FOR AGENDA

SM/03/200

June 5, 2003

To: Members of the Executive Board

From: The Secretary

Subject: **The Fund's Transparency Policy—Issues and Next Steps**

Attached for consideration by the Executive Directors is a paper on the Fund's transparency policy—issues and next steps, which is tentatively scheduled for discussion on **Friday, June 27, 2003**. Issues for discussion appear on pages 19 and 20.

The staff proposes the publication of this paper after the Executive Board completes its discussion together with a PIN summarizing the Executive Board's discussion.

Questions may be referred to Mr. Gajdeczka (ext. 37124), Mr. Monroe (ext. 38020), and Ms. Tamirisa (ext. 34371) in PDR.

This document will be posted on the extranet shortly.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

The Fund's Transparency Policy—Issues and Next Steps

Prepared by the Policy Development and Review Department
(In consultation with other Departments)

Approved by Timothy Geithner

June 4, 2003

Table of Contents Page

EXECUTIVE SUMMARY

In the 2002 review of the experience with the Fund's transparency policy, Executive Directors welcomed the progress made under the policy of voluntary publication and discussed the possibility of moving to a policy of presumed publication for Article IV staff reports and staff reports on the use of Fund resources (UFR). That discussion concluded with the agreement to reconsider a possible move to a policy of presumed publication at the next Board review in June 2003. In the interim, Directors asked to be periodically informed of the progress made with respect to the publication of country staff reports under the present voluntary guidelines.

In the period since the 2002 review, publication rates have generally continued to rise. Almost three quarters of the Fund's membership have agreed to publish at least one country staff report, and for over 90 percent of members a Public Information Notice (PIN) was published. The publication rates of stand-alone Article IV staff reports reached 66 percent and 71 percent for combined Article IV-UFR staff reports. The publication rate of UFR stand-alone staff reports was 57 percent, held down largely by the low publication rates of staff reports for exceptional access cases. However, publication rates continue to be uneven across regions. Nearly all country policy intention documents have been published. Since the adoption of a presumption for the publication of policy papers and PINs in November 2002, all but one policy paper and associated PIN have been published. As recommended in the last review, the vast majority of corrections were made before Board discussions.

This paper presents for consideration by Directors the issue of a move to a policy of presumed publication of staff reports, and lays out possible options for modalities of implementing the policy of presumed publication. The paper also addresses several issues deferred to this review including: (i) presumed publication of UFR staff reports in exceptional access cases; (ii) deletions of highly politically-sensitive information; (iii) presumed publication of Financial System Stability Assessment (FSSA) reports and a policy for publication of Technical Notes prepared in the context of the Financial Sector Assessment Program (FSAP); and (iv) presumed publication of Reports on the Observance of Standards and Codes (ROSCs). The paper also addresses the issue of a modification policy for staff policy papers prior to publication, and the possibility of withholding publication of a staff report when deletions of highly market-sensitive material would significantly alter its key messages.

The paper also proposes that the Board return to the impact of transparency on candor and effectiveness of surveillance in the next Biennial Review of Surveillance. The topic of publication of debt sustainability assessments will be taken up in the discussion of *Sustainability Assessments* scheduled for July 2003. The supplement accompanying the paper documents the implementation of the deletions and corrections policy.

The next review of the Fund's transparency policy is envisaged in 24 months.

I. Introduction

1. In the 2002 review of the experience with the Fund's transparency policy, Executive Directors welcomed the progress made under the policy of voluntary publication, and noted the observed high and rising publication rates for country staff reports that reflect the broadening support for increased transparency among the membership.[1] To further strengthen the momentum that led to rising publication rates, Directors discussed the possibility of moving to a policy of presumed publication for Article IV consultation staff reports and staff reports on the use of Fund resources. That discussion concluded with the agreement to reconsider a possible move to a policy of presumed publication at the next Board review of transparency policy in June 2003.

2. This paper reviews the recent developments in the publication of country staff reports, including trends in publication rates and experience with corrections and deletions, as well as the publication of policy papers and associated PINs. Against that background, the paper presents for consideration by Directors the issue of a move to a policy of presumed publication of country staff reports. The paper also addresses several issues deferred to this transparency review in the context of past Board discussions: (i) the proposal to move to presumed publication of UFR staff reports in exceptional access cases;[2] (ii) the possibility of allowing deletions of highly politically-sensitive information;[3] (iii) presumed publication of FSSA reports and a policy for publication of Technical Notes prepared in the context of the FSAP;[4] and (iv) presumed publication of ROSCs.[5] The final section presents issues for discussion.

II. Implementation of the Fund's Transparency Policy

3. This section updates the progress reports of September 2002 and March 2003, which informed the Executive Board and the International Monetary and Financial Committee (IMFC) of the progress made with respect to the publication of country staff reports within the

---

[1] See *The Fund's Transparency Policy—Review of the Experience and Next Steps* (EBS/02/90, 5/28/02) and *The Acting Chair's Summing Up* (BUFF/02/141, 9/9/02). Following the conclusion of the review, amendments to the transparency decision were approved on a lapse-of-time basis on November 11, 2002. See Decision No. 12882-(02/113).

[2] See *Summing Up by the Acting Chair—Access Policy in Capital Account Crises* (BUFF/02/159, 9/20/02).

[3] See BUFF/02/141.

[4] See *The Acting Chair's Summing Up—Financial Sector Assessment Program—Review, Lessons, and Issues Going Forward* (BUFF/03/42, 3/24/03).

[5] See *The Summing Up by the Acting Chair—International Standards—Strengthening Surveillance, Domestic Institutions, and International Markets* (BUFF/03/43, 3/19/03).

present voluntary guidelines.[6] A more detailed review of developments is provided in Appendix I. The key elements of the present publication policy are presented in Box 1 and Table 1.[7]

A. Publication of Country and Policy Documents

4. In the period since the last review, publication rates have generally continued to rise (Table 2).[8] The key developments are as follows:

Surveillance

- **Article IV staff reports and PINs**. The publication rates of Article IV staff reports continued to increase and reached 66 percent for stand-alone reports, and 71 percent for combined Article IV-UFR staff reports, although publication rates continue to be uneven across regions (Appendix I, Tables 1 and 2). PINs were published following 82 percent of Article IV consultations. During the period since the May 2002 staff paper, 26 countries permitted their Article IV staff report to be published for the first time. To date, nearly three quarters of the Fund's membership have agreed to publish at least one country staff report, and for over 90 percent of members a PIN was published (Appendix I, Table 3).

- **FSSAs and ROSCs**. The publication rate for FSSA reports was 68 percent, compared with 50 percent reported in the May 2002 staff paper (Table 2). For ROSCs, 72 percent of modules were published (Appendix I, Tables 4 and 5), marginally down from the May 2002 staff paper (73 percent).

Use of Fund Resources

- Nearly all **country policy intention documents** (Letters of Intent/Memoranda of Economic and Financial Policies (LOIs/MEFPs) and Poverty Reduction Strategy Papers (PRSPs)) have been published. For all UFR discussions, Chairman's Statements—summarizing Executive Board views—have been published. In the period since the May 2002 staff paper, 57 percent of stand-alone UFR staff reports were published, with publication rates differing across regions (Appendix I,

---

[6] See *The Fund's Transparency Policy—Progress Report on Publication of Country Documents* (SM/02/302, 9/22/02), and (SM/03/109, 3/25/03).

[7] Appendix II summarizes recent research on the impact of the publication of Fund documents.

[8] This paper covers developments since the May 2002 staff paper regarding documents discussed by the Executive Board during March 1, 2002 to March 25, 2003 and published as of April 25, 2003 ("the recent period").The May 2002 staff paper covered documents discussed during January 4, 2001 to February 28, 2002 and published as of March 31, 2002.

Box 1. Key Elements of the Fund's Publication Policy

The IMF's Executive Board has adopted a series of measures that aim to improve the transparency of members' policies and data, and to enhance the Fund's own external communications. In taking these steps to enhance the IMF's transparency, the Executive Board has had to consider how to balance the Fund's responsibility to oversee the international monetary system with its role as a confidential advisor to its members. As part of its regular reassessment of this balance, the Board completed another review of the IMF's transparency policy in September 2002. The key elements of the policy are as follows:

- Voluntary publication of Article IV and UFR staff reports.
- The presumption that Letters of Intent/Memoranda of Economic and Financial Policies (LOIs/MEFPs) and other documents stating a government's policy intentions would be published; however, a member may notify the Board of its decision not to consent to Fund publication of a document.
- Publication of Poverty Reduction Strategy Papers (PRSPs), interim-PRSPs, and PRSP progress reports is required for Management to recommend endorsement by the Executive Board.
- Voluntary publication of Public Information Notices following Article IV consultations and Board discussions on regional surveillance papers, concluding mission statements, background documentation for Article IV consultation discussions, and documentation for staff-monitored programs.
- A presumption of publication of staff reports on policy issues, together with PINs (except on issues dealing with administrative matters of the Fund, for which publication can be proposed on a case-by-case basis).
- Deletions to published documents should be limited to highly market-sensitive information, mainly exchange rate and interest rate matters. Corrections should be limited to factual changes and characterizations of the authorities' views.
- The member concerned has the right of reply and may publish a statement with the staff report commenting on the staff or Executive Board assessment or both.
- Public access is given to the Fund's archives to Executive Board documents that are over 5 years old, to minutes of Executive Board meetings that are over 10 years old,[1] and to other documentary materials that are over 20 years old, subject to certain restrictions.

---

[1]Access is also given after 10 years to: BUFF Statements by the Managing Director or IMF Staff to Executive Board, BUFF/EDs, Gray Documents, Precis of Executive Board Meetings (replaced by Weekly Precis, replaced by Weekly Decisions Report), Executive Board Seminars Agendas and Minutes, and Secretary's Journal of Executive Board Informal Sessions Minutes.

