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INTERNATIONAL MONETARY FUND

Minutes of Executive Board Meeting 99/106

10:00 a.m., September 20, 1999

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Executive Board Attendance

M. Camdessus, Chairman
S. Sugisaki, Deputy Managing Director

Executive Directors

A.G. Carstens

B. Esdar
N. Eyzaguirre
R. Faini
K.A. Hansen
K.-T. Hettrakul

K. Lissakers

J.P. de Moraes
A.V. Mozhin
S. Pickford
M. Portugal
A.S. Shaalan
G.F. Taylor

Y. Yoshimura

Alternate Executive Directors

S.M. Al-Turki
D. Ondo Mañe
P. Charleton

W. Szczuka
W.-D. Donecker
J.A. Costa, Temporary
J. Spraos

N. Jadhav, Temporary
J. Prader

G. Bauche
M. Daïri
C. Rustomjee

A.F. Al-Faris

Luo Y., Temporary
E.J.P. Houtman, Temporary
I.C. Ioannou, Temporary
A. Kapteijn, Temporary
M. Yanase, Temporary

S.J. Anjaria, Secretary
Z.R. Ahmed, Assistant
G. Nkhata, Assistant

**Transforming Interim Committee of Board of Governors on International Monetary System into International Monetary and Financial Committee of Board of Governors—
Report and Proposed Resolution to Board of Governors**

Staff representative: Gianviti, LEG

Enhanced Structural Adjustment Facility and Initiative for Heavily Indebted Poor Countries—Financing Issues

Staff representatives: Leddy, PDR; Christensen, TRE

Also Present

IBRD: A. van Trotsenberg, Africa Regional Office. External Relations Department: T.C. Dawson, Director; G.P. Newman, L. Wallace. Legal Department: F.P. Gianviti, General Counsel; W.E. Holder, Deputy General Counsel; R.C. Baban, H. Elizalde, H.V. Morais, I. Mouysett. Policy Development and Review Department: J.T. Boorman, Director; T. Leddy, Deputy Director; A.R. Boote, N.L. Happe, K.H. Kang, C.G. Muñiz, N. Staines. Secretary's Department: S. Bhatia, J.M. Boughton, P. Gotur. Treasurer's Department: E. Brau, Treasurer; M.G. Kuhn, Deputy Treasurer; B.V. Christensen, M.M. Cuc, D.M. Hicks, B.E. Keuppens, J. Lin, A.K. McGuirk. Western Hemisphere Department: J.T. Reitmaier, S. Shah. Office of the Managing Director: M. Cross, Personal Assistant. Advisors to Executive Directors: J.A. Chelsky, L.J.F. Erasmus, J.C. Estrella, S.S. Farid, O. Himani, A.R. Ismael, J.M. Jones, M.F. Melhem, W. Merz, H. Mori, M.R. Shojaeddini, M. Sobel, F. Zurbrugg. Assistants to Executive Directors: A.S. Alosaimi, S.A. Bakhache, J.G. Borpujari, P.A. Brukoff, M. Budington, P. Cabezas, G. De Blasio, R. Djaafara, T. Elkjaer, M.E. Kandil, S.K. Keshava, H. Kranen, Liu Z., D. Nardelli, K. Ongley, Peh K.H., S. Rouai, R.J. Singh, Sugeng, M. Walsh, Wang X., R.P. Watal.

1. TRANSFORMING INTERIM COMMITTEE OF BOARD OF GOVERNORS ON INTERNATIONAL MONETARY SYSTEM INTO INTERNATIONAL MONETARY AND FINANCIAL COMMITTEE OF BOARD OF GOVERNORS—REPORT AND PROPOSED RESOLUTION TO BOARD OF GOVERNORS

The Executive Directors considered a staff paper on a proposed Board of Governors resolution on the transformation of the Interim Committee of the Board of Governors on the International Monetary System into the International Monetary and Financial Committee of the Board of Governors (SM/99/231, 9/15/99; and Sup. 1, 9/17/99).

The General Counsel said that further adjustments might need to be made to the draft resolution, but the staff paper was intended to propose the minimum changes that the staff considered should be made.

Mr. Shaalan said that his main concern was that the resolution should be centered on changing the name of the Interim Committee (IC), but it seemed to go further than that.

The Chairman recalled that the clear consensus of the Deputies in their recent meeting was that the matter should go beyond changing the Committee name.

Mr. Daïri remarked that he fully supported Mr. Shaalan's position. If the Board decided to pursue a wider resolution, that might require more time, and the discussion would perhaps have to be postponed until after the Annual Meetings to allow Directors to seek the advice of their authorities. If the change were limited to the change in name, there would be an opportunity to retain the consensus that had been reached and to move ahead with the resolution.

The Chairman noted that in the Deputies' concluding remarks it was generally agreed that the resolution should not change the Committee's mandate. The only thing that was to be considered in addition to the name change was the possibility that the International Monetary and Financial Committee (IMFC) should be preceded by a preparatory meeting of Deputies and the possibility that the Committee would have working groups.

Mr. Pickford stated that the concluding remarks from the Deputies meeting noted that there might be substantial differences of opinion concerning the setting up of working groups but that the resolution need not cover that matter, as it was understood that working groups could be established whenever the membership agreed that they were necessary and useful.

The General Counsel said that the problem with that suggestion came from the fact that in the resolution governing the Development Committee there was a specific provision authorizing the Development Committee to establish subcommittees and working groups. As the Board of Governors had felt the need to clarify that point in the Development Committee without a similar provision in the Interim Committee resolution, the implication was that they did not want to confer that power on the Interim Committee. Consequently,

unless an explicit power was given by the resolution to the IMFC, the more natural interpretation was that such working groups could not be created.

The Chairman suggested including references to both Deputies meetings as well as the possibility of creating working groups in the resolution.

Mr. Daïri said that he had no problem with the idea of working groups; his main concern was related to the deletion of the reference to the advisory nature of the Committee in the preamble of the resolution. That should be reinstated in order to avoid any misunderstanding of the true nature of the Committee.

Mr. Yoshimura said that there was not a strong resolve to include working groups in the resolution, as Mr. Pickford had explained vis-à-vis the concluding remarks of the Deputies. If something to that effect were included, it could be taken that the decision was dictated by the previous decision of the Development Committee, which should be avoided.

The Chairman remarked that, as resolutions were amended infrequently, it would be good to allow for the creation of working groups, if deemed necessary, in the wording of the proposed resolution.

