



Joint Thirty-Ninth Meeting of the
IMF Committee on Balance of Payments Statistics
and Twenty-First Meeting of the Advisory Expert
Group on National Accounts

Inter-secretariat
Working Group on
National Accounts

Washington, D.C.
October 18–20, 2022

BOPCOM—22/01b
SNA/M4.22/00b
For discussion

Agenda

Wednesday October 19, 2022

9:00 a.m. – 5:30 p.m. (EST)

Chair: Bert Kroese, BOPCOM Chair and Herman Smith, ISWGNA

HQ2-01A-280A&B

Chair: Bert Kroese, BOPCOM Chair

9:00–9:15 a.m.	Opening Remarks		Bert Kroese, Director, Statistics Department, IMF, and Chair of the BOPCOM Herman Smith, ISWGNA Chair
<i>Financial and Payment Systems Task Team (FITT)</i>			
9:15 –10:15 a.m.	1. The Recording of Crypto Assets in Macroeconomic Statistics (F.18)	<i>FITT</i>	<i>Paper for discussion (BOPCOM—22/05 & 22/05.1) (SNA/M4.22/15 & 22/15.1)</i>
	<i>An earlier version of this paper was discussed at the joint AEG/BOPCOM meeting in March 2022. Following the suggestions of the AEG/Committee, this updated version presents three options for the treatment of crypto assets without corresponding liability designed to act as a general medium of exchange (CAWLM), for discussion and final endorsement. Important updates to the paper include: (i) criteria for an asset (in this case CAWLM) to be considered money and in turn a financial asset; and (ii) the outcomes of consultation with the GFS community.</i>		
10:15–11:15 a.m.	2. Treatment of Factoring Transactions (F.14)	<i>FITT</i>	<i>Paper for discussion (BOPCOM—22/06 & 22/06.1) (SNA/M4.22/16 and 22/16.1)</i>
	<i>The global consultation of this paper is complete, and it is being presented for final endorsement. Factoring transactions are widely used in domestic and international trade as part of supply chain finance. The aim of this paper is to propose sound options for the statistical treatment of different modalities of factoring in the national accounts and external sector statistics. The recommendations in this paper apply only to cases when there is a specialized entity (financial intermediary) acting as a factor. Factoring carried out by nonfinancial parties are not within the scope of this paper.</i>		
11:15–11:30 a.m.	Coffee break		

11:30 a.m.–12:30 p.m.	3. A holistic assessment of the treatment of concessional lending in macroeconomic statistics: Editors' Note related to F.15	SNA Editors	Paper for discussion (BOPCOM—22/07) (SNA/M4.22/17)
	<i>This Issues Note discusses a holistic treatment of concessional lending in macroeconomic statistics. It was motivated by the discussion of GN F.15 “Debt Concessional” at the March 2022 joint BOPCOM/AEG meeting. The majority view at that meeting was to continue to record concessional loans at their face/nominal value at inception with no further imputation and continuing to record the transfer element as a memorandum item/supplementary information (Option A/A1). However, there were concerns that this would create an inconsistency with the recording of other concessional lending in the 2008 SNA and BPM6. This issue note addresses this concern.</i>		
12:30–12:45 p.m.	Group Photo (TBD)		
12:45–2:15 p.m.	Lunch (HQ1-C-731)		
Chair: Herman Smith, ISWGNA			
Direct Investment Task Team (DITT)			
2:15–3:00 p.m.	4. Identifying Super dividends and Establishing the Borderline between Dividends and Withdrawal of Equity in the Context of Direct Investment: Editors' Note related to D.17	SNA Editors	Paper for discussion (BOPCOM—22/08) (SNA/M4.22/18)
	<i>GN D.17 was discussed in the February 2021 BOPCOM meeting and Option A3 (i.e., discard the concept of super dividends for foreign direct investment enterprises and treat any distributions of accumulated reserves from ordinary earnings as dividends) was approved, but the Committee also requested consultation with the AEG to ensure consistency with national accounts. The AEG consultation took place in May 2022. Some AEG members did not support Option A3 approved by the Committee. Consequently, the attached note has been prepared by the SNA and BPM editorial teams in line with the procedure outlined for resolving differences of opinion between the AEG and the Committee. The note considered five possible options and reaffirms the position formerly adopted by the Committee (adopting Option A3 for DI equity income), while it also suggests adopting Option A2 (i.e., adopt the treatment in ESA 2010, which is to treat any distribution out of accumulated reserves as a superdividend) for other equity income.</i>		

3:00–3:45 p.m.	5. Treatment of Retained Earnings (D.16)	DITT	Paper for discussion (BOPCOM—22/09) (SNA/M4.22/19)
	<i>This paper presents the methodological and practical challenges currently faced by compilers and analysts when dealing with the following issues relating to reinvestment of earnings (RIE) in direct investment enterprises (DIEs) and investment funds. An earlier version of the paper was discussed at the joint AEG/BOPCOM meeting in October/November 2021. At that time, the AEG/BOPCOM asked for the paper to be revised by incorporating comments received on all issues raised and by widening its scope to include the national accounts perspective in consultation with the IMF Statistics Department’s Real Sector Division.</i>		
3:45–4:00 p.m.	Coffee break		
Digitalization Task Team (DZTT)			
4:00–4:45 p.m.	6. Cloud Computing (DZ.8)	DZTT	Paper for discussion (BOPCOM—22/10) (SNA/M4.22/20)
	<i>This paper recommends definitions of cloud computing and of a broader aggregate containing computing services accessed remotely over a network. It, then, briefly reviews the economics of the adoption and impact of cloud computing technology on investment and international transactions. It considers the issues arising from cloud computing for the measurement of investment by the users and suppliers of this service, the measurement of prices and volumes, and the measurement of international transactions. Following the discussion and approval of the AEG/Committee, the GN will be posted for global consultation.</i>		
4:45–5:30 p.m.	7. Non-Fungible Tokens (NFTs) (DZ.10)	DZTT	Paper for discussion (BOPCOM—22/11) (SNA/M4.22/21)
	<i>This GN discusses and provides guidance on the recording of NFTs in macroeconomic statistics because the issues concerning fungible types of crypto assets are sufficiently complex and quite different from non-fungible tokens. Following the discussion and approval of the AEG/Committee, the GNs will be posted for global consultation.</i>		
5:30 p.m.	Close of day		

