

Guatemala

International Investment Position (IIP)

0. Prerequisites of quality

0.1 Legal and institutional environment

0.1.1 Responsibility for collecting, processing, and disseminating statistics

Bank of Guatemala

The terms and conditions under which the Bank of Guatemala (BG) collects, compiles and disseminates official statistics are stipulated in the 1945 Organic Law, most recently amended in 2002.

Article 60 of the Law stipulates that the BG President appear before the Congress of the Nation twice a year, in January and July, to present a documented report. The first report should focus on the results of the previous fiscal year and the objectives and policies planned for the current fiscal year, and the second on the progress made in executing monetary, exchange, and credit policy in the current fiscal year.

Article 62 establishes that the BG must publish, at least annually, a report on the most relevant aspects of the national economy. Further it shall disseminate core macroeconomic statistics in the monetary; exchange and credit; and balance of payments areas; as well as the report on the BG's activities; monetary program; assessment of monetary, exchange and credit policy; and others deemed necessary by the monetary board (JM), which shall determine the appropriate frequency and periodicity.

There is no law authorizing the BG to procure statistical information.

0.1.2 Data sharing and coordination among data producing agencies

National Statistical Office

The legal basis for the collection and processing of basic statistical data, which is being used to improve the economic statistics, is contained in the Framework Agreement on Technical Cooperation, signed between the Bank of Guatemala and the National Institute of Statistics (INE). The Directorate of the Macroeconomic Statistics Department of the Bank of Guatemala is responsible for disseminating the results.

0.1.3 Confidentiality of Individual reporters' data

National Statistical Systems

The INE Act provides in Article 25: that unless required by law or expressly authorized by informants, the data obtained by the institutions and bodies of the National Statistical System, under this Act is confidential, therefore, these data cannot be produced in court or used for tax collection, legal research, or for any other purposes than those of a statistical nature.

Article 26 provides for the personal liability of the sensitive nature. As part of the National Statistical System, the BG is required to comply with this law.

In all surveys, journalists are aware of the legal basis, as it is essential to make it clear that the information provided will be used strictly for statistical purposes.

The confidentiality of data is ensured through measures such as assigning an identification code of the company, which restricts the use of private information, such as the company's name, and the aggregation of information, when a company is engaged in a single activity or involvement is obvious.

Moreover, the General Agreement 11-2005 of BG management states that their employees are prohibited from disclosing the data generated by the institution's systems information technology but in the manner as determined by the competent authority.

0.1.4 Ensuring statistical reporting

National Statistical System

INE Act provides:

In Article 24, that officials and employees, physical and legal entities, whether public or private, national or foreign, and residents or people in transit are required to provide the information, by its nature and purpose, is related to preparation of official statistics, when requested by the competent authority.

The Agreement authorizes the Bank of Guatemala to conduct surveys in accordance with this law and become a member of the National Statistical System.

The INE Act also establishes a series of penalties for those who refuse to provide the requested information.

Surveys take into account the workload of the companies and, therefore, try to make the forms easier to use and therefore ensure they are completely filled. Also hires staff to complete studies to reduce the burden on the journalist. BG has made considerable efforts

to increase awareness of the reporters of the need to provide timely and appropriate information.

0.2 Resources

0.2.1 Staff, facilities, computing resources, and financing

Section of Balance of Payments Statistics (SBPS) is responsible for the collection, processing and dissemination of private sector external debt, consisting of thirteen professionals, including the Chief, the Deputy Chief and other analysts compilers in BOP entirety.

The technical capacity of staff is adequate, whose academic degree is bachelor's level or at least three years approved degree in economics or matters related thereto.

The BG provides an internal postgraduate course in Master degree in Economics and Master of Quantitative Finance and that provides guidelines to continue a graduate degree abroad.

They have also been trained by the IMF, the Center for Latin American Economic and Banking Studies (CEMLA), the Central American Monetary Council (CMCA), and the Economic Commission for Latin America and the Caribbean (CEPAL).

