

INTERNATIONAL MONETARY FUND

INDEPENDENT EVALUATION OFFICE

**THE ROLE OF THE IMF AS TRUSTED ADVISOR**

**BACKGROUND STUDIES**

**January 17, 2013**



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## Abbreviations

AFR	African Department
APD	Asia & Pacific Department
BIS	Bank for International Settlements
BOP	Balance of Payments
CSO	Civil society organization
ECF	Extended Credit Facility
EUR	European Department
EXR	External Relations Department
FAD	Fiscal Affairs Department
FSAP	Financial Sector Assessment Program
G-7	Canada, France, Germany, Italy, Japan, United Kingdom, and United States
<i>GFSR</i>	<i>Global Financial Stability Report</i>
HIPC	Highly Indebted Poor Countries' Initiative
IMFC	International Monetary and Financial Committee
LEG	Legal Department
LIC	Low-income country (Poverty Reduction and Growth Trust-eligible country)
Management	Managing Director, First Deputy Managing Director, and three Deputy Managing Directors
MC	Mission chief
MCD	Middle East & Central Asia Department
MCM	Monetary and Capital Markets Department
NORC	National Opinion Research Center
OBP	Office of Budget and Planning
OIA	Office of Internal Audit
OECD	Organisation for Economic Co-operation and Development
PPP	Purchasing power parity
PRGF	Poverty Reduction and Growth Facility
PRGT	Poverty Reduction and Growth Trust
PSI	Policy Support Instrument
RES	Research Department
RITA	Role of the IMF as Trusted Advisor
RR	Resident representative
SIP	Selected issues paper
SPR	Strategy, Policy, and Review Department
TA	Technical assistance
TIMS	Travel Information Management System
TSR	Triennial Surveillance Review
UFR	Use of Fund resources
<i>WEO</i>	<i>World Economic Outlook</i>
WHD	Western Hemisphere Department

# **I. Taking Stock of Previous IEO Evaluations**

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## I. INTRODUCTION

1. **The different activities of the IMF complement each other and there is bound to be a degree of overlap between evaluations aimed at different aspects of the institution's operations.** Because advice, and the trust in it, is an integral part of many of the IMF's activities, it can be expected that past evaluations of these activities would uncover issues and provide information relevant for the evaluation of the "Role of the IMF as Trusted Advisor" (*RITA*). In particular, the 2009 IEO evaluation of "IMF Interactions with Member Countries" (*IMC*), given its wide panoramic scope, is bound to provide valuable insights in this regard. This paper examines that and other pertinent previous IEO evaluations and seeks to identify findings and conclusions that have a bearing on the *RITA* evaluation, to which this study serves as background note.
2. **Often the "advice" aspects of IMF activities, and more so "trusted advice" aspects, appear just as a side issue in these other evaluations** or in a context not directly focused on the reasons why, and the circumstances in which, such advice is sought or provided. Even if these references were not directly aimed at the advice role of the IMF, they do provide material useful for *RITA*.
3. **Moreover, the global financial crisis starting in 2007–08 is thought to have changed member countries' attitude to and need for Fund advice.** Also around the time of the crisis, the IMF was adopting a number of initiatives and revising existing practices with a view to strengthen surveillance and tighten its analysis of global economic developments. In addition, it developed more flexible lending instruments and provided several countries with countercyclical financing. These changes may have affected both the environment in which advice takes place as well as the receptiveness of countries to it. It is of interest therefore to examine the findings of previous evaluations in order to establish whether the IMF's role in this area, and the perceptions of it, has changed in the years since the other evaluations were conducted, and particularly since the onset of the crisis.
4. **It is also of interest to determine the extent to which previous findings referring to the trusted advisor role, and in particular recommendations of previous evaluations in this area, are still present and relevant.** This provides an indication of the extent to which previous IEO recommendations have been implemented or of the effectiveness of such implementation.
5. **In addition to *IMC*, the prior IEO evaluations examined here are:** "IMF Performance in the Run-Up to the Financial and Economic Crisis" (*Crisis*—2011); "IMF Exchange Rate Policy Advice" (*Exchange Rate*—2007); "Research at the IMF" (*Research*—2011); "Multilateral Surveillance" (*MLS*—2006); and "IMF Involvement in International Trade Policy Issues" (*Trade*—2009). The examination is organized around the following five themes, which mirror those that inform *RITA*:

- Quality and relevance of the advice.
- Environment: the dialogue with authorities and organizational aspects.
- Evenhandedness and legacy issues affecting trust and the desire to seek advice.
- Advice involved in technical assistance, FSAP, and training.
- Role of resident representatives.

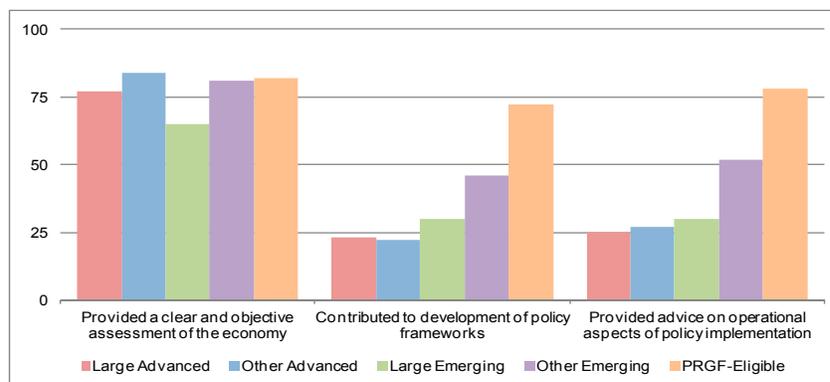
## II. RELEVANCE AND QUALITY OF THE ADVICE

6. **A key element of the *RITA* evaluation has to do with how country authorities perceive the relevance and quality of the advice provided by the IMF.** Do authorities believe this advice adds value and helps shape their own thinking? Do they view staff as knowledgeable, including of the particular circumstances of the country, and with the requisite analytical and technical skills that would make it worth listening to them? Is the IMF able to take a broad approach that incorporates a long-term strategic view, the analysis of alternative scenarios, and the experience of other countries, including possible linkages and spillovers?

### A. Value-Added of the Advice

7. **The evaluations coincide in highlighting the inverse relation between the level of economic development and the usefulness country authorities assign to the IMF’s advice.** In a survey of authorities’ views, *IMC* asked whether staff “provided a clear and objective assessment of countries’ policies and prospects... whether they contributed to the development of policy frameworks... and whether they provided advice on the operational aspects of implementing policies.” It found that the IMF scored high on the assessment of policies and prospects but, with the exception of PRGF-eligible countries, it was not much regarded on policy development or advice on their implementation (Figure 1).

Figure 1. IMC: Authorities’ Views on Value Added by IMF Staff  
(Percent in agreement)



Source: IEO evaluation of IMF Interactions with Member Countries (2009).

8. **IMC also uncovered marked differences across different country groups in regard to perceptions of value added.** Authorities in advanced economies seem to have looked to the IMF primarily as a sounding board; they “had little interest in what the Fund could provide beyond an objective assessment of policies and prospects and a good exchange of views.” This concern was echoed in *Crisis* where staff is reported to believe that “the main problem is how to bring value added to large economies, which have large staffs of highly trained economists.” For the emerging economies, *IMC* mentions that “authorities of large emerging economies found the surveillance process provided little value added,” furthermore that “officials from several large emerging economies saw the surveillance exercise as routine and uninteresting...they were looking for new angles on their own policies, but did not get them from the Fund. They were attracted to formats where more interesting discussions took place, increasingly through regional and other broader fora involving interactions with peers.” These views, however, were not fully shared by the other emerging economies and, in the case of PRGF-eligible economies, *IMC* found that the value added by the Fund through financial and monitoring programs, debt relief, and donor signaling had resulted in “an abundance of traction in Fund interactions.”

9. **Exchange Rate reports similar findings:** “In the context of their own countries, about two-thirds of the authorities’ respondents felt that the IMF had appropriately played roles as a *confidential advisor* to the authorities.... About half considered that a role for the IMF as a *consensus builder among domestic policy makers* was played as much as it should have been.” This notwithstanding, *Exchange Rate* reports more tempered views regarding the impact of the IMF’s advice: “Of those country authorities who reported having taken major policy decisions on exchange rate issues, ...43 percent regarded IMF advice as instrumental, while 38 percent saw it as marginal, and the remainder saw no impact or no discussion at all ...the underlying problem seems to be one of lack of traction: a failure to be seen to add much value in discussions with some parts of the membership.”

10. **Exchange Rate further elaborates saying: “...survey results showed authorities seeking more specific analysis and pointing to other sources of policy advice as useful. These are warning signs that the IMF is seen by some as providing limited value added...”** Moreover, “In all country groups, the authorities reported that they sought advice from sources other than the IMF. Some countries hire consultants and seek help from other governments, while several senior officials spoke favorably, for example, of their contacts with the Bank for International Settlements (BIS) and the Organisation for Economic Co-operation and Development (OECD), where they appreciated the discussions with peers.” As part of its main findings, *Exchange Rate* mentions “The reduced traction with advanced economies is in danger of being extended to large emerging market economies, and beyond. Such an evolution is corrosive, breeds cynicism among the staff as well as the members, and builds on perceptions of a lack of evenhandedness.”