Mr. Esdar said that he agreed with the proposed changes to the resolution, but he also could go along with Mr. Daïri's point. The proposed changes were a consequence of the change of name and some technical issues, for example the fact that there were three to four meetings a year that were no longer required.

Mr. Bauche remarked that the attendance at the previous Deputies meeting had been low mostly owing to external factors that were beyond members' control. The Deputies meeting should not necessarily be held on an as-needed basis but should be more formalized; thus the meetings should be convened on a regular basis, unless the Chairman of the Committee decided otherwise.

The Chairman recalled that the concluding remarks of the Deputies had indicated that they should meet only on an as-needed basis. Asking the Chairman of the Committee to make a decision on when they would meet would be over-regulating.

Mr. Bauche noted that the Chairman of the Interim Committee Deputies had said that some compromise language should be found for the resolution that could accommodate the range of views of what constituted necessity.

The Chairman reiterated that it would be good to allow for a process that was less formalized.

Mr. Hansen said that he could accept the proposed resolution. He had noted that only one delegation among the Deputies had been opposed to working groups; thus it was not clear why the concluding remarks had said that that had been a difficult question. It had been more or less settled that there should be working groups in one form or another.

Mr. Faini stated that he could go along with the resolution. For the sake of clarity and to avoid controversy it would be helpful to reinstate the preamble on the advisory role of the IMFC. Furthermore, there had been general agreement that the Deputies meeting could be a useful tool, and that should be inserted into the resolution. On whether that should be permanent or done on an as-needed basis, many more Directors had been in favor of making it a regular feature. It should thus be included in the resolution, although it could be left to the discretion of the Chairman of the Committee to call such meetings and to determine whether they were useful. The past two such meetings had indeed been useful; the best way to determine if they were needed was to call them. On the establishment of working groups, he fully supported Mr. Hansen's viewpoint.

Ms. Lissakers remarked that it did not make sense, as some Directors had suggested, not to mention the Deputies meetings in the resolution but to refer to working groups. The suggestion of leaving the matter open and eliminating paragraph 5 in the resolution had been a good one.

It appeared counterintuitive to say that a permanent Committee was being created pending the establishment of a council, Ms. Lissakers commented. She would suggest at least inserting the words "possible establishment of a council."

Regarding the question of term limits for the Chairman and whether they should be included in the resolution, the customary practice was that such a position would be open-ended, without any reference in any guiding document about term limits and whether the appointment would be renewable or extendable; however, some formal rules should be introduced, Ms. Lissakers noted. There had been a strong sentiment among Board members and Interim Committee members in the past couple of years that term limits would be desirable and should be included in the resolution or recommended by the Board to the Interim Committee to be taken up as a first item of business, which was what the current draft of the resolution suggested.

The Chairman remarked that that was an important point, although it had not been raised in the Deputies meeting.

Mr. Eyzaguirre said that the concluding remarks by the Board as well as the Deputies noted that there had been a consensus that the resolution should not change the Committee's mandate. There was a consensus that the change of name would be a good idea and that the Deputies meeting and joint meeting should be convened on an as-needed basis. He could thus support the resolution to change the name and to introduce possible joint and Deputies meetings, although on the rest of the resolution he associated himself with the remarks of Messrs. Shaalan and Daïri.

The Chairman asked whether Mr. Eyzaguirre supported Ms. Lissakers's suggestion about term limits for the Chairman.

Mr. Eyzaguirre said that he would have to look into that matter further but in general supported Ms. Lissakers's point.

Mr. Yoshimura wondered whether it was necessary to include in the resolution issues such as the holding of the Deputies meeting. In that light, he did not support the change in the terms of reference in paragraph 3 to include the international financial system in addition to the international monetary system. The Board had discussed that matter and decided that there was no need to explicitly mention the international financial system; thus it was not necessary to make the change.

Mr. Portugal remarked that he agreed with Mr. Yoshimura that changes should be kept to a minimum. A number of Directors had remarked that the only changes needed concerned the conduct of the meeting. In the end the Board had agreed to make the Committee permanent and to change its name. He was grateful to those Directors who had accepted the fact that the phrase concerning the advisory role of the Committee should be put back into the preamble. Mr. Bauche's proposal to put into the resolution an explicit provision for having a regular Deputies meeting was inadvisable, as there had already been two Deputies meetings without such a provision. Moreover, although the Deputies had generally agreed that it was a good idea to have that meeting institutionalized on an as-needed basis, perhaps Deputies themselves were not the best group to decide whether they themselves should be institutionalized. That issue should be deferred to a different group, perhaps the Interim Committee.

Regarding the inclusion of working groups in the resolution, that again was not a direct consequence of the name change, Mr. Portugal commented. Although Mr. Hansen was correct that only one delegation had expressed a concern about that issue during the Deputies meeting, a number of Directors in the past had expressed the same concern. His authorities, for instance, had advocated avoiding any measure that could weaken the power and role of the Board, which could happen through a working group which could propose changes that went directly to the Committee without coming through the Board. He would thus prefer not to have any provision for working groups, but in the spirit of consensus could support language saying that the Committee might, by proposal of the Executive Board, establish subcommittees and working groups from time to time.

Mr. Taylor said that he approached the matter in much the same way as Mr. Shaalan had. There was no desirability in changing the Committee's mandate; what was important was to strengthen the quality of its meetings, which depended on the Chairman and the members' cooperation. He was pleased that Directors had agreed to reinstate in the preamble the point about the advisory nature of the Committee.

Like Ms. Lissakers, he did not see why there was a reference in the resolution to the council, Mr. Taylor commented. It would also be preferable to follow the Deputies' reasonable concluding remarks vis-à-vis the working groups, as Ms. Lissakers had said. However, as Mr. Portugal had commented, it was necessary to achieve some compromise.

It would be good to hear from the Chairman just how the meetings of the Interim Committee would be conducted now that most of the working time in the morning would be absorbed in another way, Mr. Taylor commented.

The Chairman remarked that he shared Mr. Taylor's concern about the conduct of the meetings.

Mr. Pickford commented that it would be good to be as minimalist as possible in the resolution. There appeared to be no need for a reference to working groups, although if that were the legal advice, it could be supported. However, it seemed unusual to include a reference to working groups but not to the Deputies meeting; the resolution should include both or neither. He supported the text as proposed but could go along with reinstating in the preamble the point about the Committee's advisory role. He could also support including the point about the council. Putting a reference to term limits in the resolution, as suggested by Ms. Lissakers, could require the approval of the Ministers.

