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October 1, 1990

To: Members of the Executive Board
From: The Secretary
Subject: Report on the 1990 Annual Meeting

The Board of Governors held its 1990 Annual Meeting in Washington, D.C., from September 25-27. The Annual Meeting was preceded by meetings of the Interim Committee and the Development Committee.

The Interim Committee met on September 23-24, 1990 with Mr. Michael H. Wilson as Chairman. The press communiqué of the Interim Committee was circulated as Fund Press Release No. 90/52 (Attachment I). On September 25, 1990, the Board of Governors heard a report by Mr. Wilson, which has been circulated as Joint Press Release No. 16. The Committee agreed to hold its next meeting in Washington, D.C., on April 29, 1991.

The Development Committee met on September 24, 1990, with Mr. B.T.G. Chidzero as Chairman, and issued a press communiqué (Attachment II). The Board of Governors heard a report by Mr. Chidzero on September 26, 1990, which has been issued as Joint Press Release No. 31. The Chairman also presented a report by the Committee to the Board of Governors on the work of the Committee during the period July 1989-June 1990, in compliance with Section 5(i) of the Fund Board of Governors Resolution No. 29-9, adopted October 2, 1974; this report has been circulated as a Joint Annual Meetings document (Fund Document No. 5). The Development Committee agreed to meet again in Washington, D.C., on April 30, 1991. The concluding remarks of the Chairman will be circulated to the Committee of the Whole for the Development Committee as EB/CW/DC/90/10.

The Development Committee also held a meeting on September 27, 1990, at which it selected His Excellency Alejandro Foxley Rioseco, Minister of Finance of Chile, to serve as Chairman.

Board of Governors

The Board of Governors adopted five Resolutions:

Resolution No. 45-8 - Membership of the People's Republic of Bulgaria 1/

Resolution No. 45-9 - Membership of the Republic of Namibia 2/

Resolution No. 45-10 - Places and Dates of Forthcoming Annual Meetings 3/

Resolution No. 45-11 - Financial Statements, Report on Audit, and Administrative Budget

Resolution No. 45-12 - Amendments of Rules and Regulations

The Board of Governors also decided on the following matters:

1. Officers 1990/91 4/

Chairman - Ecuador

Vice-Chairmen - Lesotho and Netherlands

2. Joint Procedures Committee 1990/91

Bangladesh	Ghana	Saudi Arabia
Bolivia	Grenada	Syrian Arab Republic
Canada	Iceland	Thailand
Cameroon	Japan	Togo
Ecuador	Lesotho	Tunisia
France	Netherlands	United Kingdom
Germany	Poland	United States
		Vanuatu

1/ Bulgaria signed the Articles of Agreement on September 25, 1990, becoming the 153rd member of the Fund.

2/ Namibia signed the Articles of Agreement on September 25, 1990, becoming the 154th member of the Fund.

3/ The 1994 Annual Meetings will be convened in Madrid on October 4, 1994, and the 1995 and 1996 Annual Meetings will be convened, respectively, on October 10 and October 1, in Washington, D.C.

4/ The Chairman and Vice-Chairmen of the Board of Governors hold the same offices in the Joint Procedures Committee; the Governor for Bangladesh will be the Reporting Member of that Committee.

