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February 16, 1984

To: Members of the Executive Board

From: The Acting Secretary

Subject: Annual Review of the Implementation of Surveillance -
Background Material

The attached supplement has been prepared as background material for the annual review of the implementation of surveillance, scheduled for Executive Board discussion on Wednesday, March 14, 1984.

If Executive Directors have technical or factual questions relating to this paper prior to the Board discussion, they should contact Mr. G. G. Johnson (ext. (5)8671).

Att: (1)

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INTERNATIONAL MONETARY FUND

Annual Review of the Implementation of Surveillance--
Background Material

Prepared by the Research Department and the
Exchange and Trade Relations Department

(In consultation with other departments)

Approved by Wm. C. Hood and C. David Finch

February 15, 1984

<u>Contents</u>	<u>Page</u>
I. Factual Background on Article IV Consultations in 1983	
1. Membership coverage	1
2. Consultation cycles	2
3. Time elapsed between consultation missions and Executive Board conclusion of consultations	2
4. Application of the three-month rule	3
5. Resources devoted to Article IV consultations	4
a. Staff travel	4
b. The Executive Board	5
6. Length of staff reports and reports on recent economic developments	5
II. Factual Background on the Information Notice System	19
1. General description of the indices of real effective exchange rates used in the information notice system	19
a. Cost and price data	20
b. Exchange rate data	20
c. Data used in the weighting schemes	21
2. Characteristics of data used in the calculation of the consumer price-based real effective exchange rates	22
3. Consumer price-based real effective exchange rates as indicators of competitiveness	27
4. Quarterly reports on indicators of real effective exchange rates	28
5. Information notices	29
6. Implications of a 5 percent threshold for issuance of information notices	30

<u>Contents</u>	<u>Page</u>
III. Executive Board Meetings and Fund Documents Relating to Surveillance, 1983	32
Tables	
1. Article IV Consultations--Membership Coverage, 1979-83	7
2. Frequency of Article IV Consultations, 1979-83	8
3. Standard Cycles Specified in Consultations Concluded in 1983	9
4. Longer Cycles Specified in Consultations Concluded in 1983	10
5. Article IV Consultations--Period from Termination of Initial Discussions to Board Conclusion, 1979-83	11
6. Reasons for Requests for Extension of the Three-Month Period for the Conclusion of Article IV Consultations, 1979-83	12
7. Business Travel by Professional Staff and Duration of Missions, 1979-83	13
8. Business Travel by Fund Staff of Selected Departments, 1979-83	14
9. Size of Article IV Consultation Missions, 1979-83	15
10. Professional Staff Participation in Article IV Consultation Missions by Area and Functional Departments, 1979-83	16
11. Country Items in Executive Board Meetings, 1979-83	17
12. Length of Reports in Connection with Article IV Consultations, 1979-83	18
13. Description of Data Used in the Calculation of the Consumer Price-Based Real Effective Exchange Rates	23
14. Simulated Issuance of Information Notices (Months in which Notices would have been Issued if a 5 Percent Threshold had been in Effect)	31
15. Coverage of Selected Surveillance Topics in 1983	33
16. Article IV Consultations Concluded in 1983	35
17. Requests for Extension of the Three-Month Period for the Conclusion of Article IV Consultations in 1983	39
18. Notifications of Exchange Arrangements Issued in 1983	40
19. Information Notices Issued in 1983	51

Note: References in square brackets are to meetings or documents listed in Table 15

I. Factual Background on Article IV Consultations in 1983

1. Membership coverage

The trend toward declining coverage of Article IV consultations in evidence since 1979 was reversed in 1983. The number of consultations completed during the year increased sharply to 120 ^{1/} from 82 during 1982 (Table 1), and the percentage of Fund membership covered by Article IV consultations increased to 80 percent, compared with 57 percent in 1982. The number of staff reports issued in 1983 increased to 118, compared with 98 in 1982. The number of Article IV consultation missions increased to 130 in 1983, compared with 106 in 1982 (in both years, some consultations involved multiple missions).

Consultation activity accelerated in the last few months of 1982, as indicated by the fact that at the end of the year there were 42 consultations in process (at least one mission held, but consultation not yet concluded by the Board), up sharply from the corresponding figure of 21 at the end of 1981. The large number of missions in 1983 reflects the fact that the higher pace of activity was maintained in 1983, and at the end of the year the number of consultations in progress, 42, matched the figure for the end of 1982. ^{2/}

The slippage in coverage between 1979 and 1982 had been particularly pronounced for the non-oil developing countries and the smaller industrial countries. Clearing up the backlog of overdue consultations in 1983 involved a large increase in coverage for these groups from 54 percent in 1982 to 82 percent in 1983 for the non-oil developing countries, and from 50 percent in 1982 to 80 percent in 1983 for the non-G-10 industrial countries. Coverage of the G-10 countries and the oil-exporting developing countries remained unchanged in 1983 at 80 percent and 67 percent, respectively. In the case of the former, the two countries not covered in 1983 both had consultations concluded in January 1984.

^{1/} These covered 117 members. For Indonesia and Pakistan, both the 1982 and the 1983 Article IV consultations were discussed by the Executive Board during 1983. In addition, separate consultations were concluded for the Netherlands and the Netherlands Antilles.

^{2/} The number of staff reports issued but not yet discussed at the end of 1983 was 16, compared with 18 at the end of 1982 and only two at the end of 1981.

2. Consultation cycles

The average consultation cycle--the period elapsed since the conclusion of the last consultation--declined slightly for consultations concluded in 1983, to 19.3 months from the 19.7 months recorded in 1982 (Table 2). Reflecting the fact that for some countries the consultations concluded in 1983 were long overdue, the average cycle remained considerably higher than it had been prior to 1982. One factor contributing to the long intervals in both 1982 and 1983 was the number of consultations involving more than one mission--nine in 1982 and 20 in 1983. Most of these were cases where use of Fund resources was also under discussion.

The effort that has been under way since late 1982 to increase the frequency of Article IV consultations and to eliminate the backlog of overdue consultations has sharply reduced the number of members with long intervals since their last consultation. Only 29 members did not have consultations concluded in 1983. At the end of the year, the number of members without consultations for 15 months ^{1/} or more was 18, down from 43 at the end of 1982, of which those over 24 months declined from 19 to 6.

Eighty-four consultations were concluded in 1983 following the adoption, at the time of last year's surveillance review, of the system specifying, at the conclusion of each consultation, the expected date of the next consultation. A standard 12-month cycle had been specified in 83 percent of the cases, including 89 percent of those with industrial countries, 57 percent of those with the oil-exporting developing countries, and 85 percent of those with the non-oil developing countries (Table 3). Of the 14 cases of specification of longer cycles, nine were 18 months (Table 4). Three cases involved shorter periods, and two were specified as "flexible approach."

3. Time elapsed between consultation missions and Executive Board conclusion of consultations

The average period from termination of initial discussions to conclusion of consultations by the Executive Board, which had increased from 89 days in 1981 to 99 days in 1982, increased further to 104 days in 1983 (Table 5). The establishment of revised guidelines for circulation

^{1/} Under the present system of advance specification of consultation cycles, the standard cycle is 12 months, with an additional three months as grace period.

periods for staff reports in 1982 ^{1/} resulted in an increase in the average period between the issuance of staff reports and the related Board discussion from 26 days in 1981 to 39 days in 1982 (Table 5), but this had been partly offset by more rapid preparation of staff reports. In 1983 there was some reduction in the average period between issuance of staff reports and Board conclusions, to 37 days, but there was an increase in the period between conclusion of initial discussions to issuance of staff reports, from 59 days in 1982 to 67 days in 1983. The lengthening was almost entirely associated with the large number of consultations involving multiple missions or further discussions at headquarters. When the average time from the termination of the final mission to the issuance of staff reports is calculated, the average in 1983 was 59 days, little more than in 1982.

4. Application of the three-month rule

The Procedures for Surveillance (Decision No. 5392-(77/63), Procedure II) require that the Executive Board shall reach conclusions not later than three months after the termination of the discussions between the member and the staff. Last year's surveillance review paper [A:1.a] reviewed in detail the procedures followed by the staff in this respect. As noted in that paper, if Executive Board consideration of an Article IV consultation report is delayed beyond the three-month period, the Board is informed through a paper seeking an extension of the period for concluding the Article IV consultation.

During 1983, extensions of the three-month period were requested in 34 cases, compared with 41 cases in 1982 and 19 in 1981 (Table 6). To a large extent the fluctuations in the number of extensions in recent years reflect changes in procedures. The lengthening of the circulation period for staff reports in 1982, noted above, resulted in a substantial increase in the number of cases for which Board consideration could not take place within the three-month period. In June 1983, however, there was a further modification of Executive Board procedures, in that if the three-month period allowed between the termination of staff consultation discussions with a member and Board conclusion of the consultation expired during a period in which the Board normally would not meet, "the Friday of the week immediately following such a

^{1/} Statement by the Managing Director on "Issuance of Reports for Executive Board Agenda" Buff 82/20 (2/23/82), specified that staff reports be circulated at least three weeks in advance of the Board discussion, or four weeks in the case of members using the Fund's resources in the upper credit tranches and those whose consultations would have an important bearing on the Fund's surveillance functions under Article IV.

period would be regarded as the applicable deadline for the purposes of the rule" [C:1]. This resulted in a substantial decline in requests for extensions of the three-month period.

The number of extensions in connection with joint discussions of Article IV consultations and requests for use of Fund resources doubled to 16 in 1983. The number of extensions because of the need to obtain information on new developments also increased, while those due to delays in receiving comments on staff reports from member country authorities declined.

In one case where an extension was requested in connection with mission discussions of a possible use of Fund resources, the Executive Board discussed the request. Some Directors expressed the view that it would be more appropriate to complete the consultation prior to the departure of the staff mission for discussions of the program. The proposed extension was modified accordingly.

5. Resources devoted to Article IV consultations

a. Staff travel

Staff days spent on official travel in connection with Article IV consultations (including joint discussions of use of Fund resources) had increased by 23 percent in 1982 and increased by a further 13 percent in 1983 to reach 11,700 staff days (Tables 7 and 8). ^{1/} This reflected an increase in the number of consultation missions, from 88 in 1981 to 106 in 1982 and 130 in 1983. The average number of staff members per Article IV consultation mission declined slightly in 1983 to 4.7, compared with 4.8 per mission in 1982 (Table 9). As noted in last year's surveillance review, the high figure for 1982 had resulted from the relatively large missions that had been required for recently admitted members and was not expected to continue. Altogether, the number of staff member trips taken in connection with Article IV consultations increased by 22 percent in 1983 to reach 614 (Table 10).

^{1/} Staff days devoted exclusively to use of Fund resources missions also increased by 14 percent in 1983, and total staff travel increased by 5 percent. (The apparent sharp decline in the category designated "other travel" in Tables 7 and 8 may reflect a change in classification. In the past missions which did not conclude an Article IV consultation nor an arrangement with the Fund were often classified as "other travel"; more of these are now listed as either consultation missions or use of Fund resources missions.)

