

Balance of payments - International transactions (BPM6) (bop_6)

Reference Metadata in Euro SDMX Metadata Structure (ESMS)

Compiling agency: Eurostat

Eurostat metadata

Reference metadata

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1. Contact

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1.1. Contact organisation	Eurostat
1.2. Contact organisation unit	Unit C-5 "Integrated global accounts and Balance of Payments"
1.5. Contact mail address	L-2920 Luxembourg

2. Metadata update

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2.1. Metadata last certified	03/05/2018
2.2. Metadata last posted	03/05/2018
2.3. Metadata last update	03/05/2018

3. Statistical presentation

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3.1. Data description

The Balance of Payments (BOP) systematically summarizes all economic transactions between the residents and the non-residents of a country or of an economic area during a given period.

The Balance of payments provides harmonized information on international transactions which are part of the current account (goods, services, primary and secondary income), as well as on transactions which fall in the capital and the financial account. International investment position presents value of financial assets owned outside the economy and indebtedness of the economy to the rest of the world.

BOP is an important macro-economic indicator used to assess the position of an economy (of credit or debit for current and capital account, net acquisition of financial assets or net incurrence of liabilities for BOP financial account and international investment position) towards the external world. Out of BOP data, some indicators on international position of the EU and Member States are derived.

Indicators on Main Balance of Payments and International Investment Position items as share of GDP are presented as percentage of GDP for given year or quarter and moving average for 3 consecutive years for:

- Balance, credit and debit flows of current and capital accounts and of main current account items: goods, services, primary and secondary income,
- Net flows, net acquisition of financial assets and net incurrence of liabilities for total financial account and foreign direct investment,
- International investment position and net external debt at the end of reference quarter or year.

Indicators on export market shares present shares of each EU Member State in total world exports of goods and services for given year, and 1-year and 5-year percentage changes of these shares, as well as shares in OECD exports and 5-year percentage changes of these shares.

3.2. Classification system

The methodological framework followed in the compilation of the Balance of Payments and International Investment Position is that defined in the sixth edition of the [International Monetary Fund Balance of Payments and International Investment Position Manual](#) (BPM6), published in 2009.

[Balance of Payments Manual fifth edition \(BPM5\)](#), published in 1993, was the reference for the data produced by the EU Member States, EFTA and EU candidate countries, and published by Eurostat until 2014. Time series according to BPM5 are no longer disseminated in Eurostat database.

3.3. Coverage - sector

Data are compiled and disseminated for transactions and positions of total economy vis-a-vis rest of the world. Additionally for financial account transactions and positions, as well as related economy data are available with sector breakdown (central bank, monetary financial institutions other than central bank, general government, financial corporations other than MFIs, non-financial corporations, households and non-profit institutions serving households).

3.4. Statistical concepts and definitions

The balance of payments (BoP) is a statistical statement that systematically summarises, over a given period of time, all the transactions of an economy with the rest of the world. The balance of payments records all economic *transactions* undertaken between the *residents and non-residents* of a country during a given period. A *transaction* is defined in the [IMF Balance of Payments and International Investment Position Manual \(BPM6\)](#) as an economic flow that reflects the creation, transformation, exchange, transfer, or extinction of economic value and involves changes in ownership of goods and/or financial assets, the provision of services, or the provision of labour and capital.

The *concept of resident* in the BPM6 is identical to that used in the 2008 System of National Accounts (SNA) and 2010 European System of National and Regional Accounts (ESA2010). The concept is not based on nationality or legal criteria. It is based on the notion of a centre of economic interest. An institutional unit is a resident unit when it has a centre of economic interest in the economic territory of a country for a period of at least one year.

The balance of payments provides information on the **total value of credits (or exports), debits (or imports), net acquisition of financial asset and net incurrence of liabilities** for each BOP item and on the **balance** (credits minus debits) or **net** (net acquisition of financial asset minus net incurrence of liabilities) of the transactions with each partner.

BOP statistics are expressed in value terms. The trends observed depend also on the volume of transactions, market prices and exchange rates. Variations in prices and exchange rates are often considerable, making it difficult to analyse value flows. Time series analysis or comparisons across countries, especially outside the Euro area should take into account such variables.

