Appendixes

IMF ANNUAL REPORT | 2005

Appendix contents

International reserves

Total international reserves, including gold, increased by 15 percent during 2004 and stood at SDR 2.7 trillion at the end of the year (Table I.1). Foreign exchange reserves, which constitute the largest component of official reserve holdings, grew by 18 percent, to SDR 2.4 trillion. IMF-related assets, which make up the rest of nongold reserves, declined by 12 percent to SDR 76 billion, reflecting the recent decline in outstanding credit to member countries. The market value of gold held by monetary authorities decreased by 1 percent to SDR 254 billion in 2004.[1]

Foreign exchange reserves

Foreign exchange reserves comprised 97 percent of nongold assets at the end of 2004. Developing countries held 65 percent of all foreign exchange reserves (SDR 1.6 trillion) at the end of 2004, increasing their holdings by 22 percent. During 2004, foreign exchange holdings of industrial countries rose by 12 percent to SDR 845 billion.

In 2004, the foreign exchange assets of the oil-exporting developing countries, which amount to 8 percent of all developing countries' foreign exchange reserves, increased by 18 percent to SDR 133 billion. Foreign exchange reserves of the net creditor developing country group rose by 15 percent, to SDR 282 billion, and those of net debtor countries grew by 23 percent to SDR 1.3 trillion. Foreign exchange reserves of net debtors without debt-servicing problems increased by 25 percent to SDR 1.1 trillion, while those of countries with debt-servicing problems increased by 15 percent to SDR 178 billion.

Holdings of IMF-related assets

During 2004, total IMF-related assets (that is, reserve positions in the IMF and SDRs) declined by 12 percent, following three years of increase. Members' reserve positions in the IMF—which consist of members' reserve tranche and creditor positions—declined by 16 percent to SDR 56 billion, while the SDR holdings of IMF members remained at SDR 20 billion. The decline in the reserve positions was attributed mostly to industrial countries, which account for more than three-fourths of the reserve positions and SDR holdings.

Gold reserves

The market value of gold reserves declined by 1 percent to SDR 254 billion in 2004, reflecting a 1 percent decline in the physical stock of official gold. The share of gold in officially held reserves declined gradually to 9 percent by the end of 2004, whereas in the early 1980s gold represented about half of all officially held reserves. Most of the gold reserves (82 percent) are held by industrial countries: gold constituted 19 percent of these countries' total reserves at the end of 2004. Gold reserves accounted for 3 percent of the total reserves of the developing countries.

Developments during the first quarter of 2005

During the first quarter of 2005, total reserve assets rose by SDR 125 billion and foreign exchange reserves by SDR 131 billion. Reflecting the decline in the physical stock of gold since the end of 2004, the market value of gold reserves decreased by nearly SDR 1 billion, and holdings of IMF-related assets declined by SDR 5 billion.

Currency composition of foreign exchange reserves

The currency composition of foreign exchange reserves has changed gradually over the past decade, with the share of U.S. dollar holdings in foreign exchange reserves rising from 59 percent in 1995 to 71 percent in 1999, and remaining broadly stable in 2000 and 2001 (Table I.2).[2] In 2002, however, the share of U.S. dollar holdings sharply declined to 67 percent, driven by the fall in the value of U.S. dollar holdings and a reduced share of U.S. dollar assets in net purchases of reserves (Table I.3). Over the subsequent two years, the dollar share remained at a similar level. While the official reserves held in U.S. dollars picked up strongly over these two years—accounting for more than 80 percent of the quantity increase in official reserve holdings—this was offset by the weakening of the U.S. dollar vis-à-vis other major currencies (see the last paragraph for details).

The euro, which replaced 11 European currencies and the European currency unit (ECU) on January 1, 1999, accounted for 25 percent of total foreign exchange reserves in 2003 and 2004, higher than its average in preceding years. Given that, at the introduction of the euro, the euro system's reserves previously denominated in euro-legacy currencies[3] became domestic assets of the euro area, the share of the euro in 1999–2004 is not directly comparable with the previous years' combined share of the four euro-legacy currencies identified in Table I.2: deutsche mark, French franc, Netherlands guilder, and private ECU.

The share of the Japanese yen in total foreign exchange reserves declined from 7 percent at end-1995 to 4 percent at the end of 2004. During the past decade, the share of pound sterling has been in the 2–3 percent range,

[1]Official monetary authorities comprise central banks and also currency boards, exchange stabilization funds, and treasuries, to the extent that they perform monetary authorities' functions.

[2]The currency composition data in the 2005 Annual Report are not directly comparable to the information in previous annual reports owing to data revision. See Table I.2 for details.

[3]Those foreign exchange reserves that, up to December 31, 1998, were denominated in the former national currencies of the euro area countries and private ECUs.

Table I.1 Official holdings of reserve assets[1]

(In billions of SDRs)

	1999	2000	2001	2002	2003	2004	March 2005
All countries							
Total reserves excluding gold							
Fund-related assets							
Reserve positions in the Fund	54.8	47.4	56.9	66.1	66.5	55.8	50.7
SDRs	18.5	18.5	19.6	19.7	19.9	20.3	20.2
Subtotal, IMF-related assets	**73.2**	**65.9**	**76.4**	**85.7**	**86.4**	**76.1**	**70.9**
Foreign exchange	1,299.6	1,490.2	1,633.1	1,771.0	2,037.5	2,407.2	2,538.4
Total reserves excluding gold	**1,372.8**	**1,556.1**	**1,709.5**	**1,856.7**	**2,123.9**	**2,483.3**	**2,609.3**
Gold[2]							
Quantity (millions of ounces)	967.1	952.1	942.8	930.6	913.1	900.2	894.1
Value at London market price	204.5	200.6	207.4	234.6	256.4	253.9	253.0
Total reserves including gold	**1,577.3**	**1,756.6**	**1,916.9**	**2,091.3**	**2,380.3**	**2,737.2**	**2,862.3**
Industrial countries							
Total reserves excluding gold							
Fund-related assets							
Reserve positions in the Fund	46.8	39.7	47.0	53.7	52.6	43.6	38.9
SDRs	14.7	14.4	16.0	15.8	15.3	15.3	14.1
Subtotal, IMF-related assets	**61.5**	**54.1**	**62.9**	**69.5**	**67.9**	**58.9**	**53.0**
Foreign exchange	528.7	602.0	626.8	661.5	752.3	845.4	860.3
Total reserves excluding gold	**590.2**	**656.1**	**689.7**	**731.0**	**820.2**	**904.3**	**913.3**
Gold[2]							
Quantity (millions of ounces)	810.4	796.5	783.5	769.8	754.3	740.6	735.3
Value at London market price	171.4	167.8	172.4	194.1	211.8	208.9	208.1
Total reserves including gold	**761.6**	**823.9**	**862.1**	**925.1**	**1,032.0**	**1,113.2**	**1,121.3**
Developing countries							
Total reserves excluding gold							
Fund-related assets							
Reserve positions in the Fund	8.0	7.7	9.9	12.3	13.9	12.2	11.7
SDRs	3.7	4.1	3.6	3.9	4.6	5.0	6.1
Subtotal, IMF-related assets	**11.7**	**11.8**	**13.5**	**16.2**	**18.5**	**17.2**	**17.9**
Foreign exchange	770.9	888.2	1,006.3	1,109.5	1,285.2	1,561.8	1,678.1
Total reserves excluding gold	**782.6**	**899.9**	**1,019.8**	**1,125.7**	**1,303.7**	**1,579.0**	**1,696.0**
Gold[2]							
Quantity (millions of ounces)	156.6	155.6	159.2	160.7	158.8	159.6	158.8
Value at London market price	33.1	32.8	35.0	40.5	44.6	45.0	44.9
Total reserves including gold	**815.8**	**932.7**	**1,054.8**	**1,166.2**	**1,348.3**	**1,624.1**	**1,740.9**
Net debtor developing countries							
Total reserves excluding gold							
Fund-related assets							
Reserve positions in the Fund	5.6	5.4	6.4	8.0	9.2	8.5	8.1
SDRs	3.1	3.3	2.7	2.9	3.6	3.9	5.0
Subtotal, IMF-related assets	**8.7**	**8.7**	**9.1**	**11.0**	**12.7**	**12.3**	**13.1**
Foreign exchange	608.6	704.7	805.6	888.4	1,039.4	1,280.0	1,393.5
Total reserves excluding gold	**617.3**	**713.4**	**814.7**	**899.4**	**1,052.2**	**1,292.3**	**1,406.6**
Gold[2]							
Quantity (millions of ounces)	130.6	129.6	133.2	135.0	133.4	134.3	133.4
Value at London market price	27.6	27.3	29.3	34.0	37.5	37.9	37.8
Total reserves including gold	**644.9**	**740.7**	**844.0**	**933.4**	**1,089.6**	**1,330.2**	**1,444.4**
Net debtor developing countries without debt-servicing problems							
Total reserves excluding gold							
Fund-related assets							
Reserve positions in the Fund	4.8	4.6	5.7	7.3	8.3	7.5	7.1
SDRs	2.4	2.1	2.1	1.9	2.2	2.2	2.3
Subtotal, IMF-related assets	**7.2**	**6.7**	**7.7**	**9.2**	**10.5**	**9.7**	**9.4**
Foreign exchange	488.6	570.6	663.5	751.9	884.1	1,101.6	1,196.6
Total reserves excluding gold	**495.8**	**577.2**	**671.2**	**761.2**	**894.6**	**1,111.3**	**1,206.1**
Gold[2]							
Quantity (millions of ounces)	85.4	84.6	88.3	89.9	88.2	88.4	88.4
Value at London market price	18.1	17.8	19.4	22.7	24.8	24.9	25.0
Total reserves including gold	**513.9**	**595.1**	**690.6**	**783.8**	**919.4**	**1,136.2**	**1,231.1**

Source: International Monetary Fund, *International Financial Statistics*.

Note: Components may not sum to totals because of rounding.
[1]End-of-year figures for all years except 2004. "IMF-related assets" comprise reserve positions in the IMF and SDR holdings of all IMF members. The entries under "Foreign exchange" and "Gold" comprise official holdings of those IMF members for which data are available and certain countries or areas.
[2]One troy ounce equals 31.103 grams. The market price is the afternoon price fixed in London on the last business day of each period.

Table I.2 Share of national currencies in total identified official holdings of foreign exchange, end of year[1]

(In percent)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
All countries										
U.S. dollar	59.0	62.1	65.2	69.4	71.0	70.5	70.7	66.5	65.8	65.9
Japanese yen	6.8	6.7	5.8	6.2	6.4	6.3	5.2	4.5	4.1	3.9
Pound sterling	2.1	2.7	2.6	2.7	2.9	2.8	2.7	2.9	2.6	3.3
Swiss franc	0.3	0.3	0.3	0.3	0.2	0.3	0.3	0.4	0.2	0.2
Euro[2]	–	–	–	–	17.9	18.8	19.8	24.2	25.3	24.9
Deutsche mark	15.8	14.7	14.5	13.8	–	–	–	–	–	–
French franc	2.4	1.8	1.4	1.6	–	–	–	–	–	–
Netherlands guilder	0.3	0.2	0.4	0.3	–	–	–	–	–	–
ECUs[3]	8.5	7.1	6.0	1.2	–	–	–	–	–	–
Other currencies[4]	4.8	4.3	3.8	4.5	1.6	1.4	1.2	1.4	1.9	1.8
Industrial countries										
U.S. dollar	52.3	57.4	59.1	67.6	73.5	72.5	72.7	68.9	70.5	71.5
Japanese yen	6.7	5.7	5.9	6.9	6.7	6.5	5.6	4.4	3.8	3.6
Pound sterling	2.1	2.1	2.0	2.1	2.2	2.0	1.9	2.1	1.5	1.9
Swiss franc	0.1	0.1	0.1	0.2	0.1	0.2	0.3	0.6	0.2	0.1
Euro[2]	–	–	–	–	16.1	17.1	18.0	22.4	22.1	20.9
Deutsche mark	16.6	15.9	16.2	13.4	–	–	–	–	–	–
French franc	2.3	1.7	0.9	1.2	–	–	–	–	–	–
Netherlands guilder	0.2	0.2	0.2	0.2	–	–	–	–	–	–
ECUs[3]	13.6	12.3	11.2	2.3	–	–	–	–	–	–
Other currencies[4]	6.0	4.7	4.4	6.2	1.4	1.6	1.5	1.7	1.9	2.0
Developing countries										
U.S. dollar	70.3	68.5	72.4	71.2	68.2	68.2	68.6	64.0	60.7	59.9
Japanese yen	7.0	8.1	5.7	5.6	6.0	6.0	4.9	4.7	4.4	4.3
Pound sterling	2.2	3.5	3.3	3.3	3.7	3.6	3.6	3.8	3.9	4.8
Swiss franc	0.7	0.6	0.6	0.5	0.4	0.3	0.3	0.2	0.2	0.2
Euro	–	–	–	–	19.9	20.6	21.8	26.1	28.9	29.2
Deutsche mark	14.4	13.0	12.5	14.3	–	–	–	–	–	–
French franc	2.4	2.0	2.1	2.1	–	–	–	–	–	–
Netherlands guilder	0.5	0.3	0.5	0.4	–	–	–	–	–	–
ECUs[3]	0.0	0.0	0.0	0.0	–	–	–	–	–	–
Other currencies[4]	2.6	3.9	3.0	2.7	1.7	1.3	0.9	1.2	1.9	1.6
Memorandum items:										
Unallocated reserves[5]										
All countries	25.6	21.8	21.3	22.1	22.9	23.6	26.0	28.3	29.8	32.6
Industrial countries	1.0	2.2	2.1	1.1	1.1	0.3	0.3	0.3	0.2	0.3
Developing countries	47.6	38.6	36.1	36.5	37.8	39.4	42.1	45.0	47.2	50.2

Note: Components may not sum to total because of rounding. Country coverage changes marginally every year, but the changes were larger than usual in 1996 (broader coverage) and in 2000 (narrower coverage). The data for 2004 are preliminary.

[1]The currency shares are calculated for the reserves of member countries that report the currency composition of their foreign exchange reserves. The data include minimal estimation undertaken mainly for late reporters. Reserves for which currency composition is not reported are shown under "Unallocated reserves."

[2]Not comparable with the combined share of euro legacy currencies in previous years because it excludes the euros received by euro area members when their previous holdings of other euro area members' legacy currencies were converted into euros on January 1, 1999.

[3]In the calculation of currency shares, the ECU is treated as a separate currency. ECU reserves held by the monetary authorities existed in the form of claims on both the private sector and the European Monetary Institute (EMI), which issued official ECUs to European Union central banks through revolving swaps against the contribution of 20 percent of their gross gold holdings and U. S. dollar reserves. On December 31, 1998, the official ECUs were unwound into gold and U.S. dollars; hence, the share of ECUs at the end of 1998 was sharply lower than a year earlier. The remaining ECU holdings reported for 1998 consisted of ECUs issued by the private sector, usually in the form of ECU deposits and bonds. On January 1, 1999, these holdings were automatically converted into euros.

[4]Foreign exchange reserves that are reported to be held in currencies other than those listed above.

[5]Foreign exchange reserves whose currency composition information is not submitted to the IMF, in percent of total official holdings of reserves.

Changes in Table I.2

Table I.2 in this year's report reflects changes in the underlying database on the Composition of Official Foreign Exchange Reserves (COFER). The most important changes include a significant curtailment of the use of estimation techniques when the currency composition of reserves is not reported, and a split of "Unspecified currencies" into two new categories, "Other currencies" and "Unallocated reserves," in order to distinguish the reservesheld in currencies other than the major ones from the reserves whose currency composition has not been identified.

Data estimation and classification

This year's data were compiled under a new rule that the estimation of the currency composition of reserves be limited to data gaps of less than four quarters. As a result, the aggregate currency composition is now calculated almost exclusively on the basis of reserves data reported by the authorities to COFER. Reserves held by nonreporting developing countries, for which the currency composition was previously estimated, have been moved to the new category "Unallocated reserves."

Changes in Table I.2 *(concluded)*

In previous years, the "Unspecified currencies" category captured both foreign exchange reserves held in currencies other than the major currencies identified in Table I.2, and reserves held by those nonreporting countries for which the currency composition was not estimated. The presentation now disaggregates this category into "Other currencies" (currencies other than the major ones identified in the table) and "Unallocated reserves" (reserves held by countries that do/did not report to COFER).

The new presentation also reflects data improvements resulting, in part, from new and revised data reported by countries. The improvements entailed reclassifying part of the reserves that used to fall under "Unspecified currencies" into the major currencies listed in Table I.2.

Country coverage

Virtually all industrial countries, as defined in International Financial Statistics (IFS), report to COFER. The currency shares for industrial countries in Table I.2 are thus calculated from a fixed sample of countries, whose reserves in 2004 represented more than 99 percent of the total reserves held by industrial countries.

The currency shares for developing countries, as defined in IFS, are calculated from a moving sample: not all countries reported, and reporting countries did not necessarily report in all years. Over the 1995–2004 period, the number of developing country reporters ranged from 79 countries to 89 countries, out of a total of 159 developing countries in IFS. The reserves held by these reporting countries accounted for 50 to 65 percent of total developing country reserves over the same period.

On a regional basis, the rate of reporting compliance—measured in terms of the percentage of regional reserves accounted for by the reporters—is highest for countries from Europe and lowest for countries from Asia.

Comparison of the new and old presentations

The new and old presentations are not directly comparable, because the new presentation is based on a smaller pool of reserves whose currency composition is mostly reported by the authorities. Subject to that qualification, the following major differences with the data presented in the *2004 Annual Report* are noted.

- For industrial countries, the major change is an increase in the euro's share by about 2 percentage points, on average, reflecting primarily data revisions by a major industrial country.
- For developing countries, the average share of reserves held in U.S. dollars in the period 1999–2003 is higher by 5 percentage points under the new presentation and the euro's share is higher by 7 percentage points. In contrast, the share of pound sterling is lower by 2 percentage points, and the share of other currencies (new presentation) is about 10 percentage points lower than the share of unspecified currencies (the *2004 Annual Report*). These changes reflect the curtailment of estimation under the new methodology and data improvements over the past year.
- For all countries, as a result, the average share of reserves held in U.S. dollars for the period 1999–2003 is higher by about 4 percentage points under the new presentation; the euro's share is higher by 4 percentage points; sterling's share is lower by about 1 percentage point; and the share of other currencies (new presentation) is about 6 percentage points lower than the share of unspecified currencies (the *2004 Annual Report*).

while that of the Swiss franc has remained below 1 percent. The share of other currencies, which comprise currencies not identified in Table I.2, has been less than 2 percent since 1999. The share of unallocated reserves, for which no information on currency composition is available, rose to more than 30 percent of global reserves in 2004.

For industrial countries, the share of U.S. dollar holdings increased throughout the 1990s, peaking at 74 percent in 1999 and amounting to 72 percent at the end of 2004. The share of the euro in industrial countries' foreign exchange reserves declined slightly in 2004, to 21 percent, while the share of the yen remained broadly unchanged over 2003–04. The shares of pound sterling and the Swiss franc have remained broadly constant over the past 10 years.

The share of the U.S. dollar in developing countries' foreign exchange reserves declined to 60 percent in 2004, lower than the average in preceding years. Holdings of the euro rose to 29 percent of those countries' foreign exchange reserves, nearly 10 percentage points higher than the euro's share in its initial years (1999 and 2000). Over the past decade, the share of the yen has gradually decreased by about 3 percentage points, to 4 percent at the end of 2004, while the share of pound sterling has increased by about 3 percentage points, to 5 percent in 2004. The share of the Swiss franc has remained below 1 percent over the same period.

Changes in the SDR value of foreign exchange reserves can be decomposed into quantity and valuation (price) changes (Table I.3). Official reserves held in U.S. dollars increased by SDR 128 billion in 2004, as an increase of SDR 176 billion in the quantity of U.S. dollar holdings was offset by a valuation decline of SDR 48 billion. Euro holdings increased by SDR 42 billion, reflecting a quantity increase of SDR 29 billion and a valuation increase of SDR 13 billion. Japanese yen holdings increased by SDR 5 billion as a quantity increase of SDR 6 billion was offset by a valuation decline of SDR 1 billion. Pound sterling holdings increased by SDR 16 billion, whereas Swiss franc holdings declined by SDR 0.5 billion.

