Appendixes

2003

APPENDIXES

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Appendix I

International Reserves

Total international reserves, including gold, increased by 9 percent during 2002 and stood at SDR 2.1 trillion at the end of the year (Table I.1). Foreign exchange reserves, which constitute the largest component of official reserve holdings, grew by 8 percent, to SDR 1.8 trillion. IMF-related assets, which make up the rest of nongold reserves, increased by 12 percent, to SDR 86 billion. The market value of gold held by monetary authorities increased by 13 percent in 2002, to SDR 235 billion at year-end.[1]

Foreign Exchange Reserves

Foreign exchange reserves represented 95 percent of nongold assets at the end of 2002. The developing countries, which held 63 percent of all foreign exchange reserves at the end of 2002, increased their holdings by 10 percent, to SDR 1.1 trillion, following comparable increases in the previous two years. During 2002, the foreign exchange holdings of industrial countries rose by 5 percent, to SDR 653 billion.

In 2002, the foreign exchange assets of the oil-exporting developing countries, which amount to about 10 percent of all developing countries' foreign exchange reserves, declined by 2 percent, to SDR 103 billion. Foreign exchange reserves of the net creditor developing country group rose by 11 percent, to SDR 222 billion, and those of net debtor countries grew by 10 percent, to SDR 889 billion at the end of 2002. Foreign exchange reserves of net debtors without debt-servicing problems increased by 13 percent, to SDR 753 billion, while those of countries with debt-servicing problems decreased by 4 percent, to SDR 136 billion.

Holdings of IMF-Related Assets

During 2002, total IMF-related assets (that is, reserve positions in the IMF and SDRs) increased by 12 percent, following an increase of 16 percent in the preceding year. Industrial countries hold a majority of IMF-related assets: 81 percent at the end of 2002. The increase in IMF-related assets was attributable mainly to a 16 percent growth in members' reserve positions in the IMF—which consist of members' reserve tranche and creditor positions—to SDR 66 billion. SDR holdings of IMF members have remained broadly constant at SDR 20 billion.

Gold Reserves

The market value of gold reserves increased by 13 percent, to SDR 235 billion, reflecting an increase of 14 percent in the SDR price of gold in 2002; the physical stock of official gold declined by 1 percent. The share of gold in officially held reserves declined gradually to 11 percent by the end of 2002, whereas in the early 1980s gold comprised about half of all officially held reserves. Most of the gold reserves (83 percent) are held by industrial countries: gold constituted 21 percent of these countries' total reserves at the end of 2002. Gold reserves accounted for 4 percent of the total reserves of the developing countries.

Developments During the First Quarter of 2003

During the first quarter of 2003, total reserve assets rose by SDR 43 billion, whereas foreign exchange reserves increased by SDR 50 billion over the same period. Reflecting a decline in the SDR price of gold since the end of 2002, the market value of gold reserves declined by SDR 9 billion during the first quarter of 2003, while the physical stock of official gold declined by SDR 4 billion. Holdings of IMF-related assets increased by SDR 2 billion.

Currency Composition of Foreign Exchange Reserves

The currency composition of foreign exchange reserves has changed gradually over the past decade, with the share of U.S. dollar holdings in foreign exchange reserves rising from 57 percent in 1993 to 68 percent in 1999 and staying at that level through the end of 2001 (Table I.2). In 2002, however, the share of U.S. dollar holdings declined slightly, to 65 percent, with euro holdings gaining share. The euro, which replaced 11 European currencies and the European currency unit (ECU) on January 1, 1999, accounted for 15 percent of total foreign exchange reserves in 2002, somewhat higher than its average since 1999. Given that, at the introduction of the euro, the Eurosystem's reserves previously denominated in euro legacy currencies[2] became domestic assets of the euro area, the share of the euro in 1999–2002 is not directly comparable with the previous years' combined share of the four euro legacy currencies identified in Table I.2: deutsche mark, French franc, Netherlands guilder, and private ECU. How-

[1]Official monetary authorities comprise central banks and also currency boards, exchange stabilization funds, and treasuries, to the extent that they perform monetary authorities' functions.

[2]Those foreign exchange reserves that, up to December 31, 1998, were denominated in euro-area former national currencies and private ECUs.

Table I.1

Official Holdings of Reserve Assets[1]

(In billions of SDRs)

	1997	1998	1999	2000	2001	2002	March 2003
All countries							
Total reserves excluding gold							
IMF-related assets							
Reserve positions in the IMF	47.1	60.6	54.8	47.4	56.9	66.1	67.6
SDRs	20.5	20.4	18.5	18.5	19.6	19.7	19.8
Subtotal, IMF-related assets	**67.6**	**81.0**	**73.2**	**65.9**	**76.4**	**85.7**	**87.4**
Foreign exchange	1,197.0	1,166.3	1,297.7	1,485.4	1,627.8	1,763.4	1,813.5
Total reserves excluding gold	**1,264.7**	**1,247.3**	**1,371.0**	**1,551.3**	**1,704.2**	**1,849.1**	**1,900.9**
Gold[2]							
Quantity (*millions of ounces*)	888.5	968.3	967.0	952.1	942.7	930.6	926.5
Value at London market price	191.1	197.9	204.5	200.5	207.4	234.6	225.8
Total reserves including gold	**1,455.7**	**1,445.2**	**1,575.4**	**1,751.8**	**1,911.6**	**2,083.7**	**2,126.7**
Industrial countries							
Total reserves excluding gold							
IMF-related assets							
Reserve positions in the IMF	41.3	53.9	46.8	39.7	47.0	53.7	54.7
SDRs	15.5	15.8	14.7	14.4	16.0	15.8	15.1
Subtotal, IMF-related assets	**56.8**	**69.8**	**61.5**	**54.1**	**62.9**	**69.5**	**69.8**
Foreign exchange	520.9	475.8	526.1	596.2	620.4	653.0	656.6
Total reserves excluding gold	**577.7**	**545.6**	**587.6**	**650.3**	**683.4**	**722.5**	**726.5**
Gold[2]							
Quantity (*millions of ounces*)	732.5	808.7	810.4	796.5	783.5	769.8	765.8
Value at London market price	157.5	165.3	171.4	167.8	172.4	194.1	186.6
Total reserves including gold	**735.2**	**710.9**	**759.0**	**818.1**	**855.7**	**916.6**	**913.1**
Developing countries							
Total reserves excluding gold							
IMF-related assets							
Reserve positions in the IMF	5.7	6.7	8.0	7.7	9.9	12.3	12.8
SDRs	5.0	4.5	3.7	4.1	3.6	3.9	4.7
Subtotal, IMF-related assets	**10.8**	**11.2**	**11.7**	**11.8**	**13.5**	**16.2**	**17.6**
Foreign exchange	676.2	690.5	771.6	889.2	1,007.3	1,110.3	1,156.8
Total reserves excluding gold	**687.0**	**701.7**	**783.4**	**900.9**	**1,020.8**	**1,126.6**	**1,174.4**
Gold[2]							
Quantity (*millions of ounces*)	156.0	159.6	156.6	155.5	159.2	160.7	160.7
Value at London market price	33.5	32.6	33.1	32.8	35.0	40.5	39.2
Total reserves including gold	**720.5**	**734.3**	**816.5**	**933.7**	**1,055.8**	**1,167.1**	**1,213.6**
Net debtor developing countries							
Total reserves excluding gold							
IMF-related assets							
Reserve positions in the IMF	4.3	5.1	5.7	5.4	6.4	8.1	8.4
SDRs	3.9	3.3	3.1	3.3	2.7	2.9	3.8
Subtotal, IMF-related assets	**8.1**	**8.4**	**8.8**	**8.7**	**9.2**	**11.0**	**12.2**
Foreign exchange	538.1	550.0	609.3	705.7	806.7	888.9	919.0
Total reserves excluding gold	**546.3**	**558.3**	**618.1**	**714.4**	**815.8**	**899.9**	**930.3**
Gold[2]							
Quantity (*millions of ounces*)	147.9	151.3	148.7	147.7	151.3	153.2	153.1
Value at London market price	31.8	30.9	31.4	31.1	33.3	38.6	37.3
Total reserves including gold	**578.1**	**589.3**	**649.5**	**745.5**	**849.1**	**938.5**	**967.6**
Net debtor developing countries without debt-servicing problems							
Total reserves excluding gold							
IMF-related assets							
Reserve positions in the IMF	3.8	4.6	4.9	4.6	5.7	7.3	7.6
SDRs	3.0	2.6	2.4	2.1	2.1	1.9	2.1
Subtotal, IMF-related assets	**6.8**	**7.3**	**7.3**	**6.7**	**7.8**	**9.3**	**9.7**
Foreign exchange	403.8	428.3	489.4	571.6	664.5	752.6	781.2
Total reserves excluding gold	**410.6**	**435.6**	**496.6**	**578.3**	**672.3**	**761.9**	**790.4**
Gold[2]							
Quantity (*millions of ounces*)	102.8	105.7	103.5	102.8	106.4	108.1	107.9
Value at London market price	22.1	21.6	21.9	21.7	23.4	27.3	26.3
Total reserves including gold	**432.7**	**457.2**	**518.5**	**600.0**	**695.7**	**789.2**	**816.7**

Source: International Monetary Fund, *International Financial Statistics.*

Note: Components may not sum to totals because of rounding.

[1]End of year figures for all years except 2003. “IMF-related assets” comprise reserve positions in the IMF and SDR holdings of all IMF members. The entries under “Foreign exchange” and “Gold” comprise official holdings of those IMF members for which data are available and certain countries or areas.

[2] One troy ounce equals 31.103 grams. The market price is the afternoon price fixed in London on the last business day of each period.

Table I.2

Share of National Currencies in Total Identified Official Holdings of Foreign Exchange, End of Year[1]

(In percent)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
All countries										
U.S. dollar	56.6	56.5	56.9	60.2	62.2	65.7	67.9	67.6	67.7	64.8
Japanese yen	7.7	7.9	6.8	6.0	5.2	5.4	5.5	5.2	4.9	4.5
Pound sterling	3.0	3.3	3.2	3.4	3.6	3.9	4.0	3.8	4.0	4.4
Swiss franc	1.1	0.9	0.8	0.8	0.7	0.7	0.7	0.7	0.6	0.7
Euro	—	—	—	—	—	—	12.6[2]	13.0[2]	13.2[2]	14.6[2]
Deutsche mark	13.7	14.2	13.7	13.0	12.8	12.2	—	—	—	—
French franc	2.3	2.4	2.3	1.9	1.4	1.6	—	—	—	—
Netherlands guilder	0.7	0.5	0.4	0.3	0.4	0.4	—	—	—	—
ECUs[3]	8.2	7.7	6.8	5.9	5.0	0.8	—	—	—	—
Unspecified currencies[4]	6.8	6.6	9.2	8.6	8.7	9.3	9.4	9.7	9.7	11.0
Industrial countries										
U.S. dollar	50.2	50.8	51.8	56.1	57.9	66.7	72.8	72.7	73.3	70.1
Japanese yen	7.8	8.2	6.6	5.6	5.8	6.6	6.6	6.3	5.6	4.8
Pound sterling	2.2	2.3	2.1	2.0	1.9	2.2	2.3	2.0	1.8	2.2
Swiss franc	0.3	0.2	0.1	0.1	0.1	0.2	0.1	0.2	0.3	0.6
Euro	—	—	—	—	—	—	10.6[2]	10.4[2]	9.7[2]	11.3[2]
Deutsche mark	16.4	16.3	16.4	15.6	15.9	13.4	—	—	—	—
French franc	2.6	2.4	2.3	1.7	0.9	1.3	—	—	—	—
Netherlands guilder	0.4	0.3	0.2	0.2	0.2	0.2	—	—	—	—
ECUs[3]	15.2	14.6	13.4	12.0	10.9	1.9	—	—	—	—
Unspecified currencies[4]	4.8	5.0	7.0	6.7	6.4	7.4	7.6	8.3	9.2	11.1
Developing countries										
U.S. dollar	64.1	62.9	62.0	64.0	65.8	64.9	64.2	63.8	63.8	61.3
Japanese yen	7.5	7.6	6.9	6.4	4.7	4.5	4.6	4.4	4.3	4.3
Pound sterling	4.0	4.4	4.3	4.8	5.1	5.1	5.3	5.2	5.5	5.8
Swiss franc	2.0	1.7	1.5	1.4	1.1	1.1	1.1	1.0	0.9	0.8
Euro	—	—	—	—	—	—	14.1	14.9	15.6	16.8
Deutsche mark	10.5	11.9	11.0	10.6	10.3	11.2	—	—	—	—
French franc	2.0	2.4	2.3	2.0	1.8	1.9	—	—	—	—
Netherlands guilder	1.0	0.8	0.6	0.5	0.6	0.5	—	—	—	—
ECUs[3]	—	—	—	—	—	—	—	—	—	—
Unspecified currencies[5]	9.1	8.3	11.4	10.3	10.6	10.8	10.7	10.7	9.9	10.9

Note: Components may not sum to total because of rounding.

[1]Only IMF member countries that report their official holdings of foreign exchange are included in this table.

[2]Not comparable with the combined share of euro legacy currencies in previous years because it excludes the euros received by euro-area members when their previous holdings of other euro-area members' legacy currencies were converted into euros on January 1, 1999.

[3]In the calculation of currency shares, the ECU is treated as a separate currency. ECU reserves held by the monetary authorities existed in the form of claims on both the private sector and European Monetary Institute (EMI), which issued official ECUs to European Union central banks through revolving swaps against the contribution of 20 percent of their gross gold holdings and U.S. dollar reserves. On December 31, 1998, the official ECUs were unwound into gold and U.S. dollars; hence, the share of ECUs at the end of 1998 was sharply lower than a year earlier. The remaining ECU holdings reported for 1998 consisted of ECUs issued by the private sector, usually in the form of ECU deposits and bonds. On January 1, 1999, these holdings were automatically converted into euros.

[4]The residual is equal to the difference between total foreign exchange reserves of IMF member countries and the sum of the reserves held in the currencies listed in the table.

[5]The calculations here rely to a greater extent on IMF staff estimates than do those provided for the group of industrial countries.

ever, after adjusting the data to take into account only holdings of these currencies outside the euro area, their combined share in 1998 was virtually identical to the share of the euro in 1999.

The share of the Japanese yen in total foreign exchange reserves declined from 8 percent at end-1993 to 5 percent at the end of 1997 and stayed at about that level through 2002. During the past decade, the share of pound sterling has remained around 3 and 4 percent, and that of the Swiss franc approximately 1 percent. The share of unspecified currencies, which include currencies not identified in Table I.2, as well as foreign exchange reserves for which no information on currency composition is available, rose to 11 percent in 2002.

For industrial countries, the share of U.S. dollar holdings increased throughout the 1990s to reach 73 percent in 2001 and declined to 70 percent at the end of 2002. The shares of the euro in those countries' foreign exchange reserves rose to 11 percent in 2002, whereas that of the Japanese yen declined by less than 1 percentage point. Shares of pound sterling and the Swiss franc have been practically unchanged over the past ten years, but the share of unspecified currencies rose to 11 percent in 2002.

Table I.3

Currency Composition of Official Holdings of Foreign Exchange, End of Year[1]

(In millions of SDRs)

	1994	1995	1996	1997	1998	1999	2000	2001	2002
U.S. dollar									
Change in holdings	32,570	73,551	121,245	87,828	18,418	103,998	120,295	87,185	29,895
Quantity change	57,314	78,573	103,269	45,172	48,561	85,745	74,526	51,852	112,651
Price change	–24,744	–5,023	17,976	42,656	–30,143	18,254	45,769	35,332	–82,756
Year-end value	423,269	496,819	618,064	705,892	724,310	828,308	948,603	1,035,788	1,065,682
Japanese yen									
Change in holdings	6,007	19	2,685	–3,197	981	7,256	6,306	1,221	–120
Quantity change	3,124	3,089	8,021	–56	–3,489	–1,983	11,054	8,655	–1,160
Price change	2,883	–3,070	–5,336	–3,141	4,470	9,238	–4,749	–7,434	1,040
Year-end value	59,030	59,048	61,733	58,536	59,517	66,772	73,078	74,300	74,180
Pound sterling									
Change in holdings	3,992	3,240	7,354	6,182	1,124	6,197	5,087	7,170	11,058
Quantity change	4,129	3,834	3,259	4,632	2,761	6,359	6,464	6,685	9,242
Price change	–136	–594	4,095	1,550	–1,637	–162	–1,377	485	1,816
Year-end value	24,612	27,852	35,206	41,388	42,512	48,709	53,796	60,966	72,024
Swiss franc									
Change in holdings	–932	210	881	–35	–54	241	1,745	131	2,206
Quantity change	–1,372	–541	1,811	75	–128	1,208	1,449	33	955
Price change	439	751	–930	–109	74	–966	296	98	1,252
Year-end value	6,689	6,899	7,780	7,745	7,691	7,933	9,678	9,809	12,015
Euro									
Change in holdings	—	—	—	—	—	6,958[2]	28,149	19,685	37,902
Quantity change	—	—	—	—	—	25,600	31,501	22,962	16,776
Price change	—	—	—	—	—	–18,642	–3,353	–3,277	21,126
Year-end value	—	—	—	—	—	154,026	182,174	201,859	239,761
Deutsche mark									
Change in holdings	11,862	13,296	14,050	11,896	–11,478	—	—	—	—
Quantity change	7,081	6,817	20,159	22,336	–15,364	—	—	—	—
Price change	4,781	6,478	–6,109	–10,440	3,886	—	—	—	—
Year-end value	106,414	119,709	133,759	145,655	134,176	—	—	—	—
French franc									
Change in holdings	1,912	1,974	–981	–3,388	2,224	—	—	—	—
Quantity change	1,262	668	–334	–2,037	1,860	—	—	—	—
Price change	650	1,307	–647	–1,352	364	—	—	—	—
Year-end value	18,081	20,055	19,074	15,686	17,910	—	—	—	—
Netherlands guilder									
Change in holdings	–512	–301	–330	1,138	–569	—	—	—	—
Quantity change	–731	–547	–152	1,443	–708	—	—	—	—
Price change	219	246	–178	–305	140	—	—	—	—
Year-end value	4,070	3,769	3,439	4,577	4,009	—	—	—	—
European currency unit									
Change in holdings	959	1,665	985	–3,240	–47,848	—	—	—	—
Quantity change	–1,035	–1,157	1,833	515	–49,304	—	—	—	—
Price change	1,994	2,822	–849	–3,755	1,456	—	—	—	—
Year-end value	57,613	59,278	60,262	57,022	9,174	—	—	—	—
Sum of the above[3]									
Change in holdings	55,859	93,653	145,888	97,183	–37,201	124,650	161,581	115,391	80,941
Quantity change	69,773	90,736	137,865	72,079	–15,812	116,929	124,995	90,187	138,463
Price change	–13,914	2,917	8,023	25,103	–21,389	7,721	36,586	25,204	–57,523
Year-end value	699,777	793,431	939,319	1,036,501	999,300	1,105,749	1,267,330	1,382,721	1,463,662
Total official holdings[4]									
Change in holdings	60,720	121,995	154,291	108,574	–30,765	131,431	187,685	142,355	135,608
Year-end value	812,188	934,182	1,088,473	1,197,047	1,166,282	1,297,713	1,485,398	1,627,753	1,763,361

Note: Components may not sum to totals because of rounding.

[1]The currency composition of foreign exchange is based on the IMF's currency survey and on estimates derived mainly, but not solely, from official national reports. The numbers in this table should be regarded as estimates that are subject to adjustment as more information is received. Quantity changes are derived by multiplying the changes in official holdings of each currency from the end of one quarter to the next by the average of the two SDR prices of that currency prevailing at the corresponding dates. This procedure converts the change in the quantity of national currency from own units to SDR units of account. Subtracting the SDR value of the quantity change so derived from the quarterly change in the SDR value of foreign exchange held at the end of two successive quarters and cumulating these differences yields the effect of price changes over the years shown.

[2]Represents the change from end-1998 holdings of euro legacy currencies by official institutions outside the euro area.

[3]Each item represents the sum of the currencies above.

[4]Includes a residual whose currency composition could not be ascertained, as well as holdings of currencies other than those shown.

The share of the U.S. dollar in developing countries' foreign exchange reserves declined to 61 percent in 2002, at the lower end of historical values over the past decade. Holdings of the euro rose to 17 percent of those countries' foreign exchange reserves, 1 percentage point higher than its share in 2001. During the past decade, the share of the Japanese yen has gradually decreased by about 3 percentage points, to 4 percent at the end of 2002, while the share of pound sterling has increased by about 2 percentage points, to 6 percent. The share of the Swiss franc has remained virtually unchanged at 1 percent since 1997. Unspecified currencies accounted for 11 percent of developing countries' foreign exchange reserves in 2002.

Changes in the SDR value of foreign exchange reserves can be decomposed into quantity and valuation (price) changes (Table I.3). Official reserves held in U.S. dollars increased by SDR 30 billion in 2002, as an increase of SDR 113 billion in the quantity of U.S. dollar holdings was offset by a valuation decline of SDR 83 billion. Euro holdings increased by SDR 38 billion, reflecting a quantity increase of SDR 17 billion and a valuation increase of SDR 21 billion. Japanese yen holdings remained unchanged, as a quantity decline offset a valuation increase. Pound sterling and Swiss franc holdings increased by SDR 11 billion and SDR 2 billion, respectively, reflecting increases in both quantity and valuation.

APPENDIX II

Financial Operations and Transactions

The tables in this appendix supplement the information given in Chapter 8 on the IMF's financial operations and policies. Components may not sum to total because of rounding.

