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File title & dates:	African Department, 1990
Doc. title & dates:	Organizational Chart for the African Department with Country Desk Assignments, July - September, 1990

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Box number:	259 (A25649-259)
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ADLIB ref. number:	593251
File title & dates:	African Department, 1990
Doc. title & dates:	Memorandum on African Department Staff Assignments, August-September 1987

INTERNATIONAL MONETARY FUND

RUSSO, Massimo
ROOM 9-120

0411

PRESS RELEASE NO. 88/38

FOR IMMEDIATE RELEASE
November 10, 1988

Mamoudou Touré, a national of Senegal, has been appointed Counsellor and Director of the International Monetary Fund's African Department. Mr. Touré succeeds Alassane D. Ouattara of Côte d'Ivoire, who was appointed Governor of the Central Bank of West African States.

Mr. Touré, 60, was Minister of Economy and Finance of Senegal from 1983 through April 1988; this followed a period from 1981 when he was Minister of Planning and Cooperation, with responsibility for Economy and Finance added to his portfolio in 1982. Mr. Touré headed the Fund's African Department from 1967 until 1976, before he was called to serve as Special Advisor to the President of Senegal.

External Relations Department • Washington, D.C. 20431 • Telephone 202-623-7100

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Processed: October 28, 1988 14:15 Sender: BCEAO SIEGE B.P. No. 3108 Dakar (Senegal)	

INCOMING MESSAGE

21530 BECEAO SG

TELEX NR 20823 DAKAR LE 28.10.198?
A L'ATTENTION DE M. MICHEL CAMDESSU
DIRECTEUR GENERAL DU FMI

COPIE A M. ERB DIRECTEUR GENERAL ADJOINT

JE VOUS REMERCIE POUR VOTRE ACCORD INTERVENU SUITE AU MESSAGE DE SON EXCELLENCE MONSIEUR FELIX HOUPHOUET BOIGNY, PRESIDENT DE LA REPUBLIQUE DE COTE D'IVOIRE AINSI QU'A L/ENTRETIEN QUE VOUS AVEZ EU AVEC MONSIEUR ALASSANE OUATTARA LE JEUDI 28 OCTOBRE 1988 A PARIS.

J'AI L'HONNEUR DE PORTER A VOTRE CONNAISSANCE QUE, LE CONSEIL DES MINISTRES DE L'UNION MONETAIRE OEST AFRICAINE REUNI CE JOUR A DAKAR A, CONFORMEMENT AUX DISPOSITIONS DE L'ARTICLE 41 DES STATUTS DE LA BANQUE CENTRALE DES ETATS DEL'AFRIQUE DE L'OUEST, PROCEDE A LA NOMINATION DE MONSIEUR ALASSANE D. OUATTARA AUX FONCTIONS DE GOUVERNEUR.

HAUTE CONSIDERATION

ABDOULAYE KONE
PRESIDENT DU CONSEIL DES MINISTRES DE L'UMOA
MINISTRE DEL'ECONOMIE ET DES FINANCES DE LA
REPUBLIQUE DE COTE D'IVOIRE

ABG

64111 IMF UW
21530 BECEAO SG

INTERNATIONAL MONETARY FUND

9/11/87

Mr. Beza
Mr. Narvekar
Mr. Russo
Mr. Shaalan

Further to our meeting of yesterday, please find attached the African Department's Staff Assignments.

Best regards,
A. Ouattara

A. D. Ouattara

Office Memorandum

TO: All staff members,
African Department

DATE: August 27, 1987

FROM: A.D. Ouattara

SUBJECT: Staff Assignments

As a result of personnel changes affecting the African Department that were announced recently to the Executive Board by Management, it has become necessary to reassign senior staff members in the Immediate Office. The new assignments, which will become effective September 1, 1987, are shown in Attachment I. The staffing of the divisions, which reflects the results of the mobility exercise and recent staff recruitment, are contained in Attachment II. These assignments are being made within the framework of the organizational structure described in my memorandum of February 15, 1985 on the reorganization of the department, which also contains the operational guidelines and the job descriptions of all professional staff positions in the department. I would advise members of the department to review that memorandum carefully for a more efficient implementation.

Apart from the assignments relating to the two operational groups, I have decided to change assignments relating to the coordination of the department's contribution to Fund-wide policy issues. This function will now be centralized under a Senior Advisor who will be responsible to the Director for the quality, consistency, and timeliness of the department's comments on the Fund-wide policy issues listed in Attachment III. In the exercise of this function the Senior Advisor may request staff to be assigned to him on an ad hoc basis to assist in drafting departmental comments. To ensure that the comments take full account of the operational experiences in the field, the Senior Advisor will consult closely with the heads of the two operational groups in these matters.

Comments on administrative policy issues will be coordinated by the Deputy Director responsible for administrative matters. The Assistant to the Director will be responsible for the coordination of specific issues as indicated in Attachment III.

ATTACHMENT I

Organizational Chart for the African Department
(Effective September 1, 1987)

Director
Mr. Ouattara

Deputy Directors
Mr. Bhatia
Mr. Goreux

Senior Advisor
Mr. Williams

Advisors
Mr. Kratz
Mr. Keyes

Special Assistant to Director
Mr. Kuhn

Group I Countries

Deputy Director (designate): Mr. Bornemann
Alternate: Mr. Artus
Advisor: Mr. Edo

Research Assistant: Mr. Tyaba

Administrative and Personnel Matters, Including Mission Schedule

Deputy Director: Mr. Gondwe

Administrative Officer: Mrs. Bauer
Administrative Assistant: Mrs. Uston
Editorial Officer: Mrs. Buggs

Support Staff

Group II Countries

Deputy Director (designate): Mr. Calamitsis
Alternate: Mr. Dhonte
Advisor: Mr. Donovan

Research Assistant: Ms. WoldeMariam

Group I Divisions

East Division	Mideast Division	North Division	South Central Division	Southeast Division
Mr. Jiménez	Mr. Edo (Acting)	Mr. François	Mr. Acquah	Mr. Abu-zobaa
Mr. Ballali	Mr. Diogo	Mr. Sacerdoti	Mr. Callender	Mr. Kimaro (Acting)
Djibouti Ethiopia Kenya Somalia	Burundi Malawi Rwanda Tanzania Uganda	Algeria Mauritania Morocco Tunisia	Botswana Lesotho Swaziland Zambia Zimbabwe (Namibia)	Comoros Madagascar Mauritius Mozambique Seychelles

Group II Divisions

Equatorial Division	Midwest Division	North Central Division	Northwest Division	Southwest Division
Mr. Taplin	Mr. Carstens	Mr. Nsouli	Mr. Enweze	Mr. Allen
Mr. Fiator (Acting)	Mr. Kapur	Mr. Cronquist	Mr. Rothman	Mr. McLoughlin
C.A.R. Congo Gabon Zaire (Angola)	Benin Côte d'Ivoire Ghana Togo	Burkina Faso Guinea-Bissau Mali Niger Senegal	Cape Verde Gambia, The Guinea Liberia Sierra Leone	Cameroon Chad Equatorial Guinea Nigeria Sao Tomé & Principe

ATTACHMENT II

AFRICAN DEPARTMENT

Staffing of Divisions

(Effective September 1, 1987)

	Group I					Group II				
	East	Mideast	North	South Central	Southeast	Equatorial	Midwest	North Central	Northwest	Southwest
Divisions Chiefs	Jiménez	Edo (Ag.)	François	Acquah	Abu-zobaa	Taplin	Carstens	Nsouli	Enweze	Allen
Assistant Chiefs	Ballali	Diogo	Sacerdoti	Callender			Kapur	Cronquist	Rothman	McLoughlin
Senior Econ. II		Sharer		Taha (SCF)						
Acting Asst. Chiefs					Kimaro	Fiator				
Desk Officers										
Senior Econ. I	Buu Hoan Scheuer Oloyede	Simpson	Franks Petersen	Wilson Morrison	Niebling Kakoza Abdi	McCarthy Gilman	Valdivieso van Til Jbili	Doizé	Martey Duran	Gibson Schneider
Economists	Calika Futamura	Greene Ndoye Dicks-Mireaux Devaux Tas (SCF)	Marciniak Fassassi Khallouf	Muzondo Kinyua Young	Clément Nord	Bourhane N'guiamba van der Mensbrugghe	Fisher Andely	Daumont Ebrahim-zadeh Brou Enders de Zamaroczy	Damon Dublin Gunjal	Briffaux Dahl Harnack Ames
EP Positions	Rumbaugh	—			Miranda	Delbecque	Mylonas	Mathieu		Trines
Secretaries	Heflin Fundafunda	Orraca-Tetteh Nairn	Dowsett Guyon	Sucharov Bright	Elwell Canizares	Duane Quartey	de Korver Linares	Cheng El Ouardighi	Selassie Vacant	Smith Hebron

ATTACHMENT III

Organization of the African Department Assignments on Policy and other Issues

Policy issues

Mr. Williams (Alternates: Mr. Kratz, Mr. Keyes)

Bank/Fund collaboration
Article IV consultation matters
Surveillance issues
Use of Fund resources
Exchange rate issues
Debt issues
International banking and capital markets
SDR allocation and related matters
World Economic Outlook
Annual Report
Other related issues

Specific issues

Mr. Kuhn

Currency budget and designation plans
Notes on problem countries
Annual Meeting papers
Cooperation with UN specialized agencies
Cooperation with other international and regional organizations

INTERNATIONAL MONETARY FUND

WHITTOME, L.A.