Table 1. The Fund's Publication Policy at a Glance

Document	Decision
Surveillance	
Concluding Statements of Article IV Missions	Voluntary
Article IV Staff Reports and Combined Article IV/UFR Staff Reports[1]	Voluntary
Selected Issues Papers, Statistical Appendices	Voluntary
Financial System Stability Assessments (FSSAs)	Voluntary
Reports on Observance of Standards and Codes (ROSCs)	Voluntary
Public Information Notices (PINs) following Article IV Consultations	Voluntary
PINs following Board discussions on regional surveillance	Voluntary
Use of Fund Resources	
PRSPs, Interim-PRSPs (I-PRSPs), and Progress Reports of PRSPs	Presumed. The Managing Director, however, would not recommend Board endorsement of a PRSP unless the authorities had consented to publication.
Joint Staff Assessments (JSAs) of PRSPs and Progress Reports of PRSPs	Presumed
Letters of Intent/Memoranda of Economic and Financial Policies (LOIs/MEFPs)	Presumed
Technical Memoranda of Understanding (TMUs) with policy content	Presumed
Use of Fund Resources Staff Reports	Voluntary
Chairman's Statements	Presumed
HIPC Summing Up	Presumed—Combined into Chairman's Statement
HIPC Initiative Papers	Presumed
Post Program Monitoring (PPM) Staff Reports and PINs	Voluntary
Decision on waivers of non-observance or applicability of performance criteria	Presumed—Referenced in Chairman's Statement[2]
Policy and Other Documents	
Board Papers on policy issues not dealing with administrative matters of the Fund.	Presumed
PINs following Board discussions on policy issues not dealing with administrative matters of the Fund.	Presumed
Staff Visit Concluding Statements	Voluntary
Staff-Monitored Programs (SMPs)	
Mission Team Assessments on SMPs	Voluntary
Mission Concluding Statements	Voluntary
Staff-Monitored Program LOIs/MEFPs	Voluntary
Stand-Alone Staff Reports	Voluntary

[1] Including staff reports for interim discussions with the authorities issued to the Board for information.
[2] In the rare case of a request for a waiver by the authorities on a lapse of time basis, the public would be informed of the nature and purpose of the waiver, and Board decision taken, in a press release.

Table 2. Trends in Publication Rates of Country Documents 1/

Document Types	May 2002 paper 2/			Recent Period 3/		
	Number of Documents		Documents Published (In percent of documents discussed)	Number of Documents		Documents Published (In percent of documents discussed)
	Discussed	Published		Discussed	Published	
All Documents	980	734	75	954	724	76
Staff Reports	268	171	64	254	176	69
Article IV and UFR staff reports	221	130	59	210	135	64
Article IV (excluding Combined)	107	63	59	108	71	66
Article IV Combined with UFR or PPM	41	26	63	41	29	71
UFR (excluding Combined)	73	41	56	61	35	57
Normal Access	59	36	61	42	31	74
Exceptional Access 4/	14	5	36	19	4	21
Post Program Monitoring (stand-alone)	4	1	25	1	0	0
Staff Monitored Program (stand-alone)	2	0	0	3	2	67
Joint Staff Assessments	32	31	97	33	32	97
HIPC Country Papers	9	9	100	7	7	100
REDs/Selected Issues/Statistical Annexes	153	89	58	154	98	64
FSSAs	22	11	50	22	15	68
ROSC Modules 5/	130	95	73	155	111	72
Public Information Notices (PINs) 6/	154	129	84	154	127	82
Regional Surveillance Discussions	5	3	60	4	4	100
Country Policy Intention Documents	248	236	95	211	193	91
LOIs/MEFPs 7/	126	118	94	106	95	90
TMUs 7/	90	86	96	71	64	90
PRSPs/I-PRSPs/ and related reports	32	32	100	34	34	100
Memorandum items:						
UFR Chairman's Statements	...	108	...	...	96	...
Authorities' statements issued 8/	...	67	...	...	80	...

1/ Data includes documents issued for the information of the Executive Board, and reports sent to the Board for consideration on a lapse-of-time basis.

2/ Documents covered in EBS/02/90, 5/28/02, i.e., those discussed during January 4, 2001 to February 28, 2002, and published as of March 31, 2002.

3/ Documents discussed during March 1, 2002 to March 25, 2003, and published as of April 25, 2003.

4/ In the recent period, one additional country has exceptional access.

5/ Includes ROSC modules issued in the context of FSAPs and modules produced by the World Bank.

6/ Includes PINs issued following Board discussion of staff reports on Article IV consultations, Post-Program Monitoring, and Regional Discussions.

7/ Includes LOIs/MEFPs and TMUs issued in the context of Staff-Monitored Program, which are subject to a policy of voluntary publication.

8/ Does not account for authorities' statements that are included in ROSCs.

Table 6). Three quarters of stand-alone UFR staff reports for normal access cases were published, while the publication rate for exceptional access cases declined to 21 percent in the recent period (from 36 percent in the May 2002 staff paper). The publication rate for stand-alone Poverty Reduction and Growth Facility (PRGF) country staff reports—at 67 percent—was much higher than for other stand-alone UFR staff reports (50 percent). However, excluding the exceptional access cases, the publication rate for the non-PRGF UFR staff reports was 87 percent.

Policy papers and PINs

- The publication rates of **policy papers and associated policy PINs** continued to increase (Appendix I, Table 7). Since the time the Board approved a presumption for the publication of policy papers and PINs in November 2002, all but one policy paper and associated PIN have been published.[9] In addition, the Board agreed to publish two administrative papers which are not subject to the policy of presumptive publication.[10]

B. Experience with Deletions and Corrections

5. Consistent with the publication decision, deletions in published country papers were generally limited to highly-market sensitive issues. In the period after the May 2002 staff paper, the share of staff reports with deletions declined to 8 percent (from 12 percent), in part reflecting a much lower rate of deletions from stand-alone UFR reports. The subject matter of deletions has changed little since the May 2002 staff paper, with banking issues constituting over one third, and exchange rate, fiscal, and vulnerability issues contributing about equally to about half of deletions (Supplement 1). Deletions were concentrated in the reports on countries in Developing Asia (35 percent of documents with deletions), Middle East and Turkey (27 percent), and Western Hemisphere (31 percent)—with no deletions for advanced economies, African or Central and Eastern European countries.[11]

6. There has been an important positive change in the area of corrections. At the time of the last transparency review, Directors agreed that whenever possible corrections should be circulated prior to Board meetings, in order to ensure that the Board is fully informed at the

---

[9] *The Review of Contingent Credit Lines* (SM/03/64, 2/12/03) was not published as the review was not completed.

[10] The presumption of publication does not apply to Executive Board meetings on policy issues dealing with the administrative matters of the Fund, such as the Fund's operating budget, personnel policies, staff retirement plan, and asset Management, for which a case-by-case approach was adopted. See Decision No. 12882 (02/113), paragraph 11. *The Review of the Fund's Income Position, Rate of Charge, Precautionary Balances and Burden Sharing for FY 2003 and FY 2004* (EBS/03/43, 4/7/03) was discussed and published after the cutoff dates for this paper. The papers on *The Fund's Policy on Precautionary Financial Balances* (EBS/02/185, 11/18/02) and *Staff Compensation—2003 Review* (EBAP/03/30, 3/10/03), were not published.

[11] There was one deletion from a staff report for an advanced country after the cutoff date for this paper.

time of its discussions.[12] In keeping with this guidance, the vast majority (73 percent) of corrections during the period since the May 2002 review were made before Board discussions. The share of documents with corrections remains high (Appendix I, Table 1), however, and there continue to be cases where—inconsistent with the policy—corrections were used to modify the reports (Supplement 1). Advanced economies accounted for a disproportionate share of all corrections, with 38 percent of all corrections, while accounting for only 16 percent of staff reports published (Appendix I, Tables 8 and 9).

III. Issues in Transparency Policy

A. Implementation to Date of a Policy of Presumed Publication

7. In the Fund's publication practice there have been different forms of presumption (Box 2 and Appendix III). Under the present publication policy, presumed publication for LOIs/MEFPs means that there is an expectation that papers will be published. Publication will not take place, however, if the authorities either indicate that they do not wish to have a document published or they fail to indicate their wishes with regard to publication.[13] In the period since the May 2002 staff paper, 11 of 106 LOIs/MEFPs were not published; in nine cases, the authorities did not communicate their publication intentions or explain why they did not consent to publication.[14]

8. Yet another mechanism exists for Chairman's statements, the release of which is presumed following a Board decision on the use of Fund resources. If a member were not to consent to the publication of a Chairman's statement (there were no such cases), a brief factual statement describing the Board's decision would be released instead. Under the previous policy for publication of Recent Economic Developments and Statistical Appendices, which was superseded by the January 4, 2001 publication decision, unless a member objected, documents were published 30 days after the Board meeting. Finally, consent to the publication of PRSPs is required for Management to recommend that the Board endorse a PRSP; in all cases PRSPs were published.

---

[12] See BUFF/02/141.

[13] The publication decision states the members should indicate their intention not to publish and provide an explanation "before the Executive Board's decision relating to the member's use of Fund resources"; see Decision No. 12882-(02/113), paragraph 3.

[14] The nine cases are Argentina (EBS/02/190, 11/20/02; EBS/02/168, 9/5/02; EBS/02/125, 7/15/02; EBS/02/83, 5/21/02; EBS/03/32, 3/10/03), Chad (EBS/02/57, 4/5/02), Guatemala (EBS/02/172, 10/02/02), Guyana (EBS/02/167, 9/13/02), Tanzania (EBS/02/56, 4/15/02). In addition, one LOI/MEFP was published after the cutoff date of April 25, 2003, and in another case, the authorities consented to publication.