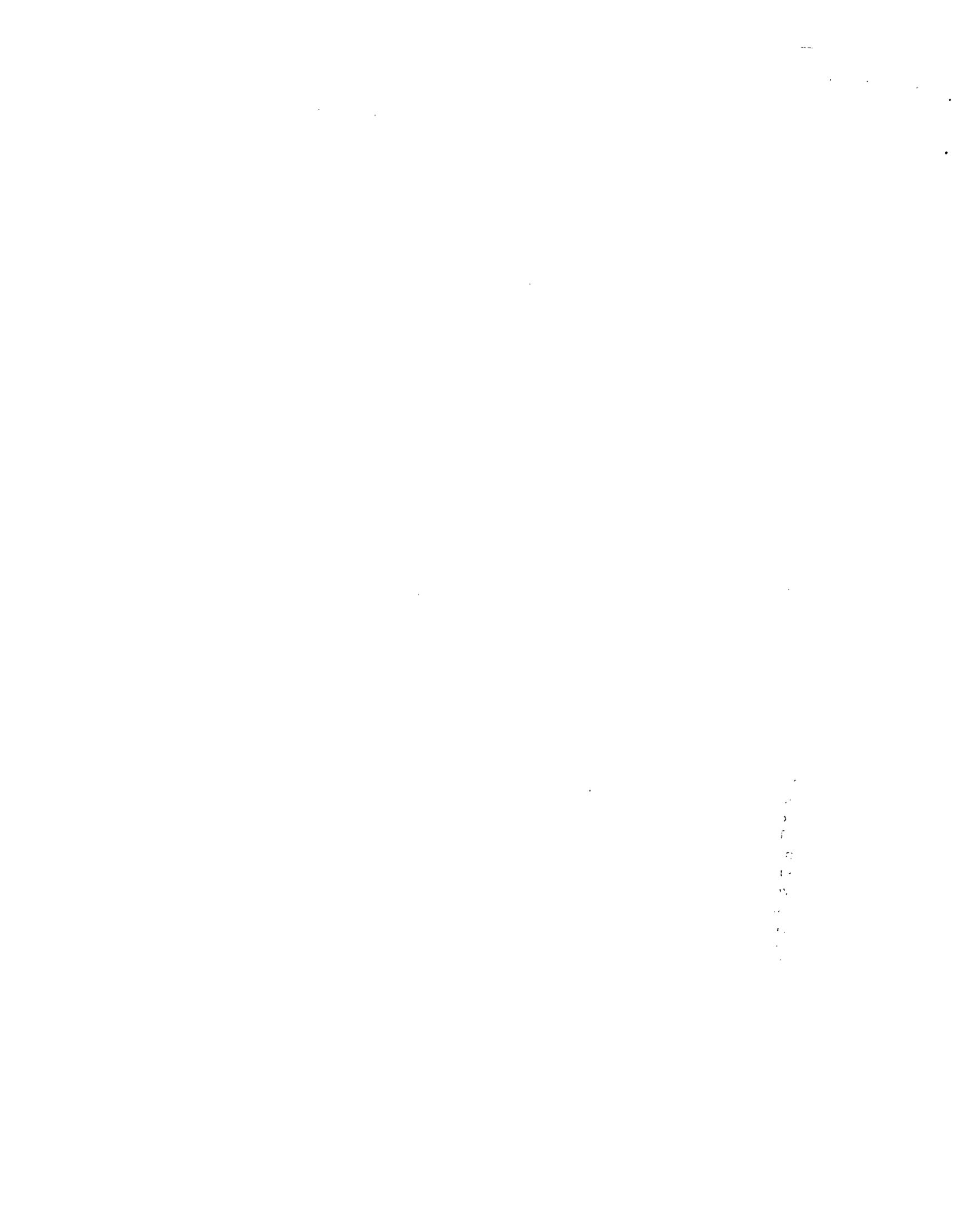
3. 1990 Regular Election of Executive Directors

Statement of results is attached (Attachment III).

Texts of the Resolutions, reports of the Joint Procedures Committee and Development Committee, and speeches of the Governors will be published in the Summary Proceedings of the 1990 Annual Meeting.

Att: (3)

Other Distribution:
Department Heads



INTERNATIONAL MONETARY FUND

PRESS RELEASE NO. 90/52

FOR IMMEDIATE RELEASE
September 24, 1990

Communiqué of the Interim Committee
of the Board of Governors of the
International Monetary Fund

1. The Interim Committee of the Board of Governors of the International Monetary Fund held its thirty-fifth meeting in Washington, D.C. on September 23-24, 1990 under the chairmanship of Mr. Michael H. Wilson, Minister of Finance of Canada. Mr. Michel Camdessus, Managing Director of the International Monetary Fund, participated in the meeting, which was also attended by observers from a number of international and regional organizations and from Switzerland.

2. The Committee noted that, after several years of rapid expansion, growth is continuing, albeit at a slower pace. The recent rise in the world price of oil, were it to continue, may contribute to cost-price pressures and moderate growth, especially in oil importing countries.

It is therefore important that fiscal and monetary policies continue to focus on improving the conditions for strong, sustainable non-inflationary growth over the medium term. Attempts to insulate domestic energy prices through subsidies or price controls, or to compensate for higher oil prices by increasing nominal wages, would only serve to fuel inflationary expectations and require, at a later stage, tighter fiscal and monetary policies. While the consequences of recent developments in the Middle East are likely to complicate the task of fiscal consolidation in a number of countries, the need for credible actions to lower fiscal deficits remains urgent. Stability-oriented monetary policy has a crucial role to play in preventing a wage-price spiral. It is also essential that both industrial and developing countries continue to implement structural reforms aimed at fostering energy conservation, boosting saving and capital formation and increasing efficiency through enhanced competition and liberalization of trade and domestic markets.

Such a policy stance in the face of recent events would contribute to strengthening the medium- and long-term outlook for the world economy and would help to maximize the gains expected from the accelerated integration of the European Community, the German unification, and the far-reaching changes now taking place in Central and Eastern Europe.