Table II.1
Arrangements Approved During Financial Years Ended April 30, 1953–2003

Financial	Number of Arrangements					Amounts Committed Under Arrangements[1] (In millions of SDRs)				
Year	Stand-By	EFF	SAF	PRGF	Total	Stand-By	EFF	SAF	PRGF	Total
1953	2	—	—	—	2	55	—	—	—	55
1954	2	—	—	—	2	63	—	—	—	63
1955	2	—	—	—	2	40	—	—	—	40
1956	2	—	—	—	2	48	—	—	—	48
1957	9	—	—	—	9	1,162	—	—	—	1,162
1958	11	—	—	—	11	1,044	—	—	—	1,044
1959	15	—	—	—	15	1,057	—	—	—	1,057
1960	14	—	—	—	14	364	—	—	—	364
1961	15	—	—	—	15	460	—	—	—	460
1962	24	—	—	—	24	1,633	—	—	—	1,633
1963	19	—	—	—	19	1,531	—	—	—	1,531
1964	19	—	—	—	19	2,160	—	—	—	2,160
1965	24	—	—	—	24	2,159	—	—	—	2,159
1966	24	—	—	—	24	575	—	—	—	575
1967	25	—	—	—	25	591	—	—	—	591
1968	32	—	—	—	32	2,352	—	—	—	2,352
1969	26	—	—	—	26	541	—	—	—	541
1970	23	—	—	—	23	2,381	—	—	—	2,381
1971	18	—	—	—	18	502	—	—	—	502
1972	13	—	—	—	13	314	—	—	—	314
1973	13	—	—	—	13	322	—	—	—	322
1974	15	—	—	—	15	1,394	—	—	—	1,394
1975	14	—	—	—	14	390	—	—	—	390
1976	18	2	—	—	20	1,188	284	—	—	1,472
1977	19	1	—	—	20	4,680	518	—	—	5,198
1978	18	—	—	—	18	1,285	—	—	—	1,285
1979	14	4	—	—	18	508	1,093	—	—	1,600
1980	24	4	—	—	28	2,479	797	—	—	3,277
1981	21	11	—	—	32	5,198	5,221	—	—	10,419
1982	19	5	—	—	24	3,106	7,908	—	—	11,014
1983	27	4	—	—	31	5,450	8,671	—	—	14,121
1984	25	2	—	—	27	4,287	95	—	—	4,382
1985	24	—	—	—	24	3,218	—	—	—	3,218
1986	18	1	—	—	19	2,123	825	—	—	2,948
1987	22	—	10	—	32	4,118	—	358	—	4,476
1988	14	1	15	—	30	1,702	245	670	—	2,617
1989	12	1	4	7	24	2,956	207	427	955	4,545
1990	16	3	3	4	26	3,249	7,627	37	415	11,328
1991	13	2	2	3	20	2,786	2,338	15	454	5,593
1992	21	2	1	5	29	5,587	2,493	2	743	8,826

Table II.1 *(concluded)*

Financial Year	Number of Arrangements					Amounts Committed Under Arrangements[1] (In millions of SDRs)				
	Stand-By	EFF	SAF	PRGF	Total	Stand-By	EFF	SAF	PRGF	Total
1993	11	3	1	8	23	1,971	1,242	49	527	3,789
1994	18	2	1	7	28	1,381	779	27	1,170	3,357
1995	17	3	—	11	31	13,055	2,335	—	1,197	16,587
1996	19	4	1	8	32	9,645	8,381	182	1,476	19,684
1997	11	5	—	12	28	3,183	1,193	—	911	5,287
1998	9	4	—	8	21	27,336	3,078	—	1,738	32,152
1999	5	4	—	10	19	14,325	14,090	—	998	29,413
2000	11	4	—	10	25	15,706	6,582	—	641	22,929
2001	11	1	—	14	26	13,093	–9	—	1,249	14,333
2002	9	—	—	9	18	39,439	—	—	1,848	41,287
2003	10	2	—	10	22	28,597	794	—	1,180	30,571

[1]Includes augmentations less approved reductions of committed amounts.

Table II.2

Arrangements in Effect at End of Financial Years 1991–2003[1]

Financial Year	Number of Arrangements as of April 30					Amounts Committed Under Arrangements as of April 30 (In millions of SDRs)				
	Stand-By	EFF	SAF	PRGF	Total	Stand-By	EFF	SAF	PRGF	Total
1991	14	5	12	14	45	2,703	9,597	539	1,813	14,652
1992	22	7	8	16	53	4,833	12,159	101	2,111	19,203
1993	15	6	4	20	45	4,490	8,569	83	2,137	15,279
1994	16	6	3	22	47	1,131	4,504	80	2,713	8,428
1995	19	9	1	27	56	13,190	6,840	49	3,306	23,385
1996	21	7	1	28	57	14,963	9,390	182	3,383	27,918
1997	14	11	—	35	60	3,764	10,184	—	4,048	17,996
1998	14	13	—	33	60	28,323	12,336	—	4,410	45,069
1999	9	12	—	35	56	32,747	11,401	—	4,186	48,334
2000	16	11	—	31	58	45,606	9,798	—	3,516	58,920
2001	17	8	—	37	62	34,906	8,697	—	3,298	46,901
2002	13	4	—	35	52	44,095	7,643	—	4,201	55,939
2003	15	3	—	36	54	42,807	4,432	—	4,450	51,689

[1]Certain figures have been restated to exclude expired arrangements.

Table II.3
Stand-By and Extended Arrangements in Effect During Financial Year Ended April 30, 2003
(In millions of SDRs)

	Arrangement Dates		Amounts Approved		Undrawn Balance	
Member	Effective date	Expiration date	Prior to FY2003	In FY2003	At date of termination	As of April 30, 2003
Argentina	3/10/2000	1/24/2003	16,937	—	7,180	—
Argentina	1/24/2003	8/31/2003	—	2,175	—	1,201
Bolivia	4/2/2003	4/1/2004	—	86	—	43
Bosnia and Herzegovina	8/2/2002	11/1/2003	—	68	—	36
Brazil	9/14/2001	9/6/2002	12,144	—	759	—
Brazil	9/6/2002	12/31/2003	—	22,821	—	15,215
Bulgaria	2/27/2002	2/26/2004	240	—	—	104
Colombia	1/15/2003	1/14/2005	—	1,548	—	1,548
Croatia	3/19/2001	5/18/2002	200	—	200	—
Croatia	2/3/2003	4/2/2004	—	106	—	106
Dominica	8/28/2002	8/27/2003	—	3	—	1
Ecuador	3/21/2003	4/20/2004	—	151	—	121
Guatemala	4/1/2002	3/31/2003	84	—	84	—
Jordan	7/3/2002	7/2/2004	—	85	—	75
Latvia	4/20/2001	12/19/2002	33	—	33	—
Lithuania	8/30/2001	3/29/2003	87	—	87	—
Macedonia, FYR	4/30/2003	6/15/2004	—	20	—	20
Peru	2/1/2002	2/29/2004	255	—	—	255
Romania	10/31/2001	10/15/2003	300	—	—	110
Serbia and Montenegro[1]	6/11/2001	5/13/2002	200	—	—	—
Sri Lanka	4/20/2001	9/19/2002	200	—	—	—
Turkey	2/4/2002	12/31/2004	12,821	—	—	2,381
Uruguay	4/1/2002	3/31/2005	594	1,534	—	798
Total for Stand-By Arrangements			44,095	28,597	8,343	22,014
Colombia	12/20/1999	12/19/2002	1,957	—	1,957	—
Indonesia	2/4/2000	12/31/2003	3,638	—	—	1,032
Jordan	4/15/1999	5/31/2002	128	—	—	—
Serbia and Montenegro[1]	5/14/2002	5/13/2005	—	650	—	450
Sri Lanka	4/18/2003	4/17/2006	—	144	—	124
Ukraine	9/4/1998	9/3/2002	1,920	—	727	—
Total for Extended Arrangements			7,643	794	2,684	1,606
Total			**51,738**	**29,391**	**11,027**	**23,620**

[1]Effective February 4, 2003, the Federal Republic of Yugoslavia changed its name to Serbia and Montenegro.

Table II.4

Arrangements Under the Poverty Reduction and Growth Facility in Effect During Financial Year Ended April 30, 2003

(In millions of SDRs)

Member	Arrangement Dates: Effective date	Arrangement Dates: Expiration date	Amounts Approved: Prior to FY2003	Amounts Approved: In FY2003	Undrawn Balance: At date of termination	Undrawn Balance: As of April 30, 2003
Albania	6/21/2002	6/20/2005	—	28	—	20
Armenia	5/23/2001	5/22/2004	69	—	—	29
Azerbaijan	7/6/2001	7/5/2004	80	—	—	64
Benin[1]	7/17/2000	3/31/2004	27	—	—	4
Bolivia[2]	9/18/1998	6/7/2002	101	—	37	—
Burkina Faso[3]	9/10/1999	12/9/2002	39	—	—	—
Cambodia[4]	10/22/1999	2/28/2003	59	—	—	—
Cameroon	12/21/2000	12/20/2003	111	—	—	48
Cape Verde	4/10/2002	4/9/2005	9	—	—	6
Chad[5]	1/7/2000	12/6/2003	48	—	—	10
Congo, Dem. Rep. of	6/12/2002	6/11/2005	—	580	—	133
Côte d'Ivoire	3/29/2002	3/28/2005	293	—	—	234
Djibouti[6]	10/18/1999	1/17/2003	19	—	5	—
Ethiopia	3/22/2001	3/21/2004	100	—	—	31
Gambia, The	7/18/2002	7/17/2005	—	20	—	17
Georgia	1/12/2001	1/11/2004	108	—	—	59
Ghana[7]	5/3/1999	11/30/2002	229	—	53	—
Guinea	5/2/2001	5/1/2004	64	—	—	39
Guinea-Bissau	12/15/2000	12/14/2003	14	—	—	9
Guyana	9/20/2002	9/19/2005	—	55	—	49
Honduras[8]	3/26/1999	12/31/2002	157	—	48	—
Kenya[9]	8/4/2000	8/3/2003	190	—	—	156
Kyrgyz Republic	12/6/2001	12/5/2004	73	—	—	38
Lao People's Dem. Rep.	4/25/2001	4/24/2004	32	—	—	18
Lesotho	3/9/2001	3/8/2004	25	—	—	11
Madagascar[10]	3/1/2001	11/30/2004	79	—	—	45
Malawi	12/21/2000	12/20/2003	45	—	—	39
Mali[11]	8/6/1999	8/5/2003	51	—	—	6
Mauritania[12]	7/21/1999	12/20/2002	42	—	—	—
Moldova	12/21/2000	12/20/2003	111	—	—	83
Mongolia	9/28/2001	9/27/2004	28	—	—	24
Mozambique[13]	6/28/1999	6/27/2003	87	—	—	17
Nicaragua	12/13/2002	12/12/2005	—	98	—	91
Niger	12/22/2000	12/21/2003	59	—	—	25
Pakistan	12/6/2001	12/5/2004	1,034	—	—	603
Rwanda	8/12/2002	8/11/2005	—	4	—	3
São Tomé and Príncipe	4/28/2000	4/27/2003	7	—	5	—
Senegal	4/28/2003	4/27/2006	—	24	—	24
Sierra Leone	9/26/2001	9/25/2004	131	—	—	56
Sri Lanka	4/18/2003	4/17/2006	—	269	—	231
Tajikistan	12/11/2002	12/10/2005	—	65	—	57
Tanzania[14]	4/4/2000	6/30/2003	135	—	—	15
Uganda	9/13/2002	9/12/2005	—	14	—	12
Vietnam	4/13/2001	4/12/2004	290	—	—	166
Zambia[15]	3/25/1999	3/28/2003	254	24	41	—
Total			4,201	1,180	189	2,474

[1]Extended from 7/16/03.
[2]Extended from 9/17/01.
[3]Extended from 9/9/02.
[4]Extended from 10/21/02.
[5]Extended from 1/6/03.
[6]Extended from 10/17/02.
[7]Extended from 5/2/02.
[8]Extended from 3/25/02.
[9]Became inoperative on 1/13/03.
[10]Extended from 2/29/04.
[11]Extended from 8/05/02.
[12]Extended from 7/20/02.
[13]Extended from 6/27/02.
[14]Extended from 4/3/03.
[15]Augmented by SDR 24.45 million on 5/29/02. Extended from 3/24/02.

Table II.5

Summary of Disbursements, Repurchases, and Repayments, Financial Years Ended April 30, 1948–2003

(In millions of SDRs)

Financial Year	Disbursements					Repurchases and Repayments				Total Fund Credit Outstanding[2]
	Purchases[1]	Trust Fund loans	SAF loans	PRGF loans	Total	Repurchases	Trust Fund repayments	SAF/PRGF repayments	Total	
1948	606	—	—	—	606	—	—	—	—	133
1949	119	—	—	—	119	—	—	—	—	193
1950	52	—	—	—	52	24	—	—	24	204
1951	28	—	—	—	28	19	—	—	19	176
1952	46	—	—	—	46	37	—	—	37	214
1953	66	—	—	—	66	185	—	—	185	178
1954	231	—	—	—	231	145	—	—	145	132
1955	49	—	—	—	49	276	—	—	276	55
1956	39	—	—	—	39	272	—	—	276	72
1957	1,114	—	—	—	1,114	75	—	—	75	611
1958	666	—	—	—	666	87	—	—	87	1,027
1959	264	—	—	—	264	537	—	—	537	898
1960	166	—	—	—	166	522	—	—	522	330
1961	577	—	—	—	577	659	—	—	659	552
1962	2,243	—	—	—	2,243	1,260	—	—	1,260	1,023
1963	580	—	—	—	580	807	—	—	807	1,059
1964	626	—	—	—	626	380	—	—	380	952
1965	1,897	—	—	—	1,897	517	—	—	517	1,480
1966	2,817	—	—	—	2,817	406	—	—	406	3,039
1967	1,061	—	—	—	1,061	340	—	—	340	2,945
1968	1,348	—	—	—	1,348	1,116	—	—	1,116	2,463
1969	2,839	—	—	—	2,839	1,542	—	—	1,542	3,299
1970	2,996	—	—	—	2,996	1,671	—	—	1,671	4,020
1971	1,167	—	—	—	1,167	1,657	—	—	1,657	2,556
1972	2,028	—	—	—	2,028	3,122	—	—	3,122	840
1973	1,175	—	—	—	1,175	540	—	—	540	998
1974	1,058	—	—	—	1,058	672	—	—	672	1,085
1975	5,102	—	—	—	5,102	518	—	—	518	4,869
1976	6,591	—	—	—	6,591	960	—	—	960	9,760
1977	4,910	32	—	—	4,942	868	—	—	868	13,687
1978	2,503	268	—	—	2,771	4,485	—	—	4,485	12,366
1979	3,720	670	—	—	4,390	4,859	—	—	4,859	9,843
1980	2,433	962	—	—	3,395	3,776	—	—	3,776	9,967
1981	4,860	1,060	—	—	5,920	2,853	—	—	2,853	12,536
1982	8,041	—	—	—	8,041	2,010	—	—	2,010	17,793
1983	11,392	—	—	—	11,392	1,555	18	—	1,574	26,563
1984	11,518	—	—	—	11,518	2,018	111	—	2,129	34,603
1985	6,289	—	—	—	6,289	2,730	212	—	2,943	37,622
1986	4,101	—	—	—	4,101	4,289	413	—	4,702	36,877
1987	3,685	—	139	—	3,824	6,169	579	—	6,749	33,443
1988	4,153	—	445	—	4,597	7,935	528	—	8,463	29,543
1989	2,541	—	290	264	3,095	6,258	447	—	6,705	25,520
1990	4,503	—	419	408	5,329	6,042	356	—	6,398	24,388
1991	6,955	—	84	491	7,530	5,440	168	—	5,608	25,603
1992	5,308	—	125	483	5,916	4,768	—	1	4,770	26,736
1993	8,465	—	20	573	9,058	4,083	—	36	4,119	28,496
1994	5,325	—	50	612	5,987	4,348	52	112	4,513	29,889
1995	10,615	—	14	573	11,175	3,984	4	244	4,231	36,837
1996	10,870	—	182	1,295	12,347	6,698	7	395	7,100	42,040
1997	4,939	—	—	705	5,644	6,668	5	524	7,196	40,488
1998	20,000	—	—	973	20,973	3,789	1	595	4,385	56,026
1999	24,071	—	—	826	24,897	10,465	—	627	11,092	67,175
2000	6,377	—	—	513	6,890	22,993	—	634	23,627	50,370
2001	9,599	—	—	630	10,229	11,243	—	588	11,831	48,691
2002	29,194	—	—	952	30,146	19,207	—	769	19,976	58,699
2003	21,784	—	—	1,218	23,002	7,784	—	928	8,712	72,879

[1]Includes reserve tranche purchases.

[2]Excludes reserve tranche purchases; includes outstanding associated loans from the Saudi Fund for Development.

Table II.6

Purchases and Loans from the IMF, Financial Year Ended April 30, 2003

(In millions of SDRs)

Member	Reserve Tranche	Stand-By/ Credit Tranche	Extended Fund Facility	SRF	Total Purchases	PRGF Loans	Total Purchases and Loans[1]
Afghanistan	4	—	—	—	4	—	4
Albania	—	—	—	—	—	8	8
Argentina	—	973	—	—	973	—	973
Armenia	—	—	—	—	—	30	30
Benin	—	—	—	—	—	8	8
Bolivia	—	43	—	—	43	—	43
Bosnia and Herzegovina	—	32	—	—	32	—	32
Brazil	—	4,879	—	10,437	15,316	—	15,316
Bulgaria	—	104	—	—	104	—	104
Burkina Faso	—	—	—	—	—	6	6
Burundi	—	10	—	—	10	—	10
Cambodia	—	—	—	—	—	17	17
Cameroon	—	—	—	—	—	16	16
Cape Verde	—	—	—	—	—	1	1
Chad	—	—	—	—	—	5	5
Congo, Dem. Rep. of	61	—	—	—	61	447	507
Djibouti	—	—	—	—	—	5	5
Dominica	—	2	—	—	2	—	2
Ecuador	—	30	—	—	30	—	30
Ethiopia	—	—	—	—	—	10	10
Gambia, The	—	—	—	—	—	3	3
Georgia	—	—	—	—	—	23	23
Grenada	—	3	—	—	3	—	3
Guinea	—	—	—	—	—	13	13
Guyana	—	—	—	—	—	6	6
Indonesia	—	—	1,170	—	1,170	—	1,170
Jordan	—	11	61	—	72	—	72
Kyrgyz Republic	—	—	—	—	—	23	23
Lao, PDR	—	—	—	—	—	5	5
Lesotho	—	—	—	—	—	4	4
Madagascar	—	—	—	—	—	11	11
Malawi	—	17	—	—	17	—	17
Mali	—	—	—	—	—	14	14
Mauritania	—	—	—	—	—	12	12
Moldova	—	—	—	—	—	9	9
Mozambique	—	—	—	—	—	8	8
Nicaragua	—	—	—	—	—	7	7
Niger	—	—	—	—	—	8	8
Pakistan	—	—	—	—	—	258	258
Romania	—	138	—	—	138	—	138
Rwanda	—	—	—	—	—	1	1
Serbia and Montenegro[1]	—	50	200	—	250	—	250
Sierra Leone	—	—	—	—	—	19	19
Sri Lanka	—	48	21	—	69	38	107
Tajikistan	—	—	—	—	—	8	8
Tanzania	—	—	—	—	—	20	20
Timor-Leste	2	—	—	—	2	—	2
Turkey	—	2,246	—	—	2,246	—	2,246
Uganda	—	—	—	—	—	2	2
Uruguay	36	1,079	—	129	1,243	—	1,243
Vietnam	—	—	—	—	—	41	41
Zambia	—	—	—	—	—	133	133
Total	**102**	**9,664**	**1,451**	**10,566**	**21,784**	**1,218**	**23,002**

[1]Effective February 4, 2003, the Federal Republic of Yugoslavia changed its name to Serbia and Montenegro.

Table II.7
Repurchases and Repayments to the IMF, Financial Year Ended April 30, 2003
(In millions of SDRs)

Member	Stand-By/ Credit Tranche	Extended Fund Facility	Others[1]	Total Repurchases	SAF/PRGF and Trust Fund Repayments	Total Repurchases and Repayments
Albania	3	—	—	3	6	10
Algeria	—	188	84	272	—	272
Argentina	781	434	—	1,215	—	1,215
Armenia	—	—	6	6	8	14
Azerbaijan	—	6	38	44	6	50
Bangladesh	61	—	—	61	14	76
Belarus	—	—	23	23	—	23
Benin	—	—	—	—	12	12
Bolivia	—	—	—	—	21	21
Bosnia and Herzegovina	25	—	—	25	—	25
Brazil	373	—	—	373	—	373
Bulgaria	114	4	19	137	—	137
Burkina Faso	—	—	—	—	12	12
Burundi	—	—	—	—	2	2
Cambodia	—	—	1	1	8	9
Cameroon	—	—	—	—	3	3
Chad	—	—	—	—	5	5
Congo, Dem. Rep. of	127	8	23	157	143	300
Congo, Republic of	4	—	—	4	3	6
Côte d'Ivoire	—	—	—	—	67	67
Croatia	—	24	60	84	—	84
Djibouti	2	—	—	2	—	2
Dominican Republic	20	—	—	20	—	20
Equatorial Guinea	—	—	—	—	1	1
Estonia	—	—	9	9	—	9
Ethiopia	—	—	—	—	12	12
Gabon	—	10	—	10	—	10
Georgia	—	—	9	9	19	29
Ghana	—	—	—	—	11	11
Guinea	—	—	—	—	11	11
Guinea-Bissau	1	—	—	1	1	2
Guyana	—	—	—	—	13	13
Haiti	8	—	—	8	3	11
Honduras	24	—	—	24	6	30
Indonesia	1,559	118	—	1,678	—	1,678
Jamaica	—	14	—	14	—	14
Jordan	—	54	17	71	—	71
Kenya	—	—	—	—	14	14
Kyrgyz Republic	—	—	8	8	14	22
Lao People's Dem. Rep.	—	—	—	—	8	8
Latvia	—	—	8	8	—	8
Lesotho	—	—	—	—	2	2
Lithuania	—	58	9	66	—	66
Macedonia, FYR	—	—	8	8	2	9
Madagascar	—	—	—	—	4	4
Malawi	—	—	—	—	6	6
Mali	—	—	—	—	20	20
Mauritania	—	—	—	—	13	13
Moldova	—	6	8	14	—	14
Mongolia	—	—	—	—	6	6
Mozambique	—	—	—	—	18	18
Nepal	—	—	—	—	3	3
Nicaragua	—	—	—	—	4	4
Niger	—	—	—	—	5	5
Pakistan	19	30	176	225	40	266

Table II.7 *(concluded)*

Member	Stand-By/ Credit Tranche	Extended Fund Facility	Others[1]	Total Repurchases	SAF/PRGF and Trust Fund Repayments	Total Repurchases and Repayments
Panama	—	4	—	4	—	4
Peru	—	134	—	134	—	134
Philippines	253	132	—	385	—	385
Romania	28	—	31	60	—	60
Russian Federation	177	745	359	1,281	—	1,281
Rwanda	2	—	—	2	—	2
Senegal	—	—	—	—	24	24
Sierra Leone	—	—	—	—	24	24
Sri Lanka	—	—	—	—	34	34
St. Kitts and Nevis	1	—	—	1	—	1
Sudan	7	15	1	22	—	22
Tajikistan	7	—	—	7	25	32
Tanzania	—	—	—	—	17	17
Thailand	913	—	—	913	—	913
Togo	—	—	—	—	8	8
Turkey	174	—	—	174	—	174
Uganda	—	—	—	—	32	32
Ukraine	36	20	83	140	—	140
Uruguay	57	—	—	57	—	57
Uzbekistan	—	—	17	17	—	17
Vietnam	—	—	4	4	48	52
Yemen, Republic of	2	2	—	4	—	4
Zambia	—	—	—	—	169	169
Zimbabwe	—	1	—	1	1	2
Total	4,776	2,008	1,000	7,784	928	8,712

[1]Includes Compensatory and Contingency Financing Facility and Systemic Transformation Facility.