11. **To the extent that the research conducted at the IMF contributes to shape country authorities' thinking, and thus influences policymaking, it can also be considered part of the IMF's advice.** In this context, the *Research* evaluation notes that “Most country authorities reported a high degree of familiarity with IMF research and considered that it was relevant for their needs and interests. They valued the unique cross-country comparative features of IMF research, particularly when research provided case-study lessons and best practices on policies and programs in other countries...” moreover that “IMF research had been helpful in policy discussions in their countries...” and also that “The influence of IMF research on policymaking was greatest in the ECF-eligible countries and least in advanced economies.”

12. **However, Research also reports important gaps, including macro-financial linkages and aspects of monetary policy,<sup>1</sup> and that the authorities believed that IMF research's relevance would be enhanced by “better consultation on research topics, more country and institutional context, and more exposure to alternative perspectives.”** On these latter points, authorities mentioned that “the analytical framework was not suited to the realities of the country” or that it lacked “understanding of country context and institutions” and also that it did not allow for alternative perspectives (i.e., that it was too aligned with IMF views). In a similar vein, *Trade* notes that “The IMF's expertise on trade policy issues was not as strong as on other macroeconomic issues and therefore its advice lacked credibility.”

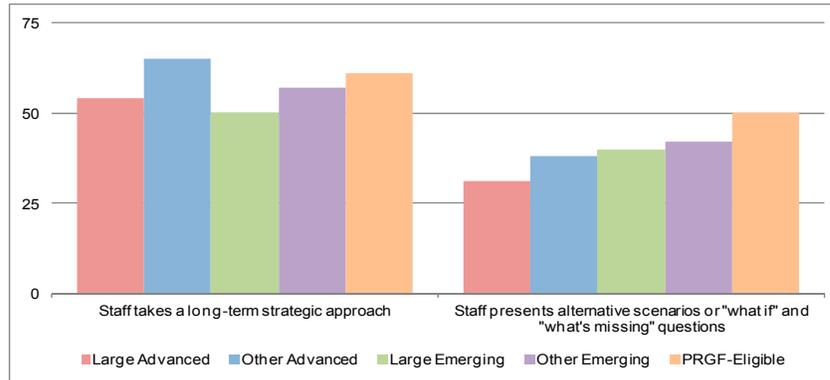
13. **As regards suitability to country circumstances, IMC found only lukewarm approval for this aspect of the IMF's advice.** Less than half of the authorities in large advanced economies and about two-thirds of those in other countries described the Fund's advice as suited to the specific circumstances of their country. Finally, in regard to the breadth of the staff's approach to discussions, slightly more than half of the authorities surveyed in *IMC* indicated that staff does take a long-term strategic approach, while only some 40 percent of these authorities reported that staff present alternative scenarios or addresses “what if” or “what's missing” questions (Figure 2).<sup>2</sup>

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<sup>1</sup> The failure to adequately integrate the IMF's work on the financial sector into the surveillance process had already been highlighted in the IEO evaluation of the *Financial Sector Assessment Program (2006)*. *MLS* and *Crisis* also make reference to this failing.

<sup>2</sup> This is a long standing issue. Already the 1999 “External Evaluation of Fund Surveillance” recommended that surveillance should devote more time to identification and analysis of alternative policy options.

Figure 2. IMC: Authorities' Views on IMF Staff's Approach  
(Percent in agreement)

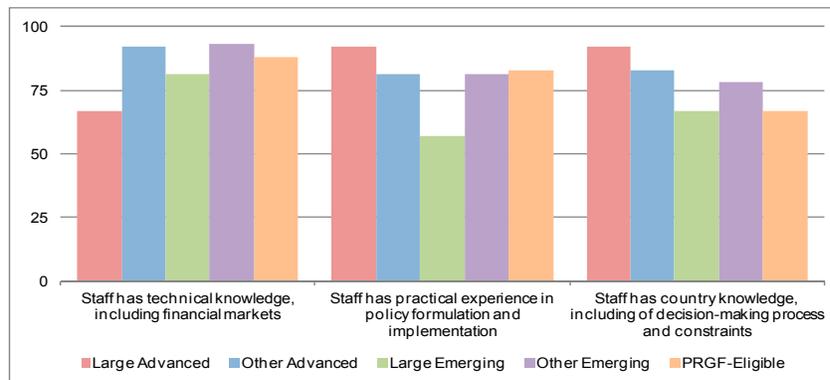


Source: IEO evaluation of IMF Interactions with Member Countries (2009).

## B. Staff's Skills

14. **Staff skills, by and large, receive high marks across the evaluations.** *Crisis* found that “Despite the Fund’s failure to warn of the impending crisis, country authorities, in most cases, had... a high general regard for Fund staff competency and analysis.” This view is confirmed in *IMC* where it is said that “large majorities of respondents to the authorities’ survey portrayed IMF staff as analytic, respectful, and responsive.” In general, about 80 percent of *IMC* respondents, with the exception of those from large emerging economies which registered a somewhat lower percentage, viewed staff as having relevant technical knowledge (including financial market expertise), having practical experience in policy formulation and implementation, and having sufficient country knowledge, including of the decision-making process and constraints (Figure 3). The above notwithstanding, *IMC* concludes that “the Fund paid too little attention to the diplomatic skills that might have engendered collegiality and trust [in PRGF-eligible countries]... and to the technical expertise and other skills that might have added value in surveillance-only countries.”

Figure 3. IMC: Authorities' Views on IMF Staff's Skills  
(Percent in agreement)



Source: IEO evaluation of IMF Interactions with Member Countries (2009).

15. ***Crisis* took a more nuanced approach in this area.** Without implying that the IMF staff lacked skills or expertise, it found fault with “groupthink,” the tendency among homogeneous, cohesive groups to consider issues only within a certain paradigm without challenging its premises, and with “intellectual capture,” the tendency to be overly influenced by powerful authorities’ reputation and expertise. In addition, *Crisis* indicated that staff was using analytical approaches inadequate to identify risks and vulnerabilities, such as models unsuited to analyze macro-financial linkages.

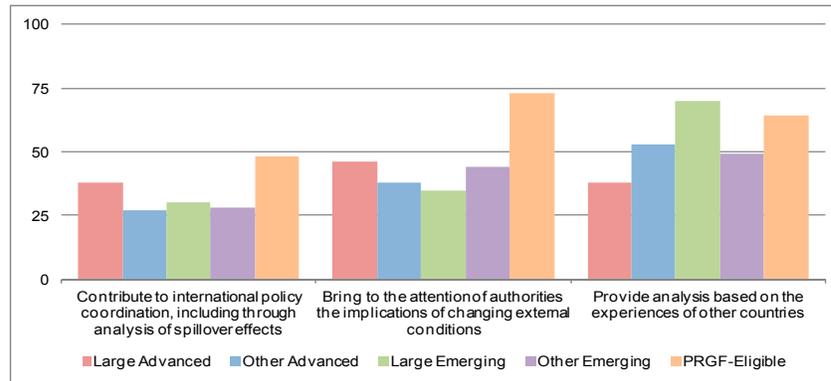
16. ***Exchange Rate on its part* states** “...while there were few obviously negative experiences... possible shortcomings on the staff side [include]...inadequate knowledge of country-specific background and context, and less technical knowledge of the operational aspects of foreign exchange markets than enjoyed by the authorities themselves... Officials would have welcomed staff having greater familiarity with the experience of other countries, an aspect in which IMF staff should have been expected to have a comparative advantage.”

### C. Cross-Border Dimensions of IMF Advice

17. **This is the aspect of the relevance and quality of the advice where prior evaluations come closest to detecting a generalized problem.** Both *IMC* and *Crisis* found a relatively low degree of satisfaction with regard to the international dimensions of the IMF’s advice; especially given that the global financial crisis of 2007–08 had made evident serious weaknesses in the Fund’s actions in this area prior to the crisis. This clearly undermined confidence in the institution and trust in its advice. As officials from advanced economies quoted in *IMC* indicated: “...the institution was not playing to what should be its comparative strengths in being able to analyze crosscutting global themes and identifying risks.”

18. ***IMC* reports that “...authorities were decidedly less enthusiastic about Fund performance on ...contributing to international policy coordination ...alerting authorities about imminent external risks, and providing cross-country analysis.”** Indeed, across all country groups, *IMC* found approval only from about 40 percent of the authorities (with some higher ratings in PRGF-eligible countries) on all three categories (Figure 4). *Exchange Rate* also indicates that the IMF’s role as “broker for international policy coordination” could be improved. These weaknesses had already been picked up earlier by the *MLS* evaluation, which noted that “IMF’s surveillance has a strong bilateral (or country) orientation, so that policy advice and economic forecasts predominantly reflect the views of IMF area departments... as a result, multilateral surveillance has not sufficiently explored options to deal with policy spillovers in a global context... [The IMF must] draw upon the global system’s collective output to strengthen its own policy advice.” Finally, *Trade* mentions that “...the IMF’s scaling back on trade policy advice [following the general streamlining after 2000] came at the cost of constructive roles in trade issues central to financial and systemic stability...”

Figure 4. IMC: International Dimensions of IMF Surveillance:  
 Authorities' Views on Quality/Effectiveness  
 (Percent in agreement)



Source: IEO evaluation of IMF Interactions with Member Countries (2009).