The balance of payments accounts are constructed on a double-entry accounting system, so that every transaction is - in principle - recorded in twice, once as a debit, once as a credit. If for example, a country exports goods and receives foreign currency in return, it will record the export by a credit in the *Current account* (more specifically in the *Goods* account) and the increase in the asset (foreign currency) in the *Financial account*. Thus, given complete and accurate recording, the overall balance of payments (i.e. the combined current and capital account and the financial account) should sum to zero. In practice, however, this is seldom the case.

The balance of payments is broken down into three broad sub-balances: the current account (a), the capital account (b) and the financial account (c).

a) Current account (BoP item CA = sum of items G + S + IN1 + IN2)

The *Current account* shows the flows of goods, services, primary income and secondary income between resident and non-resident units.

a.1 - Goods (BoP item G)

BoP item *Goods* covers *general merchandise, non-monetary gold* and, since the implementation of the BPM6, *net export of goods under merchanting*.

The most important component, *General merchandise*, includes all movable goods whose ownership is transferred from a resident to a non-resident and vice versa.

When calculating the balance of payments, both exports and imports of *Goods* should be valued free-on-board (f.o.b.). When a cost-insurance-freight (c.i.f.) valuation is provided, freight and insurance components have to be estimated separately and eliminated from the trade figures to arrive at a f.o.b. valuation. These components are then recorded in the services account.

a.2 - Services (BoP item S = sum of items SA + SB + SC + SD+SE+SF+SG+SH+SI+SJ+SK +SL)

Services are the second major category of the current account. In the production of data on International Trade in Services the references are the IMF's [BPM6](#) and the United Nations' [Manual on Statistics of International Trade in Services 2010](#).

Services' items *Manufacturing services on physical inputs owned by others (SA)* and Maintenance and repair services n.i.e (SB) were newly introduced in services account under BPM6.

Transport (SC) covers services provided by all modes of transport -sea, air, and other, which includes space, rail, road, inland waterway and pipeline - that are performed by residents of one economy for those of another. The different types of services offered include transport of passengers, transport of freight, other supporting and auxiliary services (e.g., storage and warehousing), postal and courier services and electricity transmission.

The debit side of the item *Travel (SD)* consists of goods and services which are acquired by residents who stay abroad for less than one year. The credit side includes purchases of the same type made by foreign travellers on the national territory. This item contains two main categories of travel: business travel and personal travel (leisure, study, health-related purposes, etc.). Note that international transport costs of the traveler to destination are recorded under the heading "transport", but all movements within the country, including cruises, are entered under "travel".

Other categories of services are:

- Construction services (SE);
- Insurance services (SF),
- Financial services (SG), which include explicitly charged and other financial services, and financial intermediation services indirectly measures (FISIM),
- Charges for the use of intellectual property n.i.e. (SH),
- Telecommunications, computer and information services (SI),
- Other business services (SJ) which include research and development services, professional and management consulting services, and technical, trade-related and other business services,
- Personal, cultural and recreational services (SK),
- Government goods and services n.i.e (SL).

a.3 - Income (BoP item IN1)

Income covers three types of transactions between residents and non-residents.

Compensation of employees records wages, salaries and other benefits, in cash or in kind, earned by individuals for work performed for economic units whose place of residence is different from their own (border workers, seasonal workers, employees of international organisations, etc.). BoP item *Compensation of employees* records money paid to non-resident workers or received from non-resident employers.

Investment income is income derived from ownership of external financial assets and liabilities and payable by residents of one economy to residents of another economy. In line with the related financial account, *Investment income* is classified in *Direct investment*, *Portfolio investment*, and *Other investment and reserve assets income*. It includes interest, dividends, remittances of branch profits, and direct investor's shares of the retained earnings of direct investment enterprises; income on equity and investment fund shares, as well as on debt securities from portfolio investment; income from interest, withdrawals from income of quasi corporations and income attributable to policyholders in insurance, pension schemes and standardised guarantee schemes.

Other primary income includes rent, taxes and subsidies on products and production.