3. The Committee stressed that the resilience of the world economy and the success of market-oriented reforms and adjustment efforts in Central and Eastern Europe and in developing countries all depend importantly on an open, transparent, and competitive trading system. In this context, it strongly emphasized the vital importance of a successful Uruguay Round in reducing further the barriers to trade, in establishing trading rules and disciplines for the future, and in bringing into the multilateral trading system areas that have largely remained outside its framework. While welcoming the progress that has been made in certain areas of the Round, the Committee expressed deep concern over delays and noted that differences have yet to be resolved on several issues that are crucial to an overall agreement. The Committee urged all participants in the negotiations to make every effort to ensure a timely and successful conclusion of the Round and thereby create the conditions for higher rates of economic growth world wide.

4. The Committee welcomed the continuing examination by the Executive Board of major issues in the evolving international monetary system, including the implications of policies of major countries, the progress toward European Monetary Union and the prospects for further moves toward convertibility in Eastern Europe, as well as work on exchange rate systems and on the determinants and systemic consequences of capital flows. The Committee emphasized the central responsibility of the Fund for evaluating continuously the functioning of the international monetary system and identifying improvements that could be implemented, especially through its bilateral and multilateral surveillance activities, support for the process of policy coordination, technical assistance, and its readiness to alleviate global liquidity shortages should they arise.

5. The Committee noted that once again unexpected events have adversely affected the world economy. The Committee welcomed the international efforts of individual countries to provide immediate and medium-term economic assistance to those countries seriously affected by the Persian Gulf crisis. It encouraged the Executive Board to continue to explore how the Fund can best support members' efforts to deal with recent developments, including the increase in oil prices. Committee members noted that the Fund is well equipped to help members formulate appropriate and strong adjustment policies and catalyze support from other sources. The Committee agreed that the Fund should respond on an expedited basis to present difficulties through use and, as appropriate, adaptations of its existing instruments, including access to stand-by and extended arrangements, the Compensatory and Contingency Financing Facility, and the Enhanced Structural Adjustment Facility. The Committee invited the Executive Board expeditiously to develop the modalities of these adaptations and to take account of the requirements of current circumstances in tailoring members' access to Fund resources, including ways to address the problems of certain members in servicing such new debt. The Committee hoped that all members that are in a

position to do so will collaborate in these efforts to assist members that are severely affected by current developments in the Middle East.

6. The Committee welcomed the progress made by a number of heavily indebted countries in undertaking measures designed to restore macroeconomic balance and re-establish the conditions for sustained growth. The successful experience of these countries illustrates the central importance for members with debt difficulties of adopting policies to improve efficiency and to foster saving, investment and private capital inflows, including a return of flight capital. It underscores also the crucial role of prompt and adequate external financing in support of such policies. The early and successful conclusion of financing arrangements in the context of the strengthened debt strategy has been a key element in fostering an improved economic performance in heavily indebted countries. The timely assistance of the Fund and the World Bank to these members in support of growth-oriented adjustment programs is of critical importance in their efforts to normalize relations with all external creditors and mobilize the necessary additional financial resources.

In this light, the Committee noted with concern the difficult prospects facing many low-income and lower middle-income countries indebted mainly to official creditors, and the likely worsening of payments imbalances in many countries on account of the recent developments in the Middle East. The Committee urged those countries to adopt and sustain the necessary corrective policies. The Committee also noted with concern the slow progress of some negotiations between commercial banks and members. With respect to commercial bank financing packages, it called on all parties concerned to expedite negotiations and resolve outstanding arrears problems. As regards official bilateral debts, the Committee welcomed the continuing support of creditors for members' efforts to pursue adjustment and regain external viability. It noted in that connection the helpful actions taken by some creditor countries to provide new money or to reduce debt and debt service burdens, including through cancellation of official development assistance obligations. It also welcomed the recent decisions of the Paris Club to permit debt/equity and other debt conversion in reschedulings and to extend longer repayment periods on a case-by-case basis to lower middle-income countries, as well as the continuing review of additional options. It invited the Paris Club to consider recent initiatives and proposals to enlarge the scope of official debt relief. The Committee welcomed the U.S. effort to implement the "Enterprise for the Americas Initiative" designed to promote investment, growth, and debt reduction in Latin America.

7. The Committee welcomed the progress achieved in some Central and Eastern European countries in reducing imbalances and observed that the process of structural change on which the region is embarking will require action in many fields--particularly in light of recent oil market

developments--and over an extended period. Safety nets will be necessary to protect the vulnerable segments of society. It will be important for these economies to be opened to foreign trade and investment as rapidly as possible. While remaining mindful of the need to continue to address the needs of other countries facing similar difficulties, the international community should support the programs of stabilization and reform of these countries by improving the access of their exports to world markets and increasing its financial and technical assistance. In this connection, the support provided by national governments and regional and multilateral institutions, and its effective coordination, were welcomed.

