International reserves

Total international reserves, including gold, increased by 14 percent during 2006 and stood at SDR 3.8 trillion[1] at the end of the year (Table I.1). Foreign exchange reserves, the largest component of official reserve holdings, grew by 15 percent, to SDR 3.3 trillion. IMF-related assets (that is, reserve positions in the IMF and SDRs), which account for the balance of nongold reserves, declined by 27 percent to SDR 36 billion, reflecting the recent decline in outstanding credit to member countries. The market value of gold held by monetary authorities increased by 16 percent to SDR 367 billion in 2006.[2]

Foreign exchange reserves

Foreign exchange reserves accounted for 99 percent of nongold international reserves at the end of 2006. Developing countries held 72 percent of all foreign exchange reserves (SDR 2.4 trillion), an increase of 20 percent since the end of 2005, and the holdings of oil-exporting developing countries—which amounted to 10 percent of all developing countries' foreign exchange reserves—increased by 26 percent to SDR 228 billion. During 2006, the foreign exchange holdings of industrial countries rose by 2 percent to SDR 927 billion.

IMF-related assets

During 2006, members' reserve positions in the IMF—which consist of members' reserve tranche and creditor positions—declined by 39 percent to SDR 18 billion, while the SDR holdings of IMF members declined 9 percent to SDR 18 billion. The decline in the reserve positions was attributable mostly to the industrial countries, which account for two-thirds of the reserve positions and SDR holdings.

Gold reserves

The market value of gold reserves increased by 16 percent to SDR 367 billion in 2006, as higher gold prices more than offset the 1 percent decline in the physical stock of official gold. However, the share of gold in official reserves in 2006 (10 percent) is much lower than in the early 1980s, when gold accounted for about half of all official reserves. At the end of 2006, gold constituted 24 percent of the total reserves of industrial countries, which hold 82 percent of the world's gold reserves, and 3 percent of the total reserves of developing countries.

[1]At April 30, 2007, SDR 1=US$1.52418.

[2]Official monetary authorities include central banks as well as currency boards, exchange stabilization funds, and treasuries, to the extent that the latter group of entities perform monetary authorities' functions.

Developments during the first quarter of 2007

During the first quarter of 2007, total reserve assets rose by SDR 171 billion, foreign exchange reserves by SDR 160 billion. Reflecting the robust gold price in the first quarter, the market value of gold reserves increased by SDR 12 billion, while holdings of IMF-related assets declined by SDR 2 billion.

Currency composition of foreign exchange reserves

The currency composition of foreign exchange reserves has changed gradually over the past decade. The share of U.S. dollar holdings in foreign exchange reserves peaked at 71 percent during 1999–2001 (Table I.2) and declined to 67 percent in 2002, driven by both the fall in the value of U.S. dollar holdings and the reduced share of U.S. dollar assets in net purchases of reserves (Table I.3). In 2006, the share of dollar holdings dropped below 65 percent, as the euro and the pound gained share owing to appreciating exchange rates vis-à-vis the dollar as well as net reserve purchases denominated in those two currencies (see the last paragraph for details).

The share of the euro, which replaced 11 European currencies and the European currency unit (ECU) on January 1, 1999, increased sharply between 1999 and 2003. It increased again in 2006, to nearly 26 percent of total foreign exchange reserves at year-end. However, the share of the euro in total foreign exchange reserves in 1999–2006 is not directly comparable with the combined share in previous years of the deutsche mark, French franc, Netherlands guilder, and private ECU, since the reserves formerly denominated in euro-legacy currencies[3] became domestic assets of the euro area when the euro was introduced (Table I.2).

The share of Japanese yen in total foreign exchange reserves declined from 6 percent in the late 1990s to 3 percent at the end of 2006. The share of pound sterling rose above 4 percent at end-2006, while that of the Swiss franc remained well below 1 percent. The share of other currencies has been less than 2 percent since 1999. No information is available on the currency composition of unallocated reserves, whose share of global reserves rose to 34 percent in 2006.

The share of U.S. dollar holdings by industrial countries moderated to 72 percent at the end of 2006, from the high of the previous year that reflected the relative strength of the dollar at end-2005. In 2006, the share of the euro in industrial countries' foreign exchange reserves recovered, reaching 20 percent, while the share of the yen remained below 4 percent. The shares of pound sterling and Swiss franc have remained broadly stable.

The share of the U.S. dollar in developing countries' foreign exchange reserves remained close to 60 percent in 2006, lower than the average in

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

preceding years.[4] Euro holdings rose to nearly 30 percent of those countries' foreign exchange reserves, 10 percentage points higher than the euro's share in 1999 and 2000. Over the past decade, the share of the yen gradually decreased by about 3 percentage points, to 3 percent at the end of 2006, while the share of pound sterling increased by more than 2 percentage points, to 6 percent in 2006. The share of the Swiss franc remained below 1 percent over the same period.

[4]This calculation does not include unallocated reserves, which account for nearly half of all official foreign exchange reserves held by developing countries.

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 115 billion in 2006, reflecting a quantity increase in U.S. dollar holdings of SDR 185 billion and a valuation decrease of SDR 70 billion. Euro holdings increased by SDR 93 billion, as a quantity increase of SDR 63 billion was boosted by a valuation increase of SDR 30 billion. Japanese yen holdings declined by SDR 0.5 billion as a quantity increase of SDR 3.5 billion was offset by a valuation decrease of SDR 4 billion. Pound sterling holdings increased by SDR 27 billion, Swiss franc holdings by SDR 1 billion.

Appendix-Table I.1 Official holdings of reserve assets

(In billions of SDRs; end-of-year figures except for 2007)

	2001	2002	2003	2004	2005	2006	Mar. 2007
All countries							
Total reserves excluding gold							
IMF-related assets[1]							
Reserve positions in the IMF	56.9	66.1	66.5	55.8	28.6	17.5	15.6
SDRs	19.6	19.7	19.9	20.3	20.1	18.2	18.3
Subtotal, IMF-related assets	**76.4**	**85.7**	**86.4**	**76.1**	**48.6**	**35.7**	**34.0**
Foreign exchange	1,631.3	1,771.7	2,036.2	2,413.8	2,921.0	3,348.0	3,508.4
Total reserves excluding gold	**1,707.7**	**1,857.5**	**2,122.8**	**2,490.1**	**2,969.7**	**3,384.2**	**3,542.7**
Gold[2]							
Quantity *(millions of ounces)*	943.6	931.7	914.0	897.0	878.4	867.9	864.8
Value at London market price	207.6	234.9	256.7	253.0	315.3	366.7	378.9
Total reserves including gold	**1,915.3**	**2,092.4**	**2,379.4**	**2,743.1**	**3,285.0**	**3,750.9**	**3,921.7**
Industrial countries							
Total reserves excluding gold							
IMF-related assets[1]							
Reserve positions in the Fund	47.0	53.7	52.6	43.6	21.0	11.9	10.4
SDRs	16.0	15.8	15.3	15.3	12.4	13.5	13.5
Subtotal, IMF-related assets	**62.9**	**69.5**	**67.9**	**58.9**	**33.4**	**25.4**	**23.9**
Foreign exchange	628.2	666.1	754.4	848.9	906.1	927.2	940.4
Total reserves excluding gold	**691.2**	**735.8**	**822.6**	**908.0**	**939.7**	**953.0**	**964.7**
Gold[2]							
Quantity *(millions of ounces)*	783.8	770.1	754.5	740.8	723.9	712.9	710.6
Value at London market price	172.4	194.1	211.9	208.9	259.8	301.2	311.4
Total reserves including gold	**863.7**	**930.0**	**1,034.5**	**1,116.9**	**1,199.6**	**1,254.2**	**1,276.1**
Developing countries							
Total reserves excluding gold							
IMF-related assets							
Reserve positions in the Fund	9.9	12.3	13.9	12.2	7.6	5.6	5.2
SDRs	3.6	3.9	4.6	5.0	7.6	4.8	4.8
Subtotal, IMF-related assets	**13.5**	**16.2**	**18.5**	**17.2**	**15.2**	**10.4**	**10.1**
Foreign exchange	1,003.1	1,105.6	1,281.7	1,564.9	2,014.9	2,420.8	2,568.0
Total reserves excluding gold	**1,016.5**	**1,121.7**	**1,300.2**	**1,582.1**	**2,030.0**	**2,431.2**	**2,578.0**
Gold[2]							
Quantity *(millions of ounces)*	159.8	161.7	159.5	156.1	154.5	155.0	154.2
Value at London market price	35.2	40.8	44.8	44.0	55.4	65.5	67.6
Total reserves including gold	**1,051.7**	**1,162.5**	**1,345.0**	**1,626.1**	**2,085.4**	**2,496.7**	**2,645.6**

Note: Components may not sum to totals because of rounding.
Source: International Monetary Fund, *International Financial Statistics*.
[1]IMF-related assets comprise reserve positions in the IMF and SDR holdings of all IMF members. Foreign exchange and gold figures represent official holdings of IMF members for which data are available and of 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.

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

(In percent)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
All countries										
U.S. dollar	65.2	69.4	71.0	71.1	71.5	67.0	65.9	65.8	66.7	64.7
Japanese yen	5.8	6.2	6.4	6.1	5.1	4.4	3.9	3.9	3.6	3.2
Pound sterling	2.6	2.7	2.9	2.8	2.7	2.8	2.8	3.4	3.6	4.4
Swiss franc	0.3	0.3	0.2	0.3	0.3	0.4	0.2	0.2	0.1	0.2
Euro[2]	—	—	17.9	18.3	19.2	23.8	25.2	24.9	24.2	25.8
Deutsche mark	14.5	13.8	—	—	—	—	—	—	—	—
French franc	1.4	1.6	—	—	—	—	—	—	—	—
Netherlands guilder	0.4	0.3	—	—	—	—	—	—	—	—
ECUs[3]	6.0	1.2	—	—	—	—	—	—	—	—
Other currencies[4]	3.8	4.5	1.6	1.5	1.3	1.6	2.0	1.9	1.7	1.7
Industrial countries										
U.S. dollar	59.1	67.6	73.5	72.7	72.7	68.9	70.5	71.5	73.6	71.9
Japanese yen	5.9	6.9	6.7	6.3	5.5	4.3	3.8	3.6	3.4	3.5
Pound sterling	2.0	2.1	2.2	2.0	1.9	2.1	1.5	1.9	2.1	2.5
Swiss franc	0.1	0.2	0.1	0.2	0.3	0.6	0.2	0.1	0.1	0.2
Euro[2]	—	—	16.1	17.0	17.9	22.3	21.9	20.8	19.0	20.4
Deutsche mark	16.2	13.4	—	—	—	—	—	—	—	—
French franc	0.9	1.2	—	—	—	—	—	—	—	—
Netherlands guilder	0.2	0.2	—	—	—	—	—	—	—	—
ECUs[3]	11.2	2.3	—	—	—	—	—	—	—	—
Other currencies[4]	4.4	6.2	1.5	1.7	1.6	1.8	2.0	2.1	1.6	1.4
Developing countries										
U.S. dollar	72.4	71.2	68.3	69.4	70.2	65.2	61.3	60.2	61.0	59.7
Japanese yen	5.7	5.6	6.1	5.8	4.6	4.4	4.0	4.1	3.7	2.9
Pound sterling	3.3	3.3	3.7	3.5	3.5	3.5	4.0	4.9	4.9	5.8
Swiss franc	0.6	0.5	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.1
Euro	—	—	19.9	19.7	20.5	25.3	28.5	29.0	28.5	29.6
Deutsche mark	12.5	14.3	—	—	—	—	—	—	—	—
French franc	2.1	2.1	—	—	—	—	—	—	—	—
Netherlands guilder	0.5	0.4	—	—	—	—	—	—	—	—
ECUs[3]	0.0	0.0	—	—	—	—	—	—	—	—
Other currencies[4]	3.0	2.7	1.7	1.3	1.0	1.3	2.0	1.6	1.7	1.9
Memorandum items:										
Unallocated reserves[5]										
All countries	21.3	22.1	22.6	21.7	23.6	25.5	26.6	29.5	32.4	33.9
Industrial countries	2.1	1.1	0.7	0.4	0.1	0.3	0.2	0.2	0.3	0.3
Developing countries	36.2	36.5	37.6	36.1	38.1	40.6	41.9	45.3	46.7	46.6

Note: Components may not sum to total because of rounding. Country coverage changes slightly every year.

