

INTERNATIONAL MONETARY FUND

Minutes of Executive Board Meeting 88/65

3:00 p.m., April 25, 1988

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

Executive Directors

G. Grosche

A. Kafka

J. Ovi

G. A. Posthumus

G. Salehkhov

Alternate Executive Directors

E. T. El Kogali

C. Enoch

Jiang H.

E. L. Walker, Temporary

J. Prader

M. Hepp, Temporary

M. B. Chatah, Temporary

Hon C.-W., Temporary

J. Hospedales

W. N. Engert, Temporary

C. V. Santos

I. A. Al-Assaf

E. Ayales, Temporary

M. Fogelholm

G. Pineau, Temporary

C.-Y. Lim

O. Kabbaj

L. E. N. Fernando

S. Yoshikuni

N. Kyriazidis

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

Also Present

Administration Department: G. F. Rea, Director; H. J. O. Struckmeyer, Deputy Director; T. Cole, P. K. Craig, U. P. Dimitrijevic, M. E. Gehringer, A. Goltz, T. J. Hill, N. S. Jackson, J. B. Kaiser, P. J. McClellan, P. D. Swain, L. A. Wolfe. Personal Assistant to the Managing Director: H. G. O. Simpson. Advisors to Executive Directors: A. G. A. Faria, P. D. Péroz, M. Pétursson. Assistants to Executive Directors: F. E. R. Alfiler, A. A. Badi, V. K. Malhotra, L. M. Piantini, G. Seyler, R. Wenzel.

1. ADMINISTRATIVE AND CAPITAL BUDGETS, FY 1989

The Executive Directors resumed from the previous meeting (EBM/88/64, 4/25/88) their consideration of 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 Board then took the following decisions:

a. Administrative Budget Estimates, FY 1989

1. Appropriations for administrative expenses for financial year 1989 are approved in the total amount of \$247,230,000. This amount will apply to the various categories as follows:

I. Personnel Expenses

A - Salaries	\$109,790,000
B - Other Personnel Expenses	57,740,000

II. Travel Expenses

C - Business Travel	17,140,000
D - Other Travel	13,090,000

III. Other Administrative Expenses

E - Communications	6,660,000
F - Building Occupancy	15,420,000
G - Books and Printing	2,190,000
H - Supplies and Equipment	5,170,000
I - Data Processing	16,390,000
J - Miscellaneous	<u>3,640,000</u>

\$247,230,000

2. Commitments may be made for each lettered Category A-J up to the amount indicated above. Any commitment going beyond the total approved for each category will be submitted to the Executive Board for approval.

3. The total staff ceiling of 1,719.5 and its distribution by departments, bureaus and offices as set forth in the budget on page 46 are approved. The staff ceiling shall not be exceeded without prior approval by the Executive Board.

Adopted April 25, 1988

b. Capital Budget Projects Beginning in FY 1989

1. Appropriations for capital projects beginning in financial year 1989 are approved in the total amount of \$3,425,000. This amount will apply to the various categories as follows:

	<u>Total</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>
I. Building Space Facilities				
A - Headquarters	\$2,915,000	\$2,915,000	--	--
B - Other Locations	375,000	90,000	\$285,000	--
II. Equipment Systems				
C - Computing	135,000	135,000	--	--
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	\$3,425,000	\$3,140,000	\$285,000	--
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2. Commitments may be made for each lettered Category A-C up to the amount indicated in the total column shown above. Any commitment going beyond the total approved for each capital investment category will be submitted to the Executive Board for approval.

Adopted April 25, 1988

c. Assessment Under Article XX, Section 4, FY 1989

Pursuant to Article XVI, Section 2, and Article XX, Section 4, of the Articles of Agreement, and Rule T-2 of the Fund's Rules and Regulations, it is decided that:

- (i) The General Department shall be reimbursed for the expenses of conducting the business of the SDR Department for the period from May 1, 1987 to April 30, 1988, and

- (ii) An assessment shall be levied on all participants in the SDR Department. The special drawing rights holdings accounts of participants shall be debited on April 30, 1988 with an amount equal to 0.0172629 percent of their net cumulative allocations of special drawing rights. The total assessment shall be paid into the General Department.

Adopted April 25, 1988

- d. Structural Adjustment Facility Within Special Disbursement Account, and Enhanced Structural Adjustment Facility Trust - Reimbursement of General Resources Account, FY 1988

Pursuant to Paragraph 10 of the Annex to Decision No. 8238-(86/56) SAF, adopted March 26, 1986, and Paragraph 3 of Decision No. 8760-(87/176), adopted December 18, 1987, it is decided that the General Resources Account shall be reimbursed the equivalent of SDR 6,900,000 for the expenses of administering the Facility and the Trust for the period May 1, 1987 to April 30, 1988, and the reimbursement shall be made at the close of the financial year.

Adopted April 25, 1988

APPROVED: December 7, 1988

JOSEPH W. LANG, JR.
Acting Secretary