Box 2. How Presumed Publication Works in Practice

Reports on Recent Economic Developments and Statistical Appendices

Under the Fund's decision of July 11, 1994,[1] Article IV background reports on recent economic developments (REDs) and statistical appendices and annexes were published, unless the member objected. The relevant member was given 30 days from the date the documents had been considered by the Executive Board to identify and delete from them data they deemed confidential, or to object to the documents' release. The 1994 decision was superseded by the Fund's publication decision of January 4, 2001,[2] which made the policy for the publication of REDs and statistical appendices and annexes voluntary, i.e., documents are published only after the explicit approval by the country authorities. REDs were no longer prepared after January 22, 2002.[3]

Letters of Intent and Memoranda of Economic and Financial Policies for UFR Cases

Under the Fund's 2001 publication decision, members are expected to communicate their intentions regarding publication of their policy intention documents to the Secretary of the Fund. If the authorities consent to publication, the LOI/MEFP is posted on the web site generally within 48 hours after the Board discussion. If the authorities do not agree to publish the LOI/MEFP, the transparency decision requires the member to notify the Board of its decision and provide an explanation through the respective Executive Director before the Board takes a decision on the use of Fund resources. If the authorities are undecided at the time the country report is issued to the Board, they may give their consent to publication before the Board meeting, or during the meeting through the BUFF or oral statement by the Executive Director. When the authorities fail to indicate their publication intentions to the Fund, the LOI/MEFP is not published.

PRSPs, I-PRSPs, and Progress Reports on PRSPs

For PRSPs, Interim-PRSPs, and Progress Reports on PRSPs, in addition to the presumption of publication, the 2001 publication decision calls on Management not to recommend that the Executive Board endorse a PRSP unless it is published. Upon the authorities' request, the PRSPs could still be circulated to the Executive Board, and the Board may endorse the PRSP, notwithstanding Management's position. PRSPs are posted on the Fund website immediately after their circulation to the Fund's or the World Bank's Executive Board, whichever is later. Given the open, participatory nature of their preparation, PRSPs are assumed not to contain any highly market sensitive material and hence are published without deletions.

Chairman's Statements

Under the 2001 publication decision, Chairman's Statements are presumed to be released for all UFR discussions. At the end of the Board meeting, the Chairman reads his statement to the Board, reflecting any necessary modifications in light of the Board discussion. The Executive Director representing the member concerned has the opportunity to review the Chairman's Statement and give a decision on its publication, subject to minor revisions, if any, within a short time of the Board meeting. The intention is to release the Chairman's Statement to the media within two hours after the Board meeting. If the member does not consent to publication of a Chairman's Statement, a brief factual statement describing the Executive Board's decision relating to the member's UFR is released instead.

---

[1] *Release of Information – Reports on Recent Economic Developments and Statistical Appendices and Annexes,* see (DEC/A/10138, 7/11/94).

[2] See Decision No. 12405-(01/02).

[3] See Decision No. 12661-(02/6).

9. A move to a policy of presumed publication of staff reports would require agreement on the modalities for its implementation. Possible options are discussed below in Section III.C.

B. Voluntary or Presumed Publication Policy for Article IV and UFR Staff Reports

10. The staff paper for the June 12, 2002 discussion laid out the arguments on presumed versus voluntary publication of Article IV and UFR staff reports, and discussed the related issues of transparency and candor in discussions with the authorities and reporting to the Board.[15] At the conclusion of that review (September 5, 2002), a narrow majority of the Board was in favor of moving to a policy of presumed publication of Article IV and UFR staff reports. Taking into account the continuing increase in the publication rates, however, it was agreed to reconsider a possible move to a policy of presumed publication of country staff reports in June 2003.[16]

11. The arguments in favor of presumed publication of staff reports made by Directors in the June 2002 Board discussion included:

- Publication can stimulate greater preparation and interest by governments in the discussions and the staff reports.
- With publication, the Fund's capacity to induce timely action by members to prevent crises could be strengthened, in particular if sustainability and vulnerability analyses are published.
- The publication of staff reports which describe the full context and rationale for the program can improve the prospects for program success by increasing information and contributing to confidence.
- Candor of reporting to the Board can be preserved by conveying highly market-sensitive information separately from staff reports on a confidential basis (for example, in country matters sessions).
- Presumed publication is by definition not mandatory, and a country can still decide not to publish.

On the other hand, concerns raised by Directors included:

---

[15] See EBS/02/90 paragraphs 33-35 and 20-28.

[16] See BUFF/02/141.

- Progress under the policy of voluntary publication has been satisfactory, and there is no evidence that a policy of presumed publication would significantly improve the Fund's ability to influence members' policies.

- In some cases, the Fund could become embroiled in domestic political issues, increasing the risk that policies are seen as imposed by the Fund and thus weakening ownership.

- Before moving to a policy of presumed publication there is a need to ensure that reports are of high quality, and unlikely to be misinterpreted.

- An effective policy on transparency requires broad support across the membership.

- Disagreements between staff and the authorities reported in the documents could make it more difficult to build confidence in the member's program.

12. The experience to date, in particular the continued increase in the publication rates of country documents and the implementation of the deletions and corrections policy, can be read in two ways. On the one hand, publications rates across the membership may suggest sufficient general acceptance of the merits of transparency so that moving to a general policy of presumed publication is now appropriate and fair. Combined with the broader benefits of transparency to the Fund and to the system as a whole, this should make it less acceptable for individual countries to opt out of publication simply because of any domestic political inconvenience it may present. On the other hand, given the overall progress so far, it is difficult to argue that the current voluntary approach is ineffective, and it is not certain that a policy of presumption would achieve significant further gains in terms of the number of documents published.

13. There is no clear evidence of the impact of transparency on the candor of dialogue with members and of reporting to the Board and thus on the quality of surveillance. The increasing coverage of sensitive issues, which seems to indicate improvement in the candor of Fund staff reports even as publication rates rise, suggests that further progress in publication of country documents would not necessarily come at the expense of the quality and clarity of the analysis in staff reports.[17] Moreover, the flexibility the present policy offers for deletion of highly market-sensitive information should continue to ensure that publication of Article IV or UFR staff reports does not add materially to market risks. At the same time, there remain concerns that a move to presumed publication at this time could make it harder for staff to improve the content of staff reports by candidly reflecting assessments of debt sustainability, and vulnerabilities more generally. A quest for higher publication rates should not undermine the

[17] Given that Board documents already receive widespread distribution, information in staff reports is widely disseminated even if staff reports are not published.

main objective of strengthening Article IV surveillance, which is to provide high-quality policy analysis to member countries and the Executive Board.

14. In recent discussions, Directors emphasized the importance of candor as an essential element of surveillance and requested that the potential tension between candor and transparency be discussed again in the context of the present transparency review.[18] Sustained implementation of the Fund's strengthened surveillance framework, in particular in the areas of vulnerability, debt sustainability, currency mismatches and other balance sheet and capital account developments, is likely to add to the tensions between candor and transparency. Staff will have to continue to find appropriate balance in the presentation of staff reports, to ensure that the Fund's analysis and policy advice are sufficiently candid to allow the Board to conduct effective surveillance, while adequately informing the public when the reports are published.[19] Since the increased emphasis on transparency may have a significant impact on the effectiveness of surveillance, Directors may wish to return to this issue in the context of the next *Biennial Review of Surveillance*.[20]

15. One important area where publication rates of staff reports declined significantly from already low levels is for documents related to exceptional access UFR cases. In the discussion on *Access Policy in Capital Account Crises*, a majority of the Board held the view that in these cases in particular there would be a high premium on increasing public understanding of the program strategy. Many other Directors, however, were concerned that moving to a presumption of publication of such staff reports might not be easily reconcilable with the need for frank assessments of the risks involved.

C. Options for Going Forward

16. The Board's consideration of the key issue for this transparency review—whether to move to a policy of presumed publication of staff reports—could be framed by the following options:

- Move to a policy of presumed publication for all country staff reports. If a policy of presumed publication for Article IV staff reports were agreed, there would be a strong

---

[18] See *The Chairman's Summing Up—Enhancing the Effectiveness of Surveillance—Operational Responses, the Agenda Ahead, and Next Steps* (SUR/03/38, 4/8/03).

[19] In the April 12, 2003 Communiqué, the IMFC stressed that "the candor of the IMF's analysis and advice should be preserved."

[20] Publication of debt sustainability assessments—which under the present policy can be deleted from staff reports prior to publication at the authorities' request—will be taken up in the discussion of *Sustainability Assessments—Review of Application and Methodological Refinements* scheduled for July 2003. See *Concluding Remarks by the Acting Chairman—Assessing Sustainability* (BUFF/02/86, 6/24/02).

case for extending the presumption to the associated PINs, so that the staff report is presented in the context of the Board's views.

- Adopt a policy of presumed publication of country PINs following Article IV consultations, while maintaining a voluntary approach for Article IV staff reports. Under this option, if a member did not wish a PIN to be published, a factual statement could be issued promptly to inform the public that an Article IV consultation was concluded by the Board.[21]

- Move to a policy of presumed publication for all UFR (including combined Article IV-UFR staff reports) and Post Program Monitoring (PPM) staff reports. This option would extend the presumed publication policy to all UFR-related documents.

- Move to a policy of presumed publication for UFR and PPM staff reports in exceptional access cases. This option would focus on the area in which the least progress in transparency has been achieved.

- Maintain the present voluntary publication policy to gain more experience with the policy while building broader support for it. The Board could take up the issue of presumed publication after it has had the opportunity to consider the impact of transparency on the effectiveness of Fund surveillance, a matter to be addressed in the forthcoming Biennial Review of Surveillance.

17. If a policy of presumed publication of country staff reports were adopted, the following implementation options could be considered.

- Adopt for Article IV and UFR staff reports the present modality applicable to LOIs/MEFPs, whereby the explicit consent by a member for publication is required, and presumption is used to increase the expectation for a member to provide such consent to publish a staff report. A member not wishing to publish these documents will be expected to provide an explanation at the relevant Board meeting for not providing its consent.

- Adopt a policy of presumption under which publication of a staff report and associated PIN is the default option (similar to the policy that existed for REDs). Unless a member objects to publication or requests deletions or corrections, a staff report and associated PIN will be published after 15 working days following a Board meeting.