[1]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 of IMF member countries and the sum of reserves reported to be held in currencies other than those listed in the table.

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

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

(In millions of SDRs)

	1998	1999	2000	2001	2002	2003	2004	2005	2006
U.S. dollar									
Change in holdings	16,854	81,786	114,437	63,779	–6,614	100,191	134,565	198,696	115,348
Quantity change	43,129	65,927	74,684	33,108	63,318	184,717	184,681	99,524	185,608
Price change	–26,275	15,859	39,753	30,671	–69,932	–84,525	–50,115	99,173	–70,260
Year-end value	631,185	712,971	827,407	891,186	884,573	984,764	1,119,329	1,318,025	1,433,373
Japanese yen									
Change in holdings	2,373	7,233	6,598	–7,658	–5,534	1,476	6,585	5,663	–529
Quantity change	–1,947	–1,453	11,247	–963	–6,411	205	7,637	8,656	3,494
Price change	4,319	8,686	–4,649	–6,694	877	1,271	–1,052	–2,993	–4,023
Year-end value	56,838	64,072	70,670	63,012	57,478	58,954	65,539	71,202	70,673
Pound sterling									
Change in holdings	–103	4,769	3,060	1,659	3,432	4,289	16,108	13,960	26,606
Quantity change	851	4,867	3,886	1,409	2,464	3,775	14,487	16,098	19,487
Price change	–954	–97	–826	249	968	513	1,620	–2,137	7,119
Year-end value	24,248	29,018	32,078	33,737	37,169	41,458	57,565	71,526	98,132
Swiss franc									
Change in holdings	–278	–698	825	342	1,901	–2,005	–530	54	1,015
Quantity change	–313	–385	732	308	1,400	–2,106	–661	243	938
Price change	35	–313	94	34	502	102	131	–189	77
Year-end value	3,009	2,311	3,136	3,479	5,380	3,375	2,845	2,899	3,914
Euro									
Change in holdings	—	44,304[2]	33,139	26,423	74,819	62,014	47,411	54,327	93,079
Quantity change	—	64,818	36,903	30,133	48,525	28,355	33,956	81,628	62,561
Price change	—	–20,514	–3,764	–3,710	26,294	33,659	13,456	–27,300	30,517
Year-end value	—	179,926	213,064	239,487	314,306	376,320	423,731	478,058	571,137
Deutsche mark									
Change in holdings	–10,958	—	—	—	—	—	—	—	—
Quantity change	–14,619	—	—	—	—	—	—	—	—
Price change	3,661	—	—	—	—	—	—	—	—
Year-end value	125,673	—	—	—	—	—	—	—	—
French franc									
Change in holdings	1,209	—	—	—	—	—	—	—	—
Quantity change	881	—	—	—	—	—	—	—	—
Price change	327	—	—	—	—	—	—	—	—
Year-end value	14,782	—	—	—	—	—	—	—	—
Netherlands guilder									
Change in holdings	–828	—	—	—	—	—	—	—	—
Quantity change	–944	—	—	—	—	—	—	—	—
Price change	115	—	—	—	—	—	—	—	—
Year-end value	2,478	—	—	—	—	—	—	—	—
European currency unit									
Change in holdings	–46,128	—	—	—	—	—	—	—	—
Quantity change	–47,599	—	—	—	—	—	—	—	—
Price change	1,472	—	—	—	—	—	—	—	—
Year-end value	10,890	—	—	—	—	—	—	—	—
Sum of the above[3]									
Change in holdings	–37,859	137,395	158,060	84,545	68,005	165,965	204,139	272,701	235,518
Quantity change	–20,560	133,774	127,451	63,995	109,296	214,945	240,099	206,147	272,088
Price change	–17,300	3,621	30,608	20,550	–41,292	–48,980	–35,960	66,553	–36,570
Year-end value	869,104	988,297	1,146,356	1,230,901	1,298,906	1,464,871	1,669,010	1,941,711	2,177,228
Other currencies									
Change in holdings	5,275	–24,602	1,287	–1,489	4,570	8,964	2,472	1,025	3,611
Year-end value	40,754	16,152	17,438	15,949	20,519	29,483	31,955	32,980	36,591
Total official holdings[4]									
Change in holdings	–30,328	130,540	188,244	144,926	140,400	264,501	377,670	507,111	427,063
Year-end value	1,167,558	1,298,098	1,486,342	1,631,268	1,771,669	2,036,169	2,413,839	2,920,950	3,348,013

Note: Components may not sum to totals because of rounding. Country coverage changes slightly every year.

[1]The currency composition of official foreign exchange reserves as reported by countries, including minimal estimation undertaken mainly for late reporters. Reserves for which currency compostion is not reported are shown under "Unallocated reserves." 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

Appendix-Table II.1 Arrangements approved during financial years ended April 30, 1998–2007

Financial year	Number of arrangements				Amounts committed under arrangements[1] (In millions of SDRs)			
	Stand-By	EFF	PRGF	Total	Stand-By	EFF	PRGF	Total
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
2006	5	1	7	13	8,336	9	129	8,474
2007	2	—	10	12	237	—	363	600

EFF = Extended Fund Facility
PRGF = Poverty Reduction and Growth Facility
[1]Includes augmentations and reductions.

Appendix-Table II.2 Arrangements in effect as of April 30, 1998–2007

Financial year	Number of arrangements				Amounts committed under arrangements (In millions of SDRs)			
	Stand-By	EFF	PRGF	Total	Stand-By	EFF	PRGF	Total
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
2006	10	1	27	38	9,534	9	1,770	11,313
2007	6	1	29	36	7,864	9	1,664	9,537

EFF = Extended Fund Facility
PRGF = Poverty Reduction and Growth Facility

Appendix-Table II.3 Summary of disbursements, repurchases, and repayments, financial years ended April 30, 1948–2007

(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
2006	2,156	—	—	403	2,559	32,783	—	3,208	35,991	23,144
2007	2,329	—	—	477	2,806	14,166	—	512	14,678	11,216

SAF = Structural Adjustment Facility
PRGF = Poverty Reduction and Growth Facility
[1]Includes reserve tranche purchases.
[2]Excludes reserve tranche purchases; includes outstanding associated loans from the Saudi Fund for Development.

Appendix-Table II.4 Purchases and loans from the IMF, financial year ended April 30, 2007

(In millions of SDRs)

Member	Reserve tranche	Emergency Assistance	Stand-By/ credit tranche	Extended Fund Facility	Total purchases	PRGF loans	Total purchases and loans
Afghanistan, Islamic Republic of	—	—	—	—	—	25	25
Albania	—	—	—	2	2	2	5
Armenia	—	—	—	—	—	7	7
Bangladesh	—	—	—	—	—	34	34
Benin	—	—	—	—	—	1	1
Burkina Faso	—	—	—	—	—	10	10
Burundi	—	—	—	—	—	21	21
Cameroon	—	—	—	—	—	5	5
Central African Republic	—	—	—	—	—	18	18
Congo, Republic of	—	—	—	—	—	8	8
Dominica	—	—	—	—	—	2	2
Dominican Republic	—	—	135	—	135	—	135
Gambia, The	—	—	—	—	—	2	2
Georgia	—	—	—	—	—	28	28
Ghana	—	—	—	—	—	79	79
Guyana	—	—	—	—	—	9	9
Haiti	—	—	—	—	—	28	28
Kenya	—	—	—	—	—	38	38
Kyrgyz Republic	—	—	—	—	—	3	3
Lebanon	—	51	—	—	51	—	51
Madagascar	—	—	—	—	—	16	16
Malawi	—	—	—	—	—	12	12
Mali	—	—	—	—	—	3	3
Mauritania	—	—	—	—	—	6	6
Moldova	—	—	—	—	—	43	43
Mozambique	—	—	—	—	—	3	3
Nepal	—	—	—	—	—	14	14
Nicaragua	—	—	—	—	—	28	28
Niger	—	—	—	—	—	12	12
Rwanda	—	—	—	—	—	3	3
São Tomé and Príncipe	—	—	—	—	—	1	1
Sierra Leone	—	—	—	—	—	9	9
Tanzania	—	—	—	—	—	3	3
Turkey	57	—	1,999	—	2,055	—	2,055
Uruguay	—	—	86	—	86	—	86
Zambia	—	—	—	—	—	6	6
Total	**57**	**51**	**2,219**	**2**	**2,329**	**477**	**2,806**

PRGF = Poverty Reduction and Growth Facility.

Appendix-Table II.5 Repurchases and repayments to the IMF, financial year ended April 30, 2007

(In millions of SDRs)

Member	Stand-By/ credit tranche	Extended Fund facility	Other[1]	Total repurchases	PRGF repayments[2]	Total repurchases and repayments
Albania	—	—	—	—	9	9
Armenia	—	—	—	—	18	18
Azerbaijan	—	9	—	9	17	26
Bosnia and Herzegovina	27	—	—	27	—	27
Bulgaria	10	283	—	293	—	293
Central African Republic	—	—	13	13	5	18
Chad	—	—	—	—	10	10
Congo, Republic of	—	—	—	—	1	1
Côte d'Ivoire	—	—	—	—	39	39
Djibouti	—	—	—	—	1	1
Dominica	1	—	—	1	—	1
Dominican Republic	77	—	—	77	—	77
Ecuador	38	—	—	38	—	38
Gabon	10	5	—	15	—	15
Gambia, The	—	—	—	—	3	3
Georgia	—	—	—	—	30	30
Grenada	—	—	1	1	—	1
Guinea	—	—	—	—	14	14
Guinea-Bissau	—	—	—	—	3	3
Haiti	—	—	20	20	3	23
Indonesia	—	5,189	—	5,189	—	5,189
Jordan	1	61	—	62	—	62
Kenya	—	—	—	—	9	9
Kyrgyz Republic	—	—	—	—	17	17
Lao People's Democratic Republic	—	—	—	—	3	3
Liberia[3]	0	—	—	0	—	0
Macedonia, former Yugoslav Republic of*	5	0	—	5	6	11
Malawi	—	—	13	13	33	46
Mauritania	—	—	—	—	44	44
Moldova	—	13	—	13	4	17
Mongolia	—	—	—	—	4	4
Pakistan	—	19	—	19	53	72
Panama	—	7	—	7	—	7
Peru	—	27	—	27	—	27
Philippines	—	209	—	209	—	209
Romania	103	—	—	103	—	103
São Tomé and Príncipe	—	—	—	—	1	1
Serbia	6	650	—	656	—	656
Sierra Leone	—	—	—	—	119	119
Sri Lanka	42	—	—	42	—	42
Sudan	17	11	5	33	—	33
Togo	—	—	—	—	4	4
Turkey	5,659	—	—	5,659	—	5,659
Ukraine	—	279	—	279	—	279
Uruguay	1,347	—	—	1,347	—	1,347
Vietnam	—	—	—	—	20	20
Yemen, Republic of	—	9	—	9	41	50
Zimbabwe[3]	—	—	—	—	0	0
Total	**7,345**	**6,769**	**52**	**14,166**	**512**	**14,678**

[1]Includes Compensatory Financing Facility, Natural Disaster Emergency Assistance, and Post-Conflict Emergency Assistance.
[2]Includes MDRI debt relief for Malawi, Mauritania, São Tomé and Príncipe, and Sierra Leone.
[3]A zero indicates a value less than SDR 0.5 million.

