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CONFIDENTIAL

COMMITTEE ON EXECUTIVE BOARD ADMINISTRATIVE MATTERS

Meeting 90/2

3:00 p.m., April 19, 1990

M. Finaish, Chairman

Executive Directors

G. K. Arora

Mawakani Samba
G. A. Posthumus

Alternate Executive Directors

C. Enoch
G. C. Noonan
Zhang Z.
L. M. Piantini

J. W. Lang, Jr., Secretary
B. J. Owen, Assistant

Also Present

M. Fogelholm

K. Yamazaki

C. S. Warner
M. A. Fernández Ordóñez
S. Appetiti, Temporary

B. Goos
J.-F. Cirelli
S. Yoshikuni

Administration Department: C. W. Diener, A. D. Holtz, F. E. John, M. Oka, P. D. Swain, R. M. Thrash, L. A. Wolfe. Bureau of Computing Services: B. F. Brooking, A. Coune. Legal Department: J. S. Powers. Secretary's Department: C. Brachet, Deputy Secretary; B. R. Hughes, M. J. Papin. Special Advisor to the Deputy Managing Director: W. A. Beveridge. Advisor to Executive Director: M. B. Chatah. Assistants to Executive Directors: A. Y. El Mahdi, B. R. Fuleihan, L. Hubloue, K. Ichikawa.

1. SECRETARIAL ASSISTANTS - PROMOTION GUIDELINES

Committee members considered a staff paper proposing amendments to the guidelines for the promotion of secretarial assistants in Executive Directors' offices (EB/CAM/90/16, 3/29/90).

The staff representative from the Administration Department noted that only limited data on actual historical experience was available to help in finding a reasonable proposal to replace the existing criterion by which secretarial assistants were required to spend a minimum of one year at the end of their grade before progression to the next higher grade. The existing grading system had been introduced in early 1986, and during the subsequent period, only three secretarial assistants had moved from Grade A7 to Grade A8, one from A8 to A9, and two from A9 to A10. Data on the progression of secretarial staff in the Fund were similarly limited. As indicated in the staff paper, in each department only one position in the secretarial stream is graded at A8, so that the effective career ceiling for the vast majority of secretaries is Grade A7. During the previous four years, only four secretarial staff had moved from Grade A7 to A8 on the staff. The experience of the World Bank was likewise not helpful, because the maximum grade for a secretary, including a secretarial assistant in a World Bank Executive Director's office, is Grade 17, which is equivalent to the Fund's Grade A7.

Therefore, as indicated in Section IV of the staff paper, the staff representative continued, hypothetical rates of progression for secretarial assistants had been calculated, using the average merit increase they had received under the pre-1989 compensation system, and assuming that, when they reached the end of the grade, they would be promoted after they had fulfilled the current minimum requirement of one year of service. The hypothetical and actual Fund staff progression rates had been found to be identical, at least from A7 to A8 and from A8 to A9. It needed to be borne in mind, however, that by taking the historical progression rates of all Fund staff in Grades A7, A8, and A9, and not just those of secretarial staff, the data straddled the professional career streams, to include such positions as research and accounts assistants. Moreover, the progression rate from A9 to A10 included many career streams in which the proper grade for the position was A10 although it would be filled initially at A9, in keeping with the recruitment policy of hiring at one grade below the established grade level for the position to allow for upward movement after one or two years. Hence, the progression rates in Table 1 in EB/CAM/90/16 for secretarial assistants and staff at Grades A8-A10, which also showed the current minimum time-in-grade requirement for staff, rarely applied to secretarial staff. Rather, the information in that table was an indication of the progression rates of Fund staff at large.

It should also be kept in mind that the time-in-grade requirement was only one of a number of criteria that were used in reaching decisions on staff members' promotions, the staff representative from the Administration Department said. Another requirement was for an individual staff member to have maintained a consistently high performance. In addition, another important consideration was that all staff positions were graded based on an evaluation of the position, and standard qualification requirements were established, which an individual applicant had to meet.

