FDMD’s Japan Visit

Ms. Anne Krueger, the IMF’s First Deputy Managing Director (FDMD), made her first official visit to Tokyo on January 23-25. She met with senior government officials, and representatives of private financial institutions and academia.

In a press conference at the end of her visit, Ms. Krueger provided an overall view, “I have come away impressed that the need to accelerate reforms to restore growth is well recognized in Japan.” She said that in her meeting with Finance Minister Shiokawa, she had welcomed ongoing efforts on fiscal reform and expressed the “Fund’s strong support for the government’s determination to achieve significant fiscal consolidation over the medium term.” Ms. Krueger met with Deputy Governor Yamaguchi of the Bank of Japan, and welcomed the BOJ’s recent action to try to end deflationary pressure. She said that “I came away confident that the BOJ will keep monetary policy flexible.” In her meeting with FSA Minister Yanagisawa, Ms. Krueger noted the government’s determination to resolve the bad loan problem, including through ongoing special bank inspections, and to ensure the stability of the financial sector in the transition to partial deposit insurance. She met also with Economic and Fiscal Policy Minister Takenaka.

She exchanged views with representatives of private financial institutions and academia on the Japanese economy and the sovereign debt restructuring mechanism that she had proposed late last year. While welcoming Ms. Krueger’s proposal, several participants expressed the view that much needs to be done to address legal and practical issues. Ms. Krueger concluded the press conference by saying “I have learned a lot from the visit, and it has deepened my perspective on Japan.”

Bangladesh Poverty Reduction Seminar

During February 12-14, OAP, together with the World Bank, co-sponsored a seminar in Dhaka on the Government of Bangladesh’s evolving poverty reduction strategy. In line with the objectives of the IMF’s recently established Poverty Reduction and Growth Facility (PRGF), the objective of the seminar was to broaden and deepen the understanding of the concepts and tools needed to prepare a Poverty Reduction Strategy Paper (PRSP) and ensure the active participation of a wide range of stakeholders. In total, around 150 people attended the seminar, with participants drawn from the government and civil society in Bangladesh, the IMF, the World Bank, the Asian Development Bank, and various UN agencies, as well as a number of bilateral donors. Mr. Adams (OAP) made welcoming remarks at the seminar and participated in a number of the sessions.
Interim WEO Press Seminars in Selected Asian Cities

During January 9–16, 2002, press seminars on the Interim World Economic Outlook Report issued last December 18, were held in Tokyo, Seoul, Singapore, and Beijing by OAP in collaboration with relevant representative offices and STI. In Singapore and Beijing, local academics as well as the press were invited to seminars.

Mr. Charles Adams, Assistant Director, OAP gave interim WEO presentations, followed by questions and answers. Active participation and discussions reflected strong interests in the Report among the international and local media in the region. Further WEO seminars will be held in Asian cities in 2002.

Afghanistan Reconstruction Meeting in Tokyo

The Conference on Reconstruction Assistance to Afghanistan was held on January 21–22 in Tokyo, with participants drawn from more than 60 countries and international organizations. The conference pledged more than $4.5 billion to assist the country’s reconstruction. The IMF delegation was headed by Mr. Saito of OAP, and included Mr. Iqbal and others from the Middle Eastern Department. During the conference, the IMF delegation exchanged views with representatives from the Afghan Interim Administration as well as other participants. After the meeting, an IMF mission visited Afghanistan to discuss technical assistance. Afghanistan joined the IMF in 1955.

Seoul Symposium

Mr. Saito of OAP participated in an international symposium on “Economic Reform and Future Agenda: Four Years after Korea’s Economic Crisis,” which was held on February 21, 2002 in Seoul, Korea. The symposium, co-sponsored by Korea’s Ministry of Finance and Economy and Korea Development Institute, focused on the challenges Korea will face in continuing its reform efforts. In his intervention, Mr. Saito joined other speakers in noting Korea’s impressive achievement in recent years, and stressed the importance of enhancing the economy’s market orientation.

IMF Workshop on Current Economic Issues in Asia

In a workshop organized by IMF Tokyo Office on February 6, Associate Professor Sayuri Shirai of Keio University and visiting scholar at the ADB Institute, examined India’s banking sector reforms in the 1990s and the lessons they could offer for China’s financial reforms. Drawing on her paper “Banking Sector Reforms in India and China,” Professor Shirai pointed out that, based on India’s experience, banking sector reform in China should involve strengthening of corporate governance, reducing the dominance of the wholly state-owned commercial banks in the banking system, and separating policy lending from commercial banks’ lending activities.
The Poverty Reduction Strategy Paper (PRSP)

The Poverty Reduction Strategy Paper is a key component of the IMF's new Poverty Reduction and Growth Facility (PRGF) that was established in 1999 to replace the Enhanced Structural Adjustment Facility (ESAF). As in the case of the ESAF, the PRGF aims to support the growth and poverty reduction strategies of low-income countries through lending at highly concessional terms. What is different about the PRGF, however, is that it places considerably more emphasis on the country design and ownership of poverty reduction strategies and the close involvement of stakeholders. Under the new facility, countries are asked to prepare Poverty Reduction Strategy Papers (PRSPs) with the active participation of civil society-including the poor-and in consultation with various development partners including the IMF and World Bank, and bilateral donors.

