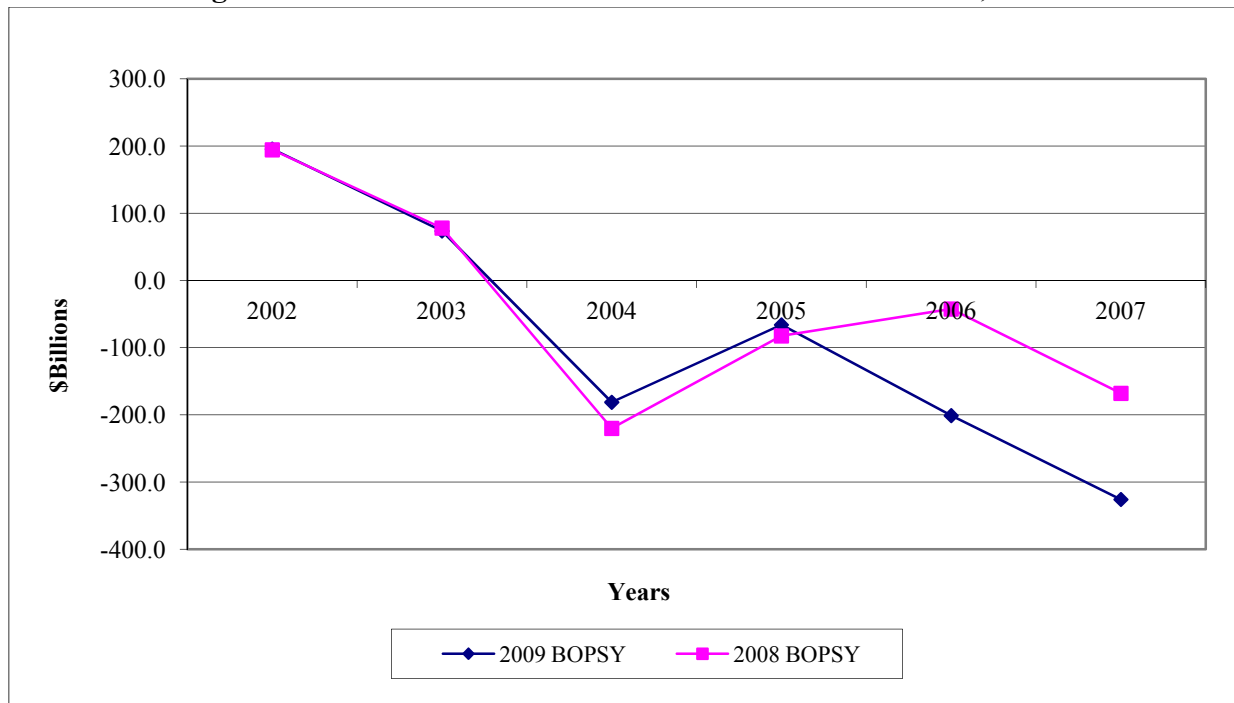


Figure 2. Revisions in 2009 of Financial Account Balances, 2002-07⁶



⁶ BOPSY refers to the *Balance of Payments Statistics Yearbook*.

D. Development of World and Regional IIP Aggregates, and Recent Trends in IIP Data

17. STA has started a program to develop world and regional IIP aggregates—similar to the coverage in the balance of payments world and regional tables—by including estimates for nonreporting economies. These world and regional data were published for the first time in the *2009 BOPSY*. These data are presented in Table 3. Estimates for individual nonreporting economies are not published.

18. Advanced Economies accounted for approximately 90 percent of total external assets during 2002–08. Emerging and Developing Economies however have been increasing their share, particularly over the past few years. Of the Emerging and Developing Economies, the Commonwealth of Independent States (CIS) and Mongolia show the largest percentage increase in share while Western Hemisphere decreased their share.

19. Total assets worldwide increased approximately 160 percent between 2002 and 2007, from \$37.1 trillion to \$97.6 trillion. However, worldwide assets declined in 2008 partly due to the global crisis, which resulted in declines in asset values and a fall-off in lending. Advanced Economies and Emerging and Developing Economies shares of total external liabilities have stayed fairly constant during 2002–08. Of the Emerging and Developing Economies, Central and Eastern Europe showed the largest percentage increase over the period, while Africa, Developing Asia, and Western Hemisphere economies decreased their share of liabilities during the period.

20. Total liabilities worldwide increased approximately 150 percent during 2002–07, from \$39.0 trillion to \$98.7 trillion but declined in 2008.⁷ Total liabilities worldwide have exceeded total assets in all years, although the gap between assets and liabilities has been narrowing during 2004–08 and more or less disappeared in 2008. Central and Eastern Europe shows a large excess of liabilities over assets. For the region, assets are less than half the size of liabilities. The Middle East is the only region showing more assets than liabilities throughout the period.

⁷ The difference between assets and liabilities at the global level reflects errors in data provided by economies that reported IIP data, errors in the estimations that were made for nonreporting economies, and the omission of data (neither reported nor estimated) for a small number of economies.

Table 3. Global IIP-Aggregates Reported and Estimated, 2002–08
(In billions of U.S. dollars)

