

INTERNATIONAL MONETARY FUND

Minutes of Executive Board Meeting 88/64

10:00 a.m., April 25, 1988

M. Camdessus, Chairman
R. D. Erb, Deputy Managing Director

Executive Directors

Alternate Executive Directors

A. Abdallah

E. T. El Kogali
C. Enoch
Jiang H.
E. L. Walker, Temporary
J. Prader
M. Hepp, Temporary

M. Finaish
G. Grosche

Hon C.-W., Temporary
J. Hospedales
W. N. Engert, Temporary
C. V. Santos
I. A. Al-Assaf
E. Ayales, Temporary

A. Kafka

J. Ovi

D. Marcel
G. P. J. Hogeweg
C.-Y. Lim
O. Kabbaj
L. E. N. Fernando
S. Yoshikuni
N. Kyriazidis

G. A. Posthumus

G. Salehkhau

L. Van Houtven, Secretary and Counsellor
B. J. Owen, Assistant

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Also Present

Administration Department: G. F. Rea, Director; H. J. O. Struckmeyer, Deputy Director; T. Cole, P. K. Craig, M. E. Gehringer, A. Goltz, N. S. Jackson, J. B. Kaiser, P. J. McClellan, M. Oka, P. D. Swain, T. N. Usmani, H. Wiesner, L. A. Wolfe. Personal Assistant to the Managing Director: H. G. O. Simpson. Advisors to Executive Directors: M. B. Chatah, A. G. A. Faria, P. Kapetanovic, M. Pétursson, G. Pineau, D. C. Templeman. Assistants to Executive Directors: F. E. R. Alfiler, S. Appetiti, A. A. Badi, S. King, V. K. Malhotra, G. Seyler, R. Wenzel.

1. ADMINISTRATIVE AND CAPITAL BUDGETS, FY 1989

The Executive Directors, meeting in restricted session, considered the administrative and capital budgets for FY 1989 (EBAP/88/82, 4/1/88; and Sup. 1, 4/20/88). They also had before them as background material the staff paper on the review of the Fund's income position for FY 1988 and FY 1989 (EBS/88/81, 4/12/88); the nationality distribution list (EBAP/88/87, 4/5/88); a report on the Early Retirement Assistance Scheme (EBAP/88/93, 4/15/88); and information on Executive Board and other meetings of Executive Directors during calendar year 1987 (Secretary's Circular No. 88/35, 4/19/88).

The Executive Directors agreed to resume their discussion in the afternoon.

DECISIONS TAKEN SINCE PREVIOUS BOARD MEETING

The following decisions were adopted by the Executive Board without meeting in the period between EBM/88/63 (4/22/88) and EBM/88/64 (4/25/88).

2. SURVEILLANCE OVER EXCHANGE RATE POLICIES - AMENDMENT OF 1977 DOCUMENT, AND REVIEW

a. Amendment of 1977 Document

The first sentence of Paragraph VI of Procedures for Surveillance contained in the document entitled "Surveillance over Exchange Rate Policies" attached to Decision No. 5392-(77/63), adopted April 29, 1977, as amended, shall be amended to read as follows:

The Executive Board shall review the general implementation of the Fund's surveillance over members' exchange rate policies at intervals of two years and at such other times as consideration of it is placed on the agenda of the Executive Board.

Decision No. 8856-(88/64), adopted
April 22, 1988

b. Review

The Executive Board has reviewed the document entitled "Surveillance over Exchange Rate Policies" attached to Decision No. 5392-(77/63), adopted April 29, 1977, as amended, as required by paragraph 2 of that decision. The next review of the document shall be conducted not later than April 1, 1990.

Decision No. 8857-(88/64), adopted
April 22, 1988

3. SURVEILLANCE OVER EXCHANGE RATE POLICIES - GENERAL IMPLEMENTATION - REVIEW

The Executive Board has reviewed the general implementation of the Fund's surveillance over members' exchange rate policies, as required by Paragraph VI of Procedures for Surveillance contained in the document entitled "Surveillance over Exchange Rate Policies" attached to Decision No. 5392-(77/63), adopted April 29, 1977, as amended, including the procedures for the conduct of consultations under Article IV, which in principle shall comprehend the regular consultations under Article VIII and Article XIV, and approves the continuation of the procedures as described in SM/88/39, in the light of the Managing Director's summing up, until the next review, which shall be conducted not later than April 1, 1990.

Decision No. 8858-(88/64), adopted
April 22, 1988

4. HONDURAS - 1987 ARTICLE IV CONSULTATION - POSTPONEMENT

Notwithstanding the period of three months specified in Procedure II of the document entitled "Surveillance over Exchange Rate Policies" attached to Decision No. 5392-(77/63), adopted April 29, 1977, as amended, the Executive Board agrees to extend the period for completing the 1987 Article IV consultation with Honduras to not later than May 20, 1988. (EBD/88/113, 4/21/88)

Decision No. 8859-(88/64), adopted
April 22, 1988

5. EXECUTIVE BOARD TRAVEL

Travel by Executive Directors as set forth in EBAP/88/98 (4/21/88) is approved.

APPROVED: December 7, 1988

JOSEPH W. LANG, JR.
Acting Secretary