The Committee welcomed the entry of the Czech and Slovak Federal Republic and the prospective entry of Bulgaria and Namibia into the Bretton Woods institutions. Together with the membership applications of Mongolia and Switzerland, these developments enhance the universal character of the Fund and the Bank.

8. The Committee welcomed the role of the Fund in convening work, undertaken jointly with the World Bank, the OECD and the designated President of the EBRD, and in close consultation with the Commission of the European Communities, on a detailed study of the economy of the Soviet Union.

9. The Committee stressed the importance of bringing into effect the quota increases under the Ninth General Review at the earliest possible date, particularly in view of recent events and uncertainties in the world economy. The Committee called upon all members to consent to the quota increase and accept the associated Third Amendment of the Articles of Agreement as soon as possible.

10. The Committee agreed to hold its next meeting in Washington, D.C. on April 29, 1991.

INTERIM COMMITTEE ATTENDANCE

September 23-24, 1990

Chairman

Michael H. Wilson, Minister of Finance, Canada

Managing Director

Michel Camdessus

Members or Alternates

Mohammad ABALKHAIL, Minister of Finance and National Economy, Saudi Arabia
Abubakar ALHAJI, Minister of Finance and Economic Development, Nigeria
Pierre BEREGOVOY, Minister of State for Economy, Finance, and the Budget, France
Nicholas F. BRADY, Secretary of the Treasury, United States
Miss Zelia Maria CARDOSO DE MELLO, Minister of Economy, Finance and Planning, Brazil
Guido CARLI, Minister of the Treasury, Italy
Madhu DANDAVATE, Minister of Finance, India
Antonio Erman GONZALEZ, Minister of Economy, Argentina
Abderrahmane HADJ-NACER, Governor, Banque Centrale d'Algérie
Ryutaro HASHIMOTO, Minister of Finance, Japan
Simon CREAN, Minister of Science and Technology and Minister Assisting the Treasurer, Australia
(Alternate for Paul J. Keating, Deputy Prime Minister and Treasurer, Australia)
Wim KOK, Deputy Prime Minister and Minister of Finance, Netherlands
Rolf KULLBERG, Governor, Bank of Finland
CHEN Yuan, Deputy Governor, People's Bank of China
(Alternate for LI Guixian, State Councillor and Governor of the People's Bank of China)
John MAJOR, Chancellor of the Exchequer, United Kingdom
Philippe MAYSTADT, Minister of Finance, Belgium
Adrianus MOOY, Governor, Bank of Indonesia
PAY PAY wa Syakassighe, Governor, Banque du Zaïre
Abdul Malik AL HAMAR, Governor, United Arab Emirates Central Bank
(Alternate for Mohammed Mehdi Saleh, Acting Minister of Finance, Iraq)
Pedro R. TINOCO, Jr., President, Banco Central de Venezuela
Theo WAIGEL, Federal Minister of Finance, Germany
John W. CROW, Governor, Bank of Canada
(Alternate for Michael H. Wilson, Minister of Finance, Canada)

Observers

Rafeeuddin Ahmed, Under-Secretary-General for International
Economic and Social Affairs, UN
Horst Bockelmann, Economic Adviser and Head of the Monetary
and Economic Department, BIS
B.T.G. Chidzero, Chairman, Development Committee
Henning Christophersen, Vice President, CEC
Barber B. Conable, President, World Bank
Kenneth K.S. Dadzie, Secretary-General, UNCTAD
Arthur Dunkel, Director General, GATT
Markus Lüsser, Chairman of the Governing Board, Swiss
National Bank
Izevbüwa Osayimwese, Head, Economics and Finance
Department, OPEC
Jean-Claude Paye, Secretary-General, OECD

FOR IMMEDIATE RELEASE

DEVELOPMENT COMMITTEE

JOINT MINISTERIAL COMMITTEE
OF THE
BOARDS OF GOVERNORS OF THE BANK AND THE FUND
ON THE
TRANSFER OF REAL RESOURCES TO DEVELOPING COUNTRIES

1818 H Street, N.W., Washington, D.C. 20433

Telephone: (202) 477-6424



September 24, 1990

PRESS COMMUNIQUE

1. The Development Committee met in Washington, D.C. on September 24, 1990 under the chairmanship of the Hon. B.T.G. Chidzero, Senior Minister of Finance, Economic Planning and Development of Zimbabwe. ^{1/}

2. The Committee met at a time when the economic prospects of many developing countries were being affected adversely, particularly by the disruption of trade and workers' remittances and the increase in the price of oil resulting from the events in the Middle East as well as by the economic slowdown in some industrial countries, higher interest rates and the weakening in non-oil commodity prices. It welcomed the efforts currently underway to coordinate the distribution of financial resources for those developing countries affected by the Middle East crisis. Members welcomed the recent suggestions made by the managements of the Bank and the Fund on the response of their respective institutions. They recommended that the Boards of Executive Directors at the Bank and the Fund commence, on an expedited basis, a comprehensive review of measures that would enable them to respond promptly, flexibly and with expanded resources to the current situation. They agreed that experience shows that strong and rapid adjustment measures by affected countries are essential for maintaining internal and external balances. They also stressed that the impact of the Middle East crisis underlines the need to address development issues even more vigorously, including those considered at this meeting.

