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SECRETARY'S CIRCULAR NO. 84/55

To: Members of the Executive Board

From: The Secretary

Subject: IMF Seminar in Nepal

Attached for the information of the Executive Directors is a report on the IMF Seminar held in Nepal from April 23 to May 4, 1984.

Att: (1)

Other Distribution:
Department Heads



INTERNATIONAL MONETARY FUND

IMF INSTITUTE

Report on the IMF Seminar in Nepal

April 23 - May 4, 1984

Introduction

The IMF Institute conducted a seminar in Nepal over a two-week period under its external training program, which is designed to supplement the regular courses held at Fund headquarters. In preparing, organizing and conducting this seminar, the IMF Institute received valuable contributions from the Asian and Fiscal Affairs Departments. The staff mission consisted of Messrs. C. Tognetti (Head of mission - INST), O. Albertelli (INST), A. Premchand (FAD), M. R. P. Salgado (ASD), M. Martin (INST), and Mrs. J. E. Moeis (Secretary - INST).

The agenda and the seminar schedule were jointly determined by the authorities of Nepal and the IMF Institute in consultation with the Asian and Fiscal Affairs Departments. The Nepalese officials contributed three discussion papers and the Fund staff took responsibility for preparing documentation for the rest of the program.

The Nepalese authorities handled also the selection of participants. Twenty-one participants, mostly from the Nepal Rastra Bank and various government ministries and agencies, and a few from private financial institutions in Nepal attended the seminar; two participants came from neighboring Bhutan, at the invitation of the Nepal Rastra Bank and with the consent of the IMF Institute. The list of participants is shown in Attachment I.

Organization of the seminar

The seminar comprised three parts, as shown in Attachment II. The presentation made in the two sessions of Part I encompassed, respectively, the Fund's structure and decision-making process, as well as its regulatory and surveillance roles; and the use of the Fund resources as well as its policies for adjustment. Part II consisted of six sessions on financial programming and related information requirements, and--on the request of the authorities--two sessions on program budgeting. Part III dealt with various economic policy issues of particular interest to Nepal, as listed in Attachment II.

Presentation of the seminar

Documentation for Parts I and II of the seminar was prepared entirely by Fund staff, while discussion papers for Part III were prepared by both Fund staff and Nepalese officials. The material prepared by the Fund staff was sent to Nepal a few weeks in advance of the seminar. All documents used in the seminar are listed in Attachment III.

Altogether, sixteen sessions were held over the two-week period. Sessions in Part I on Fund policies and practices were conducted in a lecture format, followed by questions and answers. Each topic covered in Part II was presented first in lecture format; then, during a workshop period, the participants were divided into groups to work on questions and exercises prepared by the Fund staff. For each topic in Part III on economic problems and policy issues with reference to Nepal, a discussion leader and discussants were appointed. Fund staff discussed the papers presented by Nepalese officials, and Nepalese officials discussed the papers presented by the Fund staff. The seminar was opened by the Deputy Governor and closed by the Governor of the Nepal Rastra Bank and the Chief of the IMF staff team.

IMF Institute
June 1984

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IMF Institute Seminar in Nepal

April 23 - May 4, 1984

List of Participants

NAME	POSITION	AFFILIATION
<u>NEPAL</u>		
1. ADHIKARI, Bharat Prasad	Accountant	Nepal Rastra Bank Kathmandu Banking Office
2. BHATTA, Madhav Prasad	Research Officer	Nepal Rastra Bank Research Department
3. BHATTARAI, Bijaya Nath	Research Officer	Nepal Rastra Bank Research Department
4. BISTA, Keshav Bahadur	Deputy Chief Officer	Nepal Rastra Bank Banking Dev. and Agric. Credit Department
5. DAHAL, Madan Kumar	Lecturer	Tribhuvan University Economics Instruction Committee Kirtipur, Kathmandu
6. DEVKOTA, Lava Kumar	Under Secretary	HMG. Secretariat of National Planning Commission Singha Durbar, Kathmandu
7. JOSHI, Bejaya Dhoj	Senior Instructor	Nepal Rastra Bank Bankers Training Centre
8. JOSHI, Narottam Lal	Deputy Chief Officer	Nepal Rastra Bank General Services Dept.

