



Meeting of the Task Force on Finance Statistics

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Occasional Paper on Recent Activities of the ECB in the field of External Statistics

Prepared by



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EUROSYSTEM

Recent Activities of the ECB in the field of External Statistics *Inter-Agency TFFS, Paris 14-15 March 2013*

I. INTRODUCTION

The ECB enacted and published a revised External Statistics Guideline at the end of 2011 (ECB/2011/23) in line with the new Statistical Standards, namely the Balance of Payments and International Investment Position Manual – 6th Edition (BPM6). Since the last meeting of the Inter-Agency Task Force on Finance Statistics (IATFFS), external statistics at the ECB has been mostly preparing the implementation of the new legal act and respective data requirements.

II. BPM6 IMPLEMENTATION

(a) Monitoring the implementation

The Working Group on External Statistics (WG-ES) developed a tool to monitor the progress in the national implementation of the new BPM6 requirements. A first monitoring exercise (involving all current 27 EU Member States) was carried out and a summary report was provided to the ESCB Statistics Committee in December 2012. The monitoring exercise on the national implementation of BPM6 will be repeated by the Working Group on a quarterly basis. The WG-ES also agreed on exploring the possibilities for further harmonising the communication on the introduction of external statistics following BPM6 by Member States and European institutions.

(b) Workshop on the implementation of BPM6 in the financial account

Following the workshop that was organised by Eurostat and the Bundesbank on current and capital account issues in February 2012, the ECB organised a workshop (coupled to the October 2012 WG-ES meeting) to discuss several methodological and practical financial account - and related income - issues linked to the interpretation and implementation of the revised standards in external statistics.

(c) Conversion of BPM5 data into BPM6 format and vice versa

The WG-ES developed a methodological matrix for the conversion of BPM5 data into BPM6 format and vice-versa. In the first half of 2013, the conversion matrix will be complemented with a tool (EXCEL Macro) that converts the data between the two methodological bases, for use by EU national compilers.

(d) SDMX: the new data structure definition for the exchange of b.o.p. data

The Working Group contributed extensively to the on-going development of the worldwide Statistical Data and Metadata eXchange (SDMX) Data Structure Definition for the exchange of balance of payments and international investment position data (the so-called BOP-DSD). The first phase of a pilot test was concluded by August 2012, with positive outcomes. The second phase of the pilot, testing implementation aspects of the new BOP DSD, has been launched recently. The BOP DSD is expected to be finalised (registered) by mid-2013.

III. OTHER ISSUES

(a) Task Force on the Valuation of FDI Positions

In 2012, a Task Force on the Valuation of FDI positions - mandated by the WG-ES - met twice in order to (i) review developments that may justify amendments to the current method of valuing unlisted FDI equity positions and (ii) assess whether new methods would lead to a more reliable i.i.p., in particular by increasing the consistency in the valuation of assets and liabilities. The final report of the Task Force was discussed and approved in the WG-ES at its meeting in October 2012. As a follow-up, the Working Group agreed on the amendment of the ECB Guideline on external statistics as to allow for the use of other recommended (BPM6) valuation methods, in three specific cases where the use of Own Funds at Book Value (OFBV, which was still considered a good benchmark) would create imbalances in the international investment position. It is foreseen that in case a compiler departs from the use of the OFBV method, the EU partner country is informed through the FDI network and reconciliation is sought by the two parties.

(b) Framework for a bilateral exchange of FDI positions

In 2012, a pilot exercise was run by the FDI Network to assess the feasibility of extending the current data exchange on direct investment transactions to positions. The exercise was evaluated positively and the Working Group approved a new framework for an annual (and in certain cases, ad hoc) exchange and a reconciliation exercise of direct investment positions within the FDI Network.

(c) Seasonal adjustment in b.o.p. statistics

The WG-ES decided to launch a stock-taking exercise to gather information on seasonal adjustment country practices in b.o.p. statistics. The aim of this exercise is to share information and best practices and to identify whether there is a need to provide more information on seasonal adjustment to users.

(d) National data transmission

The WG-ES agreed on a core list of series for the voluntary transmission of geographical details of national b.o.p./i.i.p. data following national definitions, which will be shared with users in several European institutions.