0. Prerequisites	
0.1 Legal environment	0.1.1 Responsibility for collecting, processing, and disseminating statistics **The State Administration of Foreign Exchange (SAFE)** The State Administration of Foreign Exchange (SAFE) is responsible for collecting , compiling and disseminating the statistics of Balance of Payments，and External Debts under the authority of *the Regulation of the People's Republic of China on Foreign Exchange Administration, the Measures for the Collecting of Statistics and the Declaration of the Balance of Payments.* The SAFE complies the data of international reserves and report it to the people's Bank of China (PBC) who is responsible for disseminating the Reserves Template to the public. **Balance of payments** The SAFE (SAFE) is responsible for compilation and dissemination of China's BOP according to the *Measures for the Collection of Statistics and the Declaration of the BOP (Measures)*. The *Measures* which was implemented on January 1, 1996 was the foundation for China's BOP Statistics. In November 2013, the premier of the State Council Mr. Li Keqiang signed *the decree of the State council and promulgated the revised version of the Measures*, which has been implemented on January 1, 2014. The *Measures* can be found at the official website of SAFE (http://www.safe.gov.cn). According to the Article 5 of The *Measures*: "The SAFE is responsible for organizing and implementing the statistics and the declaration of the balance of payments and carrying out supervision and verification in compliance with the procedures as stipulated in *the Statistical Law of the People's Republic of China*; collecting, calculating, and disclosing information on the balance of payments and international investment position; formulating and revising the detailed rules of the Measures; and compiling and issuing the declaration forms and the statistical statement on the balance of payments. The relevant government departments shall assist with the statistics and the declaration of the balance of payments." The statistics of BOP include balance of payments and international investment position (IIP). 0.1.2 Data sharing and coordination among data producing agencies **The State Administration of Foreign Exchange (SAFE)** The SAFE has close link with data producing agencies including National Bureau of Statistics of China,General Administration of Customs of the People's Republic of China, Ministry of Commerce of the People's Republic of China, China Securities Regulatory Commission and Ministry of Finance within coordination and data sharing area. **Balance of payments** According to the *Measures*, the SAFE is responsible for collection, compilation and dissemination of China's BOP. The disseminated data are in line with SNA data on standards, concepts and principles. As to BOP statistical cooperation , the SAFE cooperates closely with National Bureau of Statistics (NBS), Customs General Administration (Customs), People's Bank of China (PBC), Ministry of Commerce (MOFCOM), China Securities Regulatory Commission,

	Ministry of Finance and other government departments. Those government departments share source data regularly to facilitate BOP compilation, and communicate on statistical standard adjustments and other matters as well. 0.1.3 Confidentiality of individual reporters' data **The State Administration of Foreign Exchange (SAFE)** The data collected by the SAFE from individual reporters is for statistical use only, will not be provided to any third party unless otherwise provided for by the law. The SAFE does not disseminate detailed statistical information to the public so that any particular individual reporters' data will be kept confidential. All SAFE staff are required to observe strictly the data confidentiality policies. **Balance of payments** According to the Article 16 of the *Measures*: "The SAFE or its branches/sub-branches shall keep strictly confidential the specific data that is declared and which is only to be used for the BOP statistics. Unless otherwise provided for by the law, the statisticians for the balance of payments shall not provide the specific declared data in any form to any institutions or individuals." 0.1.4 Ensuring statistical reporting **The State Administration of Foreign Exchange (SAFE)** Authorized by *the Regulation of the People's Republic of China on Foreign Exchange Administration, and the Measures for the Collecting of Statistics and the Declaration of the Balance of Payments,* individuals, enterprises, and other entities are requested to report relevant information to the SAFE. **Balance of payments** The *Measures* not only authorize the SAFE in charge of the data collection, but also require the reporters to provide the required information to the SAFE. Failure to report the data or reporting false data will lead to penalty. According to the Article 17 of the *Measures*: "Chinese and non-Chinese residents who fail to carry out the collection of the statistics and the declaration of the BOP in accordance with the relevant regulations shall be penalized by the SAFE or its branches/sub-branches in accordance with Article 48 of the Regulations on Foreign Exchange Administration of the People's Republic of China."
0.2 Resources	0.2.1 Staff, facilities, computing resources, and financing **The State Administration of Foreign Exchange (SAFE)** The SAFE has adequate staff, facilities and financing for relevant statistical work. **Balance of payments** The staff of BOP Department of the SAFE is responsible for BOP data compilation. The staff of BOP Divisions of the SAFE branches and sub-branches is responsible for data collection and verification. The SAFE regularly organizes trainings, comprehensively or specified on certain topics, to update the knowledge and expertise of its staff. The SAFE collects and aggregates BOP statistics mainly via computer systems, which are

