



# Thirty-First Meeting of the IMF Committee on Balance of Payments Statistics

Washington, D.C.  
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BOPCOM—18/12  
For discussion

## Research Agenda for External Sector Statistics



## Research Agenda for External Sector Statistics<sup>1</sup>

*This paper (i) provides an overview of the implementation of the research agenda of the IMF's Balance of Payments Statistics Committee (Committee); (ii) proposes new topics for inclusion in the research agenda; and (iii) identifies topics to be addressed in the coming year, for the 2019 Committee meeting.<sup>2</sup>*

### I. BACKGROUND

1. At 2016 Committee meeting, an ESS research agenda was agreed that was presented in the paper *Scope of the Research Agenda for External Sector Statistics* (see [BOPCOM 16/08](#)). The research agenda covers issues connected with the balance of payments/IIP methodological framework, requiring either clarification or more structural changes to *BPM6*. The updated list of research topics in external sector statistics is presented in Appendix I.

2. This paper is structured in three parts: the first part discusses progress in implementing the topics included in the short-term research agenda (to be addressed/worked upon by the 2018 Committee meeting); the second part presents new topics suggested to be included in the research agenda; and the third part introduces the topics to be addressed by the 2019 Committee meeting. The list of new topics will be supplemented, where necessary, with topics that might arise from the discussion during the 2018 Committee meeting.

### II. PROGRESS IN IMPLEMENTING THE 2018 RESEARCH AGENDA

3. Progress on the **13** research topics to be addressed by the 2018 Committee meeting is presented in Table 1. **Five** topics were discussed with Committee members via written procedure.

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<sup>2</sup> This paper is presented in two parts on the agenda of the Committee's 2018 meeting.

**Table 1. Progress in Implementing the Research Topics Identified to be Addressed Before/For the 2018 Committee Meeting**

	<b>Topic</b>	<b>Progress</b>
1.	Measuring digital economy in ESS (including trade finance)	<p>The papers prepared “Report of the Task Force on Digital Trade” (see BOPCOM 18/07) and “Measuring the Trade Finance in External Sector Statistics” (see BOPCOM 18/05) are discussed at this meeting.</p> <p>In addition, STA drafted a Board Paper on Measuring the Digital Economy in Macroeconomic and Financial Statistics that was presented to the IMF Executive Board of Directors in March 2018. The paper included also the contribution of the STA’s Balance of Payments Division on measuring digital trade and remittances in external sector statistics.</p>
2.	Measurement of informal economy in ESS	<p>A Task Force on Informal Economy (TFIE) was established at the end of 2017 comprising representatives of five international organizations (IOs) and 10 countries with experience covering data on the informal economy in external sector and national accounts statistics, with the IMF chairing and providing secretarial support. The progress report of the TFIE is tabled for discussion at this meeting (see BOPCOM 18/10). A survey of all IMF members was conducted gathering information on practices in compiling data on the informal economy; 112 responses from 94 economies were received and the results are summarized in the BOPCOM paper. The TFIE members prepared 15 reports on their country practices, which are also included in the BOPCOM paper.</p> <p>The TFIE will present its final report at the 2019 meeting of the Committee.</p>
3.	Compilation of data on special purpose entities in ESS	<p>The Task Force on SPEs (TFSPEs) has concluded its work. The final Report of the TFSPEs is tabled for discussion at this meeting (see BOPCOM 18/03).</p>
4.	Measurement issues of global value chains (GVC) in external sector statistics	<p>Following the decision of 2017 Committee meeting, a working group on balance of payments statistics relevant for GVC (WG-GVC) analysis was established, chaired by the Organisation for Economic Co-operation and Development (OECD), and comprising representatives of four countries and three IOs. The WG-GVC developed a list of aggregates and indicators in the <i>BPM6</i> framework relevant for developing statistics on GVCs. The first report of the WG-GVC, including the proposed list of indicators, is discussed at this meeting (see BOPCOM 18/04).</p>
5.	Recording of cryptocurrencies in external sector statistics	<p>The paper “Treatment of Crypto Assets in Macroeconomic Statistics” drafted by the IMF is discussed at this meeting (see BOPCOM 18/11).</p>

	<b>Topic</b>	<b>Progress</b>
6.	Treatment of transactions in intellectual property products	Eurostat drafted the paper “Measurement Challenges Associated to Trade in Intellectual Property Products” tabled for information at this meeting (see BOPCOM 18/22). The need for further work on treatment of intellectual property products to be decided.
7.	Treatment of gaming, sport events, and sport players in external sector statistics	Two separate papers were drafted.  The first paper “Statistical Treatment of Sport Events and Sport Players in External Sector Statistics” drafted by the Central Bank of Brazil was discussed with Committee members via written procedure and a short summary on the discussion’s results together with the updated paper based on Committee’s comments is presented at this meeting (see BOPCOM 18/13b).  The second paper “Estimating Casino Revenues and Transfers for the Philippines Balance of Payments” drafted by the Banco de Philippines comprises the Philippines’ experience in compiling data on gaming. As the paper does not raise any methodological issues, it is presented to the Committee for information (see BOPCOM 18/23).
8.	Confronting methods used in national accounts and international accounts for estimating FISIM in external sector statistics	The paper drafted by the “U.S. Bureau of Economic Analysis: Developing Estimation of Trade in FISIM Methodology Consistent with National Account Methodology” is presented to the Committee for information (see BOPCOM 18/18).
9.	Sectoral classification of international organizations	A clarification note was drafted by STA and discussed with the Committee members via written procedure. Thereafter it was also discussed with the Intersecretariat Working Group on National Accounts (ISWGNA). It was not discussed with the Government Finance Statistics Committee (GFSC) as it is currently in the process of revamping, with the appointment of new members yet to be finalized. The final note was posted on the <i>BPM6</i> web page at <a href="https://www.imf.org/external/bopage/bopindex.htm">https://www.imf.org/external/bopage/bopindex.htm</a> .
10.	Treatment of freight and insurance associated to merchanting and the geographical allocation of net merchanting	The paper “Treatment of Freight and Insurance Associated to Merchanting and the Geographical Allocation of Net Merchanting” drafted by Deutsche Bundesbank was discussed via written procedure and a short summary on the results of the discussion together with the updated paper based on Committee’s comments is presented at this meeting (see BOPCOM 18/13a).
11.	Guidance on recording of irrevocable payment	The note “Statistical Treatment of Irrevocable Payment Commitments” was drafted by the European Central Bank (ECB) and discussed with the Committee members via written procedure. The note was not

	<b>Topic</b>	<b>Progress</b>
	commitments	posted on the IMF website as it discusses an instrument relevant only for euro area member states.
12.	Identifying dividends and superdividends	The paper “Recording of Direct Investment, Reinvested Earnings, and Dividends: the Case of Superdividends” drafted by the OECD was discussed via written procedure and a short summary on the results of the discussion together with the updated paper based on Committee’s comments is presented at this meeting (see BOPCOM 18/13c).
13.	ESS-specific issues in economies that use as legal tender a currency issued by a foreign monetary authority.	The paper “ESS-specific Issues in Economies Using as Legal Tender a Currency Issued by a Foreign Monetary Authority” drafted by the IMF is discussed at this meeting (see BOPCOM 18/15).

4. Following the 2017 Committee meeting, six clarification notes have been finalized and posted at <http://www.imf.org/external/bopage/bopindex.htm>. This includes “Remaining Maturity Classification—Clarification of the Definition”, “The Statistical Treatment of Negative Interest Rates – Clarification”, “Clarification on Reserve Position in the IMF”, “Recording of Central Bank Swap Arrangements in Macroeconomic Statistics”, “Statistical Treatment of Precious Metals Accounts”, and “Sectoral Classification of International Organizations”.

### **III. NEW TOPICS PROPOSED FOR THE RESEARCH AGENDA**

5. As agreed at the 2017 Committee meeting the IMF has continued gathering research topics from ESS training courses, technical assistance missions. Table 2 includes new topics proposed to be included in the research agenda. The proposed topics only require clarification of the treatment recommended in *BPM6*.

**Table 2. Topics Suggested to be Added to the Research Agenda**

No	Short Description of Topic	Why There is Need to Consider/Reconsider the Topic	Recommended Action	Decision on Implementation
1.	Treatment of cash collateral	<p><b>Netherlands:</b> The recommended treatment of cash collateral (repayable margin) in <i>2008 SNA</i> and <i>BPM6</i> differ from the treatment in <i>European System of Accounts (ESA2010)</i>. There is need in aligning the methodological approach for reaching full consistency between the rest of the world account and the balance of payments/international investment position.</p> <p>Note: De Nederlandsche Bank prepared a paper on Treatment of Cash Collateral and suggested including it for discussion at 2018 Committee meeting. The paper proposed changes to the <i>BPM6</i>'s and <i>SNA08</i>'s treatment of cash collateral with a view to aligning it with the one in the <i>ESA10</i>. The paper benefitted from STA internal intra-departmental consultations and was sent to the Committee members for comments via written procedure. Comments unanimously supported the inclusion of the item in the research agenda and postponement of the discussion until the update of <i>BPM6</i>, on the grounds that it goes beyond a simple clarification and would require a change in the text of the <i>BPM6</i> (and also impact other Manuals).</p>	To be considered when the <i>BPM6</i> update be launched	
2.	Treatment of negative equity position in direct investment (DI) for unlisted companies	<p><b>IMF:</b> There is no explicit guidance in <i>BPM6</i> on recording in DI of negative equity position for unlisted companies. Do we need to replace the negative position value with zero? Some countries record negative DI positions of unlisted equity. Also, Eurostat and ECB allow negative values for DI</p>	BOPCOM papers/ Guidance	2019