<p style="text-align: center;"><u>Thursday, October 20, 2022</u></p> <p style="text-align: center;">9:00 a.m.–6:00 p.m. (EST)</p> <p style="text-align: center;">Co-Chairs: Bert Kroese, BOPCOM Chair, and Herman Smith, ISWGNA</p> <p style="text-align: center;">HQ2-01A-280A&B</p>			
<p style="text-align: center;">Chair: Herman Smith, ISWGNA</p>			
<p style="text-align: center;"><i>Wellbeing and Sustainability Task Team (WSTT)</i></p>			
9:00–10:00 a.m.	8. Distinction between Recording a Tax, a Services Transaction, and Similar Boundary Cases (WS.14)	WSTT	Paper for discussion (BOPCOM—22/12) (SNA/M4.22/22)
	<p><i>This paper discusses possible changes to the guidance on recording compulsory payments that are mandated to take place by government as part of government policy and regulation. A key issue discussed in the paper is the delineation between when an administrative payment should be recorded as a tax and when as nontax revenue. Other issues covered in the paper include: What payments should be included under rent? How should right-to-use natural resource leases be treated? Should certain transactions mandated by government regulation be rearranged through government? Following the discussion and approval of the AEG/Committee, these GNs will be posted for global consultation.</i></p>		
10:00–10:15 a.m.	Coffee break		
10:15–11:15 a.m.	9. Emission Permits (WS.7)	WSTT	Paper for discussion (BOPCOM—22/13) (SNA/M4.22/23)
	<p><i>Currently, it is recommended to record all emissions trading schemes (ETS) as taxes on production, in part because the SNA notes that these permits do not involve the use of a natural asset. This paper re-examines the issue and proposes two alternative methods of recording: (i) sales of non-produced assets or (ii) rent payable for the right to use a non-produced asset (i.e., the atmosphere, for emitting greenhouse gases). This GN has been subject to global consultation and the results of the consultation will be presented to the AEG/Committee.</i></p>		
11:15 a.m.–12:15 p.m.	10. Recording of Provisions (WS.9)	WSTT	Paper for discussion (BOPCOM—22/14) (SNA/M4.22/24)
	<p><i>This paper provides a holistic view on the treatment of provisions (all types including environmentally related provisions) in macroeconomic statistics and makes proposals for their treatment and recording in the updated BPM/SNA. This GNs has been subject to global consultation and the results of the consultation will be presented to the AEG/Committee.</i></p>		
12:15–2:00 p.m.	Lunch (HQ1-C-731)		

Chair: Bert Kroese, BOPCOM Chair			
Communications Task Team (CMTT)			
2:00–2:45 p.m.	11. Terminology and Branding of the Economic Accounting Statistical Standards (Revised note and final endorsement) (CM.2)	CMTT	<i>Paper for discussion</i> (BOPCOM—22/16) (SNA/M4.22/25)
	<i>The paper makes several proposals to harmonize the terminologies across economic accounting statistical standards, suggests alternative terms and expanded definitions where appropriate, and improves the branding of the economic accounting statistical standards to enhance the comprehension and usability of the statistics and statistical standards. An earlier version of the paper was presented to the joint AEG/BOPCOM meeting in March 2022. This updated version, incorporating the suggestions of the AEG/BOPCOM and global consultation, is presented for discussion and final endorsement. This GN, an updated version incorporating the suggestions of the AEG/BOPCOM and global consultation, is presented for approval prior to undertaking user community testing.</i>		
2:45–3:30 p.m.	12. An Assessment Framework to Measure Alignment with the Economic Accounting and Statistical Standards (Results of Testing) (CM.1)	CMTT	<i>Paper for discussion</i> (BOPCOM—22/15 & 22/15.1) (SNA/M4.22/26 & 22/26.1)
	<i>The paper proposes an alignment framework that countries can use to assess the alignment of their respective statistical programs with the recommendations of economic accounting statistical standards. An earlier version of the paper was presented to the joint AEG/BOPCOM meeting in March 2022. This updated version, which includes the results of the testing of alignment frameworks with a select group of users, is presented for discussion and final endorsement.</i>		
3:30–3:45 p.m.	Coffee break		

Draft Annotated Outlines for Selected 2025 SNA and BPM7 Chapters			
3:45–5:00 p.m.	13. Key issues identified in the written consultation SNA Chapter 21/BPM Chapter 20, Communicating the Accounts SNA Chapter 22/BPM Chapter 16, Digitalization SNA Chapter 23/BPM Chapter 15, Globalization SNA Chapter 26/BPM Chapter 17, Islamic Finance	SNA/BPM editors	Paper for discussion (BOPCOM—22/17) (SNA/M4.22/27)
	<i>This presentation will cover the key issues from the draft annotated outlines of four BPM7/2025 SNA chapters, based on the written consultation conducted with the AEG/Committee prior to the meeting. Following the discussion and approval of the AEG/Committee, these outlines will be posted for global consultation.</i>		
5:00–6:00 p.m.	14. Discussion of Main Conclusions from First Day of the Joint Meeting		Paper for discussion (BOPCOM—22/18) (SNA/M4.22/28b)
6:00 p.m.	Close of meeting		