19. **The weakness in identifying external risks was clearly relevant for *Crisis***, which found that “During the period 2004 through the start of the crisis in mid-2007, the IMF did not warn the countries at the center of the crisis, nor the membership at large, of the vulnerabilities and risks that eventually brought about the crisis.” that “...the IMF paid too little attention to potential spillovers or contagion from advanced economies...” or that “Multilateral surveillance did not sound the alarm in advance of the crisis, even though the IMF identified the relevant risks.” *Exchange Rate* on its part notes that “Global and regional spillovers were an area that, despite recent improvements, remained infrequently covered... some 45 percent of the respondents to the IEO’s survey of country authorities found that IMF staff had rarely identified, or sufficiently integrated into their analysis, spillovers affecting their countries.” *Exchange Rate* recommends that “Incentives should be given to develop and implement guidance for the integration of spillovers into bilateral and regional surveillance...” and that “Opportunities for potential multilateral concerted action deserve to be a key strategic management focus.”

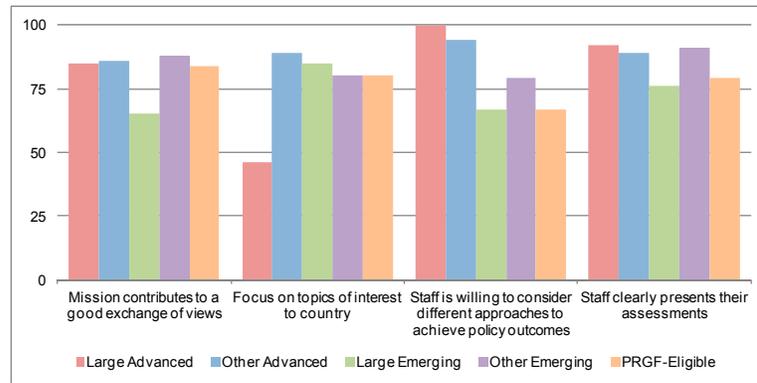
### III. THE ADVICE ENVIRONMENT

20. **The environment in which advice is provided, i.e., the circumstances surrounding the dialogue between member countries and the IMF, may have as much importance in engendering trust and providing traction to the advice as the quality of the advice as such.** How fluid is the exchange of views between staff and authorities? How candid is the staff in expressing their views? Are there concerns about confidentiality hampering the dialogue? And finally, are there organizational or institutional restrictions in the IMF itself that affect the quality of the advice or the opportunities for building a relationship of trust?

### A. Characteristics of the Dialogue

21. **By and large, previous evaluations strike a positive note on this topic.** *Crisis* reports that “The authorities felt that discussions with mission teams were usually candid, constructive, and of high quality, bringing useful and independent third party views to the policy debate.” *Exchange Rate* indicates that “...the large majority of the authorities generally perceived ...staff as both respectful and willing to approach discussions with candor” and reports that authorities believe IMF staff can serve as a “sounding board” for policy views, helping them to clarify their own thinking. These findings are corroborated by *IMC*, which reports that authorities give high scores to substantive aspects of the discussions such as the mission’s contribution to a good exchange of views, its ability to focus on topics of interest to the country (other than to the large advanced economies) or present their assessments in a clear and convincing manner. The staff’s willingness to consider different approaches to achieve desired policy outcomes also received high marks, but with somewhat less enthusiasm from large emerging economies and PRGF-eligible countries (Figure 5).

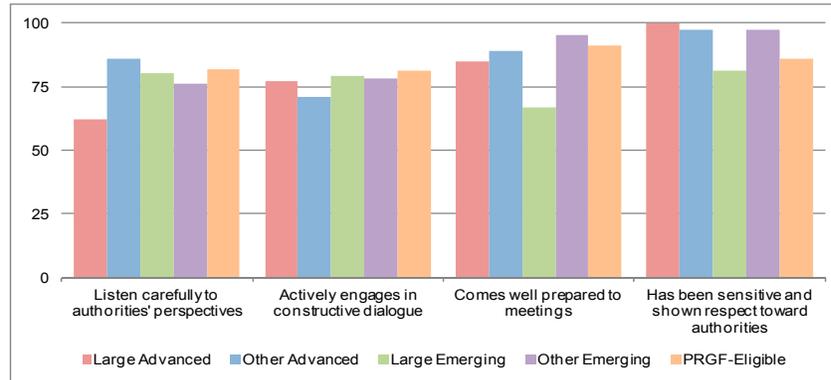
Figure 5. IMC: Authorities' Views on Dialogue  
(Percent in agreement)



Source: IEO evaluation of IMF Interactions with Member Countries (2009).

22. **IMC asked about a number of personal attributes of staff that have a bearing on the atmosphere surrounding the dialogue.** The replies were generally positive, especially with a very high percentage of respondents expressing appreciation for the staff’s respectfulness and sensitivity. The degree of preparation with which staff comes to meetings also received high marks, while the staff’s ability to listen to the authorities’ perspectives or to engage in a constructive dialogue met with a somewhat lower degree of approval (around the 80 percent mark). In spite of these ratings, *IMC* includes among its recommendations to “Provide guidance and training on professional conduct for staff interactions with the authorities ... [including] guidance for staff on how to be both appropriately forthright, and respectful” (Figure 6).

Figure 6. *IMC*: Authorities' Views on Staff Attributes  
(Percent in agreement)



Source: IEO evaluation of IMF Interactions with Member Countries (2009).

23. ***IMC* also discusses the degree to which the authorities' expectations about the purpose of interactions match those of staff about those same aspects.** It finds that, in between 75 percent and 80 percent of advanced and emerging economies, rising to over 90 percent in PRGF-eligible countries, there is a meeting of minds in this regard. This kind of “strategic alignment” between authorities and staff is regarded in *IMC* as an important indicator of the effectiveness of interactions.

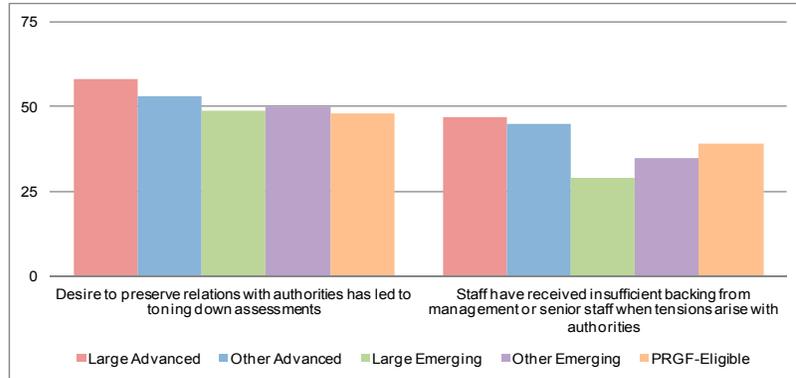
### B. Candor

24. **Views on the degree of candor demonstrated by staff when interacting with authorities were obtained, in both *Crisis* and *IMC*, from self-assessments by staff.** These refer mostly to the staff's tendency to self-censorship, particularly when dealing with advanced economies. *IMC* reports that “More than half of the surveyed staff working on advanced economies said that a desire to preserve the relationship had caused them to make assessments that were too cautious.” In turn, *Crisis* indicates that in some large advanced economies “staff noted that authorities took a heavy-handed approach, exerting explicit pressure to tone down critical messages...In contrast, teams seemed more comfortable in presenting hard-hitting analysis to smaller advanced economies and emerging markets, confirming some authorities' belief that there was a lack of evenhandedness.”

25. **It is not only diffidence that lies at the root of staff's self-censorship.** Both *Crisis* and *IMC* report that staff held back on its views for fear that Management would, in the end, not support them. As indicated in *Crisis*: “Many [staff] felt that there were strong disincentives to “speak truth to power,” particularly in large countries, as there was a perception that staff might not be supported by Management if they disagreed with these authorities.” On its part, *Exchange Rate* states “...in a number of cases, substantive discussions with the IMF did not cover important exchange rate topics that were live issues for the country...Staff interviewed by IEO explained that the reasons for not being more forthright on such issues included not only judgments on the relative importance of issues, but also the desire to preserve the IMF's relationship with the country in question, and

insufficient support from Management or the Executive Board...” Figure 7, from the *IMC* report, shows that about half of the staff surveyed shared the views just described.

Figure 7. IMC: Staff's Views on Candor  
(Percent in agreement)



Source: IEO evaluation of IMF Interactions with Member Countries (2009).

### C. Transparency Initiatives and Confidentiality Concerns

26. ***Exchange Rate*** is the evaluation in which, as could be expected given the sensitivity of the topic, issues of confidentiality appear the most. It reports that “...policy constraints and market or political sensitivities meant that the authorities were either hesitant or unwilling to discuss certain issues...”<sup>3</sup> However, “in several countries...the exchange rate discussions were much more intense than suggested by Article IV staff reports...detailed discussions on regime choice took place, with little or no documentation in staff reports...Staff activities in these cases ranged from informal workshops to confidential staff notes and meetings, extending over several years in some cases, with the authorities and staff exploring a variety of alternative policy options in the process. The staff received praise for this work, but it could only have been accomplished on the understanding that it not be divulged to the Executive Board. While it is reassuring that this work was carried out in some countries and was highly appreciated, the lack of reporting to the Executive Board of substantive issues in the context of Article IV consultations...does raise issues of accountability as well as the appropriate bounds of confidentiality.”