ROOM 9-120 11

PRESS RELEASE NO. 87/10

FOR IMMEDIATE RELEASE
May 7, 1987

Alassane Ouattara, the Director of the African Department, has also been appointed Counsellor of the International Monetary Fund. At present, four officers of the Fund hold the rank of Counsellor.

Mr. Ouattara, 45, who is a national of Burkina Faso, has been educated at the University of Pennsylvania, and served in the Fund's African Department from 1968 to 1973 before joining the Central Bank for West African States (BCEAO), where he held various senior positions, including, from January 1983 through October 1984, the position of Vice Governor. In November 1984, Mr. Ouattara rejoined the staff of the Fund as the Director of the African Department.

External Relations Department • Washington, D.C. 20431 • Telephone 202-623-7100

WHITTOME, L.A.
ROOM 9-120 01

July 23, 1985

SECRETARY'S CIRCULAR NO. 85/92

To: Members of the Executive Board

From: The Secretary

Subject: Report on the Symposium on Africa and the IMF

There is attached for the information of the Executive Directors a report on the symposium co-sponsored by the Fund and the Association of African Central Banks (AACB), held in Nairobi, Kenya, May 13-15, 1985.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

Report on the Symposium on Africa and the IMF
Nairobi, Kenya, May 13-15, 1985

Prepared by the External Relations Department

Approved by A. F. Mohammed

July 19, 1985

1. Introduction

In February 1984, the Association of African Central Banks (AACB) requested the Fund to jointly organize a symposium on the subject of "Africa and the International Monetary Fund." The request was based on a decision to this effect adopted by the Governors at their Eighth General Assemby held in Arusha, Tanzania, in August 1983. The symposium was intended for central bank governors or their immediate deputies, focusing on policy questions rather than on the technical aspects of the issues facing Africa and the IMF. The Managing Director directed the Fund's External Relations Department to organize the symposium jointly with the Association, as the eleventh in the EXR seminar series.

2. Participants

Twenty-eight Governors or their immediate deputies attended together with nearly fifty of their associates (list of participants, Attachment I). Six non-officials were jointly invited, including Prof. Gerald K. Helleiner, University of Toronto, who served as Moderator, Prof. John Loxley, University of Manitoba, who presented a paper, and four non-African experts, Roger Lawrence, Carlos Massad, M. Narasimham, and John Williamson, who took part in a panel discussion on the final day of the symposium. Three Fund Executive Directors, Messrs. A. Alfidja, E. Mtei and G. Salehkhou, attended as did five IMF and one World Bank staff members.1/ Observers from the African Development Bank, the Economic Commission for Africa and the Organization of African Unity were present. Local diplomats and heads of financial institutions and senior members of the Kenyan Civil Service as well as the press were invited to the opening ceremonies. Participants were received by his Excellency, the President of the Republic of Kenya at State House in Nairobi.

1/ Messrs. Ouattara and Mohammed, Brau, Jimenez, and Abushadi from the Fund and Mr. L. de Azcarate from the World Bank staff.

3. Proceedings

The symposium started with a public session devoted to statements by Philip Ndegwa, Governor of the Central Bank of Kenya, Charles Nyirabu, Governor of the Bank of Tanzania and Chairman of the Association of African Central Banks, and George Saitoti, Minister of Finance and Planning of Kenya. The Deputy Managing Director delivered the keynote address (Attachment II). This was followed by the working sessions which included a panel discussion, and the summing up by the Moderator. Six papers were presented, two sponsored by the Association of African Central Banks, two by Fund staff, one by World Bank staff, and one by an academician (symposium program, Attachment III).

Governors participated actively in the discussions, drawing on their recent experience of dealing with the Fund. While there was little dispute that past domestic policies had contributed to present difficulties, there were many references to these having been severely aggravated by unfavorable external factors beyond the control of African countries. There was widespread recognition that adjustment must be undertaken in an environment in which resources for Africa will be even more constrained than in the past. The re-establishment of correct incentives, supported and protected by adequate demand management policies, was generally viewed as a critical element in the needed adjustment. Supply responses, however, would only be sustained if supported by timely and adequate external support. There was a broad-based conviction that the adjustment process lacked symmetry and that the assistance received, including that provided by the Bank and the Fund, fell considerably short of requirements. In addition, many Governors supported the view that the speed of adjustment envisaged in Fund-supported programs was much too rapid, given the structural character of many aspects of the present crisis.

There were numerous calls for additional resource flows from the Fund with most Governors focusing on the question of the actual access provided within the existing limits. In that connection, the staff explained the policies governing access and pointed to the substantial net financing provided in the 1980-83 period (approximately SDR 4.6 billion) when African countries were faced with the sharpest decline in export markets because of the international recession. Also indicated was the necessity to husband access if the Fund was going to serve as a catalyst for the much longer adjustment periods that most Governors felt were called for in the African context.

Other ideas for larger flows included recycling of the Trust Fund in the context of a special Fund facility for Sub-Saharan Africa, the possibility that the IMF might provide a subsidy on its lending to African countries, and the exploration of techniques for accepting payment of charges in a member's own currency. Governors also repeated the case for an SDR allocation, the need to ameliorate the conditionality of the compensatory financing facility and to use the extended Fund facility. They contrasted the current situation with that which existed in the early 1970s when a series of innovations included the creation of the Trust Fund, the Oil Facilities, and the extended Fund facility.

Several participants argued that Fund-supported programs suffered from important design shortcomings. Programs largely concentrated on constraining domestic demand, and required reductions in domestic absorption and imports that proved counterproductive to the medium-term structural goals of achieving adjustment with growth. The period of adjustment as specified in programs was considered too short for low-income countries to allow for proper supply response, given the absence of adequate infrastructure. A few Governors disputed these views on the basis of experience with country programs, underlining the significant short-run supply response experienced following the re-establishment of adequate incentives. It was emphasized by the staff that the pace of adjustment is very much related to the availability of external financing, and that the "alternative stabilization approach" proposed by Prof. Loxley involved larger total external financing than was currently forthcoming. It was also pointed out that the faster the pace of adjustment in some important policy areas, the faster may be the response in economic growth.

Criticism was voiced that the Fund staff appeared to be insufficiently appreciative of the difficulties experienced by the technical policymakers in persuading higher political authority. Some Governors made the point that the Fund staff at times overestimated the management capacities of domestic institutions. Increased technical assistance to governments in implementing adjustment policies-- especially in the area of institution building--was deemed important, especially when difficult institutional changes were needed to make markets work more effectively. It was argued that the weak institutional structure in some countries made it necessary for the Fund to be flexible in responding to deviations from targeted performance under adjustment programs and there were several suggestions for contingencies to be built into the definition of performance criteria so as to obviate delays involved in obtaining waivers and modifications.

In the same vein, Fund negotiating missions were asked to present options to the authorities, which would achieve the same adjustment objectives. A general plea was made for greater flexibility in the timing of measures to take account of political considerations, where the basic need for the measures was not in dispute. The same sentiment was expressed with respect to the phasing of Fund disbursements with the observation that some adjustment measures may only work as intended if supported by sufficient front-loading of external resources.

There was a general sentiment that Fund staff missions were unduly tied to their briefs from headquarters. This contributed to the impression that the Fund staff had already made up their minds and were insufficiently receptive to the considerations advanced by local policymakers in such matters as the timing, phasing, and packaging of various adjustment measures. These, it was felt, were often matters of judgment and not of technical sophistication, which in any case was not lacking among the local technicians. It was explained by staff that discussions and negotiations were conducted at many levels and over extended periods of time, including in the context of Article IV discussions, and that all available options were explored and final program design and content was very much a matter of agreed diagnosis as well as prescription.

Governors did not take a position on the point made by some academic participants that the Fund become more directly concerned about the distributional aspects of program conditions and to design these conditions and assistance to ameliorate the impact on the poorest in African societies. Another point made by the academics was that while Fund prescriptions might be effective when applied to one country, the global consequences might be counterproductive if the same prescriptions were applied to a number of countries with similar structures. A final point made by them was the need for more independent investigation of the adjustment problems of low-income African countries and the Fund's role in them.

The climate of the discussions was, on the whole, constructive despite the rather pointed criticism voiced by some participants. It is proposed to publish the symposium papers and summary of the proceedings in English and French.