Computer resources are adequate. The Information Technology Department (ITD) provides technical support. The hardware is properly distributed to facilitate the efficient collection, processing and database management. The software to compile and analyze statistical series is effective, updated regularly, and is well suited to performing existing tasks.

The database was developed and is administered by the ITD.

There is direct access to the network database, the data is copied correctly to the recovery of the stats and updates in case of natural disasters, accidents, etc. All hardware has e-mail and Internet access. The workspace and equipment are adequate to perform the required tasks.

It has an annual budget determines reasonable financing. The SBPS is prepared every year budgetary requirements for the exercise of the balance of payments and includes sufficient amounts of survey work. The budgeted resources for the surveys are carried out by the National Program for Improvement of Economic Statistics (PRONAME) which is part of the Surveys and Basic Statistics Department.

1. Assurances of Integrity

1.1 Professionalism

1.1.1. Impartiality of statistics

As an autonomous entity, the Bank of Guatemala provides impartial and professional statistics, and ensures that its personnel receive ongoing training in its various areas of endeavor. Data compilation is based on the international methodologies created by the IMF.

1.1.2. Selection of sources, methodology, and modes of dissemination

The data sources are selected according to statistical requirements and new manuals and international methodologies recommended by the IMF, while attempting to meet the need of statistical data and measuring these data in strictly statistical terms with the information available.

The presentation of the International Investment Position is based largely on the BPM5.

1.1.3. Commenting on erroneous interpretation and misuse of statistics

Should any errors occur, the Bank of Guatemala makes the clarifications deemed necessary through press conferences, s, etc.

1.2 Transparency

1.2.1. Disclosure of terms and conditions for statistical collection, processing, and dissemination

All publications of the Bank of Guatemala are fully identified so that users know where to obtain additional information.

In terms of surveys, each reporter receives a bulletin emphasizing the need for collaboration from entrepreneurs, as well as for a commitment to not disclose the information obtained.

1.2.2. Internal governmental access to statistics prior to release.

No institution or person outside the BG has access to the information before it is published.

1.2.3. Statistical products.

No comment by any authority outside the BG is added to the data at the time of release.

1.2.4. Advance notice of major changes in methodology, source data, and statistical techniques.

The methodologies used for the production of statistics are not made public. However, they are set according to the sixth edition of the Balance of Payments and International Investment Position in its sixth edition (BPM6), whose concepts and definitions are published in the metadata.

2. Methodological soundness

2.1 Concepts and definitions

2.1.1 Concepts and definitions

The BG is responsible for compiling and disseminating the Guatemala's international investment position (IIP) on annual basis, and in millions of U.S. dollars. The IIP is prepared by the Division of Balance of Payments, which belongs to the Macroeconomic Statistics Department, in accordance with the concepts, definitions and methodology described in the fifth edition of the IMF's Balance of Payments Manual (BPM5). Since 2011, the migration to the BPM6 was started.

The BG obtains information for preparing the IIP from different sources: the Superintendence of Banks (SIB), the Ministry of Public Finance (MINFIN), the annual balance of payments survey, the Ministry of Economy, other departments within the BG, international organizations, private institutions and international organizations such as the Bank for International Settlements (BIS). The IIP is mainly disseminated in the Banguat's Website under the supervision of an international expert.

Definitions and structure:

Direct Investment

Equity Capital and Reinvested Earnings

For their calculations, it is only considered equity capital that is equal to or greater than ten percent (10%).

Other Capital

Investment's Portfolio

Equity Securities: It covers all instruments or documents that grant rights to the surplus of corporations representing less than ten percent (10%) of capital stock.

Debt Securities: It includes bonds and notes, money market instruments and financial derivatives.

