

M E T A D A T A

BASIC INFORMATION		
1	Data Category	: Indonesia's Balance of Payments
2	Statistics Disseminator	: Statistics Department (DSta) Bank Indonesia
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DATA DEFINITION		
<p>Indonesia's Balance of Payments (Indonesia's BOP) is a statistical statement that systemically summarizes economic transactions between residents and nonresidents within a certain period of time.</p>		
DATA COVERAGE		
<p>The Indonesia's BOP coverage is largely in accordance with the concepts set out in the Balance of Payments and International Investment Position Manual, 6th edition (BPM6). In principle, all transactions between residents and nonresidents are recorded in the BOP. The Indonesia's BOP covers all residents institutional units, such as domestic firms affiliated with nonresident companies, territorial enclaves (such as embassy), companies in free trade zones/bonded zones under supervision of Customs, and Indonesian working abroad temporarily.</p> <p>The current account includes exports and imports of goods, services, primary income, and secondary income. The financial account includes direct investment, portfolio investment, financial derivatives, and other investment excluding foreign exchange reserves and credit/loans with the IMF which are presented as separate component.</p> <p>Goods transactions include exports and imports of general merchandise, nonmonetary gold, and goods procured in ports by carriers.</p> <p>Services transactions include exports and imports of manufacturing services, maintenance and repair services, transportation services, travel services, construction services, insurance and pension services, financial services, charges for the use of intellectual property,</p>		

telecommunications, computer, and information services, other business services, personal, cultural, and recreational services, and government goods and services.

Primary income transactions consist of compensation of employees and investment income from direct investment, portfolio investment, and other investment.

Secondary income transactions divided by institutional sectors receiving or giving transfers which consist of government and other sectors. Other sectors' transactions also include workers' remittances.

Capital and financial transactions consist of:

- a. **Capital account** consists of capital transfers which include transfer of ownership of fixed assets (e.g. investment grants) or debt forgiveness on the basis of agreement by both creditor and debtor, and cash transfers linked to acquisition/disposal of fixed assets by one or both transacting parties.
- b. **Financial account** consists of transactions in order to direct investment, portfolio investment, financial derivatives, and other investment.
 - **Direct investment** is presented in assets and liabilities principle.
 - Direct investment on assets side is Indonesian resident investment in a company abroad which is characterized by ownership of equity capital at least 10% and debt instruments to nonresident company.
 - Direct investment on liabilities side is nonresident investment in a company in Indonesia which is characterized by ownership of equity capital at least 10% and debt instruments.
 - Nonresident affiliated company may be a direct investor, direct investment enterprise (subsidiary or affiliate), or a fellow enterprise in its relationship to other enterprises.
 - For analysis purpose, direct investment is also presented based on directional principle (as in BPM5).
 - Direct investment abroad is Indonesian resident investment in a company abroad, which is characterized by the presence of initial transaction in ownership of equity capital at least 10%. Subsequent transactions between Indonesian enterprises with its direct investment enterprise (subsidiary or associate) and nonresident fellow enterprises, in assets and liabilities, are recorded as direct investment abroad.
 - Direct investment in Indonesia is nonresident investment in a company in Indonesia, which is characterized by the presence of initial transaction in ownership of equity capital at least 10%. Subsequent transactions between Indonesian enterprises with its direct investor and nonresident fellow enterprises, in assets and liabilities, are recorded as direct investment in Indonesia.

- Equity and investment fund shares consists of ownership of shares and reinvested earnings. Debt instruments consist of securities, loans, and other assets/liabilities.
- Direct investment data, on assets and liabilities side, consist of investment in all economic sectors, including in oil and gas sectors.
- Details of direct investment in Indonesia by country of origin, economic sector, and cross-tabulation of country of origin and economic sector are based on concept in BPM5 (i.e. directional principle).
- **Portfolio investment** on assets side includes resident sales and purchase of securities (shares or short-term/long-term debt securities) issued by nonresident, while on liabilities side, portfolio investment includes nonresident sales and purchase of securities issued by Indonesian resident.
- Financial derivatives cover financial instrument that are linked to another specific financial instrument, indicator or commodity, and through this, specific financial risks (such as interest rate risk and exchange rate risk) can be traded in financial markets. Financial derivatives transactions only cover transactions in banking sector.
- **Other investment** on assets side includes loans extended to and other claims on nonresident, while on the liabilities side, other investment includes loan received from and other liabilities to nonresident, including SDR allocation from the IMF.

Reserve asset transactions include receipt and payment transactions that are done by Bank Indonesia and government for Indonesia's official reserve assets purpose.