AFRICA AND THE INTERNATIONAL MONETARY FUND

Symposium Sponsored by the
Association of African Central Banks
and the
International Monetary Fund
hosted by the Central Bank of Kenya

Nairobi, Kenya
May 13-15, 1985

List of Participants, Authors, and Panelists

Participants

Central Bank of West African States (BCEAO)

Abdoulaye Fadiga	Governor
Charles Konan Banny	Director of Research

Bank of Central African States (BEAC)

Casimir Oye Mba	Governor
Maurice Moutsinga	Director of Operations and External Financial Relations
Maurice Dinamona	Editor, Central Services Research and Documentation

Botswana

Charles N. Kikonyogo	Governor, Bank of Botswana
Tsidi M. Tsikata	Principal Research Officer, Bank of Botswana

Burundi

A. Ntahonkiriye	Governor, Bank of the Republic of Burundi

G. Muranira	Fonde de pouvoir principal, Bank of the Republic of Burundi
E. Nibasumba	Fonde de pouvoir-adjoint, Bank of the Republic of Burundi
Egypt	
Aly Negm	Governor, Central Bank of Egypt
A.M. Aboul Saad	Sub-Governor, Central Bank of Egypt
Abu Bakr Abdel Ati	Central Bank of Egypt
Mamdouh Habsa	Central Bank of Egypt
Ethiopia	
Ato Tadesse Gebre-Kidan	Governor, National Bank of Ethiopia
The Gambia	
Alhaji Abdoulie A. Faal	General Manager, Central Bank of The Gambia
Ghana	
J.S. Addo	Governor, Bank of Ghana
Kodwo Bervell	Assistant Director of Research, Bank of Ghana
Guinea-Bissau	
Pedro A.G. Gomez	Governor, National Bank of Guinea-Bissau
Alfredo Rodrigues Silva	Director, National Bank of Guinea-Bissau

Kenya

Philip Ndegwa	Governor, Central Bank of Kenya
E.C. Kotut	Deputy Governor, Central Bank of Kenya

Lesotho

Stefan Schoenberg	Governor, Central Bank of Lesotho

Liberia

Thomas V. Hanson	Governor, National Bank of Liberia
Moses G. Tarbo	Special Assistant, National Bank of Liberia
Lawrence M. Yates	Economist, Bank of Liberia

Madagascar

R. Randriamaholy	Governor, Central Bank of Madagascar
Panoel Rakotovao	Director of Inspection, Central Bank of Madagascar
Emma Randreza	Assistant Manager, Research Department, Central Bank of Madagascar

Malawi

F.L. Mambiya	General Manager, Reserve Bank of Malawi
C.T. Mwalwanda	Director of Research and Statistics, Reserve Bank of Malawi
E.R. Goneka	Research Assistant, Reserve Bank of Malawi

Morocco	
Mohamed Tazi	Director General, Foreign Department, Bank of Morocco
Nigeria	
J.O. Sanusi	Executive Director, Bank of Nigeria
N.E. Ogbe	Director of Research, Bank of Nigeria
A. Oloyede	Principal Economist, Bank of Nigeria
Rwanda	
Augustin Ruzindana	Ag. Governor, National Bank of Rwanda
Seychelles	
B. Rassool	Assistant Director of Research, Central Bank of Seychelles
Sierra Leone	
J.T.S. Wright	Deputy Governor, Bank of Sierra Leone
Brimah Conteh	Secretary, Bank of Sierra Leone
Somalia	
Omar Ahmed Omar	Governor, Central Bank of Somalia
Osman H. Yusuf	Assistant Director General, Bank of Somalia
Sudan	
Mahdi Al-Faki	Ag. Governor, Bank of Sudan

Swaziland

H.B.B. Oliver	Governor, Central Bank of Swaziland
M.B. Samketi	Assistant General Manager, Central Bank of Swaziland

Tanzania

C.M. Nyirabu	Governor, Bank of Tanzania
D.J. Kamori	Director, Exchange Control, Bank of Tanzania
I.M. Rashidi	Director, Economic Research, Bank of Tanzania
A.J. Marwa	Multilateral Division, Bank of Tanzania
A. Msenga	Personal Assistant to the Governor, Bank of Tanzania
G. Mgonja	Research Manager, Bank of Tanzania
A. Shariff	Branch Manager, Bank of Tanzania
J.P. Kipokola	Chief Economist, Treasury

Tunisia

Moncef Belkhodja	Governor, Central Bank of Tunisia

Uganda

Leo Kibirango	Governor, Bank of Uganda
S.A. Obura	Deputy Director for Research, Bank of Uganda

Zaire

N'Sele Ekofo Anyenga	Deputy Governor, Bank of Zaire
Samba Mawakani	Director of Research, Bank of Zaire

Zambia

David Phiri	Governor, Bank of Zambia
M. Gondwe	Board Secretary, Bank of Zambia
M. Sakala	Deputy General Manager, Economic Research, Bank of Zambia
G. Mbulo	Economic Advisor, Bank of Zambia
Mrs. V. Chona	Director, Foreign Operations and Budgeting, Bank of Zambia
E. Mwila	Deputy Director, Economic Research, Bank of Zambia

Zimbabwe

Kombo Moyana	Governor, Reserve Bank of Zimbabwe

African Development Bank

Delphin Rwegasira	Economic Advisor
E. Sanvee	Resident Representative, Nairobi

African Center for Monetary Studies

A.B. Taylor	Director General
M.I. Mahmoud	Director of Training
J. Tedajo	Director of Research
J.H. Frimpong-Ansah	Monetary Consultant

Y. El Nil	Economist
S.M. Malleck Amode	Economist

IMF Executive Directors

Abderrahmane Alfidja	Executive Director
E.I.M. Mtei	Executive Director
Ghassem Salehkhou	Executive Director

Moderator

Gerald K. Helleiner	Professor of Economics, University of Toronto

Authors

Luis de Azcarate	Director, Country Policy Department, World Bank
Eduard Brau	Senior Advisor, Exchange and Trade Relations Department, IMF
John Loxley	Head of Department of Economics, University of Manitoba
Samba Mawakani	Director of Research, Bank of Zaire (on behalf of AACB)
Philip Ndegwa	Governor, Central Bank of Kenya
Alassane Ouattara	Director, African Department, IMF
J.O. Sanusi	Executive Director, Central Bank of Nigeria (on behalf of AACB)

Panelists

Abdoulaye Fadiga	Governor, Central Bank of West African States (BCEAO)
Ato Tadesse Gebre-Kidan	Governor, National Bank of Ethiopia
Roger Lawrence	Director, Money and Finance, UNCTAD
Carlos Massad	Professor of Economics, University of Santiago
Azizali F. Mohammed	Director, External Relations Department, IMF
M. Narasimham	Director, Administrative Staff College of India
John Williamson	Senior Fellow, Institute for International Economics

Discussants

Julio M. Jimenez	Chief, East African Division, IMF
Azizali F. Mohammed	Director, External Relations Department, IMF
Philip Ndegwa	Governor, Central Bank of Kenya
Charles M. Nyirabu	Governor, Bank of Tanzania
David Phiri	Governor, Bank of Zambia
Kombo Moyana	Governor, Reserve Bank of Zimbabwe

Observers

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J.W. Mumelo	Foreign Department, Central Bank of

C.L. Chanthunya	Senior Financial Expert, Trade, Monetary and Customs Division, Zambia
Z. Demissie	Director of Customs, Trade and Monetary Division, PTA, Zambia
A.C. Fenwick	Advisor, Research Department, Central Bank of Kenya
M.J.P. Kanga	Assistant Director of Research, Central Bank of Kenya
H. Karani	Senior Assistant Director of Research, Central Bank of Kenya
W.K. Kinyua	Senior Research Officer, Central Bank of Kenya
John J. Stremlau	Director, International Division Rockefeller Foundation

Symposium on Africa and the International Monetary Fund

Sponsored by the Association of African Central Banks
and the International Monetary Fund

Hosted by the Central Bank of Kenya

Nairobi, May 13-15, 1985

Opening Remarks

by Richard D. Erb
Deputy Managing Director
International Monetary Fund

Introduction

The International Monetary Fund is playing and will continue to play a major role in supporting the efforts of African members that are undertaking adjustment in a very difficult external environment. While much attention is usually accorded to the provision of financial assistance, the Fund is, in a larger sense, a collaborative institution that provides all members with opportunities to interact within the Fund in a number of important ways. Through their full participation in discussions in the Executive Board, the Interim and Development Committees, and the Joint Annual Meetings of the Fund and the Bank, the representatives of African states are able to contribute to the formulation of policies of the Fund in such areas as Fund surveillance, the conditionality assocaited with the use of Fund resources, and international liquidity, as well as broader questions on the working of the international monetary system. The African countries also are major participants in the Fund's technical assistance programs, both at headquarters and in the field. If the greater part of my remarks today addresses the Fund's financial activities in Africa, this is simply a recognition of the extraordinary balance of payments problems that so many African states are encountering and which the Fund is seeking to help alleviate within the framework of its monetary role in the international monetary system. I shall revert to the broader issues of Fund/member relations in the concluding part of my statement.

The Fund will maintain its financial assistance to its African members, and do so in cooperation with the World Bank, as long as these countries pursue their adjustment to the severe internal and external imbalances that have characterized so many of these countries since the start of the decade. Although the external environment has and will continue to have an important impact on the growth prospects in Africa, continued domestic policy reforms will be necessary to improve the domestic environment for economic growth and stronger external payments positions. There is no single economic formula for restoring growth and for strengthening the abilityof countries to attract non-debt-creating capital flows and to mobilize domestic savings to finance expansion, but experience has pointed to the important roles that fiscal, monetary, exchange rate, and pricing policies play in providing conditions conducive to economic growth. These are the major themes of my remarks to you today, and I hope they will set the scene for a successful and stimulating symposium.