No	Short Description of Topic	Why There is Need to Consider/Reconsider the Topic	Recommended Action	Decision on Implementation
		<p>equity positions in IIP.</p> <p>Some relevant questions in this context are: are they the result of a market valuation? Do they make sense economically? If a comparable listed entity cannot have a market value below zero, can an unlisted entity have a negative equity position?</p> <p>Note: As <i>2008 SNA</i> provides no guidance on this, some national financial accounts compilers are replacing negative stock positions of unlisted equity with zero (for example, Portugal).</p>		
3.	Insurance services: CIF/FOB adjustment (inconsistencies in the suggested approach /terminology)	<p><b>IMF:</b> Following the <i>BPM6</i> paragraph 10.34, to convert imports from CIF to FOB, the value of freight and <b>insurance premiums</b> incurred from the frontier of the exporting country to the border of the importing country should be deducted.</p> <p>The <i>ESA 2010 /2008 SNA</i> suggest deducting only the service component when implementing a CIF/FOB adjustment. For instance, paragraph 1.98, <i>ESA 2010</i> states: “Imports and exports of products shall be recorded at border values. Total imports and exports are valued at the exporter’s customs frontier, or free on board (FOB). Foreign transport and <b>insurance services</b> between the importer’s and the exporter’s frontiers are not included in the value of goods but are recorded under services. As it may not be possible to obtain FOB values for detailed product breakdowns, the tables containing details on foreign trade show imports valued at the</p>	BOPCOM papers/ Guidance on coordination with ISWGNA	2019



No	Short Description of Topic	Why There is Need to Consider/Reconsider the Topic	Recommended Action	Decision on Implementation
		importer's customs frontier (CIF value). All transport and <b>insurance services</b> to the importer's frontier are included in the value of imported goods. As far as these services concern domestic services, a global FOB/CIF adjustment is made in this presentation."		
4.	Treatment of reserve assets in balance of payments and IIP for member states within a centralized currency union	<b>IMF:</b> The treatment of reserve assets in the balance of payments and IIP of currency unions such as CEMAC and WAEMU has raised many questions and the current recommendations from <i>BPM6</i> , Appendix 3 may need to be revisited.	BOPCOM papers / Clarification note	2019/2020

6. Considering the increased workload related to the research agenda to be addressed up to 2019 Committee meeting, it is proposed to postpone the implementation of some items initially planned to be addressed in 2019. The list of topics and the proposed new timeframe are presented in Table 3 below.

**Table 3. Proposed New Timeframe for the Select Research Topics from the 2019 Research Agenda**

	<b>Topic</b>	<b>Recommended Action in 2018 Research Agenda</b>	<b>Proposed New Timeframe for Implementation</b>
1.	Treatment of travel packages, health-related travel, and taxes and fees on passengers' tickets	BOPCOM paper/clarification note prepared by IMF staff and/or volunteer Committee member(s).  Note: Following the 2017 Committee meeting's decision, the topic combines two topics listed in the research agenda: (i) Treatment of health-related travel and (ii) Travel/ Passenger transport.	2020
2.	Treatment of hybrid insurance and pension products in ESS	BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)	2020
3.	Public-private partnership (PPP) investment	BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)	2020
4.	Treatment of Islamic finance in ESS	BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)	2020
5.	Economic ownership in the context of financial and operating lease transactions pertaining, in particular, to aircrafts	BOPCOM paper/clarification note prepared by IMF staff and/or volunteer Committee member(s)	2020
6.	Measurement of margins on buying and selling of financial instruments	BOPCOM paper/clarification note prepared by IMF staff and/or volunteer Committee member(s)	2020

#### **IV. TOPICS FOR THE 2019 RESEARCH AGENDA**

7. Table 4 below includes topics from the research agenda proposed to be included in the working agenda for 2019 (i.e., up until the 2019 Committee meeting).

**Table 4. Tentative List of Research Topics to be Addressed Before/For the 2019 Committee Meeting**

	<b>Topic</b>	<b>Priority</b>	<b>Action and Mode of Implementation</b>	<b>Timeframe</b>	<b>Deliverable</b>	<b>Who Prepares Proposal for the Committee</b>
1.	Measurement of informal economy in ESS	H	BOPCOM paper	2018/2019	Final report of the TFIE posted on dedicated webpage	IMF The research started in 2017 (BOPCOM 17/08 and 18/10)
2.	Global value chains (GVCs): identify the role of multinational enterprises in current account transactions	H	BOPCOM paper	2018/2019	Final report of the OECD-IMF working group posted on dedicated webpage	OECD/IMF The research started in 2018 (BOPCOM 18/04)
3.	Treatment of transactions in intellectual property products	M	Guidance		To be decided	
4.	Investment income; reinvested earnings of investment funds: treatment and coverage  Note: the topic combines two items from the research agenda: (Investment income, reinvested earnings of investment funds and (ii) The undistributed earnings of portfolio investment in investment funds	M	BOPCOM paper	2019	Paper/ Guidance posted on dedicated webpage	

	<b>Topic</b>	<b>Priority</b>	<b>Action and Mode of Implementation</b>	<b>Timeframe</b>	<b>Deliverable</b>	<b>Who Prepares Proposal for the Committee</b>
	are imputed as being payable to the owners and then reinvested in the funds. Should the investment funds that are subject to this treatment be narrowed?					
5.	Treatment of income on other equities (IOs capital)	M	Paper/Guidance	2019	Guidance posted on dedicated webpage	ECB
6.	Treatment of negative equity position in direct investment (DI) for unlisted companies	M	Paper/Guidance	2019	Paper/ Guidance posted on dedicated webpage	IMF
7.	Insurance services: CIF/FOB adjustment (inconsistencies in the suggested approach /terminology)	M	Paper/Guidance	2019	Paper/ Guidance posted on dedicated webpage	IMF
8.	Treatment of reserve assets in balance of payments and IIP for member states within a centralized currency union	M	Paper/Guidance	2019/2020	Paper/ Guidance posted on dedicated webpage	IMF
9.	Analysis of net errors and omissions	M	Paper/Guidance	2019	Paper/ Guidance posted on dedicated webpage	China
10.	Classification of letter of credit in ESS	M	Paper/Guidance	2019	Paper/ Guidance posted on	BIS and Germany

	<b>Topic</b>	<b>Priority</b>	<b>Action and Mode of Implementation</b>	<b>Timeframe</b>	<b>Deliverable</b>	<b>Who Prepares Proposal for the Committee</b>
					dedicated webpage	

\*H-high; M-medium.

***Questions for the Committee:***

1. *What are the Committee members' views on the progress achieved on the research agenda since the last meeting?*
2. *What are Committee member' views on the new topics proposed to be included in the research agenda? Do Committee members have other proposals for new topics to be included in the research agenda?*
3. *Do Committee members agree with the proposed topics to be addressed in the next year, (i.e., for the 2019 Committee meeting) and the postponement of selected items to leave space to more urgent ones?*

### Research Topics in External Sector Statistics (Updated List)

No	Short Description of Topic	Why There is Need to Consider/Reconsider the Topic	Recommended Action	Decision on Implementation/Comments
	<b>Clarification/guidance</b>			
1.	Estimation of remaining maturity debt instruments	<p><b>France:</b> A conceptual framework existence but some area need more guidance, especially for encouraging “second best” approaches.</p> <p><b>Eurostat:</b> Mismatches in remaining maturities of debt instruments between the assets and the liabilities sides of the IIP might affect financial stability of a country. Detailed data on remaining maturities are needed. Additional elaboration should be provided on compilation of remaining maturities.</p>	BOPCOM papers	2015/2016  Completed Clarification note posted on BOPCOM website
2.	Recording negative interest	<p><b>Russia:</b> Presently the number of banks that obtain funding at a negative interest rate is growing. We have not come across any formally set out position of international organizations on the issue.</p> <p><b>Japan:</b> Should the amounts receivable or payable resulting from negative interest rates be recorded (a) in primary income, (b) in financial services, or (c) in primary income/financial services according to contracts between parties? Reference: for primary income, see <i>BPM6</i>, paragraphs 11.3 and 11.46; for financial services, see <i>BPM6</i>, paragraph 10.118.</p> <p><b>France:</b> More and more country and more instruments with negative interest rates.</p>	BOPCOM paper; discussion started at 2016 BOPCOM meeting (BOPCOM 16/05)	2017  Completed Clarification note posted on BOPCOM website
3.	Treatment of digital economy in ESS	<p><b>USA:</b> Enhance guidance on the classification of transactions related to the digital economy, such as ICT, cloud computing, and mobile applications. Committee could also develop guidelines for a supplemental presentation of statistics related to the digital economy, for example, bringing together statistics on ICT goods and services.</p> <p>Recent years have seen rapid growth in e-commerce and the rise of the so-called sharing economy and digital matching firms (defined as firms that use technology to match service providers and customers in Rudy Telles Jr. (June 3, 2016), “<a href="#">Digital Matching Firms: New Definition in the ‘Sharing Economy’ Space</a>” (ESA Issue Brief #01-16)). Existing methods for measuring the</p>	Possible Committee WG in collaboration with ISWGNA	2017/2018  Ongoing The paper “Measuring Digital Trade: Results of OECD/IMF

