

Box 2 Changes to South Africa's International Transactions Reporting System for the compilation of balance of payments statistics

The International Transactions Reporting System (ITRS) is part of a broader institutional data collection framework used by many countries for the compilation of balance of payments (BoP) statistics, obtaining data from banks at the level of individual transactions between residents and non-residents. These frameworks initially emerged as by-products of foreign exchange control regulations, many of which have since been eased or lifted completely.

South Africa's ITRS, known as the FinSurv Reporting System (FRS V.1), was first established in 2001. It is administered by the Financial Surveillance Department (FinSurv) of the South African Reserve Bank (SARB). After evolving through FRS V.2 in 2004, the system was redesigned in 2013 (FRS V.3) when selected reporting categories were further disaggregated to align with the International Monetary Fund's (IMF) sixth edition of the *Balance of Payments and International Investment Position Manual (BPM6)*.¹ Effective from 11 August 2026, the SARB introduced new BoP reporting codes, including codes for all categories and subcategories.

South Africa's exchange control regulations² require the mandatory reporting to the SARB of all cross-border transactions above R0.01, with no upper threshold. The reporting entities that are licensed to facilitate the cross-border movement of funds on behalf of their clients must report all the details of these transactions to the SARB, together with the required supplementary documentation, within two calendar days.

Among the mandatory variables reported on are the non-resident counterparty details, the corresponding partner country, the value of the transaction and the purpose of the funds, as reflected in the category code, also known as the BoP code. These codes are standardised reference numbers used by banks to report cross-border transactions and by central banks to classify and monitor these³ transactions.⁴ The codes explain the type of transaction for which the funds were transferred; for example, BoP code 28700 – *Legal services* is used to report transactions related to the provision or acquisition of legal services to and from non-residents.

Main BoP code groups

BoP codes	Transaction type
100s	Transactions relating to trade in merchandise
200s	Transactions relating to trade in services
300s	Transactions relating to income and yields on financial assets
400s	Transactions relating to transfers of a current nature
500s	Transactions relating to transfers of a capital nature
600s	Transactions relating to financial investments/disinvestments and prudential investments
700s	Transactions relating to derivatives
800s	Transactions relating to loans and miscellaneous payments

¹ Available from the [BPM6](#).

² See [Exchange Control Regulations, 1961](#).

³ See the table below with the eight main BoP code groups.

⁴ These cross-border transactions pertain to the BoP statistics published on pages S–86, S–87 and S–92 to S–95 in this edition of the *Quarterly Bulletin*.

The FRS V.3 system seamlessly integrates with the reporting entities' reporting modules, allowing them to securely report transaction data files to the SARB. With over two billion individual transactions reported since 2013, the system provides a rich supplementary data source for the compilation of various sub-accounts of the BoP. This data is used to fill data gaps, to compare transactions against other data sources, to identify potential respondents for sample surveys and to identify major trading-partner countries.

The use of ITRS data has informed, among other things, regional initiatives to improve the quality and comparability of BoP statistics across the Southern African Development Community (SADC) member states. The SADC Committee of Central Bank Governors, at its meeting held in Maseru, Lesotho, in September 2018, agreed to the implementation of a harmonised BoP reporting system for the region, with the aim that such a reporting system would facilitate the real-time gross settlement of cross-border transactions as well as boost intra-regional trade and investment. To give effect to this decision, the SADC Harmonised BoP Codes Project was established. The project aimed to create, and has largely succeeded in creating, one set of BoP reporting codes for the region, thus eliminating the delays and costs associated with determining the purpose of funds for all the transaction flows between SADC member states. Another goal of the project was to enforce the reporting of the purpose of funds on all Society for Worldwide Interbank Financial Telecommunication (SWIFT) payment messages for payments flowing into the SADC region, thereby reducing the misclassification of transactions reported to the regulator.

Through various consultations within SADC, the BoP reporting codes were revised to better meet the region's needs, while also incorporating new categories aimed at closing existing data gaps and meeting new data needs arising from the recently released IMF *Integrated Balance of Payments and International Investment Position Manual, seventh edition (BPM7)*.

The expanded and more granular breakdown of reported transactions is expected to enhance the SARB's ability to identify specific types of flows, improve the estimation of some components of the BoP statistics from ITRS data, and enable a more detailed analysis of cross-border activities. In addition, the implementation of the harmonised codes is expected to enhance the quality and comparability of BoP statistics across the SADC region. South Africa's historically published BoP statistics will not be impacted by the implementation of the new harmonised BoP codes.