27. **Moreover, *Exchange Rate*** mentions that when the authorities excluded certain topics from the discussion, this issue was rarely flagged in staff reports, or taken up with Management. Staff appeared reluctant to antagonize the authorities, while the latter preferred to avoid certain issues in order to prevent disclosure either to the Executive Board or through publication. Relatedly, some authorities mentioned cases of senior staff members leaving the IMF and taking jobs in the private sector—something that reduced the trust in the

<sup>3</sup> *Exchange Rate* reports that in 34 out of 87 cases examined, authorities either fully or partially excluded certain policy issues from discussions with the staff.

IMF as confidential advisor. Finally, *Exchange Rate* mentions that countries where the exchange rate is a highly sensitive political issue often make use of their right not to publish the Article IV consultation report or exercise the option of deleting sensitive information.

28. ***Exchange Rate's recommendation on this issue*** is “An understanding is needed on what are the expectations for inclusion in the Article IV staff reports, what may be mentioned orally at Board meetings, and what may be understood to have been discussed between staff and authorities on the clear understanding that it would not be revealed to the Executive Board.”

29. **Other evaluations address only tangentially, if at all, the question of whether concerns about the dissemination of sensitive information could affect the demand for the IMF's advice.** *Crisis* indicates that risks of precipitating a crisis leads to situations where “more sensitive messages would sometimes be communicated privately and orally to the authorities,” but proceeds to bemoan that, without a written record, such messages may be forgotten. *IMC* in turn makes reference to the IMF's transparency initiatives and the effect that outreach to the press and civil society has on interactions with the authorities, reporting that many authorities “are weary of outreach to the media on issues relating to their country.”

30. **In contrast, *IMC* also reports that authorities in general seemed less concerned about disclosures at the interior of the Fund.** Less than one-fifth of authorities indicated that concerns about possible dissemination of information, including to the Executive Board, had led them to withhold topics or data from discussions.

#### D. Organizational Factors

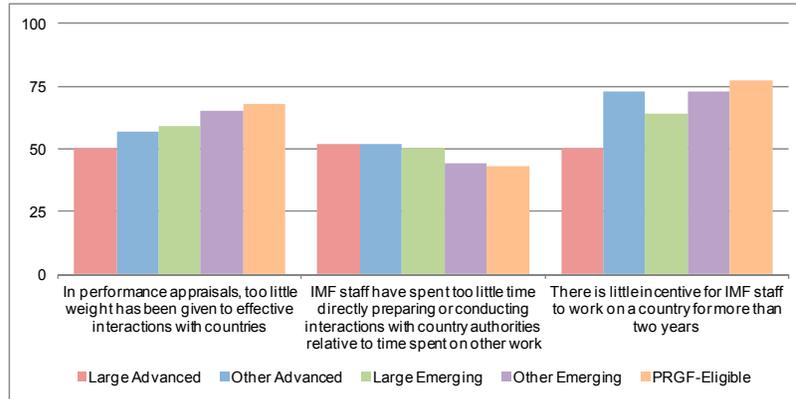
31. **Institutional practices and organizational aspects of the IMF have an effect on its ability to provide advice.** These factors may include the incentives confronting staff in their interactions with country authorities, the amount of time each staff member spends working on or in a country, or organizational characteristics that have a bearing on how knowledge is gathered and advice is shaped.

32. **In addition to the disincentives to candor in dealing with large countries identified above by *Crisis* and *Exchange Rate*, the former found that “incentives were not well aligned to foster the candid exchange of ideas that is needed for good surveillance,”** with staff reporting that “incentives were geared toward conforming with prevailing IMF views,” while *Exchange Rate* adds “Unless staff feel they will be fully backed up by senior staff and Management, and the Board, when taking a respectful but firm stand as needed in discussions, it is not surprising that opportunities for good surveillance are sometimes missed.”

33. **These findings complement those of *IMC*** that reports a majority of the surveyed staff complaining that not enough weight is given to effective interactions with countries in their performance evaluations, that too little time is left for preparing or conducting interactions with country authorities, and that there is little incentive to work on a country for more than two years (Figure 8). In particular, *IMC* indicates that “While continuity of

relationships was clearly valued by authorities and IMF staff alike, the review found that insufficient continuity was a significant concern, particularly for a number of small states and more generally of PRGF-eligible countries and other emerging economies.”

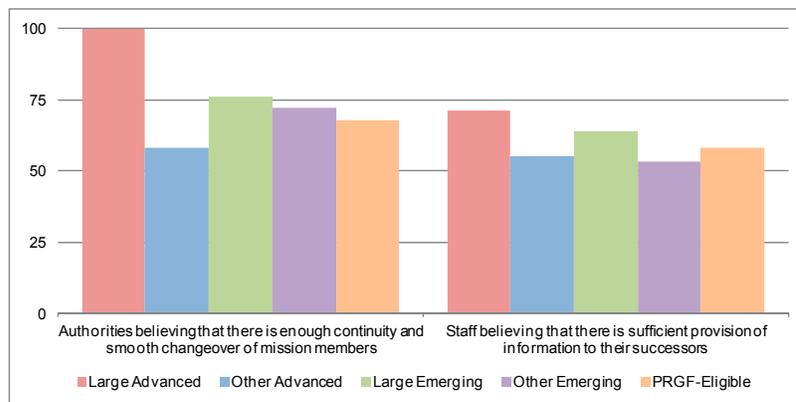
Figure 8. IMC: Staff Disincentives for Effective Interactions  
(Percent in agreement)



Source: IEO evaluation of IMF Interactions with Member Countries (2009).

34. **This latter point is also picked up by *Exchange Rate* and by *Crisis***, with the latter reporting that high staff turnover has been a frequent complaint of country authorities and that it has “implied a considerable loss of country knowledge and a constant training of new mission members to understand country specifics, history, and culture, all of which are very important for providing relevant policy advice and gaining traction.” The adverse consequences of high turnover appear in a significant number of cases to have been aggravated by deficiencies in the changeover of mission members, which frequently is associated with insufficient transmission of knowledge from the outgoing to the incoming staff. *IMC* reports this as a problem in the view of about a third of the authorities and close to half of staff (Figure 9).

Figure 9. IMC: Changeover of Mission Members  
(In percent)



Source: IEO evaluation of IMF Interactions with Member Countries (2009).

35. ***Exchange Rate* further mentions another relevant organizational aspect:** “Incentives were to manage various established processes for completing consultations quickly and with little risk, and these may or may not be consistent... with fulfilling exchange rate surveillance responsibilities in a best practice way. Adverse incentives ranged from concerns that taking much space (especially with strict limits on Article IV staff report length) to justify and discuss a well established regime was unwarranted, to concerns not to ruffle feathers, and possibly markets, when there was a genuine issue.”

36. **With regard to organizational issues, *Exchange Rate* recommends that “Management and the Executive Board need to adjust the incentives to raise controversial issues.** They need to send staff a clear signal that they will be supported when they take time to understand the authorities’ views, when they have difficult messages to deliver both to the authorities and back to the Board, and when there are difficulties with the provision of information by the authorities.”

37. **Finally, *Crisis* points to “An important organizational impediment that hindered IMF performance was its operating in silos,** that is, staff tend not to share information nor to seek advice outside their units,” and that “The silo behavior made it difficult to integrate multilateral with bilateral surveillance, to link macroeconomic and financial developments, and to draw lessons from cross-country experience.” To overcome silo behavior and mentality, *Crisis* recommends that “Management should hold the corresponding units and senior staff responsible for integrating multilateral and bilateral surveillance, taking account of alternative views, bringing cross-country experience to bear, and having policy consistency across countries/regions on cross-cutting issues.” *Exchange Rate* echoes these findings and recommends: “The structure of staff teams could be reconsidered. Better integration of financial market and foreign exchange market expertise at headquarters would be a start...” a point that was also made by *MLS*. And *Research* reports staff as saying that there was “little incentive to collaborate across the institution. In particular, there was little collaboration between RES and MCM...”

#### IV. EVENHANDEDNESS AND LEGACY ISSUES

38. **The belief that the Fund’s advice has a country’s best interest in mind is crucial for the trust this advice can inspire.** This belief can be compromised by a perception that the IMF has different standards for different member countries, particularly if the perception is that large shareholders receive a more favorable treatment or that they use the institution to serve their own purposes. In a similar and related vein, negative experiences with the institution tend to leave their imprint on a country’s collective memory for a long time and detract from the trust that the IMF advice could garner in the future. This legacy problem is often compounded by the bad reputation these negative experiences have given the IMF across countries with similar stigma characteristics. Even without having had a bad experience with the IMF themselves, the stigma of working with the IMF can be a deterrent for requesting advice from it.

### A. Evenhandedness<sup>4</sup>

39. *Crisis* reports that “A repeated theme was the apparent *lack of evenhandedness in how the Fund treats its largest shareholders versus all others*. Many country authorities believed that the Fund offered much more hard-hitting critiques of the policies of emerging markets and smaller advanced countries. Meanwhile, even when there were obvious commonalities in vulnerabilities with smaller countries, the large advanced countries were given the benefit of the doubt that their policymakers, supervisors, and regulators would be able to steer their economies through any rough patches.” *IMC* in turn “highlights large emerging economies’ concerns about the IMF’s evenhandedness of treatment of different countries ...Most telling, some large emerging economy survey respondents saw the Fund’s surveillance work to be conducted predominantly in the interest of major shareholders, more than in their interests.” In view of this, *IMC* concludes that “the resolution of the larger governance issue is essential...the distrust felt by some large emerging economies corrodes the institution’s effectiveness in these countries and elsewhere as well.”

