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EBD/85/224

August 28, 1985

To: Members of the Executive Board

From: The Acting Secretary

Subject: Papua New Guinea and Tonga - Request for Technical Assistance

The Governor of the Bank of Papua New Guinea has requested technical assistance from the Fund regarding ways in which the central bank could support development financing without undermining its traditional role as monetary authority. The work would entail a review of current legal and regulatory provisions with the view of proposing appropriate amendments as needed.

The Fund has provided technical assistance to the Government of Tonga in the establishment of a central bank and a legal framework for banking. A mission is being considered to discuss draft legislation prepared by the Legal Department and other issues related to the establishment of a central bank, including the possible need for technical assistance.

It is proposed to comply with the request of the Papua New Guinea authorities by sending a mission comprising Mr. Carl-Johan Lindgren (Head), Senior Economist, Central Banking Department, Mr. James Ogoola, Senior Counsellor, Legal Department, Mr. Reza Vaez-Zadeh, Economist, and Ms. Caroline Cox, Secretary, both of Central Banking Department, to Port Moresby for about two weeks starting on October 17, 1985. The same mission would continue to Nuku'alofa for about a week starting on November 4, 1985.

In the absence of a request for discussion by an Executive Director by noon on Tuesday, September 3, 1985, the proposal will be deemed to have been approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Other Distribution:
Department Heads