The average duration of missions related to Article IV consultations concluded in 1983 increased slightly to 13.8 days, compared with 13.3 days in 1972 (Table 7). This increase, however, was accompanied by a substantial increase in the relative frequency of both shorter and longer missions. Missions of seven days or less accounted for 17 percent of consultation missions in 1983, compared with 9 percent in 1982. At the same time, 27 percent of consultation missions lasted at least 17 days in 1983, compared with 11 percent in 1982. These developments appear to be related to the increase in multiple mission consultations and joint missions. In the case of multiple missions, missions beyond the first tend to be shorter. Initial missions involving both consultations and use of Fund resources, on the other hand, are often long.

b. The Executive Board

Executive Board time devoted to country items continued to increase in 1983, but the increase was moderate despite the sharp increase in the number of consultations and requests or reviews of use of Fund resources. Country items accounted for 273 hours of Board time, 55 percent of the total, up from 261 hours (51 percent) in 1982 (Table 11). The small size of the increase to some extent reflected adaptations in Executive Board procedures. There was a considerable increase, from 20 in 1982 to 45 in 1983, in cases in which reports on consultations and use of resources were brought to the agenda together. The Executive Board also modified its meeting procedures to reduce the time spent on each country item, such as by requesting Directors to direct technical questions on Board papers to the responsible staff members (identified on the cover page) prior to the Board meeting. There was an increase in the number of consultation discussions in the Board that were very brief. In 1983, the Board discussion lasted 15 minutes or less in seven cases, and between 15 and 30 minutes in 15 cases. In 1982, only one Board Article IV consultation discussion had lasted 15 minutes or less, while nine others lasted between 15 and 30 minutes. Overall, the average time spent on individual country items declined from 1.84 hours in 1982 to 1.51 hours in 1983.

6. Length of staff reports and reports
on recent economic developments

The tendency for staff reports to increase in length continued in 1983, as the average length of staff reports issued during 1983 grew to 18.8 pages, compared with 16.4 pages in 1982 (Table 12). This increase mainly reflected growth in the number of reports which incorporated requests for use of Fund resources and reviews of stand-by and extended arrangements. The number of joint Article IV consultation and use of Fund resources papers discussed by the Executive Board in 1983 rose to 33 compared with 11 such papers in 1982, and the average length of such papers grew to 26.5 pages from 24.7 pages. All of the 11 consultation

staff reports discussed by the Executive Board in 1983 which exceeded 30 pages involved requests or reviews of use of Fund resources. The average length of staff reports excluding this category rose only slightly, from 15.2 pages in 1982 to 15.9 pages in 1983, reflecting inclusion of medium-term debt scenarios and more extended treatments of protectionism.

The average length of recent economic development papers increased to 95.1 pages in 1983, in contrast to the experience of 1982, when the average length of REDs had declined to 88.7 pages in response to the Board's 1982 request to limit the length of these papers. The increase in average length of REDs during 1983 was in part a response to the request by Executive Directors to provide more complete information on external indebtedness and trade policies, and also reflected the practice of providing appendices that treat particular issues in depth. In a few cases, usually where the Board had recently reviewed a member's economic performance in the context of use of Fund resources, 1/ the length of the RED was deliberately shortened by limiting textual material. More often, however, REDs were lengthened to provide additional information in cases of use of Fund resources.

1/ For example, Ivory Coast, Romania, Tanzania, and Yugoslavia.

Table 1. Article IV Consultations--Membership Coverage, 1979-83

	1979	1980	1981	1982	1983
Consultations completed (number)	<u>105</u>	<u>93</u>	<u>86</u>	<u>82</u>	<u>120</u>
Industrial countries	15	16	13	13	16
Group of 10	(9)	(8)	(8)	(8)	(8)
Other	(6)	(8)	(5)	(5)	(8)
Developing countries	90	77	73	69	104
Oil	(9)	(8)	(7)	(8)	(9)
Non-oil	(81)	(69)	(66)	(61)	(95)
Program countries <u>1/</u>	24	31	28	30	42
Membership coverage (percent)	<u>77</u>	<u>66</u>	<u>61</u>	<u>57</u>	<u>80</u> <u>2/</u>
Industrial countries	75	80	65	65	80
Group of 10	(90)	(80)	(80)	(80)	(80)
Other	(60)	(80)	(50)	(50)	(80)
Developing countries	77	64	60	55	80
Oil	(75)	(67)	(58)	(67)	(67)
Non-oil	(77)	(64)	(61)	(54)	(82)
Program countries <u>1/</u>	65	67	55	57	90
Other aspects (number)					
Staff reports issued	96	86	83	98	118
Consultation missions <u>3/</u>	95	95	88	106	130

Source: Exchange and Trade Relations Department.

1/ Countries with stand-by or extended arrangements at end of year.

2/ In two cases, both the 1982 and the 1983 Article IV consultations were discussed by the Executive Board during 1983, and separate consultations were concluded with the Netherlands and the Netherlands Antilles. The number of members covered was thus 117, or 80 percent of total membership.

3/ Includes multiple missions for individual consultations.

Table 2. Frequency of Article IV Consultations, 1979-83

	1979	1980	1981	1982	1983
<hr/>					
1. Countries concluding consultations during year					
Average cycle since last consultation (months)	<u>18.0</u>	<u>16.8</u>	<u>18.0</u>	<u>19.7</u>	<u>19.3</u>
Industrial countries	16.0	16.9	18.3	17.7	17.0
Group of 10	(15.9)	(15.0)	(17.9)	(14.4)	(14.8)
Other	(16.3)	(19.1)	(19.3)	(23.0)	(19.2)
Developing countries	18.2	16.8	17.9	20.1	19.4
Oil	(15.4)	(16.0)	(15.1)	(15.5)	(17.5)
Non-oil	(18.8)	(16.9)	(18.3)	(20.8)	(19.6)
Program countries <u>1/</u>	19.0	19.2	18.2	22.1	20.0
2. Countries not concluding consultations during year <u>2/</u>					
Number of countries	35	50	58	62	29
of which: program <u>1/</u>	(13)	(15)	(23)	(23)	(5)
Number without consultations for:					
15-24 months	21	30	36	27	12
More than 24 months	4	5	14	19	6
<hr/>					

Source: Exchange and Trade Relations Department.

1/ Countries with stand-by or extended arrangements at end of year.

2/ Excludes new members which had not yet held their first consultation.

Table 3. Standard Cycles Specified in Consultations Concluded in 1983

Country	Date by which Next Consultation Expected to be Concluded <u>1/</u>	Country	Date by which Next Consultation Expected to be Concluded <u>1/</u>
Industrial			
Australia	12/06/84	Ireland	07/27/84
France	06/03/84	Spain	04/22/84
Germany	08/03/84	Sweden	09/02/84
Iceland	12/19/84	United States	07/20/84
Developing - Oil exporting			
Indonesia	11/16/84	United Arab Emirates	06/13/84
Saudi Arabia	08/31/84	Venezuela	07/01/84
Developing - Non-oil			
Bahamas	05/13/84	Madagascar	12/30/84
Bangladesh	07/13/84	Malaysia	07/08/84
Barbados	06/22/84	Maldives	11/16/84
Belize	06/20/84	Mali	12/16/84
Central African Republic	04/22/84	Mauritius	05/18/84
China	11/21/84	Mexico	05/23/84
Colombia	07/01/84	Nepal <u>2/</u>	10/31/84
Costa Rica	07/19/84	Niger	07/01/84
Cyprus	09/06/84	Panama	06/24/84
Dominica	08/05/84	Papua New Guinea	07/01/84
Ecuador	06/01/84	Peru	11/30/84
Egypt	07/28/84	Portugal	06/13/84
El Salvador	10/07/84	Romania	09/22/84
Ethiopia	06/08/84	Rwanda	04/20/84
Gabon	05/27/84	St. Lucia	06/08/84
The Gambia	09/01/84	Senegal	09/20/84
Ghana	08/09/84	Sierra Leone	10/06/84
Grenada	08/26/84	South Africa	06/20/84
Guatemala	06/01/84	Sri Lanka	09/19/84
Guinea	08/09/84	Sudan	09/19/84
Guinea-Bissau	06/08/84	Tanzania	07/11/84
Guyana	11/08/84	Trinidad & Tobago	12/02/84
Haiti	11/15/84	Tunisia	08/31/84
Honduras	11/28/84	Turkey	06/24/84
Israel	06/15/84	Upper Volta	06/10/84
Ivory Coast	06/10/84	Uruguay	04/22/84
Korea	07/08/84	Viet Nam	07/16/84
Lesotho	08/26/84	Yemen Arab Rep.	09/06/84
		Zaire	12/30/84
		Zambia	04/18/84

Source: Exchange and Trade Relations Department.

1/ On basis of 12-month cycle. Conclusion of consultation within three months after the last specified would still be considered in compliance with the guideline.

2/ Nepal was considered a standard cycle country, but because the current consultation was completed only seven months after the previous one, the interval before the next one was expected to be 15 months.

Table 4. Longer Cycles Specified in Consultations
Concluded in 1983

Country	Date by which Next Consultation Expected to be Concluded <u>1/</u>	Cycle <u>2/</u> (Months)
Industrial		
Norway	01/31/85	(18)
Developing-- Oil exporting		
Kuwait	01/31/85	(18)
Oman	(01/06/85)	18
Qatar	(06/16/85)	18
Developing-- Non-oil		
Afghanistan	"Flexible approach"	...
Bahrain	(03/21/85)	18
Benin	12/31/84	(15)
Bhutan	(05/30/85)	18
Jordan	(07/21/85)	18
Lebanon	"Flexible approach"	...
Malta	(01/21/85)	18
Netherlands Antilles	(05/23/85)	18
Seychelles	12/31/84	(14)
Singapore	03/31/85	(16)

Source: Exchange and Trade Relations Department.

1/ Date specified in summing up, or, where in parentheses, the date derived implicitly from specification in the summing up in terms of number of months. "Flexible approach" reflects uncertainties as to when the next consultation mission can fruitfully be scheduled, in view of security problems.

2/ Parentheses indicate that the number of months listed is derived implicitly from the date specified in the summing up.

Table 5. Article IV Consultations--Period from Termination of Initial Discussions to Board Conclusion, 1979-83 ^{1/}

	1979	1980	1981	1982	1983
Termination of initial discussion to issuance of staff report					
Average in calendar days	53	53	63	59	67
Percentage distribution					
40 days or less	15	31	13	10	7
41-50 days	29	20	22	30	20
51-60 days	29	19	21	21	26
61-70 days	16	20	20	19	20
71 days or more	11	10	24	20	27
Issuance of staff report to Board conclusion					
Average in calendar days	42	35	26	39	37
Percentage distribution					
20 days or less	21	19	47	7 ^{2/}	10 ^{2/}
21-30 days	22	30	25	41	51
31-40 days	20	19	14	19	18
41-50 days	15	14	6	19	8
51-60 days	8	6	6	3	3
61 days or more	15	12	1	11	10
Total: termination of initial discussion to Board conclusion					
Average in calendar days	95	88	89	99	104
Percentage distribution					
70 days or less	22	24	22	10	9
71-80 days	19	12	17	17	16
81-90 days	15	23	22	20	23
91-100 days	16	18	10	19	17
101-110 days	4	11	9	14	10
111-120 days	8	2	10	6	3
121 days or more	17	10	10	14	22

Source: Exchange and Trade Relations Department.

^{1/} Recorded in year in which consultation concluded.