The Chairman suggested that the issue of term limits for the Committee Chairman could be resolved through the language in the resolution stating that the Committee would select a Chairman who would serve for such period as the Committee determined. He could speak to the present Chairman and define a reasonable length for his term, subject to Board approval, for instance three years, which would be renewable as many times as the Committee wished, and ask the Chairman to take the initiative under other business at the next Interim Committee to adopt that.

Ms. Lissakers agreed that that was a reasonable way to proceed. Term limits could be embedded in the resolution, and it might be better to retain some flexibility, but as a matter of principle there should be some understanding of term limits.

Mr. Pickford said that he supported the Chairman's suggestion.

Mr. Charleton said that he agreed with Mr. Shaalan's approach, but the changes made should be as minimalist as possible. Therefore, the issue of the Deputies and subcommittees should not be raised in the resolution, as they were unnecessary; such subcommittees would certainly get established and play a role. It was also not necessary to refer to the establishment of a council, given that the Interim Committee would no longer exist, although Ms. Lissakers's suggestion of saying "pending the possible establishment" would be a workable and acceptable compromise. The Chairman's suggestion on term limits was appropriate.

Ms. Lissakers reiterated that her preference was to eliminate the reference to the council altogether in the resolution.

The Chairman noted that as a permanent Committee was being established, the Board could not by implication ignore the Articles of Agreement which provided for the creation of a council.

Mr. Hansen said that he preferred to have the issue of the Deputies formalized in the resolution.

Mr. Morais remarked that for larger constituencies such as his, working groups were one way to express the views of the membership, so he strongly favored their establishment. If the resolution had to include a reference to Deputies, he could go along with that as well.

Mr. Prader said that he could endorse the proposed text. On the issue of eliminating the reference to the council, the Chairman of the G-7 had outlined far-reaching proposals on a new G-X, including a possible decision-making mandate; thus it would not be useful to eliminate the reference to the council.

Mr. Esdar said that in the Deputies meeting there had been no suggestion to drop the reference to the council. There had also been no formal mention of the decision-making process reflecting views of the G-7, the Board, or the German government.

The Chairman commented that the G-7 would be ill-advised to take final decisions on the issue without providing the Board with an occasion to express its views. After all, the G-X was set to be in the framework of the Bretton Woods institutions.

Mr. Prader remarked that such information was usually submitted to the Board only after the fact and when there was no way to express opinions on issues that had a bearing on other members of the Fund.

The Chairman commented that consultations after the fact were not in fact consultations but an invitation to ratification.

Mr. Carstens said that he welcomed the Board's willingness to mention the advisory role of the Committee and concurred with the suggestion about term limits for the Chairman. With respect to the Deputies meeting and working groups, the addition of those two bodies meant that the work effort would be spread too thin. The recent Deputies meeting had not added much; therefore, no mention should be made of the Deputies or the working groups. The Board was a permanent working group and there was no need to form additional bodies because that would pose other problems. With regard to the council, he supported the suggestion of Ms. Lissakers.

Mr. Jadhav said that he favored the minimalist approach and thus supported the change in name but not incorporating references to the Deputies and working groups into the resolution. He favored including the words "possible establishment of a council," and reinstating the advisory role of the Committee in the preamble.

Mr. Szczuka said that he supported the views of Messrs. Jadhav and Charleton. The staff had avoided a direct response to the question about the possibility of establishing the working groups by referring to the parallelism with the Development Committee resolution. The question was whether the Committee could still establish working groups if there were no reference to them in the resolution.

The General Counsel replied that the interpretation to date had been that the Interim Committee did not have such powers, as the resolution had no specific provision for them.

The staff was only proposing to insert that clause in the new resolution to make clear that the IMF Committee would have those powers.

The Chairman wondered whether the Deputies meetings would be affected by that provision.

The General Counsel replied that they would not; the Deputies were not considered a working group, as their meetings were preparatory meetings. In fact the staff had been careful to avoid any implication that those were meetings of the Interim Committee: they were strictly preparatory meetings that could be held informally or formally. Working groups and subcommittees were a different matter and could include members of the Committee or observers who were assigned particular tasks. In the absence of an explicit provision in the resolution, in order to clarify the issue, it could be noted in the report to the Board of Governors that the interpretation of the Executive Board was that the Interim Committee had the power to create such working groups. Nevertheless, people outside the Fund would still compare the two resolutions; it was a question of being transparent.

Mr. Shaalan said that the staff had described the Deputies meeting as a preparatory meeting to the Interim Committee and that the Deputies thus were not in a position to take any legal decision. However, the Board was currently discussing a decision that had been taken in the past Deputies meeting.

The Chairman responded that the Deputies meeting had no decision-making power, but it could provide useful guidance in the preparation for the Interim Committee.

Mr. Daïri wondered, regarding the parallelism between the Interim Committee and the Development Committee, why the establishment of subcommittees was in the section on procedures for the Development Committee but not in the resolution on the Interim Committee.

The General Counsel replied that if it helped the Board to adopt the proposal, he would not object to having the same drafting as in the Development Committee resolution.

Mr. Shaalan said that he appreciated the insertion into the preamble of the point on the advisory role of the Committee. He would have preferred not to include the word "council" in the resolution, but if it was necessary, he supported Ms. Lissakers's proposal of inserting the phrase "pending consideration of the establishment of the council." He did not favor any reference in the resolution to working groups or subcommittees, which would clearly erode the power and role of the Executive Board. Preparatory meetings of the Deputies should be on an as-needed basis. He also supported the proposal on term limits for the Chairman of the Interim Committee.

Mr. Kapteijn said that he also supported minimal changes and thus welcomed the reinstatement of the point about the Committee's advisory role but was not in favor of a reference to the Deputies meetings. If the staff considered that there was a legal need for the reference to working groups, that could be left in the resolution.

Mr. Ismael said that he supported the suggestions made by Mr. Daïri, especially regarding the addition of the word “advisory.” He supported the inclusion of wording regarding the possible establishment of a council, although not the reference to the Deputies meetings. He also supported the suggestion regarding the term limits for the Chairman.

Mrs. Hetrakul and Mr. Luo said that they agreed with Mr. Shaalan’s views.

Mr. Al-Turki remarked that he supported the proposed resolution, with the modifications that had been proposed to reach consensus. He especially welcomed the reinstatement of the language regarding the advisory nature of the Committee. His preference was to eliminate the references to working groups or subcommittees altogether, although he could support the reference on an as-needed basis.