Mr. Fernández Ordóñez considered that the staff proposal for amending the guidelines by eliminating the requirement of one year's service at the end of the grade had solved the problem, which he had encountered himself in replacing a secretarial assistant who had retired, of the practical impossibility, under the new compensation system, for any staff member, including a secretarial assistant, ever to reach the end of a grade. However, the proposed amendment, which established minimum time-in-grade rules for secretarial assistants, raised another problem, that of comparability with the time-in-grade requirement for staff members. He agreed that the previous requirement of one year's service at the end of the grade had been rather short, but he failed to understand why the proposed rule would require more years of service for a secretarial assistant--for instance, four years at A7 for promotion to A8--than for a Fund secretary, who was expected to serve only two years at A7 before gaining sufficient experience and seasoning to be promoted to A8. As a matter of principle, there should be the same time-in-grade requirements for secretarial assistants as for staff members. Certainly, those requirements should not be more restrictive for secretarial assistants in Executive Directors' offices.

He recognized the staff's point that there was only one Grade A8 position in each Fund department, whereas there was no such limitation in an Executive Director's office, Mr. Fernández Ordóñez said. It might be necessary to study further what was, in his view, he reiterated, a matter of principle. He would have no difficulty with requiring secretarial assistants to meet other criteria that staff had to meet, including some of those mentioned by the staff representative, such as outstanding performance for a certain number of years. But he could not accept limitations on secretarial assistants that did not apply to staff.

The staff representative from the Administration Department recalled that when the issue of evaluating the positions and grades of staff in Executive Directors' offices had been raised in the past, there had been no wish on the part of Directors to pursue that course. It was perhaps necessary to focus on the comparison with Fund secretaries, with whom secretarial assistants had formerly been compared. In an Executive Director's office, the most senior secretarial assistant could progress to Grade A8 within a period of five years from joining that office--one year from A6 to A7, and, under the staff's latest proposal, four years from A7 to A8. The second secretarial assistant could progress to A8 in nine years, having completed a minimum of five years at A6, and, again under the staff's latest proposal, four years at A7.

A secretary on the staff, irrespective of experience, and assuming that all the necessary skills requirements had been met, would have to meet minimum service requirements of two years at Grade A4, one year at A5, five years at A6, and one year at A7, the staff representative noted. On the assumption that an individual was selected for one of the rare A8 positions in the Fund, it would take a minimum of nine years' service to reach it.

The comparison he had made, the staff representative from the Administration Department said, was of the potential progression rate of the second secretarial assistant in an Executive Director's office with that of the fastest moving, most highly qualified staff assistant.

Mr. Warner asked for confirmation that, if a second secretarial assistant moved up to the first secretarial assistant position, when it became vacant, the time-in-grade requirement that the staff representative had outlined would be superseded, so that the progression rate for the new assistant would be accelerated.

The staff representative from the Administration Department responded that it was fairly common for the second secretarial assistant to follow such a career path.

Mr. Fernández Ordóñez remarked that he understood the situation described by the staff representative, but that he maintained his own stand, on grounds of principle. If any exceptions at all were to be made to comparability of treatment of secretarial assistants and staff, they should be in the direction of greater flexibility for the former, and not in that of less flexibility.

The staff representative from the Administration Department added that an additional element of flexibility existed at the recruitment level. While the Fund was required to hire secretaries at Grade A4, irrespective of experience, Executive Directors could hire similarly qualified assistants at A6. It therefore seemed more appropriate to make a longer-term comparison based on the movement of individuals from the entry level to a given grade level.

Mr. Fernández Ordóñez repeated that he would have no difficulty with a study of the various possibilities for restricting progression, along the lines of those to which the staff was subject. But he could not go along with a system that applied the objective requirement of a given number of years of service in a discriminatory way as between Executive Directors' offices and the Fund itself. Furthermore, the staff had based its position on a minimum requirement, instead of calculating the average number of years of service required for progression from one grade to another.

Mr. Posthumus commented that the comparison that was being attempted was of stages of a process of progression that were different for secretarial assistants than for staff. Of course, if the overall process of progression for both secretarial assistants and for staff was evaluated, Directors might run the risk of having to hire their assistants initially at Grade A4, an outcome that he felt sure would not meet with great enthusiasm. The staff's proposal seemed to offer the best solution, although he would not object if the Committee felt that a further study would be useful.

Mr. Enoch said that he generally shared Mr. Posthumus's position. On a related point, he had noted that the staff's proposals were for time-in-grade rules at A7, and that no information was provided on the movement--or number--of secretarial assistants at the lower grades, for instance, from A5 to A6, and A6 to A7.

