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**Statement by Mr. Agustín Carstens, Deputy Managing Director of the IMF, on the
Occasion of the Fifth Annual Regional Conference on Central America, Panama,
and the Dominican Republic**

The following statement was released today in Punta Cana, Dominican Republic, by the Deputy Managing Director of the IMF, Mr. Agustín Carstens:

“It is a great pleasure for me to visit the Dominican Republic to participate in the Fifth Annual Regional Conference on Central America, Panama, and the Dominican Republic, organized jointly by the Central American Monetary Council and the IMF. This year’s conference is hosted by the Central Bank of the Dominican Republic. It includes finance ministers, central bank governors, and financial sector superintendents of the region, as well as a senior representative of the Spanish authorities. It is propitious to have this year’s conference in the Dominican Republic, where economic performance has been particularly strong, with high real GDP growth and low inflation, reflecting the steadfast implementation of the authorities’ economic program, which the Fund has supported with a Stand-By Arrangement.

As we celebrate the fifth anniversary of these conferences, the region is benefiting from another year of robust economic performance. Moreover, regional integration continues apace, as CAFTA-DR has come into effect in most of its signatory countries. Conference participants confirmed that in some countries the agreement is already beginning to yield benefits, in terms of improved business climate and increasing foreign direct investment. The announcement of the launch of negotiations toward a trade agreement between the region and the European Union is another positive step for the region in its process of global economic integration and pursuit of multilateral opening.

Yet, as conference participants also noted, we need to remain vigilant since tight oil markets, global imbalances, and pressures in international financial markets pose potentially harmful risks. Also, to achieve faster growth and poverty reduction, successful integration needs to be accompanied by prudent macroeconomic policies and a deepening of structural reforms.

This year’s conference focused on two areas: pension reform and the development of financial systems, in particular public debt markets. The region’s senior policy makers expressed their determination to put their pension systems on a sound footing and adopt a strategy that will help develop the regional and individual countries’ capital markets. Conference participants

welcomed the opportunity provided by our annual conferences to advance the regional dialogue and plan to intensify their collective work in a number of important areas. This was highly reassuring. On our part, we at the IMF stand ready to provide our support and continue to assist Central America, Panama, and the Dominican Republic in their efforts to strengthen macroeconomic policies and consolidate regional integration.

In addition to the main conference topics, conference participants were able to review the progress of a number of regional technical assistance projects in the region coordinated by the Fund and financed by the Spanish government. As a result of the work that has already been done, there is great determination that through continued cooperation, the region will avoid harmful tax competition and strengthen the financial systems through improved cross-border consolidated supervision.

This year's meeting has also given us the opportunity to discuss some other important issues including the IMF's [Medium-Term Strategy](#). On this issue, I would like to thank the authorities for their support and views. The support we receive from our members will ensure that our organization remains prepared to address the challenges of the 21st century global economy.”