Table I.3 Currency composition of official holdings of foreign exchange, end of year[1]

(In millions of SDRs)

	1996	1997	1998	1999	2000	2001	2002	2003	2004
U.S. dollar									
Change in holdings	117,987	85,753	16,854	80,421	90,643	51,512	–8,787	95,901	128,324
Quantity change	102,739	49,035	43,129	64,551	51,209	21,931	58,270	176,862	176,149
Price change	15,248	36,718	–26,275	15,870	39,434	29,581	–67,057	–80,960	–47,826
Year-end value	528,578	614,331	631,185	711,606	802,249	853,761	844,975	940,876	1,069,200
Japanese yen									
Change in holdings	10,101	–2,774	2,373	7,128	7,433	–8,214	–5,634	1,409	4,936
Quantity change	15,076	171	–1,947	–1,547	12,105	–1,474	–6,518	135	6,014
Price change	–4,976	–2,945	4,319	8,675	–4,672	–6,740	884	1,274	–1,078
Year-end value	57,239	54,465	56,838	63,966	71,399	63,186	57,552	58,961	63,896
Pound sterling									
Change in holdings	8,152	1,484	–103	4,764	2,518	1,177	4,328	490	15,566
Quantity change	5,572	549	851	4,861	3,350	941	3,379	36	14,088
Price change	2,580	934	–954	–97	–832	236	949	455	1,478
Year-end value	22,868	24,351	24,248	29,013	31,531	32,708	37,036	37,526	53,092
Swiss franc									
Change in holdings	246	710	–278	–700	589	546	1,868	–2,281	–571
Quantity change	662	743	–313	–388	504	510	1,372	–2,376	–685
Price change	–416	–33	35	–313	85	36	496	95	114
Year-end value	2,577	3,287	3,009	2,308	2,898	3,443	5,311	3,030	2,459
Euro									
Change in holdings	–	–	–	44,303[2]	34,025	25,754	67,512	54,780	42,091
Quantity change	–	–	–	64,817	37,797	29,478	41,409	21,894	29,314
Price change	–	–	–	–20,514	–3,772	–3,723	26,103	32,887	12,777
Year-end value	–	–	–	179,924	213,949	239,703	307,215	361,995	404,086
Deutsche mark									
Change in holdings	15,405	11,512	–10,958	–	–	–	–	–	–
Quantity change	21,255	21,123	–14,619	–	–	–	–	–	–
Price change	–5,849	–9,612	3,661	–	–	–	–	–	–
Year-end value	125,119	136,631	125,673	–	–	–	–	–	–
French franc									
Change in holdings	–645	–2,170	1,209	–	–	–	–	–	–
Quantity change	–112	–1,082	881	–	–	–	–	–	–
Price change	–533	–1,088	327	–	–	–	–	–	–
Year-end value	15,743	13,574	14,782	–	–	–	–	–	–
Netherlands guilder									
Change in holdings	–183	1,265	–828	–	–	–	–	–	–
Quantity change	–62	1,447	–944	–	–	–	–	–	–
Price change	–121	–182	115	–	–	–	–	–	–
Year-end value	2,041	3,306	2,478	–	–	–	–	–	–
European currency unit									
Change in holdings	984	–3,242	–46,110	–	–	–	–	–	–
Quantity change	1,833	512	–47,582	–	–	–	–	–	–
Price change	–849	–3,754	1,472	–	–	–	–	–	–
Year-end value	60,242	57,000	10,890	–	–	–	–	–	–
Sum of the above[3]									
Change in holdings	152,049	92,538	–37,841	135,915	135,209	70,775	59,287	150,300	190,345
Quantity change	146,964	72,499	–20,542	132,294	104,965	51,386	97,912	196,550	224,880
Price change	5,085	20,039	–17,300	3,621	30,244	19,390	–38,625	–46,250	–34,535
Year-end value	814,407	906,945	869,104	986,817	1,122,026	1,192,801	1,252,088	1,402,388	1,592,733
Other currencies									
Change in holdings	3,753	–1,498	5,275	–25,014	663	–1,520	3,152	8,955	1,977
Year-end value	36,977	35,480	40,754	15,740	16,403	14,883	18,036	26,991	28,968
Total official holdings[4]									
Change in holdings	154,271	108,683	–30,339	132,087	190,623	142,863	137,928	266,493	369,751
Year-end value	1,089,142	1,197,825	1,167,486	1,299,573	1,490,197	1,633,060	1,770,988	2,037,481	2,407,232

Note: Components may not sum to total because of rounding. Country coverage changes marginally every year, but the changes were larger than usual in 1996 (broader coverage) and in 2000 (narrower coverage). The data for 2004 are preliminary.

[1]The currency composition of official foreign exchange reserves as reported by countries, including minimal estimation undertaken mainly for late reporters. Quantity changes are derived by multiplying the changes in official holdings of each currency from the end of one quarter to the next by the average of the two SDR prices of that currency prevailing at the corresponding dates. This procedure converts the change in the quantity of national currency from own units to SDR units of account. Subtracting the SDR value of the quantity change so derived from the quarterly change in the SDR value of foreign exchange held at the end of two successive quarters and cumulating these differences yields the effect of price changes over the years shown.

[2]Represents the change from end-1998 holdings of euro legacy currencies by official institutions outside the euro area.

[3]Each item represents the sum of the currencies above.

[4]Includes "Unallocated reserves" whose currency composition could not be ascertained.

Financial operations and transactions

The tables in this appendix supplement the information given in Chapter 5 on the IMF's financial operations and policies. Components may not sum to total because of rounding.

Table II.1 Arrangements approved during financial years ended April 30, 1953–2005

Financial year	Number of Arrangements					Amounts committed under Arrangements (In millions of SDRs)				
	Stand-By	EFF	SAF	PRGF	Total	Stand-By	EFF	SAF	PRGF	Total
1953	2	–	–	–	2	55	–	–	–	55
1954	2	–	–	–	2	63	–	–	–	63
1955	2	–	–	–	2	40	–	–	–	40
1956	2	–	–	–	2	48	–	–	–	48
1957	9	–	–	–	9	1,162	–	–	–	1,162
1958	11	–	–	–	11	1,044	–	–	–	1,044
1959	15	–	–	–	15	1,057	–	–	–	1,057
1960	14	–	–	–	14	364	–	–	–	364
1961	15	–	–	–	15	460	–	–	–	460
1962	24	–	–	–	24	1,633	–	–	–	1,633
1963	19	–	–	–	19	1,531	–	–	–	1,531
1964	19	–	–	–	19	2,160	–	–	–	2,160
1965	24	–	–	–	24	2,159	–	–	–	2,159
1966	24	–	–	–	24	575	–	–	–	575
1967	25	–	–	–	25	591	–	–	–	591
1968	32	–	–	–	32	2,352	–	–	–	2,352
1969	26	–	–	–	26	541	–	–	–	541
1970	23	–	–	–	23	2,381	–	–	–	2,381
1971	18	–	–	–	18	502	–	–	–	502
1972	13	–	–	–	13	314	–	–	–	314
1973	13	–	–	–	13	322	–	–	–	322
1974	15	–	–	–	15	1,394	–	–	–	1,394
1975	14	–	–	–	14	390	–	–	–	390
1976	18	2	–	–	20	1,188	284	–	–	1,472
1977	19	1	–	–	20	4,680	518	–	–	5,198
1978	18	–	–	–	18	1,285	–	–	–	1,285
1979	14	4	–	–	18	508	1,093	–	–	1,600
1980	24	4	–	–	28	2,479	797	–	–	3,277
1981	21	11	–	–	32	5,198	5,221	–	–	10,419
1982	19	5	–	–	24	3,106	7,908	–	–	11,014
1983	27	4	–	–	31	5,450	8,671	–	–	14,121
1984	25	2	–	–	27	4,287	95	–	–	4,382
1985	24	–	–	–	24	3,218	–	–	–	3,218
1986	18	1	–	–	19	2,123	825	–	–	2,948
1987	22	–	10	–	32	4,118	–	358	–	4,476
1988	14	1	15	–	30	1,702	245	670	–	2,617
1989	12	1	4	7	24	2,956	207	427	955	4,545
1990	16	3	3	4	26	3,249	7,627	37	415	11,328
1991	13	2	2	3	20	2,786	2,338	15	454	5,593
1992	21	2	1	5	29	5,587	2,493	2	743	8,826
1993	11	3	1	8	23	1,971	1,242	49	527	3,789
1994	18	2	1	7	28	1,381	779	27	1,170	3,357
1995	17	3	–	11	31	13,055	2,335	–	1,197	16,587
1996	19	4	1	8	32	9,645	8,381	182	1,476	19,684
1997	11	5	–	12	28	3,183	1,193	–	911	5,287
1998	9	4	–	8	21	27,336	3,078	–	1,738	32,152
1999	5	4	–	10	19	14,325	14,090	–	998	29,413
2000	11	4	–	10	25	15,706	6,582	–	641	22,929
2001	11	1	–	14	26	13,093	–9	–	1,249	14,333
2002	9	–	–	9	18	39,439	–	–	1,848	41,287
2003	10	2	–	10	22	28,597	794	–	1,180	30,571
2004	5	–	–	10	15	14,519	–	–	967	15,486
2005	6	–	–	8	14	1,188	–	–	525	1,713

Table II.2 Arrangements in effect as of April 30, 1996–2005

Financial year	Number of Arrangements as of April 30					Amounts committed under Arrangements as of April 30 *(In millions of SDRs)*				
	Stand-By	EFF	SAF	PRGF	Total	Stand-By	EFF	SAF	PRGF	Total
1996	21	7	1	28	57	14,963	9,390	182	3,383	27,918
1997	14	11	–	35	60	3,764	10,184	–	4,048	17,996
1998	14	13	–	33	60	28,323	12,336	–	4,410	45,069
1999	9	12	–	35	56	32,747	11,401	–	4,186	48,334
2000	16	11	–	31	58	45,606	9,798	–	3,516	58,920
2001	17	8	–	37	62	34,906	8,697	–	3,298	46,901
2002	13	4	–	35	52	44,095	7,643	–	4,201	55,939
2003	15	3	–	36	54	42,807	4,432	–	4,450	51,689
2004	11	2	–	36	49	53,944	794	–	4,356	59,094
2005	10	2	–	31	43	11,992	794	–	2,878	15,664

Table II.3 Stand-By and Extended Arrangements in effect during financial year ended April 30, 2005

(In millions of SDRs)

Member	Arrangement dates		Amounts approved		Undrawn balance	
	Effective date	Expiration date	Prior to FY2005	In FY2005	At date of termination	As of April 30, 2005
Argentina	9/20/2003	9/19/2006	8,981	–	–	4,810
Bolivia	4/2/2003	3/31/2006	86	86	–	60
Brazil	9/6/2002	3/31/2005	27,375	–	10,175	–
Bulgaria	8/6/2004	9/5/2006	–	100	–	100
Colombia	1/15/2003	5/2/2005	1,548	–	–	1,548
Croatia	8/4/2004	4/3/2006	–	97	–	97
Dominican Republic	8/29/2003	1/31/2005	438	–	306	–
Dominican Republic	1/31/2005	5/31/2007	–	438	–	385
Gabon	5/28/2004	6/30/2005	–	69	–	28
Jordan	7/3/2002	7/2/2004	85	–	75	–
Macedonia, FYR	4/30/2003	8/15/2004	20	–	–	–
Paraguay	12/15/2003	9/30/2005	50	–	–	50
Peru	6/9/2004	8/16/2006	–	287	–	287
Romania	7/7/2004	7/6/2006	–	250	–	250
Turkey	2/4/2002	2/3/2005	12,821	–	907	–
Ukraine	3/29/2004	3/28/2005	412	–	412	–
Uruguay	4/1/2002	3/31/2005	2,128	(140)	–	–
Total for Stand-By Arrangements			**53,944**	**1,188**	**11,875**	**7,615**
Sri Lanka	4/18/2003	4/17/2006	144	–	–	124
Serbia and Montenegro	5/14/2002	12/31/2005	650	–	–	188
Total for Extended Arrangements			**794**	**–**	**–**	**312**
Total			**54,738**	**1,188**	**11,875**	**7,927**

Table II.4 Arrangements under the Poverty Reduction and Growth Facility in effect during financial year ended April 30, 2005

(In millions of SDRs)

Member	Arrangement dates: Effective date	Arrangement dates: Expiration date	Amounts approved: Prior to FY2005	Amounts approved: In FY2005	Undrawn balance: At date of termination	Undrawn balance: As of April 30, 2005
Albania[1]	6/21/2002	11/20/2005	28	–	–	4
Armenia[2]	5/23/2001	12/31/2004	69	–	–	–
Azerbaijan[3]	7/6/2001	7/4/2005	80	(13)	–	13
Bangladesh[4]	6/20/2003	6/19/2006	347	53	–	252
Burkina Faso[5]	6/11/2003	8/15/2006	24	–	–	10
Burundi	1/23/2004	1/22/2007	69	–	–	36
Cameroon[6]	12/21/2000	12/20/2004	111	–	32	–
Cape Verde[7]	4/10/2002	7/31/2005	9	–	–	1
Chad	2/16/2005	2/15/2008	–	25	–	21
Congo, Dem. Rep. of	6/12/2002	6/11/2005	580	–	–	53
Congo, Rep. of	12/6/2004	12/5/2007	–	55	–	47
Côte d'Ivoire	3/29/2002	3/28/2005	293	–	234	–
Dominica	12/29/2003	12/28/2006	8	–	–	3
Ethiopia[8]	3/22/2001	10/31/2004	100	–	–	–
Gambia, The	7/18/2002	7/17/2005	20	–	–	17
Georgia	6/4/2004	6/3/2007	–	98	–	70
Ghana	5/9/2003	5/8/2006	185	–	–	105
Guinea	5/2/2001	5/1/2004	64	–	39	–
Guyana[9]	9/20/2002	9/12/2006	55	–	–	28
Honduras	2/27/2004	2/26/2007	71	–	–	41
Kenya[10]	11/21/2003	11/20/2006	175	50	–	150
Kyrgyz Republic[11]	12/6/2001	3/14/2005	73	–	–	–
Kyrgyz Republic	3/15/2005	3/14/2008	–	9	–	8
Lao People's Dem. Rep.[12]	4/25/2001	4/24/2005	32	–	14	–
Lesotho[13]	3/9/2001	10/31/2004	25	–	–	–
Madagascar[14]	3/1/2001	3/1/2005	92	–	–	–
Malawi[15]	12/21/2000	12/20/2004	45	–	32	–
Mali	6/23/2004	6/22/2007	–	9	–	7
Mauritania[16]	7/18/2003	11/7/2004	6	–	6	–
Mongolia[17]	9/28/2001	7/31/2005	28	–	–	16
Mozambique	7/6/2004	7/5/2007	0	11	–	8
Nepal	11/19/2003	11/18/2006	50	–	–	36
Nicaragua	12/13/2002	12/12/2005	98	–	–	42
Niger[18]	12/22/2000	6/30/2004	59	–	–	–
Niger	1/31/2005	1/30/2008	–	7	–	6
Pakistan	12/6/2001	12/5/2004	1,034	–	172	–
Rwanda[19]	8/12/2002	2/11/2006	4	–	–	1
Senegal	4/28/2003	4/27/2006	24	–	–	14
Sierra Leone[20]	9/26/2001	6/25/2005	131	–	–	14
Sri Lanka	4/18/2003	4/17/2006	269	–	–	231
Tajikistan	12/11/2002	12/10/2005	65	–	–	20
Tanzania	8/16/2003	8/15/2006	20	–	–	8
Uganda	9/13/2002	9/12/2005	14	–	–	4
Zambia	6/16/2004	6/15/2007	–	220	–	50
Total			**4,357**	**525**	**528**	**1,315**

[1]Extended from 6/20/05.
[2]Extended from 5/22/04.
[3]Reduced by SDR 12.87 million on 12/22/04. Extended from 7/5/04, and from 3/31/05.
[4]Augmented by SDR 53.3 million on 7/28/04.
[5]Extended from 6/10/06.
[6]Extended from 12/20/03.
[7]Extended from 4/9/05.
[8]Augmented by SDR 13.4 million on 3/18/02. Extended from 3/21/04, and from 7/31/04.
[9]Extended from 9/19/05, and from 3/19/06.
[10]Augmented by SDR 50 million on 12/20/04.
[11]Extended from 12/5/04.
[12]Extended from 4/24/04.
[13]Extended from 3/8/04, and from 6/30/04.
[14]Augmented by SDR 12.2 million on 3/17/04. Extended from 2/29/04, and from 11/30/04.
[15]Extended from 12/20/03.
[16]Cancelled on 11/7/04.
[17]Extended from 9/27/04.
[18]Extended from 12/21/03.
[19]Extended from 8/11/05.
[20]Extended from 9/25/04, and from 3/25/05.

Table II.5 Summary of disbursements, repurchases, and repayments, financial years ended April 30, 1948–2005

(In millions of SDRs)

	Disbursements					Repurchases and repayments				
Financial year	Purchases[1]	Trust Fund loans	SAF loans	PRGF loans	Total	Repurchases	Trust Fund repayments	SAF / PRGF repayments	Total	Total Fund credit outstanding[2]
1948	606	–	–	–	606	–	–	–	–	133
1949	119	–	–	–	119	–	–	–	–	193
1950	52	–	–	–	52	24	–	–	24	204
1951	28	–	–	–	28	19	–	–	19	176
1952	46	–	–	–	46	37	–	–	37	214
1953	66	–	–	–	66	185	–	–	185	178
1954	231	–	–	–	231	145	–	–	145	132
1955	49	–	–	–	49	276	–	–	276	55
1956	39	–	–	–	39	272	–	–	272	72
1957	1,114	–	–	–	1,114	75	–	–	75	611
1958	666	–	–	–	666	87	–	–	87	1,027
1959	264	–	–	–	264	537	–	–	537	898
1960	166	–	–	–	166	522	–	–	522	330
1961	577	–	–	–	577	659	–	–	659	552
1962	2,243	–	–	–	2,243	1,260	–	–	1,260	1,023
1963	580	–	–	–	580	807	–	–	807	1,059
1964	626	–	–	–	626	380	–	–	380	952
1965	1,897	–	–	–	1,897	517	–	–	517	1,480
1966	2,817	–	–	–	2,817	406	–	–	406	3,039
1967	1,061	–	–	–	1,061	340	–	–	340	2,945
1968	1,348	–	–	–	1,348	1,116	–	–	1,116	2,463
1969	2,839	–	–	–	2,839	1,542	–	–	1,542	3,299
1970	2,996	–	–	–	2,996	1,671	–	–	1,671	4,020
1971	1,167	–	–	–	1,167	1,657	–	–	1,657	2,556
1972	2,028	–	–	–	2,028	3,122	–	–	3,122	840
1973	1,175	–	–	–	1,175	540	–	–	540	998
1974	1,058	–	–	–	1,058	672	–	–	672	1,085
1975	5,102	–	–	–	5,102	518	–	–	518	4,869
1976	6,591	–	–	–	6,591	960	–	–	960	9,760
1977	4,910	32	–	–	4,942	868	–	–	868	13,687
1978	2,503	268	–	–	2,771	4,485	–	–	4,485	12,366
1979	3,720	670	–	–	4,390	4,859	–	–	4,859	9,843
1980	2,433	962	–	–	3,395	3,776	–	–	3,776	9,967
1981	4,860	1,060	–	–	5,920	2,853	–	–	2,853	12,536
1982	8,041	–	–	–	8,041	2,010	–	–	2,010	17,793
1983	11,392	–	–	–	11,392	1,555	18	–	1,574	26,563
1984	11,518	–	–	–	11,518	2,018	111	–	2,129	34,603
1985	6,289	–	–	–	6,289	2,730	212	–	2,943	37,622
1986	4,101	–	–	–	4,101	4,289	413	–	4,702	36,877
1987	3,685	–	139	–	3,824	6,169	579	–	6,749	33,443
1988	4,153	–	445	–	4,597	7,935	528	–	8,463	29,543
1989	2,541	–	290	264	3,095	6,258	447	–	6,705	25,520
1990	4,503	–	419	408	5,329	6,042	356	–	6,398	24,388
1991	6,955	–	84	491	7,530	5,440	168	–	5,608	25,603
1992	5,308	–	125	483	5,916	4,768	–	1	4,770	26,736
1993	8,465	–	20	573	9,058	4,083	–	36	4,119	28,496
1994	5,325	–	50	612	5,987	4,348	52	112	4,513	29,889
1995	10,615	–	14	573	11,202	3,984	4	244	4,231	36,837
1996	10,870	–	182	1,295	12,347	6,698	7	395	7,100	42,040
1997	4,939	–	–	705	5,644	6,668	5	524	7,196	40,488
1998	20,000	–	–	973	20,973	3,789	1	595	4,385	56,026
1999	24,071	–	–	826	24,897	10,465	–	627	11,092	67,175
2000	6,377	–	–	513	6,890	22,993	–	634	23,627	50,370
2001	9,599	–	–	630	10,229	11,243	–	588	11,831	48,691
2002	29,194	–	–	952	30,146	19,207	–	769	19,976	58,699
2003	21,784	–	–	1,218	23,002	7,784	–	928	8,712	72,879
2004	17,830	–	–	865	18,695	21,638	–	890	22,528	69,031
2005	1,608	–	–	771	2,379	13,907	–	923	14,830	56,576

[1]Includes reserve tranche purchases.
[2]Excludes reserve tranche purchases; includes outstanding associated loans from the Saudi Fund for Development.