The staff representative from the Administration Department replied that the rules for promoting secretarial assistants were that the senior secretarial assistant in an office could move from A6 to A7 after one year of service. Executive Directors could decide to hire a less experienced person initially at A5, and move that person to A6 after one year, and again to A7 after one year. The second secretarial assistant could progress to A7 after 5 years at A6, with a minimum of 15 years of relevant work experience, either in the Fund or elsewhere. A third secretarial assistant could progress to A7 on the same basis. There were currently 4 assistants at A5, 25 at A6, 23 at A7, and 4 at A8, in Directors' offices.

However, each Executive Director's office was subject to the grade budget ceiling, of a total of 23 grade points for three assistants, and 17 grade points for two assistants, the staff representative added.

Mr. Fogelholm asked whether there were any exceptions to the rule that Fund staff assistants had to be recruited initially at A4, regardless of their previous experience. If not, the rule would appear to be very restrictive, and to put the Fund at a comparative disadvantage.

The staff representative from the Administration Department responded that all secretarial staff were recruited at A4, as the result of an extensive job grading process and as part of the Fund's compensation policy. Hay Associates considered that Fund entry-level staff were appropriately graded.

Mr. Arora remarked that in light of the information provided by the staff representative, it seemed advisable to accept the staff's recommendations, which attempted to introduce an element of parity between the staff and secretarial assistants, and to be credible and fair. The progression from A5 to A6 and A7 would still be rather quick.

Mr. Zhang said that he could associate himself with Mr. Arora's remarks. In principle, he supported the staff recommendations.

Mr. Appetiti asked which time-in-grade requirement--for promotion to A8--two years or four years--would be applied if a staff member at A7 was hired by an Executive Director as a secretarial assistant.

The staff representative replied that a staff member who transferred to a Director's office at A7 would be subject to the rules applicable to promotions of secretarial assistants. In other words, a total of four years of service would be required for promotion to A8.

In response to a question by the Chairman about the possible disincentive to move to a Director's office under those circumstances, the staff representative said that the issue had not yet arisen. Under the system that had existed so far, the staff member at A7 who moved to a Director's office would not have been eligible for promotion before reaching the end of the grade. It would be logical to assume that such an individual would continue to be subject to the rules applicable to promotion in an Executive Director's office. In fact, the prospect of promotion to A8 after four years of service would be a powerful incentive to move to a Director's office. As he had mentioned, only four staff members had been able to move to A8 within the past four years.

Mr. Posthumus commented that although the chances of promotion to A8 were improved by moving to a Director's office, the need to serve four, rather than two years, in that office to be eligible for promotion nevertheless seemed to be a disadvantage.

The staff representative responded that that was correct, in theory, but in practice, there was a very large number of A7 staff members at the ceiling of the grade, and only 19 positions, Fund-wide, were graded at A8 in the secretarial stream.

Mr. Noonan said that he was inclined to agree with Mr. Fernández Ordóñez that the rules for time in grade should be applicable equally to staff and to those in Directors' offices. The issue of recruitment was separate, and if it gave rise to problems, it should be discussed as such and not confused with the issue of time in grade.

Mr. Enoch observed that there was always a danger of anomalies spiraling to the point at which all recruitment would take place at higher grades. He wondered whether the various concerns that had been expressed on the criterion for promotion to A8 could be met by a slight modification to the staff's proposal, requiring either four years' service at A7 with five years' Fund service or ten years on the staff with two years' service at A7. According to the information in the staff paper, a staff member had to have at least ten years' service to be eligible for such an upgrade.

Mr. Fernández Ordóñez said that he could go along with a requirement that staff be required to have two years' service in A7, out of ten years of total service.

The staff representative from the Secretary's Department, in response to a question by Mr. Arora, said that she had not understood the proposal as affecting the requirement that a secretarial assistant have 15 years of service with the Fund staff or equivalent service, either with a ministry of finance, central bank, or embassy.

The Committee agreed to recommend to the Executive Board that the staff's proposals for amending the promotion guidelines for secretarial

assistants be accepted, subject to the addition of criterion of two years in Grade A7 and at least ten years' service in the Fund as an alternative to that of four years in Grade A7 and at least five years' service in the Fund.