Detailed data for Foreign Direct Investments income (FDI), with a breakdown by partner country and by kind of activity, are available in a separate table.

a.4 - Secondary income (BoP item IN2)

IT is a counterpart entry, required by the double-entry system used in BoP compilation, that offsets the provision of a non-financial, or financial, item by a resident to a nonresident (or vice versa) without a counterpart return of an item of economic value. *Secondary income* consists of all transfers, which are not capital (see below). Current transfers are broken down, according to the sector of the compiling economy, into two subcomponents: general government and other sectors.

General government transfers are broken down into:

- (a) Current taxes on income, wealth, etc.,
- (b) Social contributions,
- (c) Social benefits,
- (d) Current international cooperation, and
- (e) Miscellaneous current transfers.

Other sectors' transfers are broken down into:

- (a) Current taxes on income, wealth, etc.,
- (b) Social contributions,
- (c) Social benefits,

- (d) Net nonlife insurance premiums,
- (e) Nonlife insurance claims,
- (f) Miscellaneous current transfers, which includes personal transfers between resident and non-resident households, including workers' remittances.

b) Capital account (BoP item KA)

This item covers all transactions that involve (a) the receipt or payment of capital transfers (debt forgiveness, nonlife insurance claims, investment grants, one-off guarantees and other debt assumption, capital taxes and other capital transfers) and (b) the acquisition/disposal of non-produced, non-financial assets, which includes transactions associated with tangible assets (e.g., land and subsoil assets) and transactions associated with intangible assets (e.g., patents, copyrights, trademarks, franchises, etc.).

c) Financial Account (BoP item FA)

The *Financial account* covers all transactions associated with changes of ownership in the foreign financial assets and liabilities of an economy. The financial account is broken down into five basic functional categories: *Direct investment (divided by instrument into equity and investment fund shares, reinvestment of earnings and debt instruments)*, *Portfolio investment (divided by instrument into equity and investment fund shares, reinvestment of earnings for investment fund shares and debt securities)*, *Financial derivatives and employee stock options*, *Other investment (divided by instrument into other equity, currency and deposits, loans, insurance, pension schemes and other standardised guarantee schemes, trade credits and advances, other accounts receivable/payable and special drawing rights)* and *Official reserve assets (divided by instrument into monetary gold, special drawing rights, reserve position in the International Monetary Fund and other reserve assets)*.

Short descriptions of balance of payments and international investment position items are included in Annex II of [Commission Regulation \(EU\) No 555/2012](#).

International investment position shows stock of financial assets and liabilities at the end of quarter of year. Stocks at the end of period 'T' should be equal to the sum of the value of stocks at the end of period 'T-1' (equal to the value at the beginning of period 'T'), value of transactions during period 'T' ("T") and value of changes in positions other than transactions. Changes in positions other than transactions consist of revaluations due to exchange rate changes, revaluations due to other price changes and other changes in the volume of assets/liabilities.

Detailed data for Foreign Direct Investment (FDI), with a breakdown by partner country and by kind of activity, are available in a separate table.

For the current and capital account items, Credits and debits are to be recorded with a plus sign (even though **some exceptions**, such as for reinvested earnings in direct investment income, insurance services or for net exports of goods under merchanting, **can occur**). **For the most part**, only balances in accounts carry a negative sign. The **balance** is calculated as **credits – debits** and may be positive or negative.

For the financial account items, in BPM6 the headings and signs in BoP financial account have been changed from "credit" and "debit" to "**net acquisition of assets**" and "**net incurrence of liabilities**". The new terminology and sign convention for the BoP financial account are consistent with those for the IIP i.e. a positive sign represent an increase, and a negative sign represents a decrease, in the asset or a liability to which it relates. Thus, for "**net acquisition of assets**" in the financial account of the BoP, a plus sign denotes a net increase in financial assets, while a minus sign refers to a net decrease in financial assets. The **net** is calculated as **net acquisition of assets - net incurrence of liabilities** and may be positive or negative.

The net balance on financial account has the opposite sign in BPM6 compared to BPM5 (e.g. a net inflow in the financial account is represented with a minus sign in BPM6, whereas it has a positive sign in BPM5).

