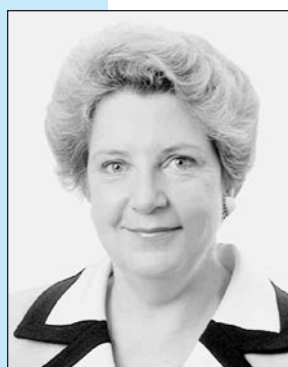


IMF Names New Administration Department Head



Brian Stuart, named Director of the IMF's Administration Department.



K. Burke Dillon, appointed Executive Vice-President of the Inter-American Development Bank.

On December 28, the IMF announced that IMF Managing Director Michel Camdessus has named Brian C. Stuart, a national of Canada, as Director of the IMF's Administration Department, effective January 4, 1999. Stuart succeeds K. Burke Dillon, who has been appointed Executive Vice-President of the Inter-American Development Bank.

Stuart was educated at the University of Calgary and Queen's College, Kingston, Ontario, and joined the IMF as an economist in 1973, holding various positions in the European, Exchange and Trade Relations (now Policy Development and Review), and Western Hemisphere Departments prior to his appointment as Assistant Director of the Exchange and Trade Relations Department in 1990. He was appointed a Senior Advisor in the Western Hemisphere Department in 1992, and Deputy Director of that department in 1995. Since 1995, Stuart has chaired the Interdepartmental Information

Technology Policy Committee, which is helping to implement a strategic plan for information technology at the IMF. ■

Members' Use of IMF Credit (million SDRs)

	Dec. 1998	Jan.-Dec. 1998	Jan.-Dec. 1997
General Resources Account	5,356.52	20,586.19	16,112.86
Stand-By Arrangements	4,517.52	12,098.01	13,255.39
SRF	3,601.31	8,726.31	4,100.00
EFF Arrangements	839.00	6,331.63	2,749.87
SRF	0.00	675.02	0.00
CCFF	0.00	2,156.55	107.60
ESAF Arrangements	155.44	895.96	730.59
Total	5,511.96	21,482.15	16,843.45

Note: SRF = Supplemental Reserve Facility
EFF = Extended Fund Facility
CCFF = Compensatory and Contingency Financing Facility
ESAF = Enhanced Structural Adjustment Facility
Figures may not add to totals shown owing to rounding.

Data: IMF Treasurer's Department

Press Releases

Following are excerpts of recent IMF press releases. Full texts are available on the IMF's website (<http://www.imf.org>) under "news" or on request from the IMF's Public Affairs Division (fax: (202) 623-6278).

St. Kitts and Nevis: Emergency Assistance

The IMF approved St. Kitts and Nevis's request for emergency financial assistance related to natural disasters. The assistance, equivalent to SDR 1.625 million (about \$2.3 million), will support the government's economic recovery program and associated relief and rehabilitation efforts in the aftermath of Hurricane Georges.

The devastation caused by Hurricane Georges reflects damage to all major infrastructure services and tourism facilities, including several major hotels. About one-fourth of the nation's sugarcane crop may also have been destroyed, according to preliminary estimates. Current estimates by the authorities indicate hurricane damage overall amounted to about \$400 million, or 150 percent of GDP in 1997. Real GDP growth is projected to slow to about 3.5 percent in 1998 and decelerate further to 2 percent in 1999, compared with recent pre-hurricane growth, which averaged about 5 percent a year.

St. Kitts and Nevis joined the IMF on August 15, 1984, and its quota is SDR 6.5 million (about \$9.2 million).

Press Release No. 98/62, December 17

Malawi: ESAF

The IMF approved the third annual arrangement for Malawi under the Enhanced Structural Adjustment Facility (ESAF), providing assistance equivalent to SDR 20.4 million (about \$27 million) in support of the government's program for 1998-99. The third annual loan, which has been augmented by SDR 5.15 million (about \$7 million), is available in two equal semiannual installments, the first of which is available on December 30, 1998.

