FOR AGENDA

SM/70/169

CONTAINS CONFIDENTIAL
INFORMATION

August 10, 1970

To: Members of the Executive Board

From: The Secretary

Subject: Malaysia - Staff Report for the 1970 Article VIII Consultation

Attached for consideration by the Executive Directors is the staff report for the 1970 Article VIII consultation with Malaysia.

This subject will be brought to the agenda of the Executive Board for discussion before the Annual Meeting on a date to be announced.

Att: (1)

Other Distribution:
Department Heads
Division Chiefs

CONTAINS CONFIDENTIAL INFORMATION

INTERNATIONAL MONETARY FUND

MALAYSIA

Staff Report for the 1970 Article VIII Consultation

Prepared by Staff Representatives for 1970 Consultation with Malaysia

Approved by D.S. Savkar and Donald K. Palmer

August 7, 1970

I. Introduction

The 1970 Article VIII consultation discussions with Malaysia were held in Kuala Lumpur June 15-24. The Malaysian representatives were led by Mr. Chong Hon Nyan, Deputy Permanent Secretary of the Treasury, and Tan Sri Ismail bin Mohamed Ali, Governor of the Bank Negara Malaysia, and included officials of the Treasury, the Bank Negara Malaysia, the Economic Planning Unit, and various government agencies. The mission met with Tun Tan Siew Sin, Minister with Special Duties and with Mr. Ali bin Haji Ahmad, Assistant Minister of Finance. Mr. Malek Ali Merican, Alternate Executive Director for Malaysia, attended the meetings as an observer. The staff team consisted of Messrs. Donald K. Palmer, S.A. Pandit and Iwao Takamuki.

II. Report on Discussions

1. Production and basic commodities

During the 1960's, Malaysia achieved a rate of economic growth averaging about 6 per cent annually. Preliminary data for 1969 indicate that gross national product at current market prices rose by 9 per cent. The higher growth rate reflected an exceptionally good year for rubber and other exports. The over-all result for 1969 occurred despite a stagnation in domestic investment, relating to the temporary impact of the May 1969 civil disturbances.

Output of rubber, the most important basic commodity, has continued to grow at an impressive rate, reflecting the successful replanting program using high-yielding varieties. Following a 16 per cent rise in production in 1969, the authorities are expecting a 6-7 per cent growth of output this year. Looking to the future, the Malaysian authorities were confident that their combined policies for rubber, including incentives for replanting and wider use of high quality specifications, would lead to further expansion of rubber output and the maintenance of a strong competitive position in international markets.

However, they voiced concern regarding the recent trend of sharp fluctuations in rubber prices, citing the consequences of too high a price in terms of encouragement to synthetic rubber production and the effects of a falling price on Malaysia's export income. From an average 1967-1968 base of about U.S. 17.5 cents per pound, the price rose sharply during 1969 reaching a peak of 25 cents in the third quarter. The price had fallen to 22 cents by February 1970, when announcement was made of a reduction in the U.S. strategic stockpile objective from 385,000 to 200,000 tons. A disposable surplus of 169,000 tons thus became available for sale, the terms of which were not officially announced until mid-May, when prices had declined to less than 19 cents per pound. The announcement stipulates that the General Services Administration (GSA) would offer for sale over a two-year period 7,000 tons monthly.

Relating their views to the plans of the Fund to pay increased attention to members' policies in the commodity field, the Malaysian authorities expressed concern with the effects on international rubber prices of the GSA handling of the disposal of stockpile rubber. In their view, the prospects for reasonable stability in rubber prices had been worsened by ill-timed changes in GSA stockpile target objectives, which were raised substantially in early 1969 when the international price was rising and were reduced in 1970 when the price was under pressure. The authorities also described the problems facing Malaysia in expanding its exports of improved varieties of rubber because the tariff structure of many industrialized countries provided for duty-free entry on crude natural rubber but imposed 3-10 per cent tariffs on rubber mixed with chemicals.

Production of tin fell by 4 per cent in 1969 and is not expected to increase this year. Although export prospects are favorable, output is unlikely to rise because of the continuing depletion of existing mines and the lack of new mine openings. The authorities expressed general satisfaction with the main features of the new International Tin Agreement, although regretting that consumer countries would not participate in the financial cost of the proposed buffer stock scheme.

