

DOCUMENT OF INTERNATIONAL MONETARY FUND
AND NOT FOR PUBLIC USE

MASTER FILES
ROOM C-130

0405

**IMMEDIATE
ATTENTION**

EBAP/88/77

To: Members of the Executive Board March 25, 1988

From: The Secretary

Subject: Governors' Per Diem Allowances at Meetings of
the Board of Governors

1. It has been the practice of the Fund and Bank in recent years to review the adequacy of the per diem allowances for Governors and Alternates in connection with attendance at Annual Meetings on about a three-year basis. The most recent review was undertaken in 1983. As a result, the allowances were then increased from \$140 to \$185 for each night that attendance at the Meetings requires them to spend away from their normal place of residence, and from \$25 to \$33 per night when accommodation is included in the price of transportation.

2. As indicated in Attachments I, II, and III, costs have risen sharply between 1983 and 1988. As of January 1988, the average daily subsistence costs likely for Governors and Alternate Governors in Washington, D.C. and Berlin (West), were approximately as shown in Attachment I (based on single room costs at the hotels that about 95 percent of the Governors and Alternate Governors are expected to be using during the Annual Meetings). The costs for accommodation are shown in Attachment II and the costs for meals in Attachment III. Taking the above factors into account, it is recommended that the two per diem allowances be increased by approximately 30 percent to \$240 and \$43, respectively. The estimated incremental costs to the Fund will amount to approximately \$144,000. Governors and Alternate Governors would also receive their actual transport expenses to and from the place of meeting. (Changes in Governors' allowances since 1946 are shown in Attachment IV).

3. Similar proposals are being placed before the Executive Directors of the Bank. The following draft decision is proposed for adoption by the Executive Board:

The Executive Board approves the recommendation contained in EBAP/88/77 regarding per diem allowances for Governors and Alternate Governors during attendance at meetings of the Board of Governors.

In the absence of an objection by an Executive Director by the close of business on Wednesday, April 6, 1988, the proposed decision will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Att: (4)

Other Distribution:
Department Heads



Table 1. Average Daily Subsistence Costs

(In U.S. dollars)

	<u>Washington, D.C. 1983</u>	<u>Washington, D.C. 1988</u>	<u>Berlin (West) 1988</u>
Single Room	109.90 <u>1/</u>	156.00 <u>1/</u>	150.00 <u>2/</u>
Meals	68.65 <u>3/</u>	77.00 <u>3/</u>	68.50 <u>2/</u>
Other expenses: e.g. transportation, valet, local telephone calls, etc.	<u>9.90</u>	<u>13.00</u>	<u>19.50</u>
Total	<u>188.45</u>	<u>246.00</u>	<u>238.00</u>

1/ Includes D.C. lodging and occupancy tax.2/ Includes VAT and service charge.3/ Includes D.C. meal tax and gratuities.

Exchange rate: US\$1 = DM 1.676 (January 29, 1988).

Table 2. Average Midpoints of Room Costs in Hotels and
by Majority of Governors

(In U.S. dollars)

	<u>Single</u>		<u>Double</u>	
	<u>1983</u>	<u>1988</u>	<u>1983</u>	<u>1988</u>
<u>Hotels - Berlin (West)</u>				
Average of 10 hotels		150.00		166.00
<u>Hotels - Washington, D.C.</u>				
Sheraton Washington)				
Omni Shoreham)	109.90	156.00	129.70	180.00
Washington Hilton)				
<u>Other Hotels in Washington, D.C.</u>				
<u>Showing 1988 rates</u>				
Westin		215.00		237.00
Park Hyatt		208.00		226.00

The figures given compare current charges at hotels where Governors will be assigned accommodation against those rates charged during the 1983 Annual Meetings held in Washington. The rates include taxes and service charges, as appropriate.

Exchange Rate: US1\$ = DM 1.676 (January 29, 1988).

Table 3. Meal Costs

(In U.S. dollars)

<u>Meals</u>	<u>Washington,</u> <u>D.C.</u> <u>1983</u>	<u>Washington,</u> <u>D.C.</u> <u>1988</u>	<u>Berlin</u> <u>(West)</u> <u>1988</u>
Breakfast	8.24	9.00	13.00
Luncheon	18.72	23.00	19.50
Dinner	<u>28.40</u>	<u>30.00</u>	<u>36.00</u>
Subtotal	55.36	62.00	68.50
Meal Tax	4.43	5.00	included
Gratuity	<u>8.86</u>	<u>10.00</u>	<u>included</u>
Total	68.65	77.00	68.50

Notes:

(1) Median priced meals in the hotels shown in Attachment II - dinner is in the hotels' better restaurants.

(2) Luncheons and dinners include appetizer, soup or salad, entree and dessert. Beverages and wines not included.

Exchange Rate: US\$1 = DM 1.676 (January 29, 1988).

Table 4. Governors' Per Diem Allowance
(In U.S. dollars)

Year of Change	Per Diem Allowance	Reduced Allowance <u>1/</u>
1946	50	10
1964	75	10
1977	100	15
1980	140	25
1983	185	33

1/ When accommodation is included in the price of transportation.