Table II.8
Outstanding IMF Credit by Facility and Policy, Financial Years Ended April 30, 1995–2003
(In millions of SDRs and percent of total)

	1995	1996	1997	1998	1999	2000	2001	2002	2003
					Millions of SDRs				
Stand-By Arrangements[1]	15,117	20,700	18,064	25,526	25,213	21,410	17,101	28,612	34,241
Extended Arrangements	10,155	9,982	11,155	12,521	16,574	16,808	16,108	15,538	14,981
Supplemental Reserve Facility	—	—	—	7,100	12,655	—	4,085	5,875	15,700
Compensatory and Contingency Financing Facility	3,021	1,602	1,336	685	2,845	3,032	2,992	745	413
Systemic Transformation Facility	3,848	3,984	3,984	3,869	3,364	2,718	1,933	1,311	644
Subtotal (GRA)	**32,140**	**36,268**	**34,539**	**49,701**	**60,651**	**43,968**	**42,219**	**52,081**	**65,978**
SAF Arrangements	1,277	1,208	954	730	565	456	432	341	137
PRGF Arrangements[2]	3,318	4,469	4,904	5,505	5,870	5,857	5,951	6,188	6,676
Trust Fund	102	95	90	90	89	89	89	89	89
Total	**36,837**	**42,040**	**40,488**	**56,026**	**67,175**	**50,370**	**48,691**	**58,699**	**72,879**
					Percent of total				
Stand-By Arrangements[1]	41	49	45	46	38	43	35	49	47
Extended Arrangements	28	24	28	22	25	33	33	26	21
Supplemental Reserve Facility	—	—	—	13	19	—	9	10	22
Compensatory and Contingency Financing Facility	8	4	3	1	4	6	6	1	1
Systemic Transformation Facility	10	9	10	7	5	5	4	2	1
Subtotal (GRA)	**87**	**86**	**85**	**89**	**90**	**87**	**87**	**88**	**91**
SAF Arrangements	3	3	2	1	1	1	1	1	—[3]
PRGF Arrangements[2]	9	11	12	10	9	12	12	11	9
Trust Fund	—[3]	—[3]	—[3]	—[3]	—[3]	—[3]	—[3]	—[3]	—[3]
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

[1]Includes outstanding credit tranche and emergency purchases.
[2]Includes outstanding associated loans from the Saudi Fund for Development.
[3]Less than ½ of 1 percent of total.

Table II.9

Summary of Bilateral Contributions to the PRGF and PRGF-HIPC Trusts

(In millions of SDRs; as of April 30, 2003)

	PRGF Trust		PRGF-HIPC Trust
	Subsidy contributions "as needed"[1]	Loan commitments[2]	Subsidies and HIPC grant contributions "as needed"[3]
Total	**3,490.2**	**15,722.7**	**1,561.6**
Major industrial countries	**2,294.0**	**12,864.8**	**880.5**
Canada	204.3	700.0	48.8
France	474.4	2,900.0	82.2
Germany	197.7	2,750.0	127.2
Italy	157.8	1,380.0	63.6
Japan	723.1	5,134.8	144.0
United Kingdom	358.9	—	82.2
United States	177.7	—	332.6
Other advanced countries	**980.8**	**2,452.8**	**299.7**
Australia	14.8	—	24.8
Austria	62.8	—	14.3
Belgium	120.8	350.0	35.3
Denmark	66.9	100.0	18.5
Finland	42.1	—	8.0
Greece	39.6	—	6.3
Iceland	4.6	—	0.9
Ireland	8.1	—	5.9
Israel	—	—	1.8
Korea	60.0	92.7	15.9
Luxembourg	14.1	—	0.7
Netherlands	141.6	450.0	45.4
New Zealand	—	—	1.7
Norway	45.5	150.0	18.5
Portugal	5.3	—	6.6
San Marino	—	—	0.05
Singapore	32.7	—	16.5
Spain	26.2	708.4	23.3
Sweden	186.3	—	18.3
Switzerland	109.5	601.7	37.0
Fuel-exporting countries	**17.2**	**49.5**	**93.1**
Algeria	—	—	5.5
Brunei Darussalam	—	—	0.1
Gabon[4]	—	—	2.5
Iran, Islamic Republic of	2.0	—	2.2
Kuwait	—	—	3.1
Libya	—	—	7.3
Nigeria	—	—	13.9
Oman	—	—	0.8
Qatar	—	—	0.5
Saudi Arabia	15.1	49.5	53.5
United Arab Emirates	—	—	3.8
Other developing countries	**184.9**	**355.6**	**221.1**
Argentina[5]	35.1	—	16.2
Bangladesh	0.9	—	1.7
Barbados	—	—	0.4
Belize	—	—	0.3
Botswana	2.3	—	5.7
Brazil	—	—	15.0
Cambodia	—	—	0.04
Chile	4.0	—	4.4
China	14.9	200.0	19.7
Colombia	—	—	0.9
Cyprus	—	—	0.8
Egypt	13.3	155.6	1.3
Ghana	—	—	0.5
India	13.2	—	22.9
Indonesia	6.1	—	8.2
Jamaica	—	—	2.7

Table II.9 *(concluded)*

	PRGF Trust		PRGF-HIPC Trust
	Subsidy contributions "as needed"[1]	Loan commitments[2]	Subsidies and HIPC grant contributions "as needed"[3]
Malaysia	46.0	—	12.7
Malta	2.1	—	1.1
Mauritius	—	—	0.1
Mexico	—	—	54.5
Micronesia, F. S.	—	—	0.00[6]
Morocco	9.7	—	1.6
Pakistan	4.0	—	3.4
Paraguay	—	—	0.1
Peru	—	—	2.5
Philippines	—	—	6.7
Samoa	—	—	0.00[6]
South Africa	—	—	28.6
Sri Lanka	—	—	0.6
St. Lucia	—	—	0.1
St. Vincent and the Grenadines	—	—	0.1
Swaziland	—	—	0.01
Thailand	17.2	—	4.5
Tunisia	1.8	—	1.5
Turkey	11.6	—	—
Uruguay	2.6	—	2.2
Vietnam	—	—	0.4
Countries in transition	**13.4**	**—**	**42.9**
Croatia	—	—	0.4
Czech Republic	13.4	—	4.1
Estonia	—	—	0.5
Hungary	—	—	6.0
Latvia	—	—	1.0
Poland	—	—	12.0
Russian Federation	—	—	14.6
Slovak Republic	—	—	4.0
Slovenia	—	—	0.4
Pending contributions to the PRGF-HIPC Trust ("as needed")[3]			**24.1**
Bahrain	—	—	0.9
Dominican Republic	—	—	0.5
Fiji	—	—	0.1
Grenada	—	—	0.1
Lebanon	—	—	0.4
Maldives	—	—	0.01
Venezuela	—	—	20.4
Tonga	—	—	0.02
Trinidad and Tobago	—	—	1.6
Vanuatu	—	—	0.1

[1]The calculations are based on actual interest rates through end-June 2002 and an assumed SDR interest rate of 5 percent per annum thereafter.

[2]Excludes a loan commitment from the OPEC Fund for International Development of US$50 million (equivalent to SDR 37 million).

[3]The term "as needed" refers to the nominal undiscounted sum of the projected delivery of HIPC assistance plus the profile of projected subsidy needs associated with PRGF lending during 2002–05.

[4]Contribution to the PRGF-HIPC Trust includes a pending balance of SDR 1.9 million "as needed."

[5]Contribution to the PRGF-HIPC Trust includes a pending balance of SDR 6.4 million "as needed."

[6]Less than SDR 5,000.

Table II.10

Holdings of SDRs by All Participants and by Groups of Countries as Percentage of Their Cumulative Allocations of SDRs, at End of Financial Years Ended April 30, 1994–2003

			Nonindustrial Countries[2]			
					Net debtor countries	
	All Participants[1]	Industrial Countries[2]	All nonindustrial countries	Net creditor countries	All net debtor countries	Heavily indebted poor countries
1994	71.0	77.9	56.3	222.5	47.7	12.5
1995	90.9	105.1	60.4	263.9	49.8	14.1
1996	91.4	102.4	67.9	285.5	56.6	17.4
1997	87.2	99.8	60.5	303.6	47.8	17.3
1998	95.0	107.0	69.4	323.7	56.1	24.1
1999	81.1	94.6	52.5	170.7	46.3	26.3
2000	84.6	95.0	62.5	174.1	56.6	20.6
2001	86.6	101.6	54.6	204.2	46.5	12.4
2002	91.5	107.7	56.9	227.9	44.7	14.6
2003	93.0	102.4	72.0	173.7	57.7	17.1

[1]Consists of member countries that are participants in the SDR Department. At the end of FY2003, of the total SDRs allocated to participants in the SDR Department (SDR 21.4 billion), SDR 1.5 billion was not held by participants, but instead by the IMF and prescribed holders.

[2]Based on *IFS* classification (International Monetary Fund, *International Financial Statistics*, various years).

Table II.11
Key IMF Rates, Financial Year Ended April 30, 2003
(In percent)

Period Beginning	SDR Interest Rate and Unadjusted Rate of Remuneration[1]	Basic Rate of Charge[1]	Period Beginning	SDR Interest Rate and Unadjusted Rate of Remuneration[1]	Basic Rate of Charge[1]
2002					
May 1	2.28	2.82	November 4	2.10	2.59
May 6	2.30	2.84	November 11	1.98	2.45
May 13	2.30	2.84	November 18	1.99	2.46
May 20	2.33	2.88	November 25	1.97	2.43
May 27	2.31	2.85			
			December 2	1.96	2.42
June 3	2.32	2.87	December 9	1.92	2.37
June 10	2.32	2.87	December 16	1.92	2.37
June 17	2.31	2.85	December 23	1.94	2.40
June 24	2.32	2.87	December 30	1.91	2.36
July 1	2.30	2.84	**2003**		
July 8	2.33	2.88	January 6	1.91	2.36
July 15	2.28	2.82	January 13	1.90	2.35
July 22	2.29	2.83	January 20	1.89	2.33
July 29	2.25	2.78	January 27	1.88	2.32
August 5	2.22	2.74	February 3	1.86	2.30
August 12	2.21	2.73	February 10	1.84	2.27
August 19	2.21	2.73	February 17	1.82	2.25
August 26	2.23	2.75	February 24	1.81	2.24
September 2	2.25	2.78	March 3	1.76	2.17
September 9	2.22	2.74	March 10	1.73	2.14
September 16	2.24	2.77	March 17	1.76	2.17
September 23	2.22	2.74	March 24	1.75	2.16
September 30	2.19	2.70	March 31	1.74	2.15
October 7	2.19	2.70	April 7	1.72	2.12
October 14	2.18	2.69	April 14	1.74	2.15
October 21	2.23	2.75	April 21	1.77	2.19
October 28	2.20	2.72	April 28	1.75	2.16

[1]Under the FY2003 decision on burden sharing, the rate of remuneration was adjusted downward and the rate of charge was adjusted upward to share the burden of protecting the IMF's income from overdue charges and of contributing to the IMF's precautionary balances. The amounts generated from burden sharing in FY2003 are refundable when overdue charges are paid and when overdue obligations cease to be a problem. The basic rate of charge presented is the effective rate following the retroactive reduction that was implemented after the end of the financial year. The basic rate of charge, which was set at 128.0 percent of the SDR interest rate, was reduced to 123.5 percent of the SDR interest rate as a result of the retroactive reduction.

Table II.12
Members That Have Accepted the Obligations of Article VIII, Sections 2, 3, and 4, of the Articles of Agreement

Member	Effective Date of Acceptance	Member	Effective Date of Acceptance
Algeria	September 15, 1997	Guinea-Bissau	January 1, 1997
Antigua and Barbuda	November 22, 1983	Guyana	December 27, 1966
Argentina	May 14, 1968	Haiti	December 22, 1953
Armenia	May 29, 1997	Honduras	July 1, 1950
Australia	July 1, 1965	Hungary	January 1, 1996
Austria	August 1, 1962	Iceland	September 19, 1983
Bahamas, The	December 5, 1973	India	August 20, 1994
Bahrain	March 20, 1973	Indonesia	May 7, 1988
Bangladesh	April 11, 1994	Ireland	February 15, 1961
Barbados	November 3, 1993	Israel	September 21, 1993
Belarus	November 5, 2001	Italy	February 15, 1961
Belgium	February 15, 1961	Jamaica	February 22, 1963
Belize	June 14, 1983	Japan	April 1, 1964
Benin	June 1, 1996	Jordan	February 20, 1995
Bolivia	June 5, 1967	Kazakhstan	July 16, 1996
Botswana	November 17, 1995	Kenya	June 30, 1994
Brazil	November 30, 1999	Kiribati	August 22, 1986
Brunei Darussalam	October 10, 1995	Korea	November 1, 1988
Bulgaria	September 24, 1998	Kuwait	April 5, 1963
Burkina Faso	June 1, 1996	Kyrgyz Republic	March 29, 1995
Cambodia	January 1, 2002	Latvia	June 10, 1994
Cameroon	June 1, 1996	Lebanon	July 1, 1993
Canada	March 25, 1952	Lesotho	March 5, 1997
Central African Republic	June 1, 1996	Lithuania	May 3, 1994
Chad	June 1, 1996	Luxembourg	February 15, 1961
Chile	July 27, 1977	Macedonia, FYR	June 19, 1998
China	December 1, 1996	Madagascar	September 18, 1996
Comoros	June 1, 1996	Malawi	December 7, 1995
Congo, Democratic Republic of	February 10, 2003	Malaysia	November 11, 1968
Congo, Republic of	June 1, 1996	Mali	June 1, 1996
Costa Rica	February 1, 1965	Malta	November 30, 1994
Côte d'Ivoire	June 1, 1996	Marshall Islands	May 21, 1992
Croatia	May 29, 1995	Mauritania	July 19, 1999
Cyprus	January 9, 1991	Mauritius	September 29, 1993
Czech Republic	October 1, 1995	Mexico	November 12, 1946
Denmark	May 1, 1967	Micronesia, Federated States of	June 24, 1993
Djibouti	September 19, 1980	Moldova	June 30, 1995
Dominica	December 13, 1979	Mongolia	February 1, 1996
Dominican Republic	August 1, 1953	Morocco	January 21, 1993
Ecuador	August 31, 1970	Namibia	September 20, 1996
El Salvador	November 6, 1946	Nepal	May 30, 1994
Equatorial Guinea	June 1, 1996	Netherlands	February 15, 1961
Estonia	August 15, 1994	New Zealand	August 5, 1982
Fiji	August 4, 1972	Nicaragua	July 20, 1964
Finland	September 25, 1979	Niger	June 1, 1996
France	February 15, 1961	Norway	May 11, 1967
Gabon	June 1, 1996	Oman	June 19, 1974
Gambia, The	January 21, 1993	Pakistan	July 1, 1994
Georgia	December 20, 1996	Palau	December 16, 1997
Germany	February 15, 1961	Panama	November 26, 1946
Ghana	February 21, 1994	Papua New Guinea	December 4, 1975
Greece	July 7, 1992	Paraguay	August 22, 1994
Grenada	January 24, 1994	Peru	February 15, 1961
Guatemala	January 27, 1947	Philippines	September 8, 1995
Guinea	November 17, 1995	Poland	June 1, 1995

Table II.12 *(concluded)*

Member	Effective Date of Acceptance	Member	Effective Date of Acceptance
Portugal	September 12, 1988	Switzerland	May 29, 1992
Qatar	June 4, 1973	Tanzania	July 15, 1996
Romania	March 25, 1998	Thailand	May 4, 1990
Russian Federation	June 1, 1996	Timor-Leste	July 23, 2002
Rwanda	December 10, 1998	Togo	June 1, 1996
St. Kitts and Nevis	December 3, 1984	Tonga	March 22, 1991
St. Lucia	May 30, 1980	Trinidad and Tobago	December 13, 1993
St. Vincent and the Grenadines	August 24, 1981	Tunisia	January 6, 1993
Samoa	October 6, 1994	Turkey	March 22, 1990
San Marino	September 23, 1992	Uganda	April 5, 1994
Saudi Arabia	March 22, 1961	Ukraine	September 24, 1996
Senegal	June 1, 1996	United Arab Emirates	February 13, 1974
Serbia and Montenegro[1]	May 15, 2002	United Kingdom	February 15, 1961
Seychelles	January 3, 1978	United States	December 10, 1946
Sierra Leone	December 14, 1995	Uruguay	May 2, 1980
Singapore	November 9, 1968	Vanuatu	December 1, 1982
Slovak Republic	October 1, 1995	Venezuela	July 1, 1976
Slovenia	September 1, 1995	Yemen, Republic of	December 10, 1996
Solomon Islands	July 24, 1979	Zambia	April 19, 2002
South Africa	September 15, 1973	Zimbabwe	February 3, 1995
Spain	July 15, 1986		
Sri Lanka	March 15, 1994		
Suriname	June 29, 1978		
Swaziland	December 11, 1989		
Sweden	February 15, 1961		

[1]Effective February 4, 2003, the Federal Republic of Yugoslavia changed its name to Serbia and Montenegro.

Table II.13

De Facto Exchange Rate Arrangements and Anchors of Monetary Policy as of April 30, 2003

Classification of De Facto Exchange Rate Regimes and Monetary Policy Frameworks

This classification system is based on members' actual, de facto regimes, which may differ from their officially announced arrangements. The scheme ranks exchange rate regimes on the basis of the degree of flexibility of the arrangement or a formal or informal commitment to a given exchange rate path. It distinguishes between the more rigid forms of pegged regimes, such as currency board arrangements; other conventional fixed-peg regimes against a single currency or a basket of currencies; exchange rate bands around a fixed peg; crawling-peg arrangements; and exchange rate bands around crawling pegs, in order to help assess the implications of the choice of exchange rate regime for the degree of independence of monetary policy. This includes a category to distinguish the exchange arrangements of those countries that have no separate legal tender. The system presents members' exchange rate regimes against alternative monetary policy frameworks with the intention of using both criteria as a way of providing greater transparency in the classification scheme and to illustrate that different forms of exchange rate regimes could be consistent with similar monetary frameworks. The following explains the categories.

Exchange Rate Regimes

Exchange Arrangements with No Separate Legal Tender

The currency of another country circulates as the sole legal tender (formal dollarization), or the member belongs to a monetary or currency union in which the same legal tender is shared by the members of the union. Adopting such regimes is a form of surrendering the monetary authorities' independent control over domestic monetary policy.

Currency Board Arrangements

A monetary regime based on an explicit legislative commitment to exchange domestic currency for a specified foreign currency at a fixed exchange rate, combined with restrictions on the issuing authority to ensure the fulfillment of its legal obligation. This implies that domestic currency be issued only against foreign exchange and that it remain fully backed by foreign assets, eliminating traditional central bank functions, such as monetary control and lender of last resort, and leaving little scope for discretionary monetary policy; some flexibility may still be afforded, depending on how strict the rules of the boards are.

Other Conventional Fixed Peg Arrangements

The country (formally or de facto) pegs its currency at a fixed rate to another currency or a basket of currencies, where the basket is formed from the currencies of major trading or financial partners and weights reflect the geographical distribution of trade, services, or capital flows. The currency composites can also be standardized, such as those of the SDR. There is no commitment to keep the parity irrevocably. The exchange rate may fluctuate within a narrow margin of less than ±1 percent around a central rate or the maximum and minimum value of the exchange rate may remain within a narrow margin of 2 percent for at least three months. The monetary authority stands ready to keep the fixed parity through direct intervention (i.e., via sale/purchase of foreign exchange in the market) or indirect intervention (e.g., via aggressive use of interest rate policy, imposition of foreign exchange regulations or exercise of moral suasion that constrains foreign exchange activity, or through intervention by other public institutions). Flexibility of monetary policy, though limited, is greater than in hard pegs, because traditional central banking functions are still possible, and the monetary authority can adjust the level of the exchange rate, although relatively infrequently.

Pegged Exchange Rates within Horizontal Bands

The value of the currency is maintained within certain margins of fluctuation of at least ±1 percent around a formal or a de facto fixed central rate. It also includes the arrangements of the countries in the exchange rate mechanism (ERM) of the European Monetary System (EMS), which was replaced with the ERM II on January 1, 1999. There is a limited degree of monetary policy discretion, with the degree of discretion depending on the band width.

Crawling Pegs

The currency is adjusted periodically in small amounts at a fixed rate or in response to changes in selective quantitative indicators, such as past inflation differentials vis-à-vis major trading partners, differentials between the target inflation and expected inflation in major trading partners, and so forth. The rate of crawl can be set to generate inflation-adjusted changes in the currency (backward looking), or set at a preannounced fixed rate and/or below the projected inflation differentials (forward looking). Maintaining a credible crawling peg imposes constraints on monetary policy in a similar manner as a fixed-peg system.

Exchange Rates within Crawling Bands

The currency is maintained within certain fluctuation margins of at least ±1 percent around a central rate, which is adjusted periodically at a fixed rate or in response to changes in selective quantitative indicators. The degree of flexibility of the exchange rate is a function of the width of the band, with bands chosen to be either symmetric around a crawling central parity or to widen gradually with an asymmetric choice of the crawl of upper and lower bands (in the latter case, there may not be a preannounced central rate). The commitment to maintain the exchange rate within the band continues to impose constraints on monetary policy, with the degree of policy independence being a function of the band width.

Managed Floating with No Predetermined Path for the Exchange Rate

The monetary authority influences exchange rate movements through active intervention to counter the long-term trend of the exchange rate without specifying a predetermined exchange rate path or without having a specific exchange rate target. Indicators for managing the rate are broadly judgmental—e.g., balance of payments position, international reserves, parallel market developments—and adjustments may not be automatic. Intervention may be direct or indirect. A distinction is made between "tightly managed floating"—where intervention takes the form of very tight monitoring that generally results in a stable exchange rate without having a clear exchange rate path, with the aim of permitting authorities an extra degree of flexibility in deciding the tactics to achieve a desired path—and "other managed floating," where the exchange rate is influenced in a more ad hoc fashion.

Independently Floating

The exchange rate is market determined, with any foreign exchange intervention aimed at moderating the rate of change and preventing undue fluctuations in the exchange rate, rather than at establishing a level for it. In these regimes, monetary policy is, in principle, independent of exchange rate policy.

Monetary Policy Frameworks

The exchange rate regime is presented against alternative monetary policy frameworks in order to present the role of the exchange rate in broad economic policy and help identify potential sources of inconsistency in the monetary–exchange rate policy mix.

Exchange Rate Anchor

The monetary authority stands ready to buy/sell foreign exchange at given quoted rates to maintain the exchange rate at its preannounced level or range; the exchange rate serves as the nominal anchor or intermediate target of monetary policy. This type of regime covers exchange rate regimes with no separate legal tender; CBAs; fixed pegs with and without bands; and crawling pegs with and without bands, where the rate of crawl is set in a forward-looking manner.

Monetary Aggregate Anchor

The monetary authority uses its instruments to achieve a target growth rate for a monetary aggregate, such as reserve money, M1, and M2, and the targeted aggregate becomes the nominal anchor or intermediate target of monetary policy.

Table II.13 *(continued)*

Inflation-Targeting Framework

This involves the public announcement of medium-term numerical targets for inflation with an institutional commitment by the monetary authority to achieve these targets. Additional key features include increased communication with the public and the markets about the plans and objectives of monetary policymakers and increased accountability of the central bank for obtaining its inflation objectives. Monetary policy decisions are guided by the deviation of forecasts of future inflation from the announced inflation target, with the inflation forecast acting (implicitly or explicitly) as the intermediate target of monetary policy.

Fund-Supported or Other Monetary Program

This involves implementation of monetary and exchange rate policies within the confines of a framework that establishes floors for international reserves and ceilings for net domestic assets of the central bank. Because the ceiling on net domestic assets limits increases in reserve money through central bank operations, indicative targets for reserve money may be appended to this system.

Other

The country has no explicitly stated nominal anchor but rather monitors various indicators in conducting monetary policy, or there is no relevant information available for the country.