In international investment position data for assets and liabilities, values should be positive and negative ones could be observed in exceptional circumstances, as described in the international manuals. These very rare exceptions may occur, for example in the context of FDI equity where the accumulated losses (reported as negative reinvestment of earnings) are larger than the total equity (other than reinvestment of earnings).

For revaluations due to exchange rate change, revaluations due to other price changes and other changes in the volume of assets/liabilities, data are to be reported with a plus sign, whereas decreases in assets and liabilities are to be reported with a minus sign.

The **net** is calculated as **net acquisition of assets - net incurrence of liabilities** and may be positive or negative.

For **net external debt, net liabilities** are calculated as **net incurrence of liabilities - net acquisition of assets**.

The balance of payments is constructed on a double-entry accounting system. Thus, the overall balance of payments should sum to zero. However, several factors (timing, valuation, data sources, etc.) cause imbalances in the information recorded. BoP item EO – *Net errors and omissions* is used to balance the Current and Capital account with the *Financial account*. In principle, FA-CA-KA=0. If it is not the case, countries use EO as balancing item (FA-CA-KA-EO=0).

When the balance of payments is said to *be in or out of balance*, this does not refer to the balance of payments as a whole but simply to one of the sub-balances, that is, one item or a set of items. For instance, the goods account will be in deficit/surplus when the total value of imported goods is greater/smaller than the total value of exported goods.

3.5. Statistical unit

Any individual, corporation or other institution that provides information on the transactions or positions between the *residents* and *non-residents* of a country during a given period.

3.6. Statistical population

BoP statistical population includes all the economic transactions and positions between residents and non-residents. The coverage of the statistical population assured by the reported transactions and positions can be very different for different BoP items. Information on the transactions and positions can be provided by individuals, corporations or institutions.

3.7. Reference area

European Union, EU Member States, Euro Area, EFTA countries, candidate and potential candidate countries.

3.8. Coverage - Time

BoP produces monthly, quarterly and annual data. Monthly BoP data are available starting from 1999M01. Quarterly BoP items are available from 1982Q1, while quarterly IIP from 1993Q4. Balance of payments quarterly data are annualized as sum of four quarters of each year, while international investment position at the end of year is equal to the position at the end of the fourth quarter of this year. For the EU aggregates quarterly BoP data are available starting from the first quarter of 1999, while monthly BoP starting from January 2008.

3.9. Base period

Not applicable.

4. Unit of measure

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Data are available in millions of euro and millions of national currency. Some data are also disseminated as share of GDP and share of world exports.

5. Reference Period

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BoP produces monthly, quarterly and annual data. Monthly BoP data are available starting from 1999M01. Quarterly BoP items are available from 1982Q1, while quarterly IIP from 1993Q4. For the EU aggregates quarterly BoP data are available starting from the first quarter of 1999, while monthly BoP starting from January 2008.

6. Institutional Mandate

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6.1. Institutional Mandate - legal acts and other agreements

The [Regulation no 184/2005 of The European Parliament and of the Council of 12 January 2005 on Community statistics concerning balance of payments, international trade in services and foreign direct investment](#) (OJ L35/23 of 8/02/2005), became the applicable for EU data production as from reference year 2006 onwards. In addition, [Commission Regulation \(EC\) No 601/2006](#), [Commission Regulation \(EC\) No 602/2006](#), [Commission Regulation \(EC\) No 707/2009](#), [Commission Regulation \(EU\) No 555/2012](#) and [Regulation \(EU\) 2016/1013](#) have been published (OJ L106/7, L106/10 of 18/04/2006, L204/3 of 6/08/2009, L166/22 of 27/06/2012, L171/144 of 29/6/2016), respectively implementing and amending Regulation (EC) No 184/2005. Quality reports for the BoP domain are prepared in accordance with [Commission Regulation \(EC\) No 1227/2010](#) of 20 December 2010 implementing Regulation (EC) No 184/2005 (OJ No L 283/3).