Table II.6 Purchases and loans from the IMF, financial year ended April 30, 2005

(In millions of SDRs)

Member	Reserve tranche	Emergency assistance	Stand-By / credit tranche	Extended Fund Facility	SRF	Total purchases	PRGF loans	Total purchases and loans
Albania	—	—	—	—	—	—	8	8
Armenia	—	—	—	—	—	—	19	19
Azerbaijan	—	—	—	—	—	—	13	13
Bangladesh	—	—	—	—	—	—	50	50
Bolivia	—	—	47	—	—	47	—	47
Burkina Faso	—	—	—	—	—	—	7	7
Burundi	—	—	—	—	—	—	7	7
Cape Verde	—	—	—	—	—	—	2	2
Central African Republic	—	6	—	—	—	6	—	6
Chad	—	—	—	—	—	—	4	4
Congo, Dem. Rep. of	—	—	—	—	—	—	27	27
Congo, Rep. of	—	—	—	—	—	—	8	8
Dominica	—	—	—	—	—	—	2	2
Dominican Republic	—	—	53	—	—	53	—	53
Ethiopia	—	—	—	—	—	—	10	10
Gabon	—	—	42	—	—	42	—	42
Georgia	—	—	—	—	—	—	28	28
Ghana	—	—	—	—	—	—	36	36
Grenada	—	3	—	—	—	3	—	3
Guyana	—	—	—	—	—	—	6	6
Haiti	—	10	—	—	—	10	—	10
Honduras	—	—	—	—	—	—	20	20
Iraq	—	297	—	—	—	297	—	297
Kenya	—	—	—	—	—	—	50	50
Kyrgyz Republic	—	—	—	—	—	—	20	20
Lesotho	—	—	—	—	—	—	4	4
Macedonia, FYR	—	—	8	—	—	8	—	8
Madagascar	—	—	—	—	—	—	23	23
Maldives	—	4	—	—	—	4	—	4
Mali	—	—	—	—	—	—	3	3
Mozambique	—	—	—	—	—	—	3	3
Nepal	6	—	—	—	—	6	7	13
Nicaragua	—	—	—	—	—	—	14	14
Niger	—	—	—	—	—	—	9	9
Pakistan	—	—	—	—	—	—	172	172
Rwanda	—	—	—	—	—	—	2	2
Senegal	—	—	—	—	—	—	3	3
Serbia and Montenegro	—	—	—	163	—	163	—	163
Sierra Leone	—	—	—	—	—	—	14	14
Sri Lanka	—	103	—	—	—	103	—	103
Tajikistan	—	—	—	—	—	—	20	20
Tanzania	—	—	—	—	—	—	6	6
Turkey	—	—	454	—	—	454	—	454
Uganda	—	—	—	—	—	—	4	4
Uruguay	—	—	419	—	—	419	—	419
Zambia	—	—	—	—	—	—	171	171
Total	**6**	**423**	**1,022**	**163**	**—**	**1,614**	**771**	**2,385**

Table II.7 Repurchases and repayments to the IMF, financial year ended April 30, 2005

(In millions of SDRs)

Member	Stand-By / credit tranche	Extended Fund Facility	Others[1]	Total repurchases	SAF / PRGF and Trust Fund repayments	Total repurchases and repayments
Albania	–	–	–	–	5	5
Algeria	–	195	28	223	–	223
Argentina	1,938	256	–	2,195	–	2,195
Armenia	–	–	6	6	20	26
Azerbaijan	–	9	10	19	16	34
Belarus	–	–	12	12	–	12
Benin	–	–	–	–	8	8
Bolivia	–	–	–	–	27	27
Bosnia and Herzegovina	29	–	–	29	–	29
Brazil	2,783	–	–	2,783	–	2,783
Bulgaria	32	70	–	102	–	102
Burkina Faso	–	–	–	–	12	12
Cambodia	–	–	–	–	8	8
Cameroon	–	–	–	–	23	23
Central African Republic	–	–	–	–	2	2
Chad	–	–	–	–	11	11
Congo, Rep. of	5	–	–	5	3	8
Côte d'Ivoire	–	–	–	–	80	80
Djibouti	–	–	–	–	0.3	0.3
Ecuador	94	–	–	94	–	94
Equatorial Guinea	–	–	–	–	0.2	0.2
Ethiopia	–	–	–	–	9	9
Gabon	7	10	–	17	–	17
Gambia, The	–	–	–	–	6	6
Georgia	–	–	9	9	31	40
Ghana	–	–	–	–	30	30
Guinea	–	–	–	–	14	14
Guinea-Bissau	1	–	–	1	2	3
Guyana	–	–	–	–	13	13
Haiti	–	–	–	–	3	3
Honduras	–	–	–	–	16	16
Indonesia	–	726	–	726	–	726
Jamaica	–	4	–	4	–	4
Jordan	4	56	–	60	–	60
Kenya	–	–	–	–	10	10
Kyrgyz Republic	–	–	–	–	23	23
Lao P.D.R.	–	–	–	–	5	5
Latvia	–	–	2	2	–	2
Lithuania	–	24	–	24	–	24
Macedonia, FYR	–	–	6	6	5	11
Madagascar	–	–	–	–	7	7
Malawi	–	–	–	–	9	9
Mali	–	–	–	–	20	20
Mauritania	–	–	–	–	11	11
Moldova	–	15	–	15	–	15
Mongolia	–	–	–	–	4	4
Mozambique	–	–	–	–	16	16
Nicaragua	–	–	–	–	20	20
Niger	–	–	–	–	10	10
Pakistan	214	30	–	243	60	304
Panama	–	7	–	7	–	7
Papua New Guinea	64	–	–	64	–	64
Peru	–	27	–	27	–	27
Philippines	109	129	–	238	–	238
Romania	103	–	16	119	–	119
Russian Federation	59	2,861	–	2,920	–	2,920
Rwanda	–	–	–	–	5	5
Senegal	–	–	–	–	33	33
Serbia and Montenegro	113		58	171	–	171
Sierra Leone	–	–	–	–	7	7

Table II.7 *(concluded)*

Member	Stand-By / credit tranche	Extended Fund Facility	Others[1]	Total repurchases	SAF / PRGF and Trust Fund repayments	Total repurchases and repayments
Sri Lanka	96	–	–	96	–	96
Sudan	17	–	4	22	–	22
Tajikistan	–	–	–	–	9	9
Tanzania	–	–	–	–	33	33
Togo	–	–	–	–	10	10
Turkey	2,957	–	–	2,957	–	2,957
Uganda	–	–	–	–	35	35
Ukraine	–	119	62	181	–	181
Uruguay	503	–	–	503	–	503
Uzbekistan	–	–	17	17	–	17
Vietnam	–	–	1	1	48	49
Yemen, Rep. of	–	6	–	6	27	33
Zambia	–	–	–	–	171	171
Zimbabwe	–	8	–	8	6	14
Total	**9,128**	**4,549**	**230**	**13,907**	**923**	**14,830**

[1]Includes Compensatory and Contingency Financing Facility and Systemic Transformation Facility.

Table II.8 Outstanding IMF credit by facility and policy, financial years ended April 30, 1996–2005

(In millions of SDRs and percent of total)

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
					(In millions of SDRs)					
Stand-By Arrangements[1]	20,700	18,064	25,526	25,213	21,410	17,101	28,612	34,241	42,100	35,818
Extended Arrangements	9,982	11,155	12,521	16,574	16,808	16,108	15,538	14,981	13,751	9,365
Supplemental Reserve Facility	–	–	7,100	12,655	–	4,085	5,875	15,700	6,028	4,569
Compensatory and Contingency Financing Facility	1,602	1,336	685	2,845	3,032	2,992	745	413	120	84
Systemic Transformation Facility	3,984	3,984	3,869	3,364	2,718	1,933	1,311	644	154	18
Subtotal (General Resources Account)	**36,268**	**34,539**	**49,701**	**60,651**	**43,968**	**42,219**	**52,081**	**65,978**	**62,153**	**49,854**
SAF Arrangements	1,208	954	730	565	456	432	341	137	86	45
PRGF Arrangements[2]	4,469	4,904	5,505	5,870	5,857	5,951	6,188	6,676	6,703	6,588
Trust Fund	95	90	90	89	89	89	89	89	89	89
Total	**42,040**	**40,488**	**56,026**	**67,175**	**50,370**	**48,691**	**58,699**	**72,879**	**69,031**	**56,576**
					(Percent of total)					
Stand-By Arrangements[1]	49	45	46	38	43	35	49	47	61	63
Extended Arrangements	24	28	22	25	33	33	26	21	20	17
Supplemental Reserve Facility	–	–	13	19	–	9	10	21	9	8
Compensatory and Contingency Financing Facility	4	3	1	4	6	6	1	1	–[3]	–[3]
Systemic Transformation Facility	9	10	7	5	5	4	2	1	–[3]	–[3]
Subtotal (General Resources Account)	**86**	**85**	**89**	**90**	**87**	**87**	**88**	**91**	**90**	**88**
SAF Arrangements	3	2	1	1	1	1	1	–[3]	–[3]	–[3]
PRGF Arrangements[2]	11	12	10	9	12	12	11	9	10	12
Trust Fund	–[3]	–[3]	–[3]	–[3]	–[3]	–[3]	–[3]	–[3]	–[3]	–[3]
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

[1]Includes outstanding credit tranche and emergency purchases.
[2]Includes outstanding associated loans from the Saudi Fund for Development.
[3]Less than ½ of 1 percent of total.

Table II.9 Summary of bilateral contributions to the PRGF and PRGF-HIPC Trusts

(In millions of SDRs; cumulative through April 30, 2005)

	PRGF Trust		PRGF-HIPC Trust
	Subsidy contributions "as needed"[1]	Loan commitments	Subsidies and HIPC grant contributions "as needed"[1]
Total	**3,514.7**	**15,759.7**	**1,561.6**
Major industrial countries	**2,314.1**	**12,864.8**	**880.5**
Canada	206.0	700.0	48.8
France	468.8	2,900.0	82.2
Germany	201.4	2,750.0	127.2
Italy	153.6	1,380.0	63.6
Japan	731.4	5,134.8	144.0
United Kingdom	371.7	–	82.2
United States	181.3	–	332.6
Other advanced countries	**983.9**	**2,452.8**	**299.7**
Australia	17.0	–	24.8
Austria	62.6	–	14.3
Belgium	119.4	350.0	35.3
Denmark	67.9	100.0	18.5
Finland	42.7	–	8.0
Greece	39.9	–	6.3
Iceland	4.7	–	0.9
Ireland	8.7	–	5.9
Israel	–	–	1.8
Korea	60.7	92.7	15.9
Luxembourg	14.5	–	0.7
Netherlands	145.7	450.0	45.4
New Zealand	–	–	1.7
Norway	46.2	150.0	18.5
Portugal	4.9	–	6.6
San Marino	–	–	0.0[4]
Singapore	31.1	–	16.5
Spain	17.4	708.4	23.3
Sweden	189.3	–	18.3
Switzerland	111.1	601.7	37.0
Fuel-exporting countries	**16.5**	**49.5**	**93.1**
Algeria	–	–	5.5
Brunei Darussalam	–	–	0.1
Gabon[2]	–	–	2.5
Iran, Islamic Republic of	1.8	–	2.2
Kuwait	–	–	3.1
Libya	–	–	7.3
Nigeria	–	–	13.9
Oman	–	–	0.8
Qatar	–	–	0.5
Saudi Arabia	14.7	49.5	53.5
United Arab Emirates	–	–	3.8
Other developing countries	**186.4**	**355.6**	**221.3**
Argentina[3]	36.3	–	16.2
Bangladesh	0.9	–	1.7
Barbados	–	–	0.4
Belize	–	–	0.3
Botswana	1.9	–	5.7
Brazil	–	–	15.0
Cambodia	–	–	0.0[4]
Chile	4.1	–	4.4
China	15.6	200.0	19.7
Colombia	–	–	0.9
Cyprus	–	–	0.8
Egypt	13.7	155.6	1.3
Fiji	–	–	0.1
Ghana	–	–	0.5
India	13.5	–	22.9
Indonesia	6.7	–	8.2
Jamaica	–	–	2.7
Malaysia	44.4	–	12.7
Malta	2.0	–	1.1
Mauritius	–	–	0.1
Mexico	–	–	54.5
Micronesia, Federated States of	–	–	0.0[4]

Table II.9 *(concluded)*

	PRGF Trust		PRGF-HIPC Trust
	Subsidy contributions "as needed"[1]	Loan commitments	Subsidies and HIPC grant contributions "as needed"[1]
Morocco	9.9	–	1.6
Pakistan	3.6	–	3.4
Paraguay	–	–	0.1
Peru	–	–	2.5
Philippines	–	–	6.7
Samoa	–	–	0.0[4]
South Africa	–	–	28.6
Sri Lanka	–	–	0.6
St. Lucia	–	–	0.1
St. Vincent and the Grenadines	–	–	0.1
Swaziland	–	–	0.0[4]
Thailand	17.5	–	4.5
Tonga	–	–	0.0[4]
Tunisia	1.6	–	1.5
Turkey	12.2	–	–
Uruguay	2.4	–	2.2
Vietnam	–	–	0.4
Countries in transition	**13.7**	**–**	**42.9**
Croatia	–	–	0.4
Czech Republic	13.7	–	4.1
Estonia	–	–	0.5
Hungary	–	–	6.0
Latvia	–	–	1.0
Poland	–	–	12.0
Russian Federation	–	–	14.6
Slovak Republic	–	–	4.0
Slovenia	–	–	0.4
Pending contributions to the PRGF-HIPC Trust ("as needed")[1]	**–**	**–**	**24.0**
Bahrain	–	–	0.9
Dominican Republic	–	–	0.5
Grenada	–	–	0.1
Lebanon	–	–	0.4
Maldives	–	–	0.0[4]
Trinidad and Tobago	–	–	1.6
Vanuatu	–	–	0.1
Venezuela	–	–	20.4
Memorandum Item:			
OPEC Fund for International Development	–	37.0	–

[1]The term "as needed" refers to the nominal undiscounted sum of the projected delivery of HIPC assistance plus the profile of projected subsidy needs associated with PRGF lending during 2002–05.
[2]Contribution to the PRGF-HIPC Trust includes a pending balance of SDR 1.9 million "as needed."
[3]Contribution to the PRGF-HIPC Trust includes a pending balance of SDR 6.4 million "as needed."
[4]Less than SDR 5,000.

Table II.10 Holdings of SDRs by all participants and by groups of countries as percentage of their cumulative allocations of SDRs, at end of financial years ended April 30, 1996–2005

			Nonindustrial countries[2]			
					Net debtor countries	
	All participants[1]	Industrial countries[2]	All nonindustrial countries	Net creditor countries[3]	All net debtor countries[3]	Heavily indebted poor countries
1996	91.4	102.4	67.9	285.5	56.6	17.4
1997	87.2	99.8	60.5	303.6	47.8	17.3
1998	95.0	107.0	69.4	323.7	56.1	24.1
1999	81.1	94.6	52.5	170.7	46.3	26.3
2000	84.6	95.0	62.5	174.1	56.6	20.6
2001	86.6	101.6	54.6	204.2	46.5	12.4
2002	91.5	107.7	56.9	227.9	44.7	14.6
2003	93.0	102.4	72.0	173.7	57.7	17.1
2004	96.3	105.6	76.3	230.5	23.5	20.9
2005	96.2	96.3	96.0	178.7	33.0	17.7

[1]Member countries that are participants in the SDR Department. At the end of FY2005, of the total SDRs allocated to participants in the SDR Department (SDR 21.4 billion), SDR 0.8 billion was not held by participants, but instead by the IMF and prescribed holders.
[2]Based on *IFS* classification (International Monetary Fund, *International Financial Statistics*, various years).
[3]Net creditor countries' holdings of SDRs are more than their cumulative allocations of SDRs. Net debtor countries' holdings of SDRs are less than their cumulative allocations of SDRs.

Table II.11 Key IMF rates, financial year ended April 30, 2005

(In percent)

Period beginning	SDR interest rate and unadjusted rate of remuneration[1]	Basic rate of charge[1]	Period beginning	SDR interest rate and unadjusted rate of remuneration[1]	Basic rate of charge[1]
2004					
May 1	1.62	2.49	November 1	2.09	3.22
May 3	1.63	2.51	November 8	2.14	3.30
May 10	1.69	2.60	November 15	2.17	3.34
May 17	1.66	2.56	November 22	2.18	3.36
May 24	1.69	2.60	Novermber 29	2.21	3.40
May 31	1.72	2.65			
			December 6	2.22	3.42
June 7	1.79	2.76	December 13	2.24	3.05
June 14	1.83	2.82	December 20	2.22	3.02
June 21	1.84	2.83	December 27	2.22	3.02
June 28	1.82	2.80			
			2005		
July 5	1.84	2.83	January 3	2.22	3.02
July 12	1.83	2.82	January 10	2.25	3.06
July 19	1.87	2.88	January 17	2.26	3.07
July 26	1.89	2.91	January 24	2.26	3.07
			January 31	2.30	3.13
August 2	1.91	2.94			
August 9	1.91	2.94	February 7	2.31	3.14
August 16	1.90	2.93	February 14	2.34	3.18
August 23	1.93	2.97	February 21	2.36	3.21
August 30	1.95	3.00	February 28	2.42	3.29
September 6	1.98	3.05	March 7	2.43	3.30
September 13	1.99	3.06	March 14	2.43	3.30
September 20	2.01	3.10	March 21	2.45	3.33
September 27	2.02	3.11	March 28	2.47	3.36
October 4	2.01	3.10	April 4	2.45	3.33
October 11	2.01	3.10	April 11	2.45	3.33
October 18	2.03	3.13	April 18	2.45	3.33
October 25	2.06	3.17	April 25	2.49	3.39

[1]Under the FY2005 decision on burden sharing, the rate of remuneration was adjusted downward and the rate of charge was adjusted upward to share the impact of protecting the IMF's income from overdue charges and of contributing to the IMF's precautionary balances. The amounts generated from burden sharing in FY2005 are refundable when overdue charges are paid and when overdue obligations cease to be a problem. Beginning May 1, 2004, the basic rate of charge remained set at 154.0 percent of the SDR interest rate for FY2005. Effective November 1, 2004, the rate of charge was reduced to 136.0 percent of the SDR interest rate for the remainder of FY2005.