	Monetary Policy Framework[1]				
Exchange Rate Regime (number of countries)	**Exchange rate anchor**	**Monetary aggregate target**	**Inflation-targeting framework**	**IMF-supported or other monetary program**	**Other**
Exchange arrangements with no separate legal tender (41)	***Another currency as legal tender*** Ecuador El Salvador[4] Kiribati Marshall Islands Micronesia Palau Panama San Marino Timor-Leste ***ECCU***[2] Antigua and Barbuda Dominica* Grenada St. Kitts and Nevis St. Lucia St. Vincent and the Grenadines ***CFA franc zone*** ***WAEMU*** Benin* Burkina Faso Côte d'Ivoire* Guinea-Bissau* Mali* Niger* Senegal Togo ***CAEMC*** Cameroon* Central African Rep. Chad* Congo, Rep. of Equatorial Guinea Gabon				***Euro area***[3] Austria Belgium Finland France Germany Greece Ireland Italy Luxembourg Netherlands Portugal Spain
Currency board arrangements (7)	Bosnia and Herzegovina* Brunei Darussalam Bulgaria* China—Hong Kong, SAR Djibouti Estonia Lithuania				
Other conventional fixed peg arrangements (42)	***Against a single currency (33)*** Aruba Bahamas, The[5] Bahrain Bangladesh Barbados Belize Bhutan Cape Verde* China†[6] Comoros[7] Eritea Guinea*[6] Jordan*[6] Kuwait[6] Lebanon[6] Lesotho* Macedonia, FYR[6] Malaysia Maldives[6] Namibia Nepal Netherlands Antilles Oman Qatar Saudi Arabia Suriname[5, 6] Swaziland Syrian Arab Republic[6] Turkmenistan[6] Ukraine[6] United Arab Emirates Venezuela Zimbabwe[6] ***Against a composite (9)*** Botswana[5] Fiji Latvia Libya Malta Morocco Samoa Seychelles Vanuatu	China† [6]			

Table II.13 *(continued)*

	Monetary Policy Framework[1]					
Exchange Rate Regime (number of countries)	**Exchange rate anchor**		**Monetary aggregate target**	**Inflation-targeting framework**	**IMF-supported or other monetary program**	**Other**
	Within a cooperative arrangement ERM II (1)	***Other band arrangements (4)***				
Pegged exchange rates within horizontal bands (5)[8]	Denmark	Cyprus Hungary† Sudan[6] Tonga	Sudan[6]	Hungary†		
Crawling pegs (5)	Bolivia Costa Rica[6] Nicaragua* Solomon Islands[6] Tunisia		Tunisia			
Exchange rates within crawling bands (5)[9]	Belarus Honduras Israel† Romania[6] Slovenia†[6]		Slovenia†[6]	Israel†		
Managed floating with no pre-announced path for the exchange rate (46)			Cambodia[5] Egypt[5] Gambia, The* Ghana Guyana* Indonesia* Iran, I.R. of Jamaica[6] Mauritius São Tomé and Príncipe Zambia	Czech Rep. Thailand	Argentina Azerbaijan Croatia Ethiopia Kenya Kyrgyz Republic Lao PDR[5] Moldova[6] Mongolia Pakistan Rwanda Serbia and Montenegro[11] Tajikistan Vietnam	Afghanistan Algeria[3] Angola[3] Burundi[3] Dominican Rep.[3, 5] Guatemala[3] Haiti[3, 6] India[3] Iraq[10] Kazakhstan[3] Mauritania Myanmar[3, 5, 6] Nigeria Paraguay[3] Russian Federation Singapore[3] Slovak Rep.[3] Trinidad and Tobago Uzbekistan[3, 5]
Independently floating (36)			Malawi* Sierra Leone* Sri Lanka Uruguay Yemen, Rep. of	Australia Brazil* Canada Chile[5] Colombia Iceland Korea Mexico New Zealand Norway Peru*† Philippines Poland South Africa Sweden Turkey* United Kingdom	Albania Armenia Congo, Dem. Rep. of Georgia Madagascar Mozambique Tanzania Uganda	Japan[3] Liberia[3] Papua New Guinea[3] Somalia[5, 10] Switzerland[3] United States[3]

Sources: IMF Country Reports; and *International Financial Statistics.*

[1]An asterisk (*) indicates that the country has an IMF-supported or other monetary program. A dagger (†) indicates that the country adopts more than one nominal anchor in conducting monetary policy (it should be noted, however, that it would not be possible, for practical reasons, to infer from this table which nominal anchor plays the principal role in conducting monetary policy).

[2]These countries have a currency board arrangement.

[3]The country has no explicitly stated nominal anchor, but rather monitors various indicators in conducting monetary policy.

Table II.13 *(concluded)*

[4]For El Salvador, the printing of new colones, the domestic currency, is prohibited, but the existing stock of colones will continue to circulate, along with the U.S. dollar as legal tender until all colón notes wear out physically.
[5]The member maintains an exchange arrangement involving more than one market. The arrangement shown is that maintained in the major market.
[6]The regime operating de facto in the country is different from its de jure regime.
[7]Comoros has the same arrangement with the French Treasury as the CFA franc zone countries do.
[8]The band widths for these countries are Cyprus (±15%), Denmark (±2.25%), Hungary (±15%), Sudan (±2%), and Tonga (±5%).
[9]The band widths for these countries are Belarus (±5%), Honduras (±7%), Israel (±22%), and Romania and Slovenia (unannounced).
[10]Insufficient information on the country is available for classification.
[11]Effective February 4, 2003, the Federal Republic of Yugoslavia changed its name to Serbia and Montenegro.

Appendix III

Principal Policy Decisions of the Executive Board

A. Disposition of Net Income for FY2003

1. SDR 69 million of the Fund's net income for FY2003 derived from the application of paragraph 2 of Decision No. 12730-(02/43),[1] adopted April 26, 2002, shall be placed to the Fund's Special Reserve after the end of the financial year.

2. The expense derived from the application of International Accounting Standard 19—Employee Benefits during FY2003 shall be charged against the Fund's Special Reserve and shall be recorded separately in the financial records of the Fund (EBS/03/43, 4/7/03).

Decision No. 12987-(03/36)
April 21, 2003

B. Rate of Charge on Use of Fund Resources for FY2004

1. Notwithstanding Rule I-6(4)(a), effective May 1, 2003, the proportion of the rate of charge referred to in Rule I-6(4) to the SDR interest rate under Rule T-1 shall be 132 percent.

2. The net income target for FY2004 shall be SDR 108 million. Any net income for financial year 2004 in excess of SDR 108 million shall be used to reduce retroactively the proportion of the rate of charge for financial year 2004. If net income for financial year 2004 is below SDR 108 million, the amount of projected net income for financial year 2005 shall be increased by the equivalent of that shortfall. For the purpose of this provision, net income shall be calculated without taking into account net operational income generated by the surcharges on purchases under the Supplemental Reserve Facility and Contingent Credit Lines, the surcharge on purchases in the credit tranches and under the Extended Fund Facility or the effect on income of the implementation of International Accounting Standard 19—Employee Benefits (EBS/03/43, 4/7/03).

Decision No. 12988-(03/36)
April 21, 2003

C. Burden Sharing—Implementation in FY2004

Section I. Principles of Burden Sharing

1. The financial consequences for the Fund that stem from the existence of overdue financial obligations shall be shared between debtor and creditor member countries.

2. The sharing shall be applied in a simultaneous and symmetrical fashion.

[1]See *Selected Decisions*, Twenty-Seventh Issue (December 31, 2002), page 386.

Section II. Determination of the Rate of Charge

The rate of charge referred to in Rule I-6(4) shall be adjusted in accordance with the provisions of Section IV of this decision and Section IV of Executive Board Decision No. 12189-(00/45),[2] adopted April 28, 2000.

Section III. Adjustment for Deferred Charges

Notwithstanding paragraph 1(a) of Section IV of Executive Board Decision No. 12189-(00/45), adopted April 28, 2000, the rate of charge and the rate of remuneration determined under that Section shall be rounded to two decimal places.

Section IV. Amount for Special Contingent Account–1

1. An amount of SDR 94 million shall be generated during financial year 2004 in accordance with the provisions of this Section and shall be placed to the Special Contingent Account–1 referred to in Decision No. 9471-(90/98), adopted June 20, 1990.

2. (a) In order to generate the amount to be placed to the Special Contingent Account–1 in accordance with paragraph 1 of this Section, notwithstanding Rule I-6(4)(a) and (b) and Rule I–10, the rate of charge referred to in Rule I-6(4) and, subject to the limitation in (b), the rate of remuneration prescribed in Rule I-10 shall be adjusted in accordance with the provisions of this paragraph.
(b) Notwithstanding paragraph 1 above, adjustments to the rate of charge and the rate of remuneration under this paragraph shall be rounded to two decimal places. No adjustment in the rate of remuneration under this paragraph shall be carried to the point where the average remuneration coefficient would be reduced below 85 percent for an adjustment period.
(c) The adjustments under this paragraph shall be made as of May 1, 2003, August 1, 2003, November 1, 2003, and February 1, 2004; shortly after July 31 for the period May 1 to July 31; shortly after October 31 for the period from August 1 to October 31; shortly after January 31 for the period from November 1 to January 31; shortly after April 30 for the period from February 1 to April 30.

3. (a) Subject to paragraph 3 of Decision No. 8780-(88/12), adopted January 29, 1988, the balances held in the Special Contingent Account–1 shall be distributed in accordance with the provisions of this paragraph to members that have paid additional charges or have received reduced remuneration as a result of the adjustment when there are no outstanding

[2]Ibid., page 378.

overdue charges and repurchases, or at such earlier time as the Fund may decide.

(b) Distributions under (a) shall be made in proportion to the amounts that have been paid or have not been received by each member because of the respective adjustments.

(c) If a member that is entitled to a payment under this paragraph has any overdue obligation to the Fund in the General Department at the time of payment, the member's claim under this paragraph shall be set off against the Fund's claim in accordance with Decision No. 8271-(86/74),[3] adopted April 30, 1986, or any subsequent decision of the Fund.

(d) Subject to paragraph 4 of Decision No. 8780-(88/12), adopted January 29, 1988, if any loss is charged against the Special Contingent Account–1, it shall be recorded in accordance with the principles of proportionality set forth in (b).

Section V. Review

The operation of this decision shall be reviewed when the adjustment in the rate of remuneration reduces the remuneration coefficient to the limit set forth in paragraph 2(b) of Section IV of this decision and Section IV of Executive Board Decision No. 12189-(00/45),[4] adopted April 28, 2000 (EBS/03/43, 4/7/03).

Decision No. 12989-(03/36)
April 21, 2003

D. Surcharges on Purchases Under Supplemental Reserve Facility and Contingent Credit Lines, and in Credit Tranches and Under Extended Fund Facility —Disposition of Net Operating Income

For financial year 2004, after meeting the cost of administering the PRGF Trust, any remaining net operational income generated by the surcharges on purchases under the Supplemental Reserve Facility and the Contingent Credit Lines and the surcharges on purchases in the credit tranches and under the Extended Fund Facility shall be placed, after the end of that financial year, to the General Reserve (EBS/03/43, 4/7/03).

Decision No. 12990-(03/36) SRF/CCL
April 21, 2003

E. Review of System of Special Charges

The Fund has reviewed the system of special charges applicable to overdue obligations to the General Resources Account, the Structural Adjustment Facility, and the Trust Fund (EBS/03/43, 4/7/03).

Decision No. 12991-(03/36) G/SAF/TR
April 21, 2003

F. Framework Administered Account for Technical Assistance Activities—Pacific Financial Technical Assistance Center Subaccount

In accordance with the terms and conditions of the Instrument establishing the Framework Administered Account for Technical Assistance Activities (Decision No. 10942-(95/33)),[5] as amended, the Fund hereby approves the establishment of the "Pacific Financial Technical Assistance Center Subaccount," which shall be used by the Fund to administer resources to be contributed by the Government of Australia, and any subsequent Contributors, as described in EBS/02/84, 5/15/02.

Decision No. 12751-(02/52)
May 22, 2002

G. Framework Administered Account for Technical Assistance Activities—Africa Regional Technical Assistance Centers Subaccount

In accordance with the terms and conditions of the Instrument establishing the Framework Administered Account for Technical Assistance Activities (Decision No. 10942-(95/33)),[6] as amended, the Fund hereby approves the establishment of the Africa Regional Technical Assistance Centers Subaccount, which shall be used by the Fund to administer resources to be contributed by the Governments of France, the Federal Republic of Germany, Italy, the Netherlands, Norway/Ministry of Foreign Affairs, Sweden, and the United Kingdom, and any subsequent Contributors, as described in EBS/02/135 (7/26/02).

Decision No. 12832-(02/88)
August 9, 2002

H. Implementation of Procedures for Surveillance: 2002 Review

The Executive Board has reviewed the general implementation of the Fund's surveillance over members' exchange rate policies, as required by paragraph VI of Procedures for Surveillance contained in the document entitled "Surveillance over Exchange Rate Policies" attached to Decision No. 5392-(77/63),[7] adopted April 29, 1977, as amended. The next review shall be conducted no later than August 10, 2002.

The Executive Board has reviewed the document entitled "Surveillance over Exchange Rate Policies" attached to Decision No. 5392-(77/63), adopted April 29, 1977, as amended, as required by paragraph 2 of that decision. The next review of the document shall be conducted no later than August 10, 2002.

Decision No. 12178-(00/41)
April 10, 2000,
as amended by Decision Nos. 12713-(02/38), April 5, 2002, and 12792-(02/75),
July 10, 2002

I. Implementation of Procedures for Surveillance: 2002 Review

The Executive Board has reviewed the general implementation of the Fund's surveillance over members' exchange rate policies, as required by paragraph VI of Procedures for Surveillance contained in the document entitled "Surveillance over Exchange Rate Policies" attached to Decision No. 5392-(77/63), adopted April 29, 1977, as amended. The next review shall be conducted no later than July 15, 2004.

[3]Ibid., page 372.
[4]Ibid., page 378.
[5]Ibid., page 150.
[6]Ibid., page 150.
[7]Ibid., page 10.

The Executive Board has reviewed the document entitled "Surveillance over Exchange Rate Policies" attached to Decision No. 5392-(77/63), adopted April 29, 1977, as amended, as required by paragraph 2 of that decision. The next review of the document shall be conducted no later than July 15, 2004 (SM/02/184, Sup. 1, 6/18/02).

Decision No. 12793-(02/76)
July 15, 2002

J. Biennial Review of Implementation of Fund Surveillance and of 1977 Surveillance Review—Changes in Article IV Consultation Cycles

1. Each member presently receiving financial assistance under a Fund arrangement shall immediately be placed on the 24-month consultation cycle and, in future, whenever a Fund arrangement is approved for a member, that member shall automatically be placed on the 24-month consultation cycle. Article IV consultations with such members shall be conducted in accordance with the procedures specified below.

2. Article IV consultations with a member receiving financial assistance under a Fund arrangement will be expected to be completed within 24 months of the date of completion of the previous Article IV consultation with that member, except that the consultation cycle will be shortened under the following circumstances:

(a) where the most recent Article IV consultation with the member was completed 6 months or more before the date of approval of the relevant arrangement, the next Article IV consultation with that member will be expected to be completed by the later of (i) 6 months after the date of approval of the arrangement, and (ii) 12 months, plus a grace period of three months, after the date of completion of the previous Article IV consultation; and

(b) where, with respect to a member whose circumstances do not fall within paragraph 2(a), a program review under an arrangement for that member is not completed by the date for completion specified in the arrangement, the next Article IV consultation with that member will be expected to be completed by the later of (i) 6 months after the date specified in the arrangement for completion of the review, and (ii) 12 months, plus a grace period of 3 months, after the date of completion of the previous Article IV consultation, provided, however, that, where the relevant program review is completed before the later of the dates specified in (i) and (ii) above, the next Article IV consultation will be expected to be completed within 24 months of the date of completion of the previous Article IV consultation with that member.

Upon the expiration or cancellation of an arrangement for a member, that member shall automatically be placed on the standard 12-month consultation cycle and the next Article IV consultation with that member will be expected to be completed by the later of (i) 6 months after such expiration or cancellation, and (ii) 12 months, plus a grace period of 3 months, after the date of completion of the previous Article IV consultation, but in no event later than 24 months after the completion of the previous Article IV consultation (SM/02/184, Sup. 1, 6/18/02, Sup. 3, 9/5/02).

Decision No. 12794-(02/76), July 15, 2002, as amended by Decision No. 12854-(02/96), September 12, 2002

K. Modalities for Surveillance over Euro-Area Policies in Context of Article IV Consultations with Member Countries

The current frequency of Article IV consultations with individual euro-area countries, which are generally on the standard 12-month cycle, will be maintained.

There will be twice-yearly staff discussions with EU institutions responsible for common policies in the euro area. These discussions will be held separately from the discussions with individual euro-area countries, but are considered an integral part of the Article IV process for each member. The discussions with individual euro-area countries will be clustered, to the extent possible, around the discussions with the relevant EU institutions.

There will be an annual staff report and Board discussion on Euro-Area Policies in the Context of the Article IV Consultations with Member Countries, which will be considered part of the Article IV consultation process with individual members. In addition to monetary and exchange rate policies, the staff report will also cover from a regional perspective other economic policies relevant for Fund surveillance. Staff will report informally to the Board on the second round of discussions with EU institutions to provide adequate context for bilateral consultations with euro-area countries that do not coincide broadly with the annual Board discussion on the euro area.

There will be a summing up of the conclusion of the Board's annual discussion on Euro-Area Policies in the Context of the Article IV Consultations with Member Countries. It will be cross-referenced in the summings up for the Article IV consultations with euro-area countries at the conclusion of the Article IV process for each country. To the extent that the summing up for the euro area covers economic policies that apply to all EU member countries and that are considered relevant for Fund surveillance, the pertinent parts of the summing up for the euro area could also be referred to in the bilateral Article IV consultations with EU member countries that are not part of the euro area (SM/02/359, 11/21/02).

Decision No. 12899-(02/119)
December 4, 2002

L. Eleventh General Review of Quotas—Period for Consent to Increases—Extension

Pursuant to Paragraph 4 of the Resolution of the Board of Governors No. 53–2,[8] "Increase in Quotas of Fund Members—Eleventh General Review," the Executive Board decides that notices of consent from members to increases in their quotas must be received in the Fund by 6:00 p.m., Washington time, on January 31, 2003.

Decision No. 12802-(02/78)
July 19, 2002

M. Eleventh General Review of Quotas—Period for Consent to Increases—Extension

Pursuant to Paragraph 4 of the Resolution of the Board of Governors No. 53–2, "Increase in Quotas of Fund Members—Eleventh General Review," the Executive Board

[8] Ibid., pages 680–84.

decides that notices of consent from members to increases in their quotas must be received in the Fund by 6:00 p.m., Washington time, on July 31, 2003 (EBD/03/3, 1/15/03).

Decision No. 12930-(03/3)
January 23, 2003

N. PRGF Trust and PRGF-HIPC Trust—Reserve Account—September 2002 Review

Pursuant to Decision No. 10286-(93/23)[9] ESAF, the Fund has reviewed the adequacy of the Reserve Account of the PRGF Trust, and determines that amounts held in the account are sufficient to meet all obligations which could give rise to a payment from the Reserve Account to lenders to the Loan Account of the PRGF Trust in the six months from April 1, 2002, to September 30, 2002 (SM/02/273, 8/21/02).

Decision No. 12847-(02/94) PRGF
September 6, 2002

O. Establishment of a Trust for Special PRGF Operations for the Heavily Indebted Poor Countries and Interim PRGF Subsidy Operations

1. The Fund adopts the Instrument to Establish a Trust for Special PRGF Operations for the Heavily Indebted Poor Countries and Interim PRGF Subsidy Operations, which is annexed to this decision.

2. The Fund shall conduct semiannual reviews of the financing of the Trust for Special PRGF Operations for the Heavily Indebted Poor Countries and Interim PRGF Subsidy Operations.

Decision No. 11436-(97/10)
February 4, 1997,
as amended by Decision Nos.11492-(97/45), April 24, 1997,
11861-(98/131) ESAF, December 18, 1998,
12087-(99/118) PRGF, October 21, 1999,
effective November 2, 1999,
12132-(00/9) PRGF, January 27, 2000,
12349-(00/118), December 1, 2000,
12561-(01/85) PRGF, August 23, 2001,
effective September 19, 2001,
12680-(02/17) PRGF, February 20, 2002
12696-(02/27) PRGF, March 15, 2002, and
12777-(02/65), June 20, 2002,
and 12874-(02/110),
October 25, 2002

P. Access Policy in Capital Account Crises—Modifications to Supplemental Reserve Facility and Follow-Up Issues Related to Exceptional Access Policy

Decision No. 11627-(97/123),[10] adopted December 17, 1997, on the Supplemental Reserve Facility and Contingent Credit Lines shall be amended as follows:

1. In Section I on the Supplemental Reserve Facility, paragraphs 6(a) and (b) shall read:

"6 (a) A member making purchases under this section shall repurchase the outstanding amounts of its currency resulting from such purchases within two and a half to three years from the date of each purchase in two equal installments; the first installment shall become due two and a half years and the second installment shall become due three years from the date of each purchase.

(b) The member will be expected to repurchase those amounts six months before they become due, provided that the Fund may, upon request by the member, decide to extend one or more such repurchase expectations by six months. If a member fails to make a repurchase as expected, the Fund may require the member to make the repurchase in question within a specified period not to exceed the repurchase schedule under (a) above."

2. In Section II on Contingent Credit Lines,

(i) a new paragraph 18 bis shall be added:

"18 bis

(a) A member making purchases under this section shall repurchase the outstanding amounts of its currency resulting from such purchases within two to two and a half years from the date of each purchase in two equal semi-annual installments; the first installment shall become due two years and the second installment two and a half years from the date of each purchase.

(b) The member will be expected to repurchase those amounts one year before they become due, provided that the Fund may, upon request by the member, decide to extend each such repurchase expectation by up to one year. If a member fails to make a repurchase as expected, the Fund may require the member to make the repurchase in question within a specified period not to exceed the repurchase schedule under (a) above.

(c) The Fund shall not approve, and the Managing Director shall not recommend for approval, a request for the use of the general resources of the Fund by a member that is failing to meet a repurchase expectation under (b) above. Provision shall be made in each stand-by and extended arrangement for the suspension of further purchases under the arrangement whenever a member fails to meet a repurchase expectation under (b) above."

(ii) in paragraph 19, the reference to "paragraph 6" shall be deleted.

3. The changes made by this decision to the Supplemental Reserve Facility shall apply only to purchases made after the date of this decision.

Decision No. 12943-(03/15)
February 21, 2003

Q. PRGF Trust and PRGF-HIPC Trust—Reserve Account—Review

Pursuant to Decision No. 10286-(93/23) ESAF,[11] adopted on February 22, 1993, as amended, the Fund has reviewed

[9]Ibid., page 413.

[10]Ibid., pages 325 and 627.

[11]Ibid., page 413.

the adequacy of balances in the Reserve Account of the PRGF Trust, and determines that they are sufficient to meet all obligations that could give rise to payments from the Account to lenders to the Loan Account of the PRGF Trust in the six months from April 1, 2003, to September 30, 2003 (SM/03/100, 3/21/03).

Decision No. 12979-(03/31) PRGF
March 31, 2003

R. Joint Vienna Institute—Amendment of Agreement

The Managing Director is authorized to consent to the First Amendment to the Agreement for the Establishment of the Joint Vienna Institute pursuant to Article XI of that Agreement (EBAP/03/16, 2/11/03).

Decision No. 12941-(03/13)
February 19, 2003

APPENDIX IV

Relations with Other International Organizations

In the face of uneven global economic recovery and heightened geopolitical tensions, close cooperation between the IMF and other international organizations continued to be of critical importance over FY2003. In an increasingly integrated financial system, identifying risks and generating sustained and widespread momentum for economic growth require a high level of collaboration among the Fund, the World Bank, the United Nations (UN) and its specialized agencies, the World Trade Organization (WTO), the Organization for Economic Cooperation and Development (OECD), the Bank for International Settlements (BIS), regional development banks, and intergovernmental groups.