The Malaysian authorities reviewed their reasons for disappointment with the outcome of the earlier discussions in the Fund for the Fund buffer stock financing facility, especially the lack of direct financing to a buffer stock scheme, the short-term character of Fund resources, the necessity of demonstrating a balance of payments need to draw, and the fact that the facility did not "float" into the gold tranche. However, the Malaysian representatives expressed interest in the possibility of utilizing the Fund facility for financing some part of Malaysia's share of the proposed tin buffer stock scheme. The staff team noted that the general posture of the Fund regarding possible financial assistance in connection with the tin buffer stock scheme would be the subject of a separate staff paper for the Executive Board. The Malaysian authorities expressed the hope that the Fund would show a positive and flexible attitude, including the requirement that an appropriate part of the resources for a particular scheme would be met from non-Fund sources.

Output of rice rose again in 1969 and a further increase may occur in 1970; West Malaysia is making progress toward the goal of self-sufficiency by the mid-1970's. So far as exports of the principal commodities are concerned, earnings from timer and oil-palm products are likely to rise in line with an expected increase in exportable supplies. Despite smaller production of tin, exports should be at least as high in volume as in 1969 when export controls were in force for the whole year and higher in value owing to the higher average price for the year. A decline in rubber prices is likely to result in smaller earnings from an increased volume of exports. On balance, total exports may decline slightly in value from the 1969 peak.

The mission concluded that there was a definite revival of private sector investment activity, after a period of hesitation following the May 1969 civil disturbances. Imports of machinery and equipment have been increasing rapidly in the first part of 1970, bank lending to the private sector has shown a steady upward trend, and these indicators are supported by a survey of investors' intentions. With some signs of an increase in consumer demand, the authorities are expecting that the 1970 growth of GNP will approximate 6 per cent.

The population of Malaysia has continued to grow at an annual rate of 3 per cent, reaching a total of about 11 million in 1969. The National Family Planning Board was recently reorganized in order to make better use of its expanding budget and staff. The authorities provided data showing an increase in training and services, and expressed the opinion that the prospects for an effective program were good.

2. Prices, wages, and employment

Despite some temporary increases after the disturbances, the consumer price index for all of 1969 was on the average about 1 per cent below that of the previous year, continuing Malaysia's excellent record of price stability. Taking into account the significant decline in the price of imported rice, there are good reasons to expect that the consumer price level will remain relatively unchanged in 1970.

Led by new wage contracts for rubber estate workers and tin miners, it was estimated that wage earnings in West Malaysia rose by 2-3 per cent during 1969. The continuing effects of these agreements may lead to a similar overall increase in the private sector this year. Government salaries are being raised in 1970 as part of a general revision of the structure--the first general increase in several years. The growth in the total government wage bill will be about 9 per cent, but skilled employees will benefit more than others. While there may be some tendency toward wage increases in government corporations, the authorities do not expect that the government pay increase will influence private sector wage trends.

The level of unemployment in West Malaysia was estimated at about 7 per cent in 1968 (the last year during which a household survey was conducted). Reliable data are not available for 1969, but it was assumed that the unemployment rate increased somewhat last year. The unemployment problem is most serious in urban areas, and especially among the youth. The authorities are concerned with the situation in which 75 per cent of the total number of unemployed was in the 15-24 age bracket, whereas five years earlier the comparable percentage had been 60 per cent. During 1969 and 1970, the seriousness of West Malaysia's unemployment problem has been made more difficult by the withdrawal of British forces. Following the May 1969 disturbances, official statements repeatedly stressed the urgent need to create new employment opportunities but specific examples of results were not yet evident.

3. Development program

This is the final year of the First Malaysia Plan, which has provided a general framework for economic development policies. As far as the total levels of investment expenditure are concerned, private sector spending is proceeding at the rate envisaged in the 1968 revision of the plan but public sector expenditure continues to lag below the targets.

Private sector investment activity declined temporarily in 1969 but is now moving ahead. The mission was informed that the Government had made a firm decision to accelerate industrialization and to provide for a more active role by the public sector to the extent this was required. More specific policies would be developed in support of the next development plan.

The authorities are continuing to encourage the inflow of foreign private investment, and stated that determined efforts are being made to remove any administrative obstacles. In addition, it was officially stated that the Government would consider relaxing the conditions relating to foreign equity participation in the establishment of industries.