External Environment

The global economic environment of the late 1970s and early 1980s had a major impact on the economies of African countries. The rise in the price of oil, accompanied by a marked decline in the export prices of products typically exported by the African countries, led to a deterioration in the terms of trade for most of these countries. In addition, a slowdown in industrial country growth led to a decline in demand for exports from Africa, and a sharp rise in international interest rates increased the cost of commercial capital to those countries that were borrowing in private markets. Even countries for whom the bulk of capital flows was from official sources saw a leveling off in these flows as the economic situation of official lenders worsened with the global recession.

Looking to the future, the external environment for achieving orderly adjustment and restoring conditions for growth in Africa is likely to be somewhat better. In the short term, according to our latest staff assessment, GDP for all of Africa is expected to increase by 3.5 percent in 1985 and by 3.7 percent in 1986. Growth in sub-Saharan Africa is projected to reach 2.9 percent per year in 1985 and 3.5 percent in 1986. Despite these improving prospects, however, the aggregate current account deficit for Africa will remain difficult to finance, narrowing to a projected $10.2 billion in 1985 and $9.3 billion in 1986. For sub-Saharan Africa this deficit is projected to be $8.3 billion in 1985 and $7.8 billion in 1986.

Projections beyond the near term are more difficult to make and subject to even greater uncertainties. The Fund's World Economic Outlook exercise provides a medium term baseline scenario for the 1987-90 period, based on assumptions regarding the policies "most likely" to be pursued by both developing and industrial countries. This baseline scenario anticipates an average rate of growth of slightly over 3 percent for the industrial countries over the period to 1990. For all indebted developing countries, GNP growth consistent with the underlying policy assumptions would average about 4.8 percent. For sub-Saharan Africa, the baseline scenario anticipates an average growth rate of 4.2 percent. Interest rates are expected to be somewhat lower in real terms than early in 1985. And non-oil commodity prices are expected to rise broadly in line with prices of manufactured goods exported by industrial countries.

The policies pursued by industrial countries will be especially important because their economic performance will determine the external environment within which developing countries' efforts to resume sustainable growth will take place. The industrial countries will be seeking to consolidate the recovery and to ensure that its benefits are more broadly shared. This will involve action with respect to a range of domestic policies, including a firm rejection of protectionism. Industrial countries--especially those of Europe--will have to work to reduce structural rigidities that have led to inefficiencies and reduced employment opportunities which, in turn, have nurtured protectionism. A tightening of trade restrictions could choke off the ability of indebted countries to earn the foreign exchange necessary to meet their external debt payments.

In addition, as called for by the Interim Committee at its meeting in Washington last month, industrial countries should be prepared to support the adjustment efforts of debtors by providing adequate flows of capital on realistic terms, and by a readiness to consider restructuring of existing debt. The Committee also urged industrial countries to consider resuming export credit cover for debtor nations making satisfactory progess with adjustment policies. Industrial countries are urged to continue to provide concessional resources, either directly or through the multilateral development banks. While commercial capital, including debt rescheduling, is important, increased official development assistance will have to play the major role in the economic recovery and growth of many low-income African countries.

Domestic Policy Requirements

Although the adverse external environment has contributed to the difficulties of many African countries, these adversities have also served to highlight certain internal rigidities and structural imbalances that had been allowed to grow for too many years. While not gainsaying the importance of the external environment, it also has to be recognized that the growth and balance of payments prospects of African countries depend fundamentally on the domestic policy course adopted in each country. In working with African countries in the context of Article IV consultations, requests for the use of Fund resources, and the furnishing of technical assistance, the Fund has gained considerable experience concerning the types of policies that are conducive to economic growth and external payments viability.

The key requirement for achieving growth on an enduring basis is domestic financial and price stability and the allocation of resources in an efficient and effective manner. Particularly where inflation has been endemic, action to reduce fiscal deficits and to control monetary expansion is essential. Special attention has to be accorded to keeping tight control over current public expenditures so that more resources can be directed to investment. A reduction in the claims of the general budget on the banking system releases resources for use by more productive sectors of the economy.

As for improving resource allocation, pricing policies are crucial. Many countries in Africa maintain extensive systems of price control and subsidies which might temporarily mask inflationary pressures but lead to misallocations. Low agricultural producer prices, for example, result in declining domestic availability of food grains and to a growing dependency on imports.

In the external sector, the price of foreign exchange is another key element in the adjustment process. An inappropriate exchange rate generates cost and price distortions that encourage consumption and uneconomic investment and reduce the profitability of export and import competing sectors. If exchange rates and interest rates are not allowed to respond to market conditions, domestic savings tend to flow abroad and savings of by nationals working in other countries tend to be retained abroad rather than repatriated. Similarly, restrictions on trade and competition create inefficient firms and sectors and tax the community for the benefit of favored groups.

Economic growth depends critically on the level of domestic capital formation, provided that investment is allocated efficiently. In this area, member countries can call on the expertise of the World Bank to help them design measures to strengthen and enhance their development prospects. This is just one way in which the Fund and the World Bank reinforce one another in best serving their members. The Fund's role is primarily to promote macroeconomic and broad pricing policies conducive to growth and balance of payments viability. The Bank's role is primarily to promote investment policies conducive to growth and to encourage better project design, evaluation, and implementation. Our experience has convinced us that a country's productive resources cannot be properly developed if payments difficulties are overriding and if incentives--such as appropriately-valued exchange rates--are inadequate. At the same time, achievement of a sustainable balance of payments position depends, among other things, on the efficient deployment of resources over time.

These then are the key policies that the Fund espouses, whether in the course of Article IV consultations or in the context of the use of its resources. Not only are these policies designed to mobilize larger domestic savings but they are also essential for attracting larger flows of resources from abroad on terms that are appropriate. Of course, these general policies must be carefully adapted to the situation of each case.

In advising countries on designing programs that can be supported by the Fund, the first step is to reach an understanding with the countries' officials on the problems causing the balance of payments difficulties, the measures needed to correct them, and the amount of total financing that may be available from donors and creditors. There is no "optimal" adjustment path that is the same for every country seeking to restore conditions for growth. Within the constraints of available financing each country must answer for itself the critical question regarding the optimal speed and pace of adjustment. Some countries may need, or choose, to undertake very rapid and sharp adjustment, in which a number of corrective measures are implemented simultaneously. Others may be able to phase in their measures more gradually, assuming that such an approach does not make a call upon external resources larger than can be mobilized, or even worse, discourage foreign sources of credit and development assistance from providing the resources required. In addition, a more gradual approach to policy adjustment may directly result in a lower domestic growth rate.

A number of countries of Africa have been successfully pursuing the types of policies that I have described. Their experiences with these policies will be discussed in detail during the course of this symposium, but I would like to take a moment to highlight some noteworthy cases. For example, the Central Bank of our host country--Kenya--has, through a series of increases in domestic interest rates, restored real interest rates to positive levels for the first time in recent years. Domestic saving as a percentage of GDP has exceeded the Government's target rate every year since 1980. In addition, a series of devaluations of the Kenyan shilling and a managed float of the currency since 1983 has helped increase Kenya's exports as a percentage of GDP from 13.7 percent in 1983 to 17.9 percent in 1984. Other examples include the Ivory Coast, where authorities have adopted a new interest rate policy aimed at making domestic financial investments competitive with similar investment abroad. And Mali, through adoption of important fiscal policy reforms, such as containment of public sector personnel expenditures through a wage freeze and increases in public enterprise prices and tariffs, succeeded in eliminating its deficit of consolidated Government operations. Needless to say, while the Fund has supported these types of measures, it is the officials of the countries who chose and implemented them. Any improvements in economic conditions that resulted must be credited to the perseverance and tenacity of these officials.

The Fund's Financial Activities in Africa

The Fund has played an active role in supporting the adjustment efforts of its African members in recent years. At the end of 1984, total obligations of African countries to the Fund subject to repurchase, including repayments to the Trust Fund, amounted to SDR 7.2 billion. Of this amount, SDR 1.5 billion was provided under the Fund's compensatory financing facility in response to shortfalls in African countries' export proceeds and to increases in cereal import costs. As of the end of April of this year, the Fund had 14 stand-by arrangements and one extended arrangement in effect with its African members, and two more stand-by arrangements--for Ivory Coast and Togo--are pending.

In addition to providing its own financial resources, the Fund has been a catalyst for mobilizing support from other external sources such as Paris Club official debt reschedulings and provision of new external finance. In 1984 seven African countries negotiated debt reschedulings under the auspices of the Paris Club for an estimated $1.9 billion in debt relief. In that year the Fund also attended consultative groups and donor conferences involving twelve African countries, where pledges were made for significant amounts of commodity and project assistance.

