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Concluding Remarks by **RODRIGO DE RATO Y FIGAREDO**,
Chairman of the Executive Board and
Managing Director of the International Monetary Fund,
at the Closing Joint Session

**Concluding Remarks by Rodrigo de Rato y Figaredo
Chairman of the Executive Board and Managing Director
of the International Monetary Fund**

Thank you, Mr. Chairman. I want to first thank you and the other Governors, for what has been a very intensive and productive weekend. As Paul Wolfowitz has just said, this has been an important moment, and we have accomplished a great deal. I am also glad that we have been able to conclude the meetings in this new IMF building.

There has been general agreement that the world economy is in a strong position at the moment, and that the current conditions are very benign. But most governors also agree with me that if the present good situation in the world economy is to continue we must take the opportunity to press ahead with reforms. The discussion in the IMFC about global imbalances that is reflected in the IMFC communiqué shows that there is a growing consciousness of the need for action by many countries, to head off the threats posed by both global imbalances and high oil prices.

There is growing recognition that countries have to address the challenge of high oil prices through a range of policies: including increasing production and refining capacity and promoting energy conservation and sustainability. There is also a clear call in our communiqué of yesterday for countries to move away from subsidies toward direct social spending. There was also a call to make the oil market more transparent. The IMF will collaborate in that effort, both by working with the authorities of different countries to make data available and transparent, and also by focusing our research to understand the oil market more clearly, including the possible consequences of speculation, a concern that was raised by some Governors.

In our policy in low-income countries, there is a clear consensus among members regarding the central importance of the PRGF, and also strong support for the new Policy Support Instrument and the shocks facility. Low-income countries' opportunities will also be enhanced by the very important agreement that we have reached regarding debt relief. I will follow up on the IMFC agreement yesterday by calling on the Executive Board to complete its discussions on this issue in the near future. Governor Johnson of Norway made a telling point yesterday when she reminded us that "The poor have seen many promises come and go, leaving very little behind them. It is up to us to show them that the promises we made this time are different, that our commitments stand firm." I think that the steps taken by the whole of the membership will show that this time promises are going to hold, and our commitments will stand firm.

I want to thank the Governors for their backing of my proposals on the Fund's medium-term strategy. I had the honor to present this to you yesterday in the first part of the Annual Meetings and it was discussed at length in the IMFC. I will be reporting to you at the next Spring Meetings on the steps taken to implement the strategic review. The issue of quotas and voice is a major element in the medium-term strategy, and it was also discussed

extensively yesterday. This is a very important issue that needs to be taken forward, and I hope that we will be able to reach a consensus on it in the period ahead.

In closing, Mr. Chairman, I would like to thank you and the Board Secretaries for your very able direction of these meetings. I also want to thank Pat Davies and all of her colleagues for the incredible work they've done for all of us. For those who don't know it, Pat Davies and her colleagues are the ones who organize both for the Bank and for the Fund these very important conferences and I think they've done a fantastic job. There have been many people working for us during these very busy two days, and I want to thank them all.

I look forward for seeing you in the spring, and especially in Singapore next September. I want also to thank the authorities of Singapore, who I know are working very hard to prepare for next year's meetings. And finally, I want to thank you again for your presence.

Thank you very much.