	supported by Technology Department. The BOP statistical work is funded by the administrative appropriation. The expense on new statistical projects, training etc. should be subject to approval prior to their implementation in the given budget year. 0.2.2 Ensuring efficient use of resources **The State Administration of Foreign Exchange (SAFE)** Measures implemented to fully use resources by the SAFE is effective. **Balance of payments** The expense on the BOP statistics staff and systems is funded by the administrative appropriation. The new technology systems and the related work can be funded based on approval one year in advance and should be included as scheduled for next year. Meanwhile, to ensure effective use of the funds, the new systems and the work should be completed on time, report the progress, and accept the regular internal supervision.
0.3 Relevance	0.3.1 Monitoring user requirements **The State Administration of Foreign Exchange (SAFE)** Users' statistics need is well monitored through various arrangements by the SAFE. **Balance of payments** The BOP Department of the SAFE holds press conference quarterly, informs the public of China's BOP statement and situation, and takes questions concerned from the media.
0.4 Quality management	0.4.1 Quality policy **The State Administration of Foreign Exchange (SAFE)** The SAFE highly value the quality of statistics. **Balance of payments** Data quality is the priority in terms of timeliness, accuracy and comprehensiveness. The SAFE has set up regulations and rules to guide verification on data quality by the branches. 0.4.2 Quality monitoring **Balance of payments** The SAFE monitors data quality closely. When collecting and processing the data, the SAFE verifies the quality both by computer programs and manually. The SAFE also communicates with data suppliers, the main data users and media on issues related to data quality.
1. Integrity	
1.1 Professionalism	1.1.1 Impartiality of statistics **The State Administration of Foreign Exchange (SAFE)** The SAFE is an independent Government Agency. **Balance of payments** According to the *Measures*, the SAFE determines the data source, methodology and compilation practice of China's BOP statistics independently. 1.1.2 Selection of sources, methodology, and modes of dissemination

	Balance of payments Beginning from 2015, China compiles BOP in accordance with the Sixth Edition of Balance of Payments and International Investment Position Manual (BPM6). Upon the BPM6's release in 2009, the SAFE started to prepare to adopt the new international standards, including adjusting data sources and designing new statistical systems. The major progress includes: in November 2013, the State Council signed the Decree of the State Council of the People's Republic of China No. 642 revised the Measures. Also, the SAFE upgraded the supporting BOP statistical systems, and improved the statistical framework. To name a few, the SAFE revised and released the Classification and Codes for Foreign-related Receipt and Payment Transactions (ITRS codes, 2014 version), which was implemented on May 1, 2014. The related IT system was upgraded accordingly. The SAFE also upgraded Report on External Financial Assets, Liabilities, and Transactions (FAL), which was implemented on September 1, 2014 and aimed to collect data through domestic financial institutions census and main non-financial enterprises survey. Meanwhile, the SAFE is revising Trade Credits Sample Survey and improving the estimate on travel item.etc. Currently, the SAFE uses ITRS, financial institutions census and enterprise surveys as major data sources, and regularly revises these statistical systems.The statistics of other government departments and data published by international organizations are also used as supplementary data source. China's BOP data are released through the official website of the SAFE (http://www.safe.gov.cn). Meanwhile, complete BOP statements are disseminated in the SAFE's Annual Report, which was first published in 1997 both in Chinese and in English. Since 2005, complete BOP statements are disseminated in China's Balance of Payments Report, which was first published both in Chinese and in English. 1.1.3 Commenting on erroneous interpretation and misuse of statistics **The State Administration of Foreign Exchange (SAFE)** In order to prevent misinterpretation or misuse of statistics, the SAFE provides explanatory materials and briefings on the SAFE's website. **Balance of payments** When releasing the BOP data, the SAFE also release short notes on the main items. The SAFE reserves the right to comment on erroneous interpretation and misuse of the data. The corresponding articles will be posted on the official website of the SAFE. The SAFE releases its analysis on the BOP data in the semi-year /annual *China's BOP Report* .
1.2 Transparency	1.2.1 Disclosure of terms and conditions for statistical collection, processing, and dissemination **The State Administration of Foreign Exchange (SAFE)** The relevant explanations of the terms and conditions will be disseminated on the SAFE website.(http://www.safe.gov.cn) **Balance of payments** The relevant laws, regulations and normative documents of BOP statistics can be obtained

