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IMF Statistics Department: Path to *BPM6*

Converting BPM5 based estimates to a BPM6 presentational basis in 2012

1. **For many decades, the IMF has published data for its membership on a basis that is consistent across countries and across time periods.** Such data consistency is required for cross country data comparisons, tracking growth rates across time, and producing regional and global data aggregates. Beginning with the August 2012 releases of the *International Financial Statistics (IFS)*, the online *Balance of Payments Statistics* database, and the 2012 *Balance of Payments Statistics Yearbook (BOPSY)*, the IMF Statistics Department (STA) has been publicly disseminating data and metadata on the international accounts (balance of payments and international investment position) with observations from 2005 forward on a *BPM6* presentational basis.

Generic conversion

2. **As countries are adopting the new methodological standard at different times, STA has been working with three groups of countries for presenting their data on a BPM6 basis:** (i) countries that report data to the IMF on a *BPM6* basis; (ii) countries that report data to STA based on *BPM5* and agreed to the “generic conversion” of their data to a *BPM6* basis by STA for the IMF’s publication purposes; and (iii) countries that customize their *BPM5*-based data by adjusting the results from the “generic conversion.” Going forward, STA has continuously been replacing generically converted data with *BPM6* based data as soon as they become available.

3. **In the “generic conversion,” STA uses conversion rules for re-arranging the BPM5 data to a BPM6 presentational basis.** The rules are broadly applicable to countries in different parts of the world and in various stages of development, keeping the balances on current account, capital account, and financial account unchanged. Starting with the July 2015 *IFS* and the online Balance of Payments Statistics database, *BPM6* series will exclude migrants’ transfers from converted estimates to better align the converted *BPM6* series with *BPM6* concepts.

Second phase of conversion

4. **STA has closely collaborated with the IMF Research Department in its efforts to release the World Economic Outlook (WEO) on a BPM6 basis starting in October 2014.** IIP data in the WEO migrated to *BPM6* starting with its April 2015 edition. Further, in response to users’ strong

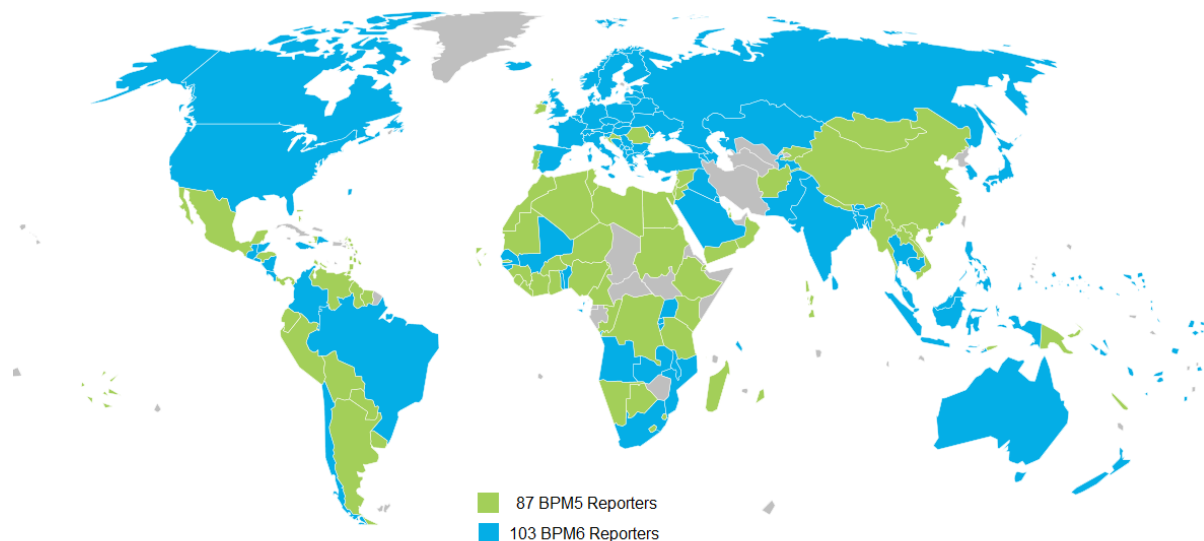
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demands for a longer time series, reported and converted *pre-2005 BPM6* data will be released starting with the September 2015 *IFS* publication.

Pace of world-wide BPM6 implementation

5. **The number of countries reporting balance of payments data based on *BPM6* has increased more than six-fold within the last three years:** there are now (June 2015) 103 *BPM6*-based BOP reporters, compared to 15 in August 2012.

BPM6 Implementation by Country (Reporters as of June 2015)



Promotion of BPM6

6. **STA continues to provide technical assistance and training to support countries in implementing the *BPM6*.** In FY2015, The Balance of Payments Division (staff and experts) conducted about 146 Missions and 20 training courses. With the aim of facilitating users' understanding of the changes brought by *BPM6* and from data conversion, STA has implemented a functional email address for queries and also prepared a set of FAQs¹, which are updated and augmented as circumstances warrant. The *BPM6 Compilation Guide* was also finalized. Going forward, STA plans to begin the update of the *BPM5 Textbook*, a companion document to the *Balance of Payments Manual*.

7. **Feedback during TA missions and training courses suggest that compilers face most challenges in the area of** measuring manufacturing services, insurance, FISIM, remittances, and FDI, the latter specifically with regard to the incorporation of SPEs for countries with offshore sectors. In

¹ Available at <http://www.imf.org/external/pubs/ft/bop/2007/bpm6faq.pdf>.

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FY2016, STA² will offer two new training courses: on Cross Border Position Statistics, and on the Compilation of Balance of Payments Statistics. The latter aims at bridging the gap between the conceptual framework and compilation challenges, and will focus on areas that are new in *BPM6* and that raise complex methodological questions, such as FISIM, insurance, and direct investment. Participants will have the opportunity to discuss specific problems encountered in their current work in compiling cross-border statistics.

² STA is the Fund's second-largest provider of training to IMF member countries.