^{2/} The Executive Board had agreed to waive the circulation period in these cases.

Table 6. Reasons for Requests for Extension of the Three-Month Period
for the Conclusion of Article IV Consultations, 1979-83

(Number of cases) 1/

	1979	1980	1981	1982	1983 <u>2/</u>
Difficulties in scheduling Board meetings <u>3/</u>	6	1	1	19	7
Desire to discuss jointly requests for use of Fund resources and Article IV consultations	7	8	5	8	16
Delays in receiving official comments on staff papers	4	2	5	7	3
Additional information required, e.g., policy or institutional changes	3	4	1	3	6
Staff committed to other missions	1	2	--	1	2
Request of the authorities	<u>7</u>	<u>7</u>	<u>7</u>	<u>3</u>	<u>--</u>
Total	28	24	19	41	34

Sources: Exchange and Trade Relations Department and Secretary's Department.

1/ Individual countries may have had more than one request for extension in a given year.

2/ Table 17 lists the 1983 requests for extensions.

3/ Mostly on account of the informal recess and Interim Committee and Annual Meetings, but also including cases where the Executive Director elected by the member concerned was unable to be present.

Table 7. Business Travel by Professional Staff
and Duration of Missions, 1979-83

	1979	1980	1981	1982	1983
<hr/>					
Staff travel (staff days) <u>1/</u>					
Consultations <u>2/</u>	8,277	8,128	8,404	10,309	11,700
Use of Fund resources	4,505	5,750	8,148	6,545	7,474
Technical assistance	3,104	3,084	4,218	2,687	2,826
Other <u>3/</u>	2,391	3,156	3,878	3,570	2,291
A. Total travel	18,277	20,118	24,648	23,111	24,291
B. Total staff days available <u>4/</u>	94,182	95,304	98,361	101,929	108,298
C. (A as percent of B) <u>5/</u>	(19.4)	(21.1)	(25.1)	(22.7)	(22.4)
<hr/>					
Mission duration <u>6/</u>					
Average in calendar days	13.6	13.9	14.3	13.3	13.8
Percentage distribution					
7 days or less	8.9	8.9	10.1	9.1	17.1
8-10 days	10.9	13.3	7.6	12.5	8.2
11-13 days	25.7	28.9	30.4	31.8	20.5
14-16 days	33.7	30.0	30.4	35.2	27.4
17-27 days	16.8	11.1	16.5	9.1	24.0
27 days or more	4.0	7.8	5.1	2.3	2.7

Source: Administration Department.

1/ Defined as days spent away from headquarters on business travel (i.e., travel to and from mission destinations or weekends and holidays in the field are included). Excludes travel related to Annual Meetings, travel by resident representatives, all travel within the United States, and travel related to general support services.

2/ Includes consultations combined with use of Fund resources.

3/ Includes, among others, contacts with other international organizations, debt rescheduling, seminars, and membership missions.

4/ Departments included are AFR, ASD, EUR, MED, WHD, CBD, ETR, FAD, INST (excluding the Administration division), LEG, RES, and STAT. Excludes computer system officers, editorial officers, administrative officers, library staff, research assistants, and staff in the field.

5/ Note that A. includes weekends and holidays, while B. does not.

6/ Missions are recorded according to the year the consultation was concluded, while staff travel is recorded in the year in which the mission actually occurred.

Table 8. Business Travel by Fund Staff of Selected Departments, 1979-83 ^{1/}

(In staff days)

	1979	1980	1981	1982	1983
<u>African Department</u>					
Consultations	1,737	1,585	1,358	2,341	2,257
Use of Fund resources	1,034	1,915	2,850	1,861	2,192
Technical assistance	143	323	278	90	29
Other	390	418	485	363	360
A. Total travel	3,304	4,241	4,971	4,655	4,838
B. Total staff days available	12,300	13,110	13,645	14,470	16,192
(A as per cent of B)	(26.9)	(32.4)	(36.4)	(32.2)	(29.9)
<u>Asian Department</u>					
Consultations	1,016	1,159	728	1,542	1,613
Use of Fund Resources	345	446	692	589	731
Technical assistance	28	26	161	35	42
Other	189	326	344	358	185
A. Total travel	1,578	1,957	1,925	2,524	2,571
B. Total staff days available	8,218	7,875	8,561	9,021	9,265
(A as per cent of B)	(19.2)	(24.9)	(22.5)	(28.0)	(27.8)
<u>European Department</u>					
Consultations	1,318	1,130	1,333	1,270	1,929
Use of Fund Resources	479	511	577	649	487
Technical assistance	39	22	64	—	—
Other	152	137	283	624	321
A. Total travel	1,988	1,800	2,257	2,543	2,737
B. Total staff days available	8,739	9,100	9,157	9,489	10,248
(A as per cent of B)	(22.8)	(19.8)	(24.7)	(26.8)	(26.7)
<u>Exchange and Trade Relations Department</u>					
Consultations	1,013	991	884	1,223	1,173
Use of Fund resources	844	1,105	1,346	1,077	1,280
Technical assistance	20	199	85	133	31
Other	230	301	372	487	403
A. Total travel	2,107	2,596	2,687	2,920	2,887
B. Total staff days available	9,673	9,456	10,085	10,844	11,538
(A as per cent of B)	(21.8)	(27.5)	(26.6)	(26.9)	(25.0)
<u>Fiscal Affairs Department</u>					
Consultations	576	726	629	733	932
Use of Fund resources	525	650	843	645	816
Technical assistance	1,060	798	1,388	959	932
Other	109	146	104	208	200
A. Total travel	2,270	2,320	2,964	2,545	2,880
B. Total staff days available	9,225	9,699	9,554	9,660	10,413
(A as per cent of B)	(24.6)	(23.9)	(31.0)	(26.4)	(27.7)
<u>Middle Eastern Department</u>					
Consultations	819	891	1,023	987	990
Use of Fund resources	320	317	327	191	279
Technical assistance	66	60	134	118	104
Other	105	108	161	213	160
A. Total travel	1,310	1,376	1,645	1,509	1,533
B. Total staff days available	5,903	5,674	5,777	5,737	5,760
(A as per cent of B)	(22.2)	(24.3)	(28.5)	(26.3)	(26.6)
<u>Western Hemisphere Department</u>					
Consultations	1,510	1,272	1,877	1,802	2,219
Use of Fund resources	877	716	663	1,373	1,435
Technical assistance	65	52	71	2	4
Other	241	346	472	586	284
A. Total travel	2,693	2,386	3,083	3,763	3,942
B. Total staff days available	12,875	12,619	13,507	13,453	14,368
(A as per cent of B)	(20.9)	(18.9)	(22.8)	(28.0)	(27.4)

Source: Administration Department.

^{1/} For explanation of headings see footnotes 1-5 of Table 7.

Table 9. Size of Article IV Consultation Missions, 1979-83 ^{1/}

(Number of Missions)

	1979	1980	1981	1982	1983
All Missions	95	95	88	106	130
3 or less staff	6	2	5	4	4
4 staff	39	49	33	40	54
5 staff	38	34	43	45	50
6 staff	10	8	7	11	18
7 staff	1	1	-	6	4
8 staff	1	1	-	-	-
Average ^{2/}	4.6	4.6	4.6	4.8	4.7
African Department	29	27	20	32	37
3 or less staff	4	1	1	-	1
4 staff	15	15	9	14	14
5 staff	5	9	9	18	15
6 staff	5	2	1	-	7
7 staff	-	-	-	-	-
8 staff	-	-	-	-	-
Average ^{2/}	4.4	4.4	4.5	4.6	4.8
Asian Department	17	18	13	21	21
3 or less staff	1	1	1	1	1
4 staff	10	11	8	11	12
5 staff	6	5	4	3	4
6 staff	-	-	-	3	4
7 staff	-	1	-	3	-
8 staff	-	-	-	-	-
Average ^{2/}	4.3	4.4	4.2	4.8	4.5
European Department	18	17	16	17	28
3 or less staff	1	-	-	-	1
4 staff	7	12	6	5	14
5 staff	10	3	9	6	9
6 staff	-	2	1	4	2
7 staff	-	-	-	2	2
8 staff	-	-	-	-	-
Average ^{2/}	4.5	4.4	4.7	5.2	4.7
Middle Eastern Department	13	13	14	13	13
3 or less staff	-	-	1	-	-
4 staff	6	5	5	7	7
5 staff	5	4	6	3	4
6 staff	2	4	2	3	1
7 staff	-	-	-	-	1
8 staff	-	-	-	-	-
Average ^{2/}	4.7	4.9	4.6	4.7	4.7
Western Hemisphere Department ^{3/}	18	20	25	23	31
3 or less staff	-	-	2	3	1
4 staff	1	6	5	3	7
5 staff	12	13	15	15	18
6 staff	3	-	3	1	4
7 staff	1	-	-	1	1
8 staff	1	1	-	-	-
Average ^{2/}	5.4	4.9	4.8	4.7	4.9

Source: Administration Department.

^{1/} Excluding secretaries; EPs included in their assigned departments. Multiple missions in connection with the same consultation are counted as separate missions.

^{2/} Assuming that the smallest mission size is three staff members.

^{3/} Including U.S. consultation mission.

Table 10. Professional Staff Participation in Article IV Consultation Missions by Area and Functional Departments, 1979-83 1/

(Number of trips)

	1979	1980	1981	1982	1983
African Department	<u>126</u>	<u>120</u>	<u>90</u>	<u>146</u>	<u>176</u>
AFR staff	<u>97</u>	<u>79</u>	<u>61</u>	<u>97</u>	<u>119</u>
Other staff	29	41	29	49	57
Asian Department	<u>73</u>	<u>79</u>	<u>55</u>	<u>101</u>	<u>95</u>
ASD staff	<u>49</u>	<u>51</u>	<u>35</u>	<u>67</u>	<u>70</u>
Other staff	24	28	20	34	25
European Department	<u>81</u>	<u>75</u>	<u>75</u>	<u>88</u>	<u>130</u>
EUR staff	<u>72</u>	<u>68</u>	<u>66</u>	<u>74</u>	<u>116</u>
Other staff	9	7	9	14	14
Middle Eastern Department	<u>61</u>	<u>64</u>	<u>65</u>	<u>61</u>	<u>61</u>
MED staff	<u>45</u>	<u>47</u>	<u>50</u>	<u>50</u>	<u>50</u>
Other staff	16	17	15	11	11
Western Hemisphere Department <u>2/</u>	<u>97</u>	<u>97</u>	<u>118</u>	<u>107</u>	<u>152</u>
WHD staff	<u>83</u>	<u>81</u>	<u>101</u>	<u>85</u>	<u>117</u>
Other staff	14	16	17	22	35
Total	<u>436</u>	<u>435</u>	<u>403</u>	<u>503</u>	<u>614</u>
Area departments	346	326	313	373	472
Functional departments	92	109	90	130	142
ETR	(53)	(49)	(41)	(60)	(59)
FAD	(26)	(34)	(30)	(41)	(46)
RES	(6)	(8)	(7)	(8)	(7)
STAT	(2)	(5)	(2)	(8)	(13)
CBD	(3)	(3)	(4)	(4)	(4)
Other	(2)	(10)	(6)	(9)	(13)

Source: Administration Department.

1/ Excluding secretaries; EPs included in their assigned departments.