2. ELECTRONIC DATA PROCESSING (EDP) - FY 1991 BUDGET FOR EXECUTIVE DIRECTORS' OFFICES

Committee members considered a report prepared by the staff on the status of electronic data processing (EDP) in Executive Directors' offices in FY 1990 and on the EDP budget request for FY 1991 (EB/CAM/90/18, 3/30/90; and Cor. 1, 4/5/90).

The Chairman noted that the budget proposals, on which the Committee must make a recommendation to the Executive Board, included requests for basic equipment and two primary pilot projects, together with a description of other projects in which Executive Directors had expressed some interest.

The staff representative from the Bureau of Computing Services commented that unlike the budget for the previous three years, when the majority of requests had been for additional computers and software, the proposed budget reflected a number of requests to use that equipment in particular ways, most of which fell in the category of data communications, for instance, with member countries and external sources of information. Therefore, the budget had been presented in separate components, the first of which represented the request for basic hardware, software, and support in the form of manpower for installation, maintenance, and training. The total cost of that component of the budget was \$378,100.

The second component was a proposal for an external telecommunications pilot that had been designed to respond to a number of requests from Executive Directors' offices, the staff representative continued, relating to the possibility of communicating with member countries that might have similar equipment, in order to exchange word processing files, Lotus files, and other types of computer files generated on their personal computers. To be able to evaluate the utility of such a project for Executive Directors' offices, the staff proposed to undertake a brief study of the technical alternatives and then to implement what it considered to be the best option in up to six offices that had expressed interest in such facilities. After the technology had been tested, a report would be issued on its usefulness and what presumably would be reliable data on the actual operational costs. The estimated cost of the pilot project was \$23,800.

The Citicorp global reports pilot was a slightly different project, and would probably have been included in the category of other components in which Directors had expressed interest, the staff representative said, were it not for the fact that a similar service was already in place, namely, the Reuters Monitor, which provided real time financial and economic data, together with some news and other information. The question to which the

staff was seeking an answer was whether the Reuters Monitor was providing useful data to Executive Directors' offices. The cost of the service was approximately \$15,000 a year, and it appeared to be utilized very little, perhaps because of its central location on the 11th floor. If the data was indeed useful to Directors, the staff would propose replacing it with a system--the Citicorp global reports system--that was accessible from any personal computer in Directors' offices.

Mr. Enoch observed that the Citicorp system had the advantage of providing access in Directors' offices, and it was also cheaper. His only question was whether, if the information on the new system was found to be less useful, it would be possible to restore the Reuters Monitor.

The staff representative from the Bureau of Computing Services replied that the intention, if the Committee agreed to proceed with the Citicorp global reports system, was to provide for an overlap with the Reuters Monitor for two months. The purpose would be to ensure that Citicorp was providing useful information.

The Chairman said that he wondered whether it was worthwhile to keep the Reuters Monitor, if it was not being used.

Mr. Enoch said that he had a strong preference for phasing out the Reuters Monitor. Clearly, its retention over the longer term could not be justified on cost grounds, especially as its use on a daily basis might not show much aggregate time usage. However, in critical periods--for instance, during ministerial meetings at headquarters--it was a useful contingent source of information.

The staff representative from the Bureau of Computing Services noted that news information services that could be accessed directly by dialing out from a personal computer to a number of different providers of electronic information--including Associated Press, UPI, and other news wires and services--fell in the category of other components in which some interest had been expressed by Directors. The common characteristic of such facilities was that their cost was usage based and therefore relatively unpredictable. The estimate in the staff report had been based on the assumption that each office would use the service for approximately half an hour a week, for a total cost of approximately \$31,000 a year; for one hour of use weekly, the cost would be about \$55,000 a year.

Mr. Posthumus asked whether it would be possible to establish a budget for each office's use of such a service.

The staff representative from the Bureau of Computing Services responded that presumably the vendor could be asked to produce separate billings by offices, at some extra cost.

Mr. Cirelli noted that it was his office in particular that was interested in having access to a data base and various other services, including electronic mail, provided by the very efficient and well-established multi-net French service called Minitel. All offices in the French Ministry of Finance were connected to the network, which permitted much more rapid and easy transmission of information than the only method currently available to his office, namely, the facsimile machine. The volume of outgoing messages from his office was increasing, and the cost of electronic mail services that would be available under the Minitel system would be partly offset by a decrease in facsimile transmissions.