The plan target for total public sector expenditure during the period 1966-70 was M$4.6 billion; the estimated total of actual spending through 1969 was only M$3.3 billion and it is clear that the 1970 outcome will be far below the difference between these two figures. The 1969 total of public sector development expenditure failed to increase above the 1968 level. Indeed there was a declining spending trend in the Federal Government sector; the staff noted that if security expenditure on capital projects were excluded in all years, it became clear that the total level of economic development spending by the Federal Government was lower in 1969 than in 1967. Noting that the revised budget for 1970 projected a 10 per cent increase in such spending over the depressed level of 1969, the staff inquired as to whether this rise would be achieved given the many past constraints.

The authorities agreed that execution of the development program had encountered serious problems; some had been solved but many remained. The balance of payments deficits of 1966-68 had led to a cautious attitude on allowing investmen' to rise; however, the strengthening of the payments position during 1969 was accompanied by a more liberal attitude on approving new projects. On the other hand, they cited continuing inadequacies relating to project preparation, site acquisition, construction capacity, and training of skilled workers. They were hopeful that those difficulties would be overcome with time and persistent effort, and were confident that they would achieve the 1970 target of M$700 million for Federal Government development expenditure. The authorities also said that preparations were under way for the Second Five Year Plan which they expected to publish before the end of 1970.

4. Public finance

The fiscal discussions focused on the reasons for the 1969 results and the prospects for 1970, as well as the question of whether there was a growing need for new taxation measures affecting 1971 and future years. Table 1 (which summarizes a more detailed review of the fiscal situation in "Recent Economic Developments") represents an agreed rearrangement of the fiscal accounts designed to reconcile the fiscal and monetary accounts and to provide an indicator for that portion of the fiscal deficit which is of continuing concern to the authorities in assessing the need for possible policy actions consistent with the foreign exchange reserve objectives.

Table 1. Malaysia: Federal Government Finance, 1967-70

(M$ millions)

	1967	1968	1969 Provisional Actual	1970 Revised Estimate
Current revenue	1,840	1,890	2,090	2,270
Current expenditure	1,795	1,791	1,946	2,300
Current surplus	45	99	144	-30
Development expenditure	619	608	598	700
Over-all deficit	574	509	454	-730
Sources of finance:				
Foreign	127	97	171	110
Domestic nonbank	22	152	289	300
Bank financing	425	260	-12	320
Central Bank	-45	-85	-122	...
Sale of foreign assets	215	70	43	...
Commercial banks	255	275	67	...

Source: Data provided by the Malaysian authorities; financing items reclassified consistent with banking statistics. See also note to Table 2 and full detail provided in Table 8 in "Recent Economic Developments."

At the time of last year s consultation, it had been officially estimated that the over-all budget deficit for 1969 would reach M$788 million; in fact, the deficit was only M$454 million, less than in the two preceding years. One important reason was the substantial shortfall (by M$120 million) in development expenditure, as described in section 3. The other main cause was the 11 per cent growth of current revenue which was well above the level forecast a year ago. The financing of the deficit was carried out on a prudent basis, with substantially increased sales of government securities to the nonbank public, especially to the Employees Provident Fund whose current surplus position has improved steadily. The contribution of these factors led to a buildup in government deposits with the Central Bank; taking account of other bank financing items shown in Table 1, there was a small reduction in the Government's net indebtedness to the banking system.

Against this background, the original budget estimates for 1970 were discussed and certain revisions were agreed for presentation in Table 2. Current revenue is now estimated to grow by about 9 per cent over the 1969 level; it is reasonable to expect that this target will not be exceeded because of the lower level of economic growth expected and the loss of revenue expected from rubber export duties due to declining rubber prices. Current expenditure is projected to grow by 18 per cent. One reason is the M$80 million cost of the government salary increase and the other main factor is a 33 per cent growth in security (both internal and external) expenditure. The original budget estimate for development spending has been reduced to a more realistic level.

After making assumptions for domestic nonbank and for foreign borrowing, it appears that the Government may have a 1970 requirement for bank financing in the order of M$250-300 million, with the lower end of the range more likely if the development spending intentions are not fully realized. Discussion of the fiscal deficit could not ignore the fact that the principal cause is the expanded level of security expenditure. Combining current and capital security expenditure, a rough calculation indicated that total security spending as a proportion of GNP had increased by two percentage points to about 6.5 per cent between 1968 and 1970.