Mr. Mozhin commented that he also favored minimal changes but was prepared to support any consensus within the narrow range of views that had been expressed.

Mr. Daïri noted that under the terms of reference, the Committee was to advise and report to the Board of Governors with respect to the functions of the Board of Governors in supervising the management and adaptation of the international monetary and financial system. What provision in the Articles of Agreement gave the Fund the power to supervise the international financial system?

The General Counsel said that the references to date in the Articles of Agreement had been to the international monetary system. That was the practice that had evolved. The previous report of the Managing Director to the Board of Governors had been on the architecture of the international financial system, which at the last minute had been changed to the architecture of the international monetary system. It was not clear whether the Fund’s economists considered that there was a clear distinction between the two. Some conferences had discussed the possible differences between the two, but the distinctions were less and less clear. Thus the concept of the international monetary system, which may have been narrower in the past, had expanded to cover what was currently referred to as the financial architecture. The terms of reference thus recognized the increased role of the new Committee.

The Chairman observed that there was unanimous support for the Committee’s new name, although other matters were still being discussed. There appeared to be agreement on reinstating the word “advisory” in the Committee’s role in the preamble. It had been proposed to add the words “possible establishment of the council,” if that complied with the Articles of Agreement. The Board needed to decide on whether the changes to the resolution should be minimalist—by not mentioning the Deputies meetings and working groups—as opposed to comprehensive.

The General Counsel stated that in the preamble there was no problem in adding “possible” before “establishment.”

The Chairman said that the advisory character of the Committee had been reestablished as requested.

Mr. Shaalan asked what the Interim Committee (IC) was being transformed into.

The General Counsel said that it was being transformed into the new Committee, the IMFC.

Mr. Bauche said that he was not in favor of the proposal to add the words “possible establishment of the council.”

Mr. Taylor said that Mr. Shaalan’s comment was poignant; it appeared sufficient to say that the IC was being strengthened rather than transformed.

The General Counsel replied that if the Committee name were changed, there would be a new Committee; it was not just being strengthened. The IMF Committee was being created in 1999; it would be odd to have it governed by a 1974 resolution.

The Chairman remarked that the Committee was being transformed through a name change.

Mr. Hansen stated that he agreed with Mr. Bauche and preferred the original formulation.

Mr. Carstens agreed with Messrs. Taylor and Shaalan. The fact that the Committee was being transformed as a legal act did not require the resolution to explicitly mention that the Committee was being transformed.

The General Counsel noted that the Interim Committee had a mandate to look at the strengthening and/or transformation issue. A strengthening would not require a change in the name of the Committee. A number of Directors and Deputies had explained that the Committee was new and had a broader mandate, which would include the financial as well as the monetary system. Thus, that appeared to be a transformation, not just a strengthening.

The Chairman observed that there was consensus for Mr. Taylor’s suggestion to eliminate the word “transforming.”

The General Counsel commented that would mean that there was not a new resolution but that the Board was just amending the existing resolution, which had an outdated preamble; the problem reflected the views of 1974, not those of 1999.

Mr. Shaalan remarked that if the word “transformation” meant transforming the IC into a permanent Committee, that should be said outright rather than left vague.

The Chairman considered that that was not exactly what Directors intended to say. The transformation was made explicit in paragraph A, which said that the Interim Committee

would be transformed into the International Monetary and Financial Committee of the Board of Governors. Thus, the staff had a point about the need to retain the word “transformation.”

Ms. Lissakers said that her authorities considered that the IC was being transformed into a permanent Committee. The G-7 Ministers had said explicitly that it should be permanent, although the permanent feature seemed to have been dropped because of the conflict with the reference to the council. However, the majority of Ministers had not wanted to create the council. The alternative was to change the Interim Committee into a permanent Committee, but that point had been overlooked. Making the Committee permanent did involve a transformation, and the word “permanent” should be included. The staff should explain what had happened to that, as most Ministers had requested it. A large number of shareholders supported transforming the Interim Committee into a permanent Committee.

The General Counsel responded that it appeared that there had been a possible misunderstanding on the use of the word “permanent.” Some understood the word “permanent” to mean that there would never be a Council, while others understood the use of the word “permanent” to mean that it would last only until the Council was established. Therefore, it was difficult to use the word “permanent” when there were clearly different interpretations of it. The staff thought that it could be stated that there was no time limit on the Committee, although there was still the possibility, if the Council were to be established, that the Council would replace the Committee. Thus, the staff was trying to combine the two ideas.

The Chairman said that the word “transformation” could be retained, and Directors could interpret it in any way they wanted.

Ms. Lissakers said that she agreed that the resolution should be minimalist and include no reference to Deputies meetings or working groups.

Messrs. Shaalan, Portugal, Yoshimura, Al-Turki, Charleton, Szczuka, Eyzaguirre, Carstens, Luo, Taylor, Jadhav, Mozhin, Daïri, Kapteijn, and Mrs. Hetrakul commented that they supported Ms. Lissakers’s position.

Mr. Bauche remarked that there should be only slight modifications, and he thus supported the inclusion of Deputies meetings or working groups but could go along with the position that those should be on an as-needed basis.

Mr. Esdar said that he could support either position.

Mr. Hansen said that it would be appropriate to ask Directors whether they favored making reference only to working groups.

Messrs. Prader, Morais, and Faini said that they supported the inclusion of both working groups and Deputies meetings in the resolution.

The Chairman said that the majority of Directors favored the minimalist position, and he asked the staff to prepare a wording on that basis and circulate it to Directors on a lapse-of-time basis.

Ms. Lissakers said that there was no need for new wording, just to eliminate paragraph 5 of the resolution.

The General Counsel remarked that even if there were no language on the preparatory meetings of the Deputies in the resolution, they would nevertheless continue as long as Ministers felt that they were appropriate.

Regarding working groups and subcommittees, the present interpretation was that the Committee did not have the power to create such subcommittees and working groups unless it was specifically mentioned in the resolution, the General Counsel stated.

Mr. Faini noted that the resolution said that the Committee could determine any aspect of its procedures that was not contemplated in the resolution, which seemed to open the possibility of creating working groups.

The General Counsel replied that the Development Committee resolution included the same language, as well as a specific provision allowing the Development Committee to establish working groups and committees.