Mr. Noonan asked how the proposal for an external communications pilot differed from the specific request for an external network of news and information services.

The staff representative responded that the systems were similar in the type of information they provided. However, the Minitel basically provided services and information based in France, and of interest mainly to the French Executive Director's office. Such services were only beginning to become more widely available in the United States. The main difference was thus that the external communications pilot would have 22 potential users, compared with 1.

In response to a further question by Mr. Noonan, the staff representative confirmed that the cost of both systems was proportionate to usage, although there was a small initial hardware cost for installation in the case of Minitel. It should perhaps be mentioned that the Minitel system was regarded more or less as common office equipment in France. However, he understood that the Information Division of the External Relations Department was looking at ways of disseminating the type of data available from Reuters, Associated Press, and Dow Jones, from a central source in the Fund, which hopefully would put a cap on the costs of access to such external services.

In response to a question by the Chairman, the staff representative said that it was for the Committee to decide whether there was a need for such a news information service in Executive Directors' offices. The staff had put the matter forward among the proposals for consideration as other, optional components.

Mr. Noonan asked whether the Minitel system and the Citicorp global reports system provided similar information.

The staff representative from the Bureau of Computing Services replied that to the best of his understanding, the purpose of the global reports system was to provide real time financial and economic data, for instance, the latest exchange rates. Minitel was more of a news and information service, with electronic mail facilities, and airline ticketing, for instance, rather than being a real time financial system.

Mr. Cirelli confirmed that understanding. Minitel was not just an information base but an interactive system. The first use that his office would make of the system, however, would be to correspond, immediately--within two minutes--with any office in the French Ministry of Finance, or to send messages overnight to which replies would be sent in the morning. Currently, his office could telefax messages to Paris only after 2:00 p.m. or 3:00 p.m. Of course, the system also provided information to which his office wished to have access.

He would be most grateful if the Committee could approve the request of his office for use of the Minitel system, Mr. Cirelli concluded, and to have the opportunity to demonstrate its usefulness to other offices.

Mr. Appetiti noted that the request for the Minitel system was of some concern, if it was likely to lead to the introduction of a number of ad hoc systems for different offices. Also, the reasons for the request were not clear to him because he saw a number of areas in which the system would duplicate the services provided by the Reuters Monitor and the Citicorp global reports service, as well as the external communications pilot. He wondered whether there were not other, more standardized means of communication with member authorities.

The Chairman observed that little interest had been expressed in news information services, especially as the External Relations Department was exploring ways of making such information more generally available within the Fund. As for the Minitel system, the cost of providing it in the French Executive Director's office for one year would be \$4,300.

Mr. Posthumus said that he saw no reason why the French office should not have the opportunity to install a system that was in common use in France for one year. A standardized service of that type was unlikely to be available, given the existence of different systems in various capitals. His own office had given some thought to the possibility of a link of some sort, via computer, with the central bank, but the complications and expense were currently too great.

Mr. Enoch asked whether there was any overlap or inconsistency between the Minitel service and the external communications pilot, which also provided links to capitals.

The staff representative from the Bureau of Computing Services responded that while both were data communications projects, the external communications pilot provided a means of moving revisable word processing texts and Lotus and Aremos models--in short, any computer file--from one system to another for use by the recipient. Technically, the hardware or communications mechanisms for those purposes were quite different from information services or networks, which were the simplest means of data communication and which could be logged into through almost any personal computer.

Mr. Enoch said that like Mr. Posthumus, he could agree to a one-year Minitel pilot, with a report to the Committee on its usefulness, in part to find out whether there were implications for other offices.

Mr. Warner said that in view of the support expressed by Mr. Posthumus and Mr. Enoch for a 12-month pilot program, he too could go along with the proposal. It would be helpful to learn, either from the French office or from the staff, whether use of Minitel compared with any other means of communication that was presently in use would be cost neutral.

Mr. Fogelholm said that he took the same position as Mr. Warner, since the pilot was to be limited to one year. However, the decision to open up that possibility to the French office, basically to provide an alternative means of communication to telephone and telefax, could well have implications in future years for all other offices. The question would then be to find a way to prevent the proliferation of such systems. He agreed with Mr. Posthumus that standardization was not possible, but he foresaw problems arising if other systems were developed that were not cost effective.