[21] At present, information about concluded Article IV consultations is released on the Fund's website and information on publication of staff reports and PINs is published in the Fund's Annual Report.

D. Other Issues

Modification policy for staff policy papers prior to publication

18. Unlike modifications to country staff reports before publication, which are limited to factual corrections and to deletions of highly-market sensitive information, modifications to policy papers before publication have not been subject to a policy. Although staff have not undertaken a comprehensive review of practices in this area, four types of modifications have been made to staff policy papers: (i) factual corrections; (ii) deletions of country-specific references and specific departmental references; (iii) deletions of references to unpublished documents; and (iv) revisions to staff proposals to reflect the Board's views as expressed in the summings up.

19. The first three types of modifications appear broadly consistent with the publication policy for country staff reports and with the long-standing practice for publishing Fund reports, in which country references may be removed at the request of the authorities. The fourth type of modification is of a different nature to other modifications of published Fund documents.[22] In such cases, at the request of Executive Directors, the policy paper may be published with revisions that change the staff policy recommendation *ex post* to reflect the Summing Up of the Board's discussion or the concerns of certain Executive Directors. Such modifications raise questions as to the transparency and candor of the Fund's own deliberations on policies.

20. Staff propose that the principles for deletions and corrections of staff policy papers be brought more into line with those that apply to country papers. Specifically, prior to publication staff policy papers (excluding administrative papers) could be modified to allow factual corrections and deletions of highly market-sensitive material and of country-specific references. Under such an approach, staff policy recommendations would not be modified, and the published paper would clearly indicate that the paper contains staff views and not necessarily those of the Board. Alternatively, if Directors considered that there was a danger of confusion when the summing up differed from the staff recommendations, the published version of the staff policy paper would flag these points, indicating clearly in the text, that the Board had not endorsed some staff positions. A third possibility would be that, after Board discussion, staff policy papers would be considered as documents reflecting the views of the Executive Board and as such would be modified to make them consistent with the summings

---

[22] The recent examples when modifications to staff policy papers were introduced at the request of Directors include: *International Standards—Strengthening Surveillance, Domestic Institutions, and International Markets* (SM/03/86 Sup. 6, 4/2/03); *A New Approach to Sovereign Debt Restructurings: Preliminary Considerations* (FO/DIS/01/151, 11/30/01) and *Sovereign Debt Restructuring Mechanism—Further Reflections and Future Work* (FO/DIS/02/18, 2/14/02, revised as SM/02/98, 3/27/02). The latter two policy papers for a Board briefing and a seminar on the proposed Sovereign Debt Restructuring Mechanism were revised at the Board's request before being published for comment.

up. That could, however, require extensive editing.[23] In either case, staff would continue to notify the Board of modifications before publication, by circulating the redlined version of documents.

21. Regarding administrative papers, which cover internal operations of the Fund and also its financial matters, under the present policy their publication is not presumed but is considered on a case-by-case basis. Administrative papers will continue to be circulated to the Board with staff recommendations regarding their publication indicated in Secretary's cover memorandum.

Deletions policy

22. The September 2002 summing up called for the issue of deleting highly politically-sensitive material to be revisited in the present transparency review. In the period since the May 2002 staff paper there have been some instances of deletions in the approval of which factors other than high market-sensitivity played a role (Supplement 1). If a policy of presumed publication of staff reports were adopted, pressures to accommodate such deletions would probably increase. Given the small number of such requests to date and the practical difficulties in implementing such a policy, staff do not recommend a policy of permitting deletions solely on the grounds of high political sensitivity. The present policy allows politically sensitive material that is also market sensitive to be deleted.

23. Under the present policy, information relating to any performance criterion or structural benchmark could be deleted from UFR documents if it qualifies for the protection under the side-letters policy, thereby providing an additional safeguard.[24] One possible extension of the deletions policy could be to permit deletions from all country staff reports of information in cases where such information could have qualified for protection through the use of a side letter in a UFR context. However, since the scope for such deletions could be much broader than in UFR cases, where it is limited to information relating to performance criteria and structural benchmarks, it might in practice be used to accommodate many more deletions, contrary to the objective of ensuring that deletions be minimal. Staff do not recommend to adopt such an extension to the deletions policy.

24. Adoption of a policy of presumed publication may also raise pressures to delete significant elements of staff reports on the grounds of high-market sensitivity. There is a

---

[23] The public now has access in the Fund's archives to Executive Board documents after 5 years. In light of this, the publication of a staff document at variance with that actually discussed by Directors is awkward.

[24] This pertains not only to market-sensitive information but also to information that, if published, would directly undermine the authorities' ability to implement the program or render implementation more costly. Performance criteria that might be subject to the side-letters policy could include those relating to exchange market intervention rules, bank closures, contingent fiscal measures, and measures affecting key prices. See Decision No. 12067-(99/108), paragraphs 5 and 6.

danger that such deletions could be so significant as to change the underlying message of the report, and thus publication in this form could undermine the credibility of the Fund. Staff propose that under the publications policy Management be granted the authority to withhold publication of a staff report when deletions of highly market-sensitive material would leave the paper silent on significant issues that could affect the public's assessment of risk and, therefore, undermine the overall assessment and the credibility of the Fund. In the case of a serious disagreement, the matter may be referred to the Executive Board for its consideration.

Presumed publication of ROSCs

25. During the recent review of the standards initiative, Directors agreed that the current policy regarding the voluntary nature of ROSCs and their publication is working well. Directors encouraged authorities to publish ROSCs in order to enhance transparency and the usefulness of the ROSC process. A few Directors suggested establishing a policy of presumed publication of ROSCs.[25] A move to a policy of presumed publication could affect the selection of countries participating in the initiative, with important implications for surveillance. If ROSCs were prepared only for members that agree to publish them—on the grounds that an important function of ROSCs is to inform the markets—ROSCs important for Article IV surveillance might not be prepared should a member in question not wish to have such a ROSC published. A move to a policy of presumed publication for ROSCs could also interfere with the FSAP country selection process. Furthermore, the present system of voluntary publication safeguards the integrity of reports; drafts of these documents are shared with the authorities, and the voluntary nature of publication reduces pressure on staff to tone down assessments in light of possible public reaction.

Publication policy for FSAP-related documents

26. In the recent FSAP review, Directors supported the continuation of the present policy for publication of the Detailed Assessments of Observance of Financial Sector Standards and Codes, and most Directors also agreed that Management can authorize publication of the other FSAP background documentation, with the exception of stress test results and information on individual institutions, and with appropriate deletions of highly market sensitive information. A few Directors proposed that the FSAP Selected Issues notes, now renamed FSAP Technical Notes (FTNs), should be circulated to the Board prior to publication to better inform Directors. It was agreed to return to this issue at the time of this review of the Fund's transparency policy. In addition, a few Directors suggested establishing a policy of presumed publication of FSSA reports.[26]

---

[25] See BUFF/03/43.

[26] See BUFF/03/42.

27. There are different policies and practices for the publication of the various outputs arising in the FSAP process:

- The FSAP aide-mémoire is a confidential document prepared by the mission and shared with the authorities as preliminary findings of the mission. After the internal review at the Fund (and Bank), a revised aide-mémoire is sent to the authorities. These documents are discussed in the context of the Article IV consultation mission. These documents are working documents of the two staffs and are not circulated to the Board or published.

- The FSSA reports contain all the key findings and analyses relevant to surveillance carried out by the FSAP teams and are circulated to the Fund Board as background material for Article IV consultation. Staff recommend maintaining the policy of voluntary publication of FSSAs. As in the case of ROSCs, a move to a policy of presumed publication for FSSA reports could undermine the Fund's ability to undertake FSAPs in cases important for surveillance, by affecting a member's decision to volunteer for a FSAP.

- The detailed assessments of standards, which are the basis for ROSCs, can be published with Management's consent at the authorities' request according to the practices applying to technical assistance (TA) reports.[27] This practice was endorsed by the Fund Board in the summing up for the 2000 FSAP Review.[28] The Fund Board reaffirmed this practice at the March 2003 Board meeting on the FSAP Review.[29]

- FSAP Technical Notes correspond to what were previously chapters in Volume II of the FSAP reports (not previously authorized for publication). As agreed at the March 2003 FSAP review, the FTNs can be published by the authorities—omitting the stress tests and confidential information on individual institutions—subject to Management approval, thereby following the practices now applied to the detailed assessments of standards, which is similar to the process adopted for TA reports. Staff propose that

---

[27] *Summing Up by the Acting Chairman—Financial Sector Assessment Program—A Review – Lessons from the Pilot and Issues Going Forward* (BUFF/00/190, 12/14/00). To date, two countries (Czech Republic and Sweden) published detailed assessments of standards. At the last Board review of technical assistance, the majority of the Board recommended that TA recipients consent on a voluntary basis to publication of TA reports with a delay of up to one year. TA reports thus can be published at the authorities' request; however, they are not subject to the deletions and corrections policy. Several Directors, however, did not see the benefit of introducing a general policy of publishing TA reports. On a related issue, many Directors also agreed that recipients of Fund TA make TA reports, or their executive summaries, available to the Board (on a voluntary basis), including by placing them in a central repository of TA reports. See *Summing Up by the Acting Chairman—Review of Technical Assistance Policy and Experience* (BUFF/02/107, 7/12/02).

[28] See BUFF/00/190.

[29] See BUFF/03/42.

when applying this practice to FTNs (as detailed assessment of standards), prior to their publication by the authorities, the FTNs also be circulated to the Board for information, and subsequently published on the Fund's external web site. When such notes are prepared jointly with World Bank staff, their circulation and publication would be coordinated with the World Bank, as now is the case for Joint Staff Assessments, Debt Sustainability Analyses for HIPCs, HIPC documents, and PRSPs.

