

September 10, 2014  
Approval: 9/17/14

INTERNATIONAL MONETARY FUND

Minutes of Executive Board Meeting 14/42-4

11:10 a.m., May 9, 2014

**4. Other Business—Republic of Nauru**

Documents: EBD/14/23

Staff: Khor, APD

Length: 3 minutes

## Executive Board Attendance

N. Shinohara, Acting Chair

<b>Executive Directors</b>	<b>Alternate Executive Directors</b>
	O. Nnanna (AE)
	T. Nguema-Affane (AF), Temporary
	O. Hendrick (AG), Temporary
	I. Davidoff (AP)
P. Nogueira Batista, Jr. (BR)	
T. Zhang (CC)	
	E. Ramos-Murillo (CE), Temporary
T. Hockin (CO)	
	M. Mehmedi (EC), Temporary
	A. Ndoye (FF), Temporary
	C. Eppendorfer (GR), Temporary
R. Mohan (IN)	
	M. Spinella (IT), Temporary
	I. Hishikawa (JA)
	A. Monajemi (MD), Temporary
	M. Zaher (MI), Temporary
	A. Hubic (NE), Temporary
	M. Lindpere (NO), Temporary
	A. Lushin (RU)
	S. Rouai (SA), Temporary
	R. Abdul Ghaffour (ST)
D. Heller (SZ)	
	D. Douglass Kochman (US), Temporary
	C. Yeates (UK)

A. Zanello, Acting Secretary  
 J. Morco, Summing Up Officer  
 F. Liu, Board Operations Officer  
 M. Yslas, Verbatim Reporting Officer

### Also Present

Asia and Pacific Department: S. Barnett, M. Chivakul, T. Feridhanusetyawan, H. Khor, W. Lam, W. Liao, A. Myrvoda. Legal Department: N. Aggarwal, K. Kwak, C. Ogada. Monetary and Capital Markets Department: A. Holland, R. Sahay. Strategy, Policy, and Review Department: V. Arora. Advisors to Executive Directors: K. Badsı (MD), W. Choi (AP), J. Clicq (NE), V. Gibbs (UK), A. Kitamura (JA), K. Masuhara (JA), A. Medearis (US), T. Remengesau (AP), I. Slimani-Houti (FF), S. Waelti (SZ), C. Waqabaca (ST), C. Ziegler (GR), M. Cheng (CC).

#### **4. OTHER BUSINESS—REPUBLIC OF NAURU**

The Acting Chair (Mr. Shinohara) informed the Board that on April 15, 2014, the Fund received an application for membership from Nauru. The written request from the authorities was circulated to the Board on May 8, 2014 and the application would be considered in due course.

Mr. Nogueira Batista welcomed Nauru's possible entry into the Fund. He remarked that every country, however small it may be, should have its request considered. Regarding the legal framework, he asked whether Nauru's entry had to be approved by the Board. He remarked that Nauru would likely join Mr. Yoon's chair given its links to Australia, if it joined the IMF, and that Mr. Yoon's chair was part of the Small States Working Group.

The Deputy General Counsel (Mr. Ogada) responded that the next step of the membership application would be an investigation of the application by a membership committee of the Executive Board, which would determine whether Nauru had the capacity to exercise the rights of membership and to meet the obligations of membership. That committee would also look at issues such as what Nauru's possible quota might be and any other terms and conditions for membership. The committee would then make a recommendation to the Executive Board. If the Executive Board supported that recommendation, the Board would make a recommendation with an attached resolution to the Board of Governors. The Board of Governors would make the final decision.

APPROVAL: September 17, 2014

JIANHAI LIN  
Secretary