Bonds and Notes

It comprises obligations, bonds and notes which give the holder the right to receive a fixed or variable monetary income, aside of the debtor's profits. It includes, preferred shares that do not involve participation, convertible bonds, bonds with optional maturity dates that are greater than one year, negotiable certificates of deposits with maturity of over one year, dual currency bonds, zero coupon bonds, bonds with variable rate, indexed bonds and asset-backed securities.

Money Market Instruments:

It covers treasury bills, commercial and financial paper, banker's acceptances, negotiable certificates of deposit with maturities of less than one year, and short-term notes.

Derivative Financial Instruments:

It covers instruments such as options, traded financial futures, warrants and currency and interest rate swaps.

Other Investment

It comprises those financial transactions that are not under direct investment, portfolio investment or reserve assets.

They are classified as:

Trade credits, loans, currency and deposits and other assets. Trade Credits consist of claims and liabilities arising from the direct extension of credit by suppliers and buyers for transactions in goods and services and advance payments for work in progress (or to be undertaken) that is associated with such transactions.

Loans

Loans comprise those financial assets created through the direct lending of funds by a creditor (lender) to a debtor (borrower) through an arrangement in which the lender either receives no security evidencing the transaction or receives a non-negotiable document or instrument. Included are loans to finance trade, other loans and advances (including mortgages), use of IMF credit and loans from the IMF, etc. In addition, financial leases and repurchase agreements Currency and deposits.

Currency and Deposits

Currency consists of notes and coin that are in circulation and commonly used to make payments (Commemorative coins and uncirculated banknotes are excluded) held by nonresidents and foreign currency (asset). Deposits comprise both transferable and other

deposits.

Other Assets

Cover those items not considered in trade credits, loans and currency and deposits.

Reserve Assets

Reserve assets consist of the international reserve assets under the control of the monetary authorities. These assets are divided into the following headings:

Monetary Gold

Special Drawing Rights

Reserve position in IMF

Foreign Exchange

Currency and deposits

Securities

Other Assets

2.2 Scope

2.2.1 Scope

2.2.1.1 Scope of the data

The IIP includes all the assets and liabilities with nonresidents. There are difficulties, however, with the coverage of some accounts, specifically in the areas of private debt, income from private investment and other assets and liabilities with nonresidents.

The IIP data includes all the transactions of assets and liabilities of residents with the rest of the world. Accordingly, any economic entity or person whose center of interest is located in Guatemala, which engages in commercial activity, pays taxes, and remains in the country for more than one year is considered resident.

The IIP data includes assets and liabilities of residents with the rest of the world. Geographic coverage comprises the entire national territory and free zones.

2.2.1.2 Exceptions to coverage

None

2.2.1.3 Unrecorded activity

Information sources generally include limited coverage and sectorization, particularly where private debt is concerned.

2.3 Classification/sectorization

The IIP includes the assets and liabilities transactions within residents and nonresidents. According to the BPM5 and the BPM6 the IIP is classified by Monetary Authorities, General Government, Commercial Banks and Other Sectors (which includes the rest of public and private sector).

The IIP is also classified according to the BPM5 and the BPM6, in direct investment, portfolio investment, other investment and reserve assets.

2.4 Basis for recording

2.4.1 Valuation

Unit of account: All transactions are recorded in US Dollars.
Valuation: Combination of accrual, market prices and cash basis.

2.4.2 Recording basis

Recording: Reserve assets do not include capitalization of foreign assets ought to price-value changes.

2.4.3 Grossing/netting procedures

All the procedures are recorded on netting basis.

3. Accuracy and reliability

3.1 Source data

3.1.1 Source data collection programs

With the implementation of BPM5, in 2005, the collection of information is mainly based on annual surveys and from 2011 quarterly surveys, being consistent with the classification and disaggregation of the BPM5. In 2012, the breakdown was included as additional guidelines

BPM6.

Administrative data sources

The collection of data based on administrative data sources is relatively suitable and include: Information of the Superintendence of Banks (SIB), specifically in the financial statements of banks, financial institutions and offshore banks that appear before this body, MINFIN data, and information of BG's balance (for reserve assets of the BG).