Noting that lagging results on the development side was the reason why Malaysia was not facing a difficult fiscal problem in 1970, the staff inquired as to the general intentions of the authorities to take new tax actions to mobilize savings to finance an expanded level of development spending expected to take place under the Second Development Plan. The authorities said that they were studying the recent recommendations of IMF fiscal experts. In addition to the normal range of economic considerations, it apparently was considered that the political stiuation would militate against major fiscal actions. The staff suggested that if it were judged that fiscal needs would not be too great in 1971 and if it were untimely to take strong tax actions, it would nevertheless be desirable to give serious consideration to instituting the recommendations as a matter of principle while initially enacting low rates yielding relatively little additional revenue. If this suggestion proved feasible, Malaysia could proceed during 1970 to deal with tax administration problems associated with new taxes and would be in a position to raise tax rates and revenue substantially in time to influence the 1972 budget.

5. Money and credit

Malaysia has continued its exemplary record of well-designed financial policies. Table 2 presents a summary view of recent developments and provides a broad indication of expected trends in 1970.

Table 2. Malaysia: Consolidated Operations of the Banking System, 1967-70

	Change during year (M$ millions)			
	1967	1968	1969	Projected 1970
Net foreign assets	-486	-26	530	--
Net domestic credit	479	519	85	550
Claims on public sector	330	209	-71	200
Claims on private sector	149	310	156	350
Other (net)	94	-67	-127	-50
Private sector liquidity	86	426	488	500
Money	-128	173	224	250
Quasi-money	214	253	264	250

Source: Data provided by the Malaysian authorities, reclassified to make "net foreign assets" consistent with the recorded level of Malaysia's net external reserves. The above presentation assumes that the foreign assets of the public sector are part of the holdings of the monetary authorities. Additional details are provided in Table 11 in "Recent Economic Developments."

For reasons described in the next section, there have been sharp swings in the external accounts varying between a big deficit in 1967 and a large surplus in 1969, with approximate equilibrium in 1968 and the same projected for 1970. The influence of the 1969 external surplus on the growth of private sector liquidity was moderated by the relatively small increase in net domestic credit. This in turn reflected the unusual reduction in net banking claims on the public sector, and the modest increase in private sector credit, relating to business uncertainties. As a result, total private sector liquidity grew at the same rate (15 per cent) as in 1968.

Discussion of the general outlook for 1970 evolved the common view that private sector liquidity was likely to grow at about the same pace as in the previous two years, but for quite different reasons than in 1969. While the net foreign asset position may change little, credit to both the public and private sectors will expand faster in 1970. As in other years, the credit requirements of the Federal Government will be somewhat offset by a buildup in deposits of state governments. The demand for bank credit by the private sector has shown a marked revival in early 1970; the absolute increase during the first five months of 1970 was about M$150 million greater than during the same period of last year.

In this connection, the staff team noted that the liquidity ratio of commercial banks had declined from a level of 42 per cent at the end of 1968 to 30 per cent in May 1970. The authorities looked with favor on this development, indicating they had been encouraging the banks to expand their lending and were pleased with the results to date.

Looking ahead and under the key assumption that the expansionary influence of the public sector could be contained to about the 1970 estimated level, the staff did not foresee any significant problems for monetary management insofar as the total volume of credit expansion was concerned. On the qualitative side, having especially in mind the stated official policy of wishing to channel additional savings into investment of a more labor-intensive nature, the staff raised two questions. One issue related to the practice of restraining interest rates on deposits through prior agreement, with the view expressed that better results might be obtained by allowing higher deposit rates for funds channeled to such areas as housing construction. A second possibility could involve additional efforts or inducements to persuade the commercial banks to play a more active role in term lending to industry. The authorities welcomed these suggestions for study and said that they would receive appropriate consideration.

6. Balance of payments

Following three years of deficits, Malaysia's balance of payments was in strong surplus in 1969 and is expected to be in approximate equilibrium during 1970.

Both the volume and average price of rubber exports were up substantially in 1969, with the result that the value of rubber exports grew by 50 per cent. Malaysia's other leading exports (tin, timber, and oil-palm products) also increased substantially, leading to a rise in total exports of 23 per cent. A review of over-all prospects for 1970 suggested that there might be a slight fall from this peak. (See section 1 above.)