The Fund's resources are a revolving pool of funds that can be made available on a temporary basis to members experiencing balance of payments difficulties. This assistance is designed to enable countries to restore a viable external payments position in the medium term--that is, an external current account deficit that can be covered by normal capital inflows that are consistent with the debt servicing capacity of the economy. The resources of the Fund thus serve as a second line of reserves for its members, providing quick-disbursing financing, untied to projects or designated imports. Members draw on these "second-line" reserves to meet immediate financing needs while they implement corrective adjustment measures and work to attract other funds of a longer-term maturity that are designed to address their developmental needs. As these adjustment measures take effect, the need for exceptional financing from the Fund should recede and countries can start to rebuild their reserves as insurance against future, unforeseen crises. Part of this reserve rebuilding includes restoration of their "second-line" of reserves through repayment to the Fund. Any failure to do so undermines the institution's unique monetary role and makes it that much harder to obtain resources for the Fund itself. As central bankers you are well aware that claims on the Fund are treated as liquid reserves by creditors.

The role of the Fund in providing short-term, quick-disbursing financing can be seen by looking at the levels of Fund assistance during the difficult 1980-84 period, compared with multilateral development bank assistance, for example, which is longer-term, more project-oriented, and therefore not as quickly mobilized. Purchases from the Fund by African countries in 1981 and 1982--a period when the external environment was particularly harsh with high interest rates and a world recession--totaled SDR 1.9 billion and SDR 1.7 billion, respectively. This compares with World Bank disbursements of $1.0 billion in 1981 and $1.3 billion in 1982. By 1984, however, World Bank disbursements to Africa totaled $1.8 billion, while Fund purchases had declined to SDR 1.2 billion. This shift in the composition of flows to Africa reflects a transformation from immediate balance of payments requirements to longer-term, structural adjustment and development financing.

Finally, let me just take a moment to comment on the Fund's role in providing technical assistance to Africa. In 1984 the Fund provided $13.4 million in technical assistance to Africa, a 44 percent increase over the $9.3 million provided in 1980. In terms of experts, the Fund provided 62 man-years of assistance in 1984, compared with 47 man-years of expert assistance in 1980.

Policy Issues

Because its assistance is provided on a short term basis, the Fund has been perceived as expecting its members to adjust overnight. Although Fund assistance is disbursed against short term targets, these targets are established within a medium term framework of policy commitments. The Fund does not expect that a balance of payments turnaround will occur in one year, and the fact that many stand-by programs have a one-year duration simply reflects the fact that it is not feasible to devise policy commitments beyond one year. Additionally, the longer the time over which adjustment is spread, the larger must be the commitment of resources from abroad; the Fund and the member country can make meaningful projections only for a certain period ahead. Few authorities are willing or able to make policy commitments beyond one year ahead, given politial calendars, i.e., elections, the annual budget cycles of both the country and its donors, and the normal span of official debt reschedulings, etc.

Some members are concerned that the policy conditions imposed by the Fund are unduly harsh and have the effect of undermining their growth. I would suggest that conditionality is no more severe than it has to be to meet the essential medium-term objective of restoring growth and a viable external payments position, given the external resources members can obtain from the Fund and from other donors and creditors. In cases where a country has postponed adjustment too long, the adjustment measures may be implemented in circumstances that are socially and politically hard to bear, and may be disruptive to the economy. But the alternatives, in terms of further deterioration of economic conditions, are even more disruptive. For most countries implementing Fund-supported programs, the decline in growth rates occurred before they embarked on the program. The provision of financing by the Fund, both directly and indirectly through its catalytic effect, helps these countries to sustain much higher levels of imports and of activity than would be possible without the Fund's support.

The Fund is prepared to use its best efforts to adapt to country preferences as long as it can carry conviction with other suppliers of finance, and is itself convinced, that a comprehensive program is being embarked upon to rectify the underlying imbalances in the economy. In every case, considerable attention will continue to be paid to supply-oriented policies that are consistent with the development aspirations of African countries. Any adjustment that requires a compression of net domestic absorption will appear restrictive in the short term but can enhance growth prospects in the medium run. Decontrol of interest rates may result in an increase in domestic interest rates that, in the short term, leads to liquidity problems and even bankruptcy for some domestic companies. But in the medium term these interest rates will attract higher levels of domestic savings and support increased domestic investment. In addition, these interest rates will provide better signals for a more efficient allocation of investment and, together with higher levels of domestic capital formation contribute, to increased domestic output.

Finally, let me stress that policies of the character supported by the Fund are not temporary measures, to be abandoned once financial adjustment is achieved. Nor are they to be contrasted with policies aimed at development. On the contrary, they must be maintained and adapted to ever-changing conditions in the domestic and international environment if the momentum of growth is to be sustained.

Prospects

In coming years, the Fund hopes to continue to assist its members through its various facilities, provided that appropriate adjustment policies are followed, and to serve the catalytic function of inducing additional finance from official and private lenders. The Fund cannot project future use of its own resources based on a specified country-by-country lending program in the way a development financing institution can because it has no project pipeline and its funds disburse rapidly rather than being spread over a project cycle.

The decision to approach the Fund for help is a sovereign decision of the member and cannot be taken for granted. The Fund might itself be precluded from providing financial assistance by the emergence of arrears on payment of charges or on the discharge of repurchases on past transactions. However, on the basis of existing programs, plus those under active negotiation, it appears likely that net use of Fund credit by African countries--under credit tranche facilities--will continue to expand in 1985, although the use of Fund financial assistance by the African countries might be expected to stabilize somewhat in the years ahead. African countries will be making repurchases under the Fund's special facilitites in the next few years, but the net outcome will depend on whether conditions develop that warrant fresh purchases under these facilities.

For the Fund to remain strong and credible and able to help its African members, it must be assured of the adequacy of its resources. The Fund's liquidity position was substantially strengthened in 1984 when quotas were increased to SDR 89.2 billion from SDR 61.1 billion, and its permanent lines of credit enlarged following the revision of the General Arrangements to Borrow. In addition, special borrowing arrangements with some Fund members have increased the Fund's access to credit by SDR 7.5 billion. But the Fund's resources are limited, and in order to be able to stand ready to meet the requirements of all its member countries it must be assured of repurchases by member countries within the prescribed amount of time.

Collaboration with the Fund

Let me return now to other matters on which African members work with other countries within the framework of the Fund. As I mentioned earlier, there are a number of ways, in addition to the financial assistance that the Fund can provide, that the interests of African countries are served by their membership in the IMF. One of these is the process of consultation regarding economic and financial policies that every country undertakes in accordance with Article IV of the Fund's Articles of Agreement. These regular consultations are a key element of the Fund's surveillance process and provide an opportunity for African members, in particular those members not currently drawing on Fund resources, to analyze and discuss their domestic policies and to benefit from the assessment of the international community on their consistency with the objectives of growth and stability. And through the participation of their representatives in the Executive Board discussions, African members can express their views on the policies and actions of other Fund members, especially those that are important as markets for African exports or as suppliers of capital.

Also, through their participation in Board discussions, the African members contribute to the evolution of Fund policies. Two issues that have been keenly debated in the Board recently--IMF surveillance and the allocation of SDRs--exemplify the importance of these discussions. African members, in conjunction with a number of others from the developing world, have argued that there is a global need for liquidity that justifies an SDR allocation without delay. Other members have not been able to agree with this conclusion in part because they have difficulty in formulating the place of the SDR in a rapidly evolving structure of international liquidity. The debate is therefore broadening to take account of these more fundamental questions.

The issue of Fund surveillance has been subjected to a similar process of reflection. African members have joined others in stressing the need for the Fund to carry out its responsibilities in an even-handed way. Given that developments in the largest industrial countries have a very heavy impact on the rest of the world, they have argued the special importance of ensuring that surveillance be effective over those countries. In considering the modalities for making this process effective, African states must be prepared to reflect on their own attitudes towards the views expressed by the Fund when they are not under pressure of need to use Fund resources.

There is a final issue I want to mention--the issue of improvements in the working of the international monetary system. In recent years, emphasis has been given to the role that economic policies in member countries can play in improving the working of the international monetary system. For example, efforts to encourage greater convergence of underlying economic and financial conditions and policies are being intensified by looking at ways to promote a more effective surveillance process. Increasing attention is being given to the structural characteristics of financial and exchange markets to see if improvements in markets could result in smoother adjustments of exchange rates so as to contribute to maximizing trade and long-term investment opportunities. As stated in the recent Interim Committee communiqué, improvements in the international monetary system are currently under study and the Committee agreed that it would review these issues at its next meeting in Seoul. The African countries, with their special concerns for the stabilization of markets, will undoubtedly have an important contribution to make to an intellectual process that will strengthen the Fund and enable it to function in the best interest of all its members.