	from the official website of the SAFE (http://www.safe.gov.cn). The compilation methodology, concepts and coverage of items, and advance release calendar are also accessible in the official website. 1.2.2 Internal governmental access to statistics prior to release **Balance of payments** In principle, the SAFE releases the BOP statistics to the public (including other government agencies, businesses and public users) through the official website of SAFE. Before the release, the data are labeled as "internal". Other government departments, institutions and individuals cannot access to the data in advance. But, the leaders of the State Council, the Governor and Vice Governors of People's Bank of China have the right to access to the BOP statistics 3-5 days in advance before the release. The main purpose is to assist them to quick respond to the media and guide the users to understand the BOP situation properly during the press conference. 1.2.3 Attribution of statistical products **The State Administration of Foreign Exchange (SAFE)** The SAFE's publications and press releases clearly identify the SAFE as the publisher by name and logo. **Balance of payments** The BOP statistics are released to the public only through the official website of the SAFE. Other medias can reprint those data from the website of the SAFE, but they are not the official platforms to release the data. 1.2.4 Advance notice of major changes in methodology, source data, and statistical techniques. **The State Administration of Foreign Exchange (SAFE)** Advance notice of major changes in methodology, source data, and statistical techniques will be given to the public through proper way. **Balance of payments** The major changes in the compilation methodology of BOP statistics and the data source shall be released in advance through the bulletin in official website of the SAFE. The SAFE has released articles about the BPM6 implementation and statistical adjustments in China. It also releases BOP statistics and the notes together to the public, or explains major changes through *China's BOP Report*.
1.3 Ethical standards	1.3.1 Guidelines for staff behavior **The State Administration of Foreign Exchange (SAFE)** All staff are subject to the Code of Conduct in the SAFE. **Balance of payments** The employees of the BOP Department of the SAFE head office are civil servants. They shall perform duties in accordance with The Civil Servant Law of the People's Republic of China. The employees of the SAFE shall abide by The SAFE Working Rules.

	According to Article 16 of the *Measures*: "Unless otherwise provided for by the law, the statisticians for the BOP shall not provide the specific declared data in any form to any institutions and individuals."
2. Methodology	
2.1 Concepts and definitions	2.1.1 Concepts and definitions The conceptual framework and classification of China's BOP statement are in accordance with the BPM6. However, due to the limitations on data sources and statistical methods, there are several deviations from the international standards, as part of "2.2.1.2" for "exception".
2.2 Scope	2.2.1 Scope **Scope of the data** In principle, the BOP statistics of China covers all transactions between residents and nonresidents of China Mainland during the reference period. Residents of Hong Kong Administrative Regions and Macao Special Administrative Regions and Taiwan Province of China are treated as non-residents in China's BOP statistics. **Exceptions to coverage** Due to the difficulty in collecting the data, some international transactions, such as the overseas investment in real estate etc., cannot be fully covered. Besides, the SAFE does not calculate the FISIM, which is included as the primary income. **Unrecorded activity** For transactions which violate the laws or regulations, such as the transfer of funds through underground banks and trading, there is no corresponding calculation in China's BOP statistics.
2.3 Classification/sectorization	2.3.1 Classification/sectorization In principle, China's BOP data are classified and published according to the BPM6.
2.4 Basis for recording	2.4.1 Valuation Transactions are valued at market prices where they are available, and mostly at face value for debt and deposit instruments. The SAFE updates freight and insurance premium estimates regularly to make sure imports and exports of goods are valued on f.o.b. basis. 2.4.2 Recording basis Overall, the BOP transactions are recorded on an accrual basis, following the BPM6 principles. For instance, the transactions of external assets and liabilities are recorded when changing of ownership occurs. Meanwhile, due to data source limitations, parts of the transactions are recorded on a cash basis. For instance, as to parts of goods trade, some items under trade in services and secondary income, ITRS is used as the major data source, which collects data on a cash basis.