The aim of the PRSP is to describe the macroeconomic, structural, and social policies that will be pursued to promote broad-based growth and significantly reduce poverty on a lasting basis. In view of the long time it can take to prepare a full PRSP, many countries have begun the process with what has become known as an Interim Poverty Reduction Strategy Paper (I-PRSP). The I-PRSP typically summarizes the current state and analysis of poverty in a country, the existing approaches to poverty reduction and the envisaged process for preparing a fully developed PRSP in a participatory fashion. In several instances, including most recently in Bangladesh, the authorities have held seminars to systematically involve stakeholders and development partners in the evolving poverty reduction strategy.

As of March 2002, a total of 77 low-income countries have been judged eligible for PRGF assistance. Under the PRGF, loans carry a low concessional annual interest rate of 0.5 percent, with a maturity of 10 years. Further information on the PRGF, along with a list of countries that have prepared poverty reduction strategy papers, can be found at the IMF's web site (www.imf.org).

The World Economic Outlook Report May 2002,

April 19


The report will be released just before the Spring Meeting. It presents IMF staff economists' analyses of global economic developments during the near and medium term.

April 23-26

WEO Seminar by Mr. David Robinson, Senior Advisor, Research Dept., IMF in Tokyo, H.K., and Singapore

June 5-12

IMF Recruitment Mission to Japan, selected cities in Japan

Human resources experts from Washington will hold recruitment forums (Tokyo: 6/8; Osaka: 6/9) and on-campus seminars in Japan. For further information, please refer our advertisements on The Nikkei (4/21, 5/19) and The Japan Times (4/22) as well as our homepage http://www.imf.org.

June

IMF Tokyo Office Economist Workshop, Tokyo

Forthcoming Events
From IMF Headquarters

Argentina: One-Year Extension of SRF Repayment (January 16, 2002)
The IMF Executive Board approved a request from Argentina to extend by one year the repayment of SDR 741 million (about US$933 million), which is due on January 17, 2002 under the Supplemental Reserve Facility.

Korea: Article IV Consultation (February 12, 2002)
The IMF Executive Board concluded Article IV Consultation with Korea. Executive Directors noted that the sustained implementation of structural reforms aimed at enhancing market discipline, together with strong macroeconomic fundamentals, have greatly improved the resilience of the Korean economy.

Turkey: SBA (February 4, 2002)
The IMF Executive Board approved a three-year, SDR 12.8 billion (about US$16 billion) stand-by credit for Turkey to support the government’s economic program for 2002–2004. This decision enabled Turkey to draw SDR 7.3 billion (about US$9 billion) from the IMF immediately.

Seminar for IMF Scholars
OAP hosted its first seminar for the Japan-IMF scholars in February with lecturers by IMF economists from OAP. The aim was to promote a better understanding of the IMF and selected current issues. The response from the scholars was very positive and similar seminars may be held regularly. A similar seminar is planned for Australia in April.

Keen interests in lectures given by IMF economists
IMFエコノミストの講義に高い興味

New OAP Staff
Ms. Mie Kennedy
Ms. Mie Kennedy moved from San Francisco, California to join the IMF Tokyo office in early December 2001 as Programs Officer. She grew up in Japan, but was recently in the U.S. She is excited to have the opportunity to be back, and finds the position an excellent learning experience. Her first task was to prescreen applications for this year’s Japan scholarship, and she is currently planning to visit scholars from the Open Track. In April, she will travel to Australia to visit the Australia National University and meet with the current scholars.

IMF本部より
アルゼンチン：債務支払い1年間の延長（2002年1月16日）
IMF理事会は、1月17日に返済期限を迎えるアルゼンチンに対する補完的準備資金制度（SRF）による融資7.41億SDR（約9.33億USドル）について、当局からの1年の返済期限延長要求を承認しました。

韓国：4条協議（2002年2月12日）
IMF理事会は韓国との4条協議を完了しました。理事会は、市場のディシプリン強化を目的とした構造改革の継続的な実施が、マクロ経済の不均衡の改善とあいまって韓国経済の（外的ショックへの）抵抗力の強化につながったと述べています。

トルコ：スタンドバイ取極め（SBA）（2002年2月4日）

奨学生対象セミナー開催
IMF東京事務所では今年2月、日本-IMF奨学会プログラムの奨学生を対象とする初めてのセミナーを開催し、同オフィスのエコノミストが講義を行いました。IMF、および現在の諸問題についてのより良い理解を促すためのものです。奨学生からの評判も非常に良く、今後も同様のセミナーを定期的に行う予定です。オーストラリア・プログラムの参加者に対するセミナーは4月に予定されています。

OAP新スタッフ
ミエ・ケネディー氏
ミエ・ケネディー氏は、昨年12月にIMF東京オフィスのプログラム・オフィサーとして加わるため、サンフランシスコから来ました。同氏は日本で育ちましたが、近年は米国で過ごしていました。日本に戻ってきることを嬉しく思い、また、この仕事で多くを学びたいところです。最初の仕事を今年度の日本の奨学会に関する選考で、現在はオーストラリア・プログラムで奨学生の訪問計画中です。4月には、現在の奨学生に会うため、オーストラリア国立大学を訪れます。