3.1.2 Source data: definitions, scope, classifications, valuation, and time of recording

Annual and quarterly balance of payments survey: Collect the main themes of the BOP and IIP among major corporations.

The balance sheets of commercial banks and other institutions: Monthly aggregate information published by the Superintendence of Banks (SIB), commercial banks, other financial institutions and offshore banks.

BIS: when coverage of companies in the survey is not adequate.

Central Government: Reports of MINFIN.

Central Bank: The information relating to reserves.

3.1.3 Source data timeliness

Data collection and processing timetables are adequate to meet timeliness and periodicity for disseminating the balance of payments statistics under Special Data Dissemination System (SDDS) requirements.

Survey BOP: obtained with a delay of one year for the annual survey and a quarter after the end of the reference period.

The balance sheets of commercial banks and other institutions: obtained with a time lag of one month after the end of the reference period.

The BIS data: obtained with a time lag of two quarters after the end of the reference period.

The central government and BG data: obtained with a time lag of one month after the end of the reference period.

3.2 Assessment of source data

3.2.1 Source data assessment

Currently the BPS has an expert recommended by the IMF who evaluates the preliminary and definitive IIP statistics, twice a year.

3.3 Statistical techniques

3.3.1 Source data statistical techniques

Direct investment:

Capital and reinvested earnings. For its calculation, only capital that is less than ten percent (10%) is considered. The information is based on what is recorded in the BOP survey.

Other capital. Values are subject to that reported in the BOP survey.

For cases in which data are not available, estimates based on data from similar companies is done. If data are available, the estimation is performed on historical data of each company.

Portfolio Investment

Equity Securities

The information is based on what is recorded in the balance of payments survey.

Debt Securities

Information regarding these items is obtained from the SIB, specifically from the financial statements that banks, financial institutions, and offshore banks present before this entity.

Bonds and Notes

The information is obtained from the statistics of the Ministry of Finance, the financial statements of banks in the system, other financial institutions, offshore banks, and the balance of payments survey.

Money Market Instruments

The information is mainly obtained from the financial statements of banks and the balance of payments survey.

Derivative Financial Instruments

The information is obtained primarily from the financial statements of banks, financial corporations and offshore banks.

Other Investment

The information on these headings, excluding trade credits, responds to that reported by the SIB regarding the financial statements of banks, financial institutions and offshore banks. In the case of nonbanking private sector, information comes directly from the private institutions (through the annual balance of payments survey) and the BIS when the coverage of the surveys is unsuited.

Trade Credits

The information regarding credits and debits comprises the following estimation: first, it is calculated the amount of exports and imports per day, those amounts are used to estimate the amounts of monthly trade adjusted by the number of days of average credit reported in the balance of payments survey; then it is subtracted the amount of trade letters of credit reported by banks and financial institutions to the SIB; finally, it is applied the weighted average percentage of the distribution recorded in the survey of trade credit arising between the company and (a) its parent, subsidiaries or branches, or (b) other unrelated companies; so the data reported corresponds to credits and debits between the company and other businesses unrelated.

Reserve Assets

Data is based on what is recorded at the BG on each asset and includes accrued interest and price, currency and other adjustments.

3.3.2 Other statistical procedures

In the appropriate items, the data are subject to price-value and exchange adjustments to reflect statistical analysis.

3.4 Data validation

3.4.1 Validation of intermediate results

In general, intermediate results are checked across a wide range of data sources, though information reported in the financial press is used to verify high-value direct investment and other transactions. The implementation of surveys allows cross-checking with other data source. Nonetheless, survey data implemented by other entities may be used. Additionally, the results are reviewed by an external expert in balance of payments prior to its dissemination.

3.4.2. Assessment of discrepancies and other problems in statistical outputs

The reported financial flow data are reconciled with changes in the corresponding stock data collected for external debt. Other important cross-checking is carried out, due to new data sources, especially since the implementations of balance of payments surveys.