2/ Including participation in U.S. consultation mission.

Table 11. Country Items in Executive Board Meetings, 1979-83

	1979	1980	1981	1982	1983
1. Total number of Board meetings <u>1/</u>	209	207	190	211	203
2. Total number of country items <u>2/</u>	157	144	151	142	181
a. Consultations alone	72	71	59	62	75
b. Consultations combined with use of Fund resources <u>3/</u>	32	21	27	20	45
c. Use of Fund resources alone	40	42	51	52	50
3. Total Board hours	515	493	440	511	501
4. Total Board hours on country items (as percent of total Board hours)	173 (33.6)	163 (33.1)	204 (46.4)	261 (51.1)	273 (54.5)
Of which: <u>4/</u>					
a. Consultations alone (as percent of Board hours)	91 (17.7)	84 (17.0)	84 (19.1)	108 (21.1)	95 (19.0)
b. Consultations combined with use of fund resources (as percent of Board hours)	38 (7.4)	25 (5.1)	45 (10.2)	53 (10.4)	104 (20.8)
c. Use of Fund resources alone (as percent of Board hours)	41 (8.0)	51 (10.3)	71 (16.1)	94 (18.4)	70 (14.0)

Source: Secretary's Department.

1/ Comprising Board meetings, seminars, informal sessions, and the Committee of the Whole.

2/ Country items comprise use of Fund resources, consultations, and exchange systems.

3/ Use of Fund resources covers approvals of stand-by and extended arrangements, reviews of such arrangements, CFF and other purchases, and modifications and waivers of performance criteria.

4/ 4a, b, and c do not sum to total board hours on country items, as miscellaneous country items such as schedule changes, notifications of changes in exchange arrangements, etc., are not included in the three subcategories.

Table 12. Length of Reports in Connection with
Article IV Consultations, 1979-83

	1979	1980	1981	1982	1983
Staff Reports					
Average length (pages)	12.5	13.3	14.3	16.4	18.8
Percentage distribution					
9 pages or less	14.9	11.1	7.6	8.7	2.5
10-14 pages	62.4	51.1	48.1	32.5	29.7
15-19 pages	20.8	35.6	34.2	32.5	29.7
20 pages or more	2.0	2.2	10.1	26.3	38.1
Reports on Recent Economic Developments					
Average length (pages)	79.4	85.7	90.1	88.7	95.1
Percentage distribution					
50 pages or less	6.9	3.3	5.1	6.3	5.9
51-60 pages	12.9	6.7	3.8	8.7	3.4
61-70 pages	14.9	16.7	11.5	8.7	5.9
71-80 pages	23.8	16.7	14.1	11.3	15.1
81-90 pages	16.8	20.0	16.7	15.0	13.4
91-100 pages	7.9	14.4	15.4	20.0	16.0
101 pages or more	16.8	22.2	33.3	30.0	40.3

Source: Exchange and Trade Relations Department.

II. Factual Background on the Information Notice System

The Information Notice System consists of two elements: (1) quarterly reports to the Executive Board on developments in real effective exchange rates, emphasizing changes over the medium term; and (2) information notices to the Board on individual countries that have experienced large changes in their real effective exchange rates since the last time the Board discussed their exchange rate policies. These were developed in response to requests made by the Executive Board in their conclusion of last year's surveillance review [A:1.c].

1. General description of the indices of real effective exchange rates used in the information notice system 1/

Both the quarterly reports and the individual information notices make use of indicators of real effective exchange rates based on readily available cost and price indicators and relatively straightforward weighting schemes, so that calculations can be made on a consistent basis for a large number of member countries. The indices focus on the overall international cost and price competitiveness of each country rather than on the international competitiveness of particular industries, the export sector as a whole, or the import-competing sector. Three types of real effective exchange rate indices are used, differing with respect to the cost or price indicators and the weighting scheme employed.

Type I real effective exchange rate indices are relative normalized unit labor costs in manufacturing adjusted for exchange rate changes. Such indices are calculated for 14 major industrial countries 2/ and have been published for some time in IFS. The weights used in constructing the indices take account, at the disaggregated level, of the relative importance of a country's trading partners in its direct bilateral relations with them, of competitive relations with "third countries" in particular markets, and of differences among countries in the importance of foreign trade to the manufacturing sector.

Type II indices are based on the relation between consumer prices in the home country and abroad, adjusted for exchange rate changes. They are calculated for the 36 countries in which the share of manufactures in total production and exports is sizable. This group includes all those classified in the World Economic Outlook as industrial countries except Luxembourg (i.e., the preceding 14 countries plus Australia, Finland, Iceland, Ireland, New Zealand, and Spain), or as "developing

1/ A description of the method of construction for each type of index is given in the Appendix to the "Quarterly Report on Indicators of Real Effective Exchange Rates" [D:1].

2/ Including Switzerland.

countries that are major exporters of manufactures," plus Hungary, India, Malaysia, Pakistan, Philippines, and Thailand, as well as Hong Kong. The weighting scheme for each country takes into account the relative importance of bilateral trade between the country considered and the other 35 countries in the group, and competition in third markets.

Type III indices, calculated for 78 member countries, ^{1/} also use relative movements in consumer prices adjusted for exchange rate changes, but differ from the Type II indices with respect to the weighting scheme employed. The weights for each of those countries generally reflect the relative sizes of the bilateral trade flows (imports and exports) with the previous 36 countries.

For the remaining 35 member countries, no real effective exchange rate indices are calculated, mainly because of the relatively low quality or unavailability of price indices.

a. Cost and price data

Type I real effective exchange rate indices make use of normalized (i.e., cyclically adjusted) unit labor costs. Since actual data on unit labor costs generally become available with a lag, data for the most recent periods are based on staff estimates. These estimates take into account, inter alia, recent developments in wage costs in the manufacturing sector. As the data thus generated are on a quarterly basis, monthly estimates are obtained through an interpolation procedure.

The standard practice for the calculation of Types II and III indices has been to use the consumer price indices stored in Data Fund Series 64, but in some cases alternative series have been used. These series, supplemented where possible with estimates provided by desk officers, are stored in Data Fund Select Files. Following seasonal adjustment, routines for extrapolation or interpolation (where only quarterly data are available from country sources) are used, as necessary, to generate up-to-date monthly series. Such extrapolations are normally confined to periods of six months or less, and are based on the rate of inflation recorded over the previous six-month period.

b. Exchange rate data

The standard practice on exchange rates has been to use Data Fund Series ah (monthly average, expressed in terms of U.S. dollars per unit of national currency).

^{1/} Including Netherlands Antilles.

Where multiple currency practices are in effect, the exchange rate in Data Fund Series ah refers to the exchange rate that applies to the major or official exchange market. In these cases, an effort has been made to use a composite (weighted average) exchange rate, which takes into account the share of trade transactions taking place at each exchange rate.

In the presence of multiple exchange rates, the construction of an effective exchange rate index ideally requires information on the geographic distribution of the value of the trade transactions in each segmented market. In principle, such information would allow the construction of an effective exchange rate index for each of the multiple rates, which would then be weighted according to the share of total transactions carried out at each of the multiple rates in some appropriate base period, to generate a composite effective exchange rate. In practice, however, information is normally available only for the share of total trade transactions that is subject to each of the multiple exchange rates. Thus, the only feasible approach is to construct a weighted average of the multiple exchange rates (in terms, say, of the U.S. dollar) using the overall shares in the base period. This series is then used to calculate a (real) effective exchange rate taking into account direction of trade data. The limitation of this approach is that it implicitly assumes that the geographical distribution of trade is the same across transactions carried out at each of the multiple exchange rates. ^{1/}

c. Data used in the weighting schemes

The weights employed for Type I indices are built up from disaggregate (i.e., four-digit SITC) trade data for manufactures in 1975 published by the OECD. The weighting schemes for Types II and III indices are generally based on 1980 data available in the Direction of Trade file of the Data Fund. Where possible, these data have been adjusted to exclude trade in energy products, correct for incomplete coverage, include other current account receipts (such as workers' remittances and tourism receipts) that are important for some countries, or to exclude entrepôt trade. Such adjustments have been made in the weights of 30 countries.

^{1/} Transactions are occasionally moved through administrative decision between exchange markets. To measure the effect of such administrative actions on the real effective exchange rate, the weights used in determining the average exchange rate should be adjusted in accordance with the share of the transactions transferred during the base period. This involves distinguishing between changes in shares due to market forces and those directly due to administrative decisions.

2. Characteristics of data used in the calculation of the consumer price-based real effective exchange rates

Table 13 provides a detailed description of the data used in the calculation of Types II and III indices, i.e., price indices, nominal exchange rates, and weighting schemes. Asterisks denote cases where the standard price or exchange rate series are used.

The first column of the table describes the type of price index used in the calculations. The standard price series is the consumer price index stored as Data Fund Series 64. In certain instances, where that Data Fund series is not available or has been judged to be less appropriate than another available series, alternative series have been used. For instance, in the case of Bangladesh, the CPI for middle-income families in the capital city is employed. For Sri Lanka, use is made of the unpublished cost of living index compiled by the Central Bank of Ceylon instead of the published consumer price index. In the case of Brazil, the general price index, a composite of wholesale, building materials, and consumer prices, is utilized. For India, use is made of the wholesale price index as more representative of domestic cost developments. In several other instances, indicated in footnotes, adjustments have been made to the series available in the Data Fund. Qualifications of the price indices which need to be taken into account in interpreting developments are indicated by letters in the second column as follows: (a) price index significantly affected by price controls; (b) price index has limited coverage in terms of commodities or geographical area; (c) price index based on out-of-date consumer basket; (d) price index believed to underestimate the actual rate of inflation; (e) data become available with a considerable time lag. The third column describes the frequency of the data series: "M" indicates that the series is monthly, "Q" that it is quarterly.

The fourth column describes the nominal exchange rate used in the calculations. The standard nominal exchange rate is the Data Fund Series ah. Letters denote the use of alternative nominal exchange rates as follows: (a) a composite (weighted average) rate is used in the presence of multiple rates; (b) a composite rate is used for certain past periods when multiple exchange rates were in effect. Composite exchange rates are currently used to calculate the real effective exchange rates for Egypt, Paraguay and Uganda. For other countries with multiple exchange rates, the data required for such a calculation are being gathered and composite rates will be developed.