Medium-Term Strategy and 1998-99 Program

The government's medium-term development strategy aims to consolidate macroeconomic stability, attain sustainable economic growth that will reduce poverty, and raise the overall living standards of Malawi's population. The macroeconomic objectives for the medium term are to increase the rate of real GDP growth from about 3.5 percent in 1998 to 6 percent in 2001; reduce the average annual rate of inflation from about 27 percent in 1998 to about 5 percent in 2001; and strengthen further the balance of payments. For 1998-99, the principal macroeconomic objectives are to achieve

Selected IMF Rates

Week Beginning	SDR Interest Rate	Rate of Remuneration	Rate of Charge
December 14	3.65	3.65	3.91
December 21	3.61	3.61	3.86
December 28	3.64	3.64	3.89
January 4, 1999	3.58	3.58	3.83

The SDR interest rate and the rate of remuneration are equal to a weighted average of interest rates on specified short-term domestic obligations in the money markets of the five countries whose currencies constitute the SDR valuation basket (the U.S. dollar, weighted 39 percent; deutsche mark, 21 percent; Japanese yen, 18 percent; French franc, 11 percent; and U.K. pound, 11 percent). The rate of remuneration is the rate of return on members' remunerated reserve tranche positions. The rate of charge, a proportion (currently 107 percent) of the SDR interest rate, is the cost of using the IMF's financial resources. All three rates are computed each Friday for the following week. The basic rates of remuneration and charge are further adjusted to reflect burden-sharing arrangements. For the latest rates, call (202) 623-7171 or check the IMF website (www.imf.org/external/np/tre/sdr/sdr.htm).

Data: IMF Treasurer's Department

Malawi: Selected Economic and Financial Indicators

	1996	1997 ¹	1998 ²	1999 ²	2000 ³	2001 ³
	(annual percent change)					
GDP at constant market prices	10.7	5.1	3.6	5.0	5.5	6.0
Consumer prices (end of period)	6.7	15.2	36.4	7.0	7.0	5.0
	(percent of GDP)					
Domestic primary balance (commitment basis) ⁴	0.8	-4.5	-0.1	-1.2	-1.2	-1.1
Overall balance (excluding grants, commitment basis)	-7.7	-11.6	-14.8	-12.9	-12.1	-11.4
External current account (including official transfers)	-7.7	-9.3	-8.9	-8.8	-8.1	-6.8
External debt	95.0	90.4	140.7	166.5	162.5	154.2
	(months of imports of goods and nonfactor services)					
Gross official reserves	3.6	2.1	3.5	4.4	4.5	4.5

¹Preliminary.²Program.³Projections.⁴Fiscal year starting April 1 for 1996 and 1997, July 1 for 1998. Program targets for 1997 were calculated based on revised GDP.

Data: Malawian authorities and IMF staff estimates and projections

average real GDP growth of at least 3.6 percent in 1998 and 5 percent in 1999; a 12-month inflation rate of 36 percent by end-1998 and 7 percent by end-1999; a small domestic primary deficit for 1998–99; and a recovery in gross international reserves to more than four months of imports. The monetary program for 1998–99 is aimed at lowering the inflation rate substantially and restoring conditions conducive to the maintenance of a stable exchange rate.

Structural Reforms

The government's agenda of structural reforms is designed to support the goal of pursuing widespread poverty reduction and an improvement in living standards. The authorities are also continuing with the privatization program.

Social Issues

The government's medium-term development strategy since 1994 has been to achieve accelerated economic growth, lower inequality, and generate a broad-based improvement in living standards. Malawi is a poor country; nominal per capita GNP in 1997 was only \$220—less than half the sub-Saharan average; and income inequality is perhaps the highest in Africa. In the education sector, the government introduced universal free primary education in 1994 and is now directing its efforts toward improving the quality of education.

Malawi joined the IMF on July 19, 1965. Its quota is SDR 50.9 million (about \$72 million). Malawi's outstanding use of IMF financing currently totals SDR 59.8 million (about \$84 million).

Press Release No. 98/63, December 18

Armenia: ESAF

The IMF has approved the third annual loan for Armenia under the Enhanced Structural Adjustment Facility (ESAF), which has been increased by SDR 8.1 million (about \$11 million) to SDR 41.85 million (about \$59 million), in support of the government's program for 1999. The loan is available in two equal semi-annual installments of SDR 20.925 million (about \$29 million), the first of which is available at the end of December. The total commitment under the three-year loan is thus increased to the equivalent of SDR 109.35 million (about \$154 million).