	2002	2003	2004	2005	2006	2007	2008
Assets							
World Total	37,082	46,308	55,944	62,312	77,581	97,617	93,046
Advanced Economies	34,093	42,726	51,530	56,945	70,431	87,835	82,555
Emerging and Developing Economies	2,989	3,582	4,414	5,367	7,150	9,782	10,491
Africa	194	248	317	373	483	607	640
Developing Asia	939	1,145	1,480	1,830	2,455	3,430	3,976
Europe	575	687	856	1,049	1,510	2,184	2,178
Central and Eastern Europe	249	301	379	433	623	857	881
CIS and Mongolia	326	386	477	616	887	1,327	1,297
Middle East	681	824	998	1,233	1,628	2,167	2,195
Western Hemisphere	600	678	763	882	1,074	1,394	1,502
Liabilities							
World Total	38,968	48,213	57,961	63,808	78,885	98,745	93,238
Advanced Economies	34,858	43,424	52,460	57,536	71,103	88,430	83,499
Emerging and Developing Economies	4,110	4,789	5,501	6,272	7,782	10,315	9,739
Africa	441	513	586	611	634	755	712
Developing Asia	1,214	1,386	1,525	1,744	2,166	2,698	2,810
Europe	857	1,097	1,407	1,685	2,333	3,452	2,994
Central and Eastern Europe	521	665	865	980	1,341	1,900	1,872
CIS and Mongolia	336	432	542	705	992	1,552	1,122
Middle East	326	376	444	536	710	992	1,034
Western Hemisphere	1,272	1,417	1,539	1,696	1,939	2,418	2,189
Total Assets as Percentage of Total Liabilities	95.2%	96.0%	96.5%	97.7%	98.3%	98.9%	99.8%

Source: *Balance of Payments Statistics Yearbook*, Volume 60, Part 2, 2009.

E. Coordinated Portfolio Investment Survey (CPIS)

21. The CPIS has become an important source of portfolio investment data for monitoring cross-border exposures at bilateral levels. Following its initial launch in 1997, the IMF has conducted the CPIS annually since 2001. Details of the various surveys show positions data for equity securities, bonds, and money market instruments collected by over 70 large asset-holding economies.⁸

Liability positions as at end-year can therefore be derived for all economies from data supplied by participating economies 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>).

22. At the end of 2008, cross-border holdings of securities reported in the CPIS amounted to \$30.9 trillion, representing a **decline** of 21.6 percent in the value of holdings from the end-2007 level. This decline was due principally to a large drop in holdings of equity securities, from \$17.1 trillion in 2007 to \$9.8 trillion in 2008. Holdings of debt instruments also declined, but by a much smaller amount. The decline in holdings of equity securities reflected the global decline in asset prices during the second half of 2008 associated with the global crisis.

23. Table 4 provides the results of the 2008 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 holdings of portfolio investment assets remain concentrated in a few economies, of which the top 10 economies account for about 70 percent of total holdings worldwide.

24. The timeliness of release of the CPIS data has improved over time, with the results now available less than 12 months after the end of the reference period. The coverage has remained the same as last year with 73 jurisdictions responding to the survey.

25. The Committee continues to be highly interested in enhancing the CPIS data. In this regard, the Committee appreciated the establishment of STA's CPIS Data Quality Improvements Team, which has addressed many problems relating to the internal consistency of the CPIS data and consistency with the IIP. The Committee also strongly endorsed the creation of a task force—the IIP/CPIS Data Enhancements Task Force—to identify and prioritize potential enhancements to CPIS data, as proposed in the Report to the G-20 Finance Ministers and Central Bank Governors.⁹

26. The Committee stressed the need to continue to improve the timeliness of the CPIS so that the data may be useful in understanding cross-border linkages, and provide important information on potential spillover effects from problems in financial markets. Committee members also discussed the possibility of increasing the frequency of the CPIS. However, members noted that increased frequency could be a challenge for some countries to implement because it may be resource intensive. Members also noted that increasing the frequency may not result in substantial improvement in data usefulness, if there is no improvement in the timeliness of the statistics.

⁸ The IMF also asks economies to provide a geographical breakdown of securities held as reserve assets (SEFER) and a similar survey is undertaken for securities held by selected international organizations (SSIO).

⁹ “*The Financial Crisis and Information Gaps*,” IMF staff and FSB Secretariat, October 2009.

**Table 4. Geographic Breakdown of Total Portfolio Investment: Top Ten Economies by Holders and Issuers, at Year-End 2008
(Preliminary Data)**

(In billions of U.S. dollars)

Issuers \ Holders	United States	United Kingdom	France	Japan	Germany	Luxembourg	Ireland	Netherlands	Italy	Switzerland	Other	Total
	United States	n.a.	696.5	193.7	762.4	167.3	361.6	432.8	282.5	106.9	115.9	3233.5
United Kingdom	647.4	n.a.	232.4	155.3	156.7	158.6	317.2	89.9	57.7	45.3	877.8	2,738.2
Germany	250.8	188.5	355.3	180.4	n.a.	283.6	96.1	134.6	108.9	94.8	1,003.0	2,696.1
France	280.0	149.9	n.a.	134.9	211.9	227.1	88.2	131.5	122.8	76.2	651.6	2,074.1
Netherlands	169.3	138.9	246.7	75.0	175.2	111.5	49.5	n.a.	74.8	57.2	418.0	1,516.2
Luxembourg	60.0	79.9	118.7	72.3	390.0	n.a.	34.9	56.1	216.3	113.6	360.7	1,502.4
Italy	61.8	99.9	271.9	62.5	177.8	130.0	138.3	82.6	n.a.	2.6	291.0	1,318.3
Cayman Islands	315.2	105.4	70.2	367.7	28.8	63.4	21.1	16.0	6.8	34.9	240.6	1,270.1
Spain	93.2	85.5	228.1	24.8	222.0	82.2	70.8	64.0	32.7	3.3	224.9	1,131.4
Japan	389.1	134.8	142.9	n.a.	19.0	60.7	4.4	17.8	4.7	15.4	312.0	1,100.8
Other	2,001.0	889.8	669.4	541.2	600.6	641.4	373.4	264.7	225.0	322.8	2,642.6	9,171.8
Total	4,267.9	2,568.9	2,529.1	2,376.6	2,149.2	2,120.2	1,626.8	1,139.7	956.6	882.0	10,255.7	30,872.6
n.a.=not applicable												

III. WORK PROGRAM UNDERTAKEN BY THE COMMITTEE IN 2009

27. The work undertaken by the Committee in 2009 reflected the priorities established in the medium-term work program that was developed at the end of 2008. The Committee gave top priority to implementing the sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)*, which was adopted the previous year, and preparations for conducting the Coordinated Direct Investment Survey (CDIS).