- When additional (to FSSAs) information on issues of relevance to surveillance would help to inform the Board's discussion, staff may prepare Selected Issues Papers (SIPs) which draw on the FSAP work. As background Article IV documentation, SIPs are authorized for publication under the Fund's publication policy (including the policy on deletions and corrections).

Publication policy for background papers

28. If a policy of presumed publication were adopted for Article IV staff reports, the same policy could be extended to the Selected Issues papers and statistical appendices.

IV. Issues for Discussion

29. Since the last review, further progress has been made in publication of Fund documents, both across the Fund membership and across country, policy, and administrative papers.

30. Public access to information on members' policies and the Fund's policy advice continued to improve. Seventy percent of country staff reports were published, and publication of policy intention documents, PINs, and Chairman's Statements remained common. Nearly all recent policy papers and two administrative papers were published. *Are Directors satisfied with the recent progress achieved under the Fund's transparency policy? Do Directors agree to continue to encourage more systematic release of staff reports, policy intention documents, and other country-related documents?*

31. In light of recent progress on transparency, and the relative merits of presumed and voluntary publication,[30] *which of the options for presumed or voluntary publication and for modalities of presumed publication, as outlined in Section III.C, would be an appropriate way forward? If a policy of presumed publication were adopted for Article IV staff reports, do Directors agree to extend the same policy to the associated background documents (except for FSSAs and ROSCs)?*

32. Modifications to policy papers prior to publication are not subject to a formal policy. *Do Directors agree with the staff proposal outlined in the first part of paragraph 20 to apply*

[30] See BUFF/02/141.

the principles for deletions and corrections that apply to country papers to staff policy papers or prefer one of the alternative proposals?

33. Deletion and correction policies for country papers have been generally effective. *Do Directors agree to continue the current policy of allowing deletions of politically sensitive material only when it is also highly market sensitive? Do Directors agree that at this time there is no basis for extending the deletions policy by allowing deletions of information that could qualify under the side-letters policy? Do Directors agree to grant Management the authority to withhold publication of staff reports in cases when significant deletions in a published staff report could so change the message as to undermine the Fund's credibility?*

34. Regarding a policy for publication of other documents: *Do Directors agree that the Fund should publish FSSAs and ROSCs on a voluntary basis? Do Directors agree that publication by a member of FSAP Technical Notes that are not circulated as part of background documentation for Article IV discussions should follow the practice that applies to technical assistance reports and that these documents should be circulated to the Executive Directors prior to publication and be subsequently published on the Fund's external web site?*

Recent Developments in Publications Rates

35. The recent data show that on balance, publication rates have continued to rise (Text Table 2 and Appendix I, Table 1).[31] Since the May 2002 staff paper, 954 documents were discussed during March 1, 2002 to March 25, 2003 (referred to below as the "recent period"), and 724 papers of these were published as of April 25, 2003 (Appendix I, Table 1). The publication rates of most types of documents increased relative to those in the May 2002 staff paper.

36. During the recent period, 210 Article IV consultation and use of Fund resources (UFR)[32] staff reports were discussed and 135 published (64 percent). This compares with the publication rate of 59 percent in the May 2002 staff paper. During the recent period, 27 countries agreed to publish their staff report (Article IV or UFR) for the first time, raising the total number of members for whom at least one staff report has been published to 135 (Appendix I, Table 3), representing 73 percent of the membership. The first two stand-alone SMP staff reports were also published during this recent period (for São Tomé and Príncipe and for Sudan).

37. The publication rate of staff reports for stand-alone Article IV consultations reached 66 percent, compared with 59 percent in the May 2002 staff paper. For combined Article IV-UFR staff reports, the publication rate also increased—from 63 percent to 71 percent. However, the publication rate of stand-alone UFR staff reports increased only slightly, from 56 percent to 57 percent. This stability in publication rates masks a rise in the publication rate for members with non-exceptional access, offset by a lower publication rate for the five members with normal access.[33] Owing to multiple review of programs with these members, a relatively large number of papers were discussed and not published. The publication rate for stand-alone UFR staff reports for exceptional access cases declined from 36 percent in the period covered by the May 2002 staff paper to 21 percent in the more recent period. By contrast, the publication rate for normal access cases increased from 61 percent to 74 percent.

---

[31] This paper covers developments since the May 2002 staff paper regarding documents discussed by the Executive Board during March 1, 2002 to March 25, 2003 and published as of April 25, 2003 (the "recent period"). The May 2002 staff paper covered documents discussed during January 4, 2001 to February 28, 2002 and published as of March 31, 2002. Accordingly, the data in that paper did not take into account documents discussed during January 4, 2001 to February 28, 2002 but published after March 31, 2002. Comparisons in the text and tables between the recent period and the previous period exclude such documents, in order to provide in both cases information reflecting a one-month difference between the cutoff dates for discussion and publication. The publication rates may further increase as additional staff reports are published.

[32] Includes stand-alone Article IV, combined Article IV/UFR, and stand-alone UFR staff reports.

[33] During the period of the May 2002 staff paper, four members with exceptional access had stand-alone UFR staff reports; during the more recent period, there were five such members. See Table 1 of *Access Policy in Capital Account Crises—Modifications to the Supplemental Reserve Facility and Follow-Up Issues Related to Exceptional Access Policy* (SM/03/20, 1/14/03).

Among the 39 members whose stand-alone UFR staff reports were discussed during the recent period, 28 agreed to publish the reports (72 percent).

38. Although publication rates of staff reports generally increased, they continue to be uneven across regions. In the recent period, publication rates for Article IV staff reports were high for advanced economies (97 percent), central and eastern Europe (100 percent), and the CIS and Mongolia (88 percent) (see Appendix I, Table 2). Publication rates were relatively low for the Middle East and Turkey (29 percent), Developing Asia (45 percent), and the Western Hemisphere (52 percent). For stand-alone UFR staff reports, large differences in the publication rates across regions also remain. While the publication rates increased for nearly all regions, they declined significantly for Western Hemisphere from the already low levels in the past, reflecting largely the decline in the publication rates for the exceptional access cases (Appendix I, Table 4). Seventy three percent (43 out of 59) of "market-access" economies have published at least one Article IV or UFR staff report since the Fund moved to a policy of voluntary publication (Appendix I, Table 10). The publication rate for stand-alone PRGF country staff reports—at 67 percent—was much higher than for other stand-alone UFR staff reports (50 percent). Excluding exceptional access cases, the latter figure was 87 percent.

39. During the recent period, publication rates for country policy intention documents remained above 90 percent (Text Table 2). All PRSPs, I-PRSPs and related documents were published—reflecting the policy that Management will not recommend that the Board endorse these documents unless they will be published. At the same time, 90 percent of letters of intent and memoranda of economic and financial policies (LOIs/MEFPs) and technical memoranda of understanding (TMUs) were published. Publication rates for LOIs/MEFPs varied across regions: from 100 percent for Central and Eastern Europe, CIS and Mongolia, Developing Asia, and the Middle East and Turkey to 90 percent for Africa and 72 percent for the Western Hemisphere (Appendix I, Table 6).

40. In 11 of 106 cases in the recent period, LOIs/MEFPs were not published. In nine cases, the authorities never communicated their publication intentions to the Fund, including during the Board discussion.[34] This is not consistent with the transparency decision, which states the members should indicate their intention not to publish and provide an explanation "before the Executive Board's decision relating to the member's use of Fund resources."[35]

41. During the recent period, 127 country PINs (or 82 percent) were published following Article IV consultation, post-program monitoring or regional surveillance discussions, compared with 84 percent in the May 2002 staff paper (Text Table 2). The publication rates

[34] The nine cases are Argentina (EBS/02/190, 11/20/02; EBS/02/168, 9/5/02; EBS/02/125, 7/15/02; EBS/02/83, 5/21/02; EBS/03/32, 3/10/03), Chad (EBS/02/57, 4/5/02), Guatemala (EBS/02/172, 10/02/02), Guyana (EBS/02/167, 9/13/02), Tanzania (EBS/02/56, 4/15/02). One LOI/MEFP was published after the cutoff date of April 25, 2003, and in another case, the authorities consented to publication.

[35] See Decision No. 12882-(02/113), paragraph 3.

for Africa, Middle East and Turkey, and Western Hemisphere countries declined (Appendix I, Table 2). In some cases members who previously published PINs did not in the recent period.

42. The publication rate for FSSA reports was 68 percent (Text Table 2) during the recent period, compared with 50 percent in the May 2002 staff paper.

43. The publication rate of ROSCs was 72 percent in the recent period, broadly in line with that for other Fund documents (Text Table 2). Publication rates were highest for data and fiscal transparency ROSCs—93 percent of these were published—while the rates for FSAP-related ROSCs and ROSCs concerned with market integrity were lower—69 and 54 percent, respectively (see Appendix I, Table 4).[36] The small decline in the publication rate for ROSCs was mainly on the account of standards for market integrity for which the publication rate fell by 18 percentage points. As with other Fund documents, publication rates of ROSCs varied by region (Appendix I, Table 5). Publication rates were high for advanced economies and for Central and Eastern Europe (97 percent for both regions). Compared to the previous period, ROSC publication rates increased substantially for the Middle East and Turkey while declining for Developing Asia, and CIS and Mongolia.

44. Chairman's Statements were issued after all discussions of the use of Fund resources or of HIPC assistance. For the four decisions on the use of Fund resources or HIPC assistance that were taken on a lapse-of-time basis, no Chairman's Statement was issued.[37] In three of the four cases, brief factual statements were issued as News Briefs. In one case, no statement was issued,[38] and in another, the statement that was issued did not mention a decision to grant a waiver, which is inconsistent with the policy.[39]

45. The publication rates of policy papers and policy PINs have increased, from 78 percent and 53 percent respectively in the May 2002 staff paper to 91 percent and 86 percent in the

---

[36] FSAP-related ROSCs include: monetary and financial policy transparency, banking supervision, securities, insurance, payments systems, and anti-money laundering or combating the financing of terrorism. The ROSCs concerning market integrity include corporate governance, accounting and auditing, and insolvency and creditor rights, and are produced by the World Bank.