Africa and the International Monetary Fund

Symposium Sponsored by
the International Monetary Fund and
the Association of African Central Banks (AACB)
Hosted by the Central Bank of Kenya

May 13-15, 1985
Jomo Kenyatta Conference Centre
Nairobi, Kenya

Symposium Moderator: Gerald K. Helleiner

Monday, May 13, 1985

10:00 a.m.	Opening session Dr. Philip Ndegwa, Governor, Central Bank of Kenya Charles M. Nyirabu, Chairman, AACB, and Governor, Bank of Tanzania Prof. G. Saitoti M.P., Minister of Finance and Planning, Kenya Richard D. Erb, Deputy Managing Director, IMF
11:30 a.m. - 1:00 p.m.	Introduction Gerald K. Helleiner, Professor of Economics, University of Toronto 1. The Economics Crisis in Africa Philip Ndegwa, Governor, Central Bank of Kenya 2. Design, Implementation and Adequacy of Fund Programs in Africa Alassane D. Ouattara, Director, African Department, IMF Discussant: David Phiri, Governor, Bank of Zambia
4:00 p.m. - 6:30 p.m.	3. Fund Conditionality and Social and Economic Conditions in Africa Samba Mawakani, Director of Research, Bank of Zaire Discussant: Kombo Moyana, Governor, Reserve Bank of Zimbabwe 4. Economic Disequilibria in Africa and the International Monetary System J.O. Sanusi, Executive Director, Central Bank of Nigeria Discussant: J. Jimenez, Chief, East African Division, African Department, IMF General Discussion

Tuesday, May 14, 1985

9:00 a.m. - 1:00 p.m.	5. The Role of the World Bank in Adjustment and Economic Growth in Africa Luis de Azcarate, Director, Country Policy Department, IBRD Discussant: Philip Ndegwa, Governor, Central Bank of Kenya
	6. Alternative Approaches to Stabilization in Africa John Loxley, Head, Department of Economics, University of Manitoba Discussant: A. F. Mohammed, Director, External Relations Department, IMF
4:00 p.m.	Audience with H.E. The President of the Republic of Kenya
5:00 a.m. - 7:00 p.m.	7. External Debt Management in the African Context Eduard Brau, Senior Advisor, Exchange and Trade Relations Department, IMF Discussant: Charles Nyirabu, Governor, Bank of Tanzania

Wednesday, May 15, 1985

9:00 a.m. - 12:00 p.m.	8. Panel Discussion Adjustment in Africa - What Can Be Done? Gov. Abdoulaye Fadiga, Gov. Taddesse Gebre-Kidan, Roger Lawrence, Carlos Massad, A.F. Mohammed, M. Narasimham, John Williamson,
12:00 p.m. - 1:00 p.m.	Closing session Final summing up by the Moderator Closing remarks

Panelists:

1. Governor Abdoulaye Fadiga, Central Bank of West African States (BCEAO)
2. Governor Taddesse Gabre-Kidan, National Bank of Ethiopia
3. Roger Lawrence, Director, Money & Finance, UNCTAD
4. Carlos Massad, Professor of Economics, Univ. of Santiago
5. A. F. Mohammed, Director, External Relations Dept., IMF
6. M. Narasimham, Director, Administrative College of India
7. John Williamson, Senior Fellow, Institute for International Economics, Washington D.C.

INTERNATIONAL MONETARY FUND
WASHINGTON, D.C. 20431

Mr. Whittome

With the Compliments of

A. D. Ouattara

Director

African Department

Office Memorandum

February 15, 1985

TO: All Staff Members, African Department

FROM: A.D. Ouattara

SUBJECT: Reorganization of the African Department

As you know, effective Monday February 11, 1985, the African Department was reorganized as shown on the organizational chart that was distributed to you. Further to that chart, I attach a memorandum that describes the organization, the practical guidelines of how it should work, and the job descriptions for all professional staff positions in the Department.

I must ask every staff member to read the memorandum carefully and to be familiar with what is being expected of each of us. The organization will not work well without the goodwill of those who are expected to work within its framework. I hope, therefore, that everyone of us will wish to contribute to its success.

Attachment

Organization of the African Department

With effect from Monday, February 11, 1985, the African Department will be organized internally into two operational groups; each will consist of five divisions. As shown in the attached organizational chart (Annex I), each of these groups will be headed by a Deputy Director, supported by a Senior Advisor. The other Deputy Director and Senior Advisor will assist the Director with the coordination of the activities of the Department and will be responsible for all its personnel and administrative matters, including mission schedules. All three Deputy Directors will be directly responsible to the Director.

Job descriptions of professional staff are shown in Annex II. The aim of these descriptions is to assure greater clarity of the Department's expectations from its staff.

1. General Overview of the Department

The Advisors and the Assistant to the Director will be responsible directly to the Director and will assist him in maintaining an overview of the Department's activities. Along with the Deputy Director and Senior Advisor responsible for administrative and personnel matters, the Advisors will form a pool of senior staff in the Department who can be assigned technical and operational work in either of the two operational groups. In addition, some senior staff members of the pool will be assigned any of the areas of policy issues listed below for the preparation and coordination of the Department's positions and for drafting departmental comments on these issues.

> Article IV consultation matters. Use of Fund resources. Fund conditionality. Fund stabilization programs. Financing facilities. Case studies relating to financing arrangements. Other operational matters.
>
> Fund/Bank collaboration. World Economic Outlook and Annual Report. SDR allocation, and other matters pertaining to SDRs. Currency budget and designation plans. Exchange rate studies.

These matters will be monitored by the staff member responsible so as to develop the Department's viewpoint at meetings in the Immediate Office.

The Assistant to the Director will act as a personal assistant to the Director and will be required, particularly, to assist in ensuring expeditious action on the incoming papers to the Department by the appropriate staff members.

2. Operational Groups

The operations of each of the two groups will be managed and supervised by a Deputy Director, supported by a Senior Advisor, who will be responsible to the Director for the quality of his group's technical and operational activities. These include, inter alia, matters related to Article IV consultations, the development of adjustment programs, use of Fund resources, and economic advice to member countries.

Normally, consultations with other departments on technical and operational matters will be handled by either the Deputy Director or Senior Advisor responsible for the specific operational group. Where there is need for a mission chief to consult directly with other departments on policy matters, the mission chief will be expected to have consulted in advance with the Deputy Director or Senior Advisor and the Division Chief responsible for the specific country to ensure that the mission chief's view is representative of that of the Department. Where a mission head is not the Division Chief, the Deputy Director will ensure that the Division Chief and the Desk Economist responsible for the particular country are consulted on proposals and recommendations being made by a mission and that they are consulted in the preparation of the briefing paper for the mission and in assessing the mission's outcome.

3. Administrative and Personnel Matters

All administrative and personnel matters of the Department, including mission schedules, will be centralized and handled by one of the Deputy Directors, who will also be supported by a Senior Advisor.

On administrative and personnel matters, Division Chiefs will deal directly with the Deputy Director and Senior Advisor responsible for these matters.

4. Practical Guidelines

In order that the objectives underlying this organizational arrangement may be fully met, the following departmental guidelines are to be observed.

a. Normally, staff members in the Department may only deal with Management through the Director, either verbally or in writing. Where a staff member is contacted directly by Management, Offices of Executive Directors, and the authorities in member countries, the Director should be informed, particularly in cases where a departmental viewpoint is sought.

b. Unless the Director assigns them other ad hoc duties, Deputy Directors and Senior Advisors responsible for operational groups will focus their attention exclusively on the activities of their groups of countries and will not head missions outside their group.

c. A Deputy Director and a Senior Advisor from the same group may not be absent from headquarters at the same time.

d. All operational papers will be cleared for onward submission to other departments by the Deputy Director or Senior Advisor responsible for the country concerned. However, divisions should ensure that two copies of all such papers are sent to the Director and one copy to the Deputy Director responsible for administrative and personnel matters. No operational paper may be submitted for interdepartmental clearance without the approval of the Deputy Director or Senior Advisor responsible. In the very exceptional event that the Deputy Director and Senior Advisor in one group are away, the papers from the group will be cleared by the Deputy Director in charge of administrative and personnel matters. The Director will be responsible for clearing all papers with management.

e. Divisions must endeavor to organize their work schedules to allow about two weeks for the clearance of papers, as follows: one week for intra-departmental and interdepartmental clearances and one week for management.

f. All personnel and administrative matters, including those relating to staff requirements for missions from within the Department or from other departments, must be cleared with the Deputy Director for administrative matters.

g. All recommendations by Division Chiefs for missions, including the composition of missions, must be cleared with the respective Deputy Directors for operational groups before they are submitted to the Deputy Director in charge of administrative and personnel matters. Missions and mission schedules must be approved by the Director, who will nominate mission leaders, before they are forwarded to the Administration Department and management for approval.

Other practical guidelines may be issued at the discretion of the Director, from time to time, to supplement or modify the above and other existing guidelines.