Imports grew by only 2 per cent in 1969, reflecting internal demand conditions and especially hesitancy about carrying out investment plans. However, imports by West Malaysia increased by 28 per cent during the first four months of this year in comparison with the same period of 1969. Virtually all categories (including machinery and equipment) participated in the growth of imports in the early months of 1970. The rate of increase of total imports is expected to be slower in the remainder of the year, but the a[illegible]al growth may approximate 10 per cent.

Table 3. Malaysia: Balance of Payments, 1966-70

(US$ millions)

	1966	1967	1968	1969	Projected 1970
Exports	1,244	1,202	1,330	1,629	1,600
Imports	-1,063	-1,047	-1,122	-1,145	-1,250
Services and transfers (net)	-168	-155	-170	-266	-300
Capital account	59	19	81	105	100
Net errors and omissions	-127	-102	-127	-150	-150
Over-all position	-55	-83	-8	173	---
Net external reserves at the end of year (in millions of U.S. dollars)	801	643	634	807	807

Source: Data provided by the Malaysian authorities. For additional details see Table 16 of "Recent Economic Developments."

The balance on net services and transfers deteriorated in 1969 and a further worsening is likely this year. The principal factor in both years is larger investment income payments abroad associated with the 1969 boom in earnings from primary products. A second cause is the decline in receipts from British military expenditure in Malaysia.

Identifiable capital movements in 1969 included a decline in the inflow of net private long-term inflow and an increase in official capital representing certain borrowings by the Federal Government from foreign commercial banks.

While there has been a recent increase in the outstanding level of public sector external debt, the ratio of debt service payments to export receipts will be less than 4 per cent this year; data are not available for private sector debt but it is believed to be of minor importance.

In response to an inquiry regarding the 1969 increase in net errors and omissions, the Malaysian representatives explained that this residual has historically been of a large magnitude and has fluctuated in parallel with export performance.

Malaysia's external reserve position improved by US$173 million last year, reaching a level of $807 million at the end of 1969. During the first five months, the reserve position improved by $7 million, reflecting an initial SDR allocation of $21 million and a net deficit of $14 million on all other transactions. Performance to date is consistent with the official expectation of little change in the net reserve position during 1970.

Regarding the definition of foreign exchange reserves appropriate for economic policy analysis of Malaysia, the staff agreed with the view of the Malaysian representatives that the best measure was the comprehensive concept published by Bank Negara Malaysia. The narrower concept used in IFS, which excludes holdings of Federal and State Governments, tends to present a misleading position because during recent years official agencies had been selling their external assets to the Central Bank. The chart presented in Recent Economic Developments shows that the total level of net external reserves has remained relatively unchanged during recent years although there has been a major shift in the distribution of ownership as between the various Malaysian official bodies.

Concerning reserve policy, the Malaysian authorities considered it both desirable and necessary that reserves should be maintained at about the current level. This view was based on the record of wide fluctuations of export earnings, the openness of the economy, and the need to deal with temporary political disturbances, both internal and external. On a related topic, the authorities expressed satisfaction with the operation of the agreement with the United Kingdom guaranteeing the exchange value of a certain proportion of Malaysia's sterling reserves.

7. Exchange and trade system

Malaysia has no restrictions on payments and transfers for current international transactions. The exchange and trade controls historically have been administered in a liberal way. This general policy has been of continuing importance in promoting external and internal financial stability.

Since the last consultation, certain items had been added to the import licensing quota lists and others had been deleted; the net result appeared to have been some intensification of quantitative restrictions. In response to an inquiry, the Malaysian representatives assured the staff that there was no intention of relying more heavily in the future on direct restrictions on imports. However, there was likely to be increasing resort to higher import duties for protective reasons.

III. Staff Appraisal

Despite the economic effects of the civil disturbances, the Malaysian economy grew at a high rate in 1969 under the stimulus of export expansion. However, public and private investment failed to rise and there may have been a slight worsening of the already serious unemployment situation. With a large part of the income growth based on the primary producing sector and with internal demand uncertainties, gross domestic savings grew considerably and there was a substantial improvement in the foreign reserve position; the share of wage earnings in total income probably declined by a significant margin. Projections for 1970 indicate a somewhat lower but still substantial increase in total economic growth, stemming mainly from a revival of private sector investment and a rising level of government spending.