In the compilation of BoP, responsibility is shared between Eurostat and the ECB. Eurostat focuses on quarterly and annual BoP, IIP, ITS and FDI aggregates of the EU, as well as on detailed ITS data also for the *euro area*, whereas the European Central Bank (ECB) is in charge of compiling and disseminating the *euro area* monthly and quarterly balance of payments statistics. A [Memorandum of understanding](#) (with a [BoP Annex](#)) has been signed between the two parties. For more information on *euro area* Balance of Payments data, see the ECB website at <https://www.ecb.europa.eu/stats/external/balance/html/index.en.html>

In order to access all the legal information, please consult [EUR-Lex website](#).

6.2. Institutional Mandate - data sharing

Not applicable.

7. Confidentiality

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7.1. Confidentiality - policy

[Regulation \(EC\) No 223/2009 on European statistics](#) (recital 24 and Article 20(4)) of 11 March 2009 (OJ L 87, p. 164), stipulates the need to establish common principles and guidelines ensuring the confidentiality of data used for the production of European statistics and the access to those confidential data with due account for technical developments and the requirements of users in a democratic society.

7.2. Confidentiality - data treatment

Regulation (EC) No 223/2009 on European statistics (recital 24 and Article 20(4)) of 11 March 2009 (OJ L 87, p. 164), stipulates the need to establish common principles and guidelines ensuring the confidentiality of data used for the production of European statistics and the access to those confidential data with due account for technical developments and the requirements of users in a democratic society.

8. Release policy

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8.1. Release calendar

For BoP quarterly data, a release calendar is disseminated on the website at <http://ec.europa.eu/eurostat/news/release-calendar>

For *euro area* balance of payments, please refer to <https://www.ecb.europa.eu/press/calendars/statscal/ext/html/stprbp.en.html>

8.2. Release calendar access

Not applicable.

8.3. Release policy - user access

In line with the Community legal framework and the European Statistics Code of Practice Eurostat disseminates European statistics on Eurostat's website respecting professional independence and in an objective, professional and transparent manner in which all users are treated equitably.

The detailed arrangements are governed by the Eurostat protocol on impartial access to Eurostat data for users.

9. Frequency of dissemination

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BoP data: Monthly, quarterly and annual.

IIP data: Quarterly and annual.

Remittances, international trade in services and foreign direct investment data: Annual.

10. Accessibility and clarity

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10.1. Dissemination format - News release

Monthly, quarterly and annual news release are available under <http://ec.europa.eu/eurostat/news/release-calendar>

10.2. Dissemination format - Publications

- [Free publications online](#)
- [Dedicated Section](#)
- [Statistics Explained](#)
- [Circabc](#)

10.3. Dissemination format - online database

Monthly, quarterly and annual data on balance of payments, international investment position, remittances, international trade in services and foreign direct investment are available free of charge on [Eurostat website](#).

10.4. Dissemination format - microdata access

Not applicable.

10.5. Dissemination format - other

Not applicable.

10.6. Documentation on methodology

The methodological framework followed in the compilation of the Balance of Payments is that defined in the sixth edition of the [International Monetary Fund Balance of Payments and International Investment Position Manual](#) (BPM6).

A summary of the methodologies used for the compilation of BoP by members of the European Union can be found in the ECB publication "[European Union Balance of Payments and International Investment Position statistical sources and methods](#)", November 2016).

10.7. Quality management - documentation

Eurostat prepares national annual Quality Reports for the balance of payments, international trade in services and foreign direct investment in accordance with [Commission Regulation \(EC\) No 1227/2010](#) of 20 December 2010 implementing Regulation (EC) No 184/2005 (OJ No L 283/3). It contains information on relevance, accuracy, timeliness, punctuality, accessibility, clarity, comparability and coherence. The latest overview report "[Quality report on balance of payments \(BOP\), international trade in services \(ITS\) and foreign direct investment \(FDI\)](#)" provides analysis for data transmitted until December 2016.

The ECB publishes an [Bi-annual Quality Report on Euro area Balance of Payments and international investment position statistics](#). This report is the result of a Joint ECB-Eurostat Task Force on quality.