Appendix-Table II.6 Outstanding IMF credit by facility and policy, financial years ended April 30, 1998–2007

(In millions of SDRs and percent of total)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
					(In millions of SDRs)					
Stand-By Arrangements[1]	25,526	25,213	21,410	17,101	28,612	34,241	42,100	35,818	11,666	6,537
Extended Arrangements	12,521	16,574	16,808	16,108	15,538	14,981	13,751	9,365	7,477	717
Supplemental Reserve Facility	7,100	12,655	—	4,085	5,875	15,700	6,028	4,569	—	—
Compensatory and Financing Facility	685	2,845	3,032	2,992	745	413	120	84	84	79
Systemic Transformation Facility	3,869	3,364	2,718	1,933	1,311	644	154	18	—	—
Subtotal (GRA)	**49,701**	**60,651**	**43,968**	**42,219**	**52,081**	**65,978**	**62,153**	**49,854**	**19,227**	**7,333**
SAF Arrangements	730	565	456	432	341	137	86	45	9	9
PRGF Arrangements[2]	5,505	5,870	5,857	5,951	6,188	6,676	6,703	6,588	3,819	3,785
Trust Fund	90	89	89	89	89	89	89	89	89	89
Total	**56,026**	**67,175**	**50,370**	**48,691**	**58,699**	**72,879**	**69,031**	**56,576**	**23,144**	**11,216**
					(Percent of total)					
Stand-By Arrangements[1]	46	38	43	35	49	47	61	63	50	58
Extended Arrangements	22	25	33	33	26	21	20	17	33	7
Supplemental Reserve Facility	13	19	—	9	10	21	9	8	—	—
Compensatory and Financing Facility	1	4	6	6	1	1	—[3]	—[3]	—[3]	1
Systemic Transformation Facility	7	5	5	4	2	1	—[3]	—[3]	—[3]	—
Subtotal (GRA)	**89**	**90**	**87**	**87**	**88**	**91**	**90**	**88**	**83**	**65**
SAF Arrangements	1	1	1	1	1	—[3]	—[3]	—[3]	—[3]	—[3]
PRGF Arrangements[2]	10	9	12	12	11	9	10	12	17	34
Trust Fund	—[3]	—[3]	—[3]	—[3]	—[3]	—[3]	—[3]	—[3]	—[3]	1
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.

Appendix-Table II.7 Holdings of SDRs by all participants and by groups of countries as percent of their cumulative allocations of SDRs, at end of financial years ended April 30, 1998–2007

			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
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
2006	81.8	85.3	74.3	233.7	20.2	10.4
2007	86.0	92.3	72.4	198.7	11.4	8.6

[1]Consists of member countries that are participants in the SDR Department. At the end of FY2007, of the total SDRs allocated to participants in the SDR Department (SDR 21.4 billion), SDR 3.0 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 exceed their cumulative allocations of SDRs. Net debtor countries' holdings of SDRs are less than their cumulative allocations of SDRs.

Appendix-Table II.8 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	Guyana	December 27, 1966
Antigua and Barbuda	November 22, 1983	Haiti	December 22, 1953
Argentina	May 14, 1968	Honduras	July 1, 1950
Armenia	May 29, 1997	Hungary	January 1, 1996
Australia	July 1, 1965	Iceland	September 19, 1983
Austria	August 1, 1962	India	August 20, 1994
Azerbaijan	November 30, 2004	Indonesia	May 7, 1988
Bahamas, The	December 5, 1973	Iran, Islamic Republic of	September 6, 2004
Bahrain	March 20, 1973	Ireland	February 15, 1961
Bangladesh	April 11, 1994	Israel	September 21, 1993
Barbados	November 3, 1993	Italy	February 15, 1961
Belarus	November 5, 2001	Jamaica	February 22, 1963
Belgium	February 15, 1961	Japan	April 1, 1964
Belize	June 14, 1983	Jordan	February 20, 1995
Benin	June 1, 1996	Kazakhstan	July 16, 1996
Bolivia	June 5, 1967	Kenya	June 30, 1994
Botswana	November 17, 1995	Kiribati	August 22, 1986
Brazil	November 30, 1999	Korea, Rep. of	November 1, 1988
Brunei Darussalam	October 10, 1995	Kuwait	April 5, 1963
Bulgaria	September 24, 1998	Kyrgyz Republic	March 29, 1995
Burkina Faso	June 1, 1996	Latvia	June 10, 1994
Cambodia	January 1, 2002	Lebanon	July 1, 1993
Cameroon	June 1, 1996	Lesotho	March 5, 1997
Canada	March 25, 1952	Libya	June 21, 2003
Cape Verde	July 1, 2004	Lithuania	May 3, 1994
Central African Republic	June 1, 1996	Luxembourg	February 15, 1961
Chad	June 1, 1996	Macedonia, FYR	June 19, 1998
Chile	July 27, 1977	Madagascar	September 18, 1996
China	December 1, 1996	Malawi	December 7, 1995
Colombia	August 1, 2004	Malaysia	November 11, 1968
Comoros	June 1, 1996	Mali	June 1, 1996
Congo, Dem. Rep. of	February 10, 2003	Malta	November 30, 1994
Congo, Rep. of	June 1, 1996	Marshall Islands	May 21, 1992
Costa Rica	February 1, 1965	Mauritania	July 19, 1999
Côte d'Ivoire	June 1, 1996	Mauritius	September 29, 1993
Croatia	May 29, 1995	Mexico	November 12, 1946
Cyprus	January 9, 1991	Micronesia, Federated States of	June 24, 1993
Czech Republic	October 1, 1995	Moldova	June 30, 1995
Denmark	May 1, 1967	Mongolia	February 1, 1996
Djibouti	September 19, 1980	Montenegro	January 18, 2007
Dominica	December 13, 1979	Morocco	January 21, 1993
Dominican Republic	August 1, 1953	Namibia	September 20, 1996
Ecuador	August 31, 1970	Nepal	May 30, 1994
Egypt	January 2, 2005	Netherlands	February 15, 1961
El Salvador	November 6, 1946	New Zealand	August 5, 1982
Equatorial Guinea	June 1,1996	Nicaragua	July 20, 1964
Estonia	August 15, 1994	Niger	June 1, 1996
Fiji	August 4, 1972	Norway	May 11, 1967
Finland	September 25, 1979	Oman	June 19, 1974
France	February 15, 1961	Pakistan	July 1, 1994
Gabon	June 1, 1996	Palau	December 16, 1997
Gambia, The	January 21, 1993	Panama	November 26, 1946
Georgia	December 20, 1996	Papua New Guinea	December 4, 1975
Germany	February 15, 1961	Paraguay	August 22, 1994
Ghana	February 21, 1994	Peru	February 15, 1961
Greece	July 7, 1992	Philippines	September 8, 1995
Grenada	January 24, 1994	Poland	June 1, 1995
Guatemala	January 27, 1947	Portugal	September 12, 1988
Guinea	November 17, 1995	Qatar	June 4, 1973
Guinea-Bissau	January 1, 1997	Romania	March 25, 1998

Appendix-Table II.8 *(concluded)*

Member	Effective date of acceptance	Member	Effective date of acceptance
Russian Federation	June 1, 1996	Tanzania	July 15, 1996
Rwanda	December 10, 1998	Thailand	May 4, 1990
St. Kitts and Nevis	December 3, 1984	Timor-Leste	July 23, 2002
St. Lucia	May 30, 1980	Togo	June 1, 1996
St. Vincent and the Grenadines	August 24, 1981	Tonga	March 22, 1991
Samoa	October 6, 1994	Trinidad and Tobago	December 13, 1993
San Marino	September 23, 1992	Tunisia	January 6, 1993
Saudi Arabia	March 22, 1961	Turkey	March 22, 1990
Senegal	June 1, 1996	Uganda	April 5, 1994
Serbia	May 15, 2002	Ukraine	September 24, 1996
Seychelles	January 3, 1978	United Arab Emirates	February 13, 1974
Sierra Leone	December 14, 1995	United Kingdom	February 15, 1961
Singapore	November 9, 1968	United States	December 10, 1946
Slovak Republic	October 1, 1995	Uruguay	May 2, 1980
Slovenia	September 1, 1995	Uzbekistan	October 15, 2003
Solomon Islands	July 24, 1979	Vanuatu	December 1, 1982
South Africa	September 15, 1973	Venezuela, República Bolivariana de	July 1, 1976
Spain	July 15, 1986	Vietnam	November 8, 2005
Sri Lanka	March 15, 1994	Yemen, Republic of	December 10, 1996
Sudan	October 29, 2003	Zambia	April 19, 2002
Suriname	June 29, 1978	Zimbabwe	February 3, 1995
Swaziland	December 11, 1989		
Sweden	February 15, 1961		
Switzerland	May 29, 1992		
Tajikistan	December 9, 2004		

Appendix-Table II.9 De facto classification of exchange rate regimes and monetary policy framework, end-April 2007

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 and monetary policy frameworks to provide greater transparency in the classification scheme and to illustrate the relationship between exchange rate regimes and different 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). Adopting such regimes implies the complete surrender of the monetary authorities' control over domestic monetary policy. Effective January 1, 2007, exchange arrangements of the countries that belong to a monetary or currency union in which the same legal tender is shared by the members of the union are classified under the arrangement governing the joint currency. The new classification is based on the behavior of the common currency, whereas the previous classification was based on the lack of a separate legal tender. The classification thus reflects only a definitional change, and is not based on a judgment that there has been a substantive change in the exchange regime or other policies of the currency union or its members.

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, leaving little scope for discretionary monetary policy and eliminating traditional central bank functions, such as monetary control and lender-of-last-resort. Some flexibility may still be afforded, depending on how strict the banking rules of the currency board arrangement are.

Conventional fixed peg arrangements

The country pegs its currency within margins of ±1 percent or less vis-à-vis another currency; a cooperative arrangement, such as the ERM II; 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 maintains the fixed parity through direct intervention (i.e., via sale/purchase of foreign exchange in the market) or indirect intervention (e.g., via the use of interest rate policy, imposition of foreign exchange regulations, exercise of moral suasion that constrains foreign exchange activity, or through 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 more than ±1 percent around a fixed central rate or the margin between the maximum and minimum value of the exchange rate exceeds 2 percent. As in the case of conventional fixed pegs, reference may be made to a single currency, a currency composite, or a cooperative arrangement (such as the ERM II). 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. The rate of crawl can be set to adjust for measured inflation or other indicators (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 (e.g., 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. Countries that maintain nominal anchors, exchange rate anchors, monetary anchors, or inflation-targeting frameworks are classified under those respective rubrics.

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.

Appendix-Table II.9 *(continued)*

Exchange rate regime (number of countries)	Monetary policy framework[1] Exchange rate anchor		Monetary aggregate target	Inflation-targeting framework	IMF-supported or other monetary program	Other[2]
Exchange arrangements with no separate legal tender (10)	*Another currency as legal tender* Ecuador El Salvador[3] Kiribati Marshall Islands Micronesia, Fed. States of	Montenegro Palau Panama San Marino Timor-Leste, Dem. Rep. of				
Currency board arrangements (13)	Bosnia and Herzegovina Brunei Darussalam Bulgaria Djibouti Estonia[4] Hong Kong SAR Lithuania[4]	*ECCU (6)* Antigua and Barbuda Dominica Grenada* St. Kitts and Nevis St. Lucia St. Vincent and the Grenadines				
Other conventional fixed-peg arrangements (70)	*Against a single currency (49)* Angola[5] Argentina[5] Aruba Bahamas, The[7] Bahrain Barbados Belarus[5] Belize Bhutan Bolivia[5, 8] Cape Verde Comoros[9] Egypt[5] Eritrea Ethiopia[5] Guyana*[5, 6] Honduras†[5] Jordan[5] Kuwait[5] Latvia[4] Lebanon[5] Lesotho Macedonia, FYR*[5] Maldives Malta[4] Mauritania*[5] Mongolia[5] Namibia Nepal* Netherlands Antilles Nigeria[5, 7, 12] Oman Pakistan†[5]	Qatar Rwanda* Saudi Arabia Solomon Islands[5] Suriname[5, 7] Swaziland Syrian Arab Rep.[7] Trinidad and Tobago[5] Turkmenistan[5] Ukraine[5] United Arab Emirates Uzbekistan[5] Venezuela, Rep. Bolivariana de[7] Vietnam[5] Yemen, Rep. of[5] Zimbabwe[7] *CFA franc zone (14)* *WAEMU* Benin* Burkina Faso* Côte D'Ivoire Guinea-Bissau Mali* Niger* Senegal Togo *CEMAC* Cameroon* Central African Rep.* Chad* Congo, Rep. of* Equatorial Guinea Gabon *Against a composite (7)* Fiji Libyan Arab Yamahiriya Morocco Samoa Vanuatu Iran, I.R. of[5] Seychelles	Guyana*[5,6] Suriname[5, 6, 7]			Pakistan†[5]
Pegged exchange rates within horizontal bands (5)[10]	*Within a cooperative arrangement (3)* Cyprus[4] Denmark[4] Slovak Rep.†[4]	*Other band arrangements (2)* Hungary† Tonga		Hungary† Slovak Rep.†[4]		
Crawling pegs (6)	Azerbaijan[5] Botswana China†[5] Iraq*[5] Nicaragua Sierra Leone*[5]		China†[5]			
Crawling bands (1)	Costa Rica					

Appendix-Table II.9 *(concluded)*

Exchange rate regime (number of countries)	Monetary policy framework[1]: Exchange rate anchor	Monetary aggregate target	Inflation-targeting framework	IMF-supported or other monetary program	Other[2]
Managed floating with no predetermined path for the exchange rate (48)		Bangladesh Guinea[5,7] Haiti*[5] Jamaica[5] Lao P.D.R. Madagascar*[5] Malawi*[7] Mauritius Moldova* Mozambique*[5] Sri Lanka[5] Tajikistan Tanzania[5] Tunisia Uganda Uruguay[5] Zambia*[5]	Colombia Czech Rep. Ghana Guatemala[5] Indonesia Peru* Romania Serbia Thailand	Afghanistan, I.R. of* Armenia*[5] Dominican Rep.*[5] Gambia, The[5] Georgia* Kenya* Kyrgyz Rep.*	Algeria Burundi*[7] Cambodia Croatia India Kazakhstan[5] Liberia[5] Malaysia Myanmar[7,5] Papua New Guinea[5] Paraguay* Russian Federation São Tomé and Príncipe*[7] Singapore Sudan
Independently floating (35)		Albania* Congo, Dem. Rep. of	Australia Brazil Canada Chile Iceland Israel Korea Mexico New Zealand Norway Philippines Poland South Africa Sweden Turkey* United Kingdom		Japan Somalia[7,11] Switzerland United States *Euro Area* Austria Belgium Finland France Germany Greece Ireland Italy Luxembourg Netherlands Portugal Slovenia Spain

Sources: IMF staff reports; IMF *Recent Economic Developments*; and IMF staff estimates.