28. The Committee gave high priority to improving the quality of the data collected through the CPIS and improving the data on remittances. The Committee also addressed statistical developments arising from the recent global crisis and related efforts to improve coverage and timeliness of financial data, including the frequency of IIP statistics.

A. Finalization and Implementation of the *BPM6*

29. The IMF presented an overview of the tasks relating to the finalization of the *BPM6* since it was adopted at the 2008 meeting of the Committee. The finalization process had taken account of the latest developments in IMF credit arrangements that had arisen during 2009 in response to the global crisis. In particular, the previous standard component of the *BPM6*, “Credit and loans from the Fund” has been changed to “Credit and loans *with* the Fund” to reflect the existence of loans to the IMF that should be excluded from reserves.

BPM6 Implementation Survey

30. The IMF presented a report on the results of the worldwide survey on the implementation of the *BPM6*. STA received responses from 63 countries, representing more than one-third of all economies surveyed. Of the 63 respondents, 19 were advanced economies, mainly in Europe.

31. The survey found that most countries have given consideration to implementing the key features of *BPM6*. In many cases, countries have already implemented selected features although none had yet fully implemented the *BPM6*.¹⁰ The survey also highlighted some areas where countries noted they may have difficulty implementing the *BPM6*. These difficult areas will be addressed in the forthcoming *BPM6 Compilation Guide*.

Strategy for Implementing the *BPM6*

32. STA outlined a strategy for implementing the *BPM6* that contains four key elements: (i) preparation of the *BPM5* to *BPM6* conversion matrix; (ii) the conversion of statistics in IMF publications to a *BPM6* presentational format; (c) preparation of the *BPM6 Compilation Guide*; and (iv) training. Of these elements, the *BPM5* to *BPM6* conversion matrix has been completed and has been circulated to compilers.

¹⁰ Since the Committee meeting, Australia has implemented the *BPM6*.

Conversion of statistics in IMF publications to a BPM6 presentational format

33. STA presented the outline of its plans to convert the balance of payments data in its publications to a *BPM6* presentational format. The key features of the plan are as follows:

- Until the conversion of its statistical publications in 2012, publish only *BPM5* basis data for all economies. Thus, data that are reported to STA on a *BPM6* basis would not be redisseminated by STA until 2012 and later years; instead, through 2011, data that STA receives on a *BPM6* basis would need to be converted to a *BPM5* basis before publication to maintain data comparability across countries.
- After the conversion of its statistical publications in 2012, publish data in *BPM6* format for all countries.
- After the conversion of its statistical publications in 2012, resources permitting, publish data on both a *BPM5* and *BPM6* basis for all countries for an overlapping period. The length of this overlapping period needs to be considered.
- After the conversion of its statistical publications in 2012, consider publishing the *BPM5* data series in electronic format only (on CD-ROM and the on-line database).

34. There was a consensus from the Committee that data should be presented in IMF statistical publications on a *BPM5* basis until 2012. Also, there was a consensus that data should be presented in IMF statistical publications on a *BPM6* basis in 2014 onwards, and that efforts should be made to produce back data, which users would otherwise estimate by themselves. However, there remained a few outstanding issues regarding the publication of data during the 2012–14 period. Therefore, the Committee agreed that a working group be formed comprising representatives of the ECB, the IMF and two or three other countries to further discuss outstanding issues associated with the changeover to the *BPM6*. The working group will take account of country views on the best way to present data after the changeover to *BPM6*. It will also consider data quality issues that may arise as a result of the IMF undertaking conversion of the data of reporting countries from one basis to the other.

Preparation of the BPM6 Compilation Guide

35. STA has prepared a broad outline for the proposed *BPM6 Compilation Guide*. The *BPM6 Compilation Guide* will examine separately: (i) the broad groups of data sources (enterprise surveys, international transactions reporting systems, international merchandise trade statistics, and so forth); and (ii) the compilation of the various items of the balance of payments and IIP accounts (in terms of the data requirements and the statistical techniques that could be used to estimate these items). It will also discuss other issues of relevance to the compiler, such as data quality, the presentational format of the financial account, and the recording of exceptional financing.

36. The Committee noted that the completion of the *BPM6 Compilation Guide* may be considered essential in guiding the implementation of the *BPM6*. STA noted that chapters of the *BPM6 Compilation Guide* will be posted on the internet as a “living document” as soon as they become available, and that issues will be first undertaken according to their perceived order of importance. A number of draft chapters will be available for the Committee’s review in time for its meeting in 2010.

Training

37. STA will soon be conducting training for IMF economists, including those engaged in surveillance, to further expose them to the concepts of the *BPM6*. These economists represent a useful channel to sensitize countries to the new guidelines, as they may have more frequent interaction with national data compilers.

38. STA introduced the *BPM6* in its headquarters course and regional training programs in 2008, and will continue to base its training on the *BPM6*.

B. Direct Investment

Coordinated Direct Investment Survey (CDIS)

39. The IMF presented a report on the CDIS. At the time of the meeting, 132 countries had formally expressed interest in participating in the CDIS and many other countries have informally indicated that they may participate. STA has modified its approach to outreach; thus, rather than focusing on large seminars for many countries, STA has also now conducted a series of workshops for certain regions and a few individual countries, including Russia and China.

40. STA is close to finalizing the CDIS metadata questionnaire. The answers to the questionnaire will, for the most part, be readily aggregatable so that tables can be created to summarize how countries are addressing various issues. In addition, STA is close to finalizing the questionnaire that seeks input from countries on how their data on direct investment has improved at least partly as a result of participation in the CDIS. The results of the questionnaire will be used to report to IMF Management, to demonstrate what has been achieved, and to show the effectiveness of the funds provided by the IMF for the CDIS.