Regional Representation and Technical Assistance

The IMF's offices in Europe and the Regional Office for Asia and the Pacific maintain close ties with other international organizations. In FY2003, the Fund's offices in Europe were reorganized to establish a new presence in Brussels and to streamline the staffing and management of the three European offices (Paris, Geneva, and Brussels). The new Brussels Office was created to enhance cooperation with European Union institutions, strengthen IMF surveillance activities in the area, and mount more effective outreach with a range of Brussels-based agencies.

The Paris Office remains the center of the IMF's European representation, liaising with regional and international institutions located in Europe and contributing to the Fund's European operations focusing on multilateral and regional surveillance. Paris Office staff regularly represent the Fund at donor and surveillance committees of the OECD in Paris, and one member of the Paris Office staff serves on the Secretariat of the Group of Ten (G-10). Additionally, they keep close contact with the BIS in Basel, and attend, on an ad hoc basis, meetings of organizations such as the Financial Action Task Force (FATF), the European Parliament, and the Council of Europe.

The Geneva Office monitors, analyzes, and reports on activities of Geneva-based socioeconomic agencies with particular emphasis on the multilateral trading system, along with trade-related developments in the European Union. These institutions include the WTO, the International Labor Organization (ILO), the UN Conference on Trade and Development (UNCTAD), the UN High Commissioner for Refugees (UNHCR), the UN Office of the High Commissioner for Human Rights (OHCHR), the World Health Organization (WHO), the UN Economic Commission for Europe (ECE), and the Inter-Parliamentary Union.

The IMF's Regional Office for Asia and the Pacific, located in Tokyo, is responsible for enhancing surveillance and promoting the IMF's initiatives in the Asia region. The Office works closely with regional groupings, such as the Asia-Pacific Economic Cooperation (APEC), the Association of South East Asian Nations (ASEAN), the South Pacific Forum (FORUM), the South Asian Association for Regional Cooperation (SAARC), the South East Asian Central Banks (SEACEN), and the Executives' Meeting of East Asia and Pacific Central Banks (EMEAP). In addition to providing the Secretariat for the Manila Framework Group, the Office also maintains close contact with two regional organizations, the Asian Development Bank (AsDB) and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), and with the World Bank's Office in Japan. It also facilitates the IMF's participation in the Consultative Group meetings of donor nations held in the Asia and Pacific region.

The Africa Regional Technical Assistance Center (AFRITAC) in East Africa was opened in Dar es Salaam, Tanzania, on October 24, 2002, to strengthen locally based technical assistance and training, and thus to further efforts by the IMF and World Bank, in cooperation with donor parties, to build country ownership of poverty reduction efforts. Five such AFRITACs are planned for sub-Saharan Africa; the next to open will strengthen capacity building in West Africa. Originally planned to be based in Abidjan, it has temporarily been relocated to Bamako, Mali, because of civil unrest in Côte d'Ivoire. The IMF provides similar technical assistance to assist its members in improving their economic and fiscal management practices in the Asia-Pacific region through the Pacific Financial Technical Assistance Center (PFTAC) and in the Caribbean through the Caribbean Regional Technical Assistance Center (CARTAC). The IMF also provides policy-related training to public sector officials and private sector managers through its support of the Joint Africa Institute, the Joint Vienna Institute, and the Singapore Regional Training Institute. Each of these facilities offers courses and seminars on topics of relevance to regional capacity building.

Collaboration with the World Bank

The collegial relationship between the IMF and the World Bank has existed since their founding at the Bretton Woods Conference of 1944. As mandated in their respective Articles of Agreements and in the joint 1989 Concordat, each plays an important, complementary role in ensuring the world's economic growth and stability. Both institutions conduct regular consultations of their senior staff, participate together on missions, attend joint meetings, and share documents. Collaboration at the staff level, both in policy advice and on operational matters, is also guided by the ongoing dialogue between IMF and Bank management.

As the missions of the two institutions have evolved, it has been necessary periodically to redefine the rules of engagement and division of labor between the two organizations, with a view toward enhancing their overall effectiveness. Building upon the momentum of the previous year to strengthen the framework for Bank-Fund collaboration, the two institutions continued in FY2003 to consider ways to streamline and focus conditionality so as to strengthen country ownership of policy reform programs, thereby making them more effective. In August 2002, the Executive Boards of the IMF and the Bank reviewed the experience gained to date in implementing the Guidance Note on Operationalizing Bank-Fund Collaboration in Country Programs and Conditionality, issued in spring 2002. The Guidance Note forms the basis for collaboration on country programs and conditionality between the area departments of the Fund and the regional departments at the Bank. This review indicated broad support for the approach taken in the Guidance Note (see Chapter 4), and recommended that a further review should be undertaken in two years' time.

The Fund and Bank also cooperate closely in monitoring financial system stability, especially through the Financial Sector Assessment Program (FSAP), which aims to increase the effectiveness of efforts to promote the soundness of financial systems in member countries. Detailed Financial System Stability Assessments (FSSAs) of observance of relevant financial sector standards and codes are a key component of the FSAP and in turn give rise to Reports on Observance of Standards and Codes (ROSCs) as a by-product. The value added from the program derives importantly from its collaborative nature.

On March 14 and 18, 2003, the IMF's Executive Board reviewed experience to date with the FSAP. Ninety-five countries have already participated or agreed to participate in an FSAP assessment, including a significant number of systemically or regionally important countries and economies. Given the increasing number of countries now participating in the FSAP, the Fund and Bank will continue to work closely together over the coming year on developing ways to further streamline, focus, and prioritize the program.

Given synergies with assessments of prudential supervisory standards, the FSAP provides a suitable context to undertake assessments of countries' efforts in respect of anti-money-laundering (AML) and combating the financing of terrorism (CFT). In its communiqué of September 28, 2002, the International Monetary and Financial Committee endorsed the earlier conditional agreement by the Boards of the Fund and Bank to add the Financial Action Task Force (FATF) 40 + 8 Recommendations to the list of standards for which ROSCs are prepared. In October 2002, the FATF Plenary endorsed the common AML/CFT methodology document developed by the Fund and Bank over FY2002, and agreed that it would be used in both Fund-Bank-led ROSCs and those led by the FATF and FATF-style regional bodies (FSRBs). Following this endorsement, on October 15, 2002 the Fund and Bank initiated a 12-month pilot program of AML/CFT assessments using the common methodology. It is expected that between 45 and 56 assessments will be completed over this period, including at least 36 led by IMF/Bank staff. Planning and executing the pilot program has involved extensive coordination and cooperation among the Fund, Bank, the FATF, FSRBs, and their members.

The joint Financial Sector Liaison Committee (FSLC) provides another mechanism for close Fund-Bank cooperation in identifying financial system weakness. Established in 1998, the FSLC helps to integrate into a coherent joint work program the various financial sector tasks assigned to the two institutions, and to facilitate coordination with the work of other institutions, especially in relation to reform of the financial sector. In September 2002, the FSLC reported to the Boards of the Fund and the Bank, focusing particularly on its ongoing work to improve the coordination of financial technical assistance between the two institutions, as well as with other donor organizations.

One of the most important areas of IMF and World Bank cooperation is their work toward the common objective of stimulating economic growth through the reduction of poverty and through debt relief. Launched by the Bank and Fund in 1996, the HIPC Initiative is a comprehensive approach to debt reduction for poor countries that entails coordinated action by the international financial community, including multilateral institutions. The HIPC Initiative is based on the country's continued effort toward macroeconomic adjustment and structural and social policy reforms, while also providing financing for social sector programs—primarily basic health and education. All countries requesting HIPC Initiative assistance must have adopted a Poverty Reduction Strategy Paper (PRSP) through a broad-based participatory process. Fund and Bank staff work closely together in evaluating PRSPs and Interim Poverty Reduction Strategy Papers (I-PRSPs). The staffs of both institutions work together to prepare Joint Staff Assessments (JSAs) of the PRSPs, for referral to the Executive Boards of both institutions for decision. Over FY2003, 28 JSAs were completed by Fund and Bank staff.

Relations with the United Nations

The IMF works closely with the United Nations, through the IMF Special Representative to the UN and through other extensive institutional contacts. The mandate of the Special Representative, operating out of the Office at the United Nations in New York, is to foster communications and cooperation between the IMF and the UN. The most prominent functions of the UN Office include making the IMF's views known, providing input for the deliberations at the UN on IMF-related issues, keeping the IMF informed of major developments within the UN system, and facilitating cooperation between the institutions.

During FY2003, collaboration between the IMF and the UN continued to focus on the challenges of financing development around the world. Following the commitments made at the UN International Conference on Financing for Development (FfD) in Monterrey, Mexico, in 2001 (the "Monterrey Consensus"), attention has increasingly focused on translating broad concepts for reducing poverty into a program for implementation. In his remarks to the annual High-Level Meeting of the UN Economic and Social Council (ECOSOC) held in New York on July 1, 2002, Managing Director Horst Köhler noted the need for concrete actions for addressing the "foremost challenge" of poverty and achieving measurable progress toward the Millennium Development Goals (MDGs). On July 11–13, 2002, IMF officials met with ministers and representatives of several other international organizations, including the UN, World Bank, OECD, the Asian and African Development Banks, and the European Commission in Rosendal, Norway, for informal discussions on maintaining a dynamic process for progressing the agreements reached at Doha and Monterrey.

Those objectives, and the importance of reducing poverty, were subsequently reaffirmed by Heads of State at the World Summit on Sustainable Development held in Johannesburg, South Africa, during August 29–September 5, 2002. The summit confirmed the primacy of macroeconomic stability and growth as the foundation of sustainable development, and recognized the Poverty Reduction Strategy Paper (PRSP) approach, suitably extended to encompass environmental concerns, as the basis of national sustainable development programs, where applicable. The Plan of Implementation agreed at the summit also confirms the commitments toward reducing poverty in the areas of trade and finance, globalization, institutional arrangements, and governance, all of which are directly relevant to the Fund's mandate and work. The IMF, World Bank, and United Nations Environment Program (UNEP) presented a joint paper on "Financing for Sustainable Development" at the summit, and IMF staff participated in several panel discussions.

At the following High-Level Meeting of the ECOSOC held on April 14, 2003, Deputy Managing Director Eduardo Aninat reiterated the Fund's strong commitment to poverty reduction in the context of its mandate, and cochaired a roundtable discussion on the domestic policies required to help achieve the MDGs. The continuing dialogue among the UN's ECOSOC, the Bretton Woods institutions, and the WTO is an important means of enhancing policy coherence at national, regional, and international levels, since it brings together the different cultures of finance, trade, development, and foreign affairs.

Liaison with Other Intergovernmental Groups

As a member of the Financial Stability Forum (FSF), the IMF takes the lead on developing, organizing, and carrying out a process for assessing Offshore Financial Centers' adherence to international standards. IMF staff attended the eighth meeting of the FSF held on September 3–4, 2002, in Toronto, Canada, at which progress on development of a methodology for Reports on Standards and Codes was noted. IMF staff also attended the FSF's second regional meeting with financial stability authorities from the Asia-Pacific region in Beijing on October 11–12, 2002, and the ninth meeting of the FSF in Berlin on March 24–25, 2003. The Chairman of the FSF participated as an observer at the October 2002 and April 2003 meetings of the International Monetary and Financial Committee.

Collaboration between the IMF and World Trade Organization (WTO) takes place formally as well as informally, as outlined in their Cooperation Agreement signed in December 1996. Under the agreement, the IMF has observer status in WTO meetings and regularly attends formal meetings of most WTO bodies. In particular, IMF staff participate in the WTO-led Integrated Framework for Trade-Related Technical Assistance (a joint effort by six agencies, including the World Bank), contributes to the work of the WTO Working Group on Trade, Debt and Finance, and is a regular member of the Committee on Balance of Payments Restrictions. On August 9, 2002, First Deputy Managing Director Anne Krueger met with the outgoing Director-General of the WTO (Mr. Michael Moore) to explore avenues for cooperation in research. The Managing Director subsequently met with the incoming Director-General, Dr. Supachai Pantichpakdi, on October 13, 2002, to discuss areas where the Fund's cooperation with the WTO may be particularly effective in the support of the Doha Development Agenda.

Throughout FY2003, the IMF continued to participate actively in the meetings and activities of other major intergovernmental groups, including the Group of Seven (G-7), Group of Ten (G-10), Group of Twenty (G-20), and Group of Twenty-Four (G-24). First Deputy Managing Director Anne Krueger attended the Annual Meeting of the G-20 Finance Ministers and Central Bank Governors on November 22–23, 2002. The Managing Director attended the meeting of G-7 Ministers and Central Bank Governors in Paris on February 22, 2003.

Cooperation with Regional Development Banks

Whether working to prevent crises, alleviate poverty, combat financial abuse, or strengthen the global economic system, the IMF works closely with the world's multilateral and regional development banks. This collaboration includes formulation and implementation of policies in the economic and financial areas, release of information, and exchange of staff visits. In FY2003, the IMF worked with the Islamic Development Bank to facilitate establishment of the Islamic Financial Services Board; with the Inter-American Development Bank (IDB) to address the crisis in Uruguay; and with the African Development Bank (AfDB) to launch the AFRITACs. The Fund also participated with the European Bank for Reconstruction and Development (EBRD), Asian Development Bank (AsDB), World Bank, and other donor organizations in cosponsoring the third Forum on Poverty Reduction Strategies for the Commonwealth of Independent States (CIS-7), held in Almaty, Kazakhstan, on December 11–13, 2002. Deputy Managing Director Shigemitsu Sugisaki opened the follow-up high-level CIS-7 conference in Lucerne, Switzerland, in January 2003, which focused on "The Low-Income Countries of the CIS: Progress and Challenges in Transition" (see Box 5.2 in Chapter 5).

Role of IMF Management

In a globalized world, close cooperation among financial, trade, and development organizations is essential. Efforts to prevent crises and to promote growth depend upon the coordinated actions of many international institutions. This is especially true in times of economic uncertainty. IMF management plays an important role in promoting this multilateral collaboration in many international forums.

During April 28–May 3, 2002, Managing Director Horst Köhler conducted his third tour of the African continent since assuming office. He visited Dar es Salaam, Kinshasa, Abidjan, Ouagadougou, and Accra, where he attended meetings with heads of state, participated in a series of workshops, and held discussions with a broad cross section of society on a range of topics of importance to Africa. At the High-Level Meeting of the ECOSOC in New York on July 1, 2002, he reaffirmed the

IMF's commitment to the implementation of the Monterrey consensus. The Managing Director addressed the Treasury Select Committee of the House of Commons in London on July 4, 2002, and discussed the IMF's work program and the fundamental changes it had undertaken in the areas of transparency, surveillance, conditionality, standards and codes, and other areas of the IMF's core business. At the Symposium to Commemorate the 50th Anniversary of Japan's membership in the IMF and World Bank, held in Tokyo on September 10, 2002, he spoke of the importance of strong leadership by the advanced economies to bolster investor confidence and sustain global economic recovery, and the specific need for Japan to undertake decisive reforms of the banking and corporate sectors and pursue antideflationary macroeconomic policies. The Managing Director traveled to Latin America during December 6–12, 2002, in order to meet with the presidents of Brazil, Colombia, and Chile—his second visit to Latin America since taking office. On March 11, 2003, he spoke at the Bank of Spain on the prospects for economic recovery in Latin America, noting that Mexico and Chile had been bright spots in an area facing particularly difficult economic circumstances, and that better policies in several countries, including Brazil and Colombia, had enabled them to withstand these pressures reasonably well.

The IMF's Deputy Managing Directors also attended many conferences, meetings, and seminars throughout the year. On July 17, 2002, First Deputy Managing Director Anne Krueger addressed a National Bureau for Economic Research (NBER) conference on the lessons to be learned from the crisis in Argentina and how these could be used to raise the effectiveness of IMF efforts to prevent and resolve financial crises. Ms. Krueger participated in a panel discussion on "A World Without Globalization" at the World Economic Forum meeting held in Davos, Switzerland, on January 23–28, 2003. Deputy Managing Director Shigemitsu Sugisaki presented remarks on international perspectives on achieving financial stability at the first annual forum of the APEC Finance and Development Program in Beijing on May 26, 2002. Deputy Managing Director Eduardo Aninat delivered the keynote address at the opening of the AFRITAC in East Africa on October 24, 2002, and spoke of the importance of capacity building in Africa to develop strong and independent domestic institutions that are both a precondition to economic development and an insurance policy against external shocks. Mr. Aninat also traveled to Latin America in January 2003, and outlined a "self-help" agenda at conferences at the University of Viña del Mar in Chile and the Central Bank in Lima, Peru.

APPENDIX V

External Communications

In FY2003, the IMF continued to develop its ongoing efforts to improve understanding of and support for the Fund and its activities. Particular importance was placed on two-way communication with people through nonofficial channels, as the Fund continues to engage in self-assessment and reform and seeks to learn from its interlocutors. (For an account of developments in the IMF's initiative to become more transparent and open to outside input, see Chapter 7.) Some activities in the main areas of external communications are described in this Appendix.

Public Statements and Publications

In accordance with the IMF's transparency policy, a further large volume of *policy and country papers,* and summaries of Board discussions, was released during FY2003. The Fund's external website *(www.imf.org)* continued to be the primary vehicle for dissemination. During the year, an average of 120 items a month were added to the *What's New* section of the website.

Enhancements were made to the site's search feature and navigation. New sections continued to be added, especially for Resident Representatives.

Inviting comments from the public on IMF policy proposals via the external website and in specially convened meetings and conferences has become commonplace. Recent examples include the Poverty Reduction Strategy Paper and Poverty Reduction and Growth Facility reviews, the review of IMF conditionality, and the establishment and work program of the Independent Evaluation Office.

Speeches and other public appearances by management and senior staff conveyed the IMF's views on broad policy and economic issues ranging from IMF reform to the outlook for the world economy, and on specific country and regional issues. The IMF posted most speeches on the website within hours of delivery.

Publication of economic and financial research and policy analysis papers included two issues of the *World Economic Outlook*; four issues of the *Global Financial Stability Report*; the quarterly magazine *Finance & Development*; and a wide array of books, manuals and guides, Occasional Papers, Working Papers, Policy Discussion Papers, pamphlets, and leaflets (see Table V.1).

To make the IMF's technical and analytical work more accessible, the IMF published new titles in its *Economic Issues*, *Issues Briefs*, and *Factsheets* series. *Economic Issues* are brief, simplified summaries of policy-related economic research findings. *Issues Briefs* discuss key issues facing the IMF and the global economy, while *Factsheets* explain in plain language how the IMF works.

The Media

Press briefings covering the IMF by the Director of the External Relations Department were held at headquarters for Washington-based journalists roughly every two weeks. Transcripts and videos of the briefings were posted on the IMF's website shortly afterwards.

Press Releases on decisions taken by the Executive Board, and *News Briefs* expressing the views of management and senior staff on topical matters, were posted on the website and also distributed directly by fax to journalists and others. Over the course of the financial year, roughly 350 press releases and other communications to the press were prepared and distributed. From December 31, 2002, the *News Brief* series was consolidated into the *Press Release* series.

Press conferences with management and senior staff, held on such occasions as the Spring and Annual Meetings, and on release of major reports such as the *World Economic Outlook* and the *Global Financial Stability Report,* were also made widely available to the public as transcripts and videos posted on the website.

To reach wider audiences in a variety of countries and languages, the IMF has begun more frequently to prepare *media articles*—"op-eds," which appear opposite a newspaper's editorials—on country-specific issues. In particular, opportunities are being sought to place op-eds at important junctures, for instance, at the conclusion of an Article IV consultation or approval of a Fund arrangement.

Outreach to Civil Society

In December 2002, the IMF undertook a *survey of outreach activities* in its member countries. The survey confirmed that extensive outreach was being conducted by Fund staff, but revealed considerable variation across countries and regions. In general, the IMF's dialogue with civil society, parliaments, and the media appears well-established in Africa and in the transition countries of Asia and Europe.

Following the Executive Board's review of the IMF's external communications strategy, the Fund initiated an examination of its *relations with civil society organizations* (CSOs). To ensure that the process was independent and reflected a balanced spectrum of views from civil society, the IMF approached an outside expert to facilitate the discussion within the Fund and seek ideas from a variety of CSOs. One intended output of this study is a guide to good practices for IMF staff relations with CSOs.

The IMF also developed the *Civil Society Newsletter* into a quarterly electronic format, to disseminate information about

Fund activities and policies of particular concern to civil society.

Public Outreach

IMF staff expanded efforts to *engage students, academics, and the policy research community*, and participated in discussions and delivered presentations on the IMF's work, including governance, globalization, trade, and regional and country matters. In FY2003, some 170 separate briefings were given, along with the launching of biannual briefings to Washington-area "think tanks" to provide background on key issues surrounding upcoming Spring and Annual Meetings.

The IMF Center hosted close to 13,000 visitors in 2003. Well-established educational segments such as the "IMF in Action" and "Money Matters" were supplemented by new website educational offerings, such as interactive money and trading games for younger students, "Where in the World and What in the World is Money?" and "Trading Around the World." Special events hosted by the Center in 2003 included the Carolyn Ball Award ceremony honoring retired IMF economist Margaret de Vries; the Global Ethics Exhibit, highlighting the role of religion and ethics in promoting peace and understanding; and the Peace Pole award presented to the IMF for its role in promoting international monetary and exchange rate cooperation. The Center also served as a polling station for the Foggy Bottom community during the mayoral election.

Through the *IMF Civic Program*, over $665,000 was donated to charities working to reduce poverty in the Washington, D.C., metropolitan region and in low-income countries. Close coordination between IMF staff and families and their World Bank and Inter-American Development Bank counterparts played an important part in strengthening these initiatives. In addition, goods—such as used computers and furniture—were donated to charitable and educational organizations.

Table V.1

Publications Issued, Financial Year Ended April 30, 2003

*Available in English and selected other languages in full text on the IMF's website *(www.imf.org)*.

Reports and Other Documents

*Annual Report of the Executive Board for the Financial Year Ended April 30, 2002**
(Chinese, English, French, German, and Spanish). Free.

Annual Report on Exchange Arrangements and Exchange Restrictions, 2002
$110; $55 to full-time university faculty members and students.

Summary Proceedings of the Fifty-Sixth Meeting of the Board of Governors (2001).* Free.

*The IMF Committee on Balance of Payments Statistics, Annual Report, 2002.** Free.

Selected Decisions and Selected Documents of the International Monetary Fund, 27th edition. Free.

IMF Financial Statements, Quarters ended April 30, 2002; October 31, 2002; January 31, 2003. Free.

Periodic Publications

Balance of Payments Statistics Yearbook
Vol. 53, 2002. A two-part yearbook. $98 a year.

Direction of Trade Statistics
Quarterly, with yearbook. $155 a year; $129 to full-time university faculty members and students. $70 for yearbook only.

*Finance and Development**
Quarterly (Arabic, Chinese, English, French, and Spanish). Free by subscription. Airspeed delivery, $20. Individual copies, $10.

Government Finance Statistics Yearbook
Vol. 26, 2002 (Introduction and titles of lines in English, French, and Spanish). $80.