[1]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.)

[2]Includes countries that have no explicitly stated nominal anchor but, rather, monitor various indicators in conducting monetary policy.

[3]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.

[4]The member participates in the ERM II.

[5]The regime operating de facto in the country is different from its de jure regime.

[6]There is no evidence of direct intervention by the authorities in the foreign exchange market.

[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]This is a de facto classification resulting from the methodology described in Appendix II of this document. The Bolivian authorities consider their regime as a crawling peg and have not committed to the current level of the exchange rate.

[9]Comoros has the same arrangement with the French Treasury as the CFA franc zone countries.

[10]The bands for these countries are as follows: Cyprus ±15%, Denmark ±2.25%, Hungary ±15%, Slovak Republic ±15%, and Tonga ±5%.

[11]Insufficient information on the country is available to confirm this classification, and so the classification of the last official consultation is used.

[12]This classification is based on the exchange rate performance up to end-April 2007. The authorities have indicated that their current policy is to pursue a managed float.

International Monetary Fund

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

Español
Français

September 17, 2006

1. The International Monetary and Financial Committee held its fourteenth meeting in Singapore on September 17, 2006 under the Chairmanship of Mr. Gordon Brown, Chancellor of the Exchequer of the United Kingdom. The Committee expresses its gratitude to the Singapore authorities for the excellent arrangements.

Quota and Voice Reform in the IMF

2. Following the call at our last meeting to safeguard and enhance the IMF's effectiveness and credibility, the Committee stresses the importance of IMF quota and voice reforms. The Executive Board has submitted a comprehensive two-year program of quota and voice reforms in a draft resolution to the Board of Governors. Subject to the adoption of the resolution, the September 2006 meetings would initiate an integrated set of reforms, to be completed no later than by the 2008 Annual Meetings. Starting with initial quota increases for China, Korea, Mexico, and Turkey, this package of reforms, when implemented, would make significant progress in realigning quota shares with members' relative positions in the world economy and, equally important, in enhancing the participation and voice of low-income countries in the IMF as set out in the resolution. The Committee urges the Executive Board to work constructively and expeditiously on all elements of the reforms so as to garner the broadest possible support, underlines the importance of timely implementation of the program, and calls on the Managing Director to provide a status report at its next meeting.

The Global Economy and Financial Markets-Outlook, Risks, and Policy Responses

3. The Committee welcomes the ongoing strong and broad-based global economic expansion. Growth is expected to remain robust in 2007. However, there are downside risks from the possibility of a continued build-up of inflationary pressures, a slowdown in consumption in a number of countries, continuing high and volatile energy prices, and the spread of protectionism. The Committee agrees that in the period ahead the IMF should focus on supporting its members in promoting policies for: reducing global imbalances while sustaining global growth; addressing the impact of high oil prices, in particular on the most vulnerable countries; managing the likely transition to less generous liquidity conditions; and ensuring medium-term fiscal sustainability and financial stability. The Committee underscores that reinvigorating the momentum of multilateral trade liberalization is critical so as to sustain and strengthen the foundations of global growth.

4. In the advanced economies, monetary policy will need to continue solidly anchoring inflation expectations and to balance the relative risks to price stability and growth. The current favorable economic environment provides an opportunity for ambitious fiscal consolidation, backed up with credible policy measures to put social security and health care systems on sounder footings to cope with the challenges of population aging. Growth prospects should be bolstered by structural reforms needed in many countries to improve the business environment and product market flexibility, enhance the capacity of labor to adapt to globalization, and spur productivity advances.

5. In emerging market and other developing countries, improved fundamentals have underpinned the resilience of growth to high oil prices and tighter global financial conditions. Growth performance, especially in emerging Asia, has benefited from market-oriented reforms, open trade, and competition. In countries where vulnerabilities remain, further efforts are needed to strengthen public sector balance sheets, anchor inflation expectations, improve the functioning of financial sectors, and ensure the sustainability of external positions.

6. Growth in low-income countries overall, including in Sub-Saharan Africa, remains strong. The Committee emphasizes the importance of a strong partnership between poor countries and donors to underpin further efforts to accelerate growth to help achieve the Millennium Development Goals (MDGs).

Countries should persevere with sound macroeconomic policies, strengthening institutions, and growth-critical reforms. The international community should also support countries' own poverty reduction efforts with increased and more effective aid, agreed debt relief, and bold market-opening initiatives.

7. The Committee calls for sustained actions to implement the agreed policy strategy to underpin an orderly unwinding of global imbalances. The strategy involves: steps to boost national saving in the United States, including fiscal consolidation; further progress on growth-enhancing reforms in Europe; further structural reforms, including fiscal consolidation, in Japan; reforms to boost domestic demand in emerging Asia, together with greater exchange rate flexibility in a number of surplus countries; and increased spending consistent with absorptive capacity and macroeconomic stability in oil producing countries. The Committee welcomes the multilateral consultation by the IMF, which provides an opportunity to support the agreed policy strategy.

8. The Committee remains concerned about high and volatile prices in world energy markets. It welcomes the actions taken to address capacity constraints in oil production, and calls for continued measures from all sides to improve the supply-demand balance in oil markets over the medium term. This will involve increased investment to build up adequate production and refining capacity, incentives to encourage energy conservation by consumers, steps to improve the quality and transparency of oil data, and closer dialogue among oil producers and consumers. The Committee also calls on the IMF to continue to provide advice and support-in particular, to its low-income members-to help countries adjust to high oil prices.

9. Following our meeting with business leaders, we reconfirm our shared commitment to strengthen the foundations of a globalized economic and financial system that promotes growth and poverty reduction and provides equitable opportunities for all. The Committee also received a report on the current status of the multilateral trade negotiations under the Doha Round from Mr. Pascal Lamy, Director-General of the WTO. The Committee expresses its deep disappointment that the trade negotiations have been suspended. It urges all WTO members to maintain their commitment to the rules-based multilateral trading system, resist protectionist calls, and preserve progress that has already been made. The Committee calls for leadership from the major trading nations to work urgently toward an early resumption of the negotiations, and an ambitious, successful outcome by the end of the year, based on a commitment to a comprehensive package on agriculture, industrial products, and services, to which all countries will need to contribute.

10. The Committee recognizes the importance of achieving the MDGs. In this context it also stresses the importance of implementing Aid-for-Trade assistance, which is firmly grounded in national development strategies, independent of progress on the Doha Round. We welcome the reports of the taskforces on the Integrated Framework and on Aid for Trade and the financing commitments by donors for the enhanced Integrated Framework.

Implementation of the IMF's Medium-Term Strategy

11. Following the agreement at its last meeting, the Committee welcomes the progress made in the reform of the IMF surveillance framework. It welcomes the steps to put greater focus on financial and capital market issues in the IMF's work. The Committee welcomes the multilateral consultation approach, which aims at fostering discussion and cooperation on common economic and financial issues. The Committee looks forward to the conclusions of the first multilateral consultation on global imbalances, and proposals by the Managing Director for possible further consultations and work on issues of multilateral concern. The Committee welcomes the ongoing review with a view to updating the 1977 Decision on Surveillance over Exchange Rate Policies to secure a common understanding and consensus on the responsibilities under Article IV and the foundations and objectives of surveillance, covering monetary, fiscal, financial, and exchange rate policies. The Committee takes note of the work to date by the Board on a remit for surveillance, which would provide a statement of objectives, priorities, and responsibilities for the medium term, and it looks forward to further work as part of the wider program to improve the effectiveness of surveillance. The Committee will discuss progress on the remit at its Spring meeting.

12. The Committee supports the strengthening of IMF policies to better assist its emerging market members. The Committee welcomes the recent discussion in the Executive Board on a new liquidity instrument for countries that are active in international capital markets, aimed at supporting these countries' own strong policies, and ensuring that substantial financing will be available if needed while safeguarding IMF resources. The Committee calls on the Executive Board to

continue its work on the necessary design features of a new instrument, while paying due regard to the interaction with existing IMF facilities, and invites the Managing Director to present a concrete proposal by the time of its next meeting. The Committee also looks forward to the upcoming review of the IMF's policy on lending into arrears.

13. The Committee considers that the IMF should give priority to enhancing the effectiveness of its work in low-income countries by focusing on sustainable growth and macro-critical areas that support the achievement of the MDGs. It welcomes implementation of the MDRI by the IMF, World Bank, and African Development Bank; the provision of debt relief under the HIPC Initiative to two further countries (Cameroon and Malawi); and the decision to grandfather all eligible HIPCs when the sunset clause of the HIPC Initiative takes effect at end-2006. The Committee underscores the importance of helping countries reap the benefits of higher aid and debt relief, and avoid a new build-up of unsustainable debt. The Committee stresses that the debt sustainability framework jointly developed by the IMF and the World Bank is the primary tool to be used by borrowers and creditors in assessing alternative financing strategies, identifying emerging debt-related vulnerabilities, and developing coherent lending practices, and urges all creditors and borrowers to use the framework in their lending and borrowing decisions. The Committee urges all creditors to work with the IMF and the World Bank to adhere to responsible lending. The Committee looks forward to further refinements to the framework and the development of practical guidelines for borrowers and creditors.

14. At its next meeting, the Committee will consider further work on ways to enhance collaboration and clarify the division of responsibilities and accountabilities between the IMF and the World Bank, taking account of the work of the External Review Committee on World Bank-IMF Collaboration.

15. The Committee looks forward to the development of proposals for more predictable and stable sources of IMF income, in the context of the IMF's overall budgetary position. It looks forward to the recommendations of the Committee of Eminent Persons appointed by the Managing Director.

Other Issues

16. The Committee calls for closer cooperation between the IMF and Financial Action Task Force in promoting stronger implementation of international anti-money laundering and combating terrorist financing (AML/CFT) standards and encourages publication of comprehensive country evaluations.

17. The Committee recommends members' acceptance of the Fourth Amendment of the Articles of Agreement.

18. The Committee welcomes the external evaluation of the Independent Evaluation Office (IEO). The IEO is continuing to make a valuable contribution to the IMF's learning culture and facilitating oversight and governance.

19. The Committee expresses its heartfelt appreciation to Anne Krueger for her exceptional contributions to a shared vision of a globalized economy providing equitable opportunities for all, and for serving the IMF and its membership with unwavering dedication and decisive intellectual leadership. It extends a warm welcome to John Lipsky, who has succeeded her as First Deputy Managing Director. The Committee also expresses its appreciation of the work of Raghuram Rajan as Economic Counsellor.