Table 13. Description of Data Used in the Calculation
of the Consumer Price-Based Real Effective Exchange Rates 1/

	Price Index			Nominal Exchange Rate	Weighting Scheme	
	Type	Qualifica- tions	Frequency		Type	Adjust- ments
<u>African Department</u>						
Botswana	*	--	M	*	III	--
Cameroon	*	b	M	*	III	--
Congo	*	a,b	M	*	III	b
Ethiopia	*	b	M	*	III	--
Gabon	*	b	M	*	III	a
Gambia	*	--	M	*	III	--
Ghana	*	d	M	b	III	--
Ivory Coast	*	--	M	*	III	--
Kenya	*	--	M	*	III	--
Lesotho	*	b,d	Q	*	III	--
Liberia	*	--	M	*	III	--
Madagascar	*	a,b	M	*	III	--
Malawi	*	b,c	M	*	III	--
Mauritius	*	--	M	*	III	c
Morocco	*	--	M	*	III	--
Niger	*	--	M	*	III	--
Nigeria	*	--	M	*	III	b
Rwanda	*	--	M	*	III	--
Senegal	*	--	M	*	III	--
Seychelles	*	b	M	*	III	c
Sierra Leone	*	--	Q	*	III	<u>2/</u>
Somalia	*	--	M	*	III	--
Swaziland	*	--	M	*	III	--
Tanzania	*	a,b,d	Q	*	III	--
Togo	*	b,c	M	*	III	--
Tunisia	*	--	M	*	III	b,c,d
Uganda	<u>3/</u>	b,c	M	a	III	--
Zaire	*	b	M	*	III	--
Zambia	*	--	M	*	III	--
Zimbabwe	*	d	M	*	III	e
<u>Asian Department</u>						
Bangladesh	CPI	--	M	*	III	--
Burma	*	a,b	M	*	III	--
Fiji	*	--	M	*	III	--
India	WPI	--	M	*	II	d
Indonesia	*	--	M	*	III	b

Table 13 (Continued). Description of Data Used in the Calculation
of the Consumer Price-Based Real Effective Exchange Rates 1/

	Price Index			Nominal Exchange Rate	Weighting Scheme	
	Type	Qualifica- tions	Frequency		Type	Adjust- ments
<u>Asian Dept. (cont'd)</u>						
Japan	*	--	M	*	II	--
Korea	*	--	M	*	II	--
Malaysia	*	--	M	*	II	b
Nepal	*	--	M	*	III	--
PNG	*	--	Q	*	III	--
Philippines	*	b	M	*	II	--
Singapore	*	--	M	*	II	b
Solomon Islands	*	--	M	*	III	--
Sri Lanka	COL	--	M	*	III	--
Thailand	*	--	M	*	III	--
Vanuatu	*	--	Q	*	III	e
W. Samoa	*	--	M	*	III	--
<u>European Department</u>						
Australia	*	--	Q	*	II	--
Austria	*	a	M	*	II	--
Belgium	*	--	M	*	II	--
Cyprus	*	--	M	*	III	--
Denmark	*	--	M	*	II	--
Finland	*	--	M	*	II	--
France	*	--	M	*	II	--
Germany	*	--	M	*	II	--
Greece	*	a	M	*	II	--
Hungary	*	a	M	*	II	4/
Iceland	*	--	M	*	II	--
Ireland	*	--	M	*	II	--
Israel	*	a	M	*	II	--
Italy	*	--	M	*	II	--
Luxembourg	*	--	M	*	III	--
Malta	*	--	M	*	III	--
Netherlands	*	--	M	*	II	--
Netherlands Antilles	*	--	M	*	III	--
New Zealand	*	--	Q	*	II	--
Norway	*	--	M	*	II	--
Portugal	*	--	M	*	II	--
South Africa	*	--	M	*	II	--
Spain	*	--	M	*	II	--
Sweden	*	--	M	*	II	--

Table 13 (Continued). Description of Data Used in the Calculation of the Consumer Price-Based Real Effective Exchange Rates 1/

	Price Index			Nominal Exchange Rate	Weighting Scheme	
	Type	Qualifica- tions	Frequency		Type	Adjust- ments
<u>European Dept. (cont'd)</u>						
Turkey	*	a	M	*	III	--
United Kingdom	*	--	M	*	II	--
Yugoslavia	*	a	M	*	II	--
Hong Kong	*	--	M	*	II	--
Switzerland	*	--	M	*	II	--
<u>Middle Eastern Dept.</u>						
Bahrain	*	--	M	*	III	b
Egypt	*	a,b,c	M	a	III	a
Iran	*	b	M	*	III	b
Jordan	*	b	M	*	III	--
Kuwait	*	b	M	*	III	a
Pakistan	*	a,c	M	*	II	--
Saudi Arabia	*	--	M	*	III	a
<u>Western Hemisphere Dept.</u>						
Antigua & Barbuda	*	--	M	*	III	c
Argentina	*	--	M	b	II	--
Bahamas	*	--	M	*	III	b,c
Barbados	*	--	M	*	III	--
Bolivia	*	--	M	b	III	b
Brazil	GPI	--	M	*	II	--
Canada	*	--	M	*	II	--
Chile	*	a	M	*	III	--
Colombia	*	a	M	*	III	--
Costa Rica	*	--	M	*	III	--
Dominica	*	--	M	*	III	c
Dominican Republic	*	--	M	*	III	5/ b
Ecuador	*	a	M	*	III	b
El Salvador	*	--	M	*	III	--
Grenada	*	--	M	*	III	c
Guatemala	6/ 7/	--	M	*	III	--
Guyana	7/	d	M	*	III	--
Haiti	*	d	M	*	III	--
Honduras	*	--	M	*	III	--
Jamaica	*	--	M	*	III	--
Mexico	*	--	M	*	III	b
Panama	*	--	M	*	III	--

Table 13 (Concluded). Description of Data Used in the Calculation of the Consumer Price-Based Real Effective Exchange Rates 1/

	Price Index		Nominal Exchange Rate	Weighting Scheme		
	Type	Qualifica- tions		Type	Adjust- ments	
<u>Western Hemisphere Department</u>						
Paraguay	*	--	M	a	III	--
Peru	*	a	M	*	III	--
St. Lucia	*	--	M	*	III	c
St. Vincent	*	--	M	*	III	c
Suriname	*	--	M	*	III	--
Trinidad & Tobago	*	--	M	*	III	a
United States	*	--	M	*	II	--
Uruguay	*	--	M	*	III	--
Venezuela	*	--	M	*	III	a

1/ See the text for an explanation of the contents of the table.

2/ Diamond exports excluded.

3/ Revised official price index.

4/ Trade with socialist countries settled in rubles is excluded.

5/ Gold exports are excluded.

6/ As from 1/82, the official Consumer Price Index reported in Data Fund series 64 is replaced by staff estimates based on information provided by the Central Bank.

7/ Official CPI has been discontinued. Staff estimates are used since 1/83.

The fifth column indicates the weighting scheme employed in the calculations of the real effective exchange rate for the country in question. The two standard weighting schemes, indicated by "II" and "III," correspond to the two types of consumer price-based indices. The calculated weights are generally based on 1980 Direction of Trade data available in the Data Fund. Adjustments to these data are indicated by letters as follows: (a) exports excluded (in cases where exports of energy products account for the bulk of merchandise exports); (b) energy exports excluded; (c) tourist receipts included; (d) workers' remittances included; (e) adjustments made to correct for incomplete coverage of trade data in the Data Fund based on information provided by country authorities. Other adjustments are indicated by footnotes.

3. Consumer price-based real effective exchange rates
as indicators of competitiveness

For many purposes, the preferred indicator of competitiveness is the real effective exchange rate based on normalized unit labor costs. An analysis of the usefulness of this indicator was included in "Issues in the Assessment of Exchange Rates of Industrial Countries in the Context of Their Economic Policies" [E:2.b], which also included a comprehensive discussion of real effective exchange rates as applied to industrial countries. However, reliable data on unit labor costs are available for only a relatively small number of countries, mainly the larger industrial countries. It is hoped that, as labor cost and productivity data become available on a consistent basis for other countries, the coverage of Type I indices can be increased, but for the time being it is necessary to use price indices for other countries. For most purposes, the consumer price index is preferred to the wholesale price index, another generally available index. Because the consumer price index gives a larger weight to nontraded goods, it tends to reflect more fully developments in costs and prices of domestically produced goods and services, and it is an indicator of the cost of living, an important determinant of domestic labor costs.

Certain features of consumer-price based real effective exchange rate indices need to be kept in mind in interpreting changes in them. First, in the presence of differing productivity trends across countries and across sectors, they are only meaningful as a proxy for short-run changes in relative costs, as over time these trends result in a divergence between relative costs and relative prices. ^{1/} Second, in cases where exchange rate adjustments and other policy changes are being undertaken to correct a previously inappropriate exchange rate, the desired adjustment of relative prices is likely to involve a divergence between unit labor costs and consumer prices, particularly if traded goods are

^{1/} See pp. 23-25 [E:2.b].

prominent in the latter. Under these circumstances, an increase in consumer prices might be associated with a successful process of adjustment of an overvalued currency, and would not necessarily indicate a need for further adjustment. On the other hand, where the exchange rate is rigid or sluggishly adjusted in the face of relatively high domestic inflation, the same argument suggests that the extent of real appreciation might be understated by the index. Wage or price controls also give rise to divergences between movements in unit labor costs and consumer prices, and need to be taken into account in interpreting the indices.

It should be noted that by the nature of their construction all three types of information notice system indices reflect only indirectly the profitability of the primary producing sectors that figure largely in the economies of many countries, particularly the developing countries. Movements in relative unit labor costs or relative CPIs do not reflect changes in profitability that may result from large fluctuations in primary commodity prices or changes in nonlabor costs. Furthermore, the CPIs often reflect the cost of living in the urban sector, and may be less closely related to rural cost and price developments. Such considerations need to be reflected in any assessment of the implications of these indices for competitiveness in primary producing sectors.

4. Quarterly reports on indicators of real effective exchange rates

The first of the quarterly reports for the information of Executive Directors on real effective exchange rates of member countries was issued in July 1983 ("Indicators of Real Effective Exchange Rates" [D:1]). Two further issues of the report appeared in 1983. The reports present quarterly data on indicators of real effective exchange rates in the form of charts and tables and provide, in a statistical appendix, a comprehensive description of the methods for calculating the three types of indices that are used. Charts are included that present the results for a large number of industrial and developing countries, while the tables give estimates for all countries for which data are available, flagging changes in the indicators of real effective exchange rates that are particularly large in a medium-term perspective. The reference period is currently 1978--the last year before the second wave of oil price increases, the major rise in interest rates, and the recession in industrial countries. The large medium-term changes in real exchange rates that are flagged are those that exceed 20 percent and 30 percent from the 1978 base period.

5. Information notices

Issuance of information notices on large changes in real effective exchange rates for individual countries was initiated in July 1983 with a paper entitled "Initial Basis for Experimental System of Information Notices" [D:2]. The paper presented information on cumulative changes in real effective exchange rate indices for member countries as of April 1983, starting from the latest occasion on which the Board had had an opportunity to discuss the member's exchange rate policy. In that paper, 12 members were identified for which the change in the real effective exchange rate as of April 1983 had exceeded 10 percent—that is, members for which an information notice would have been issued had the system already been in effect: Bolivia, Chile, Ghana, Grenada, Iran, Kuwait, Niger, Paraguay, Sierra Leone, Tanzania, Trinidad and Tobago, and Zaire. Of those members, all but Niger registered a real effective appreciation.

During the remainder of 1983, six information notices were issued to the Board, all triggered by a real effective appreciation. ^{1/} The format of the information notices has varied with circumstances, but has normally included a table and chart presenting the data, a factual description of recent developments in the country's exchange system and inflation, and a brief discussion of recent economic developments in the country, with particular reference to the external sector. Where it was felt that the issue had been covered adequately in a very recent or imminent staff report, the discussion was brief and no staff appraisal was included.