40. *IMC* also reports on concerns about a different facet of evenhandedness expressed by other emerging economies: “...whether small countries received the same treatment as large. Interviews revealed the view that large country issues dominated the Fund’s agenda, along with concerns about international stability, which crowded out time for and attention to issues of concern about domestic economies.” *Trade* notes that “...Messages from Article IV reports were at times tough both on advanced countries ...and on developing countries... Still, the record of IMF involvement was uneven across countries and over time.”

41. *Exchange Rate* on its part indicates that “...consistency—or evenhandedness—of IMF advice is another important aspect of quality: no clear-cut cases of uneven treatment were identified in the sample of 30 economies, but more could have been done to counter the perception of inconsistency, which remains strong...” that “...providing better explanations for particular policy advice would reduce the risk of inconsistency, as well as the risk of being accused of it...” and that “...lack of evenhandedness can arise from an unwillingness to raise sensitive issues with advanced economies, while having less compunction in doing so with other countries.”

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<sup>4</sup> The IEO evaluation on *Governance of the IMF (2008)* touches on the issue of evenhandedness from the perspective of the Executive Board, indicating that the size of the multi-country constituencies at the Board is in some cases too large to ensure countries a proper voice, and also that there is a “chilling effect” that “deters Directors and their authorities—especially from low-income countries—from challenging Management and staff views for fear of negative repercussions.”

## B. Legacy Issues

42. Referring to emerging countries undergoing the transition from a program to a surveillance-only relationship, *IMC* notes that most officials from such countries “viewed the less prescriptive relationship under surveillance more favorably...Yet bad memories of past programs (and program discussions) tended to dominate the views of some interviewed country officials whose authorities would be reluctant to enter into any relationship with the IMF that would involve (or be perceived to involve) a loss of policy autonomy.”

43. From a different perspective, *IMC* alludes to legacy issues in the context of the IMF’s capacity-building activities. It mentions that PRGF-eligible countries “are looking to Fund staff to help educate the public on economic and financial issues, as part of the Fund’s capacity-building role—to the extent that its adverse reputational legacy does not get in the way or that its efforts to inform and facilitate debate are not misconstrued as efforts to interfere.”

## V. TECHNICAL ASSISTANCE, FSAP, AND TRAINING<sup>5</sup>

44. **Technical assistance, the Financial Sector Assessment Program (FSAP), and training provided by the IMF Institute constitute some of the most effective and appreciated channels for the provision of Fund advice.** The synergy between technical assistance and advice is highlighted by *IMC*, which mentions that “some mission chiefs tried to deepen the surveillance dialogue ...by dovetailing technical assistance with surveillance in a way that both sides considered useful.” It further reports that “several authorities expressed the view that they received less valuable input from Article IV consultations than from technical interactions with the IMF, notably those that took place in the context of FSAP.” In general, *IMC* found that member countries value technical assistance highly, with other emerging and PRGF-eligible economies in particular giving high marks to this assistance and the specific expertise on which it draws. Officials from PRGF-eligible economies “saw technical assistance as in their country’s interest, and most officials said they wanted more. They rated the staff delivering technical assistance as second only to resident representatives in effectiveness.” In a similar vein, *Exchange Rate* reports that “Technical assistance, to the extent it was provided, was in general valued by both staff and the authorities as being important components of IMF advice.”

45. *IMC* also makes reference to two relevant Board discussions on technical assistance: the 2005 discussion that—echoing a recommendation of the IEO evaluation on the topic—“emphasized a strategic approach to the programming of technical assistance, including the

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<sup>5</sup> Technical Assistance and FSAP had each been evaluated earlier by the IEO. But the focus of these evaluations had been on the specific workings of these activities and their effectiveness, with only scant references to their links to the surveillance process, let alone the advice activities there involved. See IEO: *IMF Technical Assistance (2005)* and *Financial Sector Assessment Program (2006)*.

involvement and ownership of the authorities, and sufficient flexibility to respond to shifts in priorities” and the 2008 discussion, which “underlined the need to advance the integration of technical assistance with surveillance and lending operations...”

46. *Crisis* devotes most of its attention in this area to FSAP and its failure to help prevent the global financial crisis. In particular, it highlights the failure to conduct an FSAP in the United States prior to the crisis, the mixed experience with FSAP in the other advanced economies, and analytical weaknesses such as the inability of stress tests to capture second-round effects or liquidity shocks. *Crisis* welcomes the post-crisis decision to make the financial stability assessment component of the FSAP mandatory for the 25 most systemic financial sectors, but highlights the importance of regularly updating the coverage, periodicity, and participation in these mandatory exercises, and of continuing to improve their methods.

## VI. RESIDENT REPRESENTATIVES

47. **In reference to resident representatives, *IMC* indicates that “the contribution of this cadre of staff is clearly valued by the authorities...”** and that a consistent reaction of authorities was “...their appreciation of low profile people with strong technical skills, who were knowledgeable about the Fund itself and what it might provide; none called for a more powerful resident representative or visible IMF presence on the ground.”

48. All in all, *IMC* reports different perspectives as regards the role and value of the resident representatives. In PRGF-eligible countries “authorities rated their interactions with IMF resident representatives as the most effective of all Fund interlocutors, ...But many resident representatives interviewed for the evaluation felt undervalued and neglected by IMF headquarters.” Moreover, for this group of countries staff attitudes as regards relations between resident representatives and mission chiefs appeared more complicated, with mission chiefs highlighting the importance of the resident representative function, while some resident representatives pointing to potential tensions with mission chiefs depending on personalities. On the other hand, for emerging economies, “...mission chiefs argued that resident representatives could play a more strategic role in building relations and maintaining traction with authorities. Their general view was that resident representatives had the potential to greatly improve interactions with the authorities and enhance the quality of Fund surveillance. ...However, resident representatives themselves, particularly those in large emerging economies, were of the view that the potential benefits from resident representatives in these countries were not being fully realized. Many noted that they had quite limited relations with the authorities and were not in a position to participate in an ongoing policy dialogue that they viewed as essential to fulfill their role. ...They argued that in the absence of a re-establishment of trust, and well-defined rules of the game, surveillance in the large emerging economies would remain unsatisfactory.”

49. On this subject, *IMC* recommends that “The links (interrelationships and overall management responsibilities) between the mission chief and the resident representative in the countries with such arrangements need to be clarified and systematized, with a view to improving the quality of interactions with the authorities and other stakeholders.”

## VII. TAKING STOCK

50. What is the situation *RITA* finds at the outset? What can *RITA* learn from previous evaluations, and what aspects of IMF advice found in these evaluations continue to be present and need to be confirmed or disproved? The following section pulls together the findings of the evaluations that were examined.

### Relevance and quality of the advice

- The evaluations coincide in that, generally, the staff was well regarded for its contribution to the assessment of the economic policies and prospects of member countries, and for acting as a useful sounding board for the views and concerns of the authorities. However, the evaluations also coincide in that discussions with the IMF were thought to add little value to advanced and large emerging economies, which could rely on their own expertise and were more attracted to discussions with their peers. Fund advice seemed to exert influence mainly in the smaller emerging and in low-income countries.
- Most authorities saw the IMF staff as having the requisite technical knowledge and experience in policy formulation/implementation. Authorities recognized that staff showed sufficient knowledge of the country together with awareness of the country’s decision-making process and constraints. Nevertheless, they expressed concerns about the suitability of the IMF’s advice to the specific country circumstances. Also, there was criticism, raised in the *Crisis* evaluation, that IMF staff may have been prone to “group think” and “intellectual capture.”
- The poorest marks for relevance and quality were given, remarkably, to the international dimension of the Fund’s advice. A finding cutting across several of the examined evaluations is that significant segments of authorities believed that the IMF’s contribution to international economic policy coordination and assessment of risks was well below what could be expected, and that too little attention was being paid to spillover effects in the international sphere. The ability of Fund missions to provide analysis based on the experiences of other countries also received middling reviews.

### The advice environment

- The quality of the dialogue with IMF staff was generally seen as good. Discussions with mission teams were considered to be of high quality, constructive and candid,

with staff showing respect and willingness to consider different approaches to obtain desired policy outcomes.

- The authorities' positive views on the staff's candor were somewhat tempered by the staff's own assessment that they sometimes indulge in self-censorship, especially vis-à-vis authorities of advanced economies. This reluctance to "speak truth to power" stemmed in part from the staff's desire to preserve the relationship with the authorities, but also from the perception that they might not receive adequate support from Management.
- Previous evaluations barely touched on issues of confidentiality and the transparency initiatives of the IMF. Only *Exchange Rate* made this a significant element of the evaluation, doing so in the context of the extreme market sensitivity attached to exchange rate policy.
- Two organizational features of the IMF having a bearing on the advice process were mentioned in the evaluations. The first refers to the high turnover of staff interacting with authorities and the adverse effects this has on continuity of relationships and the maintenance of country knowledge. The other impediment, noticed by a couple of evaluations, was the tendency of the institution to operate in silos, behavior that prevented the adequate integration of multilateral with bilateral surveillance, to link macroeconomic with financial developments and to draw lessons from cross-country experience.