No	Short Description of Topic	Why There is Need to Consider/Reconsider the Topic	Recommended Action	Decision on Implementation/Comments
		<p>traditional economy may not be sufficient for understanding an increasingly digital economy.</p> <p><b>Germany:</b> More guidance on how to capture the increasing various internet activities, such as gambling, use of bitcoins, crowdfunding, FinTechs might be needed.</p> <p><b>Philippines:</b> Recommendations on how online purchases of goods can be adequately captured. Given the proliferation of goods being offered online, it has become difficult to adequately capture such transactions.</p> <p><b>Russia:</b> Presently, digital economy is developing rapidly, the variety of kinds of foreign economic activities is growing in this area (electronic money, cloud technologies, e-commerce). It is necessary to develop guidance with proposals on accounting for new types of transactions and stocks. The need to improve the quality of external sector statistics is evident against the background of the growing volume of transactions in the area of digital technologies.</p> <p><b>Eurostat:</b> Do the existing BOP/IIP methodologies capture adequately the fast developing institutional and technological features of the current economies in terms of shared or digital economies? Shared economy (e.g., airbnb) and its still more intensive digitalization might create certain data gaps. Existing BOP/IIP statistics might not be able to record correctly all the transactions. First attempts to collect data from collaborative platforms are being made. Methodological and data compilation guidelines are therefore needed.</p> <p><b>ECB:</b> More guidance on how to capture the various growing internet activities, such as gambling, use of bitcoins, crowdfunding, FinTechs, Cloud Storage, etc. might be needed.</p> <p><b>OECD:</b> Little information currently exists in the area of digital trade, raising concerns about exhaustiveness of trade estimates (and GDP). A related topic concerns the rules of economic ownership for intellectual property and other knowledge based capital, particularly in the context of intra-firm transactions (and fiscal optimization). Digital trade, including trade in data, has increased significantly. Policy demand for indicators including at the G20 level is growing. Initial proposals for e.g. ICT services and <i>potentially</i> ICT-enabled services have been made, and are used, often in the absence of better alternatives.</p> <p>A conceptual measurement framework for “digital trade”, consistent with BOP, is needed that</p>		<p>Stocktaking” was discussed at 2017 Committee meeting (BOPCOM 18/07);</p> <p>The paper “Measuring the Trade Finance in ESS” is discussed at 2018 Committee meeting (BOPCOM 18/05).</p>

No	Short Description of Topic	Why There is Need to Consider/Reconsider the Topic	Recommended Action	Decision on Implementation/Comments
		captures all these dimensions.		
4.	Compilation of data on special purpose entities (SPE) in ESS	<p><b>IMF:</b> Cross-border statistics on SPEs' activities have become essential for market analysts and policy makers in analyzing cross-border interconnectedness. The recent global crisis has focused more attention on SPEs' activities. However, in the absence of granular data on SPEs, it is difficult to assess the complex interlinkages between offshore entities, banking systems, and domestic economies. If not properly accounted, the activities of SPEs may also distort the understanding of domestic and/or regional vulnerabilities. There is need in improving the coverage of SPEs in ESS.</p> <p><b>Netherlands:</b> We would like (re)consider whether we could follow up on the initial work under <i>BPM6</i> to identify pass through capital in BOP/IIP. You might wonder whether the way supplementary data are compiled should be left to national authorities or whether more guidance is needed. Pass-through capital is likely to increase in parallel with globalization. Identifying it is likely to serve our users.</p>	BOPCOM papers	2017/2018  Completed A Task Force on SPEs (TFSPEs) was established in 2017. The progress report and action plan of the TFSPEs were discussed at 2017 Committee meeting (BOPCOM 17/07). The final report of the TFSPEs is tabled for discussion at 2018 Committee meeting (BOPCOM 18/03).
5.	FISIM	<p><b>BPM6 Research Agenda (paragraph 1.43):</b> How the risk and maturity structure of the financial assets and liabilities should be taken into account in the reference rate for calculations of financial services indirectly measured.</p> <p><b>IMF:</b> Following the <i>ESA 2010</i>, no FISIM is calculated for central banks and the output of central banks is estimated as a sum of costs. This approach differs from the <i>2008 SNA</i> (which recommends estimation of FISIM output of central banks - some of this could result from its cross-border positions). The ISWGNA issued a clarification on this issue (<i>SNA News</i> number 23, May 2013). The <i>BPM6</i> follows the approach of <i>2008 SNA</i> and assumes that FISIM is calculated for all the financial intermediaries (including the central banks). The data on FISIM exports /imports for countries that</p>	BOPCOM paper in collaboration with ISWGNA	2017/2018  Ongoing The paper "Estimation of Imports /Exports of FISIM by Central Banks Under Negative Reference Rates" was planned



No	Short Description of Topic	Why There is Need to Consider/Reconsider the Topic	Recommended Action	Decision on Implementation/Comments
		<p>follow the <i>ESA 2010</i> may not be comparable with countries that follow the <i>2008 SNA</i>.</p> <p><b>Australia:</b> The cost of funds reference rate used for calculating Financial Intermediation Services Indirectly Measured (FISIM). Currently <i>2008 SNA</i> and <i>BPM6</i> recommend the interbank lending rate be used as the reference rate.</p> <p>Issues:</p> <ul style="list-style-type: none"> <li>• Interbank rates can be for terms relatively short compared to normal deposit and loan terms and hence there can be negative FISIM applied to deposits;</li> <li>• Interbank rates can tend to be volatile and responsive in the short term on monetary policy rather than any ‘true’ cost of intermediation;</li> <li>• Interbank rates are not necessarily “risk-free”; and</li> <li>• Some interbank rates have been open to undue influence.</li> </ul> <p>Further investigation to be conducted into determining a better risk free reference rate for the purposes of calculating FISIM, building on the previous international research conducted in this field.</p> <p><b>USA:</b> Enhance guidance on the measurement of FISIM. More complete guidance will help compilers identify key conceptual issues when implementing the BPM standards and will help ensure international comparability of the resulting estimates. One topic for additional guidance could be the advantages and disadvantages of using a single reference rate for all transactions versus using multiple reference rates for different types of institutional settings (e.g., retail banking versus commercial banking). Another topic might be whether the service provided should reflect the typical level of services provided in different institutional settings.</p> <p><b>Philippines:</b> There is a need to determine appropriate rates to be used in the computation of FISIM. Guidance could be provided as this is not explicitly stated in <i>BPM6</i>.</p> <p><b>ECB:</b> Enhance guidance on the measurement of FISIM. More complete guidance will help compilers identify key conceptual issues when implementing the <i>BPM6</i> standards and will help ensure international comparability of the resulting estimates.</p>		<p>to be presented at 2017 Committee meeting.</p> <p>It was replaced by the paper “Developing Estimation of Trade in FISIM Methodology Consistent with National Account Methodology” tabled for information at 2018 Committee meeting (BOPCOM 18/19)</p>
6.	Treatment of letter of credit	<p><b>China:</b> As to banks, letter of credit (LOC) confirmed is a debt confirmed as the first payment of obligation. In nature, LOC is defined as a promise or guarantee of payment, therefore not recorded in</p>	BOPCOM paper	2017

No	Short Description of Topic	Why There is Need to Consider/Reconsider the Topic	Recommended Action	Decision on Implementation/Comments
		BOP. The underlying bankers' acceptance and payables are recorded under securities and other payables in BOP. In practice, LOC, as a mean of payments, follows its own international rules, and banks do not measure the underlying debts by measuring the attached bankers' acceptance. So, is it possible to record all LOC confirmed by banks as loans, or should it be classified as securities (for its negotiability)?	prepared by IMF staff and/or volunteer Committee member(s)	Ongoing The paper "Classification of letter of credit in ESS" was discussed at 2017 Committee meeting (BOPCOM 17/12). BIS and Bundesbank will continue the research and present a paper at 2019 Committee meeting.
7.	Treatment of currency swap agreements between central banks	<b>Egypt:</b> Central banks around the world have entered into a multitude of bilateral currency swap agreements with one another since the financial crisis of 2008. These agreements allow a central bank in one country to exchange currency, usually its domestic currency, for a certain amount of foreign currency. The recipient central banks can then register it as a reserve asset and as a reserve related liability as well (in case of acquiring two convertible currencies). The gross international reserves would be overstated if one recipient bank used the same amount to enter on to several swap agreements worldwide.	BOPCOM paper prepared by IMF staff	2017  Completed Clarification note posted on BOPCOM website
8.	Classification of reserve position in the IMF	<b>Eurostat:</b> A clear guidance with regard to reserve position in IMF is needed: short- or long-term maturity in other deposits. <b>ECB:</b> Instrument classification of the reserve position in the IMF <i>BPM6</i> § 5.43: Reserve position in the IMF is included in other deposits (AF29) <i>ESA 2010</i> § 5.81 Transferable deposits (AF22) include any of the following: (...) (e) the reserve position with the IMF.	BOPCOM paper prepared by IMF staff	2017  Completed Clarification note posted on BOPCOM website
9.	Delineation of	<b>Uganda:</b> A large chunk of revenues earned by telecommunication companies in Uganda, Kenya and	BOPCOM	2017

