

January 19, 1982 - 82/3

Statement by the Managing Director on Mid-Term Review of
the Work Program Until the Helsinki Meetings
of the Interim and Development Committees
Executive Board Meeting 82/8
January 22, 1982

1. During our discussion of my statement on the Work Program dated October 21, 1981 we agreed to review now in more detail our tasks in the period prior to the meetings of the Interim and Development Committees which will take place in Helsinki, May 12-14, 1982. In view of the timing of these, and other related meetings, we should as much as possible try to complete consideration of substantive items in preparation of these meetings during the week ending April 23 when we have already scheduled for Board consideration the papers on the World Economic Outlook. I suggest that we consider the Provisional Agenda for the 18th Meeting of the Interim Committee on Wednesday, April 14. In collaboration with the World Bank management and the Executive Secretary of the Development Committee, the Annotated Agenda of the Development Committee and the final report of the Task Force on Non-Concessional Flows are expected to be ready for Board discussion in the first week of April.

2. We have set aside Monday, April 12, 1982 to discuss the paper on the Evolving Role of the SDR in the International Monetary System, as well as papers on Possible Further Improvements in the Usability of the SDR and on the Evolution of the Private SDR. On that occasion we will, among others, take up the matter of SDR allocations in the years to come and, as requested by the Interim Committee in its meeting of September 26-27, 1981, we will continue our deliberations on the question of whether there should be a further allocation of SDRs at the present time.

3. With regard to the Eighth Review of Quotas which the Interim Committee has instructed us to expedite, we had an interesting first round of discussions on December 21, 1981 on the Size of the Fund in the 1980s. As requested by the Board, the staff is preparing a further paper on this subject; I suggest that we consider this paper on Thursday, April 8. (This proposal takes into account my prospective absence from Washington in the first few days of that month for a speaking engagement in Paris and to attend an ACC meeting in Rome.) The day thereafter, on Friday, April 9, we could take up the paper on Considerations Relating to General and Selective Quota Increases. Another paper on the Eighth Quota Review, namely, on the Variability Coefficient in the Quota Formulas - Further Considerations could be scheduled for Wednesday, February 24. A paper on Distribution of Selective Quota Increases - Principles and Illustrative Calculations is being prepared for circulation to Executive Directors before the Helsinki meetings and will be scheduled for Board discussion thereafter. Updated quota calculations (including data on 1980) will be circulated for Board discussion as soon as the necessary data become available.

4. On Borrowing by the Fund I am gratified that we have reached understandings a few days ago on Guidelines on Borrowing by the Fund. Papers on additional Borrowing Arrangements will be put forward as they become available. We will have to return to the Amendment to Decision No. 6864-(81/81) relating to Borrowing by the Fund from Central Banks and Other Official Entities on which I will put proposals to the Board for consideration in February. I have circulated a statement on Utilization of SFF Resources released by the Cancellation or Expiration of Existing Arrangements and the Board will need to take a decision on this matter very early in February so that all the necessary arrangements can be made by February 22, 1982. We could take this matter up on February 5. Furthermore, before the Helsinki meetings, we should have another review of the Fund's Liquidity Position and Financing Needs; this could be scheduled for Friday, April 23.

5. On March 22-24, 1982, we will consider the periodic Review of Implementation of the Fund's Surveillance over Members' Exchange Rate Policies, together with the related reviews of the document entitled "Surveillance over Exchange Rate Policies" (Decision No. 5392-(77/63), adopted April 29, 1977) and Article IV Consultation Procedures and Practices. In the area of Adjustment Programs, the staff paper on Exchange Rate Policies in Developing Countries was circulated recently and has been scheduled for discussion on Monday, February 8. The staff is also considering the complex issue of Interest Rate Policies in Developing Countries with a view to issuing a paper on this subject in due course. The staff paper on the Application of Fund Policies to Planned Economies will be ready for discussion in April but in view of the likely heavy schedule in that month, I suggest that we consider that paper after the Helsinki meetings. Furthermore, a paper reviewing the Activities of Consultative and Other Aid Groups, which has been requested by several Executive Directors, will become available for Board consideration after the May meetings.

6. In the area of Use of Fund Resources, the Board requested a paper on Fund Policies with Regard to Emergency Assistance to Members Affected by Natural Disasters which was circulated on January 8, 1982. The Board could consider this paper on Wednesday, February 10. With regard to the compensatory financing facility, the paper on the Experience with the Requirement of Cooperation has been circulated and a paper on the Meaning of "Shortfall Largely Attributable to Circumstances beyond the Control of the Member" is being prepared. These two papers could be considered in tandem, as suggested by some Board members, on Friday, April 2. A paper on the Treatment of the Reserve Tranche (Attribution by a Member of Reduction in Fund's Holdings of Members' Currency not Resulting from a Repurchase) has been scheduled for discussion on Monday, February 22.