International Financial Statistics
Monthly, with yearbook. $495 a year; $247 to full-time university faculty members and students. $95 for yearbook only; $65 for monthly issues. *International Financial Statistics* is also available on CD-ROM and on the Internet at *www.imf.statistics.org*; price information is available on request.

*IMF Staff Papers**
Three times a year. $72 a year; $46 to full-time university faculty members and students.

*IMF Staff Papers: Special Issue of the Proceedings of the Second Annual Research Conference (*Vol. 49, 2002). $18.

*IMF Research Bulletin**
Quarterly. Free.

*IMF Survey**
Twice monthly, once in December (English, French, and Spanish). Private firms and individuals are charged an annual rate of $109. Vol. 32–2002 (English), Vol. 32–2002 (French), and Vol. 32–2002 (Spanish).

Occasional Papers

No. 214. *Advanced Country Experiences with Capital Account Liberalization,* by Age Bakker and Bryan Chapple. 2002.

No. 216. *Is the PRGF Living Up to Expectations?—An Assessment of Program Design,* by Sanjeev Gupta, Mark Plant, Benedict Clements, Thomas Dorsey, Emanuele Baldacci, Gabriela Inchauste, Shamsuddin Tareq, and Nita Thacker. 2002.

No. 217. *Managing Financial Crises: Recent Experience and Lessons for Latin America,* edited by Charles Collyns and G. Russell Kincaid. 2003.

No. 218. *Fiscal Vulnerability and Financial Crises in Emerging Market Economies,* by Richard Hemming, Michael Kell, and Axel Schimmelpfenning. 2003.

Recent Occasional Papers are available for $25 each, with a price of $22 each to full-time university faculty members and students.

World Economic and Financial Surveys

*World Economic Outlook**
A Survey by the Staff of the International Monetary Fund.
Twice a year (April and September) (Arabic, English, French, and Spanish).
$49; $46 to full-time university faculty members and students.

Table V.1 *(concluded)*

Global Financial Stability Report, June, September, December 2002, March 2003.
$49; $46 to full-time university faculty members and students.

Exchange Arrangements and Foreign Exchange Markets: Developments and Issues, March 2003.
$42; $35 to full-time university faculty members and students.

Books and Seminar Volumes

Building Strong Banks Through Surveillance and Resolution, edited by Charles A. Enoch, David Marston and Michael W. Taylor. $38.

China: Competing in the Global Economy, edited by Wanda Tseng and Markus Rodlauer. $26.

Governance, Corruption, and Economic Performance, edited by George T. Abed and Sanjeev Gupta. $37.50.

Guyana: Experience with Macroeconomic Stabilization and Structural Adjustment and Poverty Reduction, by Philippe Egoumé-Bossogo, Ebrima Faal, Raj Nallari, and Ethan Weisman. $18.

Into the EU: Policy Frameworks in Central Europe, prepared by a staff team led by Robert Feldman and C. Maxwell Watson. $26.

Japan's Lost Decade: Policies for Economic Revival, edited by Timothy Callen and Jonathan D. Ostry. $28.

Korean Crisis and Recovery, edited by David T. Coe and Se-Jik Kim. $32.

Statistical Implications of Inflation Targeting: Getting the Right Numbers and Getting the Numbers Right, by Carol S. Carson, Charles A. Enoch and Claudia H. Dziobek. $42.50.

Sweden's Welfare State: Can the Bumblebee Keep Flying? by Subhash M. Thakur, Michael J. Keen, Balázs Horváth, and Valerie Cerra. $23.50.

The West Bank and Gaza: Economic Performance, Prospects, and Policies—Achieving Prosperity and Confronting Demographic Challenges, by Rosa A. Valdivieso, Ulric Erickson von Allmen, Geoffrey J. Bannister, Hamid R. Davoodi, Felix Fischer, Eva Jenkner, and Mona Said (Arabic). $25.

Manuals and Guides

Coordinated Portfolio Investment Survey Guide (Second Edition), by the Statistics Department (English, French, and Spanish). $26.

Government Finance Statistics Manual 2001, by the Statistics Department (Spanish, Chinese). $50.

International Reserves and Foreign Currency Liquidity for a Data Template, by Anne Y. Kester (French and Russian). $23.

Manual of Statistics of International Trade in Services, by staffs of the UN, EU, IMF, OECD, UNCTAD, and WTO (English). $30.

Manual on Fiscal Transparency, prepared by the Fiscal Affairs Department (Russian). $19.50.

Measuring the Non-Observed Economy: A Handbook, by staffs of the OECD, IMF, ILO, and Interstate Statistical Committee of the CIS (English). $50.

Monetary and Financial Statistics Manual, by the Statistics Department (Arabic). $40.

Quarterly National Accounts Manual: Concepts, Data Sources, and Compilation, by Adriaan M. Bloem, Robert J. Dippelsman, and Nils Ø. Mæle (Russian). $40.

Economic Issues Series*

No. 26. *Rural Poverty In Developing Countries: Implications for Public Policy*, by Vito Tanzi and Howell Zee (Arabic). Free.

No. 28. *Moral Hazard: Does IMF Financing Encourage Imprudence by Borrowers and Lenders?* Timothy Lane and Steven Phillips (English, French, Spanish, Chinese, and Russian). Free.

No. 29. *The Pension Puzzle: Prerequisites and Policy Choices in Pension Design*, by Nicholas Barr (French, Spanish, Chinese, and Russian). Free.

No. 30. *Hiding in the Shadows: The Growth of the Underground Economy*, by Friedrich Schneider with Dominik Enste (French, Spanish, and Russian). Free.

No. 31. *Corporate Sector Restructuring: The Role of Government in Times of Crisis,* by Mark R. Stone (English). Free.

Pamphlet Series*

No. 45. *Financial Organization and Operations of the IMF,* Sixth Edition, by the Treasurer's Department (French, Spanish, and Russian). Free.

No. 53. *Governance of the International Monetary Fund: Decision Making, Institutional Oversight, Transparency, and Accountability,* by Leo Van Houtven. Free.

No. 54. *Fiscal Dimensions of Sustainable Development,* by Sanjeev Gupta, Michael J. Keen, Benedict J. Clements, Kevin T. Fletcher, Luiz R. De Mello, Jr., and Muthukumara Mani (English, French, and Spanish). Free.

Guide to the IMF Series*

What Is the International Monetary Fund? (Arabic.) Free.

Independent Evaluation Office Reports

Evaluation of Prolonged Use of IMF Resources, by the Independent Evaluation Office. $25

Working Papers and Policy Discussion Papers*

IMF Working Papers and *Policy Discussion Papers* are designed to make IMF staff research available to a wider audience. They represent work in progress and reflect the views of the individual authors rather than those of the IMF.

Working Papers 02/78–02/240 and 03/1–91 were issued in FY2003. $15 each; $375 for annual subscription.

Policy Discussion Papers 02/7–02/13 and 03/1–03/2 were issued in FY2003. $10 each; annual subscription is included as part of the subscription to Working Papers.

Country Reports*

IMF Country Reports provide comprehensive material on economic developments and trends in member countries, including key statistics.

Country Reports 02/92–02/270 and 03/1–03/120 were issued in FY2003. $15 each.

Copies of IMF publications and videos may be obtained from Publication Services, International Monetary Fund, 700 19th Street, N.W., Washington, D.C. 20431, U.S.A.

Telephone: (202) 623–7430
Telefax: (202) 623–7201
E-mail: *publications@imf.org*
Internet: *http://www.imf.org*

Additional information about the IMF and its publications and videos—including the current *Publications Catalog*, a searchable IMF Publications Database, and ordering information and forms—is available on the World Wide Web (*www.imf.org*).

APPENDIX VI

Press Communiqués of the International Monetary and Financial Committee and the Development Committee

International Monetary and Financial Committee of the Board of Governors of the International Monetary Fund

PRESS COMMUNIQUÉS

Sixth Meeting, Washington D.C., September 28, 2002

1. The International Monetary and Financial Committee held its sixth meeting in Washington, D.C., on September 28, 2002, under the Chairmanship of Mr. Gordon Brown, Chancellor of the Exchequer of the United Kingdom.

The Global Economy and Financial Markets

2. The Committee observes that the global economic recovery is proceeding, although at a slower pace than expected earlier this year. Growth is expected to strengthen in the near term, supported by a strong policy response across the international community. However, there remain downside risks and uncertainties, as well as medium-term challenges associated with persistent imbalances, underscoring the need for vigilance. IMF members should continue to be ready to adapt policies as necessary in order to foster broad and sustained growth, to strengthen policy and regulatory frameworks, and to support durable poverty reduction. The Committee underscores the importance of stability in oil markets at prices reasonable for consumers and producers.

3. In the advanced economies, growth generally is expected to strengthen. However, monetary policymakers should remain ready to respond to developments where necessary and to ease policy further if the risk of economic weakness intensifies and inflation prospects remain subdued. In Japan, monetary easing should help end deflation. In many countries, there is scope for automatic stabilizers to operate, but fiscal policy needs to be attentive to the medium-term challenge of consolidation in order to ensure sustainable debt levels, improve the scope to respond flexibly to future economic shocks, and help address challenges such as those associated with population aging. Structural reforms should also be pursued vigorously to further improve growth prospects and strengthen resilience:

- In the United States, the actions under way to strengthen corporate governance, accounting, and auditing are important to underpin confidence;
- In Europe, further reforms, particularly in labor and product markets, are needed;
- In Japan, banking and corporate restructuring should be vigorously pursued, in particular addressing the issue of nonperforming loans.

4. Performance in emerging markets has been mixed, reflecting both global developments and domestic circumstances. While growth in Asia has picked up strongly, several economies in Latin America in particular are facing a deterioration in conditions due to external developments, country-specific vulnerabilities, and policy uncertainties. In countries that have room to maneuver, the policy stance should generally remain accommodative, but countries facing external financing difficulties will need to continue to give priority to restoring market confidence. The Committee welcomes Brazil's commitment to sound policies. It acknowledges the positive steps taken in recent months by Argentina to address its difficult economic situation, and urges the authorities, in cooperation with the Fund, to move quickly to reach agreement on a sustainable economic program that could receive the support of the international financial institutions and provide the basis for the reestablishment of stability and growth.

5. Many of the developing countries have also been affected by global developments and adverse movements in commodity prices, as well as domestic circumstances. The Committee reiterates the need for sustained international efforts to fight poverty. The Global Development Compact embodied in the Monterrey Consensus and the Doha Development Agenda—based on mutual accountability, country ownership, sound domestic policies and institutions, good governance, increased and more effective international support, and commitment to an open multilateral trading system—was reaffirmed at the World Summit in Johannesburg. The Committee looks forward to the effective implementation, with international assistance, of the New Partnership for Africa's Development (NEPAD) to strengthen institutional foundations, governance, and infrastructure. Stressing the critical importance of technical assistance to

support this effort, the Committee looks forward to the important contribution that the AFRITACs will play. It also calls for urgent international assistance to address the human and economic toll exacted by the drought in southern Africa. It also stresses the positive role of the CIS-7 initiative in improving prospects for enhanced growth and reduced poverty.

6. The Committee underscores the vital importance for global growth and effective development of achieving substantial trade liberalization in the Doha round of multilateral trade negotiations, which will benefit both developed and developing countries. Urgent progress is essential in enlarging market access for developing countries and phasing out trade-distorting subsidies in developed countries. Developing countries should also further liberalize their trade regimes to maximize growth and development opportunities. Trade-related technical assistance is also important to support developing countries' capacity building.

Strengthening Crisis Prevention and Resolution

7. The Committee welcomes the Managing Director's report on the IMF in a Process of Change, which sets out the reforms under way to make the Fund more effective in promoting greater financial stability and stronger global growth, the progress which is being made, and the agenda for the period ahead.

8. The Committee supports the steps taken by the Fund to improve the quality and effectiveness of its policy advice, and to help countries strengthen policy frameworks and prevent crises. These are the key priorities for surveillance. In particular, the Committee:

- stresses that rigorous vulnerability assessments will be key to the Fund's crisis prevention efforts, and, in this regard, welcomes the progress in improving the framework for assessing debt sustainability and looks forward to its application to all members;
- welcomes in this context the increased focus on the interactions between external shocks and domestic vulnerabilities, the strengthened focus on global capital markets in the Fund's multilateral surveillance, and the recent steps to further improve data provision by members to the Fund;
- emphasizes the importance of surveillance of systemically important countries and their impact on the global economy;
- supports the Fund's ongoing work to ensure that surveillance in program countries reassesses economic developments and strategy from a fresh perspective; and
- underlines the need for high-quality and persuasive surveillance of all member countries to help them act promptly to minimize emerging vulnerabilities and avoid policies that might have negative regional or global effects.

The Committee will review, at its next meeting, ways of further enhancing the effectiveness of Fund surveillance. It looks forward to further progress in the voluntary publication of country staff reports, building on the positive role that improved transparency and data dissemination by the Fund and its membership are playing in informing the public and supporting financial market assessments.

9. The Committee notes the substantial progress on the Financial Sector Assessment Program and the standards and codes initiative, including their increasing integration into Fund surveillance. It looks forward to the forthcoming reviews of these initiatives, and calls on the Fund to consider ways to build on this progress, together with the World Bank and relevant standard-setting bodies, to address gaps, strengthen technical assistance, and promote broader participation. The Committee notes the importance of enhanced standards and principles on corporate governance, accounting, and auditing, and of stronger national practice. It also underscores the role that precautionary access to Fund financing can play in safeguarding sound policy frameworks in the face of uncertainty in international capital markets. The Committee looks forward to the forthcoming review of the Contingent Credit Lines.

10. The Committee endorses the Fund's continuing work on private sector involvement and a stronger framework for crisis resolution to provide members and markets with greater clarity and predictability, including about the decisions the Fund will take in crisis management. In particular, the Committee welcomes the work under way to strengthen the policy on exceptional access to Fund resources. This involves more clearly defined criteria to justify exceptional access, and strengthened procedures for early consultation and decision making. The priority now is to finalize and implement the new framework, and the Committee calls for a progress report by the Spring meetings.

11. The Committee strongly welcomes the progress made with the contractual and statutory approaches to restructuring unsustainable sovereign debts. It welcomes the ongoing dialogue on collective action clauses in the G-10 and other fora with private creditors and emerging market sovereign issuers. Going forward, the Committee encourages the official community, the private sector, and sovereign debt issuers to continue working together to develop collective action clauses, and to promote their early inclusion in international sovereign bond issues; in that regard, it welcomes the recent decision by many countries to include collective action clauses. The Committee also calls on the Fund to consider the issues further and to develop, for consideration at its next meeting, a concrete proposal for a statutory sovereign debt restructuring mechanism to be considered by the membership.

The Fund's Role in Low-Income Countries

12. The Committee supports the Fund's continuing role in helping poor countries address the challenge of meeting the Millennium Development Goals by supporting economic reforms aimed at accelerating growth and reducing poverty. It welcomes the increased momentum in countries' efforts to develop and implement their PRSPs, and the Fund's and donors' efforts to align their support more closely with PRSPs. It recognizes that there may be a need to consider mobilizing new PRGF resources if high demand for PRGF financing continues. The Committee stresses the importance of: sound macroeconomic frameworks that can respond flexibly to changes in the external environment; identifying ways to encourage higher and sustainable growth; good governance; improving public expenditure and financial management systems; and using poverty and social impact analysis more systematically, and building country capacity

in this area. The Committee encourages the Fund and Bank to continue their collaboration on these issues and looks forward to reviewing progress. Furthermore, it looks forward to considering the results of the Fund's work to better meet the diverse needs of its low-income members, including those stemming from disruptive exogenous shocks and emergence from conflict.

13. The Committee welcomes the progress made on the HIPC Initiative, allowing countries to benefit from lower debt servicing and higher social spending. It recognizes that significant challenges remain to ensure that countries achieve a lasting exit from unsustainable debt. The Committee reaffirms the commitment to implement the initiative and finance it fully to help countries overcome the burden of unsustainable debt, and underscores that the HIPC Initiative has the flexibility to provide additional debt relief at the completion point to help countries that have suffered a fundamental change in their economic circumstances due to exceptional exogenous shocks. These elements, together with sustained commitment to sound economic policies—including efforts to improve resilience to external shocks, to manage debt prudently, and to reinforce good governance—and new financing on appropriately concessional terms, should provide a basis for long-term sustainability. The Committee notes that the financing shortfall in the HIPC Trust Fund could be up to $1 billion, and welcomes the recent pledges of support. It calls on other governments to make firm pledges and contributions as a matter of urgency. Furthermore, it urges all official and commercial creditors that have not yet done so to fully participate in the HIPC Initiative. The Committee acknowledges that the issues of HIPC-to-HIPC debt relief and creditor litigation raise serious issues that should be addressed.

Combating Money Laundering and the Financing of Terrorism

14. The Committee welcomes the actions taken by many countries to combat money laundering and the financing of terrorism, in response to the action plan agreed in Ottawa last year, and urges countries that have not fully responded to do so urgently. It also urges rapid progress on the exchange of information between authorities. The Committee commends the substantial progress made by the Fund, in close collaboration with the Bank, in advancing the action plan. It endorses the conditional addition of the Financial Action Task Force (FATF) recommendations to the list of standards and codes for which Reports on the Observance of Standards and Codes (ROSCs) are prepared, and looks forward to the final adoption of the methodology and an early start of the 12-month pilot program of assessments and accompanying ROSCs. The Committee encourages countries to make available additional experts and resources for the IMF/World Bank pilot program, welcomes the pledges made so far, and urges the IMF and World Bank to coordinate closely with the strong international and bilateral efforts to provide critically important technical assistance. The Committee looks forward to an interim report at its next meeting and a full report at the conclusion of the pilot program.

Other Issues

15. The Committee welcomes the adoption by the Fund's Executive Board of new guidelines on conditionality, thus bringing to a successful conclusion the review of conditionality initiated by the Managing Director two years ago. The consistent implementation of these guidelines will help enhance the effectiveness of Fund-supported programs by fostering national ownership and streamlining conditionality, focusing it on elements critical to the success of members' economic programs. The Committee stresses that strengthened collaboration with the World Bank is an integral part of these efforts to enable both institutions to provide complementary and effective support.

16. The Committee stresses the importance of the Fund having adequate resources to fulfill its financial responsibilities. Quotas should reflect developments in the international economy. The Committee notes that the Executive Board is continuing its consideration of the Twelfth General Review of Quotas and will present its report to the Board of Governors by January 2003. It recommends an early implementation of the Fourth Amendment.

17. The Committee welcomes the first report of the Independent Evaluation Office on "Prolonged Use of Fund Resources" to the Executive Board. It welcomes the establishment by Fund Management of an internal task force to propose steps to carry forward the report's recommendations, as appropriate.

18. The next meeting of the IMFC will be held in Washington, D.C., on April 12, 2003.

Annex: International Monetary And Financial Committee Attendance September 28, 2002

Chairman
Gordon Brown

Managing Director
Horst Köhler

Members or Alternates

Ibrahim A. Al-Assaf, Minister of Finance and National Economy, Saudi Arabia

Julio Marcelino V. Bessa, Minister of Finance, Angola

Sir Edward George, Governor, Bank of England, United Kingdom
(Alternate for Gordon Brown, Chancellor of the Exchequer, United Kingdom)

Tobias Nóbrega, Minister of Finance, República Bolivariana de Venezuela
(Alternate for Diego L. Castellanos, Governor, Banco Central de Venezuela)

Peter Costello, Treasurer of the Commonwealth of Australia

Dai Xianglong, Governor, People's Bank of China

Ernst Welteke, President, Deutsche Bundesbank, Germany
(Alternate for Hans Eichel, Minister of Finance, Germany)

Nicolás Eyzaguirre, Minister of Finance, Chile

Geir Hilmar Haarde, Minister of Finance, Iceland

Hans Hoogervorst, Minister of Finance, The Netherlands

Mohammed K. Khirbash, Minister of State for Finance and Industry, United Arab Emirates

Aleksei Kudrin, Deputy Chairman of the Government and Minister of Finance, Russian Federation

Mohammed Laksaci, Governor, Banque d'Algérie
Pedro Sampaio Malan, Minister of Finance, Brazil
John Manley, Minister of Finance, Canada
Francis Mer, Minister of Economy, Finance and Industry, France
Paul H. O'Neill, Secretary of the Treasury, United States
Didier Reynders, Minister of Finance, Belgium
Syahril Sabirin, Governor, Bank Indonesia
Masaru Hayami, Governor, Bank of Japan (Alternate for Masajuro Shiokawa, Minister of Finance, Japan)
Jaswant Singh, Minister of Finance and Company Affairs, India
Paul Toungui, Minister of State, Minister of Finance, Economy, Budget and Privatization, Gabon
Giulio Tremonti, Minister of Economy and Finance, Italy
Kaspar Villiger, President of the Swiss Confederation and Minister of Finance, Switzerland

Observers
Yilmaz Akyuz, Director, Division for Globalization and Development Strategies, United Nations Conference on Trade and Development (UNCTAD)
Andrew D. Crockett, Chairman, Financial Stability Forum (FSF)
Willem F. Duisenberg, President, European Central Bank (ECB)
André Icard, Deputy General Manager, Bank for International Settlements (BIS)
Donald J. Johnston, Secretary-General, Organization for Economic Cooperation and Development (OECD)
Ian Kinniburgh, Director, Development Policy Analysis, Department of Economic and Social Affairs, United Nations (UN)
Eddy Lee, Director, International Policy Group Department, International Labor Organization (ILO)
Trevor A. Manuel, Chairman, Joint Development Committee
Pedro Solbes Mira, Commissioner for Economic and Monetary Affairs, European Commission
Supachai Panitchpakdi, Director-General, World Trade Organization (WTO)
James D. Wolfensohn, President, World Bank

Seventh Meeting, Washington D.C., April 12, 2003

1. The International Monetary and Financial Committee held its seventh meeting in Washington, D.C., on April 12, 2003, under the Chairmanship of Mr. Gordon Brown, Chancellor of the Exchequer of the United Kingdom.

Global Economic Outlook

2. Meeting at a time of economic uncertainty, the Committee reaffirms its commitment to close international cooperation to strengthen confidence and support the global recovery. It underscores the importance of continued vigilance. But with readiness to adjust policies as necessary and determined further action on the structural front, the world economy has the prospect of strengthening growth and renewed prosperity. Substantial and concrete progress with multilateral trade liberalization is a key priority for the coming months and has the full political commitment of Ministers.

3. In the advanced economies, sound fundamentals and policies should deliver stronger growth in the second half of the year. With inflationary pressures well contained, monetary policies should remain accommodative, and in many countries there is room to ease monetary policy further if needed. On the fiscal side, the automatic stabilizers should be generally allowed to operate, though in many countries action is needed to address medium-term fiscal pressures, including those arising from aging populations. The advanced economies have a shared responsibility to go further in implementing structural reforms—to enhance prospects for a sustained broad-based world recovery that helps correct global imbalances. In the United States, policies consistent with a sound medium-term fiscal position remain important. In Europe, labor and product market reforms need to be accelerated. In Japan, further steps are needed to strengthen the banking and corporate sectors and end deflation, accompanied by a start toward strengthening the medium-term fiscal position.

4. Emerging market countries will need to continue to strengthen their policies for macroeconomic stability and structural reforms and therefore their resilience to adverse global developments. In countries facing external financing constraints, efforts to sustain macroeconomic stability will continue to be key to restoring confidence. For all countries, the continued implementation of reforms to strengthen banking and corporate sectors and underpin growth remains a priority. The IMF has a key role to play in supporting these efforts.

