



Thirty-Fifth Meeting of the IMF Committee on Balance of Payments Statistics

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BOPCOM VM1—21/13
For information

Coordination of the Revision of the *BPM6* with the Revision of Other Statistical Manuals

Prepared by the Balance of Payments Task Team (BPTT)

INTERNATIONAL MONETARY FUND

Coordination of the Revision of the *BPM6* with the Revision of Other Statistical Manuals¹

This report presents an overview of the status of the revision of the international statistical standards. Its focus is on the coordination of the revision of the Balance of Payments and International Investment Position Manual, sixth edition, with other macroeconomic statistics manuals, as well as on the coordination with the other international organizations. It builds on the Progress Report on the International Statistical Standards Update Project (November 2020) updated with information on the latest progress in the revision of the statistical standards.

OVERVIEW OF THE INITIATIVES FOR COORDINATION OF REVISION

1. **In the context of the revision of the macroeconomic statistics manuals, and for coordinating the work on updating the statistical standards between different domains for avoiding duplications and assuring consistency, the STA launched the international statistical standards (ISS) project in March 2020.**

2. **The ISS project team finalized the establishment of 10 ISS task teams, listed in the Annex.** After the establishment, the following adjustments have been made to the terms of reference and the composition of some teams:

- The Globalization Task Team's (GZTT) terms of reference were updated to indicate that it is a joint task team reporting to both the ISWGNA and BOPCOM. The Intellectual Property Products Task Team was disbanded, and its activities were subsumed by the GZTT.
- Government Finance Statistics Experts were added to several task teams, including to the Globalization, Wellbeing and Sustainability, Communication, Balance of Payments, Current Account, Direct Investment, and Financial and Payments Systems Task Teams.

3. **Following the Advisory Expert Group on National Accounts (AEG) meeting, held at the beginning of October 2020, items listed below were added to the scope of the ISS project:**

- The GZTT was tasked with developing guidance notes on the recording of factoryless goods production/producers, trade in value added, and merchanting in the SNA and BPM.
- The Digitalization Task Team (DZTT) was tasked with developing guidance notes on the recording of cloud computing and software subscriptions, digital cultural and recreational products, artificial intelligence, and rewards systems.
- **Following the DZTT proposal to the AEG, it was decided that the treatment of crypto assets will be discussed by the DZTT and the joint SNA/BPM Financial and Payments Systems Task Team (FITT).** As such, the views of balance of payments, national accounts, government finance statistics, and monetary and financial statistics compilers will be taken into account.

¹ Prepared by Tamara Razin and Venkat Josyula (IMF)—BPTT Secretariat, and reviewed by Carlos Sánchez-Muñoz, Chair of the BPTT.

4. Following the meeting of the Committee on Balance of Payments Statistics (Committee) held in October 2020, the following items were added to/removed from the BPM research agenda:

Items added	Items removed	Items split
D.18 Cash pooling in direct investment	B.5 International accounts supporting the analysis of welfare	C.5 Treatment of operating leases, has been split into:
F.15 Debt Concessionality	C.10 FISIM	C.5.1 Statistical impact of the change in treatment of operating leases in business accounting
F.16 Subscription rights	C.11 Invoice values for trade/cif-fob adjustment (now under GZTT)	C.5.2 Economic ownership in the context of financial and operating lease transactions pertaining, in particular to aircrafts
F.17 Treatment of Master Risk Participation Agreements	D.13 Treatment of large construction financed by government	
F.XX Treatment of crypto assets in macroeconomic statistics	F.11 Treatment of electricity forwards	

5. Given the importance of SNA-BPM consistency, the October 2020 Committee meeting agreed to seek AEG endorsement for additional items with an impact on the SNA, even beyond the work of the joint task teams. DITT also consults with the OECD Working Group on International Investment Statistics (WGIIS) on all DITT-drafted guidance notes. The list of guidance notes to be submitted to AEG is presented below.