Table II.12 Members that have accepted the obligations of Article VIII, Sections 2, 3, and 4, of the Articles of Agreement

Member	Effective date of acceptance	Member	Effective date of acceptance
Algeria	September 15, 1997	India	August 20, 1994
Antigua and Barbuda	November 22, 1983	Indonesia	May 7, 1988
Argentina	May 14, 1968	Iran, Islamic Republic of	September 6, 2004
Armenia	May 29, 1997	Ireland	February 15, 1961
Australia	July 1, 1965	Israel	September 21, 1993
Austria	August 1, 1962	Italy	February 15, 1961
Azerbaijan	November 30, 2004	Jamaica	February 22, 1963
Bahamas, The	December 5, 1973	Japan	April 1, 1964
Bahrain	March 20, 1973	Jordan	February 20, 1995
Bangladesh	April 11, 1994	Kazakhstan	July 16, 1996
Barbados	November 3, 1993	Kenya	June 30, 1994
Belarus	November 5, 2001	Kiribati	August 22, 1986
Belgium	February 15, 1961	Korea	November 1, 1988
Belize	June 14, 1983	Kuwait	April 5, 1963
Benin	June 1, 1996	Kyrgyz Republic	March 29, 1995
Bolivia	June 5, 1967	Latvia	June 10, 1994
Botswana	November 17, 1995	Lebanon	July 1, 1993
Brazil	November 30, 1999	Lesotho	March 5, 1997
Brunei Darussalam	October 10, 1995	Libya	June 21, 2003
Bulgaria	September 24, 1998	Lithuania	May 3, 1994
Burkina Faso	June 1, 1996	Luxembourg	February 15, 1961
Cambodia	January 1, 2002	Macedonia, FYR	June 19, 1998
Cameroon	June 1, 1996	Madagascar	September 18, 1996
Canada	March 25, 1952	Malawi	December 7, 1995
Cape Verde	July 1, 2004	Malaysia	November 11, 1968
Central African Republic	June 1, 1996	Mali	June 1, 1996
Chad	June 1, 1996	Malta	November 30, 1994
Chile	July 27, 1977	Marshall Islands	May 21, 1992
China	December 1, 1996	Mauritania	July 19, 1999
Colombia	August 1, 2004	Mauritius	September 29, 1993
Comoros	June 1, 1996	Mexico	November 12, 1946
Congo, Dem. Rep. of	February 10, 2003	Micronesia, Federated States of	June 24, 1993
Congo, Rep. of	June 1, 1996	Moldova	June 30, 1995
Costa Rica	February 1, 1965	Mongolia	February 1, 1996
Côte d'Ivoire	June 1, 1996	Morocco	January 21, 1993
Croatia	May 29, 1995	Namibia	September 20, 1996
Cyprus	January 9, 1991	Nepal	May 30, 1994
Czech Republic	October 1, 1995	Netherlands	February 15, 1961
Denmark	May 1, 1967	New Zealand	August 5, 1982
Djibouti	September 19, 1980	Nicaragua	July 20, 1964
Dominica	December 13, 1979	Niger	June 1, 1996
Dominican Republic	August 1, 1953	Norway	May 11, 1967
Ecuador	August 31, 1970	Oman	June 19, 1974
Egypt	January 2, 2005	Pakistan	July 1, 1994
El Salvador	November 6, 1946	Palau	December 16, 1997
Equatorial Guinea	June 1, 1996	Panama	November 26, 1946
Estonia	August 15, 1994	Papua New Guinea	December 4, 1975
Fiji	August 4, 1972	Paraguay	August 22, 1994
Finland	September 25, 1979	Peru	February 15, 1961
France	February 15, 1961	Philippines	September 8, 1995
Gabon	June 1, 1996	Poland	June 1, 1995
Gambia, The	January 21, 1993	Portugal	September 12, 1988
Georgia	December 20, 1996	Qatar	June 4, 1973
Germany	February 15, 1961	Romania	March 25, 1998
Ghana	February 21, 1994	Russian Federation	June 1, 1996
Greece	July 7, 1992	Rwanda	December 10, 1998
Grenada	January 24, 1994	St. Kitts and Nevis	December 3, 1984
Guatemala	January 27, 1947	St. Lucia	May 30, 1980
Guinea	November 17, 1995	St. Vincent and the Grenadines	August 24, 1981
Guinea-Bissau	January 1, 1997	Samoa	October 6, 1994
Guyana	December 27, 1966	San Marino	September 23, 1992
Haiti	December 22, 1953	Saudi Arabia	March 22, 1961
Honduras	July 1, 1950	Senegal	June 1, 1996
Hungary	January 1, 1996	Serbia and Montenegro	May 15, 2002
Iceland	September 19, 1983	Seychelles	January 3, 1978

Table II.12 *(concluded)*

Member	Effective date of acceptance	Member	Effective date of acceptance
Sierra Leone	December 14, 1995	Togo	June 1, 1996
Singapore	November 9, 1968	Tonga	March 22, 1991
Slovak Republic	October 1, 1995	Trinidad and Tobago	December 13, 1993
Slovenia	September 1, 1995	Tunisia	January 6, 1993
Solomon Islands	July 24, 1979	Turkey	March 22, 1990
South Africa	September 15, 1973	Uganda	April 5, 1994
Spain	July 15, 1986	Ukraine	September 24, 1996
Sri Lanka	March 15, 1994	United Arab Emirates	February 13, 1974
Sudan	October 29, 2003	United Kingdom	February 15, 1961
Suriname	June 29, 1978	United States	December 10, 1946
Swaziland	December 11, 1989	Uruguay	May 2, 1980
Sweden	February 15, 1961	Uzbekistan	October 15, 2003
Switzerland	May 29, 1992	Vanuatu	December 1, 1982
Tajikistan	December 9, 2004	Venezuela	July 1, 1976
Tanzania	July 15, 1996	Yemen, Republic of	December 10, 1996
Thailand	May 4, 1990	Zambia	April 19, 2002
Timor-Leste	July 23, 2002	Zimbabwe	February 3, 1995

Table II.13 De facto exchange rate arrangements and anchors of monetary policy as of April 30, 2005

Classification of exchange rate regimes and monetary framework[1]

This classification system is based on members' actual, de facto, arrangements as identified by IMF staff, which may differ from their officially announced arrangements. The scheme ranks exchange rate arrangements on the basis of their degree of flexibility and the existence of formal or informal commitments to exchange rate paths. It distinguishes among different forms of exchange rate regimes, in addition to arrangements with no separate legal tender, to help assess the implications of the choice of exchange rate arrangement for the degree of monetary policy independence. The system presents members' exchange rate regimes against alternative monetary policy frameworks with the intention of using both criteria as a way of providing greater transparency in the classification scheme and to illustrate that different exchange rate regimes can be consistent with similar monetary policy frameworks. The following explains the categories.

Exchange rate regimes

Exchange arrangements with no separate legal tender

The currency of another country circulates as the sole legal tender (formal dollarization), or the member belongs to a monetary or currency union in which the same legal tender is shared by the members of the union. Adopting such regimes implies the complete surrender of the monetary authorities' independent control over domestic monetary policy.

Currency board arrangements

A monetary regime based on an explicit legislative commitment to exchange domestic currency for a specified foreign currency at a fixed exchange rate, combined with restrictions on the issuing authority to ensure the fulfillment of its legal obligation. This implies that domestic currency will be issued only against foreign exchange and that it remains fully backed by foreign assets, eliminating traditional central bank functions, such as monetary control and lender-of-last-resort, and leaving little scope for discretionary monetary policy. Some flexibility may still be afforded, depending on how strict the banking rules of the currency board arrangement are.

Other conventional fixed peg arrangements

The country (formally or de facto) pegs its currency at a fixed rate to another currency or a basket of currencies, where the basket is formed from the currencies of major trading or financial partners and weights reflect the geographical distribution of trade, services, or capital flows. The currency composites can also be standardized, as in the case of the SDR. There is no commitment to keep the parity irrevocably. The exchange rate may fluctuate within narrow margins of less than ±1 percent around a central rate—or the maximum and minimum value of the exchange rate may remain within a narrow margin of 2 percent—for at least three months. The monetary authority stands ready to maintain the fixed parity through direct intervention (that is, via sale/purchase of foreign exchange in the market) or indirect intervention (for example, via aggressive use of interest rate policy, imposition of foreign exchange regulations, exercise of moral suasion that constrains foreign exchange activity, or intervention by other public institutions). Flexibility of monetary policy, though limited, is greater than in the case of exchange arrangements with no separate legal tender and currency boards because traditional central banking functions are still possible, and the monetary authority can adjust the level of the exchange rate, although relatively infrequently.

Pegged exchange rates within horizontal bands

The value of the currency is maintained within certain margins of fluctuation of at least ±1 percent around a fixed central rate or the margin between the maximum and minimum value of the exchange rate exceeds 2 percent. It also includes arrangements of countries in the exchange rate mechanism (ERM) of the European Monetary System (EMS), which was replaced with the ERM II on January 1, 1999. There is a limited degree of monetary policy discretion, depending on the band width.

Crawling pegs

The currency is adjusted periodically in small amounts at a fixed rate or in response to changes in selective quantitative indicators, such as past inflation differentials vis-à-vis major trading partners, differentials between the inflation target and expected inflation in major trading partners, and so forth. The rate of crawl can be set to generate inflation-adjusted changes in the exchange rate (backward looking), or set at a preannounced fixed rate and/or below the projected inflation differentials (forward looking). Maintaining a crawling peg imposes constraints on monetary policy in a manner similar to a fixed-peg system.

Exchange rates within crawling bands

The currency is maintained within certain fluctuation margins of at least ±1 percent around a central rate—or the margin between the maximum and minimum value of the exchange rate exceeds 2 percent—and the central rate or margins are adjusted periodically at a fixed rate or in response to changes in selective quantitative indicators. The degree of exchange rate flexibility is a function of the band width. Bands are either symmetric around a crawling central parity or widen gradually with an asymmetric choice of the crawl of upper and lower bands (in the latter case, there may be no preannounced central rate). The commitment to maintain the exchange rate within the band imposes constraints on monetary policy, with the degree of policy independence being a function of the band width.

Managed floating with no predetermined path for the exchange rate

The monetary authority attempts to influence the exchange rate without having a specific exchange rate path or target. Indicators for managing the rate are broadly judgmental (for example, balance of payments position, international reserves, parallel market developments), and adjustments may not be automatic. Intervention may be direct or indirect.

Independently floating

The exchange rate is market-determined, with any official foreign exchange market intervention aimed at moderating the rate of change and preventing undue fluctuations in the exchange rate, rather than at establishing a level for it.

Monetary policy framework

Exchange rate anchor

The monetary authority stands ready to buy or sell foreign exchange at given quoted rates to maintain the exchange rate at its preannounced level or range; the exchange rate serves as the nominal anchor or intermediate target of monetary policy. This type of regime covers exchange rate regimes with no separate legal tender; currency board arrangements; fixed pegs with and without bands; and crawling pegs with and without bands.

Monetary aggregate anchor

The monetary authority uses its instruments to achieve a target growth rate for a monetary aggregate, such as reserve money, M1, or M2, and the targeted aggregate becomes the nominal anchor or intermediate target of monetary policy.

Inflation targeting framework

This involves the public announcement of medium-term numerical targets for inflation with an institutional commitment by the monetary authority to achieve these targets. Additional key features include increased communication with the public and the markets about the plans and objectives of monetary policymakers and increased accountability of the central bank for attaining its inflation objectives. Monetary policy decisions are guided by the deviation of forecasts of future inflation from the announced target, with the inflation forecast acting (implicitly or explicitly) as the intermediate target of monetary policy.

Fund-supported or other monetary program

This involves implementation of monetary and exchange rate policies within the confines of a framework that establishes floors for international reserves and ceilings for net domestic assets of the central bank. Indicative targets for reserve money may be appended to this system.

Other

The country has no explicitly stated nominal anchor but, rather, monitors various indicators in conducting monetary policy, or there is no relevant information available for the country.

Table II.13 *(continued)*

Exchange rate regime (number of countries)	Monetary policy framework: Exchange rate anchor				Monetary aggregate target	Inflation-targeting framework	IMF-supported or other monetary program	Other
Exchange arrangements with no separate legal tender (41)	*Another currency as legal tender* Ecuador El Salvador[4] Kiribati Marshall Islands Micronesia, Fed. States of Palau Panama San Marino Timor-Leste	*ECCU (6)*[2] Antigua and Barbuda Dominica* Grenada St. Kitts and Nevis St. Lucia St. Vincent and the Grenadines	*CFA franc zone* (14) *WAEMU* Benin Burkina Faso* Côte d'Ivoire* Guinea-Bissau Mali* Niger* Senegal* Togo	*CAEMC* Cameroon* Central African Rep. Chad* Congo, Rep. of* Equatorial Guinea Gabon*				*Euro area (12)*[3] Austria Belgium Finland France Germany Greece Ireland Italy Luxembourg Netherlands Portugal Spain
Currency board arrangements (7)	Bosnia and Herzegovina[5] Brunei Darussalam Bulgaria* Hong Kong SAR Djibouti Estonia[6] Lithuania[6]							
Other conventional fixed-peg arrangements (42)	*Against a single currency (35)* Aruba Bahamas, The[7] Bahrain Barbados Belize Bhutan Cape Verde* China†[8] Comoros[9] Eritrea Guinea[8] Iraq[8] Jordan[8] Kuwait Latvia Lebanon[8] Lesotho Macedonia, FYR[8] Malaysia Maldives Namibia Nepal* Netherlands Antilles Oman Qatar Saudi Arabia Seychelles[8] Swaziland Syrian Arab Rep.[7] Trinidad and Tobago[8] Turkmenistan[8] Ukraine[8] United Arab Emirates Venezuela Vietnam[8]	*Against a composite (7)* Botswana[7] Fiji Libya Malta Morocco Samoa Vanuatu			China†[8]			
Pegged exchange rates within horizontal bands (5)[10]	*Within a cooperative arrangement (2)* Denmark[6] Slovenia[6]	*Other band arrangements (3)* Cyprus Hungary† Tonga				Hungary†		

Table II.13 *(concluded)*

Exchange rate regime (number of countries)	Monetary policy framework: Exchange rate anchor	Monetary aggregate target	Inflation-targeting framework	IMF-supported or other monetary program	Other
Crawling pegs (5)	Bolivia Costa Rica Honduras*†[8] Nicaragua* Solomon Islands[8]			Honduras*†[8]	
Exchange rates within crawling bands (1)	Belarus[11]				
Managed floating with no pre-determined path for the exchange rate (52)		Bangladesh* Cambodia[7] Egypt Ethiopia Ghana*[8] Guyana* Indonesia Iran, I.R. of Jamaica[8] Mauritius Moldova Sudan Suriname[7] Tunisia Zambia	Colombia* Czech Rep. Guatemala[8] Peru* Thailand	Argentina* Azerbaijan* Croatia* Georgia* Haiti*[3, 8] Kenya* Kyrgyz Rep.* Lao P.D.R.*[7] Mongolia* Mozambique*[8] Rwanda* Serbia and Montenegro*[12] Tajikistan*	Afghanistan, I.R. of Algeria[3] Angola[3] Burundi*[3] Gambia, The*[3, 8] India[3] Kazakhstan[3] Mauritania Myanmar[3, 7, 8] Nigeria[8] Pakistan[3] Paraguay*[3] Romania* Russian Federation[3] São Tomé and Príncipe Singapore[3] Slovak Rep.[3] Uzbekistan[3, 7] Zimbabwe[7]
Independently floating (34)		Madagascar Malawi Sierra Leone*[8] Sri Lanka* Uruguay Yemen, Rep. of	Australia Brazil Canada Chile Iceland Israel†[8] Korea Mexico New Zealand Norway Philippines Poland South Africa Sweden Turkey United Kingdom	Albania* Armenia* Congo, Dem. Rep. of the* Tanzania* Uganda*	Dominican Rep.*[3] Japan[3] Liberia[3, 8] Papua New Guinea[3] Somalia[7, 13] Switzerland[3] United States[3]

Sources: IMF staff reports; *Recent Economic Developments*; and *International Financial Statistics*.

Note: An asterisk (*) indicates that the country has an IMF-supported or other monetary program. A dagger (†) indicates that the country adopts more than one nominal anchor in conducting monetary policy. It should be noted, however, that it would not be possible, for practical reasons, to include in this table which nominal anchor plays the principal role in conducting monetary policy.

[1]Based on "Exchange Arrangements and Foreign Exchange Markets: Developments and Issues" (unpublished; SM/02/233, July 22, 2002).
[2]The ECCU has a currency board arrangement.
[3]These countries have no explicitly stated nominal anchor but, rather, monitor various indicators in conducting monetary policy.
[4]The printing of new colones, the domestic currency, is prohibited, but the existing stock of colones will continue to circulate along with the U.S. dollar as legal tender until all colón notes wear out physically.
[5]In the Republika Srpska, the Serbian dinar circulates.
[6]The member participates in the ERM II of the European monetary system.
[7]The member maintains an exchange arrangement involving more than one foreign exchange market. The arrangement shown is that maintained in the major market.
[8]The regime operating de facto in the country is different from its de jure regime.
[9]Comoros has the same arrangement with the French Treasury as the CFA franc zone countries.
[10]The band widths for these countries are as follows: Cyprus ±15%, Denmark ±2.25%, Hungary ±15%, Slovenia ±15%, and Tonga ±5%.
[11]The band width is adjusted frequently.
[12]The description of the exchange rate regime applies to the Republic of Serbia only, which accounts for about 93% of the economy of Serbia and Montenegro; in the Republic of Montenegro, the euro is legal tender. In the UN-administered province of Kosovo, the euro is the most widely used currency.
[13]As insufficient information on the country is available to confirm this classification, the classification of the last official consultation is used.

Principal policy decisions of the Executive Board

External audit firm—mandatory rotation and limits on provision of audit-related services and non-audit-related services

1. The contract to conduct the annual external audit of the financial statements of the Fund required under Article XII, Section 7(*a*) of the Fund's Articles of Agreement and Section 20 of the Fund's By-Laws shall be subject to bids every five years.

2. There shall be a mandatory rotation of the Fund's external audit firm every 10 years. In cases where the Fund's external audit firm is awarded a second consecutive five-year contract after the first five-year period, the new contract will require that the audit firm rotate the engagement partner and the audit manager.

3. The Fund's external audit firm shall not be eligible to bid for, and shall not be awarded, the provision of non-audit-related consulting services to the Fund. The provision of audit-related consulting services to the Fund by the Fund's external audit firm shall be subject to the prior approval of the Executive Board after consultation with the External Audit Committee (EAC), provided that, under no circumstances, shall the remuneration of the Fund's external audit firm for such services exceed 33 percent of the value of the five-year contract for conducting the annual audit of the financial statements of the Fund.

4. This decision shall not preclude the Fund's current external audit firm from submitting bids in accordance with this decision and completing any other existing contracts with the Fund.

Decision No. 13323-(04/78)
Adopted August 5, 2004

Eleventh General Review of Quotas—establishment of new period for consent to increases

I. The Executive Board approves the attached draft Resolution for transmission to the Board of Governors proposing the establishment of a new period for consent under the Eleventh Quota Review approved by Board of Governors Resolution No. 53–2, effective January 30, 1998. Pursuant to Article III, Section 2(*c*) of the Fund's Articles of Agreement, the adoption of the Resolution requires positive responses from Governors having an 85 percent majority of the total voting power.

II. 1. The Board of Governors is requested to vote without meeting pursuant to Section 13 of the By-Laws upon the proposed Resolution entitled "New Period for Consent—Increases in Quotas of Fund Members under the Eleventh General Review."

2. The Secretary is directed to send the proposed Resolution entitled "New Period for Consent—Increases in Quotas of Fund Members under the Eleventh Quota Review," to each member of the Fund by rapid means of communication on or before August 31, 2004.

3. To be valid, votes must be cast by Governors or Alternate Governors and must be received at the seat of the Fund on or before 6:00 p.m., Washington time, on September 20, 2004. Votes received after that time will not be counted.

4. The effective date of the Resolution of the Board of Governors shall be the last day for voting.

5. All votes cast pursuant to this decision shall be held in the custody of the Secretary until counted, and all proceedings with respect thereto shall be confidential until the Executive Board determines the result of the vote.

6. The Secretary is authorized to take such further action as he shall deem appropriate in order to carry out the purposes of this decision (EBD/04/98, 8/25/04).

Decision No. 13336-(04/82)
Adopted August 30, 2004

Attachment

Proposed Resolution of the Board of Governors: New Period for Consent—Increases of Quotas of Members under the Eleventh General Review

WHEREAS paragraph 4 of the Board of Governors' Resolution No. 53–2 states that, to become effective, duly executed notices for consent to increases in quota under the Resolution must be received in the Fund before 6:00 p.m., Washington time, January 31, 2000, provided that the Executive Board may extend this period as it may determine;

WHEREAS the last extension of the period established in accordance with paragraph 4 of the Resolution expired at 6:00 p.m., Washington time, July 31, 2004;

WHEREAS the Executive Board has recommended the adoption of a Resolution of the Board of Governors, by vote without meeting pursuant to Section 13 of the By-Laws of the Fund, setting a new period for receipt of consents to increases in quota under Board of Governors Resolution No. 53–2, so as to give members that have been unable to consent to their proposed increases in quotas under such Resolution a further opportunity to do so;

NOW, THEREFORE, the Board of Governors hereby RESOLVES that

Fund members that have not consented to an increase in their quotas as proposed by Board of Governors Resolution No. 53–2 within the period established in accordance with paragraph 4 of that Resolution, shall have until 6:00 p.m., Washington time, September 19, 2005, to submit notices in accordance with paragraph 2 of Resolution No. 53–2, by a duly authorized official of the member, provided that the Executive Board may extend this period as it may determine.

PRGF Trust—Reserve Account—review

Pursuant to Decision No. 10286-(93/23) ESAF, adopted on February 22, 1993, as amended, the Fund has reviewed the adequacy of the balances in the Reserve Account of the PRGF Trust and determines that they are sufficient to meet all obligations that could give rise to payments from the Account to lenders to the Loan Account of the PRGF Trust in the six months from October 1, 2004, to March 31, 2005 (SM/04/309, 8/31/04).