No	Short Description of Topic	Why There is Need to Consider/Reconsider the Topic	Recommended Action	Decision on Implementation/Comments
	telecommunication services from financial services for mobile money transactions	Tanzania is now from charges for mobile money transactions. Given the growing prominence of such transactions, it is important to provide clarity on what should be classified as a financial service and what should be classified as telecommunication services in cases where there are cross border transactions. Guidance is required on what to record as a financial transaction and what to record as a telecommunication services transaction.	paper prepared by IMF staff and/or volunteer Committee member(s)	Completed The paper was discussed at 2017 Committee meeting (BOPCOM 17/11)
10.	Treatment of deposit of precious metals	<b>Philippines:</b> In paragraph 5.39 of the <i>BPM6</i> , unallocated accounts for precious metals are also deposits. What would be the debit and credit entries for a reporting economy if a resident deposits precious metals in a non-resident entity?	BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)	2017  Completed Clarification note posted on BOPCOM website
11.	Insurance services		BOPCOM paper to be prepared by a Committee WG	2018
a	Insurance	<b>IMF:</b> The Real Sector Division has been engaged in work to measure insurance. For example, a question is whether investment income from own funds should be included in the estimation of insurance output. The answers to these questions will also impact the international accounts.		Postponed to 2020
b	Extend the guidance in <i>BPM6</i> to cover hybrid insurance and pension products	<b>IMF:</b> <i>BPM6</i> discusses the treatment of two primary types of insurance products, i.e., life insurance (which has a savings component) and non-life insurance (which does not have a savings component). In some countries (e.g., Iceland), hybrid insurance products that are a mixture of these two primary types of insurance products are important. Hybrid insurance products are not discussed in <i>BPM6</i> . A question is whether to treat them entirely as one of the other types of insurance products (e.g., to record them on the basis of the dominant type of product), or whether to bifurcate them into the two types of products.		
12.	Treatment of	<b>Philippines:</b> Guidance or recommendations is needed on how winnings of non-resident players can	BOPCOM	2018

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	gaming revenues from casino operations	be estimated. The increasing volume of casino operations with the proliferation of casino resorts in several countries could pose a challenge as far as BOP data capture is concerned. With less regulation and supervision of casinos, plus their ability to move funds across borders without passing through the normal banking channels, data capture become even more difficult.	paper prepared by IMF staff and/or volunteer Committee member(s)	Completed The paper “Estimating Casino Revenues and Transfers for the Philippines Balance of Payments” was tabled for information at 2018 Committee meeting (BOPCOM 18/23)
13.	Recording of transactions in sports events (e.g., boxing)	<p><b>Philippines:</b> Where should the following transactions be recorded in the BOP (i.e., recreational services, compensation, or other current transfers)? How can they be captured or estimated?</p> <p>(a) Winnings of players in sports events (e.g., boxing);</p> <p>(b) Earnings of fighter/s from Pay-Per-View (PPV) (e.g., boxing);</p> <p>(c) Transactions involving the promoter (e.g., boxing).</p>	BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)	2018 Completed The paper “Statistical Treatment of Sport Events and Sport Players in External Sector Statistics” is discussed at 2018 Committee meeting (BOPCOM 18/13b).
14.	Sectoral classification of international organizations	<p><b>Eurostat:</b> Persisting uncertainties how to classify international organizations such as the IMF or BIS. Clear guidance is needed how to classify international organizations, such as the IMF, BIS, taking into account the contents of their activities and principles for institutional sector classification as defined by <i>2008 SNA</i> and <i>BPM6</i>.</p> <p><b>ECB:</b> Clear guidance is needed on how to classify IOs, such as the IMF, BIS, taking into account the</p>	BOPCOM paper prepared by IMF staff and/or volunteer	2018 Completed Clarification note posted on BOPCOM website

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		content of their activities and principles for institutional sector classification as defined by 2008 SNA and BPM6. This is particularly important in the context of global from-whom-to-whom tables where the “rest-of-the-world” sector construction vanishes.	Committee member(s)	
15.	Guidance on recording of irrevocable payment commitments	<b>ECB:</b> Institutions (mostly banks) contributing to the EU Single Resolution Fund and national Deposit Guarantee schemes are allowed to settle their obligations using so-called “Irrevocable Payment Commitments - IPCs”. These instruments are borderline case between actual irrevocable liabilities and conditional obligations. Therefore, clearer international guidance would be needed if they generalize.	BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)	2018  Completed The note “Statistical Treatment of Irrevocable Payment Commitments” was discussed with the Committee members via written procedure.
16.	Merchanting and factoryless			
a	Merchanting and factoryless producers	<p><b>USA:</b> Provide explicit guidance for treatment of transactions related to production under a “factoryless goods” production arrangement. The Task Force on Global Production (TFGP) did not reach a consensus on the industrial classification of units or the treatment of transactions under factoryless goods producer (FGP) arrangements. Paragraphs 10.41-10.49 of BPM6 allude to treating transactions within FGP arrangements as merchanting transactions. However, the IMF during the TFGP consultation verbally clarified that no recommendation on FGP arrangements was being made in paragraphs 10.41-10.49. At a minimum, we recommend that the next revision of the BPM include a clarification of these paragraphs (and any other paragraphs with ambiguous reference to global production arrangements), or even better, a specific recommendation for the treatment of transactions under FGP arrangements.</p> <p><b>France:</b> Issues for consideration for improving the treatment of global production: (a) Creation of FGPs “Factoryless Goods Producers” – as a category <i>per se</i>, within the International Trade in Goods;</p>	BOPCOM paper to be prepared by a Committee WG/TEG, in collaboration with ISWGNA	2018  Remove The borderline cases as merchanting and manufacturing will be discussed by within the discussion on Global Value Chains (the decision of 2017 Committee meeting).

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		<p>(b) Typology and guidance of emerging global production chains of services (cf. the so-called “Uberisation”);</p> <p>(c) Ways and means of taking into account intragroup flows in the current account and financial account.</p> <p><b>OECD:</b> Merchanting transactions coordinated by factoryless producers raise classification issues for factoryless producers whose value creation reflects the inclusion of IPP (including brand value) #10.42. This gives the misleading impression that the firms are engaged in pure distribution activities. It would be preferable to separately differentiate merchanting transactions where the value creation largely reflects distribution activities from those where the value largely reflects IPP, perhaps adopting new terminology.</p>		
b	Treatment of freight and insurance associated to merchanting; geographical allocation of net merchanting	<p><b>Japan:</b> How the freight and insurance associated with merchanting should be recorded in the merchant’s economy?</p> <p>References: For freight associated with merchanting (i.e., transport of goods between other countries), see <i>BPM5</i> paragraph 235.</p> <p>The recording methods for merchanting are noted in <i>BPM6</i> paragraphs 10.44-10.45 and 10.78, but the freight and insurance associated merchanting are not clearly stated in <i>BPM6</i>.</p> <p><b>Germany:</b> Clarification of the geographical allocation of net merchanting to assure a uniform application. “Merchanting is defined as the purchase of goods by a resident (of the compiling economy) from a non-resident combined with the subsequent resale of the same goods to another non-resident without the goods being present in the compiling economy.” (<i>BPM6</i> §10.41)</p> <p>Although the overall concept of merchanting remained unchanged from <i>BPM5</i> to <i>BPM6</i>, the revised treatment of merchanting as goods raises, inter alia, the following question:</p> <p>Should the new item “net exports of goods under merchanting” be geographically allocated as before or not?</p> <p>The <i>BPM6</i> and the compilation guide currently give no special recommendation related to the geographical allocation of the item net merchanting.</p> <p>Two possibilities can be debated:</p> <ol style="list-style-type: none"> <li>1. The net “export of goods under merchanting” is purely the sum of all (positive and negative) credit entries against each country. Merchanting would therefore be treated in the same way</li> </ol>	BOPCOM paper to be prepared by a Committee WG/TEG, in collaboration with ISWGNA	2018 The paper “Treatment of Freight and Insurance Associated to Merchanting and the Geographical Allocation of Net Merchanting” is discussed at 2018 Committee meeting (BOPCOM 18/13a).

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		<p>as any other transaction under general merchandise.</p> <p>2. The net “export under merchanting” of each transaction is allocated to the country of the buyer of the goods as it is done under <i>BPM5</i>.</p> <p>It is obvious that a non-uniform allocation could lead to bilateral asymmetries.</p>		
c	Reasoning for negative exports in merchanting	<p><b>Australia:</b> The purchase of goods for merchanting is recorded as a negative export as per <i>BPM6</i> paragraph 10.44 (a) and 10.45. The reason for treating as a negative export rather than an import is not readily explained. More clarification is needed on the reasoning for treating purchases as negative export, or record the purchase of goods for merchanting as imports.</p>	BOPCOM paper to be prepared by a Committee WG/TEG, in collaboration with ISWGNA	2018  Postponed; to be determined within <i>BPM6</i> update (the decision of 2017 Committee meeting)
17.	Dividends and superdividends	<p><b>ECB:</b> Clearer guidance on the definition of Super dividends. The current definition in <i>BPM6</i> may provide room for different interpretations for compilers negatively affecting the comparability of data across countries.</p> <p><b>OECD:</b> The calculation and time of recording of reinvested earnings, especially in the case of interim dividends, should be clarified across the international standards. The guidance on identifying superdividends and splitting them into superdividends and normal components should be clarified.</p> <p><b>Netherlands:</b> May be important for improvement of coverage and as regional integration initiatives improve cross border trade in goods and services. Current asymmetries in measuring direct investment - income and dividends - could inflate GNI.</p>	BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)	2018  Ongoing The paper “Recording of Direct Investment Income, Reinvested Earnings, and Dividends: the Case of Superdividends” is discussed at 2018 Committee meeting (BOPCOM 18/13c).
18.	Investment income;		BOPCOM paper to be	2019

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	Reinvested earnings of investment funds		prepared by a Committee WG	The topic “Investment income; reinvested earnings of investment funds: treatment and coverage” is proposed for 2019 research agenda (combines items 18 and 18.c)
a		<b>BPM6 Research Agenda (paragraph 1.43):</b> In particular, the different treatments of retained income for different investment types and the borderline between dividends and withdrawal of equity.		
b		<b>IMF:</b> <i>BPM6</i> chapter 10 (paragraphs 10.124-10.125) and 11 (paragraph 11.38) (arguably) contain unclear guidance on the treatment of reinvested earnings of investment funds (i.e., gross or net of financial assets management services charges). Also, the methodological guidance might more clearly differentiate between two cases: (i) when the investment fund legally and economically owns the financial assets, and (ii) when the institutional unit that provides financial assets management services is a custodian or agent.		
c	The undistributed earnings of portfolio investment in investment funds are imputed as being payable to the owners and then reinvested in the funds. Should the investment funds that are	<b>IMF:</b> Under <i>BPM6</i> (paragraph 8.28), undistributed earnings of portfolio investment in investment funds are imputed as being payable to the owners and then reinvested in the funds. The definition of investment funds ( <i>BPM6</i> , paragraph 5.28) includes some investment pools whose assets are not readily available to their investors. Should the imputation described above be limited to selected types of investment funds, e.g., limited to only those investment funds that make their income readily available to their investors (such as by granting access to these funds through check writing privileges or easy redemption rules)?		