	2.4.3 Grossing/netting procedures According to the *BPM6*, the current account and capital account are recorded on a grossing basis with both credit and debit entries, and the financial account is recorded on a netting basis to reflect net acquisition of financial assets/ net incurrence of liabilities. However, the financial account does not follow the *BPM6* sign convention. Instead, it follows the *BPM5* sign convention, that is, net increase of financial assets/ net decrease of liabilities are demonstrated with negative signs, while net decrease of financial assets/net increase of liabilities in positive signs.
3. Accuracy and reliability	
3.1 Source data	3.1.1 Source data collection programs Overall, the data sources of China meet the requirements to compile the China's BOP. The data sources include: the ITRS, financial institutions census, and special surveys conducted by the SAFE; the statistics and administrative records of other government departments; the statistics published by international organizations. Data from relevant government departments are: the freight and insurance costs data from the Customs General Administration (Customs), the outward foreign direct investment statistics of the non-financial sector by the MOFCOM, and the statistics of the PBC. 3.1.2 Source data definitions, scope, classifications, valuation, and time of recording **BOP** **Exports and imports of goods:** Since 2015, in accordance with the BPM6 guidelines, merchanting has been recorded under "goods", not under "services", and "goods for processing" has been recorded under "services" instead of under "goods". Prior to 2022, the source data of goods trade account were the Customs statistics, ITRS data, and adjustments of freight and insurance fees. Since 2022, the source data of goods trade account includes enterprise survey, ITRS data, and adjustments of freight and insurance fees to ensure that both exports and imports of goods are valued on an f.o.b. basis. **Transportation:** The SAFE use the ITRS as well as estimate on freight fee to get the statistics. **Travel:** As SAFE established cross-border bank card statistics in 2014 and began to survey the ratio of cash expenses to total expenses in international travel in 2016, for travel statistics in the compilation of China's Balance of Payments (BOP) for 2016, SAFE began to use credit and debit cards transactions, international remittances and cash expenses data, among which cards transactions and international remittances data are collected by SAFE, and cash expenses are estimated based on an annual survey of the ratio of cash expenses to total expenses by individual travelers. The same statistical method has been applied for retroactive adjustments of BOP for 2014 and 2015. Moreover, for transactions which reported as travel but indeed are investments, such as property investments and insurance for financial

	investment purpose, have been rearranged to the appropriate accounts based on the available information. **Other services:** Before 1996, the data came from other government departments. From 1996 to 2014, the data were derived from the ITRS. Since 2015, the data are derived from financial institutions census and ITRS. **Primary Income:** The data source of foreign direct investment (FDI) profit is the FDI statistics conducted by SAFE and MOFCOM. For the quarterly BOP data, the retained earnings was estimated based on the profits of enterprises above designated size, and the revised retained earnings calculated based on the annual survey. The primary income data of portfolio investment and other investment income come from financial institutions census, the external debt statistics of the SAFE, and the ITRS. Other primary income comes from the ITRS. **Secondary Income:** Before 1996, the data came from the Customs. Since 1996, data are mainly derived from the Customs and ITRS. Since 2015, the data are derived from the Customs, financial institutions census and ITRS. Beginning in 2011, the SAFE use the Ministry of Finance (MOF)'s foreign aid expenditure data in BOP as the supplement. Meanwhile the SAFE revised the BOP historical data of 2005-2010. **Capital Account:** The data come from financial institutions census and ITRS system. **Direct Investment:** As to the assets, the source data include financial institutions census, ITRS and esitimates of the SAFE, as well as annual Outward Foreign Direct Investment statistics jointly conducted by the MOFCOM, the NBS and the SAFE. As to the liabilities, the source data include financial institutions census, ITRS, estimates and annual Foreign Direct Investment Survey undertaken by the SAFE. Portfolio Investment： The assets and liabilities are obtained from the SAFE and the China Securities Regulatory Commission (CSRC). Financial Derivatives: Before 2015, financial derivatives were included under portfolio investment. Beginning from 2015, it is shown separately, and the data are from financial institutions census. Other investment: Data on other investment assets are from financial institutions census,Trade Credit Survey of the SAFE, the PBC and international organizations.Data on other investment liabilities are from financial institutions census, Trade Credit Survey of the SAFE and the PBC. **Reserve assets:** Data on changes in reserve assets are from the People's Bank of China.