Mr. Pickford said that the fact that working groups and subcommittees were not mentioned in the resolution did not preclude their future establishment. Paragraph 4(f) said that the Committee could determine any aspect of its procedure that was not established by the resolution, thus allowing the Committee to set up working groups and subcommittees.

The Chairman said that he agreed with Mr. Pickford's interpretation, as did Messrs. Faini, Szczuka, Charleton, and Hansen.

Mr. Hansen said that Ministers should be aware of the staff's interpretation that excluding working groups from the resolution meant that there was no possibility of later setting up such groups.

The Chairman said that in order to be able to create working groups at the present time or in the future it was necessary for Directors to support the inclusion of paragraph 5.

Mr. Yoshimura wondered what the difference was between a subcommittee and a working group. A subcommittee was clearly a delegation of power from the Committee, while a working group could be considered as some kind of informal body.

The General Counsel replied that there was no clear distinction between the two. Subcommittees were normally assigned particular tasks but consisted of members of the Committee, while working groups were normally made up of outsiders who brought the benefit of their expertise. However, a subcommittee could include observers and a working

group could include members of the Committee, which was why the two terms were used together to indicate the flexibility given to the Committee. There was no delegation of power involved; both working groups and subcommittees reported to the Committee.

Mr. Faini observed that the Board had been insisting in its discussions that the Fund should be at the center of the monetary and financial system and should find better ways to coordinate with other institutions. However, if the resolution explicitly precluded the possibility of the Interim Committee's creating working groups, which would include representatives from other groups, that could hamper such collaboration. The Board would be taking a dangerous step in that regard.

Mr. Szczuka stated that the staff had said that it was possible to present in the minutes of the meeting an interpretation that the Board considered that the omission did not have that meaning and working groups could still be created.

The General Counsel said that the Board would have to agree that was the interpretation and would have to communicate it to the Board of Governors, which could endorse it by affirming the proposed resolution. However, the process would not be transparent, as no one outside of the Fund would realize that working groups and subcommittees could still be established.

Mr. Morais remarked that there were two critical elements required for the transformation of the Committee: first, it should be made permanent; and second, it should have a broad nature, which comprised the work done in working groups. That was why he strongly favored the retention of paragraph 5.

Mr. Bauche asked why the Board was discussing inserting a provision for working groups, which had not been raised in previous discussions. The point of having Deputies meetings had been discussed and was understandable for legal reasons. However, if the Board was going to discuss the inclusion of the provision about subcommittees and working groups, it should also include Deputies meetings.

The Chairman replied that the Board was not discussing Deputies meetings but whether to allow for working groups.

Mr. Bauche responded that there was a link between the two.

The Chairman replied that there was no such link.

Mr. Bauche asked the staff whether Deputies could be considered a subcommittee or working group of the Interim Committee.

The General Counsel said that the Deputies could be organized as a subcommittee although they operated in a different capacity, as personal representatives of the members.

Mr. Bauche remarked that in that light he agreed with the inclusion of the provision for subcommittees and working groups.

The Secretary said that those in favor of retaining the provision were Messrs. Esdar, Bauche, Kapteijn, Prader, Faini, Hansen, Morais, and Szczuka, which did not meet the majority.

Mr. Pickford said that he abstained.

The Chairman said that paragraph 5 was thus repealed.

The General Counsel commented that the Board still had to deal with the issue of how the decision would be presented to the Board of Governors, as to whether it implied that the Committee had no power to establish subcommittees or working groups.

The Chairman suggested that by repealing paragraph 5, the status quo was maintained.

Mr. Yoshimura said that he did not agree with the staff. The matter had to be considered legally as well as practically. The Committee Chairman should have the possibility of getting some advice from a working group.

The Chairman responded that if the Committee Chairman did that it would be contrary to the interpretation of the staff and against the preparatory documents of the IC. If Directors were concerned that the Committee Chairman retain that ability, they should then vote to retain paragraph 5.

Ms. Lissakers noted that paragraph 4(f) said that the Committee could determine any aspect of its procedure that was not established by the resolution, and the Board did not share the staff's narrow interpretation of the proscriptive nature of its decision. The fact that certain procedures were not included in the resolution did not prevent the Committee from carrying them out.

The Chairman asked whether Ms. Lissakers considered that the possible establishment of a working group would fall under her interpretation.

Ms. Lissakers replied that she did.

The General Counsel noted that in the resolutions governing the Development Committee and the Interim Committee there were differences between rules and procedures and specific rules on the power to establish committees. Moreover, Article XII of the Articles of Agreement allowed the Board of Governors and the Executive Board to create committees, but there was no general principle in the Articles that committees could create subcommittees. The present discussion showed that the views on the existence of such a power were divided.

The Chairman asked whether the minutes of the meeting could say that it was the view of the Board that the possible establishment of subcommittees and working groups fell under paragraph 4(f).

The General Counsel replied that that would have to be noted in the report to the Board of Governors, not just in the minutes of the Board meeting.

Mr. Faini said that he supported the staff's suggestion and for the sake of transparency would like to put it in the resolution. He was surprised by the position of Mr. Yoshimura and Ms. Lissakers, as they did not want to insert the simple provision into the resolution but still wanted the Committee to have the power to call working groups, without a clear legal mandate.

Mr. Portugal commented that the best approach was to try not to interpret what paragraph 4(f) meant in the minutes. If the Board came to the conclusion that it wanted to create a working group or subcommittee, it would be said that there was considered to be adequate provision for doing so in paragraph 4(f).

The Chairman remarked that it would be helpful to establish an interpretation of the paragraph rather than having to discuss the matter when the issue arose.

The General Counsel said that the resolution governing the Development Committee had two separate provisions, one giving the Committee the power to regulate procedures and another giving the Committee the power to establish subcommittees.

Mr. Mozhin remarked that the majority of the Board did not support paragraph 5 because they were not sure at that stage whether working groups or subcommittees were required, and they did not want to signal a need for them. His interpretation was that if working groups were not specifically prohibited they were allowed.

Mr. Pickford said that he disagreed with Mr. Mozhin's comment but agreed with his conclusion. Paragraph 4(f) was sufficient to allow for the establishment of working groups.

The Chairman asked whether Directors supported mentioning in the minutes or the resolution that paragraph 4(f) provided for the needed flexibility in the organization of the work of the Committee, including, if needed, the creation of subcommittees or working groups.

Mr. Pickford said that he would support that if it included the phrase "and Deputies meetings."

The Chairman said that that could be included in the interpretation, which a majority of Directors favored.