The staff representative from the Bureau of Computing Services noted that a number of Executive Directors had inquired about the status of networking, and the sharing of printers, mainly to permit the exchange of word processing files within their offices. Owing to the cost of such networking with the current technology, which was estimated to be approximately \$300,000, in the event, there had been little support for such networking.

It might be useful to note that recently, most offices were sharing printers with a mechanism called a print director, the staff representative said. The vendor manufacturing that mechanism had demonstrated new software that would permit individuals within an office in effect to move files from one machine to another, at no additional cost to the budget for basic hardware, software, and support. Thus, the need underlying the request for networking could be met more easily in that way without the need to invest such a large additional sum of money.

Mr. Enoch said that he supported the staff representative's view.

The staff representative from the Bureau of Computing Services stated that the remaining inquiry concerned forms-printing capability. As a result of the upgrading of current word-processing software, the staff would in future have the ability to print certain Fund forms--for instance, attendance reports--on Qume printers. While Directors' offices were also receiving the upgraded software, their high quality Laser printers could not print forms, but as it happened, their offices used very few multipart forms and the costs seemed prohibitive.

The Chairman noted that the recommendations of the Committee would be submitted to the Executive Board for inclusion in the administrative budget proposal (EBAP/90/110, 4/10/90).

3. STAFFING OF EXECUTIVE DIRECTORS' OFFICES

Committee members considered a memorandum from Mr. Yamazaki requesting approval for an additional position of Assistant for his office, on a temporary basis, for 24 months, together with a paper containing background information (EB/CAM/90/23, 4/17/90; and Sup. 1, 4/17/90).

Mr. Arora, Mr. Mawakani, Mr. Zhang, and Mr. Piantini said that they supported Mr. Yamazaki's request.

Mr. Posthumus recalled that one year previously, the Committee had done extensive work in an effort to sharpen the criteria for additional staff positions in Executive Directors' offices. The report of the Committee had been circulated very recently (EB/CAM/90/17, 3/30/90; and Sup. 1, 4/3/90). In his view, the arguments put forward by Mr. Yamazaki in support of his request did not meet the requirements that had been laid down. Without going into detail into those arguments, he had the impression that some of the work that Mr. Yamazaki's office was undertaking was done, in other offices, in capitals. In particular, the coordination of information between various government offices in the home country and the Fund staff was in most cases a function of the central bank or treasury.

He also had difficulty with the argument based on Japan's large participation in financing the enhanced structural adjustment facility, which after all was a Fund-operated program, Mr. Posthumus added. The intention in establishing the facility had not, he considered, been to require particular donors to spend much time and attention on the actual operation of the facility.

In sum, Mr. Posthumus stated that he wished to be counted as being against the proposal for an additional temporary position in Mr. Yamazaki's office.

Mr. Enoch said that he shared some of Mr. Posthumus's concerns. However, while he did not endorse all of Mr. Yamazaki's arguments, he was prepared to go along with the request, partly because of the need for translation work in Mr. Yamazaki's office.

An additional point that had been made on one or two previous occasions when a temporary position had been approved for a Director, Mr. Enoch said, was that in the event, the position had been found not to be needed permanently. Perhaps Mr. Yamazaki might find that, once the current work load related to quotas and other issues became less heavy, what appeared to him at present to be a longer-term high level of work might prove to have been a peak level. Even if Mr. Yamazaki was entitled to the position for 24 months, it did not follow that he had to keep it filled for the entire period.

Mr. Noonan said that like Mr. Posthumus and Mr. Enoch, he too had some reservations about the arguments advanced for the additional position. At the same time, given the volume of work actually being done in Mr. Yamazaki's office, he had no hesitation in supporting the proposal for the purpose of relieving some of that pressure.

Mr. Fogelholm said that he also shared some of the views expressed by Mr. Posthumus and others on the justifications for the request, which were not valid in all respects. Yet the Committee, and the Executive Board, based on the Committee's recommendations, had approved other requests which had been no better justified. He had in mind the requests of the Chinese and Saudi Arabian chairs. From that point of view, if Fund members were to be treated equally, then Directors' requests for additional positions should also be treated in the same way.