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	subject to this treatment be narrowed?			
19.	<p>Treatment of health-related travel</p> <p>Replaced by “Treatment of travel packages, health-related travel, and taxes and fees on passengers’ tickets”</p>	<p><b>USA:</b> Clarify whether travelers accompanying health travelers are to be viewed as health-related travelers. Also, clarify the boundaries of the treatments to be included in health-related travel. For example, should cosmetic surgery be included? Current guidance for measuring health-related travel is incomplete.</p>	<p>BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)</p>	<p>2018</p> <p>Proposed to be postponed to 2020 Following the 2017 Committee meeting’s decision, the topic combines two topics listed in the research agenda: (i) Treatment of health-related travel and (ii) Travel/ Passenger transport (item 30).</p>
20.	<p>Treatment of charges for the use of intellectual property</p>	<p><b>USA:</b> Description of charges for the use of intellectual property (CUIP) in para. 10.137-10.140 of <i>BPM6</i> is somewhat ambiguous unless the reader references table 10.4. A more complete description like that in the <i>Manual on Statistics in International Trade in Services</i> is suggested. In addition, the need for consistency between CUIP in the ITAs and IP assets in the SNA suggests that more guidance would be helpful on whether and how to disentangle CUIP from more aggregated components in which it might be embedded in the source data, such as direct investment income.</p>	<p>BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)</p>	<p>2018</p> <p>Ongoing The topic was replaced by “Treatment of transactions in intellectual property products”. The paper “Measurement Challenges</p>

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				Associated to Trade in Intellectual Property Products” is tabled for information at 2018 Committee meeting (BOPCOM 18/22)
21.	<p>Illegal economic activities</p> <p>Replaced by “Measurement of informal economy in ESS”</p>	<p><b>Eurostat:</b> Increasing lack of coverage of some illegal activities in BOP/IIP affects the data quality of these statistics and it is a source of discrepancies with other macroeconomic data sets. Clear guidance in the methodology and data sources are required to improve the coverage of these illegal economic activities in BOP/IIP.</p>	<p>BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s) (based on the Eurostat Handbook)</p>	<p>2018/2019</p> <p>Ongoing</p> <p>A Task Force on Informal Economy (TFIE) was established; the progress report of the TFIE is tabled for discussion at 2018 Committee meeting (BOPCOM 18/10)</p>
22.	<p>Treatment and recording of other (other than monetary) gold held by central banks</p>	<p><b>IMF:</b> There is not much clarity on the existence, treatment, and recording of other than monetary gold held by central banks.</p>	<p>BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)</p>	<p>2018</p> <p>Completed</p> <p>Clarification note posted on BOPCOM website</p>
23.	<p>Public-private partnership</p>	<p><b>IMF:</b> PPP projects are projects where the private sector partnership involves a non-resident in a construction of asset. The assets ownership remains with the non-resident before being transferred to</p>	<p>BOPCOM paper</p>	<p>2019</p>

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	(PPP) investment	the government on completion of contract. Pre-payments by the government as well as payments of services are usually involved in the agreement. <i>BPM6</i> has no reference on PPPs, while the <i>External Debt Statistics Guide 2013</i> refers to PPPs in its Appendix I. It would be adequate to have consistency across the guides.	prepared by IMF staff and/or volunteer Committee member(s)	Proposed to be postponed to 2020
24.	Islamic finance	<b>IMF:</b> The growing spread of Islamic finance and its impact on output and the financial account will need to be addressed. There is a need to discuss the treatment of these institutions and instruments in more details, especially where this arrangement creates borderline cases that is currently open for interpretation and involve cross-border transactions. In addition, as these banks are not involved in financial services provided in association with interest charges on loans and deposits (directly), creating another category for the services charges provided by the Islamic banks should be considered ( <i>2008 SNA</i> , paragraph 6.160).	BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)	2019  Proposed to be postponed to 2020
25.	Measurement of margins on buying and selling of financial instruments	<b>USA:</b> Acknowledge probable source data limitations on measurement of margins on buying and selling of financial instruments and offer suggestions for overcoming them. Collecting data from dealers and market makers on their margins on buying and selling of financial instruments is probably not possible so indirect measurement methods will most likely be necessary. Guidance on how to do this might include how to estimate trading spreads from other means such as daily highs and lows in asset prices (Shane A. Corwin and Paul Shultz, " <a href="#">A Simple Way to Estimate Bid-Ask Spreads from Daily High and Low Prices</a> ," <i>Journal of Finance</i> , Volume 67 Issue 2, April 2012). This method describes how to estimate trading spreads for individual securities; however, source data on international purchases and sales of securities usually cover broad classes of assets. Guidance on how to estimate the volume of transactions in those broad assets classes and how to choose the individual securities to represent those broad asset classes would also be helpful.  <b>ECB:</b> Acknowledge probable source data limitations on measurement of margins on buying and selling of financial instruments and offer suggestions for overcoming them or pragmatically adjust the methodological guidance.	BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)	2018  Proposed to be postponed to 2020

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26.	Treatment of income on other equities (IOs capital)	<p><b>ECB:</b> Participations in the capital of international organizations are usually recorded as other equity under other investment. However, some of these institutions may actually distribute “dividends” (e.g., the European Stability Mechanism). This income category is not consistent with the asset class. There is therefore need to review either the asset class or the income type.</p>	BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)	2019
27.	Economic ownership in the context of financial and operating lease transactions pertaining, in particular, to aircrafts	<p><b>South Africa:</b> According to <i>2008 SNA</i> (par 2.47) a change in economic ownership is the guiding criterion for the recording of a transfer of goods. <i>BPM6</i> (par 5.60) defines a financial lease as a transaction where all the risks and rewards of (economic) ownership are transferred from the legal owner (the lessor) to the user (the lessee). <i>BPM6</i> (par 10.153) indicates that in an operating lease transaction, the bulk of risks and rewards of (economic) ownership remain with the lessor. In practice, an airline may, in accordance with a long term operational lease transaction, assume full responsibility for the bulk of the cost and risks of ownership, regard the aircraft as part of its fleet without obtaining economic ownership. The aircraft will therefore remain on the balance sheet of the lessor. Apart from having implications for the balance of payments/IIP, it may also have implications for the measurement of a country’s sectoral capital stock as well as the calculation of various productivity indicators.</p>	Paper/ BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)	2019  Proposed to be postponed to 2020

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28.	Analysis of net errors and omissions	<p><b>Turkey:</b> Balance of payments compilers are sometimes struggling to explain the level and underlying reasons of net errors and omissions (NEO) item to national and international users. In the current <i>BPM6</i>, few paragraphs are dedicated to NEO. On the other hand, many developed and developing countries are facing the NEO problem occasionally or persistently. The underlying reasons can differ for developed and developing countries and studies to overcome this issue may diversify based on the magnitude and trends of NEO item. NEO item can be analyzed from different aspects such as whether it is caused by data compilation systems of countries or it is caused by cyclical factors of an economy. Instead of saying “<i>While it is not possible to give guidelines on an acceptable size of NEO, it can be assessed</i>” (<i>BPM6</i>, paragraph 2.26), more concrete guidelines can be provided to compilers based on experiences of IMF’s STA Division experts and/or national data compilers of BOP statistics.</p> <p><b>China:</b> Is there a so-called internationally recognized reasonable ratio of NEOs to international trade volume, which helps to measure the quality of BOP statistics? The <i>BPM6</i> does not mention the scale of net errors and omissions.</p> <p>It has been said that the ratio of NEOs to the volume of trade in goods would better be less than 5%, otherwise it means that statistics has systematic bias. However, this 5% does not appear in any formal guide or manual.</p>	BOPCOM paper prepared by IMF staff and/or volunteer Committee member(s)	2019
29.	Recording of cryptocurrencies in external sector statistics (new topic added in 2017)	<p><b>IMF:</b> With the rapid development in issuance and use of cryptocurrencies for cross border transactions, there is a need to develop guidance on the treatment of cryptocurrencies and of compilation technics, including data sources.</p>	BOPCOM papers/ Guidance	2018  The paper “Treatments of Crypto Assets in Macroeconomic Statistics” is discussed at 2018 Committee meeting (BOPCOM 18/11).
30.	Travel/Passenger transport	<b>Participants at the IMF HQ course on Balance of Payments Statistics:</b>	Guidance/ Clarificatio	2019

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	(new topic added in 2017)  Replaced by “Treatment of travel packages, health-related travel, and taxes and fees on passengers’ tickets”	(1) More clarification is needed on the treatment of taxes and fees on passengers’ tickets, in particular in relation to air transport.  (2) If the travel package includes insurance, should it be separated (like transport) and allocated to insurance?	n note	Proposed to be postponed to 2020 Following the 2017 Committee meeting’s decision, the topic combines two topics listed in the research agenda: (i) Treatment of health-related travel (item 19) and (ii) Travel/ Passenger transport.
31.	ESS-specific issues in economies that use as legal tender a currency issued by a foreign monetary authority (new topic added in 2017)	<b>IMF based on TA missions:</b> guidance is needed in addressing specific issues, such as: statistical implications for reserve assets, and the reserves data template; treatment of currency in circulation as an external/domestic asset; and estimating foreign exchange cash held by households.	BOPCOM papers/ Guidance	2018  The paper “ESS-specific Issues in Economies Using as Legal Tender a Currency Issued by a Foreign Monetary Authority” is discussed at 2018 Committee meeting (BOPCOM 18/15).
32.	Global value chains (GVC) in external sector statistics:	<b>OECD:</b> In recognition of globalization in production and trade, and growing importance of global value chains, there is need to identify identifying the role of multinational enterprises in current account transactions within the current balance of payments framework ( <i>BPM6</i> ).	BOPCOM papers/ Guidance	2018/2019  A OECD-IMF working group was established in 2018.