Program for 1999

The key objectives of Armenia's development strategy are to address the spillover effects of the Russian crisis while trying to move for-

ward in consolidating the gains achieved so far in stabilization and deepening structural reform. The authorities intend to take measures that would help Armenia absorb at least half of the external shock. The balance would be met through a concerted international donor effort to assist Armenia, as well as neighboring ESAF transition countries, to address the balance of payments difficulties resulting from the Russian crisis. It is anticipated that the steadfast implementation of these measures would provide the conditions to maintain real annual GDP growth of at least 5.5 percent in 1998 and 4.0 percent in 1999, in spite of the unfavorable external environment. End-period inflation is targeted at single digits in both 1998 and 1999, and the current account deficit is targeted to decline from a projected 24 percent of GDP in 1998 to about 22 percent in 1999. To achieve these macroeconomic objectives, the program calls for maintaining a tight fiscal policy stance, with a state government budget deficit of about 5.5 percent of GDP in 1998 and about 6 percent in 1999. On the monetary side, tight monetary and credit policies will continue to be implemented.

Structural Reforms

The government will deepen reforms in the areas of privatization and banking. The Central Bank of Armenia will seek to bolster the soundness of the commercial banks by introducing stricter prudential regulations and by strengthening supervision. The government is also committed to implementing the revised strategy to rehabilitate the energy sector. Armenia assigns high priority to raising productivity in

Armenia: Basic Economic Indicators

	1996	1997 ¹	1998 ²	1999 ³
	(annual percent change)			
Real GDP growth (percent change) ¹	5.8	3.1	5.5	4.0
Inflation (end of period)	5.8	21.9	3.8	9.9
	(percent of GDP)			
State budget balance ⁴	-9.3	-5.9	-5.6	-6.1
Current account balance	-27.9	-27.8	-23.7	-21.8
Total external debt	38.0	48.3	43.0	44.1
	(months of imports of goods and nonfactor services)			
Gross official international reserves	2.2	5.1	3.6	3.6

¹Preliminary.²Projections.³Program.⁴Deficit as measured by revenues minus expenditures, including contingent expenditures in 1999.

Data: Armenian authorities and IMF staff estimates

the civil service and to increasing the real wages of public servants. Such efforts will be framed in the context of a comprehensive strategy.

Social Issues

The authorities are conscious that the process of transition may have some adverse consequences for the most vulnerable groups of the population; therefore, their program attaches particular importance to developing and implementing a well-targeted, means-based, and cost-effective social safety net, as well as reforming those sectors with the greatest social incidence, including education, health, and the pension system.

Armenia joined the IMF on May 28, 1992. Its quota is SDR 67.5 million (about \$95 million). Its outstanding use of IMF resources currently totals SDR 114 million (about \$161 million).

Press Release No. 98/65, December 22

January 11, 1999

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Rwanda: Article VIII

The government of Rwanda has notified the IMF that it has accepted the obligations of Article VIII, Sections 2, 3, and 4, of the IMF Articles of Agreement, with effect from December 10, 1998. IMF members accepting the obligations of Article VIII undertake to refrain from imposing restrictions on the making of payments and transfers for current inter-

national transactions or from engaging in discriminatory currency arrangements or multiple currency practices without IMF approval. A total of 147 countries have now assumed Article VIII status.

Rwanda joined the IMF on September 30, 1963. Its quota is SDR 59.5 million (about \$84 million).