[37] These were Argentina (EBS/02/83, 5/15/02); Chad (EBS/02/57, 3/29/02; EBS/02/80, 5/9/02); and Malawi (EBS/02/161, 8/23/02).

[38] See *Chad—Enhanced Initiative for the Heavily Indebted Poor Countries—Request for Additional Assistance* (EBS/02/80, 5/9/02).

[39] See *Chad—Second Annual Program Under the Three-Year Arrangement Under the Poverty Reduction and Growth Facility—Evaluation of Performance with Regard to Quantitative Performance Criteria at End-December 2001 and Structural Performance Criteria in the First Quarter of 2002, and Request for Waiver of Performance Criteria* (EBS/02/57, 3/29/02 and News Brief No. 02/35).

recent period (Appendix I, Table 7).[40] The increase follows the adoption of a presumption for the publication of policy papers and PINs in November 2002.[41] Since November 2002, all policy papers and policy PINs subject to the presumption of publication have been published, with the exception of the *Review of Contingent Credit Lines* (SM/03/64, 2/12/03), as the review has not yet been completed.[42]

46. Publication lags for Article IV and UFR staff reports shortened somewhat to an average 19 working days after the Board discussion from a 22-day average lag reported in the May 2002 staff paper, although they are still longer than the guideline of 10 working days (Appendix I, Tables 1 and 11).

[40] That paper presented publication rates for policy papers and PINs discussed during 2001. The figures cited here cover documents discussed during January 4, 2001 to February 28, 2002 and published as of March 31, 2002.

[41] See Decision No. 12882-(02/113).

[42] The transparency decision indicates that the factors on which the decision to publish a policy paper shall be based "shall include whether the discussions have reached completion or, if not completed, whether informing the public of the state of the discussions would be useful."

Table 1. Publication Rates of Country Documents

(Board documents discussed during March 1, 2002 to March 25, 2003, and published as of April 25, 2003 1/)

Document Types	Number of Documents		Documents Published	Published Documents		Lag in Publication
	Discussed	Published	(In percent of documents discussed)	Deletions	Corrections 2/	(Average number of working days since Board Discussion)
				(In percent of documents published)		
All Documents	954	724	76	...	...	...
Staff Reports	254	176	69	8	57	18
Article IV and UFR staff reports	210	135	64	10	67	19
Article IV (excluding Combined)	108	71	66	10	83	16
Article IV Combined with UFR or PPM	41	29	71	14	55	26
UFR (excluding Combined)	61	35	57	9	43	18
Normal Access	42	31	74	0	35	13
Exceptional Access	19	4	21	75	100	60
Post Program Monitoring (stand-alone)	1	0	0	...	...	...
Staff Monitored Program (stand-alone)	3	2	67	0	50	66
Joint Staff Assessments	33	32	97	0	9	12
HIPC Country Papers	7	7	100	0	86	12
Selected Issues/Statistical Annexes	154	98	64	2	48	21
FSSAs	22	15	68	0	67	15
ROSC Modules 3/	155	111	72	0	...	...
Public Information Notices (PINs) 4/	154	127	82	5	6	15
Regional Surveillance Discussions	4	4	100	0	75	31
Country Policy Intention Documents	211	193	91	2	12	9
LOIs/MEFPs 5/	106	95	90	2	16	10
TMUs 5/	71	64	90	2	9	11
PRSPs/I-PRSPs/ and related reports	34	34	100	0	9	4
Memorandum items:						
UFR Chairman's Statements	...	96	...	...	...	...
Authorities' statements issued 6/	...	80	...	...	...	...

1/ The Transparency policy modalities (SM/02/340, 11/4/02) recommends that documents be released within 10 working days following the Board discussion.

Data includes documents issued for the information of the Executive Board, and reports sent to the Board for consideration on a lapse-of-time basis.

2/ Calculation based on corrections, revisions, and corrections issued along with deletions in the FO/DIS Series.

3/ Includes ROSC modules issued in the context of FSAPs and modules produced by the World Bank.

4/ Includes PINs issued following Board discussion of staff reports on Article IV consultations, Post-Program Monitoring, and Regional Discussions.

5/ Includes LOIs/MEFPs and TMUs issued in the context of Staff-Monitored Programs, which are subject to a policy of voluntary publication.

6/ Does not account for authorities' statements that are included in ROSCs.

Table 2. Article IV Staff Reports and PINs Across Regions 1/

(Board documents discussed during March 1, 2002 to March 25, 2003, and published as of April 25,2003)

WEO country classification	Article IV Staff Reports 2/		Publication Rate (in percent)		PINs	Publication Rate (in percent)	
	Discussed	Published	Recent Period 4/	May Review 5/	Published 3/	Recent Period 4/	May Review 5/
Advanced Economies	30	29	97	88	30	100	96
Developing Countries	98	51	52	47	72	73	78
Africa	35	23	66	46	25	71	74
Developing Asia	22	10	45	36	17	77	77
Middle East and Turkey	14	4	29	20	10	71	80
Western Hemisphere	27	14	52	66	20	74	86
Countries in Transition	20	19	95	86	19	95	90
Central and Eastern Europe	12	12	100	92	12	100	100
CIS and Mongolia	8	7	88	75	7	88	75
Non-WEO 6/	1	1	100	100	1	100	100
Total	149	100	67	60	122	82	84

1/ WEO country classification as used in World Economic Outlook, April 2003, Statistical Appendix.

2/ Includes staff reports for stand-alone Article IV consultations as well as staff reports for Article IV consultations combined with use of Fund resources or post-program monitoring.

3/ PINs following Article IV and Article IV combined with use of Fund resources or post-program monitoring consultations only -- excludes those (5) following regional and stand-alone post-program monitoring consultations.

4/ Documents discussed during March 1, 2002 through March 25, 2003, and published as of April 25, 2003.

5/ Documents covered in EBS/02/90, 5/28/02, i.e., those discussed during January 4, 2001 through February 28, 2002, and published as of March 31, 2002.

6/ Aruba

Table 3. Members' First Time Staff Report Publication 1/

(Board Documents Discussed from June 3, 1999 to March 25, 2003 and published as of April 25, 2003)

June 3, 1999 to January 3, 2001 (67) 2/		January 4, 2001 to March 25, 2003 (68)	
Albania	Mozambique	Australia	**Armenia 3/**
Algeria	Nepal	Azerbaijan	**Bangladesh**
Argentina	Netherlands	Belarus	**Botswana**
Austria	New Zealand	Belize	**Burundi**
Bahamas	Niger	Benin*	**Costa Rica**
Barbados	Norway	Cameroon	**Ecuador**
Belgium	Pakistan	Cape Verde	**Ethiopia***
Bolivia	Papua New Guinea	Chad	**Fiji**
Bosnia & Herzegovina*	Poland	Comoros	**Gabon**
Bulgaria	Portugal	Congo, Dem. Rep. of	**Guatemala***
Burkina Faso	Romania	Cote d'Ivoire	**Guinea-Bissau**
Cambodia	Russian Federation	Gambia	**Hungary**
Canada	São Tomé & Príncipe	Georgia	**Iran Islamic Rep. of**
Chile	Slovenia	Ghana	**Kenya**
Colombia	Spain	Iceland	**Korea**
Croatia	St. Kitts & Nevis	Kazakhstan	**Madagascar**
Cyprus	St. Vincent	Kiribati	**Mauritania**
Czech Republic	Sudan	Kuwait	**Micronesia**
Denmark	Sweden	Kyrgyz Republic	**Moldova**
Dominica	Switzerland	Lao, P. D. R.	**Rwanda**
Estonia	Trinidad & Tobago	Lesotho	**South Africa**
Finland	Tunisia	Mauritius	**Swaziland**
France	United Kingdom	Mexico	**Tanzania**
Germany	United States	Mongolia*	**Tonga**
Greece	Serbia and Montenegro*	Morocco	**Uganda***
Grenada	Zimbabwe	Nicaragua	**United Arab Emirates**
Guinea		Nigeria	**Vanuatu**
Haiti		Palau	
Ireland		Panama	
Israel		Paraguay	
Italy		Peru	
Jamaica		San Marino	
Japan		Senegal	
Latvia		Slovak Republic	
Liberia		Sri Lanka	
Lithuania		St. Lucia	
Luxembourg		Tajikistan	
Macedonia, FYR		Turkey*	
Malawi		Ukraine*	
Mali		Uruguay	
Malta		Vietnam	

Note: Date parameters indicate period during which documents were discussed by the Board or approved on a lapse-of-time basis.

* Denotes that the first published staff report was for use of Fund resources (stand-alone).

1/ In addition, 3 non-members also published staff reports – for Aruba, Hong Kong SAR and Netherlands Antilles under the pilot. Regional surveillance staff reports on Monetary and Exchange Rate Policies in the Euro Area were published in April 2000, November 2001, and October 2002; on West African Economic and Monetary Union were published in November 2001, March 2003; on Economic and Monetary Union of Central Africa was published in September 2002; on Eastern Caribbean Currency Union was published in March 2003.

2/ The list includes 61 pilot participants, 4 members with Article IV consultation completed by the Board prior to, but published after January 4, 2001 (Niger, Pakistan, St.Kitts and Nevis, and Zimbabwe), and 2 members with UFR staff reports discussed prior to, but published after, January 4, 2001 (Bosnia and Herzegovina and Serbia and Montenegro).

3/ The updates since the May 2002 review paper are in bold.

