

SUGGESTED TOPICS FOR BY-LAWS OF THE INTERNATIONAL MONETARY FUND

I. Organization

1. Location of main office and agencies or branch offices (Article XIII, Section 1).- The by-laws should designate in what city in the United States the head office is to be located and should also specify in what foreign cities agencies and branches are to be established.
2. Meetings of the Board of Governors (Article XII, Section 2-c).- The date for the regular annual meeting of the Board of Governors and the procedure for designating the place of meeting are matters customarily determined in by-laws. In addition, the by-laws should establish the machinery for calling additional meetings by the Board or by the Executive Directors and for the notification of members. The election of a chairman and a secretary for the annual meetings of the Board of Governors and the submission for approval of the annual report of the Fund should also be provided for in the by-laws.
3. Records of meetings.- True copies of the organization papers of the Fund, the records of all regular and special meetings of the Board of Governors, attested records of votes, and the annual report of the Executive Directors should all be called the Official Records of the International Monetary Fund. The verification, accessibility, and safe-keeping of these records should be provided for in by-laws.
4. Traveling expenses of members of the Board of Governors (Article XII, Section 2-c).- Regular procedure for reimbursing the Governors for traveling expenses by the Treasurer of the Fund should be prescribed.
5. Remuneration to be paid to Executive Directors and Managing Director (Article XII, Section 2-i).- The by-laws might either provide maximum salaries or establish a comparative basis for determining salaries or set a definite sum for salaries of the Executive Directors and Managing Director.

6. Functioning of the Executive Directors (Article XII, Section 2-i and Section 3).

The by-laws as adopted by the Board of Governors should:

- (1) Determine certain qualifications to be required of the Managing Director to be chosen by the Executive Directors;
- (2) set forth in detail the "terms of contract of service of the Managing Director;"
- (3) provide the detailed machinery for the election of the Managing Director;
- (4) establish the procedure by which meetings of the Executive Directors are called by the Managing Director;
- (5) provide for the selection by the Executive Directors of such additional executive officers of the Fund as may be necessary to assist the Managing Director (Treasurer, etc.);
- (6) enumerate certain standing committees to be appointed by the Executive Directors and prescribe the qualifications and possible geographic distribution of the membership of the committees.
- (7) Operating staff of the Fund (Article XII, Section 4-b, -c, and -d).- The "general control" of the Executive Directors over the organization of the staff of the Fund should be made specific. The obligation on the part of the Managing Director and the staff toward the Fund should also be made more specific and should carry provision for disciplinary measures. Rules for the selection of the staff of the Fund could be set up, including possible provision for an international civil service register.

II. Exercise of Powers

1. Powers retained by the Board of Governors.- Several of the powers specifically retained by the Board of Governors (Article XII, Section 2-b) may require amplification in the by-laws. Example#: Conditions for admission of new members; establishment of machinery for cooperation with other international organizations; conditions regarding suspension of membership and appeals.

2. Powers delegated to the Executive Directors.- Except as specifically barred from doing so, the Board of Governors may delegate any of its powers to the Executive Directors. The work of the Fund would be facilitated from the beginning if a detailed positive delegation of powers could be made in the by-laws. Examples of subjects for such delegation might be: The obtaining of information from members (Article VIII, Section 5); issuance of reports on exchange restrictions during the transitional period (Article XIV, Section 4); determination of certain charges levied by the Fund (Article V, Section 8-a and -b); determination of margins above and below par for transactions in gold by members (Article IV, Section 2).