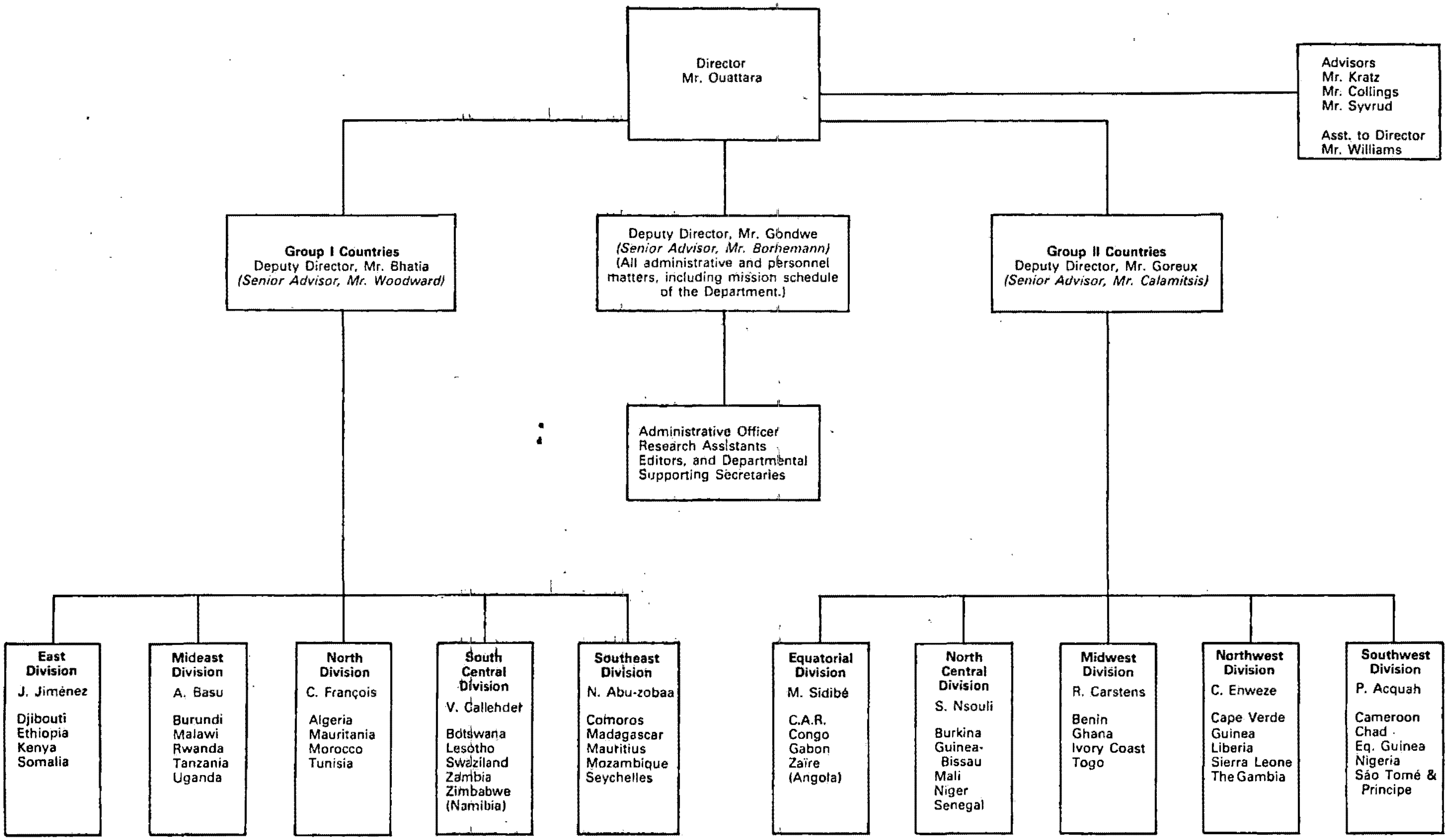
5. Purpose of the Organization

This organization of the Department is intended to provide a framework within which operating units can work with optimal effectiveness by (a) emphasizing the supervisory and managerial responsibilities of Deputy Directors and Division Chiefs; (b) enhancing the control of the quality of the Department's tehnical and operational activities; and (c) fostering the cohesiveness and close coordination of the units.

ANNEX I

ORGANIZATIONAL CHART FOR THE AFRICAN DEPARTMENT

(Effective February 11, 1985)



Job Descriptions of Professional Staff

The job descriptions summarized below are consistent with the organization and procedures contained in the text of the memorandum. These job descriptions are also effective as of February 11, 1985.

1. Deputy Directors

Generally, the responsibility of the Deputy Directors is to assist the Director in ensuring the effectiveness of the Department's operations by assuming key management and supervisory roles in the areas assigned to them. They ensure that the Director is kept informed of all significant country developments, and that the activities of the Department are consistent with Fund objectives and policies. They are expected to initiate, participate in, and contribute toward the formulation of departmental and Fund policies. They may head missions, particularly to countries where difficult issues are likely to surface, and may participate in other missions where it is felt that their experience, skill, and authority are needed.

To discharge these responsibilities effectively, two of the three Deputy Directors are assigned the direct management and supervision of the technical and operational activities of the divisions. The other Deputy Director will, in addition to some operational duties, assist with the general coordination of departmental activities, including all administrative and personnel matters.

a. The functions of the latter Deputy Director, exercised under the Director, are

(i) To keep abreast of major economic and financial developments particularly in countries assigned to the Department, to participate in the formulation and review of operational policies particularly as they relate to the Fund's posture in dealing with the economic problems of African countries, and to assist in ensuring the consistency of the Department's activities with the objectives and policies of the Fund through reviews of mission briefs, staff reports, etc.

(ii) Together with the Senior Advisor for administrative and personnel matters and the Advisors, to form a pool of senior staff that is assigned the coordination and drafting of departmental comments on Fund-wide policy issues and the monitoring of their developments. These staff members may also be assigned technical and operational work, including leading operational missions, in either of the two operational groups.

(iii) To assume the responsibility for an operational group in the exceptional absence of both the Deputy Director and Senior Advisor concerned.

(iv) To ensure, in consultation with Division Chiefs, the general coordination of administrative and operational activities of the Department, and the orderly, timely, and efficient completion of tasks.

(v) To be responsible, supported by the Senior Advisor designated for these duties, for budgetary matters, including manpower requirements for the Department and all other administrative and personnel matters.

(vi) To be responsible for the coordination, planning, and administration of the mission schedules of the Department and to ensure adequate and appropriate manpower for the missions.

(vii) To liaise with other departments in administrative and personnel matters.

(viii) To undertake such other functions as the Director may assign to him from time to time.

b. The functions of the Deputy Directors responsible for the technical and operational activities of divisions, exercised under the Director, are

(i) To manage and supervise, supported by Senior Advisors designated for these duties, all technical and operational activities of the respective operational groups. To ensure that the Director is kept informed of significant country developments in a timely manner, and to advise him on matters requiring departmental decisions.

(ii) To keep abreast of economic and financial developments, particularly in their assigned countries. At appropriate times, in consultation with the Senior Advisor and Division Chief concerned, to outline for the approval of the Director, the nature, scope, and strategy of Fund engagements in the member countries assigned to them.

(iii) To devise and constantly assess, in conjunction with the Senior Advisor, Division Chief, and mission chief where applicable, policy packages for individual countries of his group. In close collaboration with the Senior Advisor concerned, to provide professional guidance to consultation missions either through reviews of mission briefs or through other means, to ensure that the conduct of the consultations is consistent with the objectives of the Fund and that missions provide appropriate advice on economic problems.

(iv) To determine, in association with the Senior Advisor, the feasibility of proposed stabilization programs to be supported by use of Fund resources, and the effectiveness of the conditionality attached to the use of Fund resources, for countries in their groups.

(v) To review briefs and other documents related to the countries in their groups, prior to their clearance by the Director.

(vi) To assume leadership roles in technical and policy consultations with other departments on matters concerning the countries assigned to them.

(vii) To head missions to countries within their groups as assigned by the Director.

(viii) To undertake such other duties as the Director may assign to them.

2. Senior Advisors

Senior Advisors provide the Department with experienced leadership in technical, operational, and administrative matters. Their basic responsibility is to reflect on and review Fund approaches to country problems in the assigned group of countries, to assess the relevance of Fund economic advice to the countries within the context of Fund policies and objectives and to review the feasibility and appropriateness of proposed stabilization programs. Senior Advisors are expected to play a leading role in the formulation of departmental policies and in the review of work procedures and practices and to contribute toward the development of Fund policies. They may lead missions to the assigned countries, particularly where difficult issues are involved.

To focus their efforts, two of the three Senior Advisors are each assigned to one of the two operational groups; the third Senior Advisor is ~~assigned general administrative duties, in addition to operational missions~~ that he may undertake in either of the two groups as assigned by the Director.

a. The functions of the latter Senior Advisor are

(i) To support the Deputy Director responsible for administrative and personnel matters and to assume his responsibilities and functions in his absence.

(ii) To keep abreast of economic and financial developments particularly in countries where he is assigned to head missions, to participate in the formulation and review of operational policies particularly as they relate to Fund approaches to the economic problems of African countries, and to assist in ensuring the consistency of operational activities with the objectives of the Fund through reviews of mission briefs, staff reports, etc.

(iii) Together with the Deputy Director responsible for administrative and personnel matters and the Advisors, to form a pool of senior staff that is assigned the coordination and drafting of departmental comments on designated Fund-wide policy issues and the monitoring of their developments. These staff members may also be assigned technical and operational assignments, including leading missions, in either of the two operational groups.

(iv) To assist the Deputy Director responsible for administrative and personnel matters with the general coordination of administrative and operational activities of the Department.

(v) In tandem with the Deputy Director responsible for administrative and personnel matters, and in consultation with Division Chiefs, to determine departmental budgetary requirements, including manpower requirements.

(vi) To assist with the coordination, planning, and administration of mission schedules of the Department.

(vii) To assist in the liaison with other departments in administrative and personnel matters.

(viii) To undertake such other functions as the Director may assign to him from time to time.

b. The functions of Senior Advisors assigned to operational groups are

(i) To support the Deputy Directors responsible for the operational groups and to assume their responsibilities and functions in their absences.

