

MASTER FILES
ROOM C-525

0409

BUFF/98/65

July 16, 1998

**Summing Up by the Acting Chairman
The Fund's Approach to External Communications—Next Steps
Executive Board Meeting 98/74—July 10, 1998**

Executive Directors welcomed the opportunity to review the Fund's current approach to external communications and to discuss the next steps to improve the Fund's communications strategy. The discussion was particularly timely, given the significant public interest in the activities of the Fund in recent months. Directors noted that the discussion today should be seen as part of an ongoing effort to further strengthen communications. This would entail providing more information to diverse target audiences, extending the reach of our communications, and engaging our critics more effectively. To that end, Directors endorsed the overall strategy for the Fund to be more proactive in communicating its message. They noted that this is a long-term, multi-level exercise, with greater involvement on the part of the staff, management, the Executive Board, and country authorities. In addition, several Directors noted that we must strive to ensure that greater transparency does not come at the expense of less candor in our dialogue with members. Also, preserving and enhancing the credibility of the Fund was seen as the most important objective of our strategy. In that context, it is important that press and news briefings set a balanced tone. Moreover, external relations must be a genuine dialogue, and the Fund should be open to suggestions and criticisms by informed parties outside the Fund, and take into account such feedback in our policy discussions.

In discussing possible next steps, Directors generally welcomed the initiatives suggested by the staff. On the specific suggestions by the staff, they expressed a range of views:

- Directors noted that Press Information Notices (PINs) had been a useful tool for conveying the Fund's views at the conclusion of Article IV consultations, and some considered that this practice could usefully be extended to program discussions. However, Directors also noted that the experience with PINs is to be reviewed, and we will return to a fuller discussion in the coming weeks in the context of the discussion on transparency and surveillance.
- Directors also generally favored encouraging members to release Letters of Intent and Policy Framework Papers. Several countries are already publishing these, and it would be desirable if more countries were to do so. We will be returning to this issue as well when we discuss the paper on transparency and surveillance.

- While Directors generally considered that it would be useful to release the summings up of key policy discussions to the public in a timely manner following the Board discussion, some emphasized that the Board should consider publication of these on a case-by-case basis, including taking into account whether a discussion is ongoing or final. There was also support for the suggestion that this could be supplemented with the release of executive summaries of staff papers.
- In order to increase the transparency of the Fund's work program, some Directors saw merit in the proposal to release one week in advance the tentative schedule of Board meetings and to release on a quarterly basis the advance schedule of Board discussions of Article IV consultations. Most others, however, noted the tentative nature of the Board schedule and possible changes, and felt that these changes may not be correctly perceived by markets. There was broad support for providing ex post on a regular basis press briefings on the activities of the Board. There was also broad support for releasing the six-monthly work program of the Board, a matter on which we will come back to the Board.
- Some Directors favored releasing in advance the Interim Committee documents as another step in providing more information, while noting the practical constraints arising from the fact that these documents are often produced under tight deadlines. An alternative idea that was supported by several Directors, and which we can explore with the Interim Committee, would be to publish the Interim Committee documents immediately after the meeting occurs. There was also a suggestion to preview for the public in a general manner the items on the Interim Committee's agenda.
- On access to the Fund's archives, Directors generally considered that it would be useful to review the policy regarding access to Fund archives, with a view to considerably reducing the 30-year period governing access. A Board paper reviewing the experience with the opening of the Fund's archives will be issued in the near future.

In addition to the above, Directors broadly endorsed the other proposals to increase media contact. Some noted that greater interaction between the staff—mission chiefs and resident representatives—and the media was important. These staff members could play a useful role in explaining Fund-supported programs. Others, however, believed that we should exercise caution and should ensure that the staff is well trained to handle the media effectively. The participation by the authorities in these media contacts should be left to the authorities to decide. There was also support for broadening the contacts between Executive Directors and the media, and the public at large, in order to help clarify the Fund's role. At

the same time, other Directors emphasized that we must ensure that the Fund conveys a consistent message and that broad guidelines be established for such contacts.

Directors agreed with the staff that there were other avenues that are currently being used, and which could be further developed as part of the strategy to improve and broaden the Fund's communication. One avenue could be expanding the program of seminars with outside participants, including representatives of the media, which had been held in recent years and had generated considerable outside interest. Another avenue was to enhance the Fund's website to provide more information on member countries. We are already doing that in the context of the Dissemination Standards Bulletin Board, and we will continue to do more in this area.

We also take note of other suggestions, such as the release of staff reports for Article IV consultations, the Fund's financial statements, the Fund's liquidity position and operational budget, and the administrative budget, to which we will return in the proper context.

There was considerable support for expanding the Fund's outreach program to include members of the public as well as representatives of civil society, using not only headquarters-based staff, but also resident representatives; providing more basic information about the Fund to nontechnical audiences and in local languages; and contributing in various ways to greater ownership of economic reform programs by governments and the public generally.

This has been a useful and productive discussion, which has underlined, once again, the importance of a sound and carefully-considered external communications strategy for the Fund. In the course of the next few months, we shall be implementing those measures that do not require further consideration, and would return to others soon, provided that staff resources are available. I noted the view of several Directors that it would be most useful to obtain further insights into the effectiveness of the Fund's external communications and the Fund's image on the basis of outside advice. The staff will prepare a brief report early next year reviewing the initial experience with implementation of the steps discussed today, supplemented by the work of external consultants. Although at today's discussion a few Executive Directors have called for a much more ambitious external communications strategy—I note in this regard the proposals to better integrate the Fund's operations with communications and to consider appointing a spokesperson—I believe most Directors would like to reflect further on this important aspect. I would hope that the staff paper to be prepared next year will provide a basis for considering the feasibility, usefulness, and resource implications of more ambitious external communication objectives in the future.