The information notice for Argentina was the only one issued for a country making use of Fund resources. It was somewhat lengthier than the others as it had to deal with the issue that, although the country's exchange rate policy had been in accordance with understandings reached with the Fund, a substantial real effective appreciation had emerged as measured by the index of the information notice system. The estimated real appreciation was attributed to a lagged relationship between inflation and exchange rate adjustment, the use by the authorities of wholesale price indices as price indicators, and the emphasis in exchange rate policy on the relationship to the U.S. dollar, which during the period under consideration had continued to appreciate in real terms. It was noted that the balance of payments objectives of the program had been met up to that time, and that the movement of a single indicator of competitiveness was not an adequate basis for reassessing exchange rate policy. The various aspects of policy, including exchange rate policy, would be reviewed in the normal course of discussions regarding the implementation of the program.

^{1/} Information notices issued in 1983 are listed in Table 19.

In the case of Guyana, a staff mission had just concluded Article IV consultation discussions and the information notice included a substantive discussion of the problems faced by that country and an assessment of the Government's policies. The staff appraisal noted that the real appreciation exacerbated an external imbalance that had already in 1982 been viewed with concern by the Executive Board, and stressed the need for immediate action, particularly in the area of the exchange rate. The information notice for Suriname noted that in light of the recent sharp deterioration of the balance of payments, the evolution of the real effective exchange rate would be a major issue for discussion during the impending Article IV consultation mission. The information notice for Bolivia described the serious problems faced by that economy, which partly reflected a very sharp real appreciation of the peso in the official market. The staff appraisal stressed the need for a comprehensive adjustment program to redress the serious external and internal imbalances and noted that an Article IV consultation mission was scheduled within the next two months. In the case of Nigeria, where the staff report for the Article IV consultation was in the course of preparation, the information notice pointed to that report for a description of recent economic developments and an appraisal of the member's exchange rate policy. Finally, in the case of Iceland, where a staff report for the Article IV consultation was about to be issued, the information notice consisted of a footnote in that report. In that case, the significant real effective appreciation of the krona indicated by the Information Notice System index did not imply a significant deterioration in labor cost competitiveness, as there had been a sharp fall in real wages, reflecting a suspension of wage indexation.

6. Implications of a 5 percent threshold
for issuance of information notices

Table 14 sets out the simulated issuance of information notices in 1983 if a 5 percent threshold had been adopted. An "x" indicates that, on the basis of data available that month, ^{1/} the real effective exchange rate was estimated to have changed by more than 5 percent since the last Board consideration so that with a 5 percent threshold an information notice would have been called for. Parentheses indicate cases where, on the basis of revised data available in January 1984, the 5 percent threshold had not been passed, so that in retrospect the issuance of the notice would have been premature. In many such cases, of course, a notice would have correctly been issued in a later month.

The cases listed under July 1983 are those which would have been identified in "Initial Basis for Experimental System of Information Notices" as having passed the threshold as of April 1983. The other cases would have been subject to individual information notices.

^{1/} In July and August 1983 data were available for April and May, respectively; in subsequent months data were available with a two-month lag.

Table 14. Simulated Issuance of Information Notices
(Months in which Notices would have been Issued if a 5 Percent
Threshold had been in Effect) 1/

Country	Month of Issuance	Country	Month of Issuance
<u>African Department</u>		<u>Middle Eastern Department</u>	
Cameroon	November	Bahrain	(July)
Ethiopia	November	Egypt	July/Nov.
The Gambia	(July)	Iran	July/Dec.
Ghana	July	Jordan	August
Liberia	September	Kuwait	July
Niger	July	Pakistan	(November)
Nigeria	(July)		
Sierra Leone	July/Oct.		
Swaziland	October	<u>Western Hemis- phere Department</u>	
Tanzania	July/Dec.		
Uganda	(July)	Antigua & Barbuda	(August)
Zaire	July	Argentina	July
Zimbabwe	October	Bolivia	July/Oct.
<u>Asian Department</u>		Brazil	(October)
Indonesia	November	Chile	July
Philippines	September	Costa Rica	July
Vanuatu	(September)	Dominica	July
Western Samoa	November	Ecuador	(November)
<u>European Department</u>		El Salvador	October
Australia	November	Grenada	July
Cyprus	(September)	Guyana	July
Greece	September	Haiti	August
Iceland	October	Honduras	October
Portugal	September	Jamaica	November
United Kingdom	September	Mexico	(December)
		Paraguay	July
		Suriname	October
		Trinidad & Tobago	July
		Uruguay	November
Memorandum item:			
Monthly totals			
July	21	October	9
August	3	November	10
September	7	December	3

1/ See the text for an explanation of the contents of the table.

III. Executive Board Meetings and Fund Documents
Relating to Surveillance, 1983

The following tables provide a comprehensive record of Executive Board meetings and Fund documents relating to surveillance in 1983.

Table 15. Coverage of Selected Surveillance Topics in 1983 ^{1/}

Executive Board Meeting Number Date		Document	Document Number	Date of Issue
A. Surveillance - general				
1.	EBM/83/54 3/28/83	a. Annual Review of the Implementation of Surveillance	SM/83/43	3/1/83
	EBM/83/55 3/28/83	b. Annual Review of the Implementation of Surveillance - Supplement 1	SM/83/43	3/21/83
		c. Chairman's Summing Up at the Conclusion of the Annual Review of the Implementation of Surveillance	Buff 83/92	4/7/83
B. World Economic Outlook				
1.	EBM/83/22, 1/31/83	a. World Economic Outlook - General Survey	ID/83/1	1/17/83
	EBM/83/23, 1/31/83	b. World Economic Outlook - Trends and Prospects in International Capital Markets and Survey of External Debt Situation	ID/83/2	1/19/83
	EBM/83/24, 2/2/83	c. Chairman's Summing Up at the Conclusion of the Discussion of the World Economic Outlook	Buff 83/38	2/3/83
		d. Concluding Remarks by the Managing Director on the World Economic Outlook	Buff 83/43	2/7/83
2.	-- --	World Economic Outlook: Summary Paper for Interim Committee	ICMS/DOC/83/3	2/7/83
3.	-- --	World Economic Outlook: Background Paper for Meeting of Development Committee	ID/83/3	4/22/83
4.	EBM/83/93, 6/29/83	a. World Economic Outlook - Main Issues	ID/83/4	6/13/83
	EBM/83/94, 6/29/83 EBM/83/95, 6/30/83	b. The Acting Chairman's Summing Up at the Conclusion of the Discussion of the World Economic Outlook - Main Issues	Buff 83/175	7/1/83
5.	EBM/83/136, 9/9/83	a. World Economic Outlook - General Survey	ID/83/5	8/19/83
	EBM/83/137, 9/9/83 EBM/83/138, 9/12/83	b. Chairman's Summing Up at the Conclusion of the World Economic Outlook	SUR/83/24	9/12/83
6.	-- --	World Economic Outlook: Summary Paper for Interim Committee	ICMS/DOC/83/8	9/22/83
C. Consultation procedures				
1.	-- --	Implementation of the Three-Month Period Specified in the Procedures for Surveillance	EBD/83/161	6/3/83
2.	-- --	Establishment of Document Series for Summings Up Concerning Surveillance	SUR/83/1	7/19/83
3.	-- --	Frequency of Article IV Consultations - An Interim Report	SM/83/210	10/21/83
D. Monitoring of exchange rates and exchange arrangements ^{2/}				
1.	-- --	Indicators of Real Effective Exchange Rates ^{3/}	EBS/83/139	7/7/83
2.	-- --	Initial Basis for the Experimental System of Information Notices	EBS/83/138	7/6/83
E. Exchange rate policies				
1.	-- --	Exchange Market Intervention ^{4/}	EBD/83/125	5/4/83
2.	Executive Board Seminars	a. The Exchange Rate System: Lessons of the Past and Options for the Future	SM/84/5	1/3/84
	84/1, 1/30/84 84/2, 1/30/84	b. Issues in the Assessment of Exchange Rates of Industrial Countries in the Context of Their Economic Policies	SM/83/263	12/28/83
		c. Exchange Rate Volatility and World Trade (and Revision 1)	SM/83/203 SM/83/203	10/6/83 12/9/83

Table 15 (Concluded). Coverage of Selected Surveillance Topics in 1983 1/

<u>Executive Board Meeting</u> Number Date		Document	Document Number	Date of Issue
F. External Debt and International Capital Markets <u>5/</u>				
1.	EBM/83/58, 4/6/83	a. Fund Policies and External Debt Servicing Problems	SM/83/45	3/8/83
		b. External Debt Servicing Problems--Background Information	SM/83/46	3/9/83
		c. Payments Difficulties Involving Debt to Commercial Banks	SM/83/47	3/9/83
		d. External Debt and Debt Service of Developing Countries	SM/83/49	3/8/83
		e. Chairman's Summing Up at the Conclusion of the Discussion on Fund Policies and External Debt Servicing Problems	Buff 83/96	4/14/83
2.	EBM/83/88, 6/20/83	a. International Capital Markets--Developments and Prospects	SM/83/74	5/10/83
		b. International Capital Markets--Recent Developments	SM/83/117	6/7/83
3.	Executive Board Seminars 83/2 and 83/3, 12/12/83	a. Recent Experience with Multilateral Debt Restructurings With Official Creditors and With International Banks	SM/83/227	11/7/83
		b. The Fund, Commercial Banks and Member Countries <u>6/</u>	EBD/83/200 Sup. 1	8/4/83 11/29/83
		c. International Banking Statistics	EBS/83/238	11/7/83
		d. Chairman's Concluding Remarks Following the Seminar on Questions Related to External Indebtedness	Buff/83/285	12/19/83
G. Trade Policy <u>7/</u>				
1.	-- --	Linkages Between Trade and the Promotion of Development <u>8/</u>	EB/CW/DC/83/2	3/7/83
2.	-- --	Linkages Between Trade and the Promotion of Development <u>8/</u>	EB/CW/DC/83/5	8/8/83

1/ Includes some items early in 1984.

2/ Developments in members' exchange arrangements since the Second Amendment of the Articles and the experience in respect of the notification obligation were reviewed in the paper "Exchange Arrangements Maintained by Members" (SM/82/44, 2/24/82), and again in [A:1.a].

3/ This was the first paper in a quarterly series; there were two further papers in 1983.

4/ "Report of the Working Group on Exchange Market Intervention Established at the Versailles Summit of the Heads of State and Government."

5/ See also [B:1.b].

6/ Prepared by a consultant.

7/ At EBM/82/122 (9/20/82), Directors had discussed the staff paper "Developments in International Trade Policy," SM/82/136 (7/12/82) and Supplements 1 and 2. Other relevant documents are: "Statement by the Managing Director on Trade Issues," Buff 82/229 and [A:1.a].

8/ Prepared for the Development Committee.