#### **Evenhandedness and legacy issues**

- Lack of evenhandedness in the treatment of large advanced economies compared with all others was noted in past evaluations mostly in terms of reporting the perception of a number of country authorities that the Fund was more willing to criticize smaller than larger countries, or the suspicion by some other authorities that the IMF was mostly serving the interests of its major shareholders.
- There were only few references in the evaluations to issues of legacy; these were mostly along the lines that negative memories of past programs created an adverse reputational legacy that impeded the build-up of a relationship of trust or attached a political stigma to interactions with the Fund.

#### **Capacity building and the resident representatives**

- Both these activities were rated as the most effective of all interactions with the IMF. Authorities valued highly technical assistance and had high regard for the experts delivering it. The FSAP was mostly mentioned in the same context as technical assistance, with the exception of *Crisis* that draws attention to FSAP's poor contribution to preventing the global financial crisis.

- The few references to resident representatives that appear in the evaluations are highly positive when coming from the authorities, but show some reservations when originating with the resident representatives themselves. Resident representatives believe that they could make a more important contribution—particularly in emerging economies.

## Annex. Recommendations in Past IEO Evaluations of Relevance for *RITA*

### Relevance and quality of the advice

- Staff should consult country authorities on topics for SIPs and other research to be conducted as background for bilateral and regional surveillance... (*Research*)
- To improve assessments of the exchange rate level, the IMF should be at the forefront of developing the needed analytical framework, while more successfully translating existing methodologies into advice that is relevant to discussion of individual country cases. (*Exchange Rate*)
- Develop strategic agendas for interaction with member countries including, *inter alia*, the linkages across surveillance, programs, and technical assistance, the outreach plan, the associated budget and staffing requirements, and consultations with authorities to help generate buy-in. (*IMC*)
- As part of new ways of engaging and to underpin the Fund’s strategic shift, bring more experts on country visits, especially when country interest and traction are waning. (*IMC*)
- Management and the Board could consider ...focusing surveillance notes on policy spillovers and options for addressing them. (*MLS*)
- The IMF needs to strengthen the multilateral dimension of surveillance, particularly for “systemically important” countries ...At a minimum, benchmarks need to be established to measure progress on the integration of financial sector and capital markets work with macroeconomic work, and on the integration of multilateral and bilateral surveillance. (*MLS*)
- ...the work of [what is today the Monetary and Capital Markets Department] should be reoriented toward informing IMF economists of the macroeconomic implications of market developments and unfolding risks. (*MLS*)
- Incentives should be given to develop and implement guidance for the integration of spillovers into bilateral and regional surveillance ...a panel of senior officials in member countries could be asked to give advice on policy feedbacks ...that they would find useful to explore ...greater financial market expertise may be required to inform staff advice and contribute to discussions with authorities. (*Exchange Rate*)
- To promote openness to alternative perspectives ...foster an environment that encourages innovative research and ...establish incentives for staff to pursue such research ...even when the results of their analysis are not well aligned with messages in surveillance documents. (*Research*)

- Improve the quality and relevance of the international dimension of the Fund's work ... [including] on policy coordination ... [and] on cross-country analysis. (*IMC*)
- Better integrate financial sector issues into macroeconomic assessments ... The IMF should strengthen its ability to regularly monitor, assess, and warn about stability in global and systemic financial markets and institutions ... [also] build up its own capacity to independently assess risks and vulnerabilities in financial sectors as part of bilateral surveillance ... [update] the staff's knowledge through training and by hiring experienced market participants... (*Crisis*)

### **The advice environment**

- Management should develop a strategic approach to identify opportunities to improve the effectiveness of the dialogue ... In the performance appraisal process [of staff], the success in ensuring effective dialogue would be defined and rewarded ... send staff a clear signal that they will be supported when they take time to understand the authorities' views, when they have difficult messages to deliver, both to the authorities and back to the Board... (*Exchange Rate*)
- Provide guidance and training on professional conduct for staff interactions with the authorities ... on matters of country assessments ... To this end, [Management should consider] guidance for staff on how to be both appropriately forthright and respectful. (*IMC*)
- Strengthen incentives to “speak truth to power” ... Management should encourage staff to ask probing questions and challenge Management's views and those of country authorities ... [and ensure] that staff is not unduly constrained by political considerations when conducting surveillance. (*Crisis*)
- Confidential policy discussions about possible policy actions in the case of contingencies should be a regular feature of the dialogue with member countries ... While the staff report for a country might not discuss such scenarios, the Board would need to be assured that such exercises had been discussed. (*Exchange Rate*)
- Increase mission chief and staff tenure on country assignments, as well as training and incentives for interactions ... staff effectiveness on interactions needs to be reflected in staff performance appraisals... (*IMC*)
- To enhance the country and institutional context of country studies ... preliminary results should be discussed with authorities and other in-country experts. Longer country assignments would also contribute ... as would collaboration with country authorities on research projects. (*Research*)

- The structure of staff teams could be reconsidered. Better integration of financial market and foreign exchange market expertise at headquarters would be a start...on limited occasions, consultants or senior officials from a pool of foreign exchange market practitioners could join Article IV mission teams ... to provide relevant expertise and cross-country experience that would directly add value to the discussions with the authorities. (*Exchange Rate*)
- Overcome silo behavior and mentality. Management should ...hold the corresponding units and senior staff responsible for integrating multilateral and bilateral surveillance, taking account of alternative views, bringing cross-country experience to bear, and having policy consistency across countries/regions on cross-cutting issues. (*Crisis*)

#### **Evenhandedness and legacy issues**

- Decide how to handle the Fund's negative reputational legacy and tell staff so that they can act upon it. (*IMC*)

#### **Technical assistance**

- The Fund should continue to strengthen implementation of its vision for country-specific technical assistance strategies. (*IMC*)

#### **Resident Representatives**

- The links (interrelationships and overall management responsibility) between the mission chief and the resident representative in the countries with such arrangements need to be clarified and systematized. (*IMC*)

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## **II. Advice on Fiscal Policy and the Development of Trust**

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## I. INTRODUCTION

1. **Fiscal policy is central to the domestic and external balance of an economy and thus a necessary component of the advice provided by the IMF.** Actions in the fiscal area, however, carry social and political implications that can make advice on these matters a fraught issue. In particular, fiscal consolidation is a course of action not generally welcomed by policymakers who must bear the brunt of the reaction of those affected in the process. This colors the receptiveness of authorities to such advice and may affect their attitude towards the provider of the advice.

2. **In principle, trust in advice on economic matters should depend on the appropriateness and relevance of the advice, on its technical quality, and on factors such as the atmosphere in which it is given or the personal chemistry among the parts.** Trust seems also easier to establish when the authorities and staff share a common view on what needs to be done or when staff reinforces views already held, or decisions already taken, by the authorities. Indeed, relations flow more smoothly when times are good and when the advice does not imply undue hardship or difficult political decisions. Turning this argument around, it appears that ease of implementation of the advice—the likeability of it—plays a part in the trust such advice inspires. When the advice implies unpalatable actions, as is commonly the case with fiscal adjustment, it tends at first to be rejected in the search for more agreeable alternatives. Carrying the argument to the point of caricature one might say that “people tend to trust the advice they like.”

3. **The interviews and surveys conducted for the IEO’s evaluation “*The Role of the IMF as Trusted Advisor*” (*RITA*) revealed indications of a shift in perceptions regarding the IMF’s advice on fiscal matters, particularly among emerging and developing economies.** A common view held by authorities in these interviews was that “the IMF has tempered its emphasis on fiscal adjustment and is now more attuned to the social and economic development needs of the country.” Did the IMF actually change or did the countries’ structural circumstances change? The answer seems to be both: the *RITA* evaluation covers a period where, for several reasons, the economic situation and the policies in most countries had, already before the global financial crisis, shown a marked improvement and also where, in the wake of the crisis, the IMF proved able to adapt to the worsened cyclical circumstances and become a strong proponent of short-term fiscal stimulus, temporarily dampening its preoccupation with fiscal consolidation.

4. **This note seeks to document the factors behind this perceived change, with particular focus on the fiscal stance.** To this end, it examines official statements of the institution, such as those made by Management or the assessments included in the *World Economic Outlook (WEO)* publication, as well as the views included in staff reports on the 54 countries whose authorities were interviewed in the context of the *RITA* evaluation.

