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International Monetary Fund
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Organizational Meeting of the International Advisory and Monitoring Board for Iraq

The Representatives of the Executive Heads of the four member institutions of the International Advisory and Monitoring Board (IAMB), the Arab Fund for Economic and Social Development, the International Monetary Fund, the United Nations and the World Bank, met in New York on 5 December, 2003. They issued the following statement today:

“The primary responsibility of the IAMB will be to promote the objectives set forth in the United Nations Security Council Resolution 1483 (2003) of ensuring that the Development Fund for Iraq (DFI) is used in a transparent manner for the purposes set out in paragraph 14 of the resolution and that export sales of petroleum, petroleum products and natural gas from Iraq are made consistent with prevailing international market best practices.¹

“The meeting was opened by Secretary General of the United Nations. The Representative of the Secretary General of the United Nations was chosen by the members as the Chair for the first year.

“The following other matters were dealt with during the meeting:

1. Pursuant to section 2 B of the Terms of Reference the IAMB will appoint Observers. The process for identifying suitable candidates, and their qualifications, has been established.
2. It was also agreed that, as circumstances permitted, the secretariat for the IAMB will be established in Baghdad, as provided in the terms of reference. In the mean time, arrangements will be made for certain Secretariat functions to be undertaken by staffs of the members.
3. In keeping with the principle of the independence of the IAMB, modalities for meeting the costs associated with the functions of the IAMB, which will be shared equally among the four member institutions, were decided.

¹ The terms of reference of the IAMB.

4. The IAMB has initiated an expeditious review of the appropriate scope of work and the selection process of the External Auditors. This issue will be pursued further at the next meeting.
5. In addition to the foregoing, the IAMB also held discussions on the following issues:
 - Key elements of the Rules of Procedure, which will be drafted and agreed to at the next board meeting
 - Priority areas for briefing on the financial functions/operations of the Coalition Provisional Authority
 - Detailed functions of the Secretariat
 - Procedures of and mechanisms for disclosure to assure full transparency which will continue to be discussed at its next meeting.
6. The next meeting of the IAMB will take place on Monday, 22 December, 2003 in Washington, D.C.”