Unlike Mr. Enoch, Mr. Fogelholm said that he believed that the staffing problem of the Japanese office was not temporary but structural in nature, based as it was in large part on the language difficulties. He urged the Japanese authorities to consider financing the additional temporary position themselves, after the initial period, or meet it out of their office's grade budget.

In response to a question by the Chairman, Mr. Fogelholm said that the same point basically applied to other offices as well. If requests were made to renew temporary additional positions, the problem was clearly a longer-term one, and offices should be asked to finance the positions themselves, irrespective of the wealth of the constituency.

Mr. Enoch said that he had some problems with countries financing additional positions in their offices. As for the duration of the problem that was being faced by the Japanese office, it seemed to him that as time went by, much of the work that was done in most capitals would also be done in Tokyo, as the necessary resources and expertise became available there, in particular, with respect to translation work.

Mr. Warner remarked that Mr. Posthumus's point with respect to the criteria for additional temporary positions should be taken up. In asking for recognition that his office, beyond the question of translation and other work burdens, was delivering rather specialized services to the Fund--given Japan's unique role in the parallel lending program and the administered accounts, that had been established with Japanese resources--Mr. Yamazaki was revealing the existence of another side to the intensive effort of collaboration and the special programs that were being supported. Donor states needed assistants to meet the obligations they had undertaken, at the same time as the beneficiary member states, who were managing the programs, were expressing a need for special assistance.

His recommendation to the Committee would be to tighten up, in the sense of looking at the criteria for additional temporary positions,

Mr. Warner said, and to seek fuller explanations of the reasons for specific requests, including that of Mr. Yamazaki, in order to avoid their proliferation. He felt sure that Mr. Yamazaki, after a reasonable period of time, would be willing to discuss with the Committee whether an extension of the position was necessary, if it was approved on a temporary basis for the time being, in light of the office's current special needs.

Mr. Goos said that he tended to agree with Mr. Warner. To argue that there were precedents for disregarding the established criteria would lead to all requests for temporary positions being approved, without limit. There were admittedly reasons justifying Mr. Yamazaki's request, although he shared the view of Mr. Posthumus and others that the situation in the Japanese office was no different from that of other offices. He suggested that the special circumstances Mr. Yamazaki was stressing should be more clearly specified in the Committee's decision. For instance, reference could be made to Japan's large contribution to the enhanced structural adjustment facility, or to other exceptional factors. It would then be less easy for other requests to be put forward citing similar exceptional features in the expectation that they would be approved.

Mr. Posthumus said that he considered that precedents had an important effect, not only in the Committee but in member countries, which tended to want to be represented in a Director's office. The more exceptions the Committee made, the greater the pressure on Directors to appoint Assistants, and the fewer arguments Directors had to resist it. As for establishing special criteria, the Committee's recent effort to do just that had failed; the Committee had held up its final report for more than a year, a clear indication that it did not want or was unable to establish such criteria. But neither did the Committee appear to wish to carry out its responsibility to determine whether, based on the criteria and the arguments put forward by Executive Directors, special requests for additional positions were justified.

The Fund's administrative budget would be brought before the Executive Board on April 23, Mr. Posthumus noted. The budget was a strict one, in line with the policy that had been followed for some time. He heard many complaints from staff members about being overburdened in current circumstances, and he believed that it was awkward for Executive Directors to add positions to their offices but not be prepared to add to staff positions.

Mr. Arora said that he was not in favor of the Committee citing special factors, such as the enhanced structural adjustment facility, in justification of the request for an additional temporary position in any office. However, he took the point made by Mr. Enoch and Mr. Warner relating to the exceptional circumstances that might require initially, but not permanently, much closer coordination between the Director's office in the Fund and the capital, and thus imposed an additional work load.

Mr. Cirelli said that he understood Mr. Yamazaki's position and that he could go along with his request. At the same time, he had been struck by the fact that almost half of the offices of Executive Directors had additional positions, and by the apparent lack of firm criteria for evaluating the need for those positions. He was therefore led to conclude that the policy was at fault and that it should be revised, although it was not clear how, because it was not clear what the objective should be.

Mr. Goos remarked that while he understood to some extent the concern that had been expressed about mentioning the enhanced structural adjustment facility as a reason for an additional position, the basic idea was to try to specify reasons that other offices would find difficult to duplicate. No other member was likely to contribute to the enhanced structural adjustment facility, or establish administered accounts, on the same scale as Japan.