3. Noting the continuing severity of poverty problems in developing countries, the Committee agreed that the objective of a sizeable reduction in the incidence of poverty is the highest priority for the

^{1/} Mr. Barber B. Conable, President of the World Bank, Mr. Michel Camdessus, Managing Director of the International Monetary Fund, Mr. Yves L. Fortin, Executive Secretary of the Development Committee, and Mr. S.M.H. Adeli, Chairman of the Group of Twenty-Four, participated in the meeting. Observers from Switzerland and a number of international and regional organizations also attended.

international development community. Members also agreed that a broad consensus is emerging on strategies to be pursued toward the achievement of this goal. They welcomed the contribution of the 1990 World Development Report and the work of the Bank and the Fund in support of this process.

4. The Committee agreed that governments of developing countries have the primary responsibility for achieving the objective of poverty reduction. Members stressed that this objective would be most effectively achieved through the adoption of national development strategies, including sound macroeconomic and structural policies, which:

- a) encourage sustainable growth that increases income earning opportunities for the poor; and
- b) develop the human resources of the poor, particularly through broad access to education, health and family planning services.

Members also stressed that the above strategies should be supplemented by social safety net programs, selectively targeted to those in need and consistent with growth-oriented adjustment and development policies. The Committee encouraged all parties concerned to discuss their poverty reduction approaches, programs and goals in the framework of their policy dialogue. Members also agreed that good governance and involvement of the poor in the design and execution of development projects and programs are key elements for the effectiveness of poverty reduction efforts.

5. The Committee emphasized that the poverty reduction efforts of developing countries should be supported and complemented by developed countries in a consistent manner, through increased official flows, as well as through sound macroeconomic, structural and open trade policies. Members agreed that aid donors and multilateral development agencies should examine their operational policies to ensure that their external assistance more fully supports the implementation of recipient countries' national development strategies aimed at lasting poverty reduction, thus improving the quality of aid. In this connection, members welcomed the commitment of the President of the World Bank to submit to the Bank's Board of Executive Directors, for its early consideration, proposals for fully translating the conclusions of the 1990 World Development Report into the Bank's operational practice.

6. The Committee reaffirmed its support for the strengthened debt strategy and welcomed the number of debt and debt service reduction packages already concluded, or in the course of negotiation, between debtor countries and commercial banks. Members expressed concern, however, about the slow pace of negotiations on commercial bank financing packages in some cases. They called on the Bank and the Fund to continue to provide support for debt and debt service reduction packages, with the necessary flexibility, under their established guidelines. The Committee emphasized the crucial importance for debtor countries to adopt

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appropriate growth-oriented adjustment programs as a basis for debt and debt service reduction, thus creating the conditions favorable to domestic and foreign investment and the repatriation of flight capital. Members welcomed U.S. efforts to implement the "Enterprise for the Americas Initiative" designed to promote investment, growth and debt reduction in Latin America.

7. The Committee expressed its concern that the prospects for external viability with sustainable growth remain difficult for some of the severely indebted lower middle-income countries, largely indebted to bilateral official creditors, even if a significant strengthening of domestic policies is assumed. Members welcomed the recent consensus by Paris Club creditor countries to lengthen repayment periods and to permit debt/equity and other debt conversion in reschedulings. The review of additional options should take into account the need for debtor countries to benefit from increased new financial flows. The Committee welcomed the recent bilateral decisions by a number of creditor countries which would contribute to alleviating the burden of bilateral debt of some severely indebted lower middle-income countries. Members invited all creditor countries to consider taking further measures on a coordinated and case-by-case basis in favor of those countries implementing adjustment programs.

8. The Committee welcomed the debt relief that creditor countries have provided, in particular through concessional official debt rescheduling and official development assistance debt cancellation, to an increasing number of severely indebted low-income countries implementing Bank and Fund supported adjustment programs. Members also welcomed the utilization of International Development Association (IDA) reflows for the benefit of IDA-only countries with outstanding IBRD debt. They encouraged the early use of the resources of the Bank's facility, financed from the Bank's net income, to assist eligible IDA-only countries to reduce their debt to commercial banks. Members noted that even with these arrangements and continued adjustment efforts, many of these countries have uncertain prospects for an early return to external viability with sustained growth. The Committee welcomed the request made to the Paris Club in the Houston Declaration to review the implementation of the existing options that apply to the poorest countries and encouraged the concerned creditors to complete this review in a timely manner. The Committee called for early consideration, through the Paris Club, of the proposals made at this meeting by some creditor countries, such as France, the Netherlands and the United Kingdom, for further bilateral official debt relief to low-income countries implementing adjustment programs. It invited creditor countries to ensure that debt relief measures and official development assistance flows are designed on a case-by-case basis to assist a timely return to external viability with sustainable growth. Members also reiterated that their new commitments of assistance to the severely indebted low-income countries should be provided on highly concessional terms.

