The IMF has played an important advisory and technical role in the selection of appropriate exchange rate regimes. Technical assistance began with the formulation of a new foreign exchange law and regulations. This was to form a basis for consolidating and eventual liberalization of exchange rates, responding to widespread shortages of foreign exchange. In the 1980s, this role centered on assistance to develop the role of floating exchange rates, liberalization of exchange and trade restrictions, and implications for the conduct of monetary policy. Advice was also given on measures to develop forward foreign exchange markets.

Recent advisory assistance to other countries in this area has continued to cover a wide range of topics, in many cases culminating in fully decentralized markets. Technical assistance has also been given in countries with a significant degree of currency convertibility (limited in some countries) of foreign exchange and those with nonmarket foreign exchange systems and arrangements.

Technical assistance in foreign exchange systems has again increased. Assistance has focused on helping to introduce new national currencies, manage official foreign exchange reserves, establish central bank functions in administering the market, including exchange rate policymaking, and understand and inform its membership about the benefits of convertibility and unified foreign exchange systems.

Technical assistance was given in countries transitioning to market-based systems. This has often involved difficult conceptual work to integrate market and nonmarket foreign exchange systems and arrangements. While the IMF's jurisdictional focus on issues related to nonmarket exchange systems has facilitated the introduction of market aspects into functioning mechanisms, as the IMF's work in foreign exchange systems has again increased. The shift and broadening of IMF activities in foreign exchange has again increased.

This period corresponds to the shift of technical assistance away from the former Exchange and Trade Relations Department and toward the now staffed by MAE personnel, by central bank experts, and, in some cases, by personnel from cooperating central banks.

Technical assistance has been provided to a broad range of countries, including communist countries. Technical assistance was given to China, Hungary, Romania, and Bulgaria. The IMF has also provided technical assistance to former centrally planned economies, including the former Soviet Union, by personnel from cooperating central banks. Technical assistance was given to Albania, Bangladesh, Bulgaria, China, Croatia, Islamic Republic of Iran, and Romania. Technical assistance was also given to Albania, Bangladesh, Bulgaria, China, Croatia, Islamic Republic of Iran, and Romania.

Technical assistance has been provided to countries in Latin America, including Venezuela, 1988-89. Technical assistance was given to Europe, including Italy, 1982; Egypt, 1982-91; El Salvador, 1989; Guatemala, 1984-91; Dominican Republic, 1986; and Portugal, 1984-90. Technical assistance was also given to non-EU countries, including Nigeria, 1989; Guyana, 1990; Honduras, 1990; Hungary, 1991; Jamaica, 1989; Mauritania, 1991; Nepal, 1985-86; and Romania.

Technical assistance has been provided to a broad range of countries, including Burundi, 1984-91; Dominican Republic, 1986; and Portugal, 1984-90.
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and structural aspects, for example, a change of exchange rate regime, a degree of market centralization through adoption or replacement of an auction arrangement, adoption of current account convertibility, or capital account convertibility. With developing countries increasingly adopting both current and capital convertibility, this aspect of technical assistance work is expected to grow significantly. Adaptation of regional systems toward a fully multilateral basis is another likely focus of technical assistance.

Algeria, Burundi, Madagascar, Mauritania, Mongolia, Sudan, Tanzania, and Zimbabwe. Ethiopia, Malawi, and Mozambique. Bangladesh, Tunisia, and Uganda. Fiji, Jamaica, and Trinidad and Tobago.

Assistance in developing and refining foreign exchange markets and integrating them with monetary operations will remain prominent. Increasingly, the advice on exchange issues has been linked to other areas of technical assistance, including monetary operations, banking supervision, and payments systems. In some instances, particularly in the former Soviet Union and the Baltic countries, this has taken place in comprehensive programs of technical assistance on monetary and exchange issues, reflecting the strong technical and behavioral links among the different structural components. In particular, progress toward capital account liberalization is facilitated by reforms of monetary control systems, and the links between exchange and monetary developments become more pronounced as capital controls are further relaxed.