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	measurement and challenges			<p>The “Preliminary Report of the OECD-IMF Working Group on Balance of Payments Statistics Relevant for Global Value Chain Analysis” is discussed at 2018 Committee meeting (BOPCOM 18/04).</p> <p>The final report will be presented at 2019 Committee meeting.</p>
<b><i>To be addressed within BPM6 update</i></b>				
<b><u>Goods</u></b>				
33.	Valuation of general merchandise	<p><b>Germany:</b> The general valuation principle in the BOP and the SNA is the market price. Deviating from this, for BOP general merchandise and the international accounts the principle of uniform valuation is applied i.e. goods are recorded with the value at the customs frontier of the exporting country (FOB principle). In most countries BOP compilers use IMTS data as a source to calculate general merchandise. As IMTS use CIF-type values for imports BOP compilers must convert them from CIF to FOB. The methods applied by countries for the CIF/FOB conversion are quite different and lead to bilateral and global asymmetries. It is therefore proposed to change to invoice values instead, abandoning the current concept of uniform valuation (FOB). This new approach would fit better into the general BOP concept of change of economic ownership, would avoid asymmetries because adjustments would no longer be necessary and would reduce the burden of reporters as the required invoice values are readily available. Furthermore, the meaningfulness of the data on freight and insurance services will increase because real market transactions instead of theoretical estimates</p>		To be determined within <i>BPM6</i> update

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		<p>will be shown.</p> <p><b>Australia:</b> According to <i>BPM6</i>:  “The principle for valuation of general merchandise is the market value of goods at the point of uniform valuation. The point of uniform valuation is at the customs frontier of the economy from which the goods are first exported, that is, free on board (FOB)...” (<i>BPM6</i> paragraph 10.30).  By contrast the <i>2008 SNA</i> values transactions at the "transaction price at change of ownership". For example, according to the <i>2008 SNA</i>, cross-border trade in goods should be recorded at amounts specified between the buyers and sellers. The transport and insurance costs of exporting or importing will or will not be covered in accordance with the amounts specified by the two parties:  “...the question of whether the value of goods covers the cost of transportation or not depends on whether the exporter or importer is responsible for transport...” (<i>2008 SNA</i> paragraph 14.68).</p> <p><b>ECB:</b> The general valuation principle in the BOP and the SNA is the market price. However, slightly in contradiction to this, <i>BPM6</i> paragraph 10.30 states: “<i>The principle for valuation of general merchandise is the market value of goods at the point of uniform valuation. The point of uniform valuation is at the customs frontier of the economy from which the goods are first exported, that is, free on board (FOB)...</i>” By contrast the <i>2008 SNA</i> values transactions at the "transaction price at change of ownership". For example, according to the <i>2008 SNA</i>, cross-border trade in goods should be recorded at amounts specified between the buyers and sellers. The transport and insurance costs of exporting or importing will or will not be covered in accordance with the amounts specified by the two parties:  “...the question of whether the value of goods covers the cost of transportation or not depends on whether the exporter or importer is responsible for transport...” (<i>2008 SNA</i> paragraph 14.68).</p> <p>It is therefore proposed to change to invoice values instead, abandoning the current concept of uniform valuation (FOB). This approach would ensure consistency with national accounts, better fit the general concept of change of economic ownership, would avoid asymmetries because adjustments would no longer be necessary and would reduce the burden of reporters as the required invoice values are readily available. Furthermore, the meaningfulness of the data on freight and insurance services will increase because real market transactions instead of theoretical estimates will be shown, particularly as regards the geographical allocation. This should also help reducing global asymmetries.</p>		



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34.	Valuation of trade under long-term contract	<p><b>Australia:</b> The production of bulk commodities usually requires significant upfront capital investment. In order to guarantee a return on the investment, trade in these commodities frequently involves long-term contracts with either fixed prices or index-linked prices supported by a floor. Over time, the contract prices can deviate markedly from the spot price for the commodities. A more appropriate reflection of the economic reality may be to record the trade as taking place at the market price and to treat the long-term supply contract as a forward financial derivative. The treatment of prices under long-term trade contracts be examined with consideration given to the historic nature of pricing under long-term trade contracts for these traded commodities is not a true reflection of the current market value.</p>		To be determined within <i>BPM6</i> update
35.	International trade broken down by currency	<p><b>ECB:</b> The currency of internal trade is extremely important from an economic analysis viewpoint. Therefore, is already collecting and getting additional requests for international trade data by currency. There is no guidance on how to classify by currency international trade, e.g. whether to use invoicing of settlement information.</p>		
<b>Services</b>				
36.	Classification of trade in services	<p><b>Australia:</b> Trade in services has grown, year after year, in importance in the world economy. EBOPS can provide more detailed taxonomical breakdowns of these important flows. To adopt, as supplementary information as a minimum, the Extended Balance of Payments in Services classification (EBOPS 2010) to provide more detailed taxonomical breakdowns of these important flows.</p> <p><b>OECD:</b> Given the rise in importance of trade in services, the ongoing services trade negotiations, and the increased fragmentation of production (into global value chains), as well as the digitalization of economic transactions (see also below), the current EBOPS breakdown is not sufficient. It is important to investigate if alternatives, such as CPA or CPC, which are more easily linkable to economic statistics, can be adopted.</p>		To be determined within <i>BPM6</i> update
37.	Merchanting services	<p><b>Australia:</b> The merchanting of services payments should be re-routed through the service recipient. The proposed treatment assumes that the receipt of the services changes the productive capacity of the recipient, which would be reflected, in part, in the market value of the equity of the recipient. Where the third party facilitates the provision of the service and receives a commission, this should</p>		To be determined within <i>BPM6</i> update

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		<p>be treated as the provision of an “other business service” by the third party, provided to the payer of the commission.</p> <p>Where the third party bundles the services with other services, or transforms them before provision to the final recipient, then these services would be treated as an import of services by the third party from the service provider and an export of services to the final recipient.</p>		
<b>Direct Investment</b>				
38.	Compiling statistics of greenfield investments and extension of capacity	<p><b>UNCTAD:</b> One of the most important components of direct investment, related to productive investments, is greenfield projects. Statistics on greenfield investment and extension of capacity are <i>not</i> generally compiled by most countries. Therefore, clear definitions and a description of the concepts and the coverage are strongly needed.</p> <p>In addition, European Parliament in May 2016 adopted a regulation (171/146) which mentioned: " In order to develop FDI statistics ... distinguishing greenfield FDI transactions from FDI resulting in takeovers, which for a given period, generally, do not lead to an increase in the gross capital formation in the Member States, <i>the appropriate methodology for those domains should be developed and enhanced.</i> This should be done in collaboration with relevant stakeholders such as the Organization for Economic Cooperation and Development, the International Monetary Fund and the United Nations Conference on Trade and Development."</p> <p>The BD4 outlined a potential research agenda around the identification of direct investment by type, including purchase/sale of existing equity in the form of mergers and acquisitions, greenfield investments, extension of capital (additional new investments) and financial restructuring. Further work in this area would be greatly appreciated for analytical purposes as well as for formulating national policies.</p> <p>Advances in this area made by the BEA should be reviewed to see their suitability more generally (<a href="http://www.bea.gov/newsreleases/international/fdi/fdi-newsrelease.htm">http://www.bea.gov/newsreleases/international/fdi/fdi-newsrelease.htm</a>)</p>		To be determined within <i>BPM6</i> update
39.	Defining the boundaries of direct investment			To be determined within <i>BPM6</i> update
a	Definition of	<b>Japan:</b> Should the 10% criteria currently applied to identify the direct investment relationship be		