9. Members reiterated that it was also important to recognize the needs of a number of indebted countries which have not restructured their external debt obligations and which have been implementing sound macro-economic policies. The Committee urged that efforts be made to maintain adequate financial flows to these countries, including multilateral flows, to support adjustment, development and poverty reduction.

10. The Committee welcomed the increasing recognition in both developed and developing countries of the critical contribution of women to economic growth and development. Members agreed however that there was a need for a major effort and a strong commitment to concrete action to strengthen the economic role of women in development.

11. The Committee stressed that governments have the primary responsibility to promote women's economic potential within their own specific socio-cultural context. It encouraged them to design women in development policies and strategies in consultation with relevant groups. Members noted that enabling women to raise their own productivity and income is the best way to help them and thereby to contribute effectively to other national development objectives, including poverty reduction. They emphasized that the priorities are education, family planning and maternal health care, agricultural services, provision of credit facilities and access to labor markets. The Committee urged governments to remove constraints affecting women by adopting or revising legal codes and regulations, as may be required, in order to guarantee women equal rights including ownership and use of productive assets, and opportunities to take part in all sectors of the economy.

12. The Committee welcomed the initiatives taken so far to give women in development issues a higher priority. It encouraged governments and bilateral and multilateral development institutions to further integrate women in development objectives in their activities. While noting the encouraging progress made by the Bank, members urged it to increase further the resources it devotes to women in development activities and to strengthen its institutional capacity to integrate these issues more effectively into its country strategies, economic and sector work, policy dialogue and actual lending operations. The Bank's action plan in this area should include guidelines for monitoring implementation and evaluating its results. The Committee requested the Bank to prepare a progress report on its women in development activities for the 1991 fall meeting.

13. The Committee welcomed the World Summit for Children initiative that will focus international attention on the survival, protection and development of children. Noting the strong emphasis placed by the Bank on poverty reduction in its lending program and operations, members urged the Bank to play a central role in helping realize the objectives of this Summit, including through the further expansion of its programs in the areas of primary education and health care.

14. The Committee reviewed progress made in the implementation of the World Bank Group's private sector development action program in light of the need to promote growth, employment opportunities and poverty reduction. It welcomed the growing emphasis given to market systems and the role of private initiative by member countries in their development strategies. It noted the need to stimulate private foreign and domestic investment and the return of flight capital so as to encourage non-debt creating private flows in the 1990s. Members welcomed the progress made to date under the Bank Group's action program to support the promotion of an enabling environment for private sector development, public sector restructuring including privatization, and the acceleration of the pace of financial sector reforms. They noted with satisfaction the important role of the International Finance Corporation (IFC) in providing financing and advice for new investment and the work of IFC and the Multilateral Investment Guarantee Agency (MIGA) in supporting the continued growth in the flow of resources to the private sector in developing countries. The Committee also stressed the role that the Bank Group can play in reaching small urban and rural private sector enterprises and encouraged it to increase its efforts to assist the development of indigenous entrepreneurship and a locally based private sector.

15. The Committee reiterated its call on the Bank Group to give a very high priority to private sector development in its operations and continue to expand the scope of its activities in this area, including new approaches and instruments as may be needed, as well as to assist developing countries' efforts to implement long-term institutional, regulatory and legal reforms consistent with their socioeconomic situation. As the Bank Group implements and adapts its action program and strives to enhance further its catalytic impact, members emphasized the need to keep under review the roles, policies and lending programs of the Bank and its affiliates, the balance between their advisory and operational functions and the need for systematic coordination within the Bank Group. The Committee requested the Bank to prepare a report on these issues and its efforts to strengthen further its activities in support of private sector development for consideration by its Board of Executive Directors.

16. Members recognized the important catalytic role of IFC in promoting sound private sector development. They underscored the need for the Corporation to have adequate resources to meet the growing demand for its services in a regionally balanced and financially prudent manner during the 1990s. In this context, the Committee urged the IFC Board of Executive Directors to complete by the end of the year its review of the operational policies and adequacy of the capital of the Corporation, including the modalities of subscription and payment.

17. Taking note of the recent events, the Committee urged all IMF member countries to take the necessary actions to ensure that the Fund quota increase and the associated third amendment of the Articles become effective without delay.

