

Web Box 3.4

Bilateral surveillance

Bilateral (or individual-country) surveillance comprises appraisal of, and advice on, the policies of each member country. The centerpiece of the IMF's bilateral surveillance is the Article IV consultation, normally held every year with each member of the Fund in accordance with Article IV of the Fund's Articles of Agreement (its charter). As part of the Article IV consultation process, a team of IMF economists (and in some cases financial sector experts) visits the member country to exchange views with the government and central bank and focus on whether there are risks to domestic and external stability that argue for adjustments in economic or financial policies. Typically the team also meets with other stakeholders, such as parliamentarians and representatives of business, labor unions, and civil society, to help evaluate the country's economic policies and direction. On their return to IMF headquarters, the team of experts submits a report to the IMF's Executive Board for discussion and completion, and the Board's views are subsequently transmitted to the country's authorities.