41. In regard to the next steps, STA plans to conclude its development of the electronic report forms for data and metadata over the next few months and is planning to approach a few countries to test the reporting framework. Participants in the CDIS will be asked to report preliminary data to the IMF by the end of September 2010. More complete and updated results will be requested at the end of March 2011.

42. STA is considering conducting a series of regional post-survey workshops in 2011, to allow participants to discuss their CDIS results, compare them with counterpart country data, and review their practices to see to what extent they can learn from the experiences of other participants, so as to modify their procedures for future surveys.

43. The Committee expressed very strong support for conducting the CDIS on an annual basis. In addition to the reasons provided in the report, members noted that data users are requesting improvements in the quality of IIP data, and that data on direct investment as derived from the CDIS could be an essential element in the development of improved IIP data.

44. Committee members agreed with STA's proposal to conduct post survey workshops on the CDIS. Members also agreed on the general focus of the metadata questionnaire but had suggestions for improvements. STA invited members to continue to provide their suggestions on the CDIS after the meeting.

Foreign Direct Investment (FDI) Statistical Units: Local Enterprise Groups (LEGs) and Enterprises

45. STA presented a paper to illustrate how the choice of statistical unit used for FDI may result in asymmetries and differences in high level statistics on FDI (see paper BOPCOM-09/12). The paper also noted how work is being carried forward to promote consistency in statistics on inward and outward FDI. The three types of affiliates that are included in FDI statistics—direct investor, direct investment enterprise, and fellow enterprise—are described in two fundamentally different ways by different economies. Some economies use the concept of an enterprise in describing these units, and others use the concept of LEGs. An enterprise is an institutional unit engaged in production. A LEG includes the enterprise at the top of an ownership chain within an economy and, following down that enterprise's ownership chain, includes all enterprises below it in the same economy. The use of these two different types of statistical units has important consequences on headline statistics for FDI, including on the levels of inward and of outward FDI under the directional principle.¹¹

46. Under the *BPM6*, either enterprises or LEGs may be used as the statistical unit for compiling and presenting direct investment statistics. There is no stated preference between the two.

47. The paper presented various alternative examples where the concept of LEGs is used as the statistical unit and where the concept of enterprises is used as the statistical unit. The paper drew the following conclusions from the examples:

- A given position between fellow enterprises may switch from inward to outward direct investment (and vice versa) on the directional principal basis (but not the standard presentation of the *BPM6*, which is on an asset and liability basis) when the ultimate

¹¹ The directional principle is a presentation of direct investment data organized according to the direction of the direct investment relationship. Direct investment abroad covers assets and liabilities between resident direct investors and their direct investment enterprises. It also covers assets and liabilities between resident and nonresident fellow enterprises if the ultimate controlling parent is resident. Direct investment in the reporting economy includes all liabilities and assets between resident direct investment enterprises and their direct investors. It also covers assets and liabilities between resident and nonresident fellow enterprises if the ultimate controlling parent is nonresident.

controlling parent changes. Much less switching occurs in economies that use LEGs as their statistical unit than in economies that use enterprises as their statistical unit, because the switching occurs only in connection with positions between fellow enterprises, and there are far fewer fellow enterprises in economies that use LEGs as their statistical unit.

- In economies that use enterprises as their statistical unit, the acquisition by a foreign investor of a resident enterprise might manifest itself as a net reduction in both inward and outward direct investment positions, rather than only as a change in the inward position.

48. The paper also confirmed that LEGs or enterprises can be used as the statistical unit in compiling data on FDI for purposes of the CDIS, and that several model surveys are included in the CDIS Guide that reflect this circumstance.

49. There are advantages and disadvantages to using either enterprises or LEGs as statistical units. This issue had been marked at prior Committee meetings as one that would be further clarified in the *BPM6 Compilation Guide*.

C. Remittances

50. STA informed the Committee of the release of the final version of *International Transactions in Remittances: Guide for Compilers and Users* (which is also known as the *Remittances Compilation Guide (RCG)*). The public comments received on the content and structure of the draft *RCG* (posted on the IMF's website in December 2008) were highly favorable and since then, some minor clarifications were incorporated. Also, in response to a recommendation made at last year's Committee meeting, the *RCG* now includes more discussion of the broadest measure of remittances.

51. The Committee was also briefed on the International Technical Meeting on Remittances held at the World Bank in June 2009, which was organized by the World Bank in cooperation with the IMF. The meeting was organized in the context of Thematic Area 1 (Data) of the Global Remittances Working Group (GRWG) and was the second of its kind. The main objectives of the meeting were to assess the strengths and weaknesses of estimates currently produced by member countries, and to agree on a work program for improving remittances data in the context of the GRWG. In this respect, the Committee was also informed that a new technical working group will be established under Thematic Area 1 of the GRWG that will focus on improving remittances data. The Committee was asked whether it had views concerning the establishment of this new technical working group, and whether it would be interested in being involved in its work. Some Committee members signaled their willingness to participate in the new working group on remittances. The Committee was informed that the World Bank is leading the work, and that the IMF is lending its support.

D. Statistical Issues Arising from the Global Crisis

52. The IMF outlined the work relating to the four major data initiatives resulting from the global crisis, namely, work in the follow-up to the Seventh Review of the IMF's Data Standards Initiatives; the creation of the Inter-Agency Group on Economic and Financial Statistics (IAG); the launch of the Principal Global Indicators (PGI) website; and the development of a report on the Financial Crisis and Information Gaps that was presented to the Group of Twenty (G-20) Finance Ministers and Central Bank Governors during their meeting on November 6 and 7, 2009.

53. The Committee was informed of the requests from the meeting of G-20 Finance Ministers and Central Bank Governors and the International Monetary and Financial Committee (IMFC) (both meetings were held in April 2009) for the IMF jointly with the Financial Stability Board (FSB) to look into information gaps that were most relevant in the build up to the global crisis, and provide appropriate proposals for strengthening data collection. In order to ensure that data users are informed of these efforts and to obtain useful input, the IMF and the FSB organized a Users Conference at the IMF Headquarters in July 2009, in which international experts on financial stability and statistics primarily from G-20 economies and international agencies participated.