18. The Committee welcomed the Bank's first Annual Report on the Environment which it had requested at its Berlin meeting in September 1988. Members stressed that this comprehensive report clearly shows that the Bank is moving forward on a growing number of Bank-related environmental issues while improving the flow of information on these issues. They reiterated the importance of integrating environmental concerns into the Bank's operations, particularly environmental impact assessments and environmental action plans. They emphasized the importance of new initiatives to provide greater protection for tropical forests and promote energy efficiency and conservation in developed and developing countries. Members asked the Bank to increase its cooperation with governments making efforts in these two areas and to include an assessment of progress achieved in its second Annual Report on the Environment. The Committee also welcomed the creation of an Interim Multilateral Fund in support of the Montreal Protocol on the elimination of chlorofluorocarbons. The Committee welcomed the progress made toward the establishment of a program, including a funding mechanism, to address global environmental problems and urged the donors and the Bank, working in collaboration with UNEP and UNDP, to complete their work before the next Development Committee meeting.

19. The Committee emphasized that current developments and their economic impact make the strengthening of the international trading system more necessary than ever. Members heard from the Director General of the GATT that multilateral trade negotiations under the Uruguay Round were in their final phase and that the time had come for participants in the Round to reach basic agreements across the board, and in particular in such areas as agriculture, textiles and clothing, and tropical products which are of particular importance to developing countries. They urged all countries to roll back protectionist measures and to refrain from introducing new ones. The Committee reiterated its call on all parties concerned to agree on a global package by December 1990 in a way that would foster trade liberalization on the basis of uniform multilateral rules. The Committee further noted that successful completion of the negotiations was essential in order to support the reform programs in progress in a number of countries.

20. Despite an encouraging trend in the flow of foreign direct investment and NGO grants, the Committee noted with concern that net resource flows, particularly to low-income Asian countries and the severely indebted middle-income countries, had declined in 1989. Members agreed on the need to continue to mobilize adequate financing in support of developing countries' reforms and development efforts. The Committee called on donor countries to indicate their levels of assistance to ensure the full financing of the second phase of the Special Program of Assistance for Sub-Saharan Africa. Members welcomed the outcome of the Maastricht Conference last July and the wide support expressed for measures which could stimulate external assistance for Sub-Saharan Africa's development efforts. They also welcomed the main conclusions of the Paris conference on the least developed countries.

21. The Committee agreed to focus at its Spring 1991 meeting on two aspects of the broad issue of transfer of resources to developing countries: first, the financial implications of development policies aimed at poverty reduction in the light of an issues paper to be prepared by the Bank in consultation with the Fund; and second, the role of foreign direct investment in development with the assistance of a joint Bank-Fund issues paper. The Committee will also discuss the impact of industrial countries' trade, agricultural and industrial policies on developing countries on the basis of the joint Bank/Fund full report requested at its May 8, 1990 meeting. In addition, Members requested a report on progress in the discussion of IFC's capital adequacy as well as a detailed progress report from the two institutions on the implementation of the debt strategy and its impact on the development prospects of all severely indebted countries.

22. Members expressed their deep appreciation for the dedicated services of its Chairman, the Honorable B.T.G. Chidzero, Senior Minister of Finance, Economic Planning and Development of Zimbabwe, over the last four years. They underlined the special contribution he has made to the strengthening of the Committee as it gears itself to meet the challenges of the 1990s and in particular, the dignity, distinction and judgment with which he had presided over the meetings of the Committee. They offered him their warmest good wishes for the future.

23. The Committee agreed to meet again in Washington, D.C. on April 30, 1991.



BOARD OF GOVERNORS • 1990 ANNUAL MEETING • WASHINGTON, D.C.

INTERNATIONAL MONETARY FUND

Document No. 16



September 26, 1990

INTERNATIONAL MONETARY FUND

1990 REGULAR ELECTION OF EXECUTIVE DIRECTORSSTATEMENT OF RESULTS OF ELECTION, SEPTEMBER 26, 1990

<u>Candidate Elected</u>	<u>Members Whose Votes Counted Toward Election</u>	<u>Number of Votes</u>
G. K. Arora	Bangladesh	3,125
	Bhutan	275
	India	22,327
	Sri Lanka	<u>2,481</u>
		<u>28,208</u>
C. Scott Clark	Antigua and Barbuda	300
	The Bahamas	914
	Barbados	591
	Belize	345
	Canada	29,660
	Dominica	290
	Grenada	310
	Ireland	3,684
	Jamaica	1,705
	St. Kitts and Nevis	295
	St. Lucia	325
	St. Vincent	<u>290</u>
		<u>38,709</u>
DAI Qianding	China	<u>24,159</u>
Jacques de Groote	Austria	8,006
	Belgium	21,054
	Czechoslovakia	6,150
	Hungary	5,557
	Luxembourg	1,020
	Turkey	<u>4,541</u>
	<u>46,328</u>	

