

**IMMEDIATE
ATTENTION**

SM/07/67

February 13, 2007

To: Members of the Executive Board

From: The Secretary

Subject: **Report on the Incidence of Longer-Term Program Engagement**

Attached for the **information** of Executive Directors is a report on the incidence of longer-term program engagement.

It is intended that this paper will be published on the Fund's external website after **Wednesday, February 21, 2007**. Questions or comments may be referred to Mr. Féler, PDR (ext. 35627).

This document will shortly be posted on the extranet, a secure website for Executive Directors and member country authorities.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

Report on the Incidence of Longer-Term Program Engagement

Prepared by the Policy Development and Review Department ¹

In consultation with the Area Departments

Approved by Mark Allen

February 12, 2007

1. The Executive Board has requested semiannual reports on the incidence of Longer-Term Program Engagement (LTPE).² This is the seventh such report and provides information through December 2006.
2. Thirty members, of which 27 are PRGF-eligible, met the LTPE definition at end-2006 (Table 1). During the second half of 2006, Tajikistan and Guinea ceased to meet the LTPE definition. No new member was added to the LTPE list during this period.
3. At end-2006, Ex Post Assessments (EPAs) had been discussed at the Board for 27 of the members that met the LTPE definition (Table 2). Because a minimum five-year interval between EPAs for a single member was introduced in the May 15, 2006 review of EPAs, the earliest a second EPA could be required for any of these members would be late 2008.
4. EPAs for Argentina, Burkina Faso and Guyana were considered by the Board during the period June-December 2006. The EPAs for Nicaragua and Ghana are expected to be completed during January-June 2007, and for Kenya during the second half of the year (Table 3).

¹ Prepared by Alain Féler.

² See “Conclusions of the Task Force on Prolonged Use of Fund Resources,” SM/03/46 (02/04/03); “The Acting Chair’s Summing Up: Review of Ex Post Assessments and Issues Related to Longer-Term Program Engagement,” BUFF/06/95 (05/17/06); “Review of Ex Post Assessments and Issues relating to the Policy on Longer-Term Engagement,” SM/06/115 (03/21/06); and “Ex Post Basements of Members with Longer-Term Program Engagement—Revised Operational Guidance Note,” SM/06/395 (12/13/06).

Table 1. Members with Longer-Term Program Engagement 1/
(As of December 31, 2006)

PRGF-eligible Members		Non-PRGF-eligible Members	
Current Arrangement	No Current Arrangement	Current Arrangement	No Current Arrangement
Albania 2/	Azerbaijan 4/		Argentina
Armenia	Bolivia		Jordan 4/
Benin	Burkina Faso		Uruguay
Cameroon	Ghana 3/		
Chad	Guyana		
Georgia	Nicaragua 3/		
Honduras	Pakistan 4/		
Kenya 3/	Senegal		
Kyrgyz Republic	Uganda		
Madagascar			
Malawi			
Mali			
Moldova			
Mozambique			
Niger			
Rwanda			
Tanzania			
Zambia			

Source: Fund staff.

1/ Countries that have had at least seven years of Fund arrangements in the last ten years.

2/ Albania has an EFF-PRGF blend.

3/ Member for which an EPA had not been considered by the Board at end-2006.

4/ Will fall below the 7-year threshold during the period January-June 2007, assuming no new arrangement.

Table 2. Ex Post Assessments
(EPAs considered by the Board as of December 31, 2006)

Country	Type of discussion	Date	Board paper
2003			
Mozambique	Article IV discussion	10-Dec-03	SM/03/375
Mali	Article IV discussion	15-Dec-03	SM/03/380
2004			
Armenia	Article IV discussion	1-Dec-04	SM/04/386
Benin	Article IV discussion	6-Oct-04	SM/04/313
Bulgaria	Article IV discussion	14-Jun-04	SM/04/169
Cambodia	Article IV discussion	13-Sep-04	SM/04/275
Chad	Article IV discussion	19-Mar-04	SM/04/147
Ethiopia 1/	Article IV discussion	13-Sep-04	SM/04/291
Georgia	Ex-post assessment	21-Jan-04	SM/03/407
Guinea	Ex-post assessment	27-Aug-04	SM/04/220
Guinea-Bissau	Article IV discussion	19-Nov-04	SM/04/360
Honduras	Article IV discussion	18-Feb-04	SM/04/24
Kazakhstan	Article IV discussion	21-Jul-04	SM/04/206
Kyrgyz Rep.	Article IV discussion	19-Nov-04	SM/04/377
Lesotho	6th Review under PRGF arrangement	10-Sep-04	SM/04/259
Macedonia, FYR	2nd Review under SBA	4-Aug-04	SM/04/263
Malawi	Article IV discussion	29-Oct-04	SM/04/325
Moldova	Article IV discussion	26-Jan-04	SM/04/03
Niger	Article IV discussion	28-Jun-04	SM/04/188
Peru	Article IV discussion	23-Feb-04	SM/04/37
Romania	Ex-post assessment	12-Apr-04	SM/04/101
Vietnam	Article IV discussion	22-Nov-04	SM/04/376
Zambia	Ex-post assessment	7-Apr-04	SM/04/97
2005			
Albania	Article IV discussion	28-Feb-05	SM/05/46
Azerbaijan	5th Review under PRGF arrangement	24-Jun-05	SM/05/214
Bolivia	Ex-post assessment	8-Apr-05	SM/05/99
Cameroon	Article IV discussion	22-Apr-05	SM/05/113
Gambia	Article IV discussion	18-Jul-05	SM/05/234
Jordan	Article IV discussion	21-Nov-05	SM/05/395
Mongolia	Article IV discussion	21-Sep-05	SM/05/344
Pakistan	Article IV discussion	2-Nov-05	SM/05/367
Republic of Madagascar	Article IV discussion	1-Jun-05	SM/05/159
Sierra Leone	6th Review under PRGF arrangement	1-Jun-05	SM/05/158
Uganda	5th Review under PRGF arrangement	8-Jul-05	SM/05/223
Ukraine	Article IV discussion	9-Nov-05	SM/05/379
Uruguay	Ex-post assessment	18-Mar-05	SM/05/84
2006			
Rwanda	Ex-post assessment	25-Jan-06	SM/06/5
Tajikistan	6th Review under PRGF arrangement	6-Feb-06	SM/06/22
Senegal	Ex-post assessment	1-Mar-06	SM/06/56
Lao PDR	Article IV discussion	8-Mar-06	SM/06/80
Tanzania	5th Review under PRGF arrangement	7-Apr-06	SM/06/117
Togo	Article IV discussion	8-May-06	SM/06/149
Argentina	Article IV discussion	12-Jul-06	SM/06/247
Burkina Faso	6th Review under PRGF arrangement	28-Aug-06	SM/06/294
Guyana	Ex-post assessment	29-Sep-06	SM/06/338

Source: Fund staff.

1/ And 6th Review under PRGF.

Table 3: Ex Post Assessments Tentatively Expected for Board Discussion in 2007 1/

January-June	July-December
Ghana	Kenya
Nicaragua 2/	

Source: Fund staff.

1/ EPA expected to be discussed in the context of Article IV consultations or combined Article IV/program review discussions unless otherwise indicated.

2/ EPA expected to be discussed on a stand-alone basis.