20. The next meeting of the IMFC will be held in Washington, D.C. on April 14, 2007.

INTERNATIONAL MONETARY AND FINANCIAL COMMITTEE
September 17, 2006

ATTENDANCE

Chairman

Gordon Brown

Managing Director

Rodrigo de Rato

Members or Alternates

Hamad Al-Sayari, Governor, Saudi Arabian Monetary Agency, (Alternate for Ibrahim A. Al-Assaf, Minister of Finance, Saudi Arabia)

Christian Noyer, Governor, Banque de France, (Alternate for 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

James Michael Flaherty, Minister of Finance, Canada

Eero Heinäluoma, Minister of Finance, Finland

Mohamed K. Khirbash, Minister of State for Finance and Industry, United Arab Emirates

Aleksei Kudrin, Minister of Finance, Russian Federation

Okyu Kwon, Deputy Prime Minister and Minister of Finance and Economy, Korea

Mohammed Laksaci, Governor, Banque d'Algérie

Guido Mantega, Minister of Finance, Brazil

Hans-Rudolf Merz, Minister of Finance, Switzerland

Felisa Miceli, Minister of Economy and Production, Argentina

Tommaso Padoa-Schioppa, Minister of Economy and Finance, Italy

Henry M. Paulson, Jr., Secretary of the Treasury, United States

Guy Quaden, Governor, National Bank of Belgium, (Alternate for Didier Reynders, Minister of Finance, Belgium)

Pedro Solbes, Second Vice-President and Minister of Economy and Finance, Spain

Peer Steinbrück, Minister of Finance, Germany

Toshihiko Fukui, Governor, Bank of Japan (Alternate for Sadakazu Tanigaki, Minister of Finance, Japan)

Paul Toungui, Minister of State, Minister of Finance, Economy, Budget and Privatization, Gabon

Nenadi E. Usman, Minister of Finance, Nigeria

Nor Mohamed Yakcop, Minister of Finance II, Malaysia

Gerrit Zalm, Minister of Finance, 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)

Joaquín Almunia, Commissioner, Economic and Monetary Affairs, European Commission (EC)

Dirk Bruinsma, Deputy Secretary-General, United Nations Conference on Trade and Development (UNCTAD)

Duncan S. Campbell, Director, Policy Integration Department, International Labour Organization (ILO)

Alberto Carrasquilla, Chairman, Joint Development Committee

Mario Draghi, Chairman, Financial Stability Forum (FSF)

Angel Gurría, Secretary-General, Organisation for Economic Co-operation and Development (OECD)

Jomo Kwame Sundaram, Assistant Secretary-General for Economic Development, Department of Economic and Social Affairs, United Nations (UN)

Malcolm D. Knight, General Manager, Bank for International Settlements (BIS)

Pascal Lamy, Director-General, World Trade Organization (WTO)

Jean-Claude Trichet, President, European Central Bank (ECB)

Paul Wolfowitz, President, World Bank

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International Monetary Fund

Communiqué of the International Monetary and Financial Committee of the Board of Governors of the IMF

Français
Español

April 14, 2007

1. The International Monetary and Financial Committee held its fifteenth meeting in Washington, D.C. on April 14, 2007 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 continued strong, broad-based expansion of the global economy. Growth is becoming regionally more balanced, and is expected to remain strong in 2007 and 2008. Global financial stability continues to be underpinned by solid economic foundations. Downside risks requiring continued vigilance arise from the possibility of a reassessment of risks in global financial market conditions, of a sharper-than-expected slowdown in the U.S. economy, and of a revival of inflationary pressures as output gaps close or if oil prices rebound. The risk to the global economy from a possible rise in protectionism and the substantial foregone growth should the Doha Round fail make trade policy a key medium-term concern. The Committee welcomes progress and continued focus, in IMF surveillance, on the agreed strategy for promoting an orderly unwinding of global imbalances over the medium term. The Committee encourages policies that allow countries to take advantage of financial globalization while containing vulnerabilities.

3. In the advanced economies, monetary policy needs to remain committed to maintaining price stability while taking account of the situation of different countries. Fiscal positions are strengthening, and now is a good time to further advance fiscal consolidation and the fundamental reforms that will help ensure fiscal sustainability in the long term. The focus should be on measures to ensure the viability of healthcare and pension systems in the face of population aging. Potential growth will be bolstered by reforms to enhance the capacity of labor to adapt to, and take full advantage of, globalization, complemented in many countries by further steps to enhance productivity and competition in product and services markets and further steps for free trade and market access.

4. Emerging market and other developing countries continue to perform strongly and are making progress in improving their resilience to possible turbulence in financial markets and volatility in commodity prices. To consolidate this performance and promote sustained growth that is broadly shared, continued efforts are needed to strengthen budgetary positions and improve debt management practices, entrench the credibility of monetary and fiscal policies, and ensure the sustainability of external positions. Advancing reforms to improve the functioning of domestic financial markets and enhance the business and investment environment remains a key medium-term priority. Among some surplus countries, there is a continued need to boost domestic demand and allow for greater exchange rate flexibility.

5. The Committee is particularly encouraged by the continued robust growth in low-income countries, including in Sub-Saharan Africa. The Committee calls on poor countries and donors to continue working in partnership to build on this strong performance so as to accelerate progress towards achieving the Millennium Development Goals (MDGs). Countries should persevere with sound macroeconomic policies and reforms to foster vibrant and diversified market-based economies. The international community should support these countries' efforts with increased and more efficient aid, including through fulfilling the pledges made by donors to double aid to Sub-Saharan Africa by 2010. The Committee also stresses the importance of further trade liberalization and delivering Aid for Trade commitments. In this context, it looks forward to the early establishment of the enhanced Integrated Framework.

6. The Committee welcomes the report it has received from the Managing Director and the participants in the multilateral consultation on global imbalances launched following the Spring 2006 IMFC meeting. It agrees that resolving imbalances in a manner compatible with sustained global growth is a shared responsibility, and notes that the policy plans set out by the participants-China, the Euro area,

Japan, Saudi Arabia, and the United States-represent further progress in the implementation of the strategy the Committee has previously set forth and endorsed. The Committee also notes the assessment by Fund staff that as these policies are implemented, they will make a significant contribution to reducing global imbalances. The Committee considers that the experience gained so far demonstrates that the multilateral consultation approach has been useful for addressing global issues through discussion and cooperation among members, and should prove to be a valuable instrument going forward for enhancing and deepening Fund surveillance. It looks forward to the Executive Board's review of the experience with the process and the conclusions of the first multilateral consultation and of the lessons for the future.

7. The Committee welcomes the resumption of the Doha Round trade negotiations, and calls on WTO members to work with a renewed commitment to urgently achieve an ambitious outcome. Benefiting from the report by WTO Director-General Pascal Lamy on the current status of the negotiations, the Committee looks for strong political leadership from those countries now playing a central role in the negotiations to forge the necessary breakthrough. The Committee emphasizes that all members stand to benefit from a Doha Development Round outcome that promotes growth and fosters economic development by reducing trade barriers and strengthening the multilateral trade system. The Committee considers it critically important to ensure that the benefits of globalization are widely shared and help reduce poverty and income disparities.

Implementation of the IMF's Medium-Term Strategy

8. The Committee welcomes the steps being taken to strengthen and modernize IMF surveillance to ensure its effectiveness as globalization deepens. The Committee calls on the Executive Board to continue to give priority to further work on all aspects of this reform, including updating the 1977 Decision on Surveillance over Exchange Rate Policies. The goal should be to improve the quality of surveillance, its focus, candor, and evenhandedness. In this context, ensuring a medium-term perspective and external stability is important. In this connection, the Committee looks forward to the discussion of the Independent Evaluation Office's (IEO) report on the Evaluation of the IMF's Advice on Exchange Rate Policy. The Committee, with a view to gaining broad support across the membership, agrees that the following principles should guide further work: first, there should be no new obligations, and dialogue and persuasion should remain key pillars of effective surveillance; second, it should pay due regard to country circumstances, and emphasize the need for evenhandedness; and third, it should retain flexibility to allow surveillance to continue evolving.

9. The Committee supports the efforts being made to strengthen the way financial sector, capital market, and exchange rate issues are addressed in surveillance, and to enhance the focus of surveillance on key risks facing members and on cross-country spillovers. It notes the effort of the Fund in enhancing the methodology for assessing the effectiveness of surveillance. The Committee welcomes the continuing work by the Board on independence and accountability in surveillance, as well as on a remit, which could provide a clear statement of surveillance priorities. The Committee welcomes the priority being given by the Fund to enhancing and deepening the international community's understanding of financial stability issues, which will need to be an increasing focus of the Fund's surveillance. It looks forward to further steps by the Fund to promote dialogue on how financial markets and innovation can work to foster economic growth and financial stability, including possibly in the context of further multilateral consultations. The Committee looks forward to the review of streamlined Article IV consultations.

10. Recognizing the need for more predictable and stable sources of Fund income, the Committee expresses its gratitude to the Committee of Eminent Persons to Study Sustainable Long-Term Financing of the IMF for its report recommending a package of measures to better align the IMF's income with its diverse activities.[1] The Committee considers that the report provides a sound basis for further work on the development of a new income model aimed at broadening its income base that can garner broad support across the membership. It looks forward to proposals on a new income model by the Managing Director for consideration by the Executive Board. The Committee underscores that ensuring a sustainable overall budgetary position to underpin the implementation of the IMF's medium-term strategy also requires action on the expenditure side. This now includes real spending reductions. The Committee welcomes the Fund's ongoing efforts to improve resource allocation and cost effectiveness in line with the priorities of the medium_term strategy. The Committee looks forward to a report on progress on expenditure issues.

11. The Committee reiterates the importance of implementing the program of

quota and voice reforms adopted by the Board of Governors in Singapore, in line with the timetable set out in the Resolution. It welcomes the broad consensus reached in the Executive Board on the legal framework of an amendment of the Articles of Agreement regarding basic votes. The Committee welcomes the initial informal Board discussions on a new quota formula and stresses the importance of agreeing on a new formula, which should be simple and transparent and should capture members' relative positions in the world economy. This reform would result in higher shares for dynamic economies, many of which are emerging market economies, whose weight and role in the global economy have increased. The Committee also stresses the importance of enhancing the voice and participation of low-income countries, a key mechanism for which is an increase in basic votes, at a minimum preserving the voting share of low-income countries. The Committee calls on the Executive Board to continue its work on the reform package as a matter of priority.

12. The Committee attaches high importance to further steps by the IMF to strengthen its engagement with emerging market economies. The Committee welcomes the recent progress made in clarifying some key aspects of the design of a new liquidity instrument for market access countries. It calls on the IMF to accelerate its work on addressing the design challenges in developing an instrument that would enhance IMF support to these countries' own strong policies and ensure that substantial and timely financing will be available if needed, while safeguarding IMF resources and paying due regard to the interaction with existing IMF facilities.

13. The Committee looks forward to progress on steps to assist members to deepen financial sectors, including local capital markets. It also looks forward to a review of the Fund's policy on lending into arrears. The Board should also conclude its review of charges for Fund financial assistance and its maturity structure.

14. The Committee stresses that the IMF should remain fully engaged with its low-income members in helping them achieve macroeconomic stability supportive to sustainable growth, critical to the achievement of the MDGs. This includes well-designed financial and policy support in the context of surveillance, Fund arrangements, and technical assistance. The Committee calls for continued efforts to help countries reap the benefits of higher aid and debt relief, and avoid a new build-up of unsustainable debt. The Committee welcomes the recent enhancements to the debt sustainability framework for low-income countries. It urges all creditors and borrowers to work with the World Bank and the IMF to use the framework as a tool for fostering coherent and responsible lending practices, identifying emerging debt-related vulnerabilities, and elaborating country-owned debt strategies. The Committee looks forward to further work on the IMF's role in the poverty reduction strategy process and its collaboration with donors.

15. The Committee expresses its gratitude for the work of the members of the External Review Committee on IMF-World Bank Collaboration.[2] The Committee welcomes the report's message that a culture of close cooperation between the IMF and the World Bank, taking into account each institution's comparative advantages, respective mandate and responsibilities, is key to delivering services to members more effectively and efficiently. The Committee looks forward to proposals from the two institutions to strengthen collaboration.

Other Issues

16. The Committee calls for closer cooperation between the IMF and Financial Action Task Force in promoting stronger implementation of international anti-money laundering and combating terrorist financing (AML/CFT) standards and encourages publication of comprehensive country evaluations.

17. The Committee recommends members' acceptance of the Fourth Amendment of the Articles of Agreement for a special one-time allocation of SDRs.