Table 16. Article IV Consultations Concluded in 1983

Country	Executive Board Meeting		Staff Report		RED		Summing Up 1/	
	Number	Date	Number	Date	Number	Date	SUR Number	Date
Afghanistan	EBM/83/112	7/27/83	SM/83/109	5/31/83	SM/83/115	6/7/83	SUR/83/9	8/1/83
Argentina	EBM/83/17	1/24/83	EBS/83/8	1/10/83	SM/83/12	1/17/83		
Australia	EBM/83/161 EBM/83/162	11/23/83	SM/83/219	10/26/83	SM/83/225	11/4/83	SUR/83/45	12/6/83
Austria	EBM/83/7	1/7/83	SM/82/225 Sup. 1	12/6/82 1/6/83	SM/82/227	12/9/82		
Bahamas	EBM/83/69	5/13/83	SM/83/64	4/20/83	SM/83/65	4/29/83	2/	
Bahrain	EBM/83/142	9/16/83	SM/83/158	7/14/83	SM/83/162	7/27/83	SUR/83/28	9/21/83
Bangladesh	EBM/83/102	7/13/83	EBS/83/121 Sup. 1	6/10/83 7/8/83	SM/83/147	6/29/83	2/	
Barbados	EBM/83/89	6/22/83	EBS/83/109 Sup. 1	5/26/83 6/21/83	SM/83/82	5/19/83	2/	
Belize	EBM/83/86	6/17/83	SM/83/80	5/13/83	SM/83/107	6/1/83	2/	
Benin	EBM/83/130	9/6/83	SM/83/149	6/30/83	SM/83/179	8/12/83	SUR/83/23	9/12/83
Bhutan	EBM/83/163	11/28/83	SM/83/228	11/4/83	SM/83/229	11/8/83	SUR/83/43	11/30/83
Bolivia	EBM/83/9	1/10/83	SM/82/137	7/12/82	SM/82/162	8/9/82		
Brazil	EBM/83/40 EBM/83/41	2/28/83	EBS/83/33 Sup. 1 Sup. 2	2/11/83 2/24/83 2/25/83	SM/83/33	2/15/83		
Canada	EBM/83/19 EBM/83/20	1/26/83	SM/82/240	12/29/82	SM/83/9	1/12/83		
Central African Republic	EBM/83/65	4/22/83	EBS/83/65	3/29/83	SM/83/61	4/15/83		
Chile	EBM/83/8	1/10/83	EBS/82/227	12/13/82	SM/82/160 Sup. 1	8/5/82 12/13/82		
China	EBM/83/157	11/21/83	SM/83/213	10/25/83	SM/83/221	11/3/83	SUR/83/41	11/29/83
Colombia	EBM/83/97	7/1/83	SM/83/101	5/26/83	SM/83/134	6/23/83	2/	
Comoros	EBM/83/30	2/16/83	SM/82/216 Sup. 1	11/19/82 12/29/82	SM/82/220	11/22/82		
Costa Rica	EBM/83/104	7/18/83	EBS/83/127 Sup. 1	6/20/83 7/13/83	SM/83/150	7/5/83	SUR/83/2	7/19/83
Cyprus	EBM/83/128	9/2/83	SM/83/166	8/1/83	SM/83/174	8/9/83	SUR/83/20	9/6/83
Denmark	EBM/83/10	1/12/83	SM/82/229	12/9/82	SM/82/238	12/28/83		
Dominica	EBM/83/118	8/3/83	EBS/83/142	7/11/83	SM/83/159	7/15/83	SUR/83/12	8/5/83
Dominican Republic	EBM/83/15	1/21/83	EBS/82/239	12/29/82	SM/83/1	1/4/83		
Ecuador	EBM/83/77	6/1/83	SM/82/192	9/21/82	SM/82/198	10/4/82	2/	
Egypt	EBM/83/112	7/27/83	SM/83/103	5/26/83	SM/83/116	6/7/83	SUR/83/8	7/28/83
El Salvador	EBM/83/147	10/5/83	SM/83/191	8/17/83	SM/83/192	8/22/83	SUR/83/31	10/7/83
Equatorial Guinea	EBM/83/30	2/16/83	SM/83/4	1/4/83	SM/83/11	1/18/83		
Ethiopia	EBM/83/82	6/8/83	SM/83/77	5/12/83	SM/83/92	5/23/83	2/	
Fiji	EBM/83/18	1/24/83	SM/82/242 Sup. 1	12/29/82 1/11/83	SM/83/8	1/10/83		
France	EBM/83/81	6/3/83	SM/83/69 Sup. 1 Sup. 2	5/6/83 5/23/83 6/1/83	SM/83/84	5/18/83	2/	

Table 16. Article IV Consultations Concluded in 1983 (Continued)

Country	Executive Board Meeting		Staff Report		RED		Summing Up 1/	
	Number	Date	Number	Date	Number	Date	SUR Number	Date
The Gambia	EBM/83/123	8/26/83	SM/83/165	7/29/83	SM/83/185	8/15/83	SUR/83/19	9/1/83
Gabon	EBM/83/76	5/27/83	EBS/83/42 Sup. 1	2/24/83 5/25/83	SM/83/41	3/2/83	2/	
Federal Republic of Germany	EBM/83/114	7/29/83	SM/83/153	7/5/83	SM/83/154	7/11/83	SUR/83/11	8/3/83
Ghana	EBM/83/117 EBM/83/118	8/3/83	EBS/83/140	7/7/83	SM/83/161	7/25/83	SUR/83/14	8/9/83
Greece	EBM/83/52 EBM/83/53	3/23/83	SM/83/37 Sup. 1	2/23/83 3/21/83	SM/83/44	3/7/83		
Grenada	EBM/83/121 EBM/83/122	8/24/83	EBS/83/164	8/9/83	SM/83/182	8/11/83	SUR/83/15	8/26/83
Guatemala	EBM/83/77 EBM/83/78	6/1/83	SM/83/76	5/11/83	SM/83/71	5/11/83	2/	
Guinea	EBM/83/119	8/5/83	EBS/83/148	7/19/83	SM/83/167	8/1/83	SUR/83/13	8/9/83
Guinea-Bissau	EBM/83/82	6/8/83	SM/83/81	5/13/83	SM/83/95	5/23/83	2/	
Guyana	EBM/83/152	11/4/83	SM/83/205	10/13/83	SM/83/214	10/26/83	SUR/83/33	11/8/83
Haiti	EBM/83/153	11/7/83	EBS/83/222	10/11/83	SM/83/209	10/19/83	SUR/83/34	11/15/83
Honduras	EBM/83/158	11/21/83	SM/83/224	11/1/83	SM/83/233	11/14/83	SUR/83/40	11/28/83
Iceland	EBM/83/170 EBM/83/171	12/9/83	SM/83/236 Sup. 1	11/14/83 12/5/83	SM/83/238	11/17/83	SUR/83/48 Rev. 1	12/19/83 1/13/84
India	EBM/83/31 EBM/83/32	2/18/83	EBS/83/16 Sup. 1	1/20/83 2/17/83	SM/83/28	2/7/83		
Indonesia	EBM/83/6	1/7/83	SM/82/224	12/1/82	SM/82/233	12/20/82		
Indonesia	EBM/83/154	11/14/83	SM/83/208	10/18/83	SM/83/85 SM/83/218	5/16/83 10/28/83	SUR/83/35	11/16/83
Ireland	EBM/83/110	7/25/83	SM/83/126 Sup. 1	6/14/83 7/20/83	SM/83/146	7/1/83	SUR/83/5	7/27/83
Israel	EBM/83/85	6/15/83	SM/83/68 Sup. 1	5/4/83 5/27/83	SM/83/73	5/12/83		
Ivory Coast	EBM/83/83	6/10/83	EBS/83/96	5/13/83	SM/83/93	5/24/83	2/	
Jamaica	EBM/83/1	1/3/83	EBS/82/223	12/6/82	SM/82/232	12/17/82		
Japan	EBM/83/48 EBM/83/49	3/18/83	SM/83/36	2/18/83	SM/83/17	1/26/83		
Jordan	EBM/83/158	11/21/83	SM/83/206	10/13/83	SM/83/220	11/1/83	SUR/83/39	11/23/83
Kenya	EBM/83/50	3/21/83	SM/83/24 Sup. 1	2/2/83 3/18/83	SM/83/26	2/10/83		
Korea	EBM/83/99	7/8/83	EBS/83/119	6/9/83	SM/83/141	6/27/83	2/	
Kuwait	EBM/83/109	7/22/83	SM/83/133	6/20/83	SM/83/151	7/7/83	SUR/83/6	7/27/83
Lebanon	EBM/83/69	5/13/83	SM/83/32	2/11/83	SM/83/42	3/3/83	2/	
Lesotho	EBM/83/122	8/24/83	SM/83/155	7/7/83	SM/83/180	8/10/83	SUR/83/16	8/26/83
Liberia	EBM/83/39	2/25/83	EBS/83/22 Sup. 1	1/28/83 2/25/83	SM/83/34	2/18/83		
Libya	EBM/83/7	1/7/83	SM/82/228	12/8/82	SM/82/237	12/23/82		
Madagascar	EBM/83/178 EBM/83/179	12/21/83	EBS/83/235	11/2/83	SM/83/245	12/2/83	SUR/83/50	12/30/83
Malawi	EBM/83/40	2/28/83	EBS/83/27	2/3/83	SM/83/25	2/9/83	2/	
Malaysia	EBM/83/99 EBM/83/100	7/8/83	SM/83/128	6/14/83	SM/83/144	6/27/83		

Table 16. Article IV Consultations Concluded in 1983 (Continued)