The General Counsel said that that interpretation would be in the minutes of the Board meeting, but it also had to be in the report to the Board of Governors so the Board of Governors could decide.

Mr. Carstens remarked that it was not necessary for the Board to editorialize its decisions.

The Chairman replied that that was the practice of the Board when it could not find another solution to solve a problem.

Mr. Yoshimura said that, regarding the Committee's terms of reference and whether they covered the international finance system, the staff appeared to say that the international monetary system was defined in the Articles of Agreement, and there would be no substantial change in that interpretation. Because of the change in circumstances, the understanding of the international monetary system in the Articles of Agreement was probably broader than before, but it was still there, and the resolution should not affect that.

Mr. Daïri suggested that that interpretation also be part of the report to the Board of Governors.

The Chairman said that that could be part of the minutes of the Board but not the report to the Board of Governors.

The General Counsel said that there did not appear to be enough time to have a vote by mail. Therefore, the draft resolution would have to be added to the agenda of the Board of Governors.

The Chairman agreed with that and asked the staff to put together the text reflecting the Board's discussion.

2. ENHANCED STRUCTURAL ADJUSTMENT FACILITY AND INITIATIVE FOR HEAVILY INDEBTED POOR COUNTRIES—FINANCING ISSUES

The Executive Directors continued from EBM/99/105 (9/16/99) their consideration of a statement by the Managing Director (BUFF/99/121, 9/22/99) on indicators on bilateral contributions to the Enhanced Structural Adjustment Facility and Initiative for Heavily Indebted Poor Countries (ESAF/HIPC) Trust. They also had before them a background paper elaborating on the financial and operational modalities of off-market transactions in gold by the Fund and addressing a number of questions and concerns raised by Executive Directors during the Board discussion of the financing for the continuation of the ESAF and HIPC Initiative at EBM/99/95 (8/30/99) (SM/99/231, 9/15/99).

The Chairman asked Directors for an update on the pledges of countries in their constituencies.

The Deputy Director of the Policy Development and Review Department noted that there had been few further pledges since the previous session.

Mrs. Hetrakul had no further progress to report on pledges in her constituency.

Mr. Yanase confirmed that Japan was considering frontloading its contribution.

Mr. Houtman had no further news regarding pledges but noted that the proposed Board of Governors' statement on ring fencing needed to be strengthened. The current formulation left the door open for further transactions at some stage. The statement needed to explicitly mention the exact amount of total gold sales intended in the statement and to indicate that the operation would never be repeated.

The Chairman, while encouraging suggestions to strengthen the statement, recalled that in previous meetings several Directors had advised the Board "never to say never." Moreover, the Articles of Agreement provided for the possibility of selling gold in such cases, so there were no legal constraints.

Ms. Lissakers was in favor of a statement on ring fencing and indicated that she would suggest some changes to the formulation. She emphasized, however, that the actual language on ring fencing was not as important as the 85 percent majority required for any decision to sell gold, which would constitute the ultimate ring fence.

Mr. Liu had no further information to convey on China's contribution.

The Chairman stressed that if the bilateral contributions could not be confirmed, another Board meeting would have to be necessary in the next few days to finalize the financing package before the end of the week.

Mr. Taylor indicated that the contribution of one of the four main countries in his constituency was "in the mail," although this still needed to be confirmed. One other constituent appeared to be strongly disposed to contributing but was unlikely to confirm the pledge by Friday because several key persons were away. All efforts would be made to determine by Friday whether or not the third constituent would make any further contributions. There was no news to report on the pledges of the fourth country.

On the gold transactions, while a ring-fencing statement was necessary, it was true that, in practice, the 85 percent majority would constitute the real ring fencing, Mr. Taylor noted. Nevertheless the formulation could be clarified by displacing the term "off-market" so that the text would read: "The transactions in gold by the Fund that are envisaged, which would be entirely off-market, would be a one-time operation...."

The Chairman indicated that Mr. Taylor's proposed formulation would be circulated to Directors.

Mr. Jadhav had no further information to convey on pledges of his constituency.

Mr. Shaalan indicated that he would be in touch again with members of his constituency but had no further contributions to announce as yet.

Mr. Estrella stressed that his constituency was working hard toward a solution, but at this stage he had nothing further to announce as regards pledges.

Mr. Walsh indicated that he had nothing to add to his chair's previous statements but noted that his government was still discussing the issue.

Mr. Prader asked whether the expected additional contribution would be sufficient to ensure that the contribution was commensurate with the United Kingdom's quota share.

The Chairman indicated that this appeared to be the intention of the authorities.

Mr. Walsh was not able to confirm any additional pledges as yet.

Mr. Mozhin stated that his country was unlikely to provide any additional contributions.

Mr. Jones had no further contributions to announce.

Mr. Rouai was still consulting with some of his authorities on the possibility of improving the modalities of their pledges, but there was nothing to report as yet.

Mr. Bauche had no further news to convey on the French contribution.

Ms. Lissakers indicated that the United States intended to make its share of SCA-2 balances available for the HIPC Initiative in the form of a grant up-front, assuming congressional approval.

Mr. Prader pointed out that Belgium's particularly generous commitment was already on record. The other members of the constituency had been carefully observing the evolution of individual members' contributions, both on this occasion and during previous ESAF pledging rounds. They were looking for signs of consistency between the words and the deeds of the seven countries that had decided on the expansion of the HIPC Initiative. The generous commitments of Japan and Germany were most welcome, but it was expected that all the G-7 countries would contribute according to their quota share, and that those countries whose potential SCA-2 contribution was below that quota share would raise their commitments in line with their quota share. Until then, there would be no further contributions from other countries in the constituency.

The Chairman stressed that, while the reasoning was understandable, the deadline for completing the financing package was approaching rapidly, and the expected supplementary contributions from several G-7 countries were likely to be confirmed only shortly before the

deadline. He wondered if the members of Mr. Prader's constituency would stand ready to contribute further at that time.

Mr. Prader was sure that, if the G-7 countries showed consistency between their words and their deeds, then the contributions would be forthcoming.

Mr. Hansen expressed concern that some backsliding might be emerging. Following the Deputies meeting, the U.S. chair had suggested to the World Bank, if not directly to the Fund, that there was no need for all the financing to be in place before the deadline and that the financing was merely an accounting issue. This was certainly not welcome news. The Nordic constituency would continue to closely watch the actions of the major shareholders.