11. Quality management	Top
11.1. Quality assurance	
Quality is assured by the application of concepts according to the sixth edition of IMF Balance of Payments and International Investment Position Manual (BPM6) and thorough validation of the data delivered by countries.	
11.2. Quality management - assessment	
Eurostat prepares national annual Quality Reports for the balance of payments, international trade in services and foreign direct investment in accordance with Commission Regulation (EC) No 1227/2010 of 20 December 2010 implementing Regulation (EC) No 184/2005 (OJ No L 283/3). It contains information on relevance, accuracy, timeliness, punctuality, accessibility, clarity, comparability and coherence. The latest overview report "Quality report on balance of payments (BOP), international trade in services (ITS) and foreign direct investment (FDI)" provides analysis for data transmitted until December 2016. The ECB publishes an Quality Report on Euro area Balance of Payments and international investment position statistics . This report is the result of a Joint ECB-Eurostat Task Force on quality.	
12. Relevance	Top
12.1. Relevance - User Needs	
Users need and balance of payments offers complete and consistent description of the external transactions of the European Union, Euro Area, EU Member States, EFTA and candidate countries. Balance of Payments and International Investment Position data are used for the calculation of the several indicators used in Macroeconomic Imbalance Procedure Scoreboard. The following indicators are calculated out of BoP and IIP data: - Current account balance (three year average) as share of GDP, - Net International Investment Position as share of GDP, - Share in world exports (five year change), Additionally the following auxiliary indicators are calculated: - Current account balance as share of GDP, - Net lending/net borrowing (sum of current and capital account balances) as share of GDP, - Net external debt as share of GDP, - Foreign Direct Investment flows and stock as share of GDP, - Share in OECD exports.	
12.2. Relevance - User Satisfaction	
Not applicable.	
12.3. Completeness	
Data offer complete and consistent description of the components of the Balance of Payments, International Investment Position, International Trade in Services and Foreign Direct Investment components with the geographical breakdown and in accordance with International Monetary Fund Balance of Payments and International Investment Position Manual (BPM6) published in 2009.	
13. Accuracy	Top
13.1. Accuracy - overall	
Euro area BoP: When compiling the euro area aggregate at all frequencies, several checks are run at the ECB on the contributions received from all euro area Member States and from the ECB itself (derived from data of its Accounting Department). The aim of these checks is to detect inaccurate, inconsistent or implausible data. Outliers in time series or inconsistencies with other data sources are analysed. If a potential problem is detected, the country involved has to check and to change or confirm the figures; in the latter case, a further explanation on the underlying economic development is often delivered. EU BoP: Data transmitted by the Member States are checked by Eurostat for their consistency and plausibility. If any problems are found, Eurostat contacts the relevant Member State to check the figures or confirm changes made by Eurostat. Data on goods are generally based on Foreign Trade Statistics, which are often collected by customs' administrations. Data on services come from a variety of surveys where the data can be reported either by the banks or directly by the enterprises or the households. Data from national authorities are checked by Eurostat as elaborated in Section 18.4 "Data Validation". Size of revisions is checked on regular basis, during each data production process and in the more detail in the annual quality report. Asymmetries are another way of assessing the accuracy of statistics on flows. In that, values of trade in goods and services reported by European countries are compared with that of their partners within the EU. The resulting differences are evaluated. In the intra-EU trade of goods arrivals are about 5% less than dispatches. Further information on intra-EU asymmetries may be found in the document Asymmetries of current account in the intra-EU balance of payments . At the European level, accuracy of GDP is regularly monitored in the framework of the GNI (Gross National Income) Committee and technical aspects are regularly analysed in several working groups and technical committees.	
13.2. Sampling error	
Not applicable.	
13.3. Non-sampling error	
Not applicable.	
14. Timeliness and punctuality	Top
14.1. Timeliness	
BoP monthly data are released within 7 weeks after reference period. BoP Quarterly data: <ul style="list-style-type: none"> • A first estimate for the EU and Euro Area aggregates is published 7 weeks after the reference period. • The complete BoP quarterly dataset, as well as quarterly IIP and revaluations are published 3 months and 2 weeks after the reference period. BoP and IIP Annual data are updated when the corresponding quarterly data are available. Annual ITS and FDI data are released around 11-12 months after the reference period. Preliminary data, with limited detail for partners and posts, are released 4 - 5 months after the reference period.	