Some transactions between resident and nonresident have not been recorded yet in Indonesia's BOP, such as shuttle trade in borders area and smuggling which should be included in goods transaction, acquisition or disposal of non-produced nonfinancial assets which should be included in capital transaction, and arrears which should be included in financial transaction.

PUBLICATION PERIODICITY

Quarterly

TIMELINESS

A quarter after the end of reported quarter (SDDS).

8 (eight) weeks after the end of reported quarter (SEKI *website*).

9 (nine) weeks after the end of reported quarter (Printed and CD).

ADVANCE RELEASE CALENDAR (ARC)

ARC (attached) will be disclosed every year on December.

Estimated release date of Indonesia's BOP to the public for the first time can also be seen in <https://dsbb.imf.org/sdds/country/IDN/advance-release-calendar-base>

SOURCE OF DATA

The source of data of Indonesia's BOP statistics consist of:

- Ministry of Finance: Directorate General of Customs and Excise, Directorate General of Budget Financing and Risk Management/Direktorat Jenderal Pengelolaan Pembiayaan dan Risiko (DJPPR),
- Ministry of Energy & Mineral Resources: Directorate General of Oil & Gas, Special Task Force for Upstream Oil and Gas Business Activities Republic of Indonesia (SKK Migas),
- Other institutions: Ministry of Tourism and Creative Economy, Ministry of Religion, Ministry of Manpower, Ministry of Transportation, Ministry of Foreign Affairs, Ministry of State-Owned Enterprises, Statistic Indonesia (BPS), Indonesia Stock Exchange (BEI), Indonesian Central Securities Depository (KSEI), Financial Services Authority (Otoritas Jasa Keuangan/OJK), Indonesian Migrant Workers Protection Board/ Badan Pelindungan Pekerja Migran Indonesia (BP2MI), and related corporations.
- Internal Bank Indonesia: external debt reporting system, international transaction reporting system (ITRS), monthly bank report, non-bank direct reporting, BI's Balance Sheet, and Bank Indonesia Scripless Securities Settlement System (BI-SSSS).
- Other data sources, such as Orbis database, Crunchbase, Bloomberg, CBonds, media, and anecdotal information.

METHODOLOGY

1. Concept and definition

BOP statistics basically follow the concept and definition set forth in BPM6.

- Definition of the current account, capital account, and financial account used in the Indonesia's BOP refers to that of the BPM6.
- Transactions in the Indonesia's BOP are recorded under double entry system of accounting, and the residual value is recorded as errors and omissions.
- Financial account transactions record asset and liability transactions separately. Regarding to direct investment, transactions are also presented according to concept in BPM5 (i.e. directional principle).
- The concept of residence complies with the BPM6. It relates to institutional unit that has a center of economic interest in Indonesia.

- The subject of Indonesia's BOP transaction is all Indonesian residents dealing with nonresidents.
- BOP transactions are defined in accordance with BPM6, namely transactions that cause assets/liabilities transfer of ownership from residents to non-residents (vice versa). For example: transaction includes exchanges and transfers without compensation, and international reserves are defined by using the concept of effective control by monetary authorities and the availability for use.
- Direct investment transactions is estimated by applying the minimum 10% ownership of equity capital, and are still using immediate investor concept.

2. Classification/sector

The classification/sector system used in Indonesia's BOP statistics is basically in line with the concepts set out in BPM6.

- Institutional units are basically grouped into two major groups: public sector (government and monetary authorities) and private sector (banks and other sectors).
- In addition to the standard classification based on BPM6, transactions can be further classified, such as:
 - Exports and imports of goods are grouped by oil & gas and non-oil & gas commodities. Exports are also classified by commodities for each sectors and destination country, meanwhile imports are classified by the use of goods and country of origin.
 - Direct investment in Indonesia transactions are detailed by country of origin of capital owner, economic sector of direct investment enterprise in Indonesia, and cross-tabulation of country of origin (including ASEAN countries) and economic sector. These transactions are compiled using concept in BPM5 (directional principle).
- However, long-term construction projects are not yet included in direct investment and licensing fees for fishing have not been included in current transfers.

3. Recording basis

- Basically, the value of transaction on BOP, as set forth in the BPM6, is calculated using market prices, but has not been fully implemented.
- Exports and imports of goods are valued at free-on-board (f.o.b.) basis.
- The calculation unit is in millions of USD. Data in other currencies are converted into USD by using the average exchange rate in the reporting period.
- Transactions are not fully recorded on accrual basis. Data on services are compiled based on Foreign Exchange Transaction (LLD) report in which data are recorded when settlement

occurs (cash basis). The accrued interest of financial instruments is approximated. Dividends are recorded when they are paid.