7. On other policy matters the attached tentative schedule of Executive Board meetings includes proposed dates for the consideration of the Designation Plan and Operational Budget - March-May 1982 (Friday, March 12), the Outline of Contents of the 1982 Annual Report (also March 12), the Outline of Part One of the 1982 Annual Report on Exchange

Arrangements and Exchange Restrictions (January 29), a Review of Policies on Transfers of SDRs and Currencies Through the Operational Budget (March 31), and on the Place of Forthcoming Annual Meetings (Monday, February 8). In addition to its periodic Evaluation Report on Technical Assistance, the staff is preparing a paper on Technical Assistance and Adjustment Programs which could be considered by the Board in March/April 1982. The Review of the Fund's Income Position and Disposition of Net Income for FY 1982, which is to take place shortly after the end of the financial year, will be scheduled for Board consideration in the latter part of May 1982.

8. Turning to administrative matters, I hope to circulate to Executive Directors by the end of February the Outline of the Budget for FY 1983. The budget document itself is being prepared for Board deliberation on Friday, April 16, 1982. The Salary Survey of New York Private Sector Comparators for A-E Staff has recently been circulated. In collaboration with the World Bank management, I will soon put forward my views and recommendations on this survey. The 1982 Staff Compensation Review is being prepared in collaboration with the World Bank management and will be brought to the agenda at a date to be announced. Furthermore, a review of Expatriate Benefits is being prepared in collaboration with the World Bank staff, for consideration by the Board at a time to be agreed.

9. Looking beyond Helsinki, the attached tentative schedule also contains a listing of staff papers in preparation for Board discussion or information after the next meetings of our Ministerial Committees. In this connection, we should not forget that the new dates for the 1982 Annual Meeting that were recently agreed (September 6-9) will sharply curtail the time we have to prepare for these meetings and would make it advisable to perhaps advance the usual informal Board recess, if Directors agree, to the last two full weeks of July 1982 (i.e., Monday, July 19-Friday, July 30). This would give us nine working weeks after the Helsinki meetings to the Board recess and about three working weeks after the recess before the caucuses preparatory to the Annual Meetings get under way. In this context I should recall that, at an appropriate time before the Annual Meeting we will need to take up--in coordination with the Executive Directors of the World Bank--the two draft resolutions that have been referred to us for consideration by Resolution No. 36-12.

10. I suggest that we exchange views on this statement during our Board meeting of January 22, 1982 and that we firm up as much as possible the dates for discussion of the main policy matters. In this connection, adequate time should also be allowed for consideration of the numerous Article IV consultation reports and operational country matters that will require the Board's attention before the Helsinki meetings.

January 19, 1982

To: Members of the Executive Board

From: The Secretary

Subject: Tentative Schedule of Executive Board Meetings for the Period
Until End-April 1982

The following tentative schedule of Executive Board meetings replaces the schedule circulated December 31, 1981. It includes proposed dates for the main policy matters to be taken up before the Helsinki meetings of the Interim and Development Committee (May 12-14, 1982). A listing of a number of other staff papers for Board consideration before as well as after the Helsinki meetings is also attached.

A number of country items have also been added to the schedule. In addition, the following country items, for which dates have not been fixed, are expected to be brought to the agenda during the period.

Bangladesh	Kuwait
Belgium and Luxembourg	Mexico
Burundi	Qatar
Fiji (SM/82/5 and SM/82/6)	Spain
Grenada	Suriname
Ivory Coast	Zaire (SM/81/241 and SM/82/3)

Other items will be added to the schedule during this period.

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Tuesday, January 19

(Meeting of the Committee on Executive Board Administrative
Matters at 3:00 p.m., in Committee Room 12-120)

Friday, January 22

Korea - Use of Fund Resources - Compensatory Financing Facility -
Fluctuations in the Cost of Cereal Imports (EBS/82/5 and
Supplement 1)

Statement by the Managing Director on Mid-Term Review of the
Work Program

Monday, January 25

Finland - 1981 Article IV Consultation (SM/82/1 and SM/82/9)

Friday, January 29

Annual Report on Exchange Arrangements and Exchange Restrictions,
1982 - Proposed Outline (EBD/82/8)

Monday, February 1

Cyprus - 1981 Article IV Consultation (SM/82/4 and SM/82/12)