14.2. Punctuality
Eurostat monitors closely punctuality of data delivery by the countries. Generally countries meet the delivery deadlines very well (44 days after the reference period for BoP monthly data, 82-85 days after the reference period for the complete quarterly BoP dataset and quarterly IIP and revaluations, 9 months after the reference period for annual international trade in services and foreign direct investment transactions, income and positions, 21 months after the reference period for activity breakdown of foreign direct investment transactions and positions).
15. Coherence and comparability Top
15.1. Comparability - geographical
<p>The underlying methodological framework, which is defined in BPM6, ensures a high degree of comparability across countries. Regulation (EU) no 555/2012, amending Regulation (EC) No. 184/2005 contains the questionnaires, and also all the details on the coding system, the format of the data, the deadlines for transmission. Each country compiles its BoP statistics using the data coming from a number of surveys and administrative sources.</p> <p>Questionnaires and data requests with all details and explanations concerning requested item, geographical and activity breakdowns are included in Balance of Payments Vademecum.</p> <p>The methodologies used by Member States when compiling the BoP are covered in the country chapters of the ECB's publication 'European Union Balance of Payments and International Investment Position statistical sources and methods'.</p>
15.2. Comparability - over time
The data are generally considered highly comparable over time. The methodology is revised according to the revisions of the sixth edition of IMF's Balance of Payments and International Investment Position Manual (BPM6). In some countries, methodological breaks can affect time series (normally on a temporary basis). Backward calculations of time series are provided to ensure full time coherence in a case of methodological changes.
15.3. Coherence - cross domain
<p>More information on national data can be found on the Dissemination Standards Bulletin Board of the IMF (International Monetary Fund).</p> <p>For euro area balance of payments, please refer to http://dsbb.imf.org/Pages/SDDS/DQAFBase.aspx?ctycode=EMU&catcode=BOP00</p> <p>BoP data can be related with some of the data published by National Accounts domain (in particular with the figures appearing inside the Rest of the World account) and with the aggregate figures on imports and exports of goods published by Foreign Trade Statistics.</p>
15.4. Coherence - internal
Consistency is checked between quarterly balance of payments and annual international trade in services and foreign direct investment statistics, as well as between monthly and quarterly BoP.
16. Cost and Burden Top
Not applicable.
17. Data revision Top
17.1. Data revision - policy
Monthly, quarterly and annual data are revised with the updated information transmitted by the Member States, according to the timetable specified in the Balance of Payments Vademecum .
17.2. Data revision - practice
Monthly data are transmitted 44 days after the reference month. First release of quarterly data is calculated as sum of monthly data and should be considered as provisional. Quarterly data are revised when more detailed information (by components and geographical breakdown) is transmitted by Member States 85 days after the reference quarter. Quarterly data are also revised when information for the next quarters is provided by Member States. Finally, quarterly data are also subject to revision when the annual data are published, in order to ensure consistency between quarterly and annual figures.
18. Statistical processing Top
18.1. Source data
<p>Data published by Eurostat are compiled on the basis of data provided by Member States.</p> <p>Each year, quarter or month, the national banks or the national statistical offices of the Member States provide Eurostat with data according to a set of questionnaires approved by all Member States and designed to fulfil a set of requirements. The Balance of Payments Vademecum is the reference text for national BoP compilers. This document contains the questionnaires, and also all the details on the coding system, the format of the data, the deadlines for transmission.</p> <p>Each country compiles its BoP statistics using the data coming from a number of surveys and administrative sources. Methods used for the collection and compilation of statistics differ among BOP items within a country, as well as among countries.</p> <p>Data for BoP item <i>Goods</i> are generally based on International Trade in Goods Statistics, which are often collected by customs' administrations.</p> <p>Data for BoP item <i>Services</i> come from a variety of surveys where the data can be reported either by the banks or directly by the enterprises or the households.</p> <p>Data for BoP item <i>Primary Income</i> are generally estimated using information coming from the banking sector and other financial institutions.</p> <p>Data for BoP item <i>Secondary income</i> generally come from administrative sources.</p> <p>Data for BoP <i>Financial account</i> and International investment position generally come from the banks and from other financial and non financial institutions.</p>
18.2. Frequency of data collection
Not applicable.
18.3. Data collection
<p>The banks have for a long time provided part of the information used for the compilation of BoP through the so called "settlements systems" or International Transaction Reporting System (ITRS): banks had to report, generally to their National Central Bank, all the information related to cross-border settlements they had made on their own behalf or on behalf of their customers. ITRS in the last years has been losing accuracy, because companies are using new techniques in managing their assets and, moreover, because a new EU Regulation (Regulation (EC) No 2560/2001, 19 December 2001, on cross-border payments in Europe) introduced an exemption threshold for the banks' reporting on behalf of their customers. To make up for this loss of information, some countries have already introduced new direct reporting systems and new surveys.</p> <p>On this issue see the Final Report of the Technical Group Direct Reporting, with its Annex C dedicated to the possible ways to use Business Registers for the compilation of BoP. Annex B to this report gives an idea of the mixed <i>positions of EU Member States towards the use of Direct Reporting systems</i>.</p> <p>A summary of the sources used for the compilation of BoP by members of the European Union can be found in the ECB publication "European Union Balance of Payments and International Investment Position statistical sources and methods", November 2016).</p> <p>Information on BoP compilation systems in individual countries can also be found in each SDDS country page published in the IMF's <i>Dissemination Standards Bulletin Board</i> in the section "Balance of Payments".</p>