## II. THE ECONOMIC SITUATION AND POLICIES

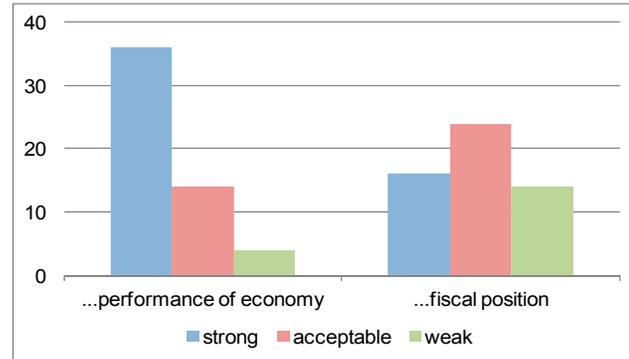
5. **Official IMF statements as well as the staff's views on member countries included in surveillance or use of Fund resources (UFR) reports indicate that already in the years before the global financial crisis the IMF had markedly attenuated its discourse on the need for fiscal consolidation.** Since the Fund's mandate to promote sustainable macroeconomic balance continued to be in place, this reduced emphasis on fiscal discipline likely reflected the reduced need for it that was being perceived. Indeed, the years around the middle of the past decade witnessed a generalized improvement in the fiscal position of member countries, which allowed staff to take a more relaxed attitude on fiscal matters. This may be attributed to several factors:

- ***A rising tide lifts all boats.*** There was a strong, broad-based, expansion of the world economy in the years after 2003, with global output growing at rates in excess of 4 percent a year supported by buoyant financial market conditions and accommodative macroeconomic policies. Inflation concerns were generally subdued, while rapid growth of world trade and robust demand conditions sustained momentum across emerging market and developing economies. The rising levels of income and employment strengthened fiscal positions in most countries and/or eased fiscal adjustment where required.
- ***Emerging market economies were buying crisis insurance.*** Several emerging market countries had been severely hit by the debt and financial crises of the 1980's and 1990's and were bent on policies to ensure that those experiences would not be repeated. Most of them sought to reduce their dependence on short-term capital inflows and to increase their holdings of international reserves as a first line of defense against a sudden stop of outside financing. But mainly they endeavored to establish sustainable fiscal and debt positions, seeking to maintain primary, if not overall, fiscal surpluses and generally trying to put in place some sort of rule to ensure fiscal balance over the economic cycle.
- ***Developing countries benefitted from HIPC.*** By the middle of the decade most eligible developing countries had reached the completion point under the HIPC initiative and could avail themselves of substantial debt relief. This not only provided fiscal space for attending to social and development needs, but also a successful performance under the associated PRGF programs had helped establish a more sustainable fiscal position, that many countries then endeavored to maintain.

6. **The above factors were duly reflected in the staff reports—consultation or UFR—of those years.** An examination of the 2006–07 reports on the 54 countries whose authorities were interviewed for *RITA* shows that in the broad majority of the cases staff praised or at least was satisfied with the economic performance and the fiscal situation they found. Figure 1 below summarizes these findings. The immediate past performance of the economy in terms of growth, inflation and external current account position was assessed to be strong in 36 of the 54 cases—and in a further 14 cases it was deemed acceptable or other expression to that effect. Staff was, not surprisingly, less sanguine in its assessment of the

fiscal position, but nonetheless this position was deemed wanting in only 14 of the cases, with the remaining 40 cases being assessed as acceptable or strong (assessments that in some cases did not preempt the staff’s opinion that some fiscal adjustment was still required).

Figure 1. Staff’s 2006–07 Assessment of Prior Economic and Fiscal Situation  
(Number of cases)



Source: Author’s computations based on Article IV country reports.

### III. THE STANCE OF THE IMF

#### A. Advice Provided in a Multilateral Setting

7. **The Fund’s official position regarding advice in the fiscal area moved in line with the above developments.** Pronouncements by Management, or assessments in the *WEO*, which initially showed an unwavering commitment to fiscal discipline, gradually moved to acknowledging the good times and pleading to take advantage of them to prepare for less benign circumstances and, when the magnitude of the crisis became evident, to an outright advocacy of fiscal stimulus, wherever feasible. It needs also to be noted that, going beyond concerns about supporting global demand in the face of the crisis, the IMF had extended this more flexible approach to fiscal issues also to low-income countries (LICs), which were being hit during 2007–08 by world food and fuel price shocks:

“...there are no easy solutions for countries with a deteriorating fiscal position. The reality is that countries that decide to postpone fiscal reform and adjustment for fear of the political and economic price that these would entail usually end up paying a much higher price when economic necessity forces them to act...it is possible to have what we call *expansionary fiscal contractions*.”

(Rodrigo de Rato, Managing Director. November 2004)

“...Directors reiterated their concerns regarding...long-standing challenges facing the global economy [including that] ...unsustainable medium-term fiscal positions remain a key risk...They underscored the importance of more ambitious fiscal consolidation in order to limit upward pressure on interest rates, reduce risks to macroeconomic stability, and improve the scope for a fiscal response to future shocks.”

(The Chairman’s Summing Up, *WEO* Executive Board Meeting. March 2006)

“There are challenges for all countries. Among the industrial economies, there is scope for further fiscal adjustment, to aim for balance over the business cycle. Economies with high budget deficits in good times have little room for maneuver in more difficult times... In emerging market countries, governments need to press ahead with further fiscal reforms and with debt reduction...”

(Anne O. Krueger, First Deputy Managing Director. June 2006)

“In most of the major advanced economies, fiscal consolidation in the face of aging populations remains a huge challenge... for most countries, trajectories going forward look unambitious, even assuming steady growth.”

(*World Economic Outlook*. September 2006)

“High structural fiscal deficits and government debt are still problems in many countries, including in Europe. It is both easier and more economically sensible to reduce these deficits when the economy is strong than when it is weak.”

(Rodrigo de Rato, Managing Director. January 2007)

“Substantial progress has been made toward fiscal consolidation during the present expansion in advanced economies, but more needs to be done to ensure fiscal sustainability in the face of population aging... Governments should adopt more ambitious medium-term consolidation plans... although in most countries there is scope to let the automatic fiscal stabilizers operate in the event of a downturn... A number of emerging markets still face overheating pressures... strong foreign exchange inflows are likely to continue to complicate the task of policymakers... Fiscal policy is likely to play a key role. While fiscal positions have improved... The avoidance of public spending booms... would help both in managing inflows and in continuing to reduce public debt levels.”

(*World Economic Outlook*. October 2007)

“In a dramatic *volte face* for an international body that as recently as the autumn called for “continued fiscal consolidation” in the US, Dominique Strauss-Kahn, the new IMF head, gave a green light for the proposed US fiscal stimulus package and called for other countries to follow suit. “I don’t think we would get rid of the crisis with just monetary tools,” he said, adding “a new fiscal policy is probably today an accurate way to answer the crisis.”

(*Financial Times*, reporting from Davos. January 2008)

“Unless the situation improves, the fiscal authorities in countries with low fiscal risks should prepare to exploit the headroom for timely and targeted fiscal stimulus... Of course, it has to be temporary—maintaining a sustainable medium-term fiscal position is still very important. But in a sense, medium-term fiscal policy is all about saving for a rainy day. It is now raining.”

(Dominique Strauss-Kahn, Managing Director. February 2008)

“Macroeconomic policies in the advanced economies should aim at supporting activity...automatic stabilizers...should be left to operate freely... Discretionary fiscal stimulus can provide support to growth... In due course, offsetting adjustments to fiscal policies will be needed to safeguard medium-term consolidation objectives... However, in a number of other [emerging] countries, inflation pressures are still a concern...Greater restraint in public spending would help ease inflation pressures...”  
*(World Economic Outlook. October 2008)*

“Let me start with fiscal policy. To put it bluntly, fiscal policies should counteract the crisis, not make it worse. As you know, the IMF has been at the forefront of the call for a global fiscal stimulus for countries with the fiscal space to do it. And owing to recent budgetary discipline and debt relief, many African countries have some room on this front. To the extent possible, we encourage letting automatic stabilizers work... In other countries, however, financing and debt sustainability constraints limit room for maneuver. In some cases, fiscal adjustment may be unavoidable. All countries should give priority to strengthening social safety nets, or at least shielding them from cuts—this is vital to protect the most vulnerable from the ravages of the crisis.”

*(Dominique Strauss-Kahn, Managing Director. May 2009)*

“...in fact, the design of recent LIC programs has shown considerable flexibility, providing expanded policy space in the face of the crises...Fiscal policy has accommodated larger deficits...Most programs began to incorporate fiscal easing in 2007, with further relaxation of the fiscal stance in 2008 and 2009...Close to two-thirds of the programs designed in 2007–09 increased the level of spending over time, while revenue declined.”

*(SPR Department, “Creating Policy Space—Responsive Design and Streamlined Conditionality in Recent Low-Income Country Programs.” September 2009)*

“What we need now are strategies that can restore fiscal sustainability, but that do not jeopardize the economic recovery by withdrawing support too soon.”

*(Dominique Strauss-Kahn, Managing Director. March 2010)*

“To date, few countries have made significant progress in exiting from fiscal stimulus... Many of those that have made progress were facing acute financing pressures that made delay unfeasible. The optimal timing of stimulus withdrawal will vary depending on macroeconomic and fiscal conditions... However, all countries should introduce structural measures now to strengthen their medium-term fiscal trends.”

*(Fiscal Monitor, May 2010)*

“What do we have to do? In the medium term, our message is clear: all countries—especially advanced economies with a high level of debt—have to go back to fiscal sustainability... But while the recovery is still fragile, all the fiscal room still available has to be used to boost growth. So we have to go for fiscally sustainable growth.”

(Dominique Strauss-Kahn, Managing Director, October 2010)

“Growth was supported by a countercyclical policy response—a first for LICs in contrast to past crises when the fiscal stance was tightened. Most LICs let their fiscal automatic stabilizers operate, and the median increase in real primary spending was higher than in the previous five years... The appropriate macroeconomic policy mix in the recovery phase depends critically on a country’s exposure to potential future shocks... a gradual reduction in fiscal deficits... could help keep public debt at manageable levels and allow a supportive or countercyclical response in the event of another shock.”