54. The G-20 report contained recommendations to identify and prioritize work to address CPIS data limitations and to increase the number of IIP reporting countries, as well as the reporting of quarterly IIP data. A task force was created for these purposes. The Committee strongly supported the creation of this task force, to advise the IMF on possible improvements in frequency and timeliness of the CPIS data, and on other possible enhancements. The task force is expected to prepare a report that will be presented to the Committee at its next meeting in October 2010.

55. The Committee was apprised of the PGI website and was briefed on the IAG's planned enhancements to its website, i.e., the introduction of a layering approach to the indicators presented, with a top level of 15-20 indicators of most interest, a second level with more detailed and internationally comparable data, leading to a third level of data that are nationally relevant but not necessarily internationally comparable.¹²

E. Reserve Assets

56. STA informed the Committee of the intense activities in advising member countries, international organizations, and the IMF on reserves-related issues. Interest in the subject was triggered by a decision by the IMFC to strengthen the IMF's lending capacity. This resulted in the recent SDR (Special Drawing Right) allocations, bilateral loans from member countries to the IMF, and note purchase agreements (under which member countries agree to buy IMF notes on demand). The implementation of these measures has raised many questions about the definition of reserve assets and the classification of data in external sector statistics. STA has

¹² These enhancements were introduced in December 2009.

assumed a leading role in advising on the statistical treatments. It has provided clarifications of the statistical standards, and conducted missions to countries impacted by the crisis to help assess and improve the quality of their statistics. STA sent letters to central bank governors and balance of payments correspondents to explain the recording of the new SDR allocations in the balance of payments and IIP statistics. In addition, staff prepared a set of *Frequently Asked Questions* on SDRs that was posted on the Fund's website at <http://www.imf.org/external/np/exr/faq/sdrallocfaqs.htm>.

57. STA advised the Committee that due to the intense work on reserves-related issues, the review of *International Reserves and Foreign Currency Liquidity: Guidelines for a Data Template* (Guidelines) is expected to gain momentum by the middle of 2010 in cooperation with the Reserve Assets Technical Expert Group (RESTEG). Meanwhile, the changes to the Reserves Template that were detailed in last year's document to the Committee (BOPCOM-08/25) were approved by the IMF Executive Board. The Board agreed to the staff's proposal to update the Guidelines to take account of *BPM6* and of staff's experience in monitoring SDDS subscribers' observance of the Reserves Template.

58. A few changes to the Reserves Template became effective in August 2009, for the reporting of July 2009 data. These changes improved the consistency between the reporting of financial derivatives in the Reserves Template and the amendment to Annex A of Article VIII Section 5 of the IMF *Articles of Agreement*. These changes did not result in increased reporting burden for most compilers.

F. International Investment Position—Expanding Coverage and the Development of World Tables

59. With respect to IIP data, STA sought the views of the Committee on the feasibility of, and approaches for, increasing the number of annual and quarterly IIP reporters, and the implementation of the other enhancements¹³ that are introduced with the *BPM6*. At the 2008 meeting,¹⁴ the Chair saw scope for developing bilateral breakdowns of IIP in the longer run. The Committee's views were also sought on the results of the second phase of producing the IIP regional and world tables, where estimates for nonreporters and late reporters are derived from the External Wealth of Nations (EWN) database, maintained by the IMF's Research Department. This database, which is used extensively for multilateral surveillance and research purposes, currently comprises data for 180 countries and contains estimates of external assets and liabilities from a variety of sources. The effect of including those estimates in the IIP world and regional

¹³ Such as provision of data on nonbank financial institutions (memorandum item), the effect of impaired loan assets (memorandum item for creditors if feasible), reserve-related liabilities (memorandum item), significant off-balance sheet commitments (supplementary item), currency composition of debt assets and liabilities (memorandum item), notional value of financial derivative positions (memorandum item), external asset holdings of Sovereign Wealth Funds not included in reserve assets (supplementary item), and detail on the remaining maturity of external assets and debt liabilities (supplementary item).

¹⁴ BOPCOM-08/30, "Summary of Discussion."

tables varies by region and over time. In the longer term, the EWN database will be improved to also include estimates on offshore financial centers, and to distinguish between portfolio debt securities and debt included in other investment. The Chair concluded that, in line with recommendation 12 of the report, “The Financial Crisis and Information Gaps,” the Committee supports the quarterly reporting of IIP data.

G. Sovereign Wealth Funds (SWFs)

60. Considerable progress has been made over the past 18 months in developing the conditions for the appropriate inclusion of SWFs data in the external accounts and other macroeconomic statistics. The Committee has been supportive of the work on SWFs dating back to the establishment of the RESTEG in 2005, and has encouraged STA in its efforts to expand and improve the quality and availability of statistics pertaining to SWFs. STA was actively involved, together with the Monetary and Capital Markets Department (MCM) of the IMF, in the work of the International Working Group on SWFs (IWG) to develop a set of Generally Accepted Principles and Practices (GAPP), the so-called Santiago Principles, which were published in 2008. The 5th GAPP states that “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.”

61. STA’s efforts, within the framework of the IWG, included the establishment of a statistical definition of SWFs, which is now reflected in the *BPM6*. The *BPM6* also provides explicit guidance on the reporting of economic and financial data by SWFs and explicitly discusses flows and positions that especially pertain to them – such as questions about what is and is not considered to be a reserve asset. It also includes a supplementary item in the IIP, covering holdings of SWFs that are not included in the reserve asset functional category.

62. In April 2009, the IWG established the International Forum of SWFs (IFSWF) to replace the IWG. Subsequently, the IFSWF established three sub-committees that will meet as needed to complete their assigned tasks and will report to the IFSWF at its regular meetings. In regard to the way forward, the Committee was informed that STA, in cooperation with MCM, intends to consult the IFSWF on the proposal to approach statistical agencies in the home countries of SWFs to assess whether their SWF holdings are captured in macroeconomic datasets (balance of payments and IIP statistics).