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	direct investment	maintained or should the threshold be changed to 20% (as in IAS/IFRS)? References: For direct investment relationships, see <i>BPM6</i> paragraph 6.12; for the scope of associates, see IAS 28.		
b	Collective investment institutions (CIIs)	<p><b>USA:</b> Some investments in collective investment funds that meet the definition of direct investment appear to be motivated by factors associated with portfolio investment. Investments in collective investment funds that do not own at least 10% of an operating company (i.e., a company that is neither an investment fund nor a holding company) could be included in portfolio investment rather than direct investment.</p> <p><b>OECD:</b> <i>BPM6</i> called for including CIIs in direct investment if they met the technical definition (10% or more of voting power). Many countries are not happy with including CIIs that may not be influencing the operations of the direct investment enterprise even if they meet the technical definition.</p> <p><b>ECB:</b> The FDI influence criteria does not seem to apply to investments in (of) collective investment funds. The following convention is currently in force at EU level: all investments in and of investment funds are recorded within Portfolio investment independently of the 10% threshold. Review the functional classification to avoid asymmetries.</p>		
c	Corporate inversion	<p><b>USA:</b> Corporate inversions, while technically meeting the criteria for direct investment, are undertaken for different reasons than traditional direct investments and, in most cases, do not appear to bring the same benefits (such as financial or intangible assets) to the host economy as traditional direct investment. Differences between inversions and other inward direct investments deserve further study, but the initial evidence suggests that inversions are motivated by different factors, and create different effects on their host economies, than traditional direct investment and therefore should be identified separately in the international transactions accounts. One complication with implementing this change will be defining an inversion because companies have an incentive to avoid structuring themselves in a way that meets the inversion definition used by tax authorities. Another possible complication is protecting business confidential data given the large size of these transactions.</p> <p><b>UNCTAD:</b> Corporate reconfigurations, including tax inversions, which are currently included in the</p>		

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		<p>direct investment statistics, normally involve large movement in the balance of payments but little change in actual multinational enterprise (MNE) operations.</p> <p>Corporate reconfigurations became significant in volume in 2015. UNCTAD estimated that around \$300 billion or 17% of global FDI inflows were related to these configurations. (<i>"Global FDI flows rose by almost 40% in 2015, but discounting these large-scale corporate reconfigurations implies a more moderate increase of about 15% in global FDI flows" WIR16</i>).</p> <p><i>BPM6</i> suggest that "...there may be analytical interest in separating them from other direct investment. If not prevented by confidentiality, supplementary data could be provided".</p> <p>Unfortunately, confidentiality concerns prevented all involved countries from separating the data. Perhaps it would be fruitful to consider if these transactions should be included in direct investment statistics in the first place, considering they involve little change in actual MNEs operations.</p>		
d	Remove debt between affiliated insurance corporations and pension funds from direct investment (DI)	<p><b>IMF:</b> Under <i>BPM6</i>, DI excludes debt positions between selected types of financial intermediaries. Insurance corporations and pension funds are not among the types of financial intermediaries for which this exclusion currently applies. Should debt between insurance corporations and pension funds be excluded from DI?</p>		
e	Should DI exclude equity positions between affiliated financial intermediaries (not just debt	<p><b>IMF:</b> Under <i>BPM6</i>, DI excludes debt positions between selected types of financial intermediaries. Equity positions between these financial intermediaries are included in DI. Should the current exclusion for debt be expanded to also pertain to equity?</p>		

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	positions between them)			
f	Ultimate investing economy and ultimate host economy in direct investment	<b>BPM6 Research Agenda (paragraph 1.43)</b>		
g	Valuation of unlisted equities in direct investment	<b>OECD:</b> When actual market values are not available, an estimate of market value must be made. <i>BPM6</i> gives a number of different methods, which would result in different values. This can be a major source of asymmetries in bilateral direct investment statistics. To help reduce asymmetries, it would be useful if countries use common methods of estimating market values for unlisted equity.		
h	Whether direct investment relationships can be achieved other than by economic ownership of equity	<b>BPM6 Research Agenda (paragraph 1.43):</b> E.g., through warrants or repos.		
i	Notional units holding real estate	<b>Australia:</b> <i>BPM6</i> paragraph 6.13 states: “Direct investment may include real estate investment, including investment properties and vacation homes. As discussed in paragraphs 4.26–4.40, branches or notional units are identified when non-residents own real estate and other natural resources”. It is proposed research into a supplementary item that separately identifies notional units holding real estate. It is of interest to policy makers to understand the changes within an economy of non-		

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		residents owning real estate.		
j	Including intra-concern [between affiliates] derivatives in direct investment	<b>Netherlands:</b> It seems logical to have all instruments being used within affiliates under direct investment. At the same time, it would enable a better analysis of financial derivatives (as some financial derivatives may behave atypical).		
40.	Reconciliation of FDI and FATS/AMNE statistics	<p><b>Germany:</b> Foreign direct investment (FDI) and Activity of Multinational Enterprise (AMNE or FATS) statistics both cover aspects of the operations of multinational enterprises (MNEs). The FDI statistics cover the global financing of MNEs while the AMNE statistics cover economic measures of the activities of MNEs, such as sales or turnover, employment, value added, and trade. To improve the analysis of the global economy it seems to be advisable to review the current data reporting framework enabling a better link of these statistics.</p> <p><b>OECD:</b> Identify majority owned affiliates (MOFA) in direct investment statistics to improve comparability with FATS/AMNE and TEC statistics, which both use a 50% ownership criterion.</p>		To be determined within <i>BPM6</i> update
<b>Portfolio investment</b>				
41.	Valuation of debt securities at nominal value	<p><b>Germany:</b> Although <i>BPM6</i> (7.30) already encourages the compilation of the nominal value as a supplementary item for debt securities, it should be considered to place greater emphasis on it. Especially in times of financial crisis massive price distortions may significantly influence the net IIP of a country.</p> <p>This market price related effects might be phrased as “valuation paradox”. When due to safe-haven-consideration, the valuation of a countries government bonds increases, its net IIP decreases. The opposite is true for a country that experiences a capital flight as a result of lost market confidence; the country might be close to insolvency, but its net external wealth increases.</p> <p>In order to increase the analytical value of the IIP (or the external debt statistics alternatively) one should consider introducing a memo item showing the nominal value, or elaborate on the interpretation of the net IIP, since it might also be used as an indicator for the external vulnerability</p>		To be determined within <i>BPM6</i> update

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		of a country.		
<b>Other investment</b>				
42.	Reverse transactions	<b>BPM6 Research Agenda (paragraph 1.43):</b> Including short positions and investment income receivable/payable while a security is on-lent.		To be determined within <i>BPM6</i> update
43.	Valuation of debt securities	<b>Eurostat:</b> How to calculate the nominal and market value of debt instruments? For external debt statistics, data on debt securities should be recorded in market and nominal value. Consistent valuation across the countries can reduce asymmetries in bilateral data.		To be determined within <i>BPM6</i> update
44.	Valuation of loans (fair value)	<b>BPM6 Research Agenda (paragraph 1.43)</b> <b>Australia:</b> <i>BPM6</i> records loans at nominal value as a standard component requiring fair value as a memorandum item. Australia considers the concept of fair value to be a closer approximation of market value. The concept of market value is a fundamental underpinning of the balance of payments and national accounts.		To be determined within <i>BPM6</i> update
<b>Financial derivatives</b>				
45.	Treatment of credit default swaps	<b>IMF:</b> The treatment of credit default swaps should be reviewed (positions in such instruments can switch from assets to liabilities, and the buyer must make regular premium payments to the seller, so they differ from other option-type contracts and the recording in the accounts is not very clearly specified). <b>Australia:</b> If a presentation of financial derivatives by type (#11) is adopted, CDSs should be classified as a forward rather than an option for the following reasons: <ul style="list-style-type: none"> <li>• CDSs are essentially used to hedge against default risk similar to how forwards (including swaps) are used to hedge against currency exchange and interest rate risk;</li> <li>• An integral property of options is the one-sided obligation on the seller of the option. CDSs provide mutual obligations on the seller and buyer;</li> <li>• CDSs, like other forwards have zero value at inception being an exchange of equal risk;</li> <li>• CDSs may be an asset or liability for both parties over the life of the contract.</li> </ul>		To be determined within <i>BPM6</i> update
46.	Treatment of	<b>Germany:</b> With the liberalization of the electricity market the trade in electricity (and gas) increased		To be determined

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	electricity forwards	<p>rapidly. Although in most cases the production and consumption of electricity takes place in one country, the electricity could be traded many times between residents and non-residents and should be recorded (<i>BPM6</i> 10.13). As there are limits to the amount of electricity that can be stored, all electricity produced is immediately consumed at any point in time. Therefore, trade of electricity is only possible in Futures and Forwards mostly with the condition of physical delivery.</p> <p>Usually, the underlying amount of electricity (to be delivered at a point of time in the future) is traded between parties in a chain by closing one contract and opening a new contract with the opposite conditions. This could happen many times before settlement. At the time of settlement, each of these contracts between residents and non-residents must be recorded in the BOP. According to <i>BPM6</i> 8.40, the physical delivery of the underlying (electricity) has to be shown under goods with the market price and the difference between the market price and the agreed price of the Future/Forward has to be entered in the Financial Account/Derivatives. It could be shown for Germany that the strict application of these rules could lead to huge differences between BOP general merchandise and FTS. Furthermore, it could lead to bilateral asymmetries with countries not following the recommendations.</p>		within <i>BPM6</i> update
47.	Financial derivatives by type	<p><b>ECB:</b> There is need to further classify financial derivatives and promote the collection of such detail, e.g. differentiating exchange traded derivatives from OTCs; by purpose “hedging” versus “speculative”; or by underlying asset class “financial instruments” versus “commodities”.</p> <p><b>Netherlands:</b> The level of detail in compiling derivatives need to be (re)consider. More detailed figures (e.g. on options &amp; forwards) would serve users and would enable better projections of IIP-data.</p> <p><b>Australia:</b> It has seen interest from users in the area of hedging and currency risk and there exists significant demand from these users for more detail on derivative assets and liabilities. The current presentation of financial derivatives needs to be examined with a view to including type of derivative breakdowns (e.g., split by forwards and options)—noting that the split is already included as a supplementary item.</p> <p><b>France:</b> Cross-border activity on derivatives is likely to pursue its expansion, with more countries using this instrument, a relatively concentrated offer (number of investment banks) and a wide customer basis. Moreover, regulatory changes influence the business models with the emergence of</p>		To be determined within <i>BPM6</i> update



