

## PRESS INFORMATION NOTICE

**13 June 2023**

### **Balance of Payments and International Investment Position**

The National Statistics Office (NSO) will be implementing an ad hoc revision in the Balance of Payments (BOP) and International Investment Position (IIP) statistics. The BOP revision will be published locally on 28 June 2023 with the News Release: International Economic and Financial Transactions covering statistics for the first quarter of 2023. The IIP revision will be implemented subsequently, with details to be communicated later in June.

Ad hoc revisions to BOP and IIP statistics resulted mostly from the incorporation of new data sources which made possible more robust figures compared to past estimates. Moreover, improvements in methodology are facilitating more comparability with international statistics in these areas. The most important developments underpinning this ad hoc revision are:

- greater reliance on administrative data in the compilation of statistics relating to corporations that are relevant for the scope of BOP and IIP. The availability of new data sources made it possible to micro-link different databases and these were then complemented with survey data;
- inclusion of new data sources, such as the database of the Bank for International Settlements, which advanced efforts to capture data on the household sector;
- the Central Bank of Malta has collaborated with the NSO to introduce data relating to certain sub-sectors of the Other Financial Institutions sector.

The revision will be implemented in stages starting from latest to retrospective periods. The draft timeline is given below to inform users:

- a) June 2023: Publication of revised time series from reference period January 2022 - March 2023;
- b) September 2023: Publication of revised time series for reference period January 2017 - December 2021; and
- c) March 2024: Publication of revised time series statistics for reference period January 2008 - December 2016.

#### **Benefits:**

The ad hoc revision will improve on the accuracy of BOP and IIP statistics. The main changes affect mainly the BOP current account and the IIP. Revisions to the current account stem primarily from enhancements in the services account and the primary income account, but the balance will remain within the range of -4% and +6% for the period 2017-2023, when expressed as a percentage of Gross Domestic Product. On the other hand, the stock positions of assets and liabilities will increase as a result of these revisions, with the Net IIP remaining in positive territory.