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PROGRESS REPORTS

BALANCE-OF-PAYMENTS STATISTICS

Progress report prepared by the International
Monetary Fund

Introduction

1. The International Monetary Fund's formal requirements for reporting balance-of-payments statistics have remained virtually unchanged since the third edition of the Fund's Balance of Payments Manual ^{1/} was issued in 1961. The form in which these data have been presented in the Fund's Balance of Payments Yearbook since that time has also been much the same. However, volume 13 of the Yearbook ^{2/} (the first to be based on the 1961 Manual) contains statements for only some 70 countries, whereas volume 22, ^{3/} the latest to be completed, covers about 100 countries. Notable developments since the last report of the International Monetary Fund (E/CN.3/403) was submitted to the Statistical Commission ^{4/} are set out in the following paragraphs.

^{1/} International Monetary Fund, Balance of Payments Manual, 3rd. ed., July 1961.

^{2/} International Monetary Fund, Balance of Payments Yearbook, vol. 13, 1956-1960.

^{3/} Ibid., vol. 22, 1965-1969.

^{4/} See Official Records of the Economic and Social Council, Fiftieth Session, Supplement No. 2, paras. 36-37.

Balance of Payments Manual, fourth edition

2. The final draft of the revised (fourth) edition of the Manual was sent for information to all the Fund's statistical correspondents on balance-of-payments matters in January 1972. The Manual serves as the handbook to guide members in making their regular reports on balance of payments. It is expected that this edition will be adopted as the basis for the reports - which will begin falling due in April 1973 - requested by the Fund that cover the calendar year 1972. The first volume of the Yearbook to be affected by the change will be volume 25, which will contain statements for the period 1968-1972.

3. The final draft is the product of extensive consultation on earlier drafts between the Fund staff and experts from member States, from the Statistical Office of the United Nations, from the United Nations Conference on Trade and Development, and from the secretariats of international organizations such as the Customs, Co-operation Council, the European Economic Community, and the Organisation for Economic Co-operation and Development. These contacts have sought to eliminate from the Manual any unnecessary departures from prevailing national practices or from the standards recommended by other organizations for those statistical series that also figure in the balance of payments. The draft is still subject to amendment and editing, but the definitive edition is scheduled to be issued around the beginning of 1973.

4. The main difference between the fourth edition of the Manual and its predecessor is that the conceptual framework of the accounts has been somewhat enlarged. Thus, some entries that formerly had to be regarded as exceptions to the underlying principles can now readily be accommodated within the system. This expansion has brought the over-all coverage of the balance of payments closely in line with the rest-of-the-world account of the United Nations System of National Accounts (SNA). The two systems also employ the same definition of an economy and its residents and use the same rules for valuation and for time of recording.

5. An important objective in preparing the fourth edition of the Manual has been to define as precisely as possible the items that are specified. The purpose is not to impose a greater rigidity in practice but rather to provide a standard for reference that is unambiguous. Statistical series that conformed reasonably well to the requirements of the third edition of the Manual will, for the most part, continue to satisfy those of the new edition.

Seminar on balance of payments

6. The Fund is planning a seminar to discuss practical and conceptual problems of balance-of-payments compilation and reporting. The Fund's statistical correspondent in each member country is being invited to send a participant to Washington for two weeks during October-November 1972. The seminar will be divided into several sections in order to facilitate group discussion and to accommodate the various language preferences of the participants. To ensure that the broad range of questions that are of interest to participants is covered more or less systematically, the agenda will be related to the contents of the fourth edition

of the Manual. The opportunity that will be afforded for individual contact between national technicians and members of the Fund's balance-of-payments staff has also been an important consideration in arranging for the seminar.

Statistical training

7. Four intensive courses in balance-of-payments methodology, two in English and one each in French and Spanish, were held at the Fund's Washington headquarters during the 18 months ending June 1972. Such courses are regularly scheduled as part of the International Monetary Fund Institute's programme; each course is eight weeks in length and up to 25 participants are accommodated.