Since the implementation of the balance of payments survey, the information contained is thoroughly reviewed. In the event of any inconsistency in this information, the BPS staff research directly with the companies. In the case of other sources of information, the BPS staff constantly monitors the information published by these and has direct communication if there are inconsistencies in the information.

3.5 Revision studies

3.5.1 Revision studies and analyses

The direction and magnitude of revisions between preliminary and final data are evaluated.

In addition, statistical processes and new information sources according to the technical assistance received is reviewed.

4. Serviceability

4.1 Periodicity and timeliness

4.1.1 Periodicity

The BG compiles annual and quarterly IIP statistics.

4.1.2 Timeliness

The PII is disseminated to preliminary data with a quarter lag and final annual data for one year lag in the reporting period.

4.2 Consistency

4.2.1 Internal consistency

Consistency checks are performed to validate the data banks and government information.

4.2.2 Temporal consistency

Consistent time series are available for an adequate period of time. On the BG website, an IIP series in annual basis series is available from 2005, and in quarterly basis from March 2006.

4.2.3 Intersectional and cross-domain consistency

The assets and liabilities of the financial sector are taken from balance sheets. IIP components comprising external debt data that are consistent with the related debt balances MINFIN.

4.3 Revision

4.3.1 Revision schedule

The revision cycle is predetermined and reasonably stable from year to year.

4.3.2 Identification of preliminary and/or revised data

At the time of data dissemination, users are informed whenever data are preliminary.

4.3.3 Dissemination of revision studies and analyses

Revisions are not measured, assessed, and explained in the IIP publication and in the database accessible by users. Analysis of differences between the revised and preliminary data is not published for major aggregates to allow an assessment of the reliability of the preliminary data.

5. Accessibility

5.1 Data accessibility

5.1.1. Statistical presentation

Access to PII data via the BG website is provided. The BG disseminates statistics on IIP based on an annual calendar published

Online Balance of Payments and International Investment Position

Annual Balance of payments

<https://www.banguat.gob.gt/es/page/balanza-de-pagos-anual-2008-en-adelante>

5.1.2. Electronic - On-line bulletin or data

Quarterly Balance of Payments

<https://www.banguat.gob.gt/es/page/balanza-de-pagos-trimestral-2008-en-adelante>

Annual International Investment Position.

<https://www.banguat.gob.gt/es/page/informacion-anual-2008-en-adelante>

Quarterly International Investment Position

<https://www.banguat.gob.gt/es/page/posicion-de-inversion-internacional-trimestral-2008-en-adelante>

The IIP is also published on the Integrated Correspondence System (ICS) of the IMF website.

Gross external debt

The data of the external debt of the private sector are presented in the BG website where users can see the quarterly information of public and private debt, with a breakdown by institutional and financial residents:

<https://www.banguat.gob.gt/es/page/por-instrumento-2008-en-adelante>

<https://www.banguat.gob.gt/es/page/por-sector-institucional-plazo-de-vencimiento-e-instrumento-2008-en-adelante>

Reserves and liquidity sheet

The template data are presented on the website of BG monthly basis from August 2008 to allow users to query the immediate availability of external assets that are under the control of monetary authorities.

<https://www.banguat.gob.gt/es/page/planilla-de-liquidez-en-moneda-extranjera-2008-en-adelante>

5.1.3 Dissemination on request

Statistics not routinely disseminated can be made available to users upon request, to the extent that statistical confidentiality is respected. No specific reference is made in BG publications on the availability of non-published sub aggregates, and the terms and conditions on which they are made available.

5.2 Metadata

5.2.1 Dissemination of documentation on concepts, scope, classifications, basis of recording, data sources, and statistical techniques

The methodology is set out in BPM5 and BPM6. An official metadata that includes concepts, scope, classification, basis for recording, data sources and statistical techniques is available and published. In the context of the GDDS participation PII metadata are published.

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