Decision No. 13348-(04/87) PRGF
Adopted September 14, 2004

PRGF-HIPC Trust Instrument—Amendment

The Instrument to Establish a Trust for Special PRGF Operations for the Heavily Indebted Poor Countries and Interim PRGF Subsidy Operations (Annex to Decision No. 11436-(97/10), adopted February 4, 1997), shall be amended as follows:

1. Section I, Paragraph 1, subparagraph (ix) shall be revised to read as follows:

> "(ix) 'PRSP' means a Poverty Reduction Strategy Paper prepared by the member concerned in a participatory process involving a broad range of stakeholders and setting out a comprehensive three-year poverty reduction strategy; and"

2. Section I, Paragraph 1, subparagraph (x) shall become Section I, Paragraph 1, subparagraph (xiv).

3. The following subparagraphs shall be added to Section I, Paragraph 1:

> "(x) 'I-PRSP' means an Interim Poverty Reduction Strategy Paper prepared by the member concerned setting out a preliminary reduction strategy as a precursor to a full PRSP; and
>
> "(xi) 'PRSP preparation status report' means a report prepared by the member concerning updating the preliminary poverty reduction strategy set out in an I-PRSP in anticipation of a full PRSP; and
>
> "(xii) 'APR' means an Annual Progress Report prepared by the member concerned reporting on the implementation of a PRSP and updating it as appropriate; and
>
> "(xiii) 'Joint Staff Advisory Note' means a document prepared by the staff of the Bank and the Fund containing an analysis of the strengths and weaknesses of the poverty reduction strategy of the member concerned and identifying priority action areas for strengthening the poverty reduction strategy during implementation; and"

4. The following sentence shall be added at the end of Section III, Paragraph 2(a):

> "Moreover, the member shall have in place a satisfactory poverty reduction strategy set out in an I-PRSP, PRSP preparation status report, PRSP, or APR, that has been issued to the Executive Board, normally within the previous 12 months, but in any case within the previous 18 months, and has been the subject of an analysis in a Joint Staff Advisory Note also issued to the Executive Board."

5. Section III, Paragraph 2(c), third sentence, shall be amended to read as follows:

> "In addition, the member country concerned shall have prepared a PRSP and implemented satisfactorily the strategy therein described for at least one year by the completion point as evidenced by an APR that has been issued to the Executive Board, normally within the previous 12 months, but in any case within the previous 18 months, and has been the subject of an analysis in a Joint Staff Advisory Note also issued to the Executive Board" (SM/04/374, 11/4/04).

Decision No. 13373-(04/105) PRGF
Adopted November 9, 2004

PRGF Trust Instrument—Amendment

The Instrument to Establish the Poverty Reduction and Growth Facility Trust (Annex to Decision No. 8759-(87/176) ESAF, adopted December 18, 1987, shall be amended as follows:

The following subparagraph (g) shall be added to Section II, Paragraph 1:

> "(g) The Trustee shall not approve a new arrangement or complete a review under an arrangement unless it finds that (i) the member concerned has a poverty reduction strategy set out in an I-PRSP, PRSP preparation status report, PRSP, or APR that has been issued to the Executive Board, normally within the previous 12 months, but in any case within the previous 18 months; (ii) the I-PRSP, PRSP preparation status report, PRSP, or APR has been the subject of an analysis in a Joint Staff Advisory Note also issued to the Executive Board, provided, however, that no Joint Staff Advisory Note will be required in connection with a PRSP preparation status report, in which case the analysis of the PRSP preparation status report will be included in the staff report on a new arrangement or a review under an arrangement; and (iii) if there are any weaknesses in the member's poverty reduction strategy, such as those identified in the Joint Staff Advisory Note, and they are critical to Fund support under a PRGF arrangement, they have been addressed. For purposes of this Instrument, the terms I-PRSP, PRSP preparation status report, PRSP, APR, and Joint Staff Advisory Note shall have the meaning given to each of them in Section I, Paragraph 1 of the PRGF-HIPC Trust Instrument (Annex to Decision No. 11436-(97/10), adopted February 4, 1997)" (SM/04/374, 11/4/04).

Decision No. 13374-(04/105) PRGF
Adopted November 9, 2004

Income position—review of rate of charge on use of Fund resources for FY2005

1. Effective November 1, 2004, the proportion of the rate of charge to the SDR interest rate under Rule T-I shall be 136 percent.

2. Any net income for financial year 2005 in excess of the net income target for FY2005 of SDR 191 million shall be used, first, to reduce retroactively, to the extent possible, but not below 136 percent, the proportion of the rate of charge to the SDR interest rate under Rule T-I referred to in paragraph I of Decision No. 13236-(04/42), adopted April 30, 2004, for the period May 1, 2004 to October 31, 2004; and, second, to further reduce retroactively the proportion of the rate of charge for the entire FY2005. In all other respects, Decision No. 13236-(04/42), adopted April 30, 2004, shall continue to apply (EBS/04/171, 12/6/04).

Decision No. 13398-(04/113)
Adopted December 13, 2004

European Central Bank—observer status—review

A. Pursuant to Decision No. 13165-(04/1), adopted December 29, 2003, the Executive Board has reviewed Decision No. 12925-(03/1), adopted

December 27, 2002, entitled "European Central Bank—Observer Status," and has decided to amend Decision No. 12925 to read as follows:

1. The European Central Bank (ECB) shall be invited to send a representative to meetings of the Executive Board on

- Euro area policies in the context of the Article IV consultations with member countries under Decision No. 12899-(02/119);
- Fund surveillance under Article IV over the policies of individual euro area members;
- Role of the euro in the international monetary system;
- World Economic Outlook;
- Global Financial Stability Reports; and
- World economic and market developments.

2. In addition, the ECB shall be invited to send a representative to meetings of the Executive Board on agenda items recognized by the ECB and the Fund to be of mutual interest for the performance of their respective mandates. It is understood, for purposes of this paragraph and provided that there is no objection from the member concerned, that the ECB shall be invited to send a representative to meetings of the Executive Board on

- Fund surveillance under Article IV over the United States of America and Japan;
- Fund surveillance under Article IV over the non–euro area member countries of the European Union; and
- Fund surveillance over the policies of, and on use of Fund resources by, members that are accession countries to the European Union. Currently, the following members are accession countries to the European Union: Bulgaria, Croatia, Romania, and Turkey. The Executive Board will be informed by management, after consultation with the Presidency of the Council of the European Union, of any changes to that list.

3. At Executive Board meetings, the representative of the ECB will have the status of observer and, as such, will be able to address the Board with the permission of the Chairman on matters within the responsibility of the ECB.

4. The Fund shall communicate to the ECB (i) the agenda for all Board meetings and (ii) the documents for the Executive Board meetings to which the ECB has been invited.

5. The Board notes that the ECB has agreed to preserve the confidentiality of all information and documents communicated by the Fund to the ECB, as specified by the Fund, and that any such information and documents shall be solely for the internal use of the ECB.

B. Decision No. 12925-(03/1), adopted December 27, 2002, as amended by this Decision, shall be reviewed again before January 1, 2006 (EBD/04/139, 12/17/04).

Decision No. 13414–(05/01)
Adopted December 23, 2004

Fund emergency assistance for natural disasters—subsidization to PRGF-eligible members

The Instrument to Establish the Post-Conflict Emergency Assistance Subsidy Account for PRGF-Eligible Members shall be amended to read as follows:

Instrument to Establish the Post-Conflict and Natural Disaster Emergency Assistance Subsidy Account for PRGF-Eligible Members

To help fulfill its purposes, the International Monetary Fund (the Fund) has adopted this Instrument to establish an account in accordance with Article V, Section 2(*b*) (the Account), which shall be governed by, and administered in accordance with, the following provisions:

Paragraph 1. Purpose of the Account

The purpose of the Account shall be the administration and disbursement of resources provided to the Account by Contributors for the subsidization of the rate of charge on postconflict and natural disaster emergency assistance purchases made by PRGF-eligible members under Decision No. 12341-(00/117), November 28, 2000 (eligible purchases). A member is PRGF-eligible if it is included in the list of members annexed to Decision No. 8240-(86/56) SAF.

Paragraph 2. Subaccounts

(a) The Account shall have at least three separate subaccounts to hold and administer:

(i) resources contributed for the subsidization of the rate of charge on postconflict emergency assistance only;

(ii) resources contributed for the subsidization of the rate of charge on natural disaster emergency assistance only; and

(iii) resources contributed for the subsidization of the rate of charge on both postconflict emergency and natural disaster emergency assistance.

(b) Further subaccounts may be established to hold and administer resources for the purposes of the Account contributed for a specific eligible member. Resources contributed to subsidize postconflict emergency assistance prior to January 21, 2005, will be placed into the subaccount referred to under (i) of this paragraph, unless otherwise specified, by the Contributor, and used only for the subsidization of the rate of charge on post-conflict emergency assistance purchases by eligible members.

Paragraph 3. Resources of the Account

The resources held in the Account shall consist of

(i) grant contributions made to the Account for the purposes of paragraph 1;

(ii) loans, deposits, and other types of investments made by Contributors to the Account to generate income to be used for the purposes of paragraph 1; and

(iii) net earnings from the investment of resources held in the Account.

Paragraph 4. Contributions to the Account

The Fund may accept contributions of resources to the Account on such terms and conditions as may be agreed between the Fund and the respective Contributors, subject to the provisions of this Account. For this purpose, the Managing Director is authorized to accept grants and enter into loan, deposit, or other types of investment agreements with the Contributors to the Account.

Paragraph 5. Unit of account

The SDR shall be the unit of account.

Paragraph 6. Media of payment of contributions and exchange of resources

(a) Resources provided to the Account shall be in any freely usable currency or such other media as may be agreed by the Fund and the Contributor.

(b) Resources held in the Account may be currencies or currencies exchanged for SDRs in accordance with such arrangements as may be made by the Fund for holding and use of SDRs.

(c) The Fund may exchange any of the resources held in the Account provided that any balance of a currency held in the Account may be exchanged only with the consent of the issuer of such currency.

(d) Payments made from the Account shall be made in SDRs or such other media as may be determined by the Fund.

Paragraph 7. Use of the resources

(a) The resources of the Account (including any net income from the investment of such resources) shall be used to provide grants to PRGF-eligible members that have made postconflict and/or natural disaster emergency assistance purchases under Decision No. 12341-(00/117) (eligible recipients), in order to subsidize to an annual rate of 0.5 percent the rate of charge payable to the Fund on the Fund's holding of the member's currency resulting from those purchases. Only charges payable after the establishment of the Account will be eligible for subsidization. An otherwise eligible recipient will not be eligible for grants under this provision while in arrears to the General Resources Account, the Special Disbursement Account, the SDR Department, or to a Trust administered by the Fund as Trustee. Once arrears are cleared, only charges payable after such clearance will be eligible for subsidization. The subsidization of emergency natural disaster assistance will be provided upon request by eligible recipients.

(b) The grants will be made available to eligible recipients at the same time as quarterly charges on eligible purchases fall due, subject to the availability of adequate resources in the Account, in an amount sufficient to reduce that quarterly rate of charge to 0.5 percent on an annual basis. If, in any quarter, the resources of the Account are insufficient to subsidize the rate of charge on all eligible purchases to 0.5 percent for that quarter, the subsidy to each eligible recipient shall be pro-rated to bring the effective rate of charge paid after subsidization to the closest common percentage to 0.5 percent.

(c) Earmarked resources contributed to the Account shall be used in accordance with the terms agreed with the Contributor and shall not be taken into consideration in the determination of the grant subsidy under subparagraph (b) above. An eligible recipient beneficiary of earmarked resources shall not receive a lower grant subsidy than provided under subparagraph (b) above.

Paragraph 8. Authority to invest resources in the Account

(a) Resources held in the Account and not immediately needed for operations of the Account shall be invested at the discretion of the Managing Director, subject to the provisions of subparagraph (c).

(b) The Managing Director is authorized (i) to make all arrangements, including the establishment of accounts in the name of the Fund, with such depositories as he deems necessary to carry out the operations of the Account, and (ii) to take all other measures he deems necessary to implement the provisions of this Instrument.

(c) Investments may be made in any of the following: (i) marketable obligations issued by an international financial organization and denominated in SDRs or in the currency of a member of the Fund; (ii) marketable obligations issued by a member or by a national official financial institution of a member and denominated in SDRs or in the currency of that member; and (iii) deposits with a commercial bank, a national official financial institution of a member, or an international financial institution that are denominated in SDRs or in the currency of a member.

Paragraph 9. Administration of the Account

(a) Assets held in the Account shall be kept separate from the assets and property of all other accounts of, or administered by, the Fund. The assets and property held in such other accounts shall not be used to discharge or meet any liabilities, obligations, or losses of the Fund incurred in the administration of the Account; nor shall the assets of the Account be used to discharge or meet any liabilities, obligations, or losses incurred by the Fund in the administration of such other accounts.

(b) The Fund shall maintain separate financial records and prepare separate financial statements for the Account. The financial statements for the Account shall be expressed in SDRs and prepared in accordance with International Accounting Standards.

(c) The external audit firm selected under Section 20 of the Fund's By-Laws shall audit the operations and transactions conducted through the Account. The audit shall relate to the financial year of the Fund.

(d) The Fund shall report on the resources and position of the Account in the Annual Report of the Executive Board to the Board of Governors and shall include in that Annual Report the audit report of the external audit firm on the Account.

(e) Subject to the provisions of this Instrument, the Fund, in administering the Account, shall apply, mutatis mutandis, the same rules and procedures as apply to operations of the General Resources Account of the Fund.

Paragraph 10. Fees

(a) No charge shall be levied in respect of the services rendered by the Fund in the administration, operation, and termination of this Account.

(b) All investment costs, including but not limited to costs associated with the exchange of currencies, purchase of securities, and hiring of external asset managers and custodian banks, shall be borne by, and deducted from, the Account.

Paragraph 11. Termination

(a) The Account may be terminated at any time by the Fund.

(b) Termination shall be effective on the date that all Contributors have received a notice of termination or on such later date, if any, as may be specified in the notice of termination.

(c) Any balance remaining in the Account on the date of its termination and after discharge of all obligations of the Account shall be transferred promptly to each of the Contributors in the proportion that the SDR equivalent of its respective contribution bears on the total contributions; except that

(i) in the case of earmarked contributions that have been fully used no such transfer shall be made, and

(ii) a Contributor may instruct that its share or a specified portion thereof be utilized for such other purposes as may be mutually agreed between the Contributor and the Managing Director.

Paragraph 12. Amendments

The provisions of this Instrument may be amended by a decision of the Fund. Should the Fund amend the terms and conditions of this Instrument in a manner that changes the purpose for which contributions are to be used, each Contributor shall have the right to withdraw its individual unused contribution in the proportion that the SDR equivalent of its respective contribution bears to the total contributions.

Paragraph 13. Settlement of questions

Any questions arising under this Instrument shall be settled by mutual agreement between the Fund and the Contributors (EBS/05/4, 1/10/05).

Decision No. 13417-(05/5)
Adopted January 21, 2005

Task force on publication of Fund documents and information in languages other than English—establishment

The Executive Board approves the establishment of a task force on publication of Fund documents and information in languages other than English as set forth in EBD/05/12 (2/11/05).

Decision A–12347-(05/15)
Adopted February 15, 2005

Access policy and limits in credit tranches and under Extended Fund Facility—review

1. The Fund has reviewed the guidelines and the limits for access by members to the Fund's general resources in the credit tranches and under the Extended Fund Facility set forth in Decision No. 12932-(03/6), adopted January 31, 2003. Subject to paragraph 2 below, access by members to the Fund's general resources in the credit tranches and under the Extended Fund Facility shall be subject to (a) an annual limit of 100 percent of quota, and (b) a cumulative limit of 300 percent of quota, net of scheduled repurchases. These limits shall not be regarded as targets. Within these limits, the amount of access in individual cases will vary according to the circumstances of the member in accordance with criteria established by the Executive Board.

2. Overall access by members to the Fund's general resources shall be subject to (a) an annual limit of 100 percent of quota, and (b) a cumulative limit of 300 percent of quota, net of scheduled repurchases. The Fund may approve access in excess of the limits set forth in this decision in exceptional circumstances, provided that, at a minimum, the four substantive criteria set forth in BUFF/02/159 (9/20/02) would need to be met to justify such access for members facing a capital account crisis. The procedures set forth in BUFF/02/159 (9/20/02) and BUFF/03/28 (3/5/03) shall apply to all cases involving access in excess of the limits set forth in this decision, and requests for such access in cases of members not facing a capital account crisis shall be justified in light of the four substantive criteria set forth in BUFF/02/159 (9/20/02).

3. The guidelines for access, the access limits set forth in this decision, and the experience with access in amounts exceeding these limits shall be reviewed no later than April 1, 2007, on the basis of all relevant factors, including the magnitude of members' balance of payments problems and developments in the Fund's liquidity (EBS/05/42, Sup. 1, 3/16/05).

Decision 13462-(05/32)
Adopted April 1, 2005

Access limits under Poverty Reduction and Growth Facility—review

1. Pursuant to BUFF/03/28 (3/5/03), the Fund as Trustee of the Poverty Reduction and Growth Facility Trust (PRGF Trust) has reviewed the maximum limit and the exceptional maximum limit on access to the resources of the PRGF Trust established by Decision No. 8759-(87/176), adopted December 18, 1987, as amended, and decides that these limits remain appropriate. The Fund shall review these limits no later than April 1, 2007 (EBS/05/42, Sup. 1, 3/16/05).

Decision 13463-(05/32)
Adopted April 1, 2005

PRGF Trust—Reserve Account—review

Pursuant to Decision No. 10286-(93/23) ESAF, adopted on February 22, 1993, as amended, the Fund has reviewed the adequacy of the balances in the Reserve Account of the PRGF Trust and determines that they are sufficient to meet all obligations that could give rise to payments from the Account to lenders to the Loan Account of the PRGF Trust in the six months from April 1, 2005, to September 30, 2005 (EBS/05/48, 3/23/05).

Decision 13468-(05/32)
Adopted March 31, 2005

Income position, rate of charge, and burden sharing for rate of charge on use of Fund resources for FY2006

1. Pursuant to Rule I–6(4)(a), effective May 1, 2005, the rate of charge shall be 108 basis points over the SDR interest rate under Rule T–1.

2. The net income target for FY2006 shall be SDR 188 million. Any net income for FY2006 in excess of SDR 188 million shall be used to reduce retroactively the margin over the SDR interest rate for FY2006 determined in paragraph 1 of this decision. If net income for FY2006 is below SDR 188 million, the amount of projected net income for FY2007 shall be increased by the equivalent of the shortfall. For the purpose of this provision, net income shall be calculated without taking into account net operational income generated by surcharges on holdings arising from purchases under the Supplemental Reserve Facility (SRF), the level based surcharges on holdings arising from purchases in the credit tranches and under the Extended Fund Facility, or the effect on income of the implementation of International Accounting Standard 19—Employee Benefits (EBS/05/62, 4/11/05).

Decision 13483-(05/37)
Adopted April 22, 2005

Burden sharing—implementation in FY2006

Section I. Principles of burden sharing

1. The financial consequences for the Fund that stem from the existence of overdue financial obligations shall be shared between debtor and creditor member countries.

2. The sharing shall be applied in a simultaneous and symmetrical fashion (EBS/05/62, 4/11/05).

Section II. Determination of rate of charge

The rate of charge referred to in Rule I–6(4) shall be adjusted in accordance with the provisions of Section IV of this decision and Section IV of Executive Board Decision No. 12189-(00/45), adopted April 28, 2000 (EBS/05/62, 4/11/05).

Section III. Adjustment for deferred charges

Notwithstanding paragraph 1(a) of Section IV of Executive Board Decision No. 12189-(00/45), adopted April 28, 2000, the rate of charge and the rate of remuneration determined under that Section shall be rounded to two decimal places (EBS/05/62, 4/11/05).

Section IV. Amount for Special Contingent Account T–1

1. An amount of SDR 94 million shall be generated during financial year 2006 in accordance with the provisions of this Section and shall be placed to the Special Contingent Account–1 referred to in Decision No. 9471-(90/98), adopted June 20, 1990.

2. (a) In order to generate the amount to be placed to the Special Contingent Account–1 in accordance with paragraph 1 of this Section, notwithstanding Rule I–6(4)(a) and (b) and Rule I–10, the rate of charge referred to in Rule I–6(4) and, subject to the limitation in (b), the rate of remuneration prescribed in Rule I–10 shall be adjusted in accordance with the provisions of this paragraph.

(b) Notwithstanding paragraph 1 above, adjustments to the rate of charge and the rate of remuneration under this paragraph shall be rounded to two decimal places. No adjustment in the rate of remuneration under this paragraph shall be carried to the point where the average remuneration coefficient would be reduced below 85 percent for an adjustment period.

(c) The adjustments under this paragraph shall be made as of May 1, 2005, August 1, 2005, November 1, 2005, and February 1, 2006; shortly after July 31 for the period May 1 to July 31; shortly after October 31 for the period from August 1 to October 31; shortly after January 31 for the period from November 1 to January 31; shortly after April 30 for the period from February 1 to April 30.

3. (a) Subject to paragraph 3 of Decision No. 8780-(88/12), adopted January 29, 1988, the balances held in the Special Contingent Account–1 shall be distributed in accordance with the provisions of this paragraph to members that have paid additional charges or have received reduced remuneration as a result of the adjustment when there are no outstanding overdue charges and repurchases, or at such earlier time as the Fund may decide.