63. Some members of the Committee noted that much progress has recently been made to include SWFs in macroeconomic statistics, and informed the Committee of the initiatives being undertaken in their respective countries to collect data on SWFs.

H. Improving the Tracking of Cross-border Financial Exposures Using Aggregate and Bilateral Data

64. STA presented a paper prepared jointly with the Strategy and Policy Review Department (SPR) of the IMF on the development of a template to make data on cross-border exposures more easily accessible for bilateral surveillance. This paper is a follow-up to the paper prepared by SPR and presented to the Committee last year, which provided a preliminary assessment of

the value of key data initiatives for the surveillance of the global crisis and highlighted the value added of the IIP and CPIS statistics.

65. This template combines aggregate and bilateral data using existing STA databases (such as IIP, external debt, CPIS, and Standardized Report Forms for monetary and financial statistics), and the BIS Consolidated and Locational Banking Statistics. While it is recognized that existing datasets provide valuable information on liability and asset-side cross-border financial exposures, STA will continue its efforts to address bilateral data gaps as discussed in several papers at the 2009 Committee meeting.

66. The Bank for International Settlements (BIS), the ECB, the OECD, and some Committee members offered to provide data to support this exercise.

I. Other Papers and Reports

67. The Committee received papers on various other issues related to its work. These are available on the Committee's website at <http://www.imf.org/external/pubs/ft/bop/2009/22.htm> and include the following:

- Presentations by Chile, Russia, and Japan on the *BPM6* implementation strategy for their respective countries;
- UNCTAD's World Investment Report, 2009;
- BIS International Financial Statistics;
- OECD Report on the work of the Task Force on Statistics of International Trade in Services;
- IMF Report on the work of the Task Force on Finance Statistics; and
- ECB Report on the Centralized Securities Database.

IV. FUTURE WORK PROGRAM

68. Appendix IV sets out the medium-term work program of the Committee, as agreed at its 2009 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.

69. The implementation of the *BPM6* and the CDIS remain top priority areas. The former entails development of the *BPM6 Compilation Guide*, promoting the use of the *BPM6* through seminars and courses, and establishing the procedures to convert the data in IMF publications to the *BPM6* presentation format. New top priority areas are enhancing the CPIS data and the further development of IIP world tables.

70. With the completion of the *RCG*, a medium priority is assigned to the work on remittances. The World Bank is expected to take the lead role in implementing the work program for improving remittances data, with support from the IMF through technical assistance and training.

**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. MEMBERSHIP OF THE IMF COMMITTEE ON BALANCE OF PAYMENTS STATISTICS
AS OF DECEMBER 31, 2009**

Chair

Adelheid Burgi-Schmelz
IMF, Statistics Department

Eduardo Rodriguez-Tenés
Bank of Spain

Members

Ernest Addison
Bank of Ghana

Almut Steger
Deutsche Bundesbank
Germany

Sabir Said Al-Harbi
Ministry of National Economy
Oman

Lidia Troshina
Central Bank of Russia

Teresa Cornejo
Central Bank of Chile

Stefaans Walters
Reserve Bank of South Africa

Loida Cruz
Bangko Sentral ng Pilipinas
Philippines

Obie Whichard
Bureau of Economic Analysis, United States

Chen Zhi Wei
State Administration of Foreign Exchange
People's Republic of China

Representatives of International Organizations

Patrick O'Hagan¹
Statistics Canada

Ayse Bertrand
Organization for Economic Cooperation and
Development

Joji Ishikawa
Bank of Japan

Werner Bier²
European Central Bank

Teruhide Kanada
Ministry of Finance, Japan

Daniela Comini
Statistical Office of the European Communities

Azizulah Khattak
State Bank of Pakistan

Masataka Fujita
United Nations Conference on Trade and
Development

Ralph Kozlow
IMF, Statistics Department

Andreas Lindner
Organization for Economic Cooperation and
Development

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

Philippe Mesny
Bank for International Settlements

Secretariat (IMF, Statistics Department)

Thomas F. Alexander

Cornelia Hammer

¹. Did not attend 2009 meeting of the Committee

². Accompanied by Pierre Sola.

**APPENDIX III. REPORTING OF BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT
POSITION DATA TO THE IMF STATISTICS DEPARTMENT¹**

Country	WHAT IS REPORTED								
	BOP					IIP			
	Version		Most Recent Year	Frequency		IIP data	Most Recent Year	Frequency	
	BPM5	Other		Q	A			Q	A
Afghanistan, I.R. of		X	1989		X				
Albania	X		2008	X					
Algeria		X	1991		X				
Angola	X		2008		X	X	2008		X
Anguilla	X		2008		X				
Antigua & Barbuda	X		2008		X				
*Argentina	X		2008	X		X	2008		X
Armenia	X		2008	X		X	2008	X	
*Aruba	X		2008	X		X	2008		X
*Australia	X		2008	X		X	2008	X	
*Austria	X		2008	X		X	2008		X
Azerbaijan	X		2008	X		X	2008	X	
*Bahamas, The	X		2008	X					
*Bahrain	X		2008		X	X	2008	X	
Bangladesh	X		2008	X		X	2008		X
*Barbados	X		2005		X				
Belarus	X		2008	X		X	2008	X	
*Belgium ³	X		2008	X		X	2008	X	
Belize	X		2008	X					
Benin	X		2007		X	X	2007		X
*Bermuda	X		2008	X					
Bolivia	X		2008	X		X	2008	X	
Bosnia and Herzegovina	X		2008	X		X	2008		X
Botswana	X		2008		X	X	2007		X
*Brazil	X		2008	X		X	2008	X	
Brunei Darussalam	X		2008		X				
*Bulgaria	X		2008	X		X	2008		X
Burkina Faso	X		2001		X	X	2001		X
Burundi	X		2008		X	X	2008		X

