

Statement by the First Deputy Managing Director

on Review of the Fund's Transparency Policy

December 2, 2009

1. The informal Board meeting of November 16 provided a good opportunity to exchange preliminary views on staff's proposals for reforms of the Fund's Transparency and Archives Policies. A range of views were expressed, as well as several helpful suggestions to help build consensus regarding the way forward.
2. The staff proposals should be viewed in the context of the enormous progress on transparency accomplished over the past decade. The Fund has transformed itself from a rather secretive institution into one where increased transparency and openness have bolstered effectiveness. This transformation has responded to a global shift in attitude toward transparency: institutions such as the Fund are expected to be as open as possible. Thus, increasing the Fund's transparency will enhance the institution's ability to fulfill its responsibilities.
3. At the same time, Fund members' views differ on how transparency influences the Fund's effectiveness in their countries. This is why voluntary publication will remain an essential pillar of the Fund's policy.
4. While Directors expressed significant support for the reforms proposed in the staff paper, some legitimate concerns were voiced. Specifically, concerns were expressed regarding two proposals: that members who do not consent to publication provide an explanation to the Board, and that the current disclaimer on deletions be included only for those reports that actually have deletions. As these reforms do not enjoy broad support, I propose that they be dropped.
5. Concern also was expressed over the proposed shift to publication on a non-objection basis for country documents. Lest there be any confusion, publication would continue to be voluntary under the revised policy and would take place only with the member's consent. Members accepting publication would not need to take any action at all. Those certain they do *not* want to publish would indicate this and their report would not be published. Members needing more time to decide would indicate this by the time of the Board meeting, and their report still could be published at a later stage. Already there is a provision in the Transparency Decision that members are expected, though not required, to indicate their position on publication within 30 days of the relevant Board meeting, and I propose that such an expectation continue to apply to members who choose the latter option. Unless we are able to publish our reports in a timely manner, the Fund's analysis and advice will become dated and irrelevant.
6. On this basis, I look forward to a constructive Board discussion before we move to concrete decisions on a package of reforms that I hope will enhance the Fund's status as an open and transparent institution.