<u>Candidate Elected</u>	<u>Members Whose Votes Counted Toward Election</u>	<u>Number of Votes</u>
E. A. Evans	Australia	16,442
	Kiribati	275
	Korea	4,878
	New Zealand	4,866
	Papua New Guinea	909
	Philippines	4,654
	Seychelles	280
	Solomon Islands	300
	Vanuatu	340
	Western Samoa	<u>310</u>
	<u>33,254</u>	
Renato Filosa	Greece	4,249
	Italy	29,341
	Malta	701
	Poland	7,050
	Portugal	<u>4,016</u>
		<u>45,357</u>
Mohamed Finaish	Bahrain	739
	Egypt	4,884
	Iraq	5,290
	Jordan	989
	Kuwait	6,603
	Lebanon	1,037
	Socialist People's Libyan Arab Jamahiriya	5,407
	Maldives	270
	Oman	881
	Pakistan	5,713
	Qatar	1,399
	Somalia	692
	Syrian Arab Republic	1,641
	United Arab Emirates	2,276
	Republic of Yemen	<u>1,455</u>
		<u>39,276</u>

<u>Candidate Elected</u>	<u>Members Whose Votes Counted Toward Election</u>	<u>Number of Votes</u>
Markus Fogelholm	Denmark	7,360
	Finland	5,999
	Iceland	846
	Norway	7,240
	Sweden	<u>10,893</u>
		<u>32,338</u>
J. E. Ismael	Fiji	615
	Indonesia	10,347
	Lao People's Democratic Republic	543
	Malaysia	5,756
	Myanmar	1,620
	Nepal	623
	Singapore	1,174
	Thailand	4,116
	Tonga	282
	Viet Nam	<u>2,018</u>
		<u>27,094</u>
Alexandre Kafka	Brazil	14,863
	Colombia	4,192
	Dominican Republic	1,371
	Ecuador	1,757
	Guyana	742
	Haiti	691
	Panama	1,272
	Suriname	743
	Trinidad and Tobago	<u>1,951</u>
	<u>27,582</u>	

<u>Candidate Elected</u>	<u>Members Whose Votes Counted Toward Election</u>	<u>Number of Votes</u>
Abbas Mirakhor	Afghanistan	1,117
	Algeria	6,481
	Ghana	2,295
	Islamic Republic of Iran	6,850
	Morocco	3,316
	Tunisia	<u>1,632</u>
		<u>21,691</u>
L. B. Monyake	Angola	1,700
	Botswana	471
	Burundi	677
	Ethiopia	956
	The Gambia	421
	Kenya	1,670
	Lesotho	401
	Liberia	963
	Malawi	622
	Mozambique	860
	Namibia	950
	Nigeria	8,745
	Sierra Leone	829
	Sudan	1,947
	Swaziland	497
	Tanzania	1,320
	Uganda	1,246
Zambia	2,953	
Zimbabwe	<u>2,160</u>	
	<u>29,388</u>	
G. A. Posthumus	Bulgaria	3,350
	Cyprus	947
	Israel	4,716
	Netherlands	22,898
	Romania	5,484
	Yugoslavia	<u>6,380</u>
	<u>43,775</u>	

<u>Candidate Elected</u>	<u>Members Whose Votes Counted Toward Election</u>	<u>Number of Votes</u>
Corentino Santos	Benin	563
	Burkina Faso	566
	Cameroon	1,177
	Cape Verde	295
	Central African Republic	554
	Chad	556
	Comoros	295
	Congo	623
	Côte d'Ivoire	1,905
	Djibouti	330
	Equatorial Guinea	434
	Gabon	981
	Guinea	829
	Guinea-Bissau	325
	Madagascar	914
	Mali	758
	Mauritania	589
	Mauritius	786
Niger	587	
Rwanda	688	
São Tomé and Príncipe	290	
Senegal	1,101	
Togo	634	
Zaire	<u>3,160</u>	
	<u>18,940</u>	
Angel Torres	Costa Rica	1,091
	El Salvador	1,140
	Guatemala	1,330
	Honduras	928
	Mexico	11,905
	Nicaragua	932
	Spain	13,110
Venezuela	<u>13,965</u>	
	<u>44,401</u>	

<u>Candidate Elected</u>	<u>Members Whose Votes Counted Toward Election</u>	<u>Number of Votes</u>
Alejandro Vegh Villegas	Argentina	11,380
	Bolivia	1,157
	Chile	4,655
	Paraguay	734
	Peru	3,559
	Uruguay	<u>1,888</u>
		<u>23,373</u>

/s/ Jens Thomsen (Denmark)
Teller

/s/ Soegito Sastramidjojo (Indonesia)
Teller