18. The Committee values highly the contribution of the IEO to the learning culture of the IMF and to facilitating oversight and governance. It welcomes the evaluation of the IMF and Aid to Sub-Saharan Africa, and the steps being taken to ensure that the IEO recommendations endorsed by the Executive Board are effectively internalized in the work of the IMF.

19. The Committee expresses its appreciation of the work of Agustín Carstens as Deputy Managing Director, and wishes him success in his new responsibilities as Secretary of Finance and Public Credit of Mexico and Chairman of the Development Committee.

20. The next meeting of the IMFC will be held in Washington, D.C. on October 20, 2007.

INTERNATIONAL MONETARY AND FINANCIAL COMMITTEE

ATTENDANCE

April 14, 2007

Chairman

Gordon Brown

Managing Director

Rodrigo de Rato

Members or Alternates

Ibrahim A. Al-Assaf, Minister of Finance, Saudi Arabia

Nout Wellink, President, De Nederlandsche Bank

(Alternate for Wouter Bos, Minister of Finance, Netherlands)

Thierry Breton, Minister of Economy, Finance and Industry, France

Mervyn King, Governor, Bank of England

(Alternate for Gordon Brown, Chancellor of the Exchequer, United Kingdom)

Agustín Carstens, Secretary of Finance and Public Credit, Mexico

Rakesh Mohan, Deputy Governor, Reserve Bank of India

(Alternate for Palaniappan Chidambaram, Minister of Finance, India)

Peter Costello, Treasurer of the Commonwealth of Australia

James Michael Flaherty, Minister of Finance, Canada

Eero Heinäluoma, Minister of Finance, Finland

Sultan N. Al-Suwaidi, Governor, United Arab Emirates Central Bank

(Alternate for Mohamed K. Khirbash, Minister of State for Finance and Industry, United Arab Emirates)

Sergei Storchak, Deputy Minister of Finance, Russian Federation

(Alternate for Aleksei Kudrin, Minister of Finance, Russian Federation)

Mohammed Laksaci, Governor, Banque d'Algérie

Guido Mantega, Minister of Finance, Brazil

Hans-Rudolf Merz, Minister of Finance, Switzerland

Felisa Miceli, Minister of Economy and Production, Argentina

Koji Omi, Minister of Finance, Japan

Tommaso Padoa-Schioppa, Minister of Economy and Finance, Italy

Henry M. Paulson, Jr., Secretary of the Treasury, United States

Didier Reynders, Deputy Prime Minister and Minister of Finance, Belgium

Axel A. Weber, President, Deutsche Bundesbank

(Alternate for Peer Steinbrück, Minister of Finance, Germany)

Teo Swee Lian, Deputy Managing Director, Monetary Authority of Singapore

Paul Toungui, Minister of State, Minister of Finance, Economy, Budget and Privatization, Gabon

Denise Sinankwa, Minister of Finance, Burundi

(Alternate for Nenadi E. Usman, Minister of Finance, Nigeria)

Hu Xiaolian, Deputy Governor, People's Bank of China

(Alternate for Zhou Xiaochuan, Governor, People's Bank of China)

Observers

Mohammad Alipour-Jeddi, Head, Petroleum Market Analysis Department, Organization of the Petroleum Exporting Countries (OPEC)

Joaquín Almunia, Commissioner for Economic and Monetary Affairs, European Commission (EC)

Duncan C. Campbell, Director, Policy Integration Department, International Labour Organization (ILO)

Mario Draghi, Chairman, Financial Stability Forum (FSF)

Angel Gurría, Secretary-General, Organisation for Economic Co-operation and Development (OECD)

Malcolm D. Knight, General Manager, Bank for International Settlements (BIS)

Detlef Kotte, Officer-in-Charge, Macroeconomic and Development Policies Branch, Division on Globalization and Development Strategies, United Nations Conference on Trade and Development (UNCTAD)

Pascal Lamy, Director-General, World Trade Organization (WTO)

José Antonio Ocampo, Under-Secretary-General for Economic and Social Affairs, United Nations (UN)

Jean-Claude Trichet, President, European Central Bank (ECB)

Alejandro Werner, Deputy Chairman, Joint Development Committee (DC)

Paul Wolfowitz, President, World Bank Group

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[1] The Committee of Eminent Persons was chaired by Andrew Crockett, and included Hamad Al-Sayari, Mohamed El-Erian, Alan Greenspan, Tito Mboweni, Guillermo Ortiz, Jean-Claude Trichet, and Zhou Xiaochuan.

[2] The External Review Committee was chaired by Pedro Malan, and included Michael Callaghan, Caio Koch-Weser, William McDonough, Sri Mulyani Indrawati, and Ngozi Okonjo-Iweala.

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Development Committee Communiqué

Singapore, September 18, 2006

1. We met today to discuss progress in implementing the development agenda for achieving the Millennium Development Goals (MDGs). We reviewed the World Bank's proposed governance and anticorruption strategy, and the priorities for its evolving engagement with middle-income countries. We also celebrated the 50^{th} anniversary of the International Finance Corporation, which has contributed to fostering sustainable private sector development and promoting market development in developing countries.

2. Building on five consecutive years of strong growth, policymakers in developing countries now need to prepare for a more challenging global environment. This will entail maintaining macroeconomic stability, further strengthening public sector financial management, and continuing to improve domestic resource mobilization. More also needs to be done to improve the business climate and governance.

3. The pledges made last year to substantially increase the volume of official development assistance (ODA), including a doubling of aid to Africa by 2010, must be delivered in a predictable manner. We urged those donors that have not done so to make concrete efforts towards the target of 0.7 percent of Gross National Income as ODA in accordance with their commitments. We look forward to a successful IDA 15 replenishment next year and urged donors to ensure that their commitments to make the multilateral debt relief initiative (MDRI) and the Heavily Indebted Poor Countries (HIPC) Initiative additional to other aid flows be met. We noted the substantial progress made on Advance Market Commitments for vaccines and the work in progress in order to launch a pilot project by the end of 2006. We also welcomed the launch of the International Financing Facility for Immunization and of the International Drug Purchase Facility. We asked the Bank, within its overall strategy, to develop a framework for its role in the provision of global and regional public goods including criteria for its involvement and financing modalities.

4. The international commitments to improve aid effectiveness embodied in the principles of the Paris Declaration must now be consistently translated into action at the country level. We called on the Bank to deliver on its commitments to scaling up and aid effectiveness, including the implementation of the best practice principles identified in the Bank's conditionality review. We noted the country-based "results and resources meetings" approach to facilitate scaling up aid now being piloted in several African countries with the help of the Bank and the Development Assistance Committee, and urged developing countries to prepare well-defined and costed programs for using scaled up aid to step up the poverty reduction effort. Noting the Bank's role in helping to ensure that additional assistance is effectively coordinated and aligned with country priorities, we asked for a progress report on the Bank's Africa Action Plan at our next meeting. We welcomed the Bank's Gender Action Plan to expand women's economic opportunities in developing countries. We also looked forward to hearing about progress towards achieving the gender MDGs in the next Global Monitoring Report.

5. We welcomed the progress report on Education for All-Fast Track Initiative (EFA-FTI), and the contribution it is making to increasing primary school completion rates. The initiative offers a promising approach to donor harmonization and scaling up at the sectoral level. We recognized the importance of country ownership and the quality of education, and the need to expand the initiative to larger countries and fragile states. We called for predictable and long-term funding for this initiative, including domestic funding. We also urged the Bank to strengthen its work on measurement of learning outcomes in order to ensure continuous attention to the quality of education. In this regard, we look forward to a further update on progress to the Board.

6. September 2006 marks the tenth anniversary of the HIPC Initiative. We welcomed the substantial reduction of debt stocks and noted the increase of

poverty-reducing expenditures of the 29 HIPCs that have reached the decision point. We also welcomed the decision to allow the sunset clause to take effect at end-2006 and to grandfather the countries that are assessed to have met the HIPC criteria based on end-2004 data. We welcomed the implementation of the MDRI by the IMF, IDA and the African Development Fund. Debt relief has provided many low-income countries with additional resources that can be used to make progress towards the MDGs. We cautioned against excessive borrowing after the relief which may lead to re-emergence of debt distress. We therefore underscored the importance of the Joint Debt Sustainability Framework of the Fund and the Bank for low-income countries in helping ensure that new borrowing in post-MDRI countries does not undermine their long-term debt sustainability, and look forward to the review of the framework. We asked all the multilateral development banks, bilateral donors, export credit agencies and commercial creditors to adhere to this framework. We stressed the importance of implementing the Bank's approach to deal with the issue of free riding and the need to address the issues of official creditors' coordination. We also stressed the importance of Bank and IMF support for strengthening public financial management including, debt management.

7. The de facto suspension of the Doha negotiations represents a setback in our effort to make more rapid progress towards achieving the MDGs. We re-emphasized the importance of the multilateral trading system and called upon all WTO members to avoid backsliding and provide trade ministers with the necessary flexibility to resume the negotiations by the end of the year. We also called on the Bank and the Fund to continue their global advocacy role on trade and development, and to foster the integration of trade into country programs. While recognizing that aid for trade is not a substitute for trade liberalization, we reiterated our commitment to expanding the funding and strengthening the mechanisms for Aid for Trade. We welcomed the recommendations of the WTO Task Forces on Aid for Trade and the Integrated Framework (IF), both of which explicitly recognize the need to adhere to the Paris Declaration on aid effectiveness. We took note of the new governance mechanisms proposed for the enhanced IF, and reiterated the importance of working through established channels with proven development expertise. We noted the interest in extending a similar process to other poor countries that are not Least Developed Countries. We urged the Bank to work with these countries to incorporate trade needs into their national development strategies. We also agreed on the need to improve existing instruments to address cross-country and regional projects and strengthen the monitoring of regional initiatives and funding.

8. Actions to promote good governance are crucial to successful development and poverty reduction, and helping member countries on these issues is therefore important to the Bank's mission and to achieving the MDGs. Tackling corruption effectively and firmly is a significant part of this. The principal objective of the Bank's governance work should be to help develop capable and accountable states to deliver services to the poor, promote, private sector led growth and tackle corruption effectively. We supported the Bank's engagement in governance and anticorruption work. Country ownership and leadership are key to successful implementation. Governments are the key partners of the Bank in governance and anticorruption programs, while, within its mandate, the Bank should be open to involvement with a broad range of domestic institutions taking into account the specificities of each country. We also emphasized that predictability, transparency, and consistent and equal treatment across member countries are the Bank's guiding principles. In stepping up attention to governance and anticorruption in Country Assistance Strategies, we asked the Bank to further develop and use disaggregated and actionable indicators, recognizing that IDA resources will continue to be allocated through the existing Country Performance and Institutional Assessment and Performance Based Allocation system. We recognized that the strategy will evolve with implementation and in the light of experience, but the paper sets out a framework for continued Bank engagement in this work and the further consultation which is planned with partner countries, with the Fund and with other donors and multilaterals, with civil society, and with the private sector. Given the importance of this issue, we stressed the importance of Board oversight of the strategy as it is further developed and then implemented, and we look forward to a report from the Board at our next meeting.

9. Middle income and emerging market countries (MICs), partner countries of the IBRD, are home to 70% of the world's poor. They constitute an extremely diverse group of countries. While many of them have made dramatic improvements in economic management and governance over the past two decades, as a group they still face major challenges of poverty reduction and development and in their contribution to provision of important regional and global public goods. We strongly endorsed the statement of the Bank's corporate role and mission to eradicate poverty in its partnership with MICs. We reviewed the Bank's proposals to strengthen the IBRD's value-added and engagement in response to the evolving and diverse needs of middle-income countries. We recognized that as

MICs develop they will eventually graduate from IBRD lending. We also noted that in parallel, in implementing its medium-term strategy, the IMF is making efforts to adapt, better focus, and enhance its engagement with emerging market countries. We welcomed the Bank's proposals to deliver better and more flexible country partnership strategies reflecting diverse country circumstances; to reduce the cost of doing business with the Bank by streamlining internal Bank procedures; to simplify loan pricing and make its products more competitive; to develop new ways to help countries facing external shocks; to increase provision of fee based expert services, unbundled from lending; to continue to work towards scaling up Bank Group lending to sub-national entities within frameworks agreed with national governments; and to better exploit synergies between the different arms of the Bank Group within their respective mandates. Increasing the use of country systems where mutually agreed and verifiable standards are in place to ensure effective execution is an important part of this agenda for scaling up development impact. We encouraged the Bank to give greater emphasis to issues of regional and global concern in areas where it has a comparative advantage. We also called for deeper cooperation between the Bank, regional development banks and other development partners in their engagement with MICs, and encouraged the Bank to develop a menu of options to respond to country demand-driven initiatives for targeted blending of concessional donor support with multilateral development bank loans in cases of market failure or where there are affordability issues.