5. Prospects for stronger growth in low-income countries should be supported by improved economic policies, stronger institutions, progress in resolving regional conflicts, and increased donor resources, including through debt relief under the HIPC Initiative. Sustained implementation of sound policies, supported by strong ownership and the Monterrey Consensus, will remain key to reducing poverty and meeting the Millennium Development Goals (MDGs). African countries need to continue to press ahead with the wide-ranging reforms embedded in the New Partnership for Africa's Development (NEPAD)—in particular to improve the quality of their institutions and ensure peace and security. The Committee reiterates the importance of technical assistance, including the contribution of AFRITACs and other regional technical assistance centers. It calls on the international community to urgently mobilize additional assistance to address the serious food shortage in Africa.

6. The Committee notes that the present situation in Iraq poses significant challenges, with an urgent need to restore security, relieve human suffering, and promote economic growth and poverty reduction. We support a further UN Security Council resolution. We further note that engagement by the international community, including the Bretton Woods institutions, would be essential for sustained economic, social, and political development in Iraq, recognizing that the Iraqi people have the responsibility to implement the right policies and build their own future. The IMF and the World Bank stand ready to play their normal role in Iraq's redevelopment at the appropriate time. They will also monitor closely the impact of the conflict on all their members and stand ready to help and support those adversely affected. It is important to address the debt issue, and we look forward to early engagement of the Paris Club.

7. The Committee—having greatly benefited from the views of Dr. Supachai Panitchpakdi, Director-General of the World Trade Organization—underscores the urgency of concrete progress toward multilateral trade liberalization under the Doha Round through the continued commitment of the international community. This will be critical in supporting higher economic growth and poverty reduction, and enabling developing countries to participate more fully in the benefits of globalization. The Committee accordingly calls on industrial, emerging, and developing countries to play their part in renewed efforts to address obstacles to further progress in advance of the ministerial meeting of the World Trade Organization in Cancún next September. Urgent progress is needed in a number of areas, including agriculture, where better market access and lower trade distorting subsidies are particularly important for developing countries. The IMF, in collaboration with other international institutions, stands ready to support members' closer regional cooperation in the context of deeper integration into world markets.

Strengthening Crisis Prevention

8. The Committee reiterates the importance it attaches to strengthening the IMF's crisis prevention capacity and welcomes the steps in many countries to improve economic resilience and financial stability. However, there is still room for further improvement. Going forward, sustained implementation of a strengthened framework of bilateral, regional, and multilateral surveillance will be essential to provide more robust assessments of crisis vulnerabilities, debt sustainability, currency mismatches and other balance sheet and capital account developments, as well as further progress in strengthening data provision to the IMF and data dissemination to the public.

9. The Committee welcomes progress with the standards and codes process and the Financial Sector Assessment Program (FSAP) and the role these play in enhancing IMF surveillance. It calls on the IMF to continue to move forward with these initiatives to strengthen members' institutions, policy frameworks, and financial sectors, including through technical assistance. It stresses the importance of further enhancing the quality and effectiveness of standards and codes assessments, and calls on the IMF to implement quickly agreed measures to strengthen prioritization, technical assistance, and follow up of FSAP and ROSC assessments. In this context, the Committee looks forward to the further work of the Financial Stability Forum and standard-setting bodies on strengthening the content and coverage of standards in accounting, auditing, and corporate governance, and on improving transparency and financial disclosure.

10. The Committee supports the IMF's continued efforts to make surveillance more comprehensive and accountable, including through strengthening the IMF's policy advice on reducing vulnerabilities; greater attention to the spillovers from policies in countries of systemic or regional importance; more effective use of the IMF's cross-country experience; enhanced awareness of political economy factors; and bringing to bear a fresh perspective in surveillance of program countries. The Committee looks forward to the IMF's further work on surveillance and other crisis prevention issues and a report on progress for this year's Annual Meetings.

11. The Committee welcomes the increase in voluntary publication of country staff reports, but notes that the rate of publication across countries and regions remains uneven. It looks forward to further progress through the forthcoming review of the IMF's transparency policy, and stresses that the candor of the IMF's analysis and advice should be preserved.

12. The Committee emphasizes support for ways to achieve the objectives of the Contingent Credit Lines (CCL) in encouraging policies to reduce vulnerabilities and providing a means of support for members with strong policies in dealing with global financial developments. It looks forward to a report on how best to promote these objectives following the conclusion of the review of the facility.

Improving the Capacity to Resolve Financial Crises

13. Effective crisis resolution mechanisms, by promoting sound policies and better functioning capital markets, contribute to crisis prevention. The Committee welcomes the strengthened framework on access to IMF resources. This includes: the substantive criteria for exceptional access in capital account crises; and strengthened procedures, such as early involvement of the Executive Board in the process and a separate report evaluating the case for exceptional access. Consistent implementation of the framework will provide members and markets with clarity and predictability about IMF decisions in crises.

14. The Committee welcomes the inclusion of collective action clauses (CACs) by several countries, most recently Mexico, in international sovereign bond issues. It also welcomes the announcement that, by June of this year, those EU countries issuing bonds under foreign jurisdictions will include CACs. The Committee welcomes the work of the G-10, emerging markets, and the private sector in contributing to the development of CACs. It looks forward to the inclusion of CACs in international bond issues becoming standard market practice, and calls on the IMF to promote the voluntary inclusion of CACs in the context of its surveillance. The Committee welcomes recent initiatives to formulate a voluntary code of conduct for debtors and their creditors, which will improve the restructuring process, and encourages the IMF to contribute to this work.

15. The Committee welcomes the work of the IMF in developing a concrete proposal for a statutory sovereign debt restructuring mechanism (SDRM) and expresses its appreciation for the IMF management and staff's efforts. The extensive analysis and consultation undertaken in developing the proposal have served to promote better understanding of the issues to be addressed in bringing about orderly resolution of crises. The Managing Director's report sets out the current position. The Committee, while recognizing that it is not feasible now to move forward to establish the SDRM, agrees that work should continue on issues raised in its development that are of general relevance to the orderly resolution of financial crises. These issues include intercreditor equity considerations, enhancing transparency and disclosure, and aggregation issues. The IMF will report on progress at the Committee's next meeting.

Implementing Initiatives to Support Low-Income Countries

16. The Committee recognizes the urgent need to address the challenge of meeting the Millennium Development Goals, and reiterates that the IMF continues to have an important role to play in assisting low-income countries'

progress toward them. This will require enhanced efforts by developing and developed countries working in partnership. The Committee stresses the importance of sound macroeconomic policies and strong public expenditure and financial management systems. The Committee recognizes the urgent need to enhance market access and to increase the level and effectiveness of donor resources for developing countries. Proposals to achieve this, including facilities, are being considered, and the Committee looks forward to progress in the coming months. Building on countries' Poverty Reduction Strategy Papers (PRSPs), the Committee encourages the IMF to work with low-income countries to strengthen further the alignment of the PRGF, domestic budgets, and the PRSP approach. This will be facilitated through more realistic economic projections, systematic analysis of the sources of growth, effective Bank-Fund collaboration, and flexibility in program design, including to accommodate higher aid inflows. The Committee encourages donors to coordinate and harmonize their assistance in line with PRSP priorities, and to provide technical assistance to help members build the needed capacity to design and operationalize PRSP strategies and to improve public expenditure management. It endorses further work on the linkages between growth and poverty reduction, including the role of the private sector. The Committee also looks forward to the review of the role of the IMF in low-income countries over the medium term, and its paper on helping low-income countries to deal with shocks.

17. The Committee welcomes the further progress made in implementing the HIPC Initiative, but notes that some countries have experienced delays in reaching the completion point, and that other eligible countries are facing obstacles to participation in the Initiative. It looks forward to a review of these issues at its next meeting. The Committee reaffirms its commitment to the full financing of the Initiative. It urges all creditors to participate fully, and encourages further Bank-Fund efforts to help creditor and debtor countries address HIPC-to-HIPC debt relief and creditor litigation issues. It emphasizes the need to ensure lasting debt sustainability, which will require both the full implementation and financing of the Initiative, and continued sound economic policies, good governance, and prudent debt management. In this context, the Committee welcomes the efforts by some countries to provide additional debt relief beyond HIPC terms. The Committee supports joint Bank-Fund work to improve its assessments of longer-term debt sustainability for heavily indebted poor countries, and looks forward to a progress report at the next meeting.

Other Issues

18. The Committee welcomes the further actions by members to combat money laundering and the financing of terrorism, and notes with satisfaction the progress with the 12-month pilot program of AML/CFT assessments. It underscores the importance of continued close cooperation between the IMF, the World Bank, the FATF, and regional bodies to complete the pilot successfully, and of further enhancing the delivery of critically needed technical assistance. The Committee encourages all members to adopt AML/CFT laws and practices consistent with the agreed international standards, and looks forward to a full report at the conclusion of the pilot program.

19. The Committee considers it important that, as pointed out in the Monterrey Consensus, all members should have an adequate voice and representation in the institution. It welcomes recent administrative steps to strengthen the capacity of the African constituencies. The Committee notes that the Twelfth General Review of Quotas has been concluded and that the IMF is well positioned to meet the projected needs of its members. The Committee looks forward to receiving a status report by the 2003 Annual Meetings on the adequacy of IMF resources, the distribution of quotas, and measures to strengthen IMF governance, consistent with the resolution of the Board of Governors, in the context of the Thirteenth General Review of Quotas. The Committee recommends completion of the ratification of the Fourth Amendment.

20. The Committee welcomes the thorough follow-up being given to the first report of the Independent Evaluation Office on prolonged use of IMF resources. It looks forward to future IEO reports as a way of enhancing the listening and learning culture within the IMF.

21. The Committee expresses its appreciation of the work of Eduardo Aninat as Deputy Managing Director.

22. The next meeting of the IMFC will be held in Dubai, on September 21, 2003.

Annex: International Monetary and Financial Committee Attendance April 12, 2003

Chairman
Gordon Brown

Managing Director
Horst Köhler

Members or Alternates

Hamad Al-Sayari, Governor, Saudi Arabian Monetary Agency
(Alternate for Ibrahim A. Al-Assaf, Minister of Finance and National Economy, Saudi Arabia)

Sir Edward George, Governor, Bank of England, United Kingdom
(Alternate for Gordon Brown, Chancellor of the Exchequer, United Kingdom)

Felipe Pérez Martí, Minister of Planning and Development, República Bolivariana de Venezuela
(Alternate for Diego L. Castellanos, Governor, Banco Central de Venezuela)

Ian Campbell, Parliamentary Secretary to the Treasurer, Australia
(Alternate for Peter Costello, Treasurer of the Commonwealth of Australia)

Job Graca, Deputy Minister of Finance, Angola
(Alternate for José Pedro de Morais, Jr., Minister of Finance, Angola)

Hans Eichel, Minister of Finance, Germany

Geir Hilmar Haarde, Minister of Finance, Iceland

A.H.E.M. Wellink, President, De Nederlandsche Bank N.V.
(Alternate for Hans Hoogervorst, Minister of Finance, The Netherlands)

Jamaludin Mohd Jarjis, Finance Minister II, Malaysia

Mohammed K. Khirbash, Minister of State for Finance and Industry, United Arab Emirates
Aleksei Kudrin, Deputy Chairman of the Government and Minister of Finance, Russian Federation
Mohammed Laksaci, Governor, Banque d'Algérie
Roberto Lavagna, Minister of Economy, Argentina
John Manley, Minister of Finance, Canada
Francis Mer, Minister of Economy, Finance and Industry, France
Antonio Palocci, Minister of Finance, Brazil
Guy Quaden, Governor, Banque Nationale de Belgique (Alternate for Didier Reynders, Minister of Finance, Belgium)
Masajuro Shiokawa, Minister of Finance, Japan
Bimal Jalan, Governor, Reserve Bank of India (Alternate for Jaswant Singh, Minister of Finance and Company Affairs, India)
John W. Snow, Secretary of the Treasury, United States
Paul Toungui, Minister of State, Minister of Finance, Economy, Budget and Privatization, Gabon
Giulio Tremonti, Minister of Economy and Finance, Italy
Kaspar Villiger, Minister of Finance, Switzerland
Li Ruogu, Assistant Governor, People's Bank of China (Alternate for Zhou Xiaochuan, Governor, People's Bank of China)

Observers
Oscar de Rojas, Acting Head, Financing for Development Office, Department of Economic and Social Affairs, United Nations (UN)
Willem F. Duisenberg, President, European Central Bank (ECB)
Heiner Flassbeck, Chief, Macroeconomic and Development Policies Branch, United Nations Conference on Trade and Development (UNCTAD)
Donald J. Johnston, Secretary-General, Organization for Economic Cooperation and Development (OECD)
Malcolm D. Knight, General Manager, Bank for International Settlements (BIS)
Caio Koch-Weser, Interim Chairman, Financial Stability Forum (FSF)
Eddy Lee, Economic Adviser and Director, International Policy Group Department, International Labor Organization (ILO)
Trevor A. Manuel, Chairman, Joint Development Committee
Pedro Solbes, Commissioner for Economic and Monetary Affairs, European Commission
Supachai Panitchpakdi, Director-General, World Trade Organization (WTO)
James D. Wolfensohn, President, World Bank

Joint Ministerial Committee of the Boards of Governors of the Bank and the Fund on the Transfer of Real Resources to Developing Countries (Development Committee)

PRESS COMMUNIQUÉS

Sixty-Sixth Meeting, Washington D.C., September 28, 2002

1. We met today to discuss implementation of the strategies and decisions agreed in Monterrey and Johannesburg and achieving debt sustainability for heavily indebted poor countries.

2. At our meeting last April, we welcomed the very important progress achieved in Monterrey laying out a new partnership between developed and developing countries, based on mutual responsibility and accountability, to achieve measurable improvements in sustainable growth and poverty reduction. We welcomed the announcements by a number of donors of significant increases in their ODA. Earlier this month, the WSSD concluded in Johannesburg with a number of decisions that provide additional direction to our task of eradicating poverty and achieving sustainable development. A series of important commitments were made in the areas of water and sanitation, energy, health, agriculture, biodiversity, and ecosystem management, accompanied by the launch of implementation initiatives. Today we committed ourselves with a new vigor and determination to implement the agreed strategies and partnerships and to use our future meetings regularly to review progress through clear and measurable indicators. Building on the outcomes of Monterrey and Johannesburg, we also intend to have further discussions on global public goods.

3. The global community must now convert the ideas and the shared approaches agreed in Doha, Monterrey, and Johannesburg into concrete action and measure ongoing progress. Experience has repeatedly shown that progress will only be made through implementation of sound and sustainable country-driven strategies. To make existing and new aid commitments more effective, these strategies must also be supported by better coordination and cooperation among development partners and by effective alignment of donor support with country strategies. We underline our commitment to work together and with civil society and the private sector, under the leadership of the government concerned, in a coherent way to achieve concrete results.

4. We reaffirmed the crucial importance of trade as a source of growth and poverty reduction. We recognized that it is essential for developed countries to do more to open their markets and eliminate trade-distorting subsidies for products that represent major potential exports for developing countries, such as agriculture, textiles, and clothing. At the same time, we recognized the importance of continued efforts towards trade liberalization in developing countries as part of an overall development strategy, in conjunction with the necessary policies and capacities that facilitate an appropriate supply response and minimize the adjustment burdens on the poor. We therefore welcomed the increased attention to trade issues in the work of the World Bank and International

Monetary Fund in support of a successful Doha Development Agenda. We urged intensified efforts to mainstream trade in the development dialogue with the Bank's members, with an enhanced operational focus on building both institutional and physical capacity to help developing countries take advantage of new trade opportunities.

5. Last April, we endorsed a World Bank plan to help make primary education a reality for all children by 2015 and gender equality in primary and secondary education by 2005. Today we reviewed implementation of the Fast Track Initiative and requested a progress report on results achieved for our next meeting. In addition, we considered the challenges of scaling up activities in two additional areas—HIV/AIDS/Communicable Diseases and water and sanitation. We urged the World Bank to pursue its work in these areas.

6. We endorsed the overall approach set out for discussion today for making results central to the management of development programs in both developing countries and in development agencies. We urged the Bank to expedite implementation of the action plan for increasing its results orientation and to intensify its work with multilateral and bilateral partners to share information on planned and ongoing country development activities, including diagnostic work and operational support, as a basis for enhanced alignment of donor support for national development strategies. We also urged increased use of joint evaluations of donor programs, especially for country and sector program support, to complement assessments of individual agencies' performance, including as development partners. We highlighted the need for increased and coordinated donor support for capacity building, including for results-oriented monitoring and evaluation and statistics. We asked the Bank to report on these efforts at our next meeting.

7. We recognized the need for intensified efforts to harmonize operational policies and procedures of bilateral and multilateral agencies at the institutional and country levels so as to enhance aid effectiveness and efficiency and promote greater ownership by developing countries. We committed to further action in streamlining such policies, procedures, and requirements over the period leading to the high-level forum scheduled in Rome in February 2003 and beyond.

8. Recognizing the special challenges faced by Africa in meeting the Millennium Development Goals, we urge the Bank and the IMF to scale up assistance to these countries and to build on the NEPAD initiative as a unique opportunity to make significant and quick progress building on African leadership.

9. Our discussions have reinforced our conviction that major progress on achieving the Millennium Development Goals is possible. What is needed now is determined implementation of agreed strategies and partnerships on the part of both developed and developing countries, as well as multilateral agencies, and the setting out of a clear framework identifying responsibilities and accountabilities by which progress can be regularly measured. The Development Committee intends to contribute to moving this implementation agenda forward through regular monitoring and review of the policies, actions, and outcomes needed to achieve these goals. We request the Bank and the Fund to present proposals at our next meeting for taking this forward, while recognizing the role of the United Nations in monitoring the MDGs.

10. The Monterrey Summit also stressed the importance of greater coherence, coordination, and cooperation among multilateral organizations and the need to broaden and strengthen participation of developing countries and countries with economies in transition in international decision making and norm setting. The Summit encouraged the World Bank and the IMF to find pragmatic and innovative ways to further enhance participation of these countries and thereby to strengthen the international dialogue and work of these institutions. We requested the Bank and the Fund to prepare a background document to facilitate consideration of these important issues at our next meeting.

11. We welcomed the continued progress made on the HIPC Initiative and reconfirmed our commitment to its implementation and full financing. We fully support the objective of helping our poorest, most heavily indebted members achieve an enduring exit from unsustainable debt but we recognize that considerable challenges remain. Success will require: a sustained commitment by HIPC countries to improvements in domestic policies and economic management; capacity building for the management of financial assets and liabilities; full participation and delivery of relief by all affected creditors; and adequate and sufficiently concessional financing by international financial institutions and the donor community. We call upon all official and commercial creditors that have not yet done so to fully participate in the HIPC Initiative. We have asked the Bank and the Fund to undertake an early review of the difficult issues of HIPC-to-HIPC debt relief and creditor litigation. We stressed the urgency of meeting the financing shortfall of the HIPC Trust Fund, which could be up to $1 billion. We welcome the recent announcements of support and call upon other donor countries to make firm pledges and contributions as early as possible. At the same time, we reaffirm our commitment to ensuring that the cost of debt relief to IDA is not permitted to compromise IDA's resources, and we note the arrangements in place to accomplish this objective.

12. We reviewed further experience with PRSPs, which confirmed the broad findings of the joint Bank/Fund review earlier this year. The Committee is encouraged by the increased momentum in countries' efforts to develop and implement their PRSPs. We call on the Fund and Bank together with all donors to align their support with country PRSPs and to collaborate with each other to: strengthen their analysis of the sources of growth; streamline conditionality; help countries improve their public expenditure management systems; facilitate an environment conducive to private sector development; and intensify efforts to help countries undertake poverty and social impact analyses on a more systematic basis.

13. Finally, we reviewed the role being played by the Bank and Fund, in collaboration with other international institutions, in combating money laundering and the financing of terrorism (AML/CFT). We endorse the conditional addition of the FATF 40+8 Recommendations to the list of international standards and codes useful to the operational work of the Bank and the Fund, and the conditional beginning of the 12-month pilot program of comprehensive AML/CFT assessments and accompanying ROSCs, in accordance with the voluntary, cooperative, and uniform approach. We encourage the Bank and the Fund to continue to integrate these issues into their diagnostic and surveillance work

in line with their respective mandates and to enhance their technical and capacity-building efforts.

14. We express our deep condolences to the family of the late Mr. Bernard Chidzero, former Minister of Finance of Zimbabwe. Minister Chidzero served with great skill and distinction as Chairman of the Development Committee from 1986 to 1990.

15. The next meeting of the Development Committee will be held in Washington, D.C. on April 13, 2003.

Sixty-Seventh Meeting, Washington D.C., April 13, 2003

1. We met today to review progress in the work of implementing the strategies, partnerships, and actions agreed in Monterrey and Johannesburg to achieve the Millennium Development Goals[1] and to consider ways to enhance the voice and participation of developing and transition countries in our institutions.

2. Since our meeting last fall, the global environment has become more uncertain. Slower economic growth, the war in Iraq, and failure to make more substantive progress on the Doha Development Agenda add to the challenge of implementing the global development agenda. We therefore strongly reaffirmed our commitment to the global effort needed to reduce poverty in developing and transition countries and achieve the MDGs.

3. To accelerate progress toward these and related goals, we emphasized the need for policies by both developed and developing countries in partnership to generate stronger economic growth complemented by actions to enhance the capabilities of poor people to participate in growth and access key social services. For developing countries, three interrelated areas in particular require strengthened efforts: improving the environment for investment and private sector activity, including macroeconomic stability and supporting infrastructure; strengthening governance, including public financial management, and capacity in the private and public sector; and increasing human capital through broader and more effective delivery of basic and social services to the poor. Such stronger reform efforts by developing countries would lay the foundations for enhanced growth and private financing. As agreed at Monterrey, these efforts need to be matched with stronger support from developed countries, in particular through increased market access for developing country exports, debt relief, and increases in the volume, predictability and effectiveness of aid. Proposals to achieve this, including facilities, are being considered, and we look forward to progress in the coming months. We are pleased that on April 8, IDA's Thirteenth Replenishment became effective. We also reaffirmed our commitment to increased assistance to the sub-Saharan African and other countries that face special challenges in meeting the MDGs.

4. On improving aid quality, including its delivery and management aspects, we called for swift progress in implementing the results agenda and the agreements in the Rome Declaration on Harmonization. We underlined the central importance of anchoring strengthened efforts in country-owned strategies, as set out for low-income countries in PRSPs, linked to national budget processes and providing the country context within which donors and international agencies can align support.

5. We welcomed the progress on developing a global monitoring framework to allow the Committee to regularly assess progress and to reinforce accountabilities among developing and developed countries, as well as institutional partners, for the policies and actions for achieving the MDGs and related outcomes. We urged the Bank and the Fund to continue to work closely with partner agencies—UN, regional development banks, OECD/DAC, and WTO—using institutional mandates to guide the division of responsibilities for monitoring work. We called upon both multilateral agencies and bilateral donors to take the necessary steps to refine and harmonize their instruments of analysis and measurement. In this context, we urged the Bank, working in a participatory manner, to continue to improve the Country Policy and Institutional Assessment (CPIA) methodology and the transparency of its application. The urgency of the work on statistical capacity building, especially for those countries most at risk of not meeting the MDGs, was underlined. We look forward to the next global monitoring report.

