



INTERNATIONAL MONETARY FUND

EXTERNAL  
RELATIONS  
DEPARTMENT

## European Department Advisory Group Meeting

Paris, July 29, 2010

[66 avenue d'Iéna, 75116]

### Agenda for Discussions

**9:30 a.m. Coffee and introductions**

**10:00 a.m. to 12:00 p.m. European economic issues**

Helge Berger (Deputy Division Chief, Euro Area and EU Policies Division) will survey the Fund's views of the policy agenda for the region, setting the stage for a give and take with the advisory group. For the *euro area*, the slow recovery and recent turbulence call for still-flexible monetary policy, well-considered fiscal consolidation, and rapid banking repair following the CEBS stress tests. Addressing the outstanding governance issues is just as urgent. Efforts underway to improve the policy underpinnings of the single financial market and to strengthen fiscal responsibility must be completed. And a more stringent coordination of structural policies will be crucial to sustain and balance growth in the region. *Emerging Europe* will have to strengthen its fiscal institutions to avoid contagion from peripheral euro area troubles and deal with home grown vulnerabilities. Further improving the financial stability framework will require coordination across all of Europe.

**12:30 p.m: Lunch, (Hotel Vernet, 25 Rue Vernet, 75008)**

At the lunch, which will be attended by IMF Managing Director Dominique Strauss-Kahn, there will be an opportunity for an **informal exchange of views on the current crisis**, centered around recent developments and seeking members' views as to things the Fund could do better.

**2:30 p.m. to 4:00 p.m. IMF Mandate**

Chris Jarvis (Division Chief, Eastern Europe Division) will make a presentation on proposals to change the **IMF's mandate**, which are currently under discussion by our Executive Board. Issues for discussion will include *IMF surveillance*: whether it would be useful for the IMF to establish a clearer, and possibly different mandate for surveillance of the global economy, and how the IMF could improve its monitoring of individual countries' economies, including the usefulness of separate reports on the spillover effects of a country's policies on the international financial system; *IMF lending policies*: including whether the IMF needs new instruments to handle systemic countries, and the role of IMF conditionality; and *IMF governance*: whether the IMF needs a new high-level governing body and what other reforms of the way the IMF does business should accompany ongoing work on reform of IMF quotas.

**4:00 p.m. to 5:00 p.m. Discussion of how the IMF could improve communication of its key messages to Europe.**

**5:00 p.m. Conclusion of meeting**