A few points still needed to be clarified, Mr. Hansen pointed out. One important issue was what would happen to the Fund's gold if ever the institution were liquidated. Would all the gold be transferred to the original membership? How would the proposed gold transactions affect the status of the gold holdings? Who could initiate the request that the gold be returned to the original shareholders?

The staff representative from the Treasurer's Department confirmed that once the gold had been sold in the off-market transactions, it would have a different status and would no longer be part of the stock of gold for restitution to members upon liquidation in terms of the Articles of Agreement. That stock was made up of the stock of gold at end-August 1975.

The Chairman commented that further details on the process could be provided at a later stage.

Mr. Carstens did not have any further news to announce from his constituency.

Mr. Faini indicated that the Governor of the Bank of Portugal had written to the Managing Director to confirm that all of Portugal's SCA-2 balances would be contributed as a grant. This would raise the Portuguese contribution above its quota share.

The Governor of the Bank of Greece intended to recommend the approval of an interest-free loan to the ESAF/HIPC Trust, which would bring Greece's contribution up to its quota share.

Italy had announced during the Deputies meeting that it was willing to provide its full SCA-2 balance as a grant, Mr. Faini noted.

The Chairman reiterated his appreciation for the Italian Deputy's announcement, noting that the additional pledge had brought Italy's contribution up to its quota share equivalent.

Mr. Prader welcomed this information and pointed out that Belgium had also publicly announced its pledge, while Austria was waiting for the community of major countries to contribute its share.

Mr. Faini stressed that the Italian Deputy's intention had been to help move the process forward, so that it did not grind to a halt, with everyone waiting for everyone else to make the first move.

Ms. Lissakers emphasized that the enhancements to the ESAF and the HIPC Initiative had been decided by the Fund and the World Bank Boards, with the participation of Mr. Prader's constituency.

Mr. Costa had no further contributions to announce. The countries in his constituency were being encouraged to contribute their entire SCA-2 balances as deposits, and this was likely to be the case but had yet to be confirmed.

Mr. Esdar announced to the Board that Germany was prepared to provide the grant equivalent of its SCA-2 funds as an interest-free 10-year deposit and was prepared to support increasing the amount of off-market gold transactions up to 14 million ounces, provided that other countries—including those of Mr. Prader's constituency—contributed sufficiently to allow for a reasonable burden sharing. The German contribution would be significantly above its quota share.

Effective ring fencing was crucial, and although the language proposed by management was acceptable, Mr. Taylor's suggestion deserved further consideration, Mr. Esdar continued.

As regards the ESAF and GRA resources, he agreed with Mr. Cabezas that the separation should be maintained.

Mr. Szczuka stressed that it would be irresponsible to approve changes to the HIPC Initiative without assuring the full financing. Switzerland was one of the few countries that had pledged more than its quota share and did not intend to increase the contribution. The actual figure would be a certain proportion of the total bilateral contributions.

The second largest country in the constituency was considering increasing its contribution, but it had proved legally impossible to provide the SCA-2 balance as a grant, so the only option being reviewed was the extension of the maturity of the deposit from 10 to 20 years.

The proposed mechanisms for gold transactions were still a cause for serious concern, Mr. Szczuka added. The lack of transparency and creative accounting associated with the transactions could compromise the Fund's basic principles. However, they might nevertheless be necessary to ensure the full financing of the HIPC Initiative.

Mr. Charleton did not have any further news to report from the countries in his constituency.

Mr. Ismael had nothing to add to Mr. Barro Chambrier's previous statement.

Mr. Al-Turki had no further contributions to report.

The Chairman noted that several Directors were still in consultations over the contributions of the countries in their constituencies. Another meeting would have to be held on Thursday at 2:30 p.m., but that might be the last, or the penultimate, opportunity for pledging before the deadline. Final meetings could be scheduled on Friday and possibly Saturday, if need be. All efforts had to be made to bring all members on board, and to enable the Fund to assure its contribution to these major initiatives. Failure to announce a complete package could be embarrassing not only for the institution, but for each member. Management and staff would stand ready to help with specific technical difficulties that members might have in their attempts to firm up their pledges.

Mr. Taylor asked in what form the eventual decision to undertake gold market transaction would be presented to the Interim Committee and the Joint Committee.

The Chairman expected that, before the meetings, the Board would agree on an appropriate text informing the Interim Committee of the status of the financing package.

Mr. Esdar noted that the final decision might have to be taken at the Interim Committee meeting, given the current status of the financing exercise. To avoid a "Catch-22 situation" it might be advisable to adopt the decision ad referendum and then have it confirmed by the Interim Committee.

The Chairman agreed that this could be an appropriate solution.

Mr. Taylor wondered if the resolution and the list of contributors would be published, at least in summary form. In addition, he asked if belated bilateral contributions would be precluded after the resolution had been concluded; he had experienced difficulties contacting some of the member countries in his constituency that might still wish to pledge support.

The Chairman stressed the symbolic importance of burden sharing by all members but noted that the details of all contributions would not be included in the initial announcement, which would simply indicate that the financing was in place and give broad indications of the status of the package. The publication of the list of individual contributions could be dealt with at a later stage. In any case, no information would be published without the full consent of all the Executive Directors.

The Deputy Director of the Policy Development and Review Department agreed that the list of bilateral contributions should not be made public as yet; additional contributions might still be forthcoming, and the list needed to be verified and cleared by the Executive Directors.

The Board would decide on the form of resolution or announcement on the financing issues, the Deputy Director noted. A useful approach would be for the Board to submit to the Interim Committee a recommendation describing the general parameters of the package and the amounts relating to each element thereof. The actual decision would have to be adopted

after the meetings, particularly given the related legislative requirements in several countries. The public statement—which would be an integral part of the Board’s report to the Interim Committee and of the Interim Committee’s communiqué—could state that the package was sufficient to finance the ESAF and the HIPC Initiative.

Mr. Taylor asked if the list of individual country contributions would eventually be published.

The Deputy Director of the Policy Development and Review Department confirmed that, as in the past, it was anticipated that the list would be published at some stage.

The Chairman proposed an outline for the organization of the work of the Interim Committee. The joint meeting of the Interim and the Development Committees would take place between 9:15 and 11:15 in the Fund building. It would be followed immediately by the Interim Committee’s discussion on the World Economic Outlook, which would take place between 11:15 and 1:15. The reform of the ESAF and the ESAF/HIPC financing issues could be discussed during the luncheon. Afterwards the Committee would deal with the rest of the items on the agenda. The meeting would end at 5:30. Given the compressed schedule, exemplary discipline and strong chairmanship would be essential. All efforts would be made to facilitate the work of the communiqué drafting Committee.