Table 4. ROSC Publication Rates by Type of ROSC

Type of ROSC	Number of Documents		Publication Rate (in percent)
	Discussed	Published	
(Completed January 4, 2001 through February 28, 2002, and published by March 31, 2002)			
Total	130	95	73
Data and Fiscal	31	27	87
Data	12	10	83
Fiscal	19	17	89
FSAP Related 1/	85	58	68
Monetary and Financial Policy Transparency	20	12	60
Banking Supervision 2/	20	12	60
Insurance	13	12	92
Payments	20	12	60
Securities	12	10	83
Anti-Money Laundering and Combating the Financing of Terrorism	...	...	...
Market Integrity 3/	14	10	71
Accounting and Auditing	3	3	100
Corporate Governance	10	7	70
Insolvency and Creditor Rights	1	0	0
(Completed March 1, 2002 through March 25, 2002, and published by April 25, 2003)			
Total	155	111	72
Data and Fiscal	30	28	93
Data	13	13	100
Fiscal	17	15	88
FSAP Related 1/	97	67	69
Monetary and Financial Policy Transparency	22	15	68
Banking Supervision	22	15	68
Insurance	16	12	75
Payments	21	14	67
Securities	16	11	69
Anti-Money Laundering and Combating the Financing of Terrorism	2	2	100
Market Integrity 3/	26	14	54
Accounting and Auditing	10	5	50
Corporate Governance	10	6	60
Insolvency and Creditor Rights	6	3	50

Source: Fund staff estimates.

1/ Includes ROSC modules produced in the context of FSAPs and as stand-alone ROSCs.

2/ Excludes two unpublished standards reassessments prepared during FSSA updates, for consistency with data in the previous transparency review.

3/ Includes ROSC modules produced by the World Bank as stand-alone assessments and in the context of FSAPs.

Table 5. ROSC Publication Rates by WEO Classification 1/

WEO Classification	Number of Documents		Publication Rate (in percent)
	Discussed	Published	
(Completed January 4, 2001 through February 28, 2002, and published by March 31, 2002)			
ROSC modules (total for Fund) 2/	130	95	73
Advanced economies	20	19	95
Africa	17	10	59
Developing Asia	9	4	44
Central and Eastern Europe	41	39	95
CIS and Mongolia	13	10	77
Middle East and Turkey	8	1	13
Western Hemisphere	20	10	50
Non-WEO	2	2	100
(Completed March 1, 2002 through March 25, 2003, and published by April 25, 2003)			
ROSC modules (total for Fund)	155	111	72
Advanced economies	31	30	97
Africa	32	22	69
Developing Asia	11	2	18
Central and Eastern Europe	35	34	97
CIS and Mongolia	10	7	70
Middle East and Turkey	10	3	30
Western Hemisphere	26	13	50
Non-WEO	0	0	...

Source: Fund staff estimates.

1/ Includes ROSC modules produced in the context of FSAPs and as stand-alone ROSCs.

2/ Excludes two unpublished standards reassessments prepared during FSSA updates, for consistency with data in the previous transparency review.

Table 6. Publication of Stand-alone UFR Staff Reports and LOIs/MEFPs Across Regions 1/

(Board documents discussed during March 1, 2002 to March 25, 2003, and published as of April 25,2003)

WEO country classification	UFR Staff Reports		Publication Rate (in percent)		LOIs/MEFPs		Publication Rate (in percent)	
	Discussed	Published	Recent Period 2/	May Review 3/	Discussed	Published	Recent Period 2/	May Review /3
Advanced Economies	0	0	...	...	0	0	...	...
Developing Countries	49	23	47	46	85	74	87	93
Africa	21	11	52	36	42	38	90	92
Developing Asia	8	6	75	75	12	12	100	100
Middle East and Turkey	3	2	67	38	6	6	100	89
Western Hemisphere	17	4	24	42	25	18	72	90
Countries in Transition	12	12	100	94	21	21	100	96
Central and Eastern Europe	10	10	100	100	13	13	100	100
CIS and Mongolia	2	2	100	80	8	8	100	92
Total	61	35	57	56	106	95	90	94

1/ WEO country classification as used in World Economic Outlook, April 2003, Statistical Appendix.

2/ Documents discussed during March 1, 2002 through March 25, 2003, and published as of April 25, 2003.

3/ Documents covered in EBS/02/90, 5/28/02, i.e., those discussed during January 4, 2001 through February 28, 2002, and published as of March 31, 2002.

Table 7. Publication of Policy Papers and PINs 1/

(Number of documents, unless otherwise specified)

Document	Previous Period 2/	Recent Period 3/	
			Of which after 11/11/02 Decision 4/
Policy Papers			
Discussed	32	43	13
Published	25	39	12
(In percent of documents discussed)	*78*	*91*	*92*
Policy PINs	17	37	12
(In percent of documents discussed)	*53*	*86*	*92*

1/ Policy papers are defined as those papers on Fund policy issues that resulted in a Summing Up or Concluding Remarks; excluding certain other non-country papers that do not address Fund policy issues and resulted in a Summing Up or Concluding Remarks (e.g., WEO, GFSR) and papers on administrative issues as defined in Decision No. 12882-(02/113) Section 10. Papers on Fund liquidity and precautionary balances are of administrative character and are therefore excluded.

2/ This column covers documents discussed during January 4, 2001 through February 28, 2002, and published as of March 31, 2002. (Table 7 of the May 2002 review covered policy papers discussed in 2001).

3/ Documents discussed during March 1, 2002 to March 25, 2003, and published as of April 25, 2003.

4/ Decision No. 12882-(02/113), which was taken on November 11, 2002, established a presumption that policy papers and PINs would be published.

Table 8. Corrections per Published Staff Report

(Board documents discussed during March 1, 2002 to March 25, 2003, and published as of April 25, 2005)

WEO Classification	Article IV	Combined 1/	UFR	Average 2/
Advanced Economies				
Corrections/Staff Report Corrected	18.3	--	--	18.3
Pages Corrected /Staff Report Corrected	8.8	--	--	8.8
Africa				
Corrections/Staff Report Corrected	5.5	2.0	1.5	3.8
Pages Corrected /Staff Report Corrected	4.5	1.8	1.0	3.1
Developing Asia				
Corrections/Staff Report Corrected	21.8	2.5	8.7	14.0
Pages Corrected /Staff Report Corrected	10.8	2.5	2.7	6.7
Central and Eastern Europe				
Corrections/Staff Report Corrected	19.6	5.0	9.8	13.7
Pages Corrected /Staff Report Corrected	7.7	4.5	2.5	5.2
CIS and Mongolia				
Corrections/Staff Report Corrected	5.5	4.7	0.0	5.0
Pages Corrected /Staff Report Corrected	4.0	3.0	0.0	3.4
Middle East and Turkey				
Corrections/Staff Report Corrected	9.0	9.0	24.0	16.5
Pages Corrected /Staff Report Corrected	6.0	7.0	7.0	6.8
Western Hemisphere				
Corrections/Staff Report Corrected	12.1	5.3	18.5	11.5
Pages Corrected /Staff Report Corrected	7.3	2.7	4.0	5.7
Non-WEO 3/				
Corrections/Staff Report Corrected	23.0	--	--	23.0
Pages Corrected /Staff Report Corrected	11.0	--	--	11.0
Average				
Corrections/Staff Report Corrected	15.7	4.0	11.5	12.9
Pages Corrected /Staff Report Corrected	7.9	2.9	3.1	6.2

1/ Includes staff reports for Article IV consultations combined with use of Fund resources or post-program monitoring.

2/ This average weighs on staff reports corrected.

3/ Aruba.

Table 9. Corrections to Published Staff Reports by Regions

(Board documents discussed during March 1, 2002 to March 25, 2003, and published as of April 25, 2003)

WEO Classification	Article IV	Combined 1/	UFR	SMP	JSA	HIPC	Total 2/
Advanced Economies							
Staff reports published	29	0	0	0	0	0	29
Staff reports published & corrected	27	--	--	--	--	--	27
Pages corrected	237	--	--	--	--	--	237
Number of Corrections	495	--	--	--	--	--	495
Africa							
Staff reports published	12	11	11	2	18	7	61
Staff reports published & corrected	8	5	2	1	1	6	23
Pages corrected	36	9	2	7	1	25	80
Number of Corrections	44	10	3	82	1	40	180
Developing Asia							
Staff reports published	6	4	6	0	4	0	20
Staff reports published & corrected	5	2	3	--	0	--	10
Pages corrected	54	5	8	--	0	--	67
Number of Corrections	109	5	26	--	0	--	140
Central and Eastern Europe							
Staff reports published	9	3	10	0	2	0	24
Staff reports published & corrected	7	2	6	--	0	--	15
Pages corrected	54	9	15	--	0	--	78
Number of Corrections	137	10	59	--	0	--	206
CIS and Mongolia							
Staff reports published	2	5	2	0	5	0	14
Staff reports published & corrected	2	3	0	--	2	--	7
Pages corrected	8	9	0	--	2	--	19
Number of Corrections	11	14	0	--	2	--	27
Middle East and Turkey							
Staff reports published	3	1	2	0	1	0	7
Staff reports published & corrected	1	1	2	--	0	--	4
Pages corrected	6	7	14	--	0	--	27
Number of Corrections	9	9	48	--	0	--	66
Western Hemisphere							
Staff reports published	9	5	4	0	2	0	20
Staff reports published & corrected	8	3	2	--	0	--	13
Pages corrected	58	8	8	--	0	--	74
Number of Corrections	97	16	37	--	0	--	150
Non-WEO 3/							
Staff reports published	1	0	0	0	0	0	1
Staff reports published & corrected	1	--	--	--	--	--	1
Pages corrected	11	--	--	--	--	--	11
Number of Corrections	23	--	--	--	--	--	23
Total							
Staff reports published	71	29	35	2	32	7	176
Staff reports published & corrected	59	16	15	1	3	6	100
Pages corrected	464	47	47	7	3	25	593
Number of Corrections	925	64	173	82	3	40	1287

1/ Includes staff reports for Article IV consultations combined with use of Fund resources or post-program monitoring.

2/ No PPM staff reports were published.

3/ Aruba.