(b) Distributions under (a) shall be made in proportion to the amounts that have been paid or have not been received by each member because of the respective adjustments.

(c) If a member that is entitled to a payment under this paragraph has any overdue obligation to the Fund in the General Department at the time of payment, the member's claim under this paragraph shall be set off against the Fund's claim in accordance with Decision No. 8271-(86/74), adopted April 30, 1986, or any subsequent decision of the Fund.

(d) Subject to paragraph 4 of Decision No. 8780-(88/12), adopted January 29, 1988, if any loss is charged against the Special Contingent Account–1, it shall be recorded in accordance with the principles of proportionality set forth in (b) (EBS/05/62, 4/11/05).

Section V. Review

The operation of this decision shall be reviewed when the adjustment in the rate of remuneration reduces the remuneration coefficient to the limit set forth in paragraph 2(b) of Section IV of this decision and Section IV of Executive Board Decision No. 12189-(00/45), adopted April 28, 2000 (EBS/05/62, 4/11/05).

Decision 13484-(05/37)
Adopted April 22, 2005

Surcharges on purchases under Supplemental Reserve Facility and in credit tranches and under Extended Fund Facility—disposition of net operating income

For FY2006, after meeting the cost of administering the PRGF Trust, any remaining net operational income generated by the surcharges on holdings arising from purchases under the Supplemental Reserve Facility and the level based surcharges on holdings arising from purchases in the credit tranches and under the Extended Fund Facility shall be placed, after the end of that financial year, to the General Reserve (EBS/05/62, 4/11/05).

Decision 13486-(05/37)
Adopted April 22, 2005

Press communiqués
of the International Monetary and Financial Committee and the Development Committee

International Monetary and Financial Committee of the Board of Governors of the International Monetary Fund

Tenth Meeting, Washington, D.C.
October 2, 2004

1. The International Monetary and Financial Committee held its tenth meeting in Washington, D.C., on October 2, 2004, under the Chairmanship of Mr. Gordon Brown, Chancellor of the Exchequer of the United Kingdom. The Committee welcomes Mr. Rodrigo de Rato as the new Managing Director and looks forward to working closely with him on furthering the goals of global stability and prosperity.

The global economy and financial markets—outlook, risks, and policy responses

2. The Committee welcomes the strengthening and broadening of global economic growth in 2004, supported by a strong upturn in global trade, supportive policies, and favorable financial market conditions. The global expansion is expected to continue at a solid pace provided all countries implement policies and reforms that will promote robust, balanced, and sustainable growth. The Committee notes that downside risks to the recovery have recently increased, stemming in part from the increase and volatility in oil prices. These reflect geopolitical tensions, strong global demand, and market dynamics. The IMF stands ready to assist members that may be adversely affected.

3. The Committee reiterates the desirability of stability in oil markets and prices that are consistent with lasting global prosperity. To this end, it welcomes the decisions by oil-producing countries to continue to expand production and urges further measures to increase capacity, and calls on oil-consuming countries to take measures to promote energy sustainability and efficiency. The Committee also stresses the importance of dialogue between consumers and producers, and of further progress to improve oil market information and transparency.

4. The strength of the global recovery has set the stage for a gradual return to more neutral monetary policies, with the desirable pace and timing of tightening varying across countries, depending on cyclical positions. Continued good communication of policy intentions will be essential to facilitate orderly adjustment in financial markets to higher interest rates, where needed. Inflation remains low and risks to price stability remain moderate. However, policymakers should be ready to contain any inflationary pressures, including from higher commodity prices, thereby ensuring noninflationary growth.

5. All countries should take advantage of the recovery to address medium-term vulnerabilities and challenges with renewed commitment. The Committee considers that bold reforms on a wide front are needed to strengthen fiscal positions, remove structural impediments to growth, support the correction of global imbalances, reduce financial and corporate vulnerabilities, and accelerate poverty reduction.

6. Fiscal consolidation remains a key priority in many countries. In the advanced economies, credible medium-term fiscal frameworks should be based on well-defined policies, and ensure progress on consolidation particularly in good times. Reforms of pension and health care systems will also be critical to address the fiscal pressures from population aging. Although many emerging market countries are making good progress in improving the structure of public debt and strengthening fiscal positions, further efforts are needed to bring public debt down to levels that will build adequate resilience to shocks. Broad tax bases, effective and transparent public expenditure management, and structural measures to boost growth will be important to improve debt sustainability and meet social and infrastructure spending priorities.

7. Structural reforms remain crucial to strengthen the foundations for sustained growth. Most advanced economies should step up their efforts to increase economic efficiency and flexibility to take full advantage of the opportunities from rapid technological change and global integration. Boosting sustainable growth and increasing economic resilience across emerging market countries, depending on country circumstances, will involve completing financial and corporate sector reforms; strengthening banking supervision and developing domestic capital markets; improving the investment climate; and promoting economic diversification. The Committee notes the importance of addressing the economic implications of demographic changes. Depending on country circumstances, policies will need to focus on boosting labor supply, increasing public and private savings, and lifting productivity.

8. Policies to support an orderly resolution of global imbalances are a shared responsibility, and key to reinforcing the basis for more balanced and sustainable growth. The Committee underscores the importance of progress on medium-term fiscal consolidation in the United States, continued structural reforms to boost growth in Europe and Japan, and, in emerging Asia, steps toward greater exchange rate flexibility, supported by continued financial sector reform, as appropriate. Also, improving information and transparency in markets, including the role of hedge funds, would help strengthen market surveillance. The Committee welcomes the recent improvement in Argentina's fiscal position since 2002. The Committee supports that Argentina decisively addresses all the outstanding structural issues in its program, completes a comprehensive and sustainable debt restructuring, and ensures a sustainable medium-term fiscal framework. We welcome the efforts by Argentina toward completing a comprehensive and sustainable debt restructuring and hope for an expeditious conclusion to the process.

9. The Committee emphasizes that, in the coming months, IMF surveillance should focus on a number of key issues, including the impact of higher oil prices, especially on the most vulnerable; the sustainability of medium-term fiscal positions and debt in many members; and managing the policy response to potential inflationary pressures.

10. The Committee calls on all partners to strengthen their commitment to the global effort to reduce poverty. The recent strong growth in most low-income countries is welcome, but the Committee is concerned that in many cases, particularly in sub-Saharan Africa, growth remains inadequate for achieving

the Millennium Development Goals (MDGs).[1] The key challenge for these countries—as recognized in the New Partnership for Africa's Development—is to press ahead with efforts to further strengthen institutions and governance, to build on the macroeconomic stabilization that has been achieved. The international community needs to support these efforts with more open markets for these countries' exports, increased and better-coordinated aid and technical assistance, further debt relief, and sound policy advice.

11. An open and inclusive multilateral trading system is central to global growth and economic development, especially for developing countries. The Doha Round offers a unique opportunity for substantial progress toward this objective, and the Committee is encouraged by the recent decisions on negotiating frameworks. We endorse the "July Package" and urge all parties to work toward concrete advances in liberalizing trade, strengthening multilateral trade rules, and reducing trade-distorting subsidies, notably in agriculture. To achieve ambitious trade liberalization will require the full commitment of all parties, in particular strong leadership from the major trading nations and readiness of all countries to embrace the opportunities provided by more open trade. The Committee supports the IMF's continued role in advocating trade liberalization and assisting members, including through the Trade Integration Mechanism.

Making surveillance more effective and strengthening crisis prevention

12. Effective and evenhanded IMF surveillance across the whole membership is central to promoting high and sustainable growth in member countries and to crisis prevention. The increasing interdependence of the membership reinforces the importance of effective surveillance of systemically important countries and capital markets. The Committee welcomes the progress made in strengthening surveillance, and the steps identified during the recent biennial surveillance review to enhance its overall effectiveness. A focus on implementation is now needed. The Committee calls upon the IMF to continue its efforts to strengthen its economic analysis and policy advice; systematically evaluate the appropriateness of that advice; complement multilateral and bilateral surveillance with a focus on regional issues; improve the quality of the policy dialogue with members (including through increased cross-country analysis where relevant); strengthen communications to markets and the public of the IMF's policy messages while preserving its role as a candid and confidential advisor; and develop a methodology for better assessing the effectiveness of surveillance.

13. Toward meeting these objectives, the achievement of which should be assessed in the next surveillance review, the Committee agrees that priority should be given to sharpening the focus of Article IV consultations, including a deepening of the discussion of exchange rate issues; enhancing financial sector surveillance; and better integrating debt sustainability analysis and regional and global spillovers into country surveillance. Further progress in reducing balance sheet vulnerabilities and further work on surveillance in low-income countries will also be monitored in the next review of surveillance.

14. Progress in bringing a fresh perspective to the surveillance of program countries should be kept under review, and lessons learned from ex post assessments of program performance should be carefully implemented. It is important to assess the extent to which earlier IMF advice was acted on by countries, taking account of the countries' views. The Committee looks forward to the forthcoming reviews of the standards and codes initiative and the Financial Sector Assessment Program, reflecting the increasing importance of financial system stability. The Committee calls for a strengthening of efforts to ensure the objectivity of surveillance, including through enhanced debt sustainability analysis covering all member countries.

15. The Committee welcomes consideration of whether there are gaps in the IMF's range of instruments and policies. It notes the preliminary discussions of possible new modalities for high-frequency policy monitoring and delivering signals on the strength of a member's economic policies outside the context of an IMF financial arrangement. The Committee notes the role that existing precautionary IMF instruments are playing in signaling the strength of members' policies, and the possible role for a precautionary PRGF and precautionary and other financing instruments designed to prevent the emergence or spread of capital account crises. It calls for further work on these proposals, including the usefulness and potential demand, in close consultation with potential users, donors, and creditors, and calls for a report at its next meeting.

16. The Committee welcomes the increased adoption of collective action clauses (CACs) in international sovereign bonds, and calls on the IMF to continue to promote progress in this area. It notes recent initiatives aimed at achieving a broad consensus between sovereign issuers and their creditors on voluntary principles for emerging markets' crisis management and debt restructuring. The Committee looks forward to reviewing further work on general issues of relevance to the orderly resolution of financial crises, including implementation of the IMF's lending into arrears policy.

Enhancing international support for low-income members

17. The Committee supports the ongoing work to clarify and strengthen the IMF's role in low-income countries, which should be based on country ownership and close cooperation with other multilateral institutions and bilateral donors. The IMF has an important role in supporting—through policy advice, capacity building, and financial assistance, including debt relief—low-income countries' efforts to achieve the macroeconomic stability and high growth needed to make progress toward the MDGs. The Committee looks forward to further work on the financing and modalities of the IMF's engagement with low-income members, including the financing of the PRGF after 2006 to maintain adequate capacity to meet future needs, instruments to help members face shocks, and ways to improve monitoring and signaling. The Committee notes the joint report of the IMF and the World Bank on aid effectiveness and financing modalities. It encourages further analysis by the World Bank and IMF of aid effectiveness, absorptive capacity, results-based measurement mechanisms, and financing modalities and mechanisms to augment aid flows, such as the International Finance Facility, global taxes, and other innovative mechanisms, and looks forward to a further report.

18. The Committee supports continued efforts to strengthen the Poverty Reduction Strategy Papers (PRSP) approach and IMF support to low-income countries under the PRGF. It welcomes the report of the Independent Evaluation Office on the PRSP/PRGF, and the work under way to follow up on its recommendations. To support implementation of the Monterrey Consensus, the Poverty Reduction Strategy (PRS) process should be improved and become better integrated into each country's domestic policymaking processes, and international assistance, including from the IMF, should become more fully coordinated with domestic economic priorities. The Committee looks forward to the work on improving the role of the IMF in the PRS process, and on the design of policy programs supported by the PRGF. It calls for increased incorporation of poverty and social impact analysis into PRGF-supported programs,

[1]As endorsed by heads of state and government in the UN General Assembly on September 8, 2000.

and for more extensive analyses of the sources of and obstacles to growth, and the linkages between poverty reduction and economic growth.

19. The Committee welcomes the progress in providing debt relief under the HIPC Initiative, which has been extended for two more years, encourages eligible countries to take the necessary actions to benefit from the Initiative, and urges full creditor participation. The Committee supports the IMF's and the World Bank's work on a single framework to assist low-income countries' efforts to achieve and maintain robust debt sustainability while pursuing their development objectives. It looks forward to further consideration of outstanding issues in the proposed framework for debt sustainability, before it is made fully operational, and of further debt relief, including its financing.

Other issues

20. The IMF's effectiveness and credibility as a cooperative institution depend on all members having appropriate voice and full participation in its processes. The Committee takes note of the IMF Executive Board's status report regarding work on quotas, voice, and representation. It encourages the Board to consider further issues of voice, quotas, and participation, noting as the Board agreed, that progress will require broad consensus among the shareholders. The Committee recommends completion of the ratification of the Fourth Amendment.

21. The IMF's liquidity is adequate to meet the near-term projected needs of its members, although continued monitoring will be important.

22. The Committee expresses its appreciation of the work of Mr. Montek Singh Ahluwalia as first Director of the Independent Evaluation Office (IEO). It looks forward to continued high-quality reports by the IEO.

23. The 60th anniversary of the IMF is a timely opportunity to reflect on the forces that will help shape the institution's priorities going forward. The Committee welcomes the preliminary consideration by the Executive Board of the work on the IMF's strategic direction initiated by the Managing Director, and looks forward to a discussion at its next meeting. It also welcomes the continuing progress in reforming the IMF's budgetary framework.

24. The next meeting of the IMFC will be held in Washington, D.C., on April 16, 2005.

International Monetary and Financial Committee attendance

October 2, 2004

Chairman
Gordon Brown

Managing Director
Rodrigo de Rato

Members or Alternates
Ibrahim A. Al-Assaf, Minister of Finance, Saudi Arabia
Mervyn King, Governor, Bank of England, United Kingdom (Alternate for Gordon Brown, Chancellor of the Exchequer, United Kingdom)
Palaniappan Chidambaram, Minister of Finance, India
Martin Parkinson, Executive Director, Macroeconomic Group, the Treasury, Commonwealth of Australia (Alternate for Peter Costello, Treasurer of the Commonwealth of Australia)
M.R. Pridiyathorn Devakula, Governor, Bank of Thailand
Hans Eichel, Minister of Finance, Germany
Per-Kristian Foss, Minister of Finance, Norway
Francisco Gil-Diaz, Secretary of Finance and Public Credit, Mexico
Ralph Goodale, Minister of Finance, Canada
Sultan Al-Suwaidi, Governor, Central Bank of the United Arab Emirates (Alternate for Mohamed K. Khirbash, Minister of State for Finance and Industry, United Arab Emirates)
Aleksei Kudrin, Minister of Finance, Russian Federation
Mohammed Laksaci, Governor, Banque d'Algérie
Roberto Lavagna, Minister of Economy and Production, Argentina
Tito Titus Mboweni, Governor, South African Reserve Bank
Hans-Rudolf Merz, Minister of Finance, Switzerland
Antonio Palocci, Minister of Finance, Brazil
Didier Reynders, Minister of Finance, Belgium
Nicolas Sarkozy, Minister of State, Minister of Economy, Finance, and Industry, France
Domenico Siniscalco, Minister of Economy and Finance, Italy
John W. Snow, Secretary of the Treasury, United States
Sadakazu Tanigaki, Minister of Finance, Japan
Paul Toungui, Minister of State, Minister of Finance, Economy, Budget, and Privatization, Gabon
Gerrit Zalm, Minister of Finance, the Netherlands
Zhou Xiaochuan, Governor, People's Bank of China

Observers

Mohammad Alipour-Jeddi, Head, Petroleum Market Analysis Department, Organization of the Petroleum Exporting Countries (OPEC)
Joaquin Almunia Amann, Commissioner, European Commission
Roger W. Ferguson, Chairman, Financial Stability Forum (FSF)
Heiner Flassbeck, Officer-in-Charge, Division on Globalization and Development Strategies, United Nations Conference on Trade and Development (UNCTAD)
John William Hancock, Counsellor, World Trade Organization (WTO)
Donald J. Johnston, Secretary-General, Organization for Economic Cooperation and Development (OECD)
Malcolm D. Knight, General Manager, Bank for International Settlements (BIS)
Trevor Manuel, Chairman, Joint Development Committee
José Antonio Ocampo, Under Secretary-General, Department of Economic and Social Affairs, United Nations (UN)
Juan Somavia, Director-General, International Labor Organization (ILO)
Jean-Claude Trichet, President, European Central Bank (ECB)
James D. Wolfensohn, President, World Bank

Eleventh Meeting, Washington, D.C. April 16, 2005

1. The International Monetary and Financial Committee held its eleventh meeting in Washington, D.C., on April 16, 2005, under the Chairmanship of Mr. Gordon Brown, Chancellor of the Exchequer of the United Kingdom.

The global economy and financial markets—outlook, risks, and policy responses

2. The Committee welcomes the continuing global economic expansion, underpinned by supportive macroeconomic policies, improving corporate balance sheets, and benign financial market conditions. While returning to a more sustainable pace, global growth will likely remain robust in 2005. The Committee notes, however, that widening imbalances across regions and the continued rise in oil prices and oil market volatility have increased risks. The potential for a sharper-than-expected rise in long-term interest rates from their

very low levels and for increased exchange rate volatility also calls for vigilance. The Committee emphasizes that in the coming months IMF surveillance should focus on promoting policies for reducing global imbalances over time; addressing the impact of higher oil prices, in particular on the most vulnerable countries; managing the policy response to potential inflationary pressures; and ensuring the sustainability of medium-term fiscal frameworks.

3. The Committee reiterates that all countries have a shared responsibility to take advantage of the current favorable economic conditions to address key risks and vulnerabilities. To ensure orderly adjustment of global imbalances and to help achieve more sustainable external positions and stronger medium-term growth, the Committee calls for concrete actions by all to implement the agreed policy response in a timely and effective manner. This includes fiscal consolidation to increase national savings in the United States; greater exchange rate flexibility as appropriate, supported by continued financial sector reform, in emerging Asia; further structural reforms to boost growth and domestic demand in Europe; and further structural reforms, including fiscal consolidation, in Japan.

4. The Committee notes that conditions in the oil market will remain tight in the medium term, reflecting strong global demand, low excess capacity, and supply concerns even after investments in some countries. It underscores the importance of stability in oil markets for global prosperity, and recognizes the impact of higher oil prices especially on poorer communities. In this context, the Committee calls for efforts to remove disincentives to investment in oil production and refining capacity, and to promote energy sustainability and efficiency, including through new technologies and removing barriers to the development of alternative fuels. It encourages closer dialogue between oil exporters and importers, and further efforts to improve oil market data and transparency.

5. Inflation remains relatively subdued in most countries, reflecting in part greater credibility of monetary policy. However, with inflationary pressures likely to increase as the expansion matures, a smooth transition to more neutral interest rates remains a priority in many countries, although the appropriate timing and pace will vary, depending on countries' cyclical positions. In countries receiving strong capital inflows, exchange rate flexibility would facilitate monetary management.

6. Steps to strengthen fiscal positions within sound frameworks and address structural weaknesses will also be critical for supporting medium-term growth and macroeconomic stability, and meeting demographic challenges. Fiscal deficits remain high in many industrial countries and should be reduced. In emerging markets, fiscal indicators have generally improved, but in countries with high levels of public debt continued efforts will be needed to reduce them to more sustainable levels. In both industrial and developing economies, structural reforms need to be advanced to remove rigidities and ensure sustainable growth. The Committee welcomes Argentina's rapid recovery. The recent debt exchange offer represents an important step toward the long-term goal of sustainable growth. Argentina will now need to formulate a forward-looking strategy to resolve the remaining arrears outstanding to private creditors consistent with the IMF's lending into arrears policy, and to continue with necessary structural reforms.

7. Poverty reduction must remain at the top of the international agenda. The Committee welcomes the strong growth performance across developing countries, particularly in sub-Saharan Africa, but notes with concern that most of them are at risk of falling well short of the Millennium Development Goals (MDGs).[2] With improved macroeconomic stability in most countries, the key challenge remains to press ahead with reforms to strengthen the investment environment and foster private sector-led growth. The global community, in turn, needs to support these reform efforts through meeting commitments to increased and better coordinated financial and technical assistance, further debt relief, policies to improve remittance flows, and improved market access for developing countries.

8. The Committee emphasizes that successful and ambitious multilateral trade liberalization is central to sustained global growth and economic development. The immediate priority is for WTO members to translate the mid-2004 framework agreements into a viable policy package in time for the December 2005 WTO Ministerial Conference. The Committee encourages Doha participants to aim for ambitious and comprehensive results, notably in agriculture; substantial reductions in barriers to other trade, including liberalization in financial and other services; and strengthened multilateral trade rules. The Committee supports the IMF's continued role in advocating trade liberalization and assisting members to benefit from it. It encourages the IMF to work with other partners in the Integrated Framework to explore further ways of easing adjustment to trade liberalization, including through the Trade Integration Mechanism, and building capacity in low-income countries. The Committee looks forward to consideration of proposals at its next meeting.