- Despite of BOP is compiled based on BPM6, but data are still presented using BPM5 concept. Current account data are presented on a gross basis by positive sign (+) for exports and receipts, and negative sign (-) for imports and payments. Particularly for manufacturing services, data are presented only on export side which represent net manufacturing services on physical inputs owned by nonresidents. Capital and financial account data for both asset and liability are presented on a net inflow-outflow with the positive sign (+) for inflows and negative sign (-) for outflows.

4. Compilation practices

- LLD reports received by Bank Indonesia from banks, nonbank financial institutions, and nonfinancial companies are recorded into each corresponding databases and aggregated through computerized scheme.
- Adjustments for missing data are conducted in both surveys and LLD reports. Adjustment is also made on compensation of employees and workers' remittances in order to cover the data of professional workers, legal workers that are not reported to the Ministry of Manpower and BP2MI, as well as illegal workers.
- The estimated ratio of c.i.f. (*cost, insurance, and freight*) is used to convert the c.i.f. value of imports to f.o.b. value.
- Other data which are reported in the LLD on a net basis are not adjusted to a gross basis (i.e. telecommunication services and securities transactions in secondary markets).
- Estimation on shuttle trade has not been made.
- There is no seasonal adjustment in the recording of BOP statistics.
- Information available in the mass media is used to verify high-value direct investment data (such as privatization and merger & acquisitions).
- Reported data on investment income payments and receipts are regularly assessed in relation to the corresponding stock data and granular data on corporate performance obtained from information disclosure on the Indonesia Stock Exchange (IDX) and LLD reports for Non-Bank Institutions (LBB).
- Data on freight are regularly assessed in relation to the value/volume of the trade flows.
- Data on travel-related transactions (obtained from Passenger Exit Survey and Outbound Survey) are analyzed in relation to information compiled by the immigration authorities on the number of international travelers entering/leaving Indonesia and Mobile Positioning Data (MPD) data from Big Data processing by BPS.

- Data on workers' remittances data are estimated in relation to the number of migrant workers, average of salary for each country, and Survey of Remittance Patterns of Indonesian Migrant Workers (from BP2MI and Bank Indonesia's survey).
- Financial account assets are estimated based on cash basis/settlement data. Debt repayment is also recorded on cash basis.
- Data on errors & omissions are monitored, for example by cross-checking entries in the current, capital, and financial account.

Fundamental changes in the methodology will be informed when the data with the new methodology published for the first time.

More detailed explanation regarding the methodology can be accessed at the following page: <http://dsbb.imf.org/Pages/SDDS/BaseSMReport.aspx?ctycode=IDN&catcode=BOP00&ctyType=SDDS>.

In addition, detailed information of methodology on measuring foreign direct investment (FDI) is also available on IMF webpage: <https://data.imf.org/regular.aspx?key=60559497>

DATA INTEGRITY

- The data are preliminary when first released and are identified as such. The quarterly data become final 12 months after the end of the reporting period. The final status of the data is implied in the publications by the lack of a symbol (*) indicating that the data are provisional.
- During data dissemination, users can distinguish very temporary data (**), temporary data (*), and revised data. Revised data are marked with the (r) symbol.

PUBLIC ACCESS TO DATA

- Quarterly provisional data as reference are released for the first time at pre-determined date through press release posted on the website of Bank Indonesia <https://www.bi.go.id/id/publikasi/ruang-media/news-release/Default.aspx> and simultaneously through National Summary Data Page (NSDP) - Special Data Dissemination Standard (SDDS) <https://www.bi.go.id/id/statistik/sdds/Default.aspx>.
- Data is disseminated through:
 - Bank Indonesia's website (<https://www.bi.go.id/id/statistik/ekonomi-keuangan/seki/Default.aspx>)
 - SEKI Publication (Printed and CD).

OTHER ASPECTS

Consistency

- The quarterly and annual BOP statistics use the same concepts, definitions, and classifications. The sum of quarterly statistics is consistent with the annual statistics. Annual data are generated from quarterly data. Financial transaction data have been fully reconciled with the changes in the Indonesia's International Investment Position (IIP) statistics.
- Data series are available for sufficient periods (at least five years). However, for now, BOP data series based on BPM6 are back casted until 2004. Backcasting on older data series will be done gradually.
- Unusual changes in economic trends will be explained through comments in SEKI publication, BOP report, and BOP-related chapter in Economic Report on Indonesia.
- There is a discrepancy between export and import data between Bank Indonesia and BPS, so that the BOP statistics and National Accounts statistics is still inconsistent. This issue is still in discussion between Bank Indonesia, BPS, and Customs.
- External debt component in the BOP statistics are generally consistent with its stock data.