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CONFIDENTIAL

COMMITTEE ON EXECUTIVE BOARD ADMINISTRATIVE MATTERS

Meeting 85/3

3:00 p.m., June 27, 1985

M. Finaish, Chairman

Executive Directors

A. Kafka  
P. Pérez

Alternate Executive Directors

Z. b. Ismail, Temporary  
L. Leonard  
H. A. Arias  
  
A. S. Jayawardena  
T. A. Clark  
Chen J.

A. Wright, Secretary

Also Present

M. K. Bush  
N. Coumbis

Administration Department: U. P. Dobert, L. A. Wolfe. Bureau of Computing Services: R. C. Carey. Secretary's Department: R. S. Franklin, B. R. Hughes, J. E. Humphries. Treasurer's Department: J. Demarteau, R. Noë. Advisors to Executive Directors: G. R. Castellanos, J. Hospedales, A. Vasudevan. Assistants to Executive Directors: N. Haque, E. L. Walker.

1. 1985 ANNUAL MEETING - TRAVEL ARRANGEMENTS

The Committee approved without discussion the draft report to the Executive Board set out in Attachment I of EB/CAM/85/25 (6/11/85). It was agreed that the draft report should be submitted to the Executive Board for approval on a lapse of time basis.

2. OTHER BUSINESS - ELECTRONIC DATA PROCESSING SUPPORT

Mr. Clark recalled that Committee members had, on several occasions, raised questions about access by Executive Directors' offices to Fund systems for electronic data processing (EDP), in particular the data

base for International Financial Statistics (IFS). The Committee had not reached any firm conclusions, but he would be interested to hear from the staff where matters stood.

The Committee Secretary replied that the staff had been aware for more than a year of the importance that a number of Executive Directors' offices attached to being able to retrieve and manipulate information from Fund EDP systems. Specific requests had been received from three or four offices for direct access through a terminal or a personal computer to data bases containing not only IFS but also direction of trade, balance of payments, and government finance statistics. There had also been expression of interest in accessing some data from the Treasurer's Department, and the possibility had been raised of accessing some data bases outside the Fund. The three or four offices that had expressed interest had not found the retrieval and analysis services available through the Bureau of Computing Services sufficiently rapid or sufficiently comprehensive to meet their needs.

Three main considerations had delayed action toward providing Executive Directors' offices with direct, on-line access to Fund data bases, the Committee Secretary noted. The first consideration had been the difficulty of formulating and implementing policies and procedures to ensure appropriate system security---in other words, who should have access to what and what the controls should be. New systems currently being implemented addressed that need.

The second consideration, the Committee Secretary continued, had been the rapid change in the technological environment. Over the past two years, a wide range of new equipment and many new systems had been introduced in the Fund. During the next six to eight months, it was expected that many of the new systems would be finalized and that conversion from old systems and equipment would be completed. That transition period would be a time of substantial instability. The staff deemed it inappropriate to take action to increase the user base during that time of change since such action would serve to increase the potential breach of data security.

A third set of considerations related to the desire to maintain the principle of equal facilities for all Executive Directors' offices, the Committee Secretary said. Executive Directors had been informed in two documents (EBAP/85/15, 1/18/85; EB/CAM/85/10, 2/22/85) and also at the meeting of the Committee in February (EB/CAM/Meeting/85/2, 2/28/85) about a detailed study of the requirements of their offices that would be carried out early in the current fiscal year. The plan was that staff from the Bureau of Computing Services and from the Secretary's Department would begin the study in the week starting July 8, 1985. The study would begin with interviews with each office; needs would then be documented. On the basis of the information gathered recommendations would be developed to address, among other things, the nature of access to data systems, security considerations, costs, resource constraints, and other special requirements. It was expected that recommendations would be ready for submission to the Committee by the end of October.

In the light of those three sets of considerations, the Committee Secretary observed, the staff felt that implementation of on-line access for Executive Directors' offices should be delayed, first, until the transition to a more secure environment had been completed, and second, until the Committee had been presented with, and reviewed, a comprehensive assessment of the requirements of Executive Directors' offices as a whole. The staff believed that both would be completed by January or February of 1986, and that it should be possible to provide on-line access for at least some offices at that time.