Country	WHAT IS REPORTED								
	BOP					IIP			
	Version		Most Recent Year	Frequency		IIP data	Most Recent Year	Frequency	
	BPM5	Other		Q	A			Q	A
Cambodia	X		2008	X		X	2008		X
Cameroon	X		2008		X				
*Canada	X		2008	X		X	2008	X	
Cape Verde	X		2008	X		X	2008		X
Central African Republic	X		1994		X				
Chad	X		1994		X				
*Chile	X		2008	X		X	2008	X	
China P.R.: Mainland	X		2008		X	X	2008		X
*China P.R.: Hong Kong SAR	X		2008	X		X	2008		X
*China P.R.: Macao SAR	X		2007		X				
*Colombia	X		2008	X		X	2008	X	
Comoros		X	1995		X				
Congo, Republic of	X		2007		X				
*Costa Rica	X		2008	X		X	2008	X	
Côte d'Ivoire	X		2008		X	X	2008		X
Croatia	X		2008	X		X	2008		X
*Cyprus	X		2008	X		X	2008		X
*Czech Republic	X		2008	X		X	2008		X
*Denmark	X		2008	X		X	2008	X	
Djibouti	X		2008		X	X	2008		X
Dominica	X		2008		X				
Dominican Republic	X		2008		X	X	2007		X
Eastern Caribbean Currency Union	X		2008		X				
Ecuador	X		2008	X		X	2008		X
*Egypt	X		2008		X	X	2008		X
El Salvador	X		2008	X		X	2008	X	
Equatorial Guinea	X		1996		X				

Country	WHAT IS REPORTED								
	BOP					IIP			
	Version		Most Recent Year	Frequency		IIP data	Most Recent Year	Frequency	
	BPM5	Other		Q	A			Q	A
Eritrea	X		2000	X					
*Estonia	X		2008	X		X	2008	X	
Ethiopia	X		2008	X					
Euro Area	X		2008	X		X	2008	X	
Faroe Islands	X		2003		X				
Fiji	X		2008	X					
*Finland	X		2008	X		X	2008	X	
*France	X		2008	X		X	2008		X
French Polynesia	X		2008		X				
Gabon	X		2005		X				
Gambia, The	X		2008		X				
Georgia	X		2008	X		X	2008	X	
*Germany	X		2008	X		X	2008	X	
Ghana	X		2008		X				
*Greece	X		2008	X		X	2008	X	
Grenada	X		2008		X				
Guatemala	X		2008	X		X	2008		X
Guinea	X		2008	X		X	2008	X	
Guinea-Bissau	X		2004		X	X	2004		X
Guyana	X		2008		X				
Haiti	X		2008		X	X	2007		X
Honduras	X		2008	X		X	2008		X
*Hungary	X		2008	X		X	2008	X	
*Iceland	X		2008	X		X	2008	X	
*India	X		2008	X		X	2008	X	
*Indonesia	X		2008	X		X	2008		X
Iran, I.R. of	X		2000		X				
Iraq		X	2007		X				
*Ireland	X		2008	X		X	2007		X
*Israel	X		2008	X		X	2008	X	
*Italy	X		2008	X		X	2008		X
Jamaica	X		2008		X	X	2008		X
*Japan	X		2008	X		X	2008		X

Country	WHAT IS REPORTED								
	BOP					IIP			
	Version		Most Recent Year	Frequency		IIP data	Most Recent Year	Frequency	
	BPM5	Other		Q	A			Q	A
Jordan	X		2008	X		X	2007		X
*Kazakhstan	X		2008	X		X	2008	X	
Kenya	X		2008		X				
Kiribati		X	1994		X				
*Korea	X		2008	X		X	2008	X	
*Kuwait	X		2008		X	X	2008		X
Kyrgyz Republic	X		2008	X		X	2008		X
Lao, P.D.R.		X	2007	X					
*Latvia	X		2008	X		X	2008	X	
*Lebanon	X		2008	X					
Lesotho	X		2008	X		X	2008	X	
Liberia		X	2008		X				
Libya	X		2008		X				
Lithuania	X		2008	X		X	2008	X	
*Luxembourg	X		2008	X		X	2008	X	
Macedonia, FYR	X		2008	X		X	2007		X
Madagascar	X		2005	X					
Malawi		X	2002		X				
*Malaysia	X		2008	X		X	2008		X
Maldives	X		2008		X	X	2008		X
Mali	X		2007		X	X	2007		X
*Malta	X		2008	X		X	2008		X
Mauritania		X	1998		X				
*Mauritius	X		2008	X		X	2008	X	
*Mexico	X		2008	X		X	2008		X
Moldova	X		2008	X		X	2008	X	
Mongolia	X		2006	X					
Montenegro, Rep. of	X		2008		X				
Montserrat	X		2008		X				
Morocco	X		2008	X		X	2008		X
Mozambique	X		2008	X		X	2008		X
Myanmar	X		2006	X		X	2006	X	

Country	WHAT IS REPORTED								
	BOP					IIP			
	Version		Most Recent Year	Frequency		IIP data	Most Recent Year	Frequency	
	BPM5	Other		Q	A			Q	A
Namibia	X		2008	X		X	2008		X
Nepal	X		2008	X					
*Netherlands	X		2008	X		X	2008	X	
*Netherlands Antilles	X		2007	X					
New Caledonia	X		2008		X				
*New Zealand	X		2008	X		X	2008	X	
Nicaragua	X		2008	X		X	2008		X
Niger	X		2007		X	X	2007		X
Nigeria	X		2008		X	X	2008		X
*Norway	X		2008	X		X	2008		X
Oman	X		2008		X				
*Pakistan	X		2008	X		X	2008		X
*Panama	X		2008	X		X	2008	X	
Papua New Guinea	X		2005		X				
Paraguay	X		2008	X		X	2008	X	
Peru	X		2008	X		X	2008	X	
*Philippines	X		2008	X		X	2008		X
*Poland	X		2008	X		X	2008	X	
*Portugal	X		2008	X		X	2008		X
*Romania	X		2008	X		X	2008	X	
*Russian Federation	X		2008	X		X	2008		X
Rwanda	X		2008		X	X	2008		X
Samoa	X		2007	X					
Sao Tome and Principe	X		2007		X				
Saudi Arabia		X	2008		X				
Senegal	X		2007		X	X	2007		X
Serbia	X		2008	X					
Seychelles	X		2007	X					
Sierra Leone	X		2008		X	X	2008		X
*Singapore	X		2008	X		X	2008		X
*Slovak Republic	X		2008	X		X	2008	X	