6. Continuing progress on the Fast Track Initiative on Education for All was welcomed, although we recognized that more needs to be done to follow up on the commitment to adequately fund the initial seven countries and to provide the required support to other countries that meet the eligibility criteria. Furthermore, extra efforts are needed to achieve the 2005 MDG on gender parity in access to primary and secondary education. We asked, before our next meeting, to be informed on progress. We reviewed progress on water and sanitation and underlined the important contribution that these make to the other development goals. We welcomed the Bank's recent strategy to enhance support to the water sector and look forward to its implementation. We noted the recent report of the Panel on Financing Water Infrastructure, and asked the Bank to consider, before our next meeting, how it can implement relevant recommendations of the Panel report. We also considered progress in health and HIV/AIDS and encouraged the Bank to strengthen further its cooperation with other partners and to intensify its efforts at the country level. While each service sector will have to find its own approach to accelerating progress, we underlined the importance of anchoring the efforts to achieve MDG goals in country-owned strategies such as in PRSPs for low-income countries. We stressed that sound policies and efforts by developing countries should be supported by adequate and appropriate financing and we asked the Bank to report on progress in this regard at our next meeting.

7. We emphasized the critical role of investment in infrastructure for economic growth, and its linkages with the provision of social services and the attainment of the MDGs. We welcomed the Bank's renewed commitment to increase its support to such investment and asked the Bank to report on its further efforts at our next meeting.

8. Trade remains of crucial importance to growth and poverty reduction. At a time of global uncertainty, it is even more important to demonstrate that multilateral cooperation can succeed in meeting the ambitious targets set for the Doha Development Agenda. We urge countries to come to an

[1]From the UN Millennium Declaration, endorsed by Heads of State and Government in the UN General Assembly on September 8, 2000.

agreement quickly in those areas where Doha deadlines have already been missed. It is essential for developed countries to do more to liberalize their markets and eliminate trade-distorting subsidies, including in the areas of agriculture, textiles, and clothing, which are of particular importance for developing countries. At the same time, we emphasize the importance of trade facilitation and liberalization efforts in developing countries. These efforts must be integrated into an overall development strategy, in conjunction with the necessary policies, infrastructure, and institutional capacities that strengthen their ability to participate in international trade. We call on the Bank and the Fund to continue to step up their efforts to support trade. We urge that future Country Assistance Strategies include trade-enhancing lending operations and capacity building for member countries where such trade-related support is a clear country priority.

9. Enhancing the voice and effective participation of developing and transition countries in the work and decision making of the Bretton Woods Institutions can contribute importantly to strengthening the international dialogue and the effectiveness of these institutions. We welcomed the recent capacity-enhancing decisions by the Executive Boards of the Bank and the Fund and we urge them to consider additional steps that might be taken. These decisions will help to ensure that a more effective capacity exists to articulate the views and concerns of all members. We encourage potential donors to actively pursue the idea of creating a financing mechanism that could support independent research and advice in key policy areas. Broader and more far-reaching ideas have also been advanced to help achieve enhanced participation in the institutions. We note that a status report by the Fund Executive Board to the IMFC on the adequacy of IMF resources, the distribution of quotas and the strengthening of Fund governance is to be prepared for its next meeting. We requested the Boards of the Bank and Fund to consider and elaborate upon options with a potential for broad support, taking account of shareholder and institutional implications. On this basis, we will pursue our discussions of these matters and requested a progress report for our next meeting.

10. We welcomed the progress made on the HIPC Initiative and reconfirmed our commitment to its implementation and full financing. We recalled that achievement of long-term debt sustainability will require actions on the part of HIPC countries as well as development partners to complement debt relief under the enhanced HIPC Initiative. We also recalled that within existing guidelines, additional relief can be provided at the completion point, on a case-by-case basis. We welcomed the donor community pledges to close the financing gap in the HIPC Trust Fund and urged donors to translate these into concrete contributions in the coming months. We welcomed the recent paper by the Bank and the Fund that reviewed the difficult issues of creditor participation, including HIPC-to-HIPC debt relief and creditor litigation, and welcomed the decision by the Bank to explore options to assist with HIPC-to-HIPC debt. We once again reiterated the request that all official bilateral and commercial creditors that have not yet done so participate in the HIPC Initiative. We look forward to reviewing implementation, including any difficulties encountered in reaching decision and completion points, at our next meeting.

11. We noted that the present situation in Iraq poses significant challenges, with an urgent need to restore security, relieve human suffering, and promote economic growth and poverty reduction. We support a further UN Security Council resolution. We further note that engagement by the international community, including the Bretton Woods institutions, would be essential for sustained economic, social, and political development in Iraq, recognizing that the Iraqi people have the responsibility to implement the right policies and build their own future. The World Bank and the IMF stand ready to play their normal role in Iraq's redevelopment at the appropriate time. They will also monitor closely the impact of the conflict on all their members and stand ready to help and support those adversely affected. It is important to address the debt issue, and we look forward to early engagement of the Paris Club.

12. The next meeting of the Development Committee will be held in Dubai, United Arab Emirates, on September 22, 2003.

Appendix VII

Executive Directors and Voting Power on April 30, 2003

Director *Alternate*	Casting Votes of	Votes by Country	Total Votes[1]	Percent of IMF Total[2]
Appointed				
Nancy P. Jacklin *Meg Lundsager*	United States	371,743	371,743	17.11
Ken Yagi *Haruyuki Toyama*	Japan	133,378	133,378	6.14
Karlheinz Bischofberger *Ruediger von Kleist*	Germany	130,332	130,332	6.00
Pierre Duquesne *Sébastien Boitreaud*	France	107,635	107,635	4.95
Tom Scholar *Martin A. Brooke*	United Kingdom	107,635	107,635	4.95
Elected				
Willy Kiekens	Austria	18,973		
(Belgium)	Belarus	4,114		
Johann Prader	Belgium	46,302		
(Austria)	Czech Republic	8,443		
	Hungary	10,634		
	Kazakhstan	3,907		
	Luxembourg	3,041		
	Slovak Republic	3,825		
	Slovenia	2,567		
	Turkey	9,890	111,696	5.14
Jeroen Kremers	Armenia	1,170		
(Netherlands)	Bosnia and Herzegovina	1,941		
Yuriy G. Yakusha	Bulgaria	6,652		
(Ukraine)	Croatia	3,901		
	Cyprus	1,646		
	Georgia	1,753		
	Israel	9,532		
	Macedonia, former Yugoslav Republic of	939		
	Moldova	1,482		
	Netherlands	51,874		
	Romania	10,552		
	Ukraine	13,970	105,412	4.85
Hernán Oyarzábal	Costa Rica	1,891		
(República Bolivariana	El Salvador	1,963		
de Venezuela)	Guatemala	2,352		
Mario Beauregard	Honduras	1,545		
(Mexico)	Mexico	26,108		
	Nicaragua	1,550		
	Spain	30,739		
	Venezuela, República Bolivariana de	26,841	92,989	4.28
Pier Carlo Padoan	Albania	737		
(Italy)	Greece	8,480		
Harilaos Vittas	Italy	70,805		
(Greece)	Malta	1,270		
	Portugal	8,924		
	San Marino	420		
	Timor-Leste	332	90,968	4.19

Director *Alternate*	Casting Votes of	Votes by Country	Total Votes[1]	Percent of IMF Total[2]
Elected *(continued)*				
Ian E. Bennett	Antigua and Barbuda	385		
(Canada)	Bahamas, The	1,553		
Nioclás A. O'Murchú	Barbados	925		
(Ireland)	Belize	438		
	Canada	63,942		
	Dominica	332		
	Grenada	367		
	Ireland	8,634		
	Jamaica	2,985		
	St. Kitts and Nevis	339		
	St. Lucia	403		
	St. Vincent and the Grenadines	333	80,636	3.71
Vilhjálmur Egilsson	Denmark	16,678		
(Iceland)	Estonia	902		
Benny Andersen	Finland	12,888		
(Denmark)	Iceland	1,426		
	Latvia	1,518		
	Lithuania	1,692		
	Norway	16,967		
	Sweden	24,205	76,276	3.51
Michael J. Callaghan	Australia	32,614		
(Australia)	Kiribati	306		
Michael H. Reddell	Korea	16,586		
(New Zealand)	Marshall Islands	285		
	Micronesia, Federated States of	301		
	Mongolia	761		
	New Zealand	9,196		
	Palau	281		
	Papua New Guinea	1,566		
	Philippines	9,049		
	Samoa	366		
	Seychelles	338		
	Solomon Islands	354		
	Vanuatu	420	72,423	3.33
Sulaiman M. Al-Turki	Saudi Arabia	70,105	70,105	3.23
(Saudi Arabia)				
Abdallah S. Alazzaz				
(Saudi Arabia)				
Sri Mulyani Indrawati	Brunei Darussalam	2,402		
(Indonesia)	Cambodia	1,125		
Ismail Alowi	Fiji	953		
(Malaysia)	Indonesia	21,043		
	Lao People's Democratic Republic	779		
	Malaysia	15,116		
	Myanmar	2,834		
	Nepal	963		
	Singapore	8,875		
	Thailand	11,069		
	Tonga	319		
	Vietnam	3,541	69,019	3.18
Ismaila Usman	Angola	3,113		
(Nigeria)	Botswana	880		
Peter J. Ngumbullu	Burundi	1,020		
(Tanzania)	Eritrea	409		
	Ethiopia	1,587		
	Gambia, The	561		
	Kenya	2,964		
	Lesotho	599		
	Malawi	944		
	Mozambique	1,386		
	Namibia	1,615		
	Nigeria	17,782		
	Sierra Leone	1,287		

Director *Alternate*	Casting Votes of	Votes by Country	Total Votes[1]	Percent of IMF Total[2]
Elected ***(continued)***				
	South Africa	18,935		
	Sudan	1,947		
	Swaziland	757		
	Tanzania	2,239		
	Uganda	2,055		
	Zambia	5,141		
	Zimbabwe	3,784	69,005	3.18
A. Shakour Shaalan	Bahrain	1,600		
(Egypt)	Egypt	9,687		
Oussama T. Kanaan	Iraq	5,290		
(Jordan)	Jordan	1,955		
	Kuwait	14,061		
	Lebanon	2,280		
	Libya	11,487		
	Maldives	332		
	Oman	2,190		
	Qatar	2,888		
	Syrian Arab Republic	3,186		
	United Arab Emirates	6,367		
	Yemen, Republic of	2,685	64,008	2.95
WEI Benhua	China	63,942	63,942	2.94
(China)				
WANG Xiaoyi				
(China)				
Fritz Zurbrügg	Azerbaijan	1,859		
(Switzerland)	Kyrgyz Republic	1,138		
Wieslaw Szczuka	Poland	13,940		
(Poland)	Serbia and Montenegro	4,927		
	Switzerland	34,835		
	Tajikistan	1,120		
	Turkmenistan	1,002		
	Uzbekistan	3,006	61,827	2.85
Aleksei V. Mozhin	Russia	59,704	59,704	2.75
(Russia)				
Andrei Lushin				
(Russia)				
Murilo Portugal	Brazil	30,611		
(Brazil)	Colombia	7,990		
Roberto Steiner	Dominican Republic	2,439		
(Colombia)	Ecuador	3,273		
	Guyana	1,159		
	Haiti	857		
	Panama	2,316		
	Suriname	1,171		
	Trinidad and Tobago	3,606	53,422	2.46
Abbas Mirakhor	Afghanistan	1,454		
(Islamic Republic of Iran)	Algeria	12,797		
Mohammed Daïri	Ghana	3,940		
(Morocco)	Iran, Islamic Republic of	15,222		
	Morocco	6,132		
	Pakistan	10,587		
	Tunisia	3,115	53,247	2.45
Yaga V. Reddy	Bangladesh	5,583		
(India)	Bhutan	313		
R.A. Jayatissa	India	41,832		
(Sri Lanka)	Sri Lanka	4,384	52,112	2.40
Guillermo Le Fort	Argentina	21,421		
(Chile)	Bolivia	1,965		
A. Guillermo Zoccali	Chile	8,811		
(Argentina)	Paraguay	1,249		
	Peru	6,634		
	Uruguay	3,315	43,395	2.00

Director *Alternate*	Casting Votes of	Votes by Country	Total Votes[1]	Percent of IMF Total[2]
Elected ***(continued)***				
Damian Ondo Mañe	Benin	869		
(Equatorial Guinea)	Burkina Faso	852		
Laurean W. Rutayisire	Cameroon	2,107		
(Rwanda)	Cape Verde	346		
	Central African Republic	807		
	Chad	810		
	Comoros	339		
	Congo, Democratic Republic of	5,580		
	Congo, Republic of	1,096		
	Côte d'Ivoire	3,502		
	Djibouti	409		
	Equatorial Guinea	576		
	Gabon	1,793		
	Guinea	1,321		
	Guinea-Bissau	392		
	Madagascar	1,472		
	Mali	1,183		
	Mauritania	894		
	Mauritius	1,266		
	Niger	908		
	Rwanda	1,051		
	São Tomé and Príncipe	324		
	Senegal	1,868		
	Togo	984	30,749	1.41
			2,171,658[3,4]	99.92[5]

[1]Voting power varies on certain matters pertaining to the General Department with use of the IMF's resources in that Department.

[2]Percentages of total votes of 2,173,313 in the General Department and the Special Drawing Rights Department.

[3]This total does not include the votes of Somalia, which did not participate in the 2000 and 2002 Regular Election of Executive Directors. The total votes of this member are 692—0.03 percent of those in the General Department and Special Drawing Rights Department.

[4]This total does not include the votes of Liberia, which was suspended effective March 5, 2003, pursuant to Article XXVI, Section 2 *(b)* of the Articles of Agreement. The total votes of this member are 963—0.04 percent of those in the General Department and Special Drawing Rights Department.

[5]This figure may differ from the sum of the percentages shown for individual Directors because of rounding.

APPENDIX VIII

Changes in Membership of the Executive Board

Changes in the membership of the Executive Board between May 1, 2002, and April 30, 2003, were as follows:

Fernando Varela (Spain) relinquished his duties as Executive Director for Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Spain, and Venezuela, effective June 30, 2002.

Hernán Oyarzábal (Venezuela), formerly Alternate Executive Director to Fernando Varela (Spain), was elected Executive Director by Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Spain, and Venezuela, effective July 1, 2002.

Fernando Varela (Spain) was appointed Alternate Executive Director to Hernán Oyarzábal (Venezuela), effective July 1, 2002.

Vijay L. Kelkar (India) relinquished his duties as Executive Director for Bangladesh, Bhutan, India, and Sri Lanka, effective July 31, 2002.

Roberto Junguito (Colombia) relinquished his duties as Alternate Executive Director to Murilo Portugal (Brazil), effective July 31, 2002.

Yaga V. Reddy (India) was elected Executive Director by Bangladesh, Bhutan, India, and Sri Lanka on August 1, 2002.

Roberto Steiner (Colombia) was appointed Alternate Executive Director to Murilo Portugal (Brazil), effective August 26, 2002.

Ahmed Saleh Alosaimi (Saudi Arabia) relinquished his duties as Alternate Executive Director to Sulaiman Al-Turki (Saudi Arabia), effective September 12, 2002.

Abdallah S. Alazzaz (Saudi Arabia) was appointed Alternate Executive Director to Sulaiman Al-Turki (Saudi Arabia), effective September 13, 2002.

Alexandre Barro Chambrier (Gabon) completed his term of service as Executive Director for Benin, Burkina Faso, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Democratic Republic of the Congo, Republic of Congo, Côte d'Ivoire, Djibouti, Equatorial Guinea, Gabon, Guinea, Guinea-Bissau, Madagascar, Mali, Mauritania, Mauritius, Niger, Rwanda, São Tomé and Príncipe, Senegal, and Togo, effective October 31, 2002.

Mohamad B. Chatah (Lebanon) relinquished his duties as Alternate Executive Director to A. Shakour Shaalan (Egypt), effective October 31, 2002.

Roberto Cippà (Switzerland) completed his term of service as Executive Director for Azerbaijan, Kyrgyz Republic, Poland, Serbia and Montenegro, Switzerland, Tajikistan, Turkmenistan, and Uzbekistan, effective October 31, 2002.

Dono Iskander Djojosubroto (Indonesia) completed his term of service as Executive Director for Brunei Darussalam, Cambodia, Fiji, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Nepal, Singapore, Thailand, Tonga, and Vietnam, effective October 31, 2002.

Kwok Mun Low (Singapore) relinquished his duties as Alternate Executive Director to Dono Iskander Djojosubroto (Indonesia), effective October 31, 2002.

Cyrus Rustomjee (South Africa) completed his term of service as Executive Director for Angola, Botswana, Burundi, Eritrea, Ethiopia, The Gambia, Kenya, Lesotho, Liberia, Malawi, Mozambique, Namibia, Nigeria, Sierra Leone, South Africa, Sudan, Swaziland, Tanzania, Uganda, Zambia, and Zimbabwe, effective October 31, 2002.

Fernando Varela (Spain) relinquished his duties as Alternate Executive Director to Hernán Oyarzábal (Venezuela), effective October 31, 2002.

A. Guillermo Zoccali (Argentina) completed his term of service as Executive Director for Argentina, Bolivia, Chile, Paraguay, Peru, and Uruguay, effective October 31, 2002.

Sulaiman Al-Turki (Saudi Arabia) was reelected Executive Director by Saudi Arabia, effective November 1, 2002.

Ian E. Bennett (Canada) was reelected Executive Director by Antigua and Barbuda, The Bahamas, Barbados, Belize, Canada, Dominica, Grenada, Ireland, Jamaica, St. Kitts and St. Nevis, St. Lucia, and St. Vincent and the Grenadines, effective November 1, 2002.

Mario Beauregard (Mexico) was appointed Alternate Executive Director to Hernán Oyarzábal (Venezuela), effective November 1, 2002.

Michael J. Callaghan (Australia) was reelected Executive Director by Australia, Kiribati, Korea, Marshall Islands, Federated States of Micronesia, Mongolia, New Zealand, Palau, Papua New Guinea, Philippines, Samoa, Seychelles, Solomon Islands, and Vanuatu, effective November 1, 2002.

Willy Kiekens (Belgium) was reelected Executive Director by Austria, Belarus, Belgium, Czech Republic, Hungary, Kazakhstan, Luxembourg, Slovak Republic, Slovenia, and Turkey, effective November 1, 2002.

Oláfur Ísleifsson (Iceland) was reelected Executive Director by Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway, and Sweden, effective November 1, 2002.

Sri Mulyani Indrawati (Indonesia) was elected Executive Director by Brunei Darussalam, Cambodia, Fiji, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Nepal, Singapore, Thailand, Tonga, and Vietnam, effective November 1, 2002.

Ismail Alowi (Malaysia) was appointed Alternate Executive Director to Sri Mulyani Indrawati (Indonesia), effective November 1, 2002.

Guillermo Le Fort (Chile), formerly Alternate Executive Director to A. Guillermo Zoccali (Argentina), was elected Executive Director by Argentina, Bolivia, Chile, Paraguay, Peru, and Uruguay, effective November 1, 2002.

Abbas Mirakhor (Islamic Republic of Iran) was reelected Executive Director by Algeria, Ghana, Islamic Republic of Iran, Morocco, Pakistan, and Tunisia, effective November 1, 2002.

Aleksei V. Mozhin (Russia) was reelected Executive Director by Russia, effective November 1, 2002.

Damian Ondo Mañe (Equatorial Guinea), formerly Alternate Executive Director to Alexandre Barro Chambrier (Gabon), was elected Executive Director by Benin, Burkina Faso, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Democratic Republic of the Congo, Republic of Congo, Côte d'Ivoire, Djibouti, Equatorial Guinea, Gabon, Guinea, Guinea-Bissau, Madagascar, Mali, Mauritania, Mauritius, Niger, Rwanda, São Tomé and Príncipe, Senegal, and Togo, effective November 1, 2002.

Hernán Oyarzábal (Venezuela) was elected Executive Director by Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Spain, and Venezuela, effective November 1, 2002.

Pier Carlo Padoan (Italy) was reelected Executive Director by Albania, Greece, Italy, Malta, Portugal, San Marino, and Timor-Leste, effective November 1, 2002.

Murilo Portugal (Brazil) was reelected Executive Director by Brazil, Colombia, Dominican Republic, Ecuador, Guyana, Haiti, Panama, Suriname, and Trinidad and Tobago, effective November 1, 2002.

Yaga V. Reddy (India) was reelected Executive Director by Bangladesh, Bhutan, India, and Sri Lanka, effective November 1, 2002.

Laurean Rutayisire (Rwanda) was appointed Alternate Executive Director to Damian Ondo Mañe (Equatorial Guinea), effective November 1, 2002.

A. Shakour Shaalan (Egypt) was reelected Executive Director by Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Maldives, Oman, Qatar, Syrian Arab Republic, United Arab Emirates, and Yemen, effective November 1, 2002.

Ismaila Usman (Nigeria), formerly Alternate Executive Director to Cyrus Rustomjee (South Africa), was elected Executive Director by Angola, Botswana, Burundi, Eritrea, Ethiopia, The Gambia, Kenya, Lesotho, Liberia, Malawi, Mozambique, Namibia, Nigeria, Sierra Leone, South Africa, Sudan, Swaziland, Tanzania, Uganda, Zambia, and Zimbabwe, effective November 1, 2002.

WEI Benhua (China) was reelected Executive Director by China, effective November 1, 2002.

J. de Beaufort Wijnholds (Netherlands) was reelected Executive Director by Armenia, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Georgia, Israel, former Yugoslav Republic of Macedonia, Moldova, Netherlands, Romania, and Ukraine, effective November 1, 2002.

Fritz Zurbrügg (Switzerland) was elected Executive Director by Azerbaijan, Kyrgyz Republic, Poland, Serbia and Montenegro, Switzerland, Tajikistan, Turkmenistan, and Uzbekistan, effective November 1, 2002.

A. Guillermo Zoccali (Argentina) was appointed Alternate Executive Director to Guillermo Le Fort (Chile), effective November 1, 2002.

Peter J. Ngumbullu (Tanzania) was appointed Alternate Executive Director to Ismaila Usman (Nigeria), effective November 4, 2002.

Nancy P. Jacklin (United States) was appointed Executive Director by the United States on December 4, 2002.

Oussama T. Kanaan (Jordan) was appointed Alternate Executive Director to A. Shakour Shaalan, effective January 7, 2003.

J. de Beaufort Wijnholds (Netherlands) relinquished his duties as Executive Director for Armenia, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Georgia, Israel, former Yugoslav Republic of Macedonia, Moldova, Netherlands, Romania, and Ukraine, effective January 14, 2003.

Jeroen Kremers (Netherlands) was elected Executive Director by Armenia, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Georgia, Israel, former Yugoslav Republic of Macedonia, Moldova, Netherlands, Romania, and Ukraine, effective January 15, 2003.

Oláfur Ísleifsson (Iceland) relinquished his duties as Executive Director for Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway, and Sweden, effective January 15, 2003.

Vilhjálmur Egilsson (Iceland) was elected Executive Director by Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway, and Sweden, effective January 16, 2003.

Diwa Guinigundo (Philippines) relinquished his duties as Alternate Executive Director to Michael J. Callaghan (Australia), effective March 2, 2003.

Michael H. Reddell (New Zealand) was appointed Alternate Executive Director to Michael J. Callaghan (Australia), effective March 3, 2003.

Hernán Oyarzábal (Venezuela) relinquished his duties as Executive Director for Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Spain, and Venezuela, effective April 30, 2003.