10. We welcomed the progress made in developing a Clean Energy Investment Framework, including the review of the adequacy of existing financial instruments. The global community faces a major challenge in securing affordable and cost-effective energy supplies to underpin economic growth and poverty reduction while preserving the local and global environment. We agreed that this challenge requires sound country energy policies and regulatory frameworks. We found broad support for the Bank's approach in addressing the three inter-related issues of: (i) energy for development and access to affordable energy for the poor; (ii) the transition to a low carbon economy; and (iii) adaptation, and support continued work on each of them. In particular, we recognized lack of access to energy as an acute problem in many low income countries, especially in Sub Saharan Africa, supported the Action Plan for improved energy access and urged donors to provide additional funding and other assistance required. We encouraged activities that cost-effectively and sustainably promote the transition to a low-carbon economy, respecting circumstances of individual economies, without hindering the growth of developing countries and mitigating the incremental costs to them. We asked the Bank to work with the regional development banks, United Nations agencies, the Global Environment Facility (GEF), private sectors and other interested parties to maximize the use of existing instruments. We support further examination of the future Bank role in the transition to a lower-carbon economy, taking into account all issues raised in the progress report and recognizing the primary institutional responsibility of the UN Framework Convention Climate Change. We asked the Bank, in close coordination with the GEF, to continue to work on further exploring financing options to support investment in clean energy for development. We welcomed the Bank's proposal to consider new means and mechanisms to make pricing of existing instruments more transparent and competitive to provide incentives and resources to countries to pursue clean energy alternatives. We also stressed the need to develop strategies, tools and financing to help meet the challenge of adaptation to increased climate variability, which can adversely affect the livelihoods of people, especially the poor, and undermines the achievement of the MDGs. We noted the value of protecting future investments from climate volatility.

11. We look forward to considering the findings of the External Review Committee to review various aspects of Bank-Fund collaboration. We asked the Bank and the Fund to ensure that their institutional responsibilities continue to cover all the critical issues relating to reaching the MDGs within their mandates.

12. We welcomed the Managing Director's report on progress made in the reform of IMF quotas and voice. Acknowledging the measures already taken by the Bank to enhance capacity in EDs' offices and capitals of developing and transition countries, we asked the Bank to work with its shareholders to consider enhancement in voice and participation in the governance of the Bank.

13. We wish to thank the authorities and people of Singapore for their excellent hospitality and facilities.

14. The Committee's next meeting is scheduled for April 15, 2007 in Washington, D.C.

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International Monetary Fund

Development Committee Communiqué

Washington, DC, April 15, 2007

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1. We met today to review progress on actions, resources and policies needed to accelerate progress towards the Millennium Development Goals (MDGs), drawing on data and analysis in the fourth annual Global Monitoring Report (GMR). We also reviewed the World Bank Group's Africa Action Plan, and a report on the evolving Aid Architecture.

2. We welcomed the progress being made in reducing income poverty, reflecting both the continued strong growth of the global economy and the impact of improved country policies and institutions. However, progress towards the MDGs has been uneven across countries and sectors. A lot of challenges remain and much more needs to be done.

3. We noted that total Official Development Assistance (ODA) flows have grown in real term over the past decade. A significant part of this increase reflects debt relief, which is making important contributions to country-level financial resources and progress. However, there is a concern that total ODA actually declined in real terms in 2006. The pledges made in 2005 to double aid for Africa by 2010 have not yet been translated into increased total donor resources for programs on the ground. We reiterated our call to those donors who have not done so to make concrete efforts towards the target of 0.7 percent of Gross National Income as ODA in accordance with their commitments. Consistent with the Monterrey Consensus and donor commitments, we called for renewed efforts at scaling-up financing to support sound country-owned programs for the achievement of the MDGs. In this context, we look forward to a successful 15th replenishment of the International Development Association (IDA), including dollar for dollar replenishment of lost credit flows due to the Multilateral Debt Relief Initiative (MDRI) and the HIPC Initiative. As financial flows increase, it will be important to maintain debt sustainability. We encouraged the Bank and the Fund to report regularly on the extent of full creditor participation in HIPC and delivery of donor commitments to financing the full cost of debt relief. We urged debtors and creditors to use the Bank-Fund debt sustainability framework to guide their decisions. We also urged the Bank and the Fund to intensify their efforts to enhance creditor coordination around the debt sustainability framework, and to support borrowers in building debt management capacity and in devising and implementing sound external finance strategies.

4. We welcomed new and emerging public and private sources of aid that bring more resources to help poor countries reach their MDGs. At the same time, we noted the increasing risks of aid fragmentation and earmarking of aid leading to higher transaction costs for recipients and reduced aid effectiveness. We therefore emphasized the importance of the country-owned approach to development, which provides an essential platform for aligning multiple sources of development finance, including global programs, with national priorities and country systems. We reiterated the importance of reinforcing donor coordination, including between traditional and emerging donors, as well as enhancing efforts to ensure aid effectiveness, and progress in implementing the Paris Declaration. We look forward to follow-up work on the Bank's role in the international aid architecture, focusing on how best the Bank Group can add value by playing a strategic or supportive role, including through partnerships, at country, regional and global levels. In this context, we welcomed the Bank management's decision to launch a review of the Bank Group's long term strategy to assure it is best positioned to effectively meet the needs of the world's poor. We also look forward to receiving a report on the Bank's progress in developing a framework for its role in delivery of global and regional public goods including criteria for its involvement and financing modalities.

5. There are encouraging signs in current efforts to meet the human development MDGs, including major increases in primary school completion and vaccination coverage. In this respect, we welcomed the recent launch of the Advance Market Commitments initiative. Yet only a few countries are on track to meet the MDG for reducing child mortality, and in all regions some countries are off track on reducing childhood malnutrition and maternal mortality. We called for further reinforcement of country, donor and MDB efforts targeting the MDGs' quantitative goals in health and education, including for the prevention and treatment of HIV/AIDS, malaria and tuberculosis. We also stressed the need for heightened

attention to universal access to reproductive health services and to improving and monitoring the quality of education and health services. We appreciated the Bank's continuing support to the Education for All - Fast Track Initiative, but recognized that more support is needed to finance national education plans. We encouraged the Bank and other donors to play their part.

6. Gender equality and the empowerment of women are important not only for achieving gender-specific aspects of the MDGs (such as progress on gender equality in school enrollments and literacy, and the share of women in non-agricultural employment and national parliaments), but also for the attainment of the MDGs as a whole. We welcomed the progress many countries have made on girls' school enrollment, while noting that there is still much to be done in many countries. We noted that progress in the social sectors has not, in general, been matched by comparable advances in the productive sectors. We called for full and rapid implementation of the Bank's Gender Action Plan, focusing on areas where it has comparative advantage, including scaling up support for economic empowerment of women. We emphasized the need for further gender mainstreaming in Bank operations using a country based approach, and for the integration of gender aspects into the Bank's results framework. We also called for improvements in the statistical basis for monitoring progress, working closely with the UN and other agencies.

7. Fragile states, defined by the weakness of their institutions and governance, and frequently associated with recent conflicts, account for 9 percent of the population of developing countries but about 27 percent of the extreme poor. They are the countries least likely to achieve the MDGs. Yet several countries have shown that it is possible to transition from weak institutions and the legacy of conflict to sustained gains in growth and poverty reduction. We encouraged the International Financial Institutions (IFIs), working in partnership with the UN and other donors, to review their policies, procedures and incentives, including the development of a comprehensive framework for the settlement of protracted arrears cases. Collective efforts are also needed to formulate, in a coherent and harmonized manner, tailored strategies that pay attention to timely, well-sequenced interventions that build capable, accountable and responsive states, reflecting each actor's comparative advantage. In this context, we called for effective and expeditious implementation of the measures recently approved by the Bank's Board to strengthen the Bank's rapid response and long-term engagement in fragile states.

8. We reviewed the implementation of the Africa Action Plan (AAP) and the proposed revisions to the Plan. While welcoming indications that the overall implementation of the Plan has been progressing relatively satisfactorily, we broadly supported the proposed modifications to the AAP, which promise to increase selectivity and sharpen the focus on results. At the same time, we emphasized the continued relevance we attach to the original strategic goals of the AAP, including support for African countries' efforts to accelerate pro-poor growth and maximize achievement of the MDGs. We stressed that the Bank's support should continue to be determined by countries' own plans and that implementation of the AAP should not leave any countries behind or undermine agreed resource allocation systems. We also called for the Bank to make greater use of outcome indicators to measure progress and results. We strongly endorsed the AAP's strategy for mobilizing additional development partner resources, including from non-OECD/DAC and private donors, in a coordinated way, consistent with the Paris Declaration.

9. We noted the importance of trade as a driver of growth and poverty reduction and expressed our continued hope for a breakthrough in the Doha Development Round negotiations. We agreed that there is much at stake for all member countries and we recognized that failure to seize the current opportunity could come at considerable cost to the global economy and in particular, to developing countries. We called upon all parties to demonstrate the flexibility needed to achieve a successful outcome. To complement trade reforms and assist developing countries in fully exploiting existing and new trade opportunities, we look to the Fund and, particularly, the Bank for leadership in further strengthening the mechanisms for Aid for Trade and accelerating its implementation.

10. We welcomed the report of the Executive Directors of the World Bank and the accompanying paper entitled "Strengthening Bank Group Engagement on Governance and Anticorruption (GAC)." We expressed our appreciation for the Bank's response to our guidance, including the extensive consultations that contributed to the revised strategy. We endorsed the strategy's principles of transparency, predictability, consistency and equity of treatment across member countries. Effective implementation, including further development of actionable and disaggregated indicators, will now be critical to achieving the GAC strategy's desired results. In this context, we welcomed the agreed Board engagement and

oversight during implementation.

11. We noted the progress made in implementing the World Bank Group's Strategy for Engagement with IBRD Partner Countries. We look forward to receiving a full report on implementation of all the elements of the strategy at our next meeting.

12. We noted the progress made with the Clean Energy for Development Investment Framework. Lack of access to energy is an acute problem in many low income countries. We welcomed the World Bank Group's Action Plan and generally endorsed the activities contained there. We look forward to receiving a progress report by our next meeting. In particular, we look forward to seeing progress on: (i) additional financing and implementation of the energy access agenda in Sub-Saharan Africa; (ii) application and further development of existing financial instruments to promote the transition to a low carbon economy, including increased support for cost effective, affordable, efficient and renewable energy; (iii) mainstreaming considerations of climate variability and change into development projects; (iv) consultation and collaboration with the private sector; and (v) an action plan for strengthened collaboration with the Regional Development Banks.

13. We took note of the Bank's analysis of "Fiscal Policy for Growth and Development" and encouraged the Bank to develop and operationalize growth-oriented, country-specific approaches to fiscal policy design. We endorsed the need for effective Bank-Fund collaboration to ensure consistent policy advice to member countries. We concurred with the conclusion that countries will need assistance to strengthen fiscal institutions, which are key to effective policy.

14. We welcomed the "Options Paper on Voice and Representation," setting out a comprehensive range of options for enhancing the voice of developing and transition countries in the Bank's decision-making framework, which we note is key to strengthening the credibility and legitimacy of the institution. We recognized that further consultations are necessary to reach a political consensus and expect the Bank to continue carrying out technical work to assist such consultations. We look forward to a report from the Bank by our next meeting.

15. We thanked the External Review Committee for its report on Bank-Fund collaboration. We look forward to hearing from the two institutions about concrete proposals to foster a culture of collaboration.

16. We have to ensure that the Bank can effectively carry out its mandate and maintain its credibility and reputation as well as the motivation of its staff. The current situation is of great concern to all of us. We endorse the Board's actions in looking into this matter and we asked it to complete its work. We expect the Bank to adhere to a high standard of internal governance.