	3.1.3 Source data timeliness Most of the source data can meet time requirements to compile quarterly BOP data. For data with long time lag, estimates are used. For instance, profits,reinvested earnings and dividend payables of nonfinancial sector direct investment (both assets and liabilities) are annual data with time lag of three quarters. Therefore, the SAFE uses estimates to compile t before obtaining the final data and uses the final data to revise the BOP statement of reference period.
3.2 Assessment of source data	3.2.1 Source data assessment Two-step evaluation is used to check the data coverage and quality. First, the reported data should pass the logical check embedded in the submission system. Failure to go through the check leads to data modification and verification by the reporters. Second, for those passing the logical check, the SAFE will check the data quality by taking into account relevant factors. The SAFE will return questionable data to the reporters and discuss with the relevant government agencies about the data concepts, coverage and quality.
3.3 Statistical techniques	3.3.1 Source data statistical techniques Statistical techniques in data compilation to deal with data sources can refer to "3.1.2". 3.3.2 Other statistical procedures The SAFE does not make seasonal adjustment to BOP statistics. When releasing the BOP data, the SAFE also release short notes on the main items. The SAFE's interpretation on the BOP data will be published in the semi-year/ annual *China's BOP Report*.
3.4 Data validation	3.4.1 Validation of intermediate results As for the data submitted by the reporters, the SAFE will check the data quality with the help of computer programs. For those which could not be checked automatically by the programs, SAFE will guide the branches to check the quality according to certain rules and by all means on a regular basis. 3.4.2 Assessment of intermediate data In line with the *BPM6*, the SAFE processes the original data to obtain the aggregate. The SAFE will also evaluate the data quality by comparing relevant data sets. For instance, The SAFE will check whether the rates of return on financial instruments are within reasonable range. It will also check the patterns of similar data sets and compare non-transaction and transaction flows of financial instruments. 3.4.3 Assessment of discrepancies and other problems in statistical outputs The SAFE assesses "net errors and omissions" when compiling BOP. It also assesses the discrepancies among different data standards.
3.5 Revision studies	3.5.1 Revision studies and analyses When publish the annual BOP data, the SAFE will revise the previous year's quarterly and annual BOP data. The statistics in *China's BOP Report* also will be revised accordingly.
4. Serviceability	

4.1 Periodicity and timeliness	4.1.1 Periodicity Since 2010, the SAFE has complied and disseminated quarterly BOP (1-3, 4-6, 7-9, 10-12).There are three types of BOP data for each quarter: the brief (within 40 days after the end of the reference period), the preliminary (within three months after the end of the reference period) and the revised data (publish in the next year with next year's Q4 BOP). 4.1.2 Timeliness The time lag for the quarterly preliminary BOP is three month after the end of the reference quarter. The revised quarterly data will be published with next year's Q4 BOP.
4.2 Consistency	4.2.1 Internal consistency The SAFE compiles quarterly and annual BOP data in a consistent way. 4.2.2 Temporal consistency From1996to 2014, China compiledBOP statistics in accordance withBPM5. Since 2015, China compiles BOP statistics in accordance with the *BPM6*. When adopting the new statistical standards, the SAFE also upgrades the data sources of BOP. For instance, it uses financial institutions census and adopts new estimate on travel expenditure. Besides, the SAFE improved its calculation on transactions on the direct investment assets. Due to the difficulty in collecting the related historical data, breaks occur in the time series BOP data. Another examples is, prior to 2015, the SAFE did not demonstrate financial derivatives separately. Beginning from 2015, financial derivatives have been shown separately in the BOP, which will cause the interruption of time series data as well. Prior to 2022, the source data of goods trade account were the Customs statistics, ITRS data, and adjustments of freight and insurance fees. Since 2022, the source data of goods trade account includes enterprise survey, ITRS data, and adjustments of freight and insurance fees to ensure that both exports and imports of goods are valued on an f.o.b. basis. 4.2.3 Intersectoral and cross-domain consistency In general, BOP & IIP statistics are fully integrated with the National Accounts, the monetary and financial statistics in concept and data framework.
4.3 Revision	4.3.1 Revision schedule Since 2010, the revision mechanism is introduced to BOP statistics. The revised quarterly data will be published with next year's Q4 BOP. 4.3.2 Identification of preliminary and/or revised data The SAFE release brief, preliminary and revised data for each quarter's BOP. The revised data of the previous year is to be released with the fourth quarter BOP data. The advance release calendar for the next year is announced on the SAFE's website at the end of each year. The calendar includes the release time for the above three types of BOP data. Accordingly, when releasing the data, the title of the news will indicate which type of the BOP data is, for the users to identify and correctly use of these data. 4.3.3 Dissemination of revision studies and analyses When releasing the BOP data, the SAFE also release short notes on the main items.