Press Release No. 99/1, January 4

Stand-By, EFF, and ESAF Arrangements as of December 31

Member	Date of Arrangement	Expiration Date	Amount Approved	Undrawn Balance
			(million SDRs)	
Stand-By Arrangements			32,858.97	12,613.64
Bosnia and Herzegovina	May 29, 1998	May 28, 1999	60.60	36.36
Brazil ¹	December 2, 1998	December 1, 2001	13,0224.80	9,605.79
Cape Verde	February 20, 1998	April 19, 1999	2.10	2.10
Djibouti	April 15, 1996	March 31, 1999	8.25	1.95
El Salvador	September 23, 1998	February 22, 2000	37.68	37.68
Estonia	December 17, 1997	March 16, 1999	16.10	16.10
Korea ¹	December 4, 1997	December 3, 2000	15,500.00	2,175.00
Latvia	October 10, 1997	April 9, 1999	33.00	33.00
Philippines	April 1, 1998	March 31, 2000	1,020.79	823.42
Thailand	August 20, 1997	June 19, 2000	2,900.00	700.00
Uruguay	June 20, 1997	March 19, 1999	125.00	125.00
Zimbabwe	June 1, 1998	June 30, 1999	130.65	91.45
EFF Arrangements			24,414.26	14,697.23
Argentina	February 4, 1998	February 3, 2001	2,080.00	2,080.00
Azerbaijan	December 20, 1996	December 19, 1999	58.50	17.56
Bulgaria	September 25, 1998	September 24, 2001	627.62	523.02
Croatia, Republic of	March 12, 1997	March 11, 2000	353.16	324.38
Gabon	November 8, 1995	March 7, 1999	110.30	49.63
Indonesia	August 25, 1998	November 5, 2000	4,669.10	2,566.70
Jordan	February 9, 1996	February 8, 1999	238.04	35.52
Kazakhstan	July 17, 1996	July 16, 1999	309.40	309.40
Moldova	May 20, 1996	May 19, 1999	135.00	97.50
Pakistan	October 20, 1997	October 19, 2000	454.92	398.06
Panama	December 10, 1997	December 9, 2000	120.00	80.00
Peru	July 1, 1996	March 31, 1999	300.20	139.70
Russian Federation ¹	March 26, 1996	March 25, 2000	13,206.57	7,426.86
Ukraine	September 4, 1998	September 3, 2001	1,645.55	1,400.00
Yemen	October 29, 1997	October 28, 2000	105.90	87.90
ESAF Arrangements			3,896.85	2,123.11
Albania	May 13, 1998	May 12, 2001	35.30	29.42
Armenia	February 14, 1996	Sept 14, 1999	109.35	20.92
Azerbaijan	December 20, 1996	December 19, 1999	93.60	23.40
Benin	August 28, 1996	August 27, 1999	27.18	18.12
Bolivia	September 18, 1998	September 17, 2001	100.96	84.13
Burkina Faso	June 14, 1996	September 13, 1999	39.78	6.63
Cameroon	August 20, 1997	August 19, 2000	162.12	81.06
Central African Republic	July 20, 1998	July 19, 2001	49.44	41.20
Chad	September 1, 1995	April 28, 1999	49.56	8.26
Congo, Republic of	June 28, 1996	June 27, 1999	69.48	55.58
Côte d'Ivoire	March 17, 1998	March 16, 2001	285.84	161.98
Ethiopia	October 11, 1996	October 22, 1999	88.47	58.98
The Gambia	June 29, 1998	June 28, 2001	20.61	17.18
Georgia	February 28, 1996	July 26, 1999	166.50	27.75
Ghana	June 30, 1995	June 29, 1999	164.40	27.40
Guinea	January 13, 1997	January 12, 2000	70.80	23.60
Guyana	July 15, 1998	July 14, 2001	53.76	44.80
Haiti	October 18, 1996	October 17, 1999	91.05	75.88
Kenya	April 26, 1996	April 25, 1999	149.55	124.63
Kyrgyz Republic	June 26, 1998	June 25, 2001	64.50	53.75
Macedonia, FYR	April 11, 1997	April 10, 2000	54.56	27.28
Madagascar	November 27, 1996	November 26, 1999	81.36	54.24
Malawi	October 18, 1995	December 16, 1999	50.96	7.63
Mali	April 10, 1996	August 5, 1999	62.01	10.34
Mongolia	July 30, 1997	July 29, 2000	33.39	27.83
Mozambique	June 21, 1996	August 24, 1999	75.60	12.60
Nicaragua	March 18, 1998	March 17, 2001	100.91	84.09
Niger	June 12, 1996	September 1, 1999	57.96	9.66
Pakistan	October 20, 1997	October 19, 2000	682.38	454.92
Rwanda	June 24, 1998	June 23, 2001	71.40	59.50
Senegal	April 20, 1998	April 19, 2001	107.01	71.34
Tajikistan	June 24, 1998	June 23, 2001	100.30	60.00
Tanzania	November 8, 1996	November 7, 1999	161.59	38.76
Uganda	November 10, 1997	November 9, 2000	100.43	43.52
Yemen	October 29, 1997	October 28, 2000	264.75	176.75
Zambia	December 6, 1995	December 5, 1998	701.68	40.00
Total			61,170.08	29,433.98

¹Includes amounts under Supplemental Reserve Facility.
EFF = Extended Fund Facility
ESAF = Enhanced Structural Adjustment Facility
Figures may not add to totals owing to rounding.

Data: IMF Treasurer's Department

The Extended Fund Facility provides assistance for adjustment programs over larger amounts of financing than under Stand-By Arrangements.