Mr. Pickford confirmed that the broad program of events would proceed as outlined by the Managing Director, but the exact timing would be confirmed at a later stage. Efforts were still under way to see if the joint session could begin earlier than foreseen to expand the time available for the discussions of both Committees. The meeting might also end later than 5:30, depending on the discipline displayed in approving the communiqué. Suggestions on how to ensure a full discussion within the time constraints would be welcome.

The Chairman expressed confidence that the discussions would proceed expeditiously.

Mr. Yoshimura asked whether the joint meeting would be held in the boardroom.

The Chairman indicated that the meeting would be held in the gallery, which was larger than the boardroom and closer to the Interim Committee room.

Mr. Shaalan inquired if the Secretary would provide guidelines on the format of members’ interventions.

The Secretary confirmed that the guidelines would be circulated at the latest by the end of the next day.

Mr. Mozhin wondered how many people would be accommodated in the gallery.

The Secretary indicated that the draft agenda for the joint session had been circulated to both Boards and adopted by the Bank Board with no changes. The Fund’s Board would

shortly be receiving a request to approve the joint meeting's agenda, on a lapse-of-time basis by noon the following day. The request would also include a suggestion on the seating arrangements and the size of each delegation, as worked out informally with World Bank counterparts. The formula proposed was to have two members—the Interim Committee member and the Development Committee member—seated at the table. They would be accompanied by four other persons who would be seated behind them. This suggestion had been accepted by the World Bank's Board.

Mr. Hansen pointed out that the application of this formula to all constituencies, regardless of the number of countries they comprised, would be unacceptable to multicountry constituencies, and a weighted distribution would be fairer. He wondered how strictly the rule would be enforced, noting that at the Deputies Meeting, the rules foreseen had not been observed.

The Chairman pointed out that management intended to recommend more flexibility in the numbers allowed in the case of the Interim Committee to accommodate the legitimate wishes of the larger constituencies. As regards the Joint Committee, however, the Fund had to act together with the World Bank, taking into account the traditions of each institution.

Mr. Hansen expressed appreciation for the Chairman's understanding of the problem of the multicountry constituencies. He asked whether there would be any overflow facilities in the gallery.

The Secretary confirmed that this would be the case, noting that the Interim Committee meeting arrangements were fairly well advanced. The arrangements for the joint meeting and for the Deputies meeting, which was only being held for the first time, had been worked out on a more ad hoc basis. The idea of an overflow facility for the joint meeting would certainly be taken into consideration.

Mr. Taylor asked whether in cases where the member of the Interim Committee was also a member of the Development Committee, the constituency could arrange to have a second person at the table.

The Secretary indicated that this would be possible.

Mr. Taylor, while strongly in favor of the "two plus four" solution, envisaged that his delegation might not be satisfied. He wondered why attendance should be more restricted for the joint meeting than for the Interim Committee Meeting, particularly in view of the ample space available in the gallery. No matter how this issue would be resolved, it would be extremely desirable to ensure that the listening room was operational.

The Secretary noted that the items on the agenda of the Joint Committee would, to a large extent, be discussed by the Development Committee in a restricted session. Some members of the World Bank Board had difficulty accepting even wider attendance than they had agreed to by accepting the presence of Interim Committee members.

Mr. Faini noted that the system of lead speakers had proved effective on previous occasions and could help in managing the time constraints.

The Secretary confirmed that the Chairman intended to maintain this system and would be approaching members of the Interim Committee to request that they take the lead on specific items.

Mr. Yoshimura asked if the Executive Directors of both the Bank and the Fund would automatically be allowed to attend the joint meeting.

The Secretary explained that there had been no understanding on who the four persons accompanying the two members of the Interim and the Development Committees should be.

The Chairman considered that it would be desirable for the Executive Directors to be among the four persons accompanying the members. The feasibility of that option would, however, depend on the size of each constituency.

Mr. Faini shared the view that Executive Directors should be allowed to attend the joint meeting. The resolution on the composition of the Interim Committee stated that Executive Directors were entitled to attend meetings of the Committee.

The Chairman noted that, in most cases, this would not present any difficulties, but the constituencies could perhaps discuss the issue further.

Mr. Taylor asked whether the rule for the attendance of the Development Committee's restrictive meeting was "one plus two."

The Secretary believed that this was the case.

Mr. Yoshimura asked if the Executive Directors could use the overflow room in case they were not allowed to attend the meetings.

The Chairman confirmed that this could be arranged.

Ms. Lissakers stressed that the Executive Directors should attend the meeting. Moreover, it was not enough for them to just listen; Directors had to be able to participate actively, especially because they were considerably more informed of the issues than their principals. The "two plus four" rule was acceptable, but for the multicountry constituencies, a "two plus six" rule might make more sense, particularly as there would be sufficient room in the gallery. The Joint Committee did not need to be bound by the Development Committee's rules.

The Chairman agreed that the extra room in the gallery needed to be optimized. The Secretary could communicate the concerns of the Board to his World Bank counterpart, with

a view to proposing an appropriate solution. The Board would be informed of the result of these consultations.

Mr. Esdar did not understand why the Development Committee would discuss in restricted session important issues for which transparency was crucial.

Mr. Pickford stated that he could not throw more light on that decision, as he had not attended the Bank Board discussion. He sympathized with the views expressed around the table, particularly on the need to expand the attendance for multicountry constituencies and to ensure the active participation of Executive Directors. He welcomed the proposal that the Secretary should review the arrangements with the World Bank to see if there was room for more flexibility.

DECISIONS TAKEN SINCE PREVIOUS BOARD MEETING

The following decisions were adopted by the Executive Board without meeting in the period between EBM/99/105 (9/16/99) and EBM/99/106 (9/20/99).

3. ACCESS TO FUND ARCHIVES

The Executive Board approves the proposal relating to the use of material in the Fund's archives as set forth in EBD/99/108 (9/13/99).

Adopted September 17, 1999

4. EXECUTIVE BOARD TRAVEL

Travel by Executive Directors, by Advisors to Executive Directors, and by an Assistant to Executive Director as set forth in EBAM/99/128 (9/15/99) is approved.

APPROVAL: June 7, 2001

SHAIENDRA J. ANJARIA
Secretary