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		clearing and repositories. Current BOP and IIP statistics do not enable to interpret the entire economic significance of the operations.		
<b>IIP and reconciliation flows-stocks</b>				
48.	Arrears in IIP	<b>Russia:</b> Separate presentation in external sector statistics of data on arrears on assets and liabilities. Information users are interested in heightening analytical importance of indicators of external sector statistics with the objective of getting a better understanding of the financial situation of the country, which is evidenced by the size of arrears within the liabilities and the volume of «bad» assets.		To be determined within <i>BPM6</i> update
49.	Other economic flows on insurance and pension reserves	<b>Australia:</b> Clarification on the treatment of other economic flows on insurance and pension reserves (i.e. should they be treated as revaluations or other changes in volume). <i>BPM6</i> provides inconsistent advice, with paragraphs A2.113-114 referring to “holding gains” while table A2.1 and footnote 30 refers to “other changes in volume”. Except for exchange rate movements, all other economic flows on insurance and pension reserves should be treated as other changes in volume.		To be determined within <i>BPM6</i> update
50.	Should illiquid equity in international organizations (IO) be omitted from calculations of IIPs?	<b>IMF:</b> All assets and liabilities (liquid and illiquid) should be included in estimates of IIP. However, there may be arguments to prepare estimates of IIPs that exclude equity in IOs that is illiquid, on the premise that the inclusion of these positions may result in distortions in IIPs.		To be determined within <i>BPM6</i> update
51.	Analytical presentation of IIP	<b>Germany:</b> <i>BPM6</i> introduced the “Integrated International Investment Position Statement”. How could this framework be presented to better exploit its analytical value? <b>France:</b> Enhance the analytical value of changes in the IIP, by defining a “strongly encouraged” explanatory table of the stock-flow reconciliation. There is room, notably, to discuss a further breakdown of the columns “other changes in volume”, “other price changes” and to introduce a concept of “nominal value of IIP” to support the analysis of sustainability.		To be determined within <i>BPM6</i> update

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<b>Miscellaneous / Analytical / Separate presentation issues</b>				
52.	Eliminate the imputations for an entity owned or controlled by general government that is used for fiscal purposes	<b>IMF:</b> Under <i>BPM6</i> (paragraphs 4.93 and 8.24 – 8.26), special rules apply to an entity owned or controlled by general government when that entity is resident in another territory and used for fiscal purposes. These rules are complex and imputations could be eliminated by regarding the fiscal entity to be part of the government of the economic territory that owns or controls it (in much the same way that overseas embassies, military bases, etc. are regarded as part of the territory of the general government that occupies them ( <i>BPM6</i> , paragraph 4.138)).		To be determined within <i>BPM6</i> update
53.	Debt concessionality	<b>BPM6 Research Agenda (paragraph 1.43):</b> In particular, whether the transfer element should be recognized and, if so, how it should be recorded.		To be determined within <i>BPM6</i> update
54.	Emission permits	<b>BPM6 Research Agenda (paragraph 1.43)</b>		To be determined within <i>BPM6</i> update
55.	More disaggregated definition of the financial sector and financial instruments	<b>France:</b> The current typologies do not allow for easy international comparisons. Better typologies would improve the analytical value of BOP (income, financial account) and IIP, and will enhance the understanding of the various sources of generation of income and channels of contagions. This topic and the general concern is shared with national accountants (see for instance the paper by Kornfeld and alii, BEA, 2016 “expanding the integrated macroeconomic accounts financial sector” <a href="http://bea.gov/scb/pdf/2016/01%20January/0116_expanding_the_integrated_macroeconomic_accounts_financial_sector.pdf">http://bea.gov/scb/pdf/2016/01%20January/0116_expanding_the_integrated_macroeconomic_accounts_financial_sector.pdf</a> )		To be determined within <i>BPM6</i> update
56.	Regional aggregates	<b>Eurostat:</b> Euro area and EU aggregates are relevant indicators to assess the performance of the European economy. Similar aggregates might be produced for other economic groupings in different parts of the world. Methodological framework could explain the usefulness of these aggregates and provide guidelines for their production.		To be determined within <i>BPM6</i> update
57.	Revision policy and studies	<b>Eurostat:</b> An important source of discrepancies among macroeconomic datasets and counterpart data is data revisions. Baseline standards for revision policies and studies could be explored and		To be determined within <i>BPM6</i> update

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		included in statistics and accounting guidelines.		
58.	Auxiliary reconciliation tables	<p><b>OECD:</b> Increase the emphasis on the need for countries to make available “reconciliation tables” that describe how BOP items are derived from source statistics (i.e. what adjustments are made to source statistics). An important example is the table on merchandise trade / trade in goods (table 10.2).</p> <p>This methodological information will not only assist users with interpretation of the data and a better understanding of the differences between various types of statistics, but also facilitate the integration of different statistics for analytical use (e.g., global input-output tables).</p>		To be determined within <i>BPM6</i> update
59.	Estimation of currency mismatches measured from the IIP breakdowns	<p><b>France:</b> Discussion is needed to define what could be regarded as a “reasonable estimate”. Beyond that, how to integrate natural hedges and data from derivatives in the statistical table dedicated to the estimate of currency mismatches.</p>		To be determined within <i>BPM6</i> update
60.	Goods and services account by (trading) enterprise characteristics	<p><b>OECD:</b> Examine the possibility of breaking down BOP goods and services account by enterprise characteristics, such as industry, nationality (foreign owned/domestically owned) and firm size. To increase the relevance of the current account (including both goods and services as well as primary income) for the analysis of globalization, information on the characteristics of the enterprises involved in these transactions is highly useful. The activity could build on on-going data collections (Eurostat-OECD TEC and STEC statistics) and would in addition provide significant improvements to the quality of TiVA estimates and international integrated economic accounts and provide important insights on fiscal optimization.</p>		To be determined within <i>BPM6</i> update
61.	Nationality concept / Extension of IIP on a nationality basis /	<p><b>Netherlands:</b> There is need to (re)consider whether it is useful to introduce a nationality concept (domestic companies versus foreign companies) in BOP/IIP. In ESA2010 this “subsectoring” is recommended. Such a distinction is likely to serve user needs (in particular at national level) in a globalized world.</p> <p><b>France:</b> There have been discussions on the definition of the residence criteria, however no discussion on managing the duality residence/nationality within the BOP-IIP framework. A priority</p>		To be determined within <i>BPM6</i> update

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	Measuring economic globalization	<p>area of discussion should be the review of the definition of the issuing country, and/or the setting up of additional perspectives in the area of the issuance of securities (nationality/residence/place of issuance/place of quotation: specific sources of risks and generation of liabilities can be associated to these various criteria).</p> <p>More generally, evidence of the complementarity of the two concepts (residence/nationality), notably to analyze financial stability as well as better understanding the passage from GDP to GNP or the value of conventional IIP. See for instance Zucman “The Missing Wealth of Nations: are Europe and the U.S. net debtors or net creditors?”, <a href="http://gabriel-zucman.eu/files/Zucman2013QJE.pdf">http://gabriel-zucman.eu/files/Zucman2013QJE.pdf</a></p> <p>The issue to be discussed: how to build a statistical complementary framework, learning from existing blocks (CPIS, BIS IBS, FDI, ultimate ownership data...).</p> <p><b>Eurostat:</b> How could BOP/IIP/external debt statistics better measure economic globalization, e.g. by identifying the flows within global production arrangements and allocating them exhaustively and consistently to national economies?</p> <p>BOP/IIP/external debt statistics has central role in measuring cross border flows of goods, services and financial transactions related to global production. At the same time, these statistics might not be measuring the globalization effects sufficiently well in their complexity. It is necessary to better use their existing potential, or to improve it, for explaining the channels and measuring the effects of economic globalization.</p>		
62.	From “economic” external accounts”, to “international statistics supporting the analysis of Welfare”	<p><b>France:</b> As a starting point, the idea of a “four block approach” to statistics: Economic Accounts (this is today <i>BPM6</i> + <i>2008 SNA</i>), Nature, Human Capital and Society (Government and NGO activities) (see “The future of SNA in a broad information system perspective”, IARIW conference April 16-17, 2015 by André Vanoli <a href="http://iariw.org/papers/2015/vanolikn.pdf">http://iariw.org/papers/2015/vanolikn.pdf</a> ). The question is: what impact (for instance, accounting for the exportation of non-renewable commodities, emission rights), what system of (external/satellite) accounts or related external indicators.</p>		To be determined within <i>BPM6</i> update
63.	Measuring	<p><b>UNCTAD:</b> In September 2015, the UN General Assembly adopted the SDGs and their</p>		To be determined

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	progress towards the Sustainable Development Goals (SDG) targets	<p>accompanying targets.</p> <p>Currently, a process is underway to select a list of global indicators that will measure progress towards the new targets and, by extension, the goals.</p> <p>What can Committee contribute to measuring the progress of SDG targets? Since the Committee discusses trade, investment and capital flow/stock data, it can suggest how to link them with production data in order to help measuring progress towards the SDGs.</p>		within <i>BPM6</i> update