Country	WHAT IS REPORTED								
	BOP					IIP			
	Version		Most Recent Year	Frequency		IIP data	Most Recent Year	Frequency	
	BPM5	Other		Q	A			Q	A
Slovenia	X		2008	X		X	2008		X
Solomon Islands	X		2006		X				
Somalia		X	1989		X				
*South Africa	X		2008	X		X	2007		X
*Spain	X		2008	X		X	2008	X	
Sri Lanka	X		2008	X					
St. Kitts & Nevis	X		2008		X				
St. Lucia	X		2008		X				
St. Vincent & the Grenadines	X		2008		X				
Sudan	X		2008	X		X	2008		X
Suriname	X		2008	X					
Swaziland	X		2007		X	X	2007		X
*Sweden	X		2008	X		X	2008		X
*Switzerland	X		2008	X		X	2008	X	
Syrian Arab Republic	X		2007		X				
Tajikistan	X		2008	X					
Tanzania	X		2008		X	X	2008		X
*Thailand	X		2008	X		X	2008		X
Togo	X		2007		X	X	2007		X
Tonga		X	2007	X					
Trinidad & Tobago	X		2007		X				
Tunisia	X		2008		X	X	2008		X
*Turkey	X		2008	X		X	2008		X
Turkmenistan	X		1997	X					
Uganda	X		2008	X		X	2008		X
*Ukraine	X		2008	X		X	2008		X
*United Kingdom	X		2008	X		X	2008	X	
*United States	X		2008	X		X	2008		X
*Uruguay	X		2008	X		X	2008		X
Vanuatu	X		2007	X		X	2006	X	
*Venezuela	X		2008	X		X	2008	X	

Country	WHAT IS REPORTED								
	BOP					IIP			
	Version		Most Recent Year	Frequency		IIP data	Most Recent Year	Frequency	
	BPM5	Other		Q	A			Q	A
Vietnam	X		2008	X					
West Bank and Gaza	X		2007		X				
Yemen, Republic of	X		2008	X		X	2006	X	
Zambia	X		2008		X	X	1985	X	
Zimbabwe		X	1994	X					
Total ²	175	13		116	72	120		49	71

Notes:

* Participated in the 2008 CPIS.

Q – Quarterly

A - Annual

¹ The cutoff date for this report is December 2009.

² In the hardcopy version of the 2009 BOPSY, country pages are provided for 174 economies, of which 118 reported IIP data. Economies report IIP data with varying degrees of comprehensiveness

APPENDIX IV. MEDIUM-TERM WORK PROGRAM OF THE IMF COMMITTEE ON BALANCE OF PAYMENTS STATISTICS, END-DECEMBER 2009

Subject	Issue	Action
TOP PRIORITY		
<i>Balance of Payments and International Investment Position Manual (BPM6)</i>	Implementation of the <i>BPM6</i>	IMF to report on progress in the worldwide adoption of the new standards. <i>BPM6</i> to be distributed to balance of payments correspondents and posted on Committee webpage. IMF to continue to develop processing system for the <i>BPM6</i> . IMF to continue to promote the adoption and implementation of the <i>BPM6</i> through seminars and courses.
<i>BPM6 Compilation Guide</i>	Revision of <i>BPM6 Compilation Guide</i>	IMF to begin drafting new <i>BPM6 Compilation Guide</i> to reflect changes in methodology in the <i>BPM6</i> . Substantially complete first draft to be prepared for 2010 Committee annual meeting. Changes from the <i>BPM5</i> to the <i>BPM6</i> (as summarized in the <i>BPM6</i> Appendix 8 and the <i>BPM5/BPM6</i> conversion matrix) are highlighted for data users and compilers.
Reserve assets	<i>Reserve Template Guidelines</i> to be updated. Advice provided to countries regarding statistical treatment of reserve assets	Report by IMF on progress in updating <i>Guidelines</i> and on other initiatives in the reserve asset area.
Coordinated direct investment survey (CDIS)	Preliminary results of the CDIS	IMF to finalize collection and validation of CDIS data, and be nearly ready to disseminate data and metadata on CDIS. IMF to report on progress by participants in reporting their preliminary results to the IMF.
Coordinated portfolio investment survey (CPIS)	Enhance the quality of disseminated CPIS data	IMF to report on continuing development and implementation of improvements to the quality of CPIS data. IMF to publish results of 2009 CPIS and update results of 2008 CPIS. Report of the IIP/CPIS Data Enhancements Task Force.
International investment position	Further development of world tables on the IIP	Paper by IMF

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, and on the revision of <i>MSITS</i>
Sovereign wealth funds	Report on progress	Paper by IMF
Remittances	<i>Remittances Compilation Guide (RCG)</i>	IMF to report on work on implementing <i>RCG</i> .
Research topics	Report on long-term research program in consultation with Inter-Secretariat Working Group on National Accounts	Paper by IMF
Securities statistics	<i>Handbook on Securities Statistics (SH)</i> , Working Group on Securities Databases and progress on the CSDB	Paper by BIS, ECB, and/or IMF on <i>SH</i> Paper by ECB on CSDB
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 and related statistics	Report by BIS