Table 1. List of Guidance Notes for Submission to AEG for Review/Approval

Topic	Task Team	Comments
B.1 Nationality concept	BPTT	
B.6 Sustainable finance	BPTT	
B.8 Recording citizenship by investment programs	BPTT	
B.11 Other economic flows on insurance and pension reserves	BPTT	
B.12 Treatment of illiquid equity in international organizations in the IIP	BPTT	
C.4 Merchanting and factoryless producers; clarifying negative exports in merchanting; Merchanting of services	CATT	Drafting of the GN will be coordinated with the relevant GZTT drafting team.
C.5.1 Statistical impact of the change in treatment of operating leases in business accounting	CATT	
C.5.2 Economic ownership in the context of financial and operating lease transactions pertaining, in particular, to aircrafts	CATT	
C.6 Trade in services classification	CATT	
C.8 Recording penalties and fines	CATT	
D.2 Valuation of unlisted equity	DITT	
D.5 Eliminating imputations for entities owned or controlled by general government for fiscal purposes	DITT	
D.16 Treatment of retained earnings	DITT	
D.17 Identifying super dividends and the borderline between dividends and withdrawals of equity	DITT	
F.3 Reverse transactions	FITT	
F.4 Financial derivatives by type	FITT	
F.9 Valuation of loans (fair value)	FITT	
F.10 Treatment of cash collateral	FITT	
F.13 Measurement of margins on buying and selling of financial instruments	FITT	
F.14 Treatment of factoring transactions	FITT	

6. From the beginning of the RSS project, some risks have been observed in the coordination of the revision that resulted in delays in reviewing the guidance notes. Particularly:

Risk	Description	Mitigating Factor	Period Risk Materialized
Delays in review of guidance notes	Several FITT guidance notes have been circulated to the SNA Secretariat for review by the AEG. Given global work pressures there is a risk that these will not be reviewed within the prescribed timeline.	Following initial delays in circulating BOPCOM guidance notes, it is expected that the AEG will be able to review within the prescribed timeline.	November 2020
AEG input on guidance notes	Some GNs were circulated to the AEG prior to the BOPCOM meeting in October, but due to time constraints were not forwarded to the AEG members	It was agreed that these guidance notes could be circulated for global consultation without AEG review.	Q4 2020

Annex. ISS Task Teams

Task Team	Chair	Secretariat	Statistical Domains Represented	Reporting to:
Balance of Payments (BPTT)	Carlos Sánchez-Muñoz	IMF	BOP, NA, and GFS	BOPCOM
Communication (CMTT)	Sanjiv Mahajan	IMF, World Bank, UNSD	NA, BOP, and GFS	AEG/ISWGNA
Current Account (CATT)	Maria Borga and Lena Frej-Ohlsson	IMF and Eurostat	BoP, NA, and GFS	BOPCOM
Digitalization (DZTT)	Eric Strassner and Sri Soelistyowati	Eurostat	NA	AEG/ISWGNA
Direct Investment (DITT)	Maria Borga and Krzysztof Makowski	IMF and OECD	BOP and GFS	BOPCOM
Financial and Payments Systems (FITT)	Artak Harutyunyan and Celestino Girón	IMF	BOP, NA, GFS, and MFS	AEG/ISWGNA and BOPCOM
Globalization (GZTT)	Michael Connolly and Paul Roberts	IMF	NA, BOP, and GFS	AEG/ISWGNA and BOPCOM
Informal Economy (IETT)	Chris Mukiza and Thomas Alexander	IMF and UNSD	NA, BOP, Labor Statistics	AEG/ISWGNA and BOPCOM
Islamic Finance (IFTT)	Mounir Rhandi and Amina Khasib	UNSD and ESCWA	MFS, BOP, and NA	AEG/ISWGNA and BOPCOM
Wellbeing and Sustainability (WSTT)	Carol Coy and Catherine van Rompaey	OECD	NA, GFS, and SEEA	AEG/ISWGNA