<p>18.4. Data validation</p> <p>Eurostat submits all data received from the reporting countries to a number of checks. These checks verify the plausibility of the data (e.g. the development of time series), their internal consistency (aggregates should match the sum of the sub-items), presence of outliers, size of revisions, their correspondence with data already disseminated by the same country on its NCB or NSI web-page. Validation rules are described in Balance of Payments Vademecum.</p> <p>Data are checked according to:</p> <ul style="list-style-type: none"> - Validation level 1 - Quality checks related to information included in the file, - Validation level 2 - Revision checks, - Validation level 4 - Consistency checks between international trade in goods statistics data available at Eurostat and BoP goods data, - Validation level 5 - Data are compared with figures disseminated on websites of National Central Banks or National Statistical Institutes. <p>Quality is annually measured by quality reports with the following criteria: relevance, accuracy, timeliness, punctuality, accessibility, clarity, comparability and coherence. Legal basis is Commission Regulation (EU) no 1227/2010 of 20 December amending Regulation (EC) no 1055/2008 implementing Regulation (EC) No 184/2005 of the European Parliament and the Council, as regards quality criteria and quality reporting for balance of payments statistics.</p>	<p>18.5. Data compilation</p> <p>Time of recording: in line with the BPM6, recording is on a transaction basis ("accruals principle"), meaning that transactions have to be recorded when economic value is created, transformed, transferred or extinguished. The main criterion is change of ownership. The change may be legal or economic.</p> <p>Valuation: in principle, market prices are used.</p> <p>In the compilation of BoP, responsibility is shared between Eurostat and the ECB. A Memorandum of understanding (with a BoP Annex) has been signed between the two parties. Eurostat produces Euro area information only regarding the annual detail in trade in Services. All the other monthly and quarterly BoP data related to the Euro area available in Eurostat's database are produced by the ECB.</p> <p>In regard with the compilation of EU aggregates, Eurostat compiles the aggregate EU figures by consolidating the EU Member States' transactions vis-à-vis non-residents of the EU. The balance of payments of the EU institutions is added to the EU aggregate. Intra-EU transactions are not included in the calculation of the aggregate.</p> <p>This methodology, which is used to compile the BoP aggregates for the EU28, has been agreed between Eurostat and ECB, which computes the euro area aggregate in a similar way. This methodology has the advantage of skipping the problem of the existing intra-EU asymmetries.</p> <p>18.6. Adjustment</p> <p>To produce the BOP figures for the EU aggregates, Eurostat has to apply several adjustments to the original data supplied by the Member States. They concern mainly financial account items and related income.</p> <p>Seasonally and working day adjusted data for the main current account items are obtained using "direct approach", which means that the adjustments are made directly for the EU aggregates, instead of adjusting the underlying country contributions and aggregating them afterwards.</p>
<p>19. Comment</p> <p>Not applicable.</p>	<p>Related metadata</p>
<p>Annexes</p>	