	The SAFE also provides explanations on the revisions on time series data. From 2013,the SAFE interprets the BOP databy the semi-year *China's BOP Report*, which was first published in 2005 both in Chinese and in English.
5. Accessibility	
5.1 Data	5.1.1 Statistical presentation BOP data are disseminated both in millions of US dollars,in millions of RMB Yuan and in millions of SDR, showing the following items: 1.Exports and imports of goods; credit and debit of services (further breakdown into 12 standard components); credit and debit of primary income (further breakdown into 3 standard components); credit and debit of secondary income; 2.Credit and debit of capital account; 3.Net acquisition of financial assets / net incurrence of liabilities in financial account, with breakdowns into direct investment (further breakdown into 4 standard components), portfolio investment (further breakdown into 4 standard components), financial derivatives (other than reserves) and employee stock option (further breakdown into 2 standard components), and other investment (further breakdown into 13 standard components), and international reserves (further breakdown into 5 standard components). 5.1.2 Dissemination media and format **Hard copy - New release** The data are released simultaneously to all users on the SAFE's official website (http://www.safe.gov.cn). **Hard copy - Weekly bulletin** Currently, China does not compile weekly BOP data. **Hard copy - Monthly Bulletin** Since 2014, the SAFE released the monthly data of international trade in services in line with BOP. Beginning from 2015, the SAFE started to release the monthly data of international trade in goods and services. Those data are released on the SAFE's website. (http://www.safe.gov.cn). **Hard copy - Quarterly bulletin** SAFE disseminates quarterly BOP statements on the SAFE's website. (http://www.safe.gov.cn). **Hard copy - Other** Complete BOP statements are disseminated in the SAFE's *Annual Report*, which was first published in 1997 in both Chinese and English. Complete BOP statements are also disseminated in *China's BOP Report*, which was first published in 2005 in both Chinese and English. Other media, such as the news media, newspapers or other websites would reprint BOP data from the website of the SAFE, but they are not the official platforms for releasing the BOP data. **Electronic - On-line bulletin or data**

	The SAFE disseminates quarterly BOP. The electronic channel for releasing the BOP is the official website of the SAFE. (http://www.safe.gov.cn). Since 2014, the SAFE released the monthly data of international trade in services in line with BOP. Beginning from 2015, the SAFE started to release the monthly data of international trade in goods and services. Those data are released on the SAFE's website. (http://www.safe.gov.cn). **Electronic - Other** Media such as the news media, newspapers and other websites would reprint BOP data from the official website of the SAFE, but they are not the official platforms to disseminate the BOP data. 5.1.3 Advance release calendar The advance release calendar for the next year is posted on the SAFE's website at the end of each year. The calendar includes the releasing time of the BOP, IIP, and the international trade in goods and services. 5.1.4 Simultaneous release The data are released simultaneously to all users on SAFE's website. 5.1.5 Dissemination on request As for the unpublished non-confidential data, in principle, the SAFE will not provide to the individual users on their demand. But, SAFE will share the relevant aggregate data among the data suppliers to respond to their needs. The SAFE is dedicated to increasing data transparency, according to the change of circumstances and conditions.
5.2 Metadata	5.2.1 Dissemination of documentation on concepts, scope, classifications, basis of recording, data sources, and statistical techniques The documentation on China's BOP concepts, scope, classifications, basis of recording, data sources, and statistical techniques can be accessed in the China's metadata (SDDS)on the SAFE's website(http://www.safe.gov.cn). 5.2.2 Disseminated level of detail The SAFE applies the standard presentation illustrated in BPM6 for BOP/IIP.