Friday, February 5

Sudan - Request for Stand-By Arrangement (EBS/82/7)

Statement by the Managing Director on Utilization of SFF Lines of
Credit (Buff Document 82/2)

Monday, February 8

Place of Forthcoming Annual Meetings

Exchange Rate Policies in Developing Countries (SM/82/8)

Wednesday, February 10

Fund Policies with Regard to Emergency Assistance Related to
Natural Disasters (SM/82/7)

Monday, February 15

[Official Holiday]

Wednesday, February 17

Japan - 1981 Article IV Consultation (SM/82/13)

Friday, February 19

United Kingdom - 1981 Article IV Consultation

Monday, February 22

St. Lucia - 1981 Article IV Consultation

Treatment of Reserve Tranche - Supplementary Paper Relating to
the Attribution by a Member of Reductions in Fund's Holdings
of the Member's Currency not Resulting from a Repurchase

Wednesday, February 24

[Eighth General Review of Quotas - Variability Coefficient in the
Quota Formulas - Further Considerations]

Friday, February 26

Canada - 1981 Article IV Consultation

Wednesday, March 10

Colombia - 1981 Article IV Consultation

Friday, March 12

Designation Plan for March-May 1982

Operational Budget for March-May 1982

Annual Report, 1982 - Outline of Contents

Monday, March 22

Review of the Implementation of Fund Surveillance over Members'
Exchange Rate Policies

Review of the document entitled "Surveillance over Exchange
Rate Policies"

Review of Article IV Consultation Procedures and Practices

Wednesday, March 24

Continuation, if necessary, of agenda items of March 22

Wednesday, March 31

Review of Policy on Transfers of SDRs and Currencies Through the
Operational Budget

Friday, April 2

Compensatory Financing Facility: Experience with the Requirement
of Cooperation (EBS/81/251)

Compensatory Financing Facility: The Meaning of "Shortfall Largely
Attributable to Circumstances Beyond the Control of the Member"

Thursday, April 8

[Eighth General Review of Quotas - Size of the Fund in the
1980s Further Considerations]

Friday, April 9

[Eighth General Review of Quotas - Considerations Relating to the
Combination of General and Selective Quota Increases]

Monday, April 12

The Evolving Role of the SDR in the International Monetary System

Possible Further Improvements in the Usability of the SDR

The Evolution of the Private SDR

Wednesday, April 14

Continuation, if necessary, of items taken up on April 12

Interim Committee - Provisional Agenda for the Eighteenth Meeting

Friday, April 16

Administrative Budget for FY 1983

Monday, April 19

World Economic Outlook - General Survey

Wednesday, April 21

Continuation, if necessary, of: World Economic Outlook -
General Survey

Friday, April 23

Review of the Fund's Liquidity Position and Financing Needs

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The following papers are expected to be included in the Board Schedule in the period through April 1982 and the period after the Helsinki meetings:

1. Report on Inoperative Stand-By and Extended Arrangements (Shortly - for information)
2. Borrowing by the Fund from Central Banks and Other Official Entities: Proposed Amendments to Decision No. 6864-(81/81) (Late February)
3. Transfer of Budget Appropriations (March - probably 1-o-t)
4. Review of Expatriate Benefits (March/April)
5. a. Technical Assistance and Adjustment Programs
b. Evaluation Report on Technical Assistance (March/April)
6. Development Committee
a. Annotated Agenda
b. Final Report of the Task Force on Non-Concessional Flows (Early April)
7. Annual Review of Oil Facility Subsidy Account (April - probably 1-o-t)
8. 1982 Staff Compensation Review (May)
9. Review of the Program of Seminars for Non-Officials (Late May)
10. Review of the Fund's Income Position and Disposition of the Net Income for FY 1982 (Second half of May)
11. Distribution of Selective Quota Increases - Principles and Illustrative Calculations (May/June)
12. Quota Calculations - Updated to Include Data for 1980
13. Consultative and Other Aid Groups (May/June)
14. The Application of Fund Policies to Planned Economies (May/June)
15. Review of Stand-By and Extended Arrangements (July/August)
16. Adjustment Programs: Broad Design and Key Indicators (Background paper to No. 15) (July/August)

17. Outward-Looking Policies and Economic Growth
18. Review of Bilateral Payments Arrangements (May/June)
19. Economic Policies for the Oil-Exporting Countries (April or June)
20. Currency Unions (June/July)
21. Interest Rate Policies in Developing Countries

Other Distribution:
Department Heads
Division Chiefs