In the future, he urged that Committee members, including perhaps the Chairman, try hard to discourage Directors from bringing any request for an additional temporary position before the Committee that was not consistent with the established criteria, Mr. Goos said. It was hard to resist the temptation to make the point that many of the criteria mentioned by Mr. Yamazaki could have been put forward by his own office. Germany had also made a substantial contribution to the enhanced structural adjustment facility. He often felt, as he worked late at night and on weekends, that his own work would be greatly facilitated if he could have an additional assistant.

Mr. Enoch said that he agreed with much of what Mr. Goos had said, particularly with respect to the overload of work, after office hours and on weekends. However, he had serious reservations about trying to specify the special nature of the request under consideration. Care had to be taken in defining the criteria for additional assistance; for instance, Mr. Yamazaki had referred to the number of interventions in the Board, which could have an adverse effect on the Board's work, if it was accepted as a criterion.

His concern with respect to contributions to the enhanced structural adjustment facility, and the administered accounts, was slightly more serious, Mr. Enoch remarked. He recalled that when Mr. Yamazaki had put forward in the Board the Japanese proposal on parallel financing, both he and the Board had stressed that no special privileges would ensue to Japan in the sense of preferential access to information or preferential discussions with the staff. An important principle relating to relationships with the Fund through administered accounts, loans, or grants, was that their operation had to be transparent. He was not convinced that such relationships justified additional staffing positions in Directors' offices. Therefore, he would urge caution in referring either to special accounts or to the enhanced adjustment facility because the argument for an additional position did not rest on those features.

Mr. Warner observed that the record of the Committee's deliberations and Mr. Yamazaki's memorandum to the Chairman clearly illustrated what the fundamental requirements for an additional position were. The Committee's report could merely emphasize the significance of the relationships with the Fund's special facilities and accounts.

Mr. Posthumus commented that the need to translate from English into Japanese and vice versa was perhaps the strongest argument for the position.

The Chairman noted that there was clearly support for Mr. Yamazaki's request in the Committee, including his own and that of other Board members. The reservations that had been expressed would be recorded in the minutes of the meeting, and he felt sure that Mr. Yamazaki would take them into account in the future, whether or not his need for the additional position remained.

He was not in favor of specifying certain reasons for approving the request in the Committee's recommendation, the Chairman added, for the reasons that had been given during the discussion. It should suffice, he considered, to circulate a report to Committee members that would contain the reservations and caveats expressed.

The general criteria for additional, temporary positions had been discussed by the Committee in the past, the Chairman recalled, and it had not proved possible to refine or improve them. It was, in the end, a matter of judgment, and of assuming that Directors could be relied upon to act responsibly and not take advantage of a given situation. He, as Chairman, like any Committee member, had to accept Directors' views relating to the pressure of work in their offices and accommodate them accordingly. There were times when the specific criteria did not take into account the broader picture, and the Japanese request might be one of those cases.

Mr. Yamazaki expressed his appreciation for the support of the Chairman and of others. He was well aware of some of the concerns that had been expressed, and he would convey them to his authorities, who had asked him to request the additional assistance.

Likewise, he understood the points that had been made with respect to the enhanced structural facility, Mr. Yamazaki noted. He had not argued that contributions to that facility should automatically lead to the requirement for an additional position. But the magnitude of the Japanese contribution naturally led to great concern in Japan, which his office was called upon to allay, with a consequent increase in its work load.

Of course, as Mr. Enoch had said, his authorities were not requesting preferential treatment in the provision of information, Mr. Yamazaki continued. But the fact was that the Export-Import Bank of Japan was holding up several loans to countries that had not yet reached an agreement with the Fund, because it wished to move ahead at the same time as the Fund to strengthen lending to those countries. In such cases, the expectation of

Fund operations in a member country was a matter of acute concern, and a source of great pressure on his office, because of the need for Japan to be ready to act in concert with the Fund.

Finally, Mr. Yamazaki said that as Mr. Enoch and Mr. Warner had recognized, the burden on both the Chinese and the Japanese chairs of translating from English was very great, although it was difficult to quantify.

The Committee agreed to recommend to the Executive Board that it approve Mr. Yamazaki's request (EB/CAM/90/25, 4/24/90).

The meeting was adjourned at 5:00 p.m.

APPROVED: February 4, 1991