NAME	POSITION	AFFILIATION
9. MALLA, Bijaya Kumar	Section Chief	Agriculture Dev. Bank Internal Audit and Inspection Department Head Office Ram Shaha Path
10. PANDEY, Keshar Bahadur	Deputy Chief Officer	Rastriya Banijya Bank Central Office Inspection Department Tangal
11. PANDEY, Mahendra Raf	Under Secretary	HMG. Ministry of Commerce
12. PANDEY, Purushottam Bahadur	Manager	Nepal Bank Ltd.
13. SAPKOTA, Biswa Nath	Under Secretary	HGM. Secretariat of National Planning Commission Singha Durbar, Kathmandu
14. SHAKHA, Shivaschan	Section Chief	Agriculture Dev. Bank Corporation Supervision and Evaluation Dept. Durban Marga, Kathmandu
15. SHARMA, Shiva Prasad	Section Chief	Agriculture Dev. Bank Agric. Credit Training Centre
16. SHERPA, Tendi	Section Chief	Agriculture Dev. Bank Accounts Department Head Office Ram Shaha Path
17. SHRESTHA, Bishnu Hari	Manager	Nepal Bank Ltd. Research and Development Department Head Office, Kathmandu
18. SHRESTHA, Rajendra Prasad	Lecturer	Centre for Economic Dev. and Admin. Tribhuwan University Kirtipur

NAME	POSITION	AFFILIATION
19. SHRESTHA, Sharada Devi (Miss)	Deputy Chief Officer	Nepal Rastra Bank Agriculture Credit Div.
20. SHRESTHA, Ramesh Bahadur	Financial Officer	Nepal Administrative Staff College Pulchok, Lalitpur
21. SINGH, Keshab Man	Controller of Accounts	HMG. Ministry of Industry Tripureswar
<u>BHUTAN</u>		
1. PENJOR, Sangay	Assistant Research Officer	Royal Monetary Authority Bhutan
2. TAMANG, Harka	Assistant Planning Officer	Planning Commission Bhutan

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IMF Institute Seminar in Nepal

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List of Topics

- I. Fund Policies and Practices
- An Overview of the Fund
Use of Fund Resources and Fund Policies for Adjustment
- II. Techniques of Financial Programming and Related Information Requirements; and Program Budgeting
- Analysis of Financial Statistics (two sessions)
Workshop on Financial Statistics
Elements of Financial Programming (two sessions)
Workshop on Financial Programming
Program Budgeting
Workshop on Program Budgeting
- III. Various Economic Problems and Policy Issues with Reference to Nepal
- Issues Concerning Public Enterprises in Nepal
Evolution of the Development Plan and Policies to Accelerate Growth
Balance of Payments Management I: An Assessment of Payments Performance in Nepal
Balance of Payments Management II: Export Promotion and Other Long-Term Adjustment Policies
Selective Credit Control as a Monetary Policy Instrument in Nepal
Tax Effort and Utilization of Foreign Aid

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IMF Institute Seminar in Nepal

April 23 - May 4, 1984

List of Documents

Outlines Prepared by Fund Staff

1. Recent Evolution of the International Monetary Fund
2. Financial Facilities of the Fund
3. The Design of Adjustment and Conditionality:
The Role of the Exchange Rate and Monetary Policies
4. Balance of Payments Statistics
5. Monetary and Financial Survey
6. Government Finance Statistics
7. Financial Programming
8. Program and Performance Budgeting System

Discussion Papers Prepared by Fund Staff

1. Tax Effort and Utilization of Foreign Aid
2. Balance of Payments Management I: An Assessment of the Balance
of Payments Performance in Nepal
3. Balance of Payments Management II: Export Promotion and Other
Adjustment Policies

Discussion Papers Prepared by Nepalese Officials

1. Evaluation of Plans and Policies to Accelerate Growth
2. Issues Concerning Public Enterprises in Nepal
3. Selective Credit Control as a Monetary Policy Instrument in Nepal

Fund Documents

1. IMF Survey, Supplement on the Fund, September 1983

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