Shaping the IMF's strategic direction

9. The Committee welcomes the discussions under way on the IMF's medium-term strategy, and looks forward to reaching conclusions by the 2005 Annual Meetings and further reflection on longer-term issues. The Committee agrees that the central elements of the IMF's mandate as set out in its Articles of Agreement remain as important as ever. The challenge is to enhance the IMF's effectiveness in pursuing its core objectives, while continuing to adapt to changing global economic circumstances. This would ensure that the IMF remains relevant for all its members, which would further foster the coherence, credibility, and evenhandedness of the IMF.

10. The Committee calls for further work on the following emerging priorities that will help shape the institution's strategic direction:

- Surveillance is a central task of the IMF and determined efforts are required to enhance its effectiveness and impact, building on the conclusions of the Biennial Review of Surveillance. Surveillance should become more focused and selective in analyzing issues, in an evenhanded way across the membership. Regional and global surveillance should play an increasingly important role, and be better integrated with bilateral surveillance.
- Work on financial sector issues and international capital markets should be further strengthened to reduce vulnerabilities and promote financial stability. This, including the Financial Sector Assessment Program, should be integrated more fully into surveillance and other activities, and complemented by advice to members on ways to improve access to international capital markets and on orderly capital account liberalization.
- The IMF's lending function is a central pillar of its mandate. All lending should be selective and anchored in strong country ownership and institutional frameworks, putting members firmly on the road to external viability. The Committee looks forward to further reflection on how the needs of members could be met through IMF arrangements, and whether new instruments or revisions to existing facilities are required.
- The IMF has a critical role to play in helping low-income countries in their efforts to reduce poverty and achieve strong, sustainable growth through sound policies and institutions for macroeconomic stability. Efforts should continue to adapt the IMF's activities and instruments to

[2]As endorsed by heads of state and government in the UN General Assembly on September 8, 2000.

the special circumstances and challenges of low-income countries, based on strong cooperation and clarity of responsibilities with the World Bank.

- The IMF must meet the highest standards of internal management, control, auditing, and governance. This will require further deepening of budget reforms, further work on the IMF's finances and financial structure, and efficient deployment of resources to reflect priorities. The Committee also looks forward to further work on risk management and control, and personnel management systems.
- The IMF's effectiveness and credibility as a cooperative institution must be safeguarded and further enhanced. Adequate voice and participation by all members should be assured, and the distribution of quotas should reflect developments in the world economy. The Committee emphasizes that the period of the Thirteenth General Review of Quotas provides an opportunity for the membership to make progress toward a consensus on the issues of quotas, voice, and participation.

IMF support for low-income members' efforts toward poverty reduction and strong, sustainable growth

11. The Committee underscores the conclusion of this year's *Global Monitoring Report* that bold actions are urgently needed by the developing countries and their partners to realize the MDGs. The U.N. Summit in September 2005 will mark an important milestone to review progress and lay out actions going forward. The IMF has a critical role in supporting—through policy advice, capacity building, and financial assistance, including debt relief—low-income countries' efforts to achieve macroeconomic stability, debt sustainability, and strong, sustainable high growth needed to make progress toward the MDGs.

12. Work is under way to refine the operational aspects of the Poverty Reduction Strategy (PRS) approach, improve the design of PRGF-supported programs, and enhance PRGF-PRS alignment. This will be underpinned by more extensive analyses of the sources of and obstacles to growth, and of the linkages between growth and poverty reduction. The Committee looks forward to further work to ensure adequate financing of the PRGF to meet future demands as assessed by the IMF, and other IMF instruments to assist low-income countries, including to help members deal with shocks. It also looks forward to further work on a policy monitoring arrangement to enhance the IMF's signaling role for countries that do not need or want IMF financing.

13. The Committee supports work by the IMF and World Bank on aid effectiveness and financing modalities. On innovative sources of development financing, such as the International Finance Facility (IFF) and its pilot—the IFF for immunization—global taxes which could also refinance the IFF, the Millennium Challenge Account, and other financing measures, it welcomes the joint IMF and World Bank note outlining progress that has been made. The Committee asks to be kept informed of the further work ahead of the U.N. Summit.

14. The Committee notes the recent progress in providing debt relief under the HIPC Initiative. It encourages countries to take the necessary actions to benefit from the Initiative, and urges full creditor participation. The Committee supports the joint IMF-World Bank framework to assist low-income countries' efforts to achieve and maintain debt sustainability while pursuing their development objectives, and a review of experience under the framework.

15. The Committee welcomes the IMF's work and the preliminary discussion of key issues regarding proposals for further multilateral debt relief and its financing options, and calls for further discussion with shareholders and examination of these issues, including the possible use of the IMF's resources, by the time of its next meeting. It notes that any possible further debt relief from the IMF should be part of a wider international effort.

Other issues

16. The Committee welcomes progress toward meeting the objectives of IMF surveillance identified at its last meeting, including in the areas of exchange rate issues, financial sector surveillance, better integrating debt sustainability analysis and regional and global spillovers into country surveillance, and balance sheet vulnerabilities. It also welcomes the *Sub-Saharan Africa Regional Economic Outlook*. The Committee looks forward to the upcoming review of the Standards and Codes Initiative to assess its effectiveness in informing surveillance, enhancing crisis prevention, and strengthening countries' institutions.

17. The Committee welcomes the increased adoption of collective action clauses in international sovereign bonds, and calls on the IMF to continue to promote progress in this area. It notes the "Principles for Stable Capital Flows and Fair Debt Restructuring in Emerging Markets" being developed by a number of sovereign issuers and the investor community, and encourages further efforts to improve the Principles aimed at achieving a broad consensus. The Committee looks forward to further work on the orderly resolution of financial crises, including the implementation of the IMF's lending into arrears policy.

18. The Committee takes note of the recent review of IMF conditionality, including the design of IMF-supported programs. Progress has been made in streamlining conditionality and fostering national ownership. The Committee encourages the IMF to incorporate the findings of the review into its operational work, and to deepen further its analysis of key elements of program design.

19. The Committee recommends completion of the ratification of the Fourth Amendment.

20. The Committee wishes to thank James Wolfensohn for his great contribution as President of the World Bank. During his time at the helm of the Bank, great strides have been made in cooperation and partnership between the IMF and the World Bank, and in progress toward realizing our dream of a world free of poverty.

21. It is expected that the next meeting of the IMFC will be held in Washington, D.C., on September 23, 2005.

International Monetary and Financial Committee attendance

April 16, 2005

Chairman
Gordon Brown

Managing Director
Rodrigo de Rato

Members or Alternates
Burhanuddin Abdullah, Governor, Bank of Indonesia
Hamad Al-Sayari, Governor, Saudi Arabian Monetary Agency
(Alternate for Ibrahim A. Al-Assaf, Minister of Finance, Saudi Arabia)
Thierry Breton, Minister of Economy, Finance and Industry, France
Mervyn King, Governor, Bank of England, United Kingdom
(Alternate for Gordon Brown, Chancellor of the Exchequer, United Kingdom)
Palaniappan Chidambaram, Minister of Finance, India
Hans Eichel, Minister of Finance, Germany
Nicolás Eyzaguirre, Minister of Finance, Chile
Per-Kristian Foss, Minister of Finance, Norway
Ralph Goodale, Minister of Finance, Canada

Dong-Soo Chin, Deputy Minister for International Affairs, Korea
(Alternate for Duck-Soo Han, Deputy Prime Minister and Minister of Finance and Economy, Korea)
Sultan Al-Suwaidi, Governor, United Arab Emirates Central Bank
(Alternate for Mohamed K. Khirbash, Minister of State for Finance and Industry, United Arab Emirates)
Aleksei Kudrin, Minister of Finance, Russian Federation
Mohammed Laksaci, Governor, Banque d'Algérie
Tito Titus Mboweni, Governor, South African Reserve Bank
Hans-Rudolf Merz, Minister of Finance, Switzerland
Antonio Palocci, Minister of Finance, Brazil
Armando León, Director, Board of Directors, Central Bank of Venezuela
(Alternate for Gastón Parra Luzardo, President, Central Bank of Venezuela)
Didier Reynders, Minister of Finance, Belgium
Domenico Siniscalco, Minister of Economy and Finance, Italy
John W. Snow, Secretary of the Treasury, United States
Sadakazu Tanigaki, Minister of Finance, Japan
Paul Toungui, Minister of State, Minister of Finance, Economy, Budget, and Privatization, Gabon
Gerrit Zalm, Minister of Finance, Netherlands
Li Ruogu, Deputy Governor, People's Bank of China
(Alternate for Zhou Xiaochuan, Governor, People's Bank of China)

Observers

Joaquín Almunia, Commissioner, Economic and Monetary Affairs European Commission
Roger W. Ferguson, Jr., Chairman, Financial Stability Forum (FSF)
Heiner Flassbeck, Officer-in-Charge, Division on Globalization and Development Strategies, United Nations Conference on Trade and Development (UNCTAD)
John Hancock, Counsellor, Trade and Finance, Trade Facilitation Division, World Trade Organization (WTO)
Donald J. Johnston, Secretary-General, Organization for Economic Cooperation and Development (OECD)
Malcolm D. Knight, General Manager, Bank for International Settlements (BIS)
Trevor Manuel, Chairman, Joint Development Committee
José Antonio Ocampo, Under-Secretary-General, Department of Economic and Social Affairs, United Nations (UN)
Geoffrey Skipper, Senior Research Analyst, Organization of the Petroleum Exporting Countries (OPEC)
(Alternate for Alipour-Jeddi, Head, Petroleum Market Analysis Department, Organization of the Petroleum Exporting Countries, (OPEC))
Juan Somavia, Director-General, International Labor Organization (ILO)
Jean-Claude Trichet, President, European Central Bank (ECB)
James D. Wolfensohn, President, World Bank

Joint Ministerial Committee of the Boards of Governors of the Bank and the Fund on the Transfer of Real Resources to Developing Countries (Development Committee)

Seventieth Meeting, Washington, D.C. October 2, 2004

1. As we celebrate the 60th anniversary of the Bretton Woods Institutions and approach the fifth anniversary of the UN Millennium Declaration, we recommit ourselves to supporting efforts by developing countries to pursue sustainable growth, sound macroeconomic policies, debt sustainability, open trade, job creation, poverty reduction, and good governance. These actions need to be reinforced by stronger international action and partnerships, including reforming trade; more, and more effective, aid; and stronger private flows in order to make progress on the Millennium Development Goals.[3] We remain concerned that most MDGs will not be met by most developing countries.

2. Global economic growth is strong, supported by exceptionally robust growth in developing countries, as the world benefits from the significant reforms undertaken by many countries over recent years. Private sector–driven growth resulting in new jobs and higher tax revenues, which can be used to finance poverty-reducing public expenditures, is critical to the success of country-led efforts to reduce global poverty. Success in the Doha Development Agenda can only complement these developments, and we stress the importance of translating the recently agreed WTO frameworks into tangible results. We urge all countries, developing and developed, to participate fully in the negotiations and urge the IMF and World Bank to continue to support work to this end, and to help developing countries assess the impact and to provide additional support to address potential adjustment costs.

3. To help developing countries take advantage of the new opportunities that can arise from a better economic setting and to strengthen the foundations for economic growth, we welcome the renewed focus being given by the World Bank Group to private sector development, improving the investment climate, and strengthening financial sectors, and urge the Bank to continue to translate this into country operations. Complementing macroeconomic stability, capacity building and a greater results focus in public services and institutions and improving the quality of governance, successful private sector investment, social development as well as gender equality are key to accelerating pro-poor growth. We note the important role played by remittances in this context. We urge the Bank to intensify its analytical work on the potential sources of growth and ways to mobilize them and to help countries build the relevant analytical capacity.

4. Strengthening the foundations for growth will also critically depend on addressing large infrastructure needs in many countries. We welcome the Bank Group's plans to scale up activities in implementing the Infrastructure Action Plan and urge accelerated support of country efforts in accordance with the Bank's safeguards. We emphasized the importance of addressing maintenance and other costs to ensure the sustainability of infrastructure investments. We also stressed the need to pursue—together with the IMF—efforts to increase fiscal space for public infrastructure investments within limits of fiscal prudence and debt sustainability. We also endorse further Bank engagement to meet infrastructure needs at the regional and subsovereign levels, enhancing application of risk mitigation instruments, and continuing efforts to offer a more complete and seamless client product line across the World Bank Group; accordingly, we urge the Bank to present options to its Board to move this agenda forward concretely. These actions will be particularly important in enhancing the Bank's support for development in middle-income countries, as well as in low-income countries.

5. These and other actions required to lay the basis for sustained stronger growth are critical to our ability to achieve the MDGs, as is progress in providing effective health systems (in particular tackling HIV/AIDS, malaria, and other communicable diseases), education for all, and other basic services. We noted the special needs of low-income countries under stress (LICUS), where technical assistance is especially necessary to strengthen weak policies and institutions. We look forward to reviewing progress in all these areas in the second Global Monitoring Report at our next meeting.

[3]As endorsed by heads of state and government in the UN General Assembly on September 8, 2000.

6. We agree that reform efforts in developing countries must be supported by improved aid effectiveness, increased aid and other financial flows, and coherent policies to achieve development results. The international community has agreed to harmonize and align their support behind country-owned development strategies, streamline the use of conditionality, increase the focus on results, and use country systems where appropriate. We are committed to using the Second High-Level Forum on Harmonization in Paris next spring to translate these agreements into clear and specific commitments and timetables and call for the development of indicators and benchmarks to monitor the participation of all partners in this effort at the country level.

7. We must also enhance our efforts to help developing countries build capacity and address absorptive capacity constraints. We welcome the progress achieved to date in implementing the Poverty Reduction Strategy (PRS) process as indicated in recent independent evaluations. We note the important challenges that remain in implementing the approach fully and effectively both at the country level and in the Bank and Fund and among other development partners, and welcome the revisions to the PRS architecture to help achieve this. One area that deserves closer attention in next year's PRS report is the continued efforts by the Bank and Fund to streamline their aggregate conditionality. We also call on the Bank to review its own policy and practice on conditionality and report at our meeting in Fall 2005.

8. The provision of additional, predictable, and timely financial assistance to countries committed to sound policies remains a critical issue, particularly for sub-Saharan Africa. We urge those donors who have not yet done so to make concrete efforts toward the target of 0.7 percent of GNP as ODA. We welcome the progress announced by some countries, including, in some cases, the setting of clear timetables to achieve this objective. We also reaffirm our commitment to a substantial and timely replenishment of IDA, recognizing the critical timetable to reach the MDGs.

9. To address the needs for additional stable and predictable financing to help developing countries undertake ambitious investment plans to meet the MDGs and to finance associated recurrent costs where appropriate, we reviewed proposals to complement increased aid flows and commitments with innovative mechanisms. We welcomed the World Bank and IMF analysis of these options, notably the International Finance Facility, global taxes and voluntary contributions, including the analysis of their technical feasibility. We also took note of the international meeting on Action Against Hunger and Poverty convened by President Lula on September 20, 2004, in New York. We ask the Bank and the Fund to continue their work and report at the next meeting on how to take such options forward. We also encourage the Bank to explore the potential for increasing leverage through blending aid with other flows, including MDB lending.

10. Debt sustainability is an essential underpinning for growth. We reviewed progress under the enhanced HIPC Initiative, welcomed the recent decision to extend the sunset clause, and urged full creditor participation. We welcome the development of a forward-looking debt sustainability framework that aims to help low-income countries manage their borrowings and avoid a buildup of unsustainable debt while pursuing the MDGs. We stressed the need to provide resources to low-income countries on appropriate terms, including the degree of concessionality and level of grant financing. We look forward to further work on the remaining issues by the Bank and the Fund to make the framework operational as soon as possible. We underscore the need for joint Bank/Fund Debt Sustainability Analyses (DSAs) (based on a clear division of labor) to provide countries, and their development partners, with clear and coherent analysis and guidance. We also urge the Bank and the Fund to accelerate their work on means to help mitigate the impact of exogenous shocks on low-income countries and to report to their Boards at an early date.

11. We also reviewed reports from our Boards with respect to their work on enhancing the voice and participation of developing and transition countries in our institutions. This work takes place within a broader context of reflections on how best to address governance issues within the international community. We welcomed the progress to date in making Bank and Fund operations more responsive to borrowers' needs. We urge the Boards to cooperate closely together in exploring all relevant options and to strive to achieve consensus among all members. We look forward to receiving a report regarding the feasibility of these options, to allow us to address the necessary political decisions at our next meeting.

12. The next meeting of the Committee will be held in Washington, D.C., on April 17, 2005.

Seventy-first Meeting, Washington, D.C. April 17, 2005

1. As we approach the fifth anniversary of the UN Millennium Declaration, we met to review progress toward the MDGs,[4] based on an assessment in the second annual Global Monitoring Report. We reaffirmed our strong support for the strategies and decisions agreed in Doha, Monterrey, and Johannesburg, which set out a framework for fighting poverty and achieving the internationally agreed goals. We welcome the continued active involvement of the Bank and the Fund in the preparations for and the proceedings at the UNGA Special Session on Financing for Development, as well as the UN High-Level Millennium Review in New York in September.

2. We welcomed the progress achieved on actions by both developing and developed countries. These actions have contributed to the strongest global economic growth in over three decades. However, overall progress has been uneven and slower than envisaged. Without tangible action to accelerate efforts, the vision of the Millennium Declaration will not be realized. At stake are prospects not only for hundreds of millions of people to escape poverty, disease, illiteracy, and gender inequality but also for long-term global security and peace, which are intimately linked to development.

3. All regions face significant challenges, but we welcomed the Report's focus on sub-Saharan Africa as the region farthest from achieving the MDGs. We also welcomed the recent Report of the Commission for Africa. We are encouraged that real growth in sub-Saharan Africa increased in 2004 to an eight-year high of 5 percent and inflation has fallen to a historical low. The challenge is to accelerate and sustain growth and development through sound policy frameworks. We welcomed the IFC's Strategic Initiative for Africa, including the recently approved Private Enterprise Partnership Facility. We call upon the Bank to undertake further analytical and institutional work, together with partners, to develop an ambitious action plan for Africa for consideration by our next meeting.

4. Many developing countries are taking actions to strengthen policies and institutions that provide not only benefits but also valuable experience for others. We endorsed the emphasis on country-led and owned development strategies and urged that MDGs be operationalized in poverty reduction strategies, linked to medium-term budgetary frameworks. Macroeconomic stability remains critical, as is the need to strengthen public sector financial management, promote good governance including combating corruption and promoting the rule of law, improve business climate and regulation, and develop local financial markets, so as to enable private sector–led economic

[4]As endorsed by heads of state and government in the UN General Assembly on September 8, 2000.

growth. Environmental sustainability remains critical and should also be addressed in domestic policies and programs, as well as through international action. We recognize the importance of all countries integrating climate concerns into their policy planning.

5. A major scaling up of education (in particular through the Education For All Fast Track Initiative), health and basic infrastructure services, including water and sanitation, is fundamental to meeting key development goals. We noted with concern the failure to meet the target date for achieving gender parity in primary and secondary education. We called upon bilateral donors and multilateral agencies to provide timely, predictable, and sustained financing to support these efforts. We reconfirmed the importance of efforts to help developing countries build capacity and address absorptive capacity constraints.

6. We have in the past highlighted the critical importance of scaling up infrastructure investment in developing countries as a means of promoting economic growth and achieving the MDGs, and have endorsed the Infrastructure Action Plan of the World Bank. With a view to removing such impediments as may exist in enabling the Bank to scale up the infrastructure work, we look forward to reviewing implementation of the Action Plan at our next meeting, including the results of the ongoing work of the IMF and Bank on how to increase fiscal space for growth.

7. To complement these actions, developed countries must meet their commitments to help accelerate progress. We underlined the vital importance of an ambitious outcome for the Doha Development Agenda and the successful completion of the negotiations in 2006. Improving trade opportunities and market access for agriculture, industrial products, and services will be critical. We stressed the need for "aid for trade" and we call on the Bank and Fund to work with others to develop proposals to help developing countries adjust to and take advantage of the Round, for consideration by our next meeting. We also recognized the benefits to developing countries from reducing developing country trade barriers and of strengthening south-south trade.