As an aside, the Committee Secretary mentioned that, since the beginning of the current fiscal year on May 1, 1985, requests from Executive Directors' offices for equipment and support from the Bureau of Computing Services had been running at a much higher rate than had been expected. In February, the Committee had been informed that for FY 1986 the costs of meeting the increased entitlements for Executive Directors had been estimated at \$175,000. A little over \$150,000 had already been spent, and it seemed not unlikely that the previous estimate would have to be increased by a further \$200,000 if the needs currently foreseen were to be met. That sum would be in addition to the \$500,000 dollars budgeted for development and implementation of complex systems in three offices. In other words, total expenditures for the EDP needs of Executive Directors' offices were envisaged to reach as high as \$875,000 in the current fiscal year.

Mr. Clark asked how long the transition period mentioned by the Committee Secretary was likely to be. He wanted to be sure that the implementation of facilities for Executive Directors' offices would not be delayed until everything had stabilized, which could take a year or two, or even longer.

On the question of equal facilities for all, Mr. Clark observed that equality of treatment should be understood as meaning equal opportunity for all Executive Directors' offices to have similar facilities installed. However, he would not expect that there would be a sudden rush by all 22 offices to have on-line facilities installed immediately.

The Committee Secretary said that, from discussions with the Bureau of Computing Services, he understood that high priority was being given to completing by the end of the current calendar year the transition to new systems and procedures and that, by January or February 1986, that process should have reached a point at which it would be feasible to provide on-line access for Executive Directors' offices.

With regard to the number of Executive Directors' offices that would wish to have on-line facilities installed immediately, the Committee Secretary noted that only a few offices had expressed interest so far. However, a surprisingly large number of requests for additional word processing equipment and for personal computers had been received once offices had become aware of what was available. That could be an indicator of possible future demand for on-line access.

Mr. Leonard asked for confirmation that there were two considerations that should be taken into account. First, there was the matter of the policies and procedures for ensuring security; recommendations would be submitted to the Committee on Administrative Matters by the end of October 1985. Second, there was the question of how to implement the security policies and procedures once they had been approved; the question involved technical issues that could perhaps cause delay in providing on-line access to all Executive Directors' offices.

The Committee Secretary replied that the technical constraints should have been sufficiently overcome by the end of the current calendar year to be able to provide adequate assurances about security. The study of the needs of Executive Directors' offices and the submission to the Committee of recommendations on how those needs might be met should be completed by the end of October 1985. The Committee would presumably need a period in which to decide what it wanted to do. By the time decisions had been made, technical constraints should have eased sufficiently to implement on-line access for some offices by the beginning of 1986.

Mr. Clark asked for further clarification regarding the nature of the security issue. He understood that there were data in the IFS data bank that were not published and that related to specific countries. He asked what provisions were made at present to limit access to such data by users who were dealing with other countries.

The Committee Secretary replied that he did not have the technical knowledge to be able to answer in other than very general terms. There was serious concern not only on the part of the Director of the Bureau of Computing Services but also on the part of the external auditors about the lack of sufficient security procedures and controls. As a matter of urgent priority, new procedures were being introduced to ensure that sensitive information would be adequately protected in the near future.

Ms. Bush said that her office regarded the provision of appropriate EDP support as an important issue, and it had so indicated on many previous occasions, both in meetings of the Committee and in informal Executive Board meetings. The Executive Board had weighty responsibilities, but it was having to operate under very primitive conditions because Executive Directors' offices lacked the kind of computer support that was needed. A number of offices had asked for EDP equipment, and it should be made available quickly. With regard to the concept of equal facilities for Executive Directors, she agreed with Mr. Clark that it was not important that all offices should have equal facilities actually installed; there should be equality in terms of the availability of facilities, but it was up to each office to decide whether to take advantage of them or not.

With regard to the potential costs mentioned by the Committee Secretary, Ms. Bush observed that the time required by Directors' offices to search out information manually was more expensive for the Fund than the installation of efficient automated systems.

The Committee Secretary said, in response to a question from Mr. Kafka, that the intention of the study being undertaken by the staff would be to get a better idea of the current and potential requirements of Executive Directors' offices as a whole in order to have a sufficient basis on which to make recommendations. The staff's recommendations would include the types of equipment, types of networks, and types of security arrangements and procedures that might be introduced, together with an analysis of prospective costs and benefits for a range of possible facilities. Once the Committee and the Executive Board had reached decisions on those recommendations, all Executive Directors' offices would have the potential to request whatever facilities had been agreed.

The meeting was adjourned at 3:30 p.m.

APPROVED: March 19, 1986