

November 11, 2004
Approval: 11/18/04

INTERNATIONAL MONETARY FUND

Minutes of Executive Board Meeting 04/76-1

10:00 a.m., August 2, 2004

1. Brief Statement by Mr. Kato on Security

Length: 8 minutes

Executive Board Attendance

A. Kato, Acting Chair

Executive Directors	Alternate Executive Directors
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	A. Alazzaz (SA)
	A. Al Nassar (SA), Temporary
	C. Gust (CO), Temporary
K. Bischofberger (GR)	E. Adolph (AU), Temporary
	S. Boitreaud (FF)
	I. Alowi (ST)
J. Solheim (NO)	
N. Jacklin (UA)	J. Prader (BE)
	A. Segura (AG), Temporary
	M. Daïri (MD)
	Y. Lissovlik (RU), Temporary
	M. Sidi Bouna (AF), Temporary
L. Martí (CE)	
P. Padoan (IT)	R. Steiner (BR)
	A. Maciá (BR), Temporary
	R. Jayatissa (IN)
	V. Srinivas (IN), Temporary
	A. Hauser (UK)
	O. Kanaan (MI)
	P. Ngumbullu (AE)
X. Wang (CC)	
J. Kremers (NE)	M. Kitahara (JA)
	P. Inderbinen (SZ), Temporary

S.J. Anjaria, Secretary

W. Rahman-Garrett, Assistant

Also Present

European Department: M. Deppler, Director; F. Rozwadowski. External Relations Department: G. Hacche, Deputy Director; C. Lotze. Fiscal Affairs Department: S. Davis, A. Pivovarsky. Finance Department: B. Keuppens. Human Resources Department: J. Marquez-Ruarte, Director; C. Vehorn. Legal Department: S. Ho. Middle East and Central Asian Department: Z. Iqbal. Monetary and Financial Systems Department: C. Lee, J. Vadasz. Office of the Managing Director: S. Nolan. Policy Development and Review Department: D. Donovan, Deputy Director; D. Fetherston, T. Lane. Secretary's Department: A. Linde, Deputy Secretary; P. Cirillo.

Technology and General Services Department: B. Stuart, Director; M. Gehringer, J. Stone.
Western Hemisphere Department: L. Cardemil. Senior Advisors to Executive Directors:
A. Baukol (UA), W. Cho (AU), C. Cobos (BR), C. Gola (IT), M. Melhem (SA), T. Miyoshi
(JA), T. Ross (NO), C. Sia (ST), R. Villavicencio (CE). Advisors to Executive Directors:
D. Ayala (AG), M. Barootchi (MD), E. Eurlings (NE), H. Franken (AG), M. Jamaluddin (ST),
M. Mirabal (CE), S. Naka (JA), K. Nauphal (MI), M. Robert (FF), G. Sidlauskas (NO),
J. Steytler (AE), P. Williams (UK), S. Wolff-Hamacher (GR), J. Xu (CC), N. Yamasaki (JA).

1. BRIEF STATEMENT BY MR. KATO ON SECURITY

The Acting Chair (Mr. Kato) made the following statement:

We begin this morning's meeting with a brief announcement I would like to make on security. As you likely know, the U.S. Department of Homeland Security yesterday raised the threat level to Code Orange for financial institutions in New York City and Washington D.C., citing information relating to five specific targets, including the Fund and the World Bank. The threat against the Fund appears to be targeted at Fund headquarters, and not against individuals or Fund locations abroad.

We have been maintaining close contact with the U.S. government, the District of Columbia authorities, and the staff and management of the World Bank, and further discussions with these groups are scheduled for this morning. Directors have no doubt observed some of the additional security measures that have been put in place. The Metropolitan Police Department has increased their presence through marked patrol cars and undercover officers around the Fund and the World Bank. The Fund's security has also been increased, as described in yesterday's announcement to the Fund. All persons entering the Fund facility must present their identification prior to entering the building. There are continuous patrols around the perimeter of the headquarters building. We have increased surveillance of vehicles entering the garages and the loading docks, and additional inspection measures are conducted on all vehicles not displaying a permanent Fund parking pass. Further security measures have also been undertaken at the International Square and G street buildings, in coordination with the building managers and the World Bank.

The Technology and General Services Department will convene a briefing session on evacuation plans and the shelter-in-place procedures for Directors, emergency wardens, and any interested staff in Directors' offices. Directors will recall that the most recent building-wide evacuation drill took place in late June. Directors will not need to adjust their routine activities in any significant way, but should be aware that enhanced screening of visitors to the Fund headquarters building may slightly add to the time necessary to admit visitors. Separately, I will be holding an open meeting with the Fund staff today to brief them on the security measures being taken, and to listen to any specific concerns they may have.

The overarching priority of management at this time is to ensure the safety of all those who work and visit our facilities—Executive Directors, staff, and visitors. I am asking all of us to remain vigilant and cooperate fully with security officers as they carry out their enhanced responsibilities. Management will brief the Board on further developments over the course of the week.

Mr. Prader emphasized that the staff and Directors were expecting the Board and management to be very active and vigilant in responding to the increased threat level, as protecting the lives of human beings was the most important priority and was more relevant than conducting Board meetings. Concrete barriers had been erected in front of the Prudential Building in New York City. Had the idea of installing concrete barriers for the Fund headquarters been considered? What was the range of measures that had been considered to respond to the increased threat level? The level of security measures in Washington D.C. should be the same as the measures that were being taken in New York City.

Mr. Daïri pointed out that if there was a threat against the IMF, it would not be prudent to assume that only the headquarters building might be targeted. He strongly urged management to examine the security of all IMF buildings, including those located outside the United States.

Mr. Kanaan supported Mr. Daïri's view that if there was a threat against the headquarters building, given the symbolic value of the Fund's resident representative offices abroad, providing increased security to those offices should also be seriously considered.

The Acting Chair (Mr. Kato) stated that the Fund security team was meeting the U.S. security team and the Metropolitan officers to exchange views on the ways security measures could be strengthened further. Mr. Daïri's concern was noted, but the information from the U.S. sources was that the security threat against the Fund was largely associated with the headquarters building. Directors would be briefed as the situation developed and their cooperation was appreciated.

APPROVAL: November 18, 2004

SHAIENDRA J. ANJARIA
Secretary