8. Financing the development agenda remains a significant challenge, requiring sustained action on domestic resource mobilization, private investment, and trade. We welcomed the Bank's work program to improve analysis and statistics on remittances, labor mobility, and migration, and to address impediments to remittance flows. We emphasized that a significant increase in aid will also be needed for accelerated progress toward the MDGs. We welcomed the successful conclusion of the IDA-14 replenishment as an important step in mobilizing additional resources and called on donors to finalize their commitments. We noted the further work on the impact of exogenous shocks on low-income countries and small vulnerable states and we look forward to further proposals in the context of the IDA-14 mid-term review on what options are available to operationalize these proposals.

9. We also welcomed the agreement by the Bank and Fund on a joint forward-looking framework for assessing debt sustainability in low-income countries. We welcomed recent proposals for additional debt and debt service relief. We agreed that further debt relief beyond HIPC is needed in specific cases to secure long-term debt sustainability and support progress toward the MDGs. We ask the Bank and Fund to examine these proposals for the Annual Meetings.

10. We confirmed our commitment to deliver on the pledges made at and after Monterrey to raise levels of ODA. We urged those donors that have not done so to make concrete efforts toward the target of 0.7 percent of GNI as ODA.

11. We welcomed further work on innovative sources of development financing. We noted that negotiations among interested parties on the proposed pilot IFF for Immunization are well advanced; and the analysis of technical feasibility of the IFF has created the conditions for the necessary political decisions on participation. We encourage interested donors to proceed with these proposals. Potential participants believe that global tax mechanisms to finance development may be feasible and desirable, while other members do not. We noted the analysis of the economic rationale, technical feasibility, and moderate coalition size needed for some of the global tax proposals. Building upon the existing political momentum in some countries, we invite the Bank and the Fund to deepen their analysis of the most promising nationally applied and internationally coordinated taxes for development for the Annual Meetings, as an input into the consideration of a pilot case for interested countries.

12. We also underlined the importance of further action by multilateral development partners, including support for the PRS process in low-income countries, aligning assistance better with medium-term country strategies, streamlining conditionality, building institutional capacity, and strengthening the focus on development results. We called for further exploration of blending arrangements, for further action to enhance effectiveness, and for continued progress in providing innovative and flexible financial products and high-quality technical assistance and advisory services better matched to the evolving and diverse needs of middle-income countries; and to strengthen the Bank's role in these countries, not least with regard to global public goods.

13. We welcomed the Paris Declaration on Aid Effectiveness, which responded to our earlier call to make firm commitments on the quality of aid. We note the agreement on quantitative indicators. We urged the establishment of targets, as agreed, for each of the indicators for 2010. Concerted collective actions will be required now to translate these into concrete actions at the country level and we called on the Bank to show leadership by example, in implementing the Paris framework. We welcomed the increasing use of country systems, where appropriate, as a means to enhance harmonization and reduce the cost of doing business.

14. Enhancing voice and participation of developing and transition countries in the Bank and the Fund remains a continuing concern. Progress can only be made through broad consensus at the political level. We noted the further efforts by the Boards in this regard and will return to this issue at our next meeting in the light of progress.

15. We appreciate the efforts of the global community to counter the effects of the deadly tsunami that wreaked havoc in the Indian Ocean region. The tragedy reminded us that the poorest people tend to be the most vulnerable to natural disasters. We called for a continued focus on the challenge of accelerating the reconstruction and recovery process in the region, and restoring livelihoods and on designing projects for disaster preparedness and risk mitigation.

16. A strong and effective multilateral system is essential in the fight against global poverty. We expressed our deep appreciation for the talented leadership of Jim Wolfensohn as he approaches the end of his term at the Bank and wish him success in his new role as Special Envoy for Gaza Disengagement. We also congratulate Paul Wolfowitz on his selection as President and look forward to working with him.

17. The next meeting of the Committee will be held in Washington, D.C., on September 24, 2005.

Executive Directors and voting power

April 30, 2005

Director *Alternate*	Casting votes of	Votes by country	Total votes[1]	Percent of IMF total[2]
Appointed				
Nancy P. Jacklin *Meg Lundsager*	United States	371,743	371,743	17.08
Shigeo Kashiwagi *Michio Kitahara*	Japan	133,378	133,378	6.13
Karlheinz Bischofberger *Gert Meissner*	Germany	130,332	130,332	5.99
Pierre Duquesne *Olivier Cuny*	France	107,635	107,635	4.95
Tom Scholar *Andrew Hauser*	United Kingdom	107,635	107,635	4.95
Elected				
Willy Kiekens	Austria	18,973		
(Belgium)	Belarus	4,114		
Johann Prader	Belgium	46,302		
(Austria)	Czech Republic	8,443		
	Hungary	10,634		
	Kazakhstan	3,907		
	Luxembourg	3,041		
	Slovak Republic	3,825		
	Slovenia	2,567		
	Turkey	9,890	111,696	5.13
Jeroen Kremers	Armenia	1,170		
(Netherlands)	Bosnia and Herzegovina	1,941		
Yuriy G. Yakusha	Bulgaria	6,652		
(Ukraine)	Croatia	3,901		
	Cyprus	1,646		
	Georgia	1,753		
	Israel	9,532		
	Macedonia, former Yugoslav Republic of	939		
	Moldova	1,482		
	Netherlands	51,874		
	Romania	10,552		
	Ukraine	13,970	105,412	4.84
Moisés Schwartz	Costa Rica	1,891		
(Mexico)	El Salvador	1,963		
Mary Dager	Guatemala	2,352		
(Venezuela)	Honduras	1,545		
	Mexico	26,108		
	Nicaragua	1,550		
	Spain	30,739		
	Venezuela, República Bolivariana de	26,841	92,989	4.27
Pier Carlo Padoan	Albania	737		
(Italy)	Greece	8,480		
Miranda Xafa	Italy	70,805		
(Greece)	Malta	1,270		
	Portugal	8,924		
	San Marino	420		
	Timor-Leste	332	90,968	4.18

Director *Alternate*	Casting votes of	Votes by country	Total votes[1]	Percent of IMF total[2]
Elected *(continued)*				
Kevin G. Lynch	Antigua and Barbuda	385		
(Canada)	Bahamas, The	1,553		
Charles X. O'Loghlin	Barbados	925		
(Ireland)	Belize	438		
	Canada	63,942		
	Dominica	332		
	Grenada	367		
	Ireland	8,634		
	Jamaica	2,985		
	St. Kitts and Nevis	339		
	St. Lucia	403		
	St. Vincent and the Grenadines	333	80,636	3.71
Jon A. Solheim	Denmark	16,678		
(Norway)	Estonia	902		
David Farelius	Finland	12,888		
(Sweden)	Iceland	1,426		
	Latvia	1,518		
	Lithuania	1,692		
	Norway	16,967		
	Sweden	24,205	76,276	3.51
Jong Nam Oh	Australia	32,614		
(Korea)	Kiribati	306		
Richard Murray	Korea	16,586		
(Australia)	Marshall Islands	285		
	Micronesia, Federated States of	301		
	Mongolia	761		
	New Zealand	9,196		
	Palau	281		
	Papua New Guinea	1,566		
	Philippines	9,049		
	Samoa	366		
	Seychelles	338		
	Solomon Islands	354		
	Vanuatu	420	72,423	3.33
A. Shakour Shaalan	Bahrain	1,600		
(Egypt)	Egypt	9,687		
Oussama T. Kanaan	Iraq	12,134		
(Jordan)	Jordan	1,955		
	Kuwait	14,061		
	Lebanon	2,280		
	Libya	11,487		
	Maldives	332		
	Oman	2,190		
	Qatar	2,888		
	Syrian Arab Republic	3,186		
	United Arab Emirates	6,367		
	Yemen, Republic of	2,685	70,852	3.26
Sulaiman M. Al-Turki (Saudi Arabia) *Abdallah S. Alazzaz* *(Saudi Arabia)*	Saudi Arabia	70,105	70,105	3.22
Hooi Eng Phang	Brunei Darussalam	2,402		
(Malaysia)	Cambodia	1,125		
Made Sukada	Fiji	953		
(Indonesia)	Indonesia	21,043		
	Lao People's Democratic Republic	779		
	Malaysia	15,116		
	Myanmar	2,834		
	Nepal	963		
	Singapore	8,875		
	Thailand	11,069		
	Tonga	319		
	Vietnam	3,541	69,019	3.17

Director *Alternate*	Casting votes of	Votes by country	Total votes[1]	Percent of IMF total[2]
Elected *(continued)*				
Peter J. Ngumbullu	Angola	3,113		
(Tanzania)	Botswana	880		
Peter Gakunu	Burundi	1,020		
(Kenya)	Eritrea	409		
	Ethiopia	1,587		
	Gambia, The	561		
	Kenya	2,964		
	Lesotho	599		
	Malawi	944		
	Mozambique	1,386		
	Namibia	1,615		
	Nigeria	17,782		
	Sierra Leone	1,287		
	South Africa	18,935		
	Sudan	1,947		
	Swaziland	757		
	Tanzania	2,239		
	Uganda	2,055		
	Zambia	5,141	65,221	3.00
WANG Xiaoyi	China	63,942	63,942	2.94
(China)				
GE Huayong				
(China)				
Fritz Zurbrügg	Azerbaijan	1,859		
(Switzerland)	Kyrgyz Republic	1,138		
Andrzej Raczko	Poland	13,940		
(Poland)	Serbia and Montenegro	4,927		
	Switzerland	34,835		
	Tajikistan	1,120		
	Turkmenistan	1,002		
	Uzbekistan	3,006	61,827	2.84
Aleksei V. Mozhin	Russian Federation	59,704	59,704	2.74
(Russian Federation)				
Andrei Lushin				
(Russian Federation)				
Abbas Mirakhor	Afghanistan, Islamic Republic of	1,869		
(Islamic Republic of Iran)	Algeria	12,797		
Mohammed Daïri	Ghana	3,940		
(Morocco)	Iran, Islamic Republic of	15,222		
	Morocco	6,132		
	Pakistan	10,587		
	Tunisia	3,115	53,662	2.47
Murilo Portugal	Brazil	30,611		
(Brazil)	Colombia	7,990		
Roberto Steiner	Dominican Republic	2,439		
(Colombia)	Ecuador	3,273		
	Guyana	1,159		
	Haiti	1,069		
	Panama	2,316		
	Suriname	1,171		
	Trinidad and Tobago	3,606	53,634	2.46
B.P. Misra	Bangladesh	5,583		
(India)	Bhutan	313		
Amal Uthum Herat	India	41,832		
(Sri Lanka)	Sri Lanka	4,384	52,112	2.39
Héctor R. Torres	Argentina	21,421		
(Argentina)	Bolivia	1,965		
Javier Silva-Ruete	Chile	8,811		
(Peru)	Paraguay	1,249		
	Peru	6,634		
	Uruguay	3,315	43,395	1.99

Director *Alternate*	Casting votes of	Votes by country	Total votes[1]	Percent of IMF total[2]
Elected *(concluded)*				
Damian Ondo Mañe	Benin	869		
(Equatorial Guinea)	Burkina Faso	852		
Laurean W. Rutayisire	Cameroon	2,107		
(Rwanda)	Cape Verde	346		
	Central African Republic	807		
	Chad	810		
	Comoros	339		
	Congo, Democratic Republic of the	5,580		
	Congo, Republic of	1,096		
	Côte d'Ivoire	3,502		
	Djibouti	409		
	Equatorial Guinea	576		
	Gabon	1,793		
	Guinea	1,321		
	Guinea-Bissau	392		
	Madagascar	1,472		
	Mali	1,183		
	Mauritania	894		
	Mauritius	1,266		
	Niger	908		
	Rwanda	1,051		
	São Tomé and Príncipe	324		
	Senegal	1,868		
	Togo	984	30,749	1.41
			2,175,345[3, 4, 5]	99.97[6]

[1]Voting power varies on certain matters pertaining to the General Department with use of the Fund's resources in that Department.
[2]Percentages of total votes (2,176,037) in the General Department and the Special Drawing Rights Department.
[3]This total does not include the votes of Somalia, which did not participate in the 2004 Regular Election of Executive Directors. The total votes of this member are 692—0.03 percent of those in the General Department and Special Drawing Rights Department.
[4]Liberia's voting rights were suspended effective March 5, 2003, pursuant to Article XXVI, Section 2*(b)* of the Articles of Agreement.
[5]Zimbabwe's voting rights were suspended effective June 6, 2003, pursuant to Article XXVI, Section 2*(b)* of the Articles of Agreement.
[6]This figure may differ from the sum of the percentages shown for individual Directors because of rounding.

Changes in membership of the Executive Board

Changes in the membership of the Executive Board between May 1, 2004, and April 30, 2005, were as follows:

Wieslaw Szczuka (Poland) relinquished his duties as Alternate Executive Director to Fritz Zurbrügg (Switzerland), effective May 9, 2004.

Ken Yagi (Japan) relinquished his duties as Executive Director for Japan, effective May 18, 2004.

Shigeo Kashiwagi (Japan) was appointed Executive Director by Japan on June 16, 2004.

Martin A. Brooke (United Kingdom) relinquished his duties as Alternate Executive Director to Tom Scholar (United Kingdom), effective July 9, 2004.

Andrew Hauser (United Kingdom) was appointed Alternate Executive Director to Tom Scholar (United Kingdom), effective July 10, 2004.

Harilaos Vittas (Greece) relinquished his duties as Alternate Executive Director to Pier Carlo Padoan (Italy), effective July 31, 2004.

Miranda Xafa (Greece) was appointed Alternate Executive Director to Pier Carlo Padoan (Italy), effective August 1, 2004.

Andrzej Raczko (Poland) was appointed Alternate Executive Director to Fritz Zurbrügg (Switzerland), effective August 2, 2004.

R. A. Jayatissa (Sri Lanka) relinquished his duties as Alternate Executive Director to B.P. Misra (India), effective August 31, 2004.

Amal Uthum Herat (Sri Lanka) was appointed Alternate Executive Director to B.P. Misra (India), effective September 1, 2004.

Sébastien Boitreaud (France) relinquished his duties as Alternate Executive Director to Pierre Duquesne (France), effective October 6, 2004.

Olivier Cuny (France) was appointed Alternate Executive Director to Pierre Duquesne (France), effective October 7, 2004.

Sri Mulyani Indrawati (Indonesia) relinquished her duties as Executive Director for Brunei Darussalam, Cambodia, Fiji, Indonesia, the Lao People's Democratic Republic, Malaysia, Myanmar, Nepal, Singapore, Thailand, Tonga, and Vietnam, effective October 20, 2004.

Ian E. Bennett (Canada) completed his term of service as Executive Director for Antigua and Barbuda, The Bahamas, Barbados, Belize, Canada, Dominica, Grenada, Ireland, Jamaica, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines, effective October 31, 2004.

Michael J. Callaghan (Australia) completed his term of service as Executive Director for Australia, Kiribati, Korea, Marshall Islands, the Federated States of Micronesia, Mongolia, New Zealand, Palau, Papua New Guinea, the Philippines, Samoa, Seychelles, the Solomon Islands, and Vanuatu, effective October 31, 2004.

Guillermo Le Fort (Chile) completed his term of service as Executive Director for Argentina, Bolivia, Chile, Paraguay, Peru, and Uruguay, effective October 31, 2004.

Luis Martí (Spain) completed his term of service as Executive Director for Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Spain, and República Bolivariana de Venezuela, effective October 31, 2004.

Ismaila Usman (Nigeria) completed his term of service as Executive Director for Angola, Botswana, Burundi, Eritrea, Ethiopia, The Gambia, Kenya, Lesotho, Malawi, Mozambique, Namibia, Nigeria, Sierra Leone, South Africa, Sudan, Swaziland, Tanzania, Uganda, and Zambia, effective October 31, 2004.

Sulaiman Al-Turki (Saudi Arabia) was reelected Executive Director by Saudi Arabia, effective November 1, 2004.

Mary Dager (Venezuela) was appointed Alternate Executive Director to Moisés Schwartz (Mexico), effective November 1, 2004.

Peter Gakunu (Kenya) was appointed Alternate Executive Director to Peter J. Ngumbullu (Tanzania), effective November 1, 2004.

Willy Kiekens (Belgium) was reelected Executive Director by Austria, Belarus, Belgium, the Czech Republic, Hungary, Kazakhstan, Luxembourg, the Slovak Republic, Slovenia, and Turkey, effective November 1, 2004.

Jeroen Kremers (Netherlands) was reelected Executive Director by Armenia, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Georgia, Israel, the former Yugoslav Republic of Macedonia, Moldova, the Netherlands, Romania, and Ukraine, effective November 1, 2004.

Kevin G. Lynch (Canada) was elected Executive Director by Antigua and Barbuda, The Bahamas, Barbados, Belize, Canada, Dominica, Grenada, Ireland, Jamaica, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines, effective November 1, 2004.

Abbas Mirakhor (Islamic Republic of Iran) was reelected Executive Director by the Islamic Republic of Afghanistan, Algeria, Ghana, the Islamic Republic of Iran, Morocco, Pakistan, and Tunisia, effective November 1, 2004.

B.P. Misra (India) was reelected Executive Director by Bangladesh, Bhutan, India, and Sri Lanka, effective November 1, 2004.

Aleksei V. Mozhin (Russian Federation) was reelected Executive Director by the Russian Federation, effective November 1, 2004.

Peter J. Ngumbullu (Tanzania), formerly Alternate Executive Director to Ismaila Usman (Nigeria), was elected Executive Director by Angola, Botswana, Burundi, Eritrea, Ethiopia, The Gambia, Kenya, Lesotho, Malawi, Mozambique, Namibia, Nigeria, Sierra Leone, South Africa, Sudan, Swaziland, Tanzania, Uganda, and Zambia, effective November 1, 2004.

Jong Nam Oh (Korea) was elected Executive Director by Australia, Kiribati, Korea, Marshall Islands, the Federated States of Micronesia, Mongolia, New Zealand, Palau, Papua New Guinea, the Philippines, Samoa, Seychelles, Solomon Islands, and Vanuatu, effective November 1, 2004.

Damian Ondo Mañe (Equatorial Guinea) was reelected Executive Director by Benin, Burkina Faso, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, the Democratic Republic of the Congo, the Republic of Congo, Côte d'Ivoire, Djibouti, Equatorial Guinea, Gabon, Guinea, Guinea-Bissau, Madagascar, Mali, Mauritania, Mauritius, Niger, Rwanda, São Tomé and Príncipe, Senegal, and Togo, effective November 1, 2004.

Pier Carlo Padoan (Italy) was reelected Executive Director by Albania, Greece, Italy, Malta, Portugal, San Marino, and Timor-Leste, effective November 1, 2004.

Murilo Portugal (Brazil) was reelected Executive Director by Brazil, Colombia, the Dominican Republic, Ecuador, Guyana, Haiti, Panama, Suriname, and Trinidad and Tobago, effective November 1, 2004.

Moisés Schwartz (Mexico), formerly Alternate Executive Director to Luis Martí (Spain), was elected Executive Director for Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Spain, and República Bolivariana de Venezuela, effective November 1, 2004.

A. Shakour Shaalan (Egypt) was reelected Executive Director by Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Maldives, Oman, Qatar, the Syrian Arab Republic, the United Arab Emirates, and the Republic of Yemen, effective November 1, 2004.

Javier Silva-Ruete (Peru) was appointed Alternate Executive Director to Héctor Torres (Argentina), effective November 1, 2004.

Jon A. Solheim (Norway) was reelected Executive Director for Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway, and Sweden, effective November 1, 2004.

Made Sukada (Indonesia) was appointed Alternate Executive Director to Sri Mulyani Indrawati (Indonesia), effective November 1, 2004.

Héctor Torres (Argentina), formerly Alternate Executive Director to Guillermo Le Fort (Chile), was elected Executive Director by Argentina, Bolivia, Chile, Paraguay, Peru, and Uruguay, effective November 1, 2004.

WANG Xiaoyi (China) was reelected Executive Director by China, effective November 1, 2004.

Fritz Zurbrügg (Switzerland) was reelected Executive Director by Azerbaijan, the Kyrgyz Republic, Poland, Serbia and Montenegro, Switzerland, Tajikistan, Turkmenistan, and Uzbekistan, effective November 1, 2004.

Hooi Eng Phang (Malaysia) was elected Executive Director by Brunei Darussalam, Cambodia, Fiji, Indonesia, the Lao People's Democratic Republic, Malaysia, Myanmar, Nepal, Singapore, Thailand, Tonga, and Vietnam, effective January 1, 2005.

Benny Andersen (Denmark) relinquished his duties as Alternate Executive Director to Jon A. Solheim (Norway), effective January 2, 2005.

David Farelius (Sweden) was appointed Alternate Executive Director to Jon A. Solheim (Norway), effective January 3, 2005.

Michael H. Reddell (New Zealand) relinquished his duties as Alternate Executive Director to Jong Nam Oh (Korea), effective March 2, 2005.

Richard A. Murray (Australia) was appointed Alternate Executive Director to Jong Nam Oh (Korea), effective March 3, 2005.