(ii) To keep abreast of economic and financial developments, generally, and particularly in the assigned countries, and to advise within their groups on the appropriate Fund approach to the economic and financial problems of the assigned group of countries.

(iii) In tandem with the Deputy Directors concerned, to provide guidance to consultation missions and other technical missions, either through reviews of mission briefs or through other means aimed at ensuring that the conduct of consultations achieves the objectives of the Fund. In particular, to ensure that consultation reports focus adequately on surveillance of exchange rate policies and to monitor and assess the quality and relevance of economic advice tendered to the authorities.

(iv) To provide advice within their groups on the feasibility of stabilization programs to be supported by the use of Fund resources and to assess the likely effectiveness of the programs.

(v) To lead missions to countries as assigned by the Director.

(vi) To alternate with the Deputy Directors concerned in providing leadership roles in technical and policy consultations with other departments in respect of countries within their groups.

(vii) To initiate and coordinate the research activities of staff members and contributions to the World Economic Outlook within the group to which they are assigned.

(viii) To undertake such other duties as the Director may assign to him.

3. Advisors

The Advisors provide the Department with manpower necessary along with the Deputy Director and Senior Advisor responsible for administrative and personnel matters, for technical and operational work in either of the two operational groups. In this respect, they permit the Department to focus more intensively on particular countries where needs are such that the efforts of Division Chiefs need to be supplemented. Advisors also provide, on an ad hoc basis, advice to the Director should he wish to obtain it outside the operational groups, e.g., in reviewing mission briefs. In addition, they assist with the coordination of the Department's contributions to Fund-wide issues and monitor the development of issues related to the areas that are assigned to them. Advisors may also be assigned administrative duties under the Deputy Director in charge of administrative matters. Specifically, the functions of Advisors are

(i) To keep abreast of economic and financial developments, particularly of those countries where it has been decided that the Department's attention should be focused more closely. In this respect, they supplement the efforts of Division Chiefs.

(ii) To head missions to countries in either of the two operational groups as assigned by the Director.

(iii) To assist in the reviews of mission briefs and appraisals of proposed stabilization programs as required by the Director on an ad hoc basis.

(iv) To coordinate the Department's contributions toward Fund-wide issues in any specific areas that may be assigned to them and to monitor their developments and draft the necessary responses.

(v) To undertake any other duties as the Director may assign them from time to time.

4. Assistant to the Director

The Assistant to the Director's basic responsibility is to facilitate the Director's overview of the Department. In particular, he ensures that he is familiar with the technical and operational developments in the operational groups in order to keep the Director closely informed on matters requiring intradepartmental and interdepartmental decisions.

Specifically, the functions of the Assistant to the Director are

(i) To receive and study all incoming, Fund-wide, policy documents and papers for the Director. He circulates these papers to the appropriate staff members designated to cover the subject matters concerned and ensures that the required action is taken on time. Where the papers require departmental meetings, he organizes the meetings.

(ii) To be familiar with incoming operational papers such as mission briefs, back-to-office reports, staff reports, etc., from within the Department, and to call attention to significant issues.

(iii) To review similar operational papers from other departments so as to call attention to different operational approaches and practices in those departments.

(iv) To be familiar with operational plans of the Department, particularly as regards mission schedules, Article IV consultation calendars, mission briefs, etc., and follow, on behalf of the Director, progress being made.

(v) To assist the Director with official correspondence.

(vi) To undertake operational missions such as the leadership of Article IV missions, etc., as assigned by the Director.

(vii) To undertake such other duties as the Director may assign to him.

5. Division Chiefs

In addition to their supervisory functions, Division Chiefs provide the focal point at which Fund objectives and policies are translated into action in the member countries of the Fund. In this context, their basic technical and operational responsibility is to evaluate economic and financial problems of the countries in their divisions on the basis of financial and economic information and data available to them, and to develop and propose appropriate policy options and strategies that would assist the countries in overcoming their balance of payments problems, in a manner that is consistent with Fund objectives.

Specifically, the functions of Division Chiefs, exercised under the supervision of Deputy Directors, are

(i) To manage and supervise the work of the professional staff, including Resident Representatives when applicable, and secretarial staff in their divisions, and to ensure, in consultation with the Deputy Director for administrative and personnel matters, the availability of appropriate manpower and other resources necessary for the discharge of the divisions' activities.

(ii) To train and guide junior staff, including EP staff, to explain Fund policies and procedures, and generally to guide and develop their professional staff with a view to enhance their performance and effectiveness.

(iii) To keep abreast of and to advise on economic and financial developments in the countries of their divisions (including the determination of short- and long-term economic prospects), with a view to enhancing the Fund's role and effectiveness in addressing the economic and financial problems of the countries.

(iv) To establish periodically, for departmental approval, the nature and scope of the activities of the Fund in the countries covered by their divisions.

(v) In consultation with the Deputy Director responsible for the divisions concerned, plan missions (Article IV missions, use of Fund resources missions, program review missions, and occasional staff visits) to the countries concerned and to propose missions and the appropriate manpower for them to the Deputy Director responsible for administrative and personnel matters.

(vi) In their capacity as mission chiefs, to determine and analyze existing or emerging economic and financial problems in an assigned country and to formulate and propose appropriate economic policy packages where applicable, usually in the context of comprehensive stabilization programs. These proposals are then agreed, mainly through the clearance of briefing papers departmentally with the Deputy Director concerned, prior to submitting them for the clearance of the relevant departments, and, eventually, their approval by management.

(vii) As mission chiefs, to attend consultative group meetings, and to participate in multilateral debt rescheduling meetings.

(viii) For missions to countries in the divisions that are not led by the Division Chiefs, to participate in the reviews and discussions of briefing papers and other memoranda, prior to their submission to the Immediate Office. This procedure is designed to ensure that, as important custodians of information and data on the countries in their divisions, the Division Chiefs and Desk Economists participate in the formulation of staff positions on economic and financial policies to be discussed with national authorities, usually in the context of surveillance policies and stabilization programs.

(ix) To monitor stabilization programs in the countries in their divisions that are using Fund resources, particularly under the conditional facilities. In this context, the Division Chiefs are required to participate actively in the selection, posting, and guidance of Fund Resident Representatives, if any, assigned to member countries in their divisions.

(x) To coordinate the comments of their divisions on Fund-wide general policy papers.

(xi) To assist in the coordination of the Fund's technical assistance efforts in the countries in their divisions, mainly by cooperating with the relevant departments in setting up various technical assistance programs, advising on the specific country needs, and, in some cases, providing the manpower to participate in some technical assistance projects or missions.

(xii) To ensure the maintenance of contacts with the authorities of all the countries in their divisions, with the World Bank, and as needed, with regional economic and financial organizations, as well as with creditor countries and with commercial banks.

(xiii) To undertake any other duties the Director or Deputy Directors may assign to them.

6. Desk Economist

The duties and responsibilities of Desk Economists for specific countries may be assigned to either Senior Economists or Economists; in some cases, they are assigned to staff in the Economist Program. The Senior Economists are expected to perform their functions with a minimum amount of supervision, and depending on their rank, may be called upon to assist the Division Chiefs with the supervision and training of more junior or newly recruited staff; the Senior Economists may also assist in the coordination of missions and, in some cases, may be asked to head an Article IV consultation or use of Fund resources mission.

Desk Economists are the essential repositories of the details of the Fund's basic statistical knowledge of member countries. In this context, one of their main responsibilities is to ensure that, at all times, the Fund maintains an up-to-date filing system on current information and data on their assigned countries relating particularly, but not exclusively, to economic and financial matters. In addition to ensuring that available information and data are in a form that is readily accessible and usable for Fund purposes, it is the responsibility of Desk Economists to continually analyze and evaluate the data, using appropriate methods and analytical tools that they are required to develop as part of their functions.

Specifically, the duties of Desk Economists, exercised under the supervision of Division Chiefs, are

(i) To maintain records and collect data on the country or countries assigned to them and to assist in the evaluation of current economic and financial developments and prospects in the assigned country or countries.

(ii) To identify, monitor, and analyze economic and financial developments and policy issues in the country or countries assigned to them.

(iii) To keep current on Fund policies and practices as these play a pivotal role in their individual country work.

(iv) To participate in missions to their assigned country or countries, and to contribute to the formulation of the mission's position on economic policy matters, and in the design of appropriate adjustment programs. To contribute to (and in some cases, to be responsible for) the first drafts of the mission's briefs. In the field, to be principally responsible for minutes of the discussions with the national authorities, to participate in policy discussions and negotiations with the authorities, and to assist in the preparation of mission documents such as memoranda of understanding, final statements, letters of intent, etc. After the missions, to participate in the preparation of various reports, such as the Recent Economic Developments reports for the Executive Board.

(v) To monitor (in some cases in collaboration with Resident Representatives) the implementation of stabilization programs by the authorities in their assigned country or countries.

(vi) To conduct research projects in areas of interest to the Fund, particularly those areas that contribute to the Fund's understanding of the economic and financial problems and prospects of the country or countries assigned to them.

(vii) To prepare data and other information, including economic forecasts for the World Economic Outlook and the Annual Report, and to respond to other requests that are often received from management or from other departments.

(viii) To undertake any other duties assigned to them by their Division Chiefs or by senior staff in the Immediate Office.