Table 10. Market-Access Economies Publishing At Least One Staff Report 1/

(Documents published as of April 25, 2003)

Article IV Staff Reports 2/		Stand-alone UFR Staff Reports		SDDS Subscribers	
Publisher 3/	Non-publisher	Publisher 3/	Non-publisher	Publisher 3/	Non-publisher
Argentina	Brazil	Argentina	Brazil	Argentina	Brazil
Barbados	China P.R. Of	Bulgaria	Ecuador	Chile	El Salvador
Belize	Dominican	Colombia	Indonesia	China, Hong	India
Bolivia	Republic	Croatia	Jordan	Kong SAR	Indonesia
Botswana	Egypt	Guatemala		Colombia	Malaysia
Bulgaria	El Salvador	Latvia		Costa Rica	Philippines
Chile	Guatemala	Lithuania		Croatia	Singapore
China, Hong	India	Pakistan		Czech Republic	Thailand
Kong SAR	Indonesia	Papua New		Ecuador	
Colombia	Jordan	Guinea		Estonia	
Costa Rica	Lebanon	Peru		Hungary	
Croatia	Malaysia	Romania		Israel	
Cyprus	Oman	Turkey		Kazakhstan	
Czech Republic	Philippines	Ukraine		Korea	
Ecuador	Qatar	Uruguay		Latvia	
Estonia	Singapore			Lithuania	
Hungary	Thailand			Mexico	
Israel	Venezuela			Peru	
Jamaica				Poland	
Kazakhstan				Slovak Republic	
Korea				Slovenia	
Kuwait				South Africa	
Latvia				Tunisia	
Lithuania				Turkey	
Malta				Ukraine	
Mexico					
Morocco					
Pakistan					
Panama					
Papua New Guinea					
Paraguay					
Peru					
Poland					
Romania					
Russian Federation					
Slovak Republic					
Slovenia					
South Africa					
Trinidad & Tobago					
Tunisia					
Turkey					
Ukraine					
Uruguay					

1/ Market access economies are defined as developing and selected advanced economies that have received external sovereign ratings from the two major rating agencies, Moody's and Standard and Poor's, as of 2001. This list of economies corresponds closely to those economies identified by staff as having potential market access in 1998, as part of an exercise to identify economies for which the staff reports would benefit from reporting additional vulnerability indicators. Indeed, most of these economies receive significant flows of private debt creating capital. The number of economies that meet this criterion is 59.

2/ Includes staff reports for stand-alone Article IV consultations as well as staff reports for Article IV consultations combined with use of Fund resources or post-program monitoring.

3/ Economies publishing at least one staff report, but not necessary all staff reports.

Table 11. Summary of Staff Report Publication Lags

(Number of documents discussed during March 1, 2002 to March 25, 2003, and published as of April 25, 2003)

Lags	Article IV 1/	Combined 2/	UFR 3/	JSA 4/	HIPC 5/	SMP 6/	Total
Less than or equal to 10 days	35	7	19	16	3	0	80
Between 10 days and 20 days (exclusively)	19	10	8	9	3	0	49
Equal to or greater 20 days	17	12	8	7	1	2	47
Total	71	29	35	32	7	2	176

1/ Staff reports for stand-alone Article IV consultations.

2/ Staff reports for Article IV consultations combined with use of Fund resources or post-program monitoring.

3/ Stand-alone use of Fund resources staff reports.

4/ Joint Staff Asssessments.

5/ HIPC staff reports (preliminary, decision point, and completion point documents).

6/ Staff reports for stand-alone Staff Monitored Programs.

Research on the Impact of Publication of Fund Documents

In the last review, Directors viewed the impact of transparency on countries' economic policies and on market participants as an important element in assessing the effectiveness of the Fund's publication policies, and looked forward to further review in the future.[43] Several recent papers have examined the impact of the publication of Fund documents.

- Glennerster and Shin (2003)[44] find that reforms introduced by the IMF to promote transparency have created more informed markets and reduced borrowing costs for those emerging market countries that volunteered for them. Using a quarterly panel estimation with fixed country effects, they find that sovereign spreads fall following the adoption of three different transparency reforms: (1) the publication of IMF country documents and in particular Article IV staff reports; (2) publication of ROSCs; and (3) subscription to the Special Data Dissemination Standard. The effects are economically important especially for those with low initial transparency.

- A study by Fitch Ratings[45] found a strong statistical relationship between upgrades and downgrades of sovereign ratings and the numbers of ROSCs countries have agreed to publish. This suggests that the combined effect of working to improve implementation of the standards and codes and publishing information about this can strengthen a country's credit rating. However, it is difficult to find evidence the publication of ROSCs have had any favorable effect on their borrowing costs.

---

[43] See BUFF/02/141.

[44] See Rachel Glennerster and Yongseok Shin, *Is Transparency Good For You and Can the IMF Help?* (forthcoming Working Paper).

[45] See Fitch Ratings, *Standards and Codes—Their Impact on Sovereign Ratings,* 7/10/02.

How Presumed Publication Works in Practice

Reports on Recent Economic Developments and Statistical Appendices

47. Under the Fund's decision of July 11, 1994,[46] Article IV background reports on recent economic developments (REDs) and statistical appendices and annexes were published, unless the member objected. The relevant member, through their Executive Director, was given 30 days from the date the documents had been considered by the Executive Board to identify and delete from them data they deemed confidential, or to object to the documents' release.

48. In the absence of an objection, SEC prepared the documents and sent them to EXR to be published. Any "Confidential" or "Contains Confidential Information" headers were removed from the title page and any corrections or deletions were incorporated. If an RED was revised for publication, the cover of the revised document read: "As set forth in EBD/94/95 (6/7/94), with the approval of the [country] authorities, this document will be released for publication."

49. The 1994 decision was superseded by the publication decision of January 4, 2001,[47] which made the policy for the publication of REDs and statistical appendices and annexes voluntary subject to the explicit consent by a member. REDs were no longer prepared after January 22, 2002.[48]

Letters of Intent and Memoranda of Economic and Financial Policies for UFR Cases[49]

50. In line with the Fund's 2001 publication decision, members are expected to communicate their publication intentions regarding their policy intention documents to the Secretary of the Fund. When a staff report, with an attached LOI/MEFP, is submitted for circulation to the Board, the Secretary's note of transmittal to the Board indicates whether the authorities have agreed to publication, have not agreed to publication, or have not yet conveyed their intentions with regard to publication:

- If the authorities consent to publication and the table of contents indicates that the staff report includes an LOI/MEFP, EXR requests that the area department fill in a sign-off sheet and provide electronic files of the LOI/MEFP. If these documents are provided to EXR on time, the LOI/MEFP is posted on the web site within 48 hours following the

---

[46] See *Release of Information – Reports on Recent Economic Developments and Statistical Appendices and Annexes* (DEC/A/10138, 7/11/94).

[47] See Decision No. 12405-(01/02), adopted January 4, 2001.

[48] See Decision No. 12661-(02/6), adopted January 22, 2002.

[49] LOIs/MEFPs for SMPs are subject to voluntary publication.

Board discussion. The LOI/MEFP may be modified for publication in line with the deletions policy outlined in the Fund's transparency decision.

- If the authorities do not agree to publish an LOI/MEFP, the transparency decision states that the member is required to notify the Board of its decision and provide an explanation through the respective ED before the Board takes a decision.

- If the authorities are undecided at the time the country report is issued to the Board, they may give their consent to publication before the Board meeting, or during the meeting through the BUFF or oral statement by the Executive Director. If SEC learns during a Board meeting that a member consents to publication, SEC informs EXR and the latter publishes the LOI/MEFP in line with the procedures described in (i) above. As for all country documents, the area department must provide SEC/EXR with the required files and a clearance form signed by the relevant Executive Director before an LOI/MEFP may be published. If the authorities fail to indicate their publication intentions to the Fund, the LOI/MEFP is not published.

PRSPs, I-PRSPs, and Progress Reports on PRSPs

51. For PRSPs and related documents (such as Interim-PRSPs, and Progress Reports on PRSPs), the Executive Board has adopted different rules from those that apply to LOIs/MEFPs, reflecting the broad participation of civil society in their preparation. Most importantly, in addition to the existing presumption of publication, the Board agreed that Management would not recommend that the Executive Board endorse PRSPs unless they are published. In the absence of publication, the PRSP could nevertheless be circulated to the Executive Board on the authorities' request.

52. The rules for publication of PRSPs follow those for LOIs/MEFPs in other respects with the following exceptions. The Executive Board agreed that PRSPs would be posted on the Fund website immediately after their circulation to the Executive Board or circulation to the World Bank Board, whichever is later. Also, given the open, participatory nature of their preparation, PRSPs are assumed not to contain any highly market sensitive material and hence to be published without deletions.

Chairman's Statements

53. Under the 2001 publication decision, Chairman's statements are presumed to be released for all UFR discussions. The Chairman's statement summarizes the Board's overall policy message and guidance to the member, thereby supplementing the usual press releases for approved UFR requests and news briefs for program reviews. Chairman's statements are

prepared whenever UFR is approved, whatever the form of UFR (including HIPC, PRGF, CFF, and emergency assistance), and on the occasion of reviews under arrangements.[50]

54. At the end of the Board meeting, the Chairman reads his statement to the Board, reflecting any necessary modifications in light of the Board discussion. The Executive Director representing the member concerned has the opportunity to review the Chairman's statement and would need to give a decision on its publication, subject to very minor revisions, if any, within a very short time of the Board meeting. The intention is to release the Chairman's statement to the media within two hours after the Board meeting. If the member does not consent to publication of a Chairman's statement, a brief factual statement describing the Executive Board's decision relating to the member's use of Fund resources is released instead.[51]

[50] Chairman's statements are not issued following stand-alone discussions of overdue obligations to the Fund (unless a press release has already been issued following an Executive Board decision to limit the member's use of Fund resources because of the overdue obligations) or requests for extension of repurchase expectations, which have their own publication policies.

[51] The brief factual statement is expected to include any information on waivers, HIPC initiative decisions, and endorsements of PRSPs/I-PRSPs/progress reports.