While efforts are being made to diversify the structure of the economy, the existing very high dependence on the export sector makes it especially important that basic commodity policies be directed to maintaining a strong competitive position in international markets. In general, it appears to the staff that Malaysia's policies and practices are skilfully designed to deal with the variety of difficult problems facing a primary producing economy.

However, information was provided to the staff suggesting that the sharp fluctuation in the price of rubber, over the last two years, was in part caused by the stock disposal policy of another government. The staff considers that the general problem merits further consideration. The possible impact of these price movements on orderly economic development underscores the need to reinforce international cooperative efforts.

As the leading tin producer, Malaysia has been an active proponent of cooperation under the International Tin Agreement and expressed interest in the Fund buffer stock facility as a prospective means of financing part of its contribution to the next tin buffer stock.

The over-all fiscal position in 1969 was not a matter of concern nor do the prospects for 1970 raise serious issues, even though total expenditure has increased sharply as the result of higher security spending. The apparent lack of financial problems is a direct reflection of the disappointing results of the Government's development program. It is important to overcome several obstacles to carrying out an expanded development effort, which should be aimed especially at new job creation.

The Second Plan will seek a faster pace of investment activity in the government sector while also placing heavy reliance on the domestic private sector and continuing to welcome foreign investment. If, as the staff hopes, efforts to raise public spending in key sectors are successful, the Malaysian authorities will face fiscal problems notwithstanding the steady improvement occurring in tax collection efficiency. These considerations suggest the need to focus now on new tax strategy if an initial charge is to be made with the 1971 budget.

The absence of fiscal strain during 1969 (partly due to impressive gains from security sales to the nonbanking sector) eased the task of the monetary authorities and allowed them to encourage a higher rate of lending by the commercial banks. This policy attitude has yielded results in the first part of 1970; credit expansion to the private sector is likely to increase rapidly this year but total private sector liquidity will grow at a reasonable rate as long as the credit needs of the Government are not unduly large. Malaysia's record of price stability is unusually good, reflecting the demonstrated skill and determination of the authorities in monetary management.

A sharp increase in exports and a slight growth of imports contributed to a large balance of payments surplus last year and the reserve position returned to the level of three years earlier. After a period of low growth, it is natural that imports are rising in 1970 in response to improved domestic demand conditions. The balance of payments position continues to be basically strong, with no immediate problems likely to be caused by Malaysia's own policies.

However, the heavy dependence on the export sector points up Malaysia's vulnerability to significant fluctuations, even for brief periods, in the economies of its major export markets. This key factor, together with the healthy absence of a controlled system of imports and the need to deal with temporary speculations of political origin, has led to the official view that Malaysia should seek through its policies to maintain about the present level of external reserves. The staff agrees that a strong reserve position is a desirable objective.

Fund Relations with Malaysia

The former Federation of Malaysia joined the Fund on March 7, 1958; its name was changed to Malaysia on September 16, 1963. Its original quota was US$25 million, which has been raised subsequently, in three stages, to US$125 million. Of the present quota, US$25.9 million has been paid in gold. Board of Governors Resolution No. 25-3 of February 9, 1970 concerning increase in quotas under the Fifth General Review proposes a maximum quota of US$186 million for Malaysia.

The initial par value of the Malaysian dollar was established with the Fund at 0.290299 gram of fine gold per Malaysian dollar or M$3.06122= US$1, effective July 20, 1962. There has been no change in this value. Malaysia has made no use of the Fund's resources so far. The present Fund holdings of Malaysian dollars are equivalent to 72 per cent of quota.

Malaysia is a participant in the Special Drawing Account of the Fund, and was allocated SDR 21 million on January 1, 1970. Malaysia was subject to designation in both the first and second designation plans and is also included in the third plan. Under the first plan Malaysia was designated and received SDR 2.3 million. As of June 30, 1970, Malaysia's SDR holdings totaled 23.3 million, which was equivalent to 111.2 per cent of its initial allocation.

Malaysia accepted the obligations of Article VIII, Sections 2, 3, and 4 of the Fund Agreement as from November 11, 1968. The previous Article VIII consultation discussions were held in Kuala Lumpur in August 1969, and the Board discussion was held on November 21, 1969 (EBM/69/110).

During the past three years Malaysia has been receiving technical assistance from the Fund's Central Banking Service, Fiscal Affairs Department, and Bureau of Statistics.