



Revision of the Balance of Payments Manual



Introduction

IMF's *Balance of Payments Manual*

- ◆ First edition was published in 1948. Successive editions were published in 1950, 1961, 1977, and 1993.

NEEDS FOR A REVISED MANUAL

- ◆ take into account financial innovations and growth in financial services;
- ◆ clarify selected areas (e.g., scope of direct investment, services, the borderline between use of an asset and sale of an asset);
- ◆ increase emphasis on the international investment position;
- ◆ demonstrate the integration between international accounts statistics and other macroeconomic statistics
- ◆ take account of developments in international accounting standards;
- ◆ take into account specialized manuals and classification systems;
- ◆ introduce the idea of supplementary or satellite presentations;
- ◆ deal with the special issues related to currency unions and other regional monetary and economic arrangements.



PROCESSES OF DEVELOPMENT, CONSULTATION, AND REVIEW TO PRODUCE THE NEW GUIDELINES

Compendium of Issues

Annotated Outline

**Establishment of Technical Expert
Groups**

- ◆ Direct Investment Technical Expert Group (DITEG)
- ◆ Currency Union Technical Expert Group (CUTEG)
- ◆ Balance of Payments Technical Expert Group (BOPTTEG)



AO 9. Goods and Services Account

- ◆ *Should separate balances be shown for each of goods and services?*
- ◆ Separating goods and services trade that occurs between related parties
- ◆ the provision of services and the provision of labor;
- ◆ Classification and coverage of services account (*expansion of the modes of transport; travel; FISIM, construction services*)
- ◆ Specific issues (treatment of repairs, goods for processing, merchanting, Information technology services; Insurance services)



Outcome of the First Meeting of the BOPTTEG, June 22–24, 2004

- ◆ need for clear distinction between maintenance and repairs
- ◆ more coherence between the BOP and the Tourism Satellite Account (international passenger transport to be moved from transport to travel)
- ◆ computing and information services to be combined with communication
- ◆ merchanting
- ◆ reinsurance to be treated similarly to direct insurance
- ◆ goods for processing to be treated as services



Process for the Update

- ◆ Intensive review of and consultation on the methodological issues
- ◆ Continuing contact with the Intersecretariat Working Group on National Accounts (ISWGNA) and the Advisory Expert Group on National Accounts (AEG)
- ◆ BOPCOM approve a final draft of the manual in 2008
- ◆ *BPM6* hard copy in English in 2009