Country	Executive Board Meeting		Staff Report		RED		Summing Up 1/	
	Number	Date	Number	Date	Number	Date	SUR Number	Date
Maldives	EBM/83/154	11/14/83	SM/83/211	10/24/83	SM/83/216	10/27/83	SUR/83/36	11/16/83
Mali	EBM/83/170 EBM/83/171	12/9/83	SM/83/190	8/16/83	SM/83/204	10/14/83	SUR/83/47	12/16/83
Malta	EBM/83/104	7/18/83	SM/83/140	6/22/83	SM/83/148	7/1/83	SUR/83/3	7/21/83
Mauritania	EBM/83/36	2/23/83	SM/82/246 Sup. 1	12/30/82 2/18/83	SM/83/10	1/20/83		
Mauritius	EBM/83/71	5/18/83	EBS/83/78	4/20/83	SM/83/67	5/4/83	<u>2/</u>	
Mexico	EBM/83/75	5/23/83	SM/83/70	5/9/83	SM/83/86	5/17/83	<u>2/</u>	
Nepal	EBM/83/101	7/11/83	SM/83/129	6/15/83	SM/83/145	6/29/83	<u>2/</u>	
Netherlands	EBM/83/28	2/4/83	SM/82/244 Sup. 1	12/30/82 2/2/83	SM/83/2	1/6/83		
Netherlands Antilles	EBM/83/158	11/21/83	SM/83/222	10/31/83	SM/83/226	11/4/83	SUR/83/38	11/23/83
New Zealand	EBM/83/42	3/2/83	SM/83/19	1/24/83	SM/83/22	2/3/83		
Niger	EBM/83/96	7/1/83	SM/83/98 Sup. 1	5/24/83 6/13/83	SM/83/66	4/28/83	<u>2/</u>	
Norway	EBM/83/109	7/22/83	SM/83/120 Sup. 1	6/8/83 7/15/83	SM/83/142	6/30/83	SUR/83/7 Cor. 1	7/27/83 8/1/83
Oman	EBM/83/98	7/6/83	SM/83/122	6/9/83	SM/83/132	6/21/83	<u>2/</u>	
Pakistan	EBM/83/28	2/4/83	EBS/83/3 Sup. 1	1/6/83 2/3/83	SM/83/14	1/21/83		
Pakistan	EBM/83/180	12/21/83	EBS/83/249 Sup. 1 Sup. 2	11/23/83 12/20/83 12/22/83	SM/83/246	12/5/83	SUR/83/49	12/27/83
Panama	EBM/83/91	6/24/83	EBS/83/102	5/24/83	SM/83/121	6/10/83	<u>2/</u>	
Papua New Guinea	EBM/83/96	7/1/83	SM/83/110	5/31/83	SM/83/130	6/17/83	<u>2/</u>	
Peru	EBM/83/163	11/28/83	EBS/83/236	11/3/83	SM/83/235	11/14/83	SUR/83/42	11/30/83
Portugal	EBM/83/84	6/13/83	SM/83/88	5/18/83	SM/83/94	5/25/83	<u>2/</u>	
Qatar	EBM/83/172	12/14/83	SM/83/237	11/14/83	SM/83/243	11/28/83	SUR/83/46	12/16/83
Romania	EBM/83/140	9/14/83	SM/83/173 Sup. 1	8/5/83 9/12/83	SM/83/195	8/24/83	SUR/83/29	9/22/83
Rwanda	EBM/83/64	4/20/83	SM/83/31 Sup. 1	2/8/83 4/6/83	SM/83/53	3/17/83	<u>2/</u>	
St. Lucia	EBM/83/82	6/8/83	SM/83/78	5/13/83	SM/83/79	5/17/83	<u>2/</u>	
St. Vincent	EBM/83/49	3/18/83	SM/83/20	1/25/83	SM/83/30	2/10/83		
Saudi Arabia	EBM/83/124	8/29/83	SM/83/168	8/1/83	SM/83/169	8/4/83	SUR/83/17	8/31/83
Senegal	EBM/83/144	9/19/83	EBS/83/182	8/24/83	SM/83/199	9/6/83	SUR/83/27	9/20/83
Seychelles	EBM/83/149	10/24/83	SM/83/175 Sup. 1	8/5/83 10/11/83	SM/83/176	8/15/83	SUR/83/32	10/26/83
Sierra Leone	EBM/83/147	10/5/83	SM/83/200	9/7/83	SM/83/202	9/21/83	SUR/83/30	10/6/83
Singapore	EBM/83/155	11/16/83	SM/83/217	10/26/83	SM/83/223	11/2/83	SUR/83/37	11/18/83
Somalia	EBM/83/34	2/22/83	EBS/83/15	1/19/83	SM/83/27	2/7/83		
South Africa	EBM/83/87	6/20/83	EBS/83/100 Sup. 1 Sup. 2	5/19/83 6/16/83 6/17/83	SM/83/111	6/3/83	<u>2/</u>	

Table 16. Article IV Consultations Concluded in 1983 (Concluded)

Country	Executive Board Meeting		Staff Report		RED		Summing Up 1/	
	Number	Date	Number	Date	Number	Date	SUR Number	Date
Spain	EBM/83/66	4/22/83	SM/83/56	3/25/83	SM/83/59	4/8/83	<u>2/</u>	
Sri Lanka	EBM/83/139	9/14/83	EBS/83/166 Sup. 1	8/9/83 9/7/83	SM/83/186	8/17/83	SUR/83/25	9/19/83
Sudan	EBM/83/140	9/14/83	EBS/83/174 Sup. 1	8/16/83 9/12/83	SM/83/197	9/1/83	SUR/83/26	9/19/83
Swaziland	EBM/83/1	1/3/83	SM/82/223	11/30/82	SM/82/231	12/16/82		
Sweden	EBM/83/128	9/2/83	SM/83/170	8/3/83	SM/83/189	8/18/83	SUR/83/22	9/6/83
Syria	EBM/83/16	1/21/83	SM/82/235	12/17/82	SM/82/236	12/21/82		
Tanzania	EBM/83//101	7/11/83	SM/83/124 Sup. 1	6/13/83 7/8/83	SM/83/125	6/14/83	<u>2/</u>	
Togo	EBM/83/44	3/4/83	EBS/83/30	2/7/83	SM/83/38	2/24/83		
Trinidad and Tobago	EBM/83/165	11/30/83	SM/83/231	11/7/83	SM/83/212	10/31/83	SUR/83/44	12/2/83
Tunisia	EBM/83/123	8/26/83	SM/83/100	5/25/83	SM/83/118	6/8/83	SUR/83/18	8/31/83
Turkey	EBM/83/90	6/24/83	EBS/83/98	5/20/83	SM/83/114	6/6/83	<u>2/</u>	
Uganda	EBM/83/33	2/22/83	EBS/83/5	1/10/83	SM/83/23	2/4/83	<u>2/</u>	
United Arab Emirates	EBM/83/84	6/13/83	SM/83/97	5/23/83	SM/83/108	5/31/83	<u>2/</u>	
United Kingdom	EBM/83/35 EBM/83/36	2/23/83	SM/83/18	1/24/83	SM/83/21	2/2/83		
United States	EBM/83/106 EBM/83/107	7/20/83	SM/83/135 Sup. 1	6/20/83 7/19/83	SM/83/152	7/6/83	SUR/83/4	7/22/83
Upper Volta	EBM/83/83	6/10/83	SM/83/99	5/24/83	SM/83/112	6/2/83	<u>2/</u>	
Uruguay	EBM/83/65 EBM/83/66	4/22/83	EBS/83/43	2/25/83	SM/83/52	3/11/83		
Vanuatu	EBM/83/24	2/2/83	SM/83/3	1/3/83	SM/83/13	1/19/83		
Venezuela	EBM/83/96 EBM/83/97	7/1/83	SM/83/119	6/7/83	SM/83/127	6/15/83	<u>2/</u>	
Viet Nam	EBM/83/98	7/6/83	SM/83/123	6/13/83	SM/83/138	6/22/83	<u>2/</u>	
Western Samoa	EBM/83/20	1/26/83	SM/82/245	12/30/82	SM/83/5	1/7/83		
Yemen Arab Republic	EBM/83/122	8/24/83	SM/83/160	7/15/83	SM/83/163	8/2/83	SUR/83/21	9/6/83
Yemen, P.D.R.	EBM/83/30	2/16/83	SM/82/243	12/29/82	SM/83/15	1/25/83		
Yugoslavia	EBM/83/46 EBM/83/47	3/11/83	EBS/83/46 Sup. 1	2/24/83 3/10/83	SM/83/40	2/28/83		
Zaire	EBM/83/174 EBM/83/175	12/16/83	EBS/83/257	11/30/83	SM/83/248	12/9/83	SUR/83/51	12/30/83
Zambia	EBM/83/63	4/18/83	EBS/83/67 Sup. 1	3/30/83 4/15/83	SM/83/50	3/10/83	<u>2/</u>	

1/ The SUR series was initiated on July 19, 1983. SUR/83/1 had attached to it summings up for consultations concluded from March 28, 1983 to July 19, 1983. Prior to that date the Chairman's Summing Up was circulated only as a Buff Statement and included in the minutes of the Executive Board meeting.

2/ Attached to SUR/83/1; see footnote 1.

Table 17. Requests for Extension of the Three-Month Period
for the Conclusion of Article IV Consultations in 1983

Country	EBD and Date of Postponement
Afghanistan	EBD/83/158, 6/1/83 Sup. 1, 6/23/83
Bahrain	EBD/83/219, 8/22/83
Benin	EBD/83/195, 7/20/83
Bhutan	EBD/83/274, 10/26/83
Central African Republic	EBD/83/96, 3/29/83
China	EBD/83/268, 10/20/83
Ecuador	EBD/83/10, 1/10/83 EBD/83/144, 5/19/83
Egypt	EBD/83/176, 6/22/83 Sup. 1, 7/1/83
Equatorial Guinea	EBD/83/37, 2/9/83
Gabon	EBD/83/52, 2/25/83
India	EBD/83/37, 2/9/83
Ivory Coast	EBD/83/98, 3/31/83 Sup. 1, 5/19/83
Kenya	EBD/83/8, 1/7/83
Malawi	EBD/83/34, 2/8/83
Mali	EBD/83/242, 9/16/83 Sup. 1, 11/17/83
Mauritania	EBD/83/22, 1/19/83
Niger	EBD/83/168, 6/10/83
Rwanda	EBD/83/26, 1/28/83 Sup. 1, 4/4/83
St. Vincent	EBD/83/41, 2/16/83
Seychelles	EBD/83/228, 8/3/83 EBD/83/259, 10/12/83
South Africa	EBD/83/155, 6/1/83
Togo	EBD/83/45, 2/18/83
Tunisia	EBD/83/173, 6/17/83
Uganda	EBD/83/37, 2/9/83
Zaire	EBD/83/222, 8/26/83
Zambia	EBD/83/48, 2/23/83
Zimbabwe	EBD/83/227, 8/30/83 EBD/83/227, 11/7/83 Sup. 1, 11/7/83

Table 18. Notifications of Exchange Arrangements
Issued in 1983

Country	Report Number	Date
Argentina	EBD/83/165	June 8
Australia	EBD/83/59	March 8
Australia	EBD/83/317	December 12
Belgium/Luxembourg	EBD/83/80	March 21
Bolivia	EBS/83/262	December 2
Burundi	EBD/83/307	December 1
Denmark	EBD/83/87	March 23
Fiji	EBD/83/69	March 15
France	EBD/83/79	March 21
Germany	EBD/83/83	March 22
Greece	EBD/83/11	January 11
Hungary	EBD/83/190	July 14
Iceland	EBD/83/7	January 6
Iceland	EBD/83/154	May 31
Indonesia	EBS/83/69	March 31
Ireland	EBD/83/88	March 23
Israel	EBS/83/218	August 19
Israel	EBD/83/226	October 18
Italy	EBD/83/82	March 23
Jamaica	EBD/83/310	November 30
Kenya	EBS/83/204	September 15
Madagascar	EBD/83/31	February 4
Madagascar	EBD/83/235	September 12
Madagascar	EBD/83/255	October 7
Mauritius	EBS/83/57	March 11
Nepal	EBD/83/162	June 6
Netherlands	EBD/83/81	March 21
New Zealand	EBD/83/62	March 10
Papua New Guinea	EBS/83/58	March 11
Peru	EBS/83/179	August 22
Philippines	EBS/83/220	October 5
Portugal	EBD/83/91	March 28
Portugal	EBD/83/177	June 23
Romania	EBS/83/3	January 4
Romania	EBD/83/183	July 7
Rwanda	EBD/83/238	September 15
Sierra Leone	EBS/83/149	July 20
Somalia	EBS/83/184	July 8
Somalia	EBS/83/281	November 3
Western Samoa	EBD/83/31	February 10
Western Samoa	EBD/83/65	March 14
Western Samoa	EBD/83/117	April 26
Western Samoa	EBD/83/147	May 23
Zaire	EBD/83/200	September 14
Zambia	EBS/83/10	January 11
Zambia	EBS/83/153	July 15

Table 19. Information Notices Issued in 1983

Country	Report Number	Date
Argentina	EBS/83/167	08/9/83
Bolivia	EBS/83/239	11/7/83
Guyana	EBS/83/202	09/15/83
Iceland	SM/83/236 <u>1</u> /	11/14/83
Nigeria	EBS/83/243	11/10/83
Suriname	EBS/83/225	10/14/83

1/ Staff report for the 1983 Article IV consultation, which incorporated the information notice.