17. We welcomed Minister Agustín Carstens as the new Chairman of the Committee. We expressed appreciation for the service of the former Chairman, Alberto Carrasquilla.

18. The Committee's next meeting is scheduled for October 21, 2007 in Washington, DC.

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Executive Directors and voting power
April 30, 2007

Director *Alternate*	Casting votes of	Votes by country	Total votes[1]	Percent of Fund total[2]
Appointed				
Meg Lundsager *Vacant*	United States	371,743	371,743	16.83
Shigeo Kashiwagi *Michio Kitahara*	Japan	133,378	133,378	6.04
Klaus D. Stein *Stephan von Stenglin*	Germany	130,332	130,332	5.90
Pierre Duquesne *Bertrand Dumont*	France	107,635	107,635	4.87
Tom Scholar *Jens Larsen*	United Kingdom	107,635	107,635	4.87
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	12,163	113,969	5.16
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	4.77
Roberto Guarnieri	Costa Rica	1,891		
(República Bolivariana	El Salvador	1,963		
de Venezuela)	Guatemala	2,352		
Ramón Guzmán	Honduras	1,545		
(Spain)	Mexico	26,108		
	Nicaragua	1,550		
	Spain	30,739		
	Venezuela, República Bolivariana de	26,841	92,989	4.21
Arrigo Sadun	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	4.12

Director ***Alternate***	**Casting votes of**	**Votes by country**	**Total votes**[1]	**Percent of Fund total**[2]
Richard Murray	Australia	32,614		
(Australia)	Kiribati	306		
Wilhemina C. Mañalac	Korea	29,523		
(Philippines)	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	85,360	3.86
GE Huayong (China) *HE Jianxiong* *(China)*	China	81,151	81,151	3.67
Jonathan Fried	Antigua and Barbuda	385		
(Canada)	Bahamas, The	1,553		
Peter Charleton	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	3.65
Tuomas Saarenheimo	Denmark	16,678		
(Finland)	Estonia	902		
Jon Thorvardur Sigurgeirsson	Finland	12,888		
(Iceland)	Iceland	1,426		
	Latvia	1,518		
	Lithuania	1,692		
	Norway	16,967		
	Sweden	24,205	76,276	3.45
A. Shakour Shaalan	Bahrain	1,600		
(Egypt)	Egypt	9,687		
Samir El-Khouri	Iraq	12,134		
(Lebanon)	Jordan	1,955		
	Kuwait	14,061		
	Lebanon	2,280		
	Libyan Arab Jamahiriya	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	3.21
Abdallah S. Alazzaz (Saudi Arabia) *Ahmed Al Nassar* *(Saudi Arabia)*	Saudi Arabia	70,105	70,105	3.17
Hooi Eng Phang	Brunei Darussalam	2,402		
(Malaysia)	Cambodia	1,125		
Chantavam Sucharitakul	Fiji	953		
(Thailand)	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	3.12

Director *Alternate*	Casting votes of	Votes by country	Total votes[1]	Percent of Fund total[2]
Peter Gakunu	Angola	3,113		
(Kenya)	Botswana	880		
Samura Kamara	Burundi	1,020		
(Sierra Leone)	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	2.95
Thomas Moser	Azerbaijan	1,859		
(Switzerland)	Kyrgyz Republic	1,138		
Andrzej Raczko	Poland	13,940		
(Poland)	Serbia	4,927		
	Switzerland	34,835		
	Tajikistan	1,120		
	Turkmenistan	1,002		
	Uzbekistan	3,006	61,827	2.80
Aleksei V. Mozhin	Russian Federation	59,704	59,704	2.70
(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	2.43
Paulo Nogueira Batista, Jr.	Brazil	30,611		
(Brazil)	Colombia	7,990		
María Ines Agudelo	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	2.43
Adarsh Kishore	Bangladesh	5,583		
(India)	Bhutan	313		
Amal Uthum Herat	India	41,832		
(Sri Lanka)	Sri Lanka	4,384	52,112	2.36
Javier Silva-Ruete	Argentina	21,421		
(Peru)	Bolivia	1,965		
Héctor R. Torres	Chile	8,811		
(Argentina)	Paraguay	1,249		
	Peru	6,634		
	Uruguay	3,315	43,395	1.96
Laurean W. Rutayisire	Benin	869		
(Rwanda)	Burkina Faso	852		
Kossi Assimaidou	Cameroon	2,107		
(Togo)	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		

Director *Alternate*	**Casting votes of**	**Votes by country**	**Total votes**[1]	**Percent of Fund total**[2]
(*concluded*)				
	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	1.39
			2,207,764[3,4,5,6]	99.94[7]

Note: For updates of the list of Executive Directors and Voting Power, see *www.imf.org/external/np/sec/memdir/eds.htm*.

[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 2,208,981 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 2006 Regular Election of Executive Directors. The total number of votes of this member is 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 total vote does not include the votes of Montenegro, which joined the Fund effective January 18, 2007. The total number of votes of this member is 525—0.02 percent of those in the General Department and Special Drawing Rights Department.

[7]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, 2006, and April 30, 2007, were as follows:

Thomas Moser (Switzerland) was elected Executive Director by Azerbaijan, the Kyrgyz Republic, Poland, Serbia and Montenegro, Switzerland, Tajikistan, Turkmenistan, and Uzbekistan, effective May 1, 2006.

Nancy P. Jacklin (United States) relinquished her duties as Executive Director for the United States, effective May 31, 2006.

Andrew Hauser (United Kingdom) relinquished his duties as Alternate Executive Director to Tom Scholar (United Kingdom), effective June 16, 2006.

Karlheinz Bischofberger (Germany) relinquished his duties as Executive Director for Germany, effective July 17, 2006.

Klaus D. Stein (Germany) was appointed Executive Director by Germany, effective July 18, 2006.

Jens Larsen (United Kingdom) was appointed Alternate Executive Director to Tom Scholar (United Kingdom), effective July 24, 2006.

Gert Meissner (Germany) relinquished his duties as Alternate Executive Director to Klaus D. Stein (Germany), effective August 3, 2006.

Stephan von Stenglin (Germany) was appointed Alternate Executive Director to Klaus D. Stein (Germany), effective August 4, 2006.

Olivier Cuny (France) relinquished his duties as Alternate Executive Director to Pierre Duquesne (France), effective September 19, 2006.

Bertrand Dumont (France) was appointed Alternate Executive Director to Pierre Duquesne (France), effective September 20, 2006.

B.P. Misra (India) completed his term of service as Executive Director for Bangladesh, Bhutan, India, and Sri Lanka, effective October 31, 2006.

Peter J. Ngumbullu (Tanzania) 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, 2006.

Damian Ondo Mañe (Equatorial Guinea) completed his term of service as Executive Director for Benin, Burkina Faso, Cameroon, Cape Verde, the 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 October 31, 2006.

Jong Nam Oh (Korea) 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, 2006.

Moisés Schwartz (Mexico) 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, 2006.

Sulaiman M. Al-Turki (Saudi Arabia) was reelected Executive Director by Saudi Arabia, effective November 1, 2006.

Kossi Assimaidou (Togo) was appointed Alternate Executive Director to Laurean W. Rutayisire (Rwanda), effective November 1, 2006.

Jonathan T. Fried (Canada) was reelected 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, 2006.

Peter Gakunu (Kenya), formerly Alternate Executive Director to Peter J. Ngumbullu (Tanzania), 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, 2006.

Roberto Guarnieri (República Bolivariana de Venezuela) was elected Executive Director by Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Spain, and República Bolivariana de Venezuela, effective November 1, 2006.

Ramón Guzmán (Spain) was appointed Alternate Executive Director to Roberto Guarnieri (República Bolivariana de Venezuela), effective November 1, 2006.

Samura Kamara (Sierra Leone) was appointed Alternate Executive Director to Peter Gakunu (Kenya), effective November 1, 2006.

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, 2006.

Adarsh Kishore (India) was elected Executive Director by Bangladesh, Bhutan, India, and Sri Lanka, effective November 1, 2006.

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, 2006.

Eduardo Loyo (Brazil) was reelected Executive Director by Brazil, Colombia, the Dominican Republic, Ecuador, Guyana, Haiti, Panama, Suriname, and Trinidad and Tobago, effective November 1, 2006.

Wilhelmina C. Mañalac (Philippines) was appointed Alternate Executive Director to Richard Murray (Australia), effective November 1, 2006.

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, 2006.

Thomas Moser (Switzerland) was reelected Executive Director by Azerbaijan, the Kyrgyz Republic, Poland, Serbia, Switzerland, Tajikistan, Turkmenistan, and Uzbekistan, effective November 1, 2006.

Aleksei V. Mozhin (Russian Federation) was reelected Executive Director by the Russian Federation, effective November 1, 2006.

Richard Murray (Australia), formerly Alternate Executive Director to 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, the Solomon Islands, and Vanuatu, effective November 1, 2006.

Hooi Eng Phang (Malaysia) was reelected Executive Director by Brunei Darussalam, Cambodia, Fiji, Indonesia, the Lao People's Democratic Republic, Malaysia, Myanmar, Nepal, Singapore, Thailand, Tonga, and Vietnam, effective November 1, 2006.

Laurean W. Rutayisire (Rwanda), formerly Alternate Executive Director to Damian Ondo Mañe (Equatorial Guinea), was elected Executive Director by Benin, Burkina Faso, Cameroon, Cape Verde, the 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, 2006.

Tuomas Saarenheimo (Finland) was reelected Executive Director by Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway, and Sweden, effective November 1, 2006.

Arrigo Sadun (Italy) was reelected Executive Director by Albania, Greece, Italy, Malta, Portugal, San Marino, and Timor-Leste, effective November 1, 2006.

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, 2006.

Javier Silva-Ruete (Peru), formerly Alternate Executive Director to Héctor Torres (Argentina), was elected Executive Director by Argentina, Bolivia, Chile, Paraguay, Peru, and Uruguay, effective November 1, 2006.

Chantavarn Sucharitakul (Thailand) was appointed Alternate Executive Director to Hooi Eng Phang (Malaysia), effective November 1, 2006.

Héctor Torres (Argentina), formerly Executive Director, was appointed Alternate Executive Director to Javier Silva-Ruete (Peru), effective November 1, 2006.

WANG Xiaoyi (China) was reelected Executive Director by China, effective November 1, 2006.

WANG Xiaoyi (China) relinquished his duties as Executive Director for China, effective November 6, 2006.

GE Huayong (China), formerly Alternate Executive Director to WANG Xiaoyi (China), was elected Executive Director by China, effective November 7, 2006.

HE Jianxiong (China) was appointed Alternate Executive Director to GE Huayong (China), effective November 7, 2006.

Sulaiman M. Al-Turki (Saudi Arabia) relinquished his duties as Executive Director for Saudi Arabia, effective February 22, 2007.

Abdallah S. Alazzaz (Saudi Arabia), formerly Alternate Executive Director to Sulaiman M. Al-Turki (Saudi Arabia), was elected Executive Director by Saudi Arabia, effective February 23, 2007.

Ahmed A. Al Nassar (Saudi Arabia) was appointed Alternate Executive Director to Abdallah S. Alazzaz (Saudi Arabia), effective February 23, 2007.

Roberto Steiner (Colombia) relinquished his duties as Alternate Executive Director to Eduardo Loyo (Brazil), effective February 28, 2007.

Maria Ines Agudelo (Colombia) was appointed Alternate Executive Director to Eduardo Loyo (Brazil), effective March 1, 2007.

Meg Lundsager (United States), formerly Alternate Executive Director to Nancy P. Jacklin (United States), was appointed Executive Director by the United States, effective April 4, 2007.

Eduardo Loyo (Brazil) relinquished his duties as Executive Director for Brazil, Colombia, the Dominican Republic, Ecuador, Guyana, Haiti, Panama, Suriname, and Trinidad and Tobago, effective April 16, 2007.

Paulo Nogueira Batista, Jr. (Brazil) was elected Executive Director by Brazil, Colombia, the Dominican Republic, Ecuador, Guyana, Haiti, Panama, Suriname, and Trinidad and Tobago, effective April 17, 2007.

Jeroen Kremers (Netherlands) relinquished his duties as Executive Director for Armenia, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Georgia, Israel, the former Yugoslav Republic of Macedonia, Moldova, the Netherlands, Romania, and Ukraine, effective April 30, 2007.

Hooi Eng Phang (Malaysia) 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 April 30, 2007.