(SPR, RES, FAD, and MCM Departments, “Emerging from the Global Crisis: Macroeconomic Challenges Facing Low-Income Countries.” October 2010)

“[In the United States] there is a serious risk that hasty fiscal cutbacks will further weaken the outlook without providing the long term reforms required to reduce debt to more sustainable levels... In many advanced economies, immediate cutbacks to spending and tax increases should ideally be small while... reforms are being implemented that cut future deficits... In [emerging and developing economies] public deficits must be rolled back to rebuild fiscal policy room and—in some cases—alleviate strong domestic demand pressure.”

(*World Economic Outlook*, September 2011)

## B. Advice Provided in a Bilateral Setting

8. **Most of the discussion of fiscal issues occurs in the framework of the staff’s interaction with country authorities during the consultations under Article IV or in the negotiation of programs to be supported by UFR.** In particular, it is the conditionality associated with the latter which has attracted most attention and where the IMF’s reputation for single-minded pursuit of fiscal stringency has been formed. The staff’s position in these interactions is included in the corresponding staff reports and, as can be expected, it reflects for each case the complexity of the economic, social and political realities that authorities and staff confront at the time of the discussions.

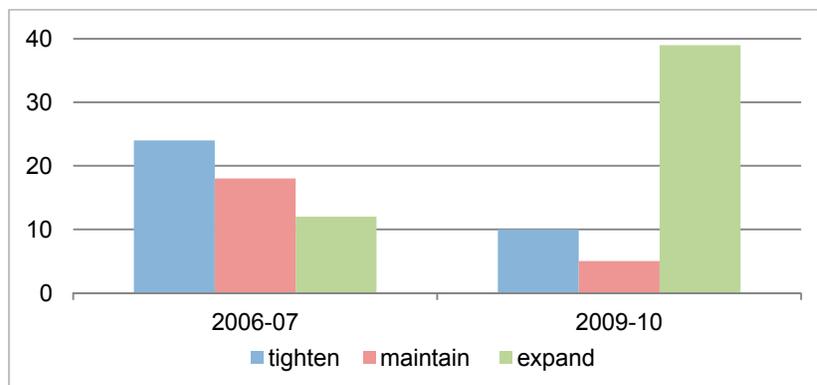
9. **A judgment on whether a given position adopted by staff implies an easing or a tightening of the fiscal stance needs to take account of these complexities and is not always a straightforward view on whether the fiscal deficit is to increase or decrease, or whether the fiscal accounts are in surplus or deficit.** Even in the face of a solid fiscal position, tightening may be in order—say to support monetary policy, to build fiscal reserves for the future, or to moderate trends that could lead to an unsustainable situation. Context is

crucial. By way of example: advice to cut the deficit by  $x$  percent of GDP when the country has suffered an exogenous shock that caused the deficit to increase by  $4x$  percent would not be the same as advising a  $x$  percent cut after the country had missed the deficit target in a program by  $4x$  percent of GDP; arguably the first case could be considered a tightening while the second would amount to condoning an expansion. Similarly, it is possible that a  $y$  percent of GDP increase in a deficit may be regarded as an easing by the staff but as a tightening by authorities that had planned a  $2y$  percent expansion.

10. **In the end, it is the authorities' perception about the stance advocated by staff that counts in terms of building trust, and this perception cannot always be gleaned from staff reports.** The above caveats are relevant for the examination of the reports on the 54 countries whose authorities were interviewed for the *RITA* evaluation. For each country, the examination included reports from 2006–07, before the global crisis became evident, and for 2009–10, after the institution had made explicit its approach to the handling of it.

11. **Figure 2 shows that indeed there was a marked shift in the stance advocated by staff between these periods.** Whereas before the crisis staff was recommending some sort of tightening of the fiscal stance in 24 of the 54 cases (44 percent), after the crisis began such a position was taken in only 10 of these cases. It is also notable that before the crisis and confirming the overall improved economic (and fiscal) situation mentioned in the previous section, staff had refrained from asking for fiscal consolidation in more than half of the cases. Furthermore, it was already advising fiscal expansion in more than a fifth of the cases. After the onset of the crisis, fiscal stimulus was advocated in almost 3 out of 4 of the cases under review.

Figure 2. Staff's Advice in the Fiscal Area  
(Number of cases)

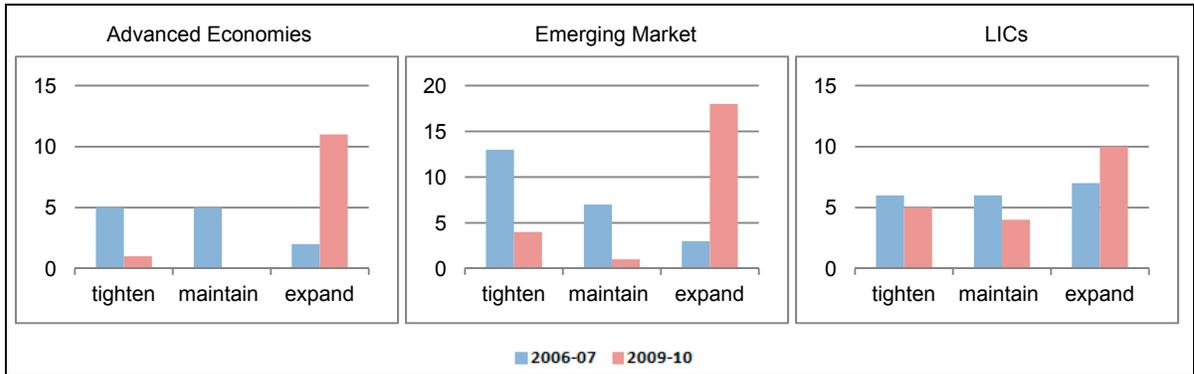


Source: Author's computations based on Article IV country reports.

12. **The shift in IMF advice to a more expansionary fiscal stance after the onset of the crisis applied to advanced, emerging, and developing economies alike.** When comparing the periods before and after the onset of the crisis, in all three groups there was a drop in the frequency with which staff advised fiscal consolidation, or the maintenance of the prevailing fiscal stance, in favor of the provision of fiscal stimulus (Figure 3). One may also

note the generally expansionary stance adopted by the IMF in LICs already before the crisis: in that period, fiscal tightening was recommended in only 6 of the 19 countries in this sample.

Figure 3. Staff's Fiscal Advice by Group of Countries  
(Number of cases)



Source: Author's computations based on Article IV country reports.

#### IV. CONCLUDING SUMMARY

13. **In the wake of the global financial crisis, and faced with the threat of a widespread decline in economic activity, the IMF embraced the need for temporary fiscal stimulus in all economies that were in a position to undertake it.** This move was interpreted as a significant shift from the Fund's traditional preoccupation with the attainment of a sustainable fiscal position that would foster an economy's internal and external balance. This note musters evidence of this shift, but it also notes that already before the crisis there had been a marked improvement in the economic and fiscal situation in many countries that had reduced the need felt by the IMF to emphasize fiscal consolidation. To the extent that there is some truth to the notion that the degree of difficulty of the advice exerts an adverse influence on the willingness to accept such advice, the seemingly softer stance that the Fund adopted on fiscal matters may have contributed to the authorities' improved perception of the IMF.

### **III. Changes to the IMF's Mission Process and the Impact on Provision of Advice**

Prepared by Thomas Reichmann



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## I. INTRODUCTION

1. **This background study examines how changes that the IMF made to its mission process and procedures may have affected the opportunities for dialogue and building trust relationships with country authorities.** Much of the IMF's advice is provided during staff missions for the consultations under Article IV or for discussions on programs to be supported by Fund resources. The practices and rules relating to such missions, particularly Article IV consultations, have a bearing on the staff's ability to fulfill the role of a trusted advisor; especially since developing trust—an essential element for the effectiveness of the advice—requires a minimum degree of contact between staff and authorities so as to allow them to get to know each other and gauge the motivation and quality of their discourse. This note examines some of the changes to the mission process, and its associated procedures, that have occurred during the past eight years or so, seeking to ascertain the degree to which they have affected the frequency and duration of such contacts and thus may inadvertently have had consequences for the IMF's role as a trusted advisor.
2. **The Fund has made changes in recent years to the length of missions, the number of staff on these missions as well as the opportunities available to mission chiefs to engage senior authorities.** Some of these changes were prompted by the desire to enhance certain aspects of the mission process or of the operations of the Executive Board, but in many cases they were the result of the quest to increase the efficiency and cost effectiveness of IMF activities. This more or less continuous preoccupation with limiting the cost of IMF operations and trimming non-essential activities was greatly accelerated after the publication of the Fund's Medium-Term Strategy in September 2005 and the initiatives that were taken to implement its recommendations.
3. **The surveys and interviews conducted for the IEO's evaluation of "*The role of the IMF as Trusted Advisor*" (RITA) uncovered concerns by both authorities and staff that some of the changes to mission process and procedures may have negatively affected the provision of IMF advice.** There is a feeling that the opportunities for dialogue and for developing a relationship of trust have been curtailed by these changes. Being the result of a process of cost cutting and simplification of procedures, reversing some of these changes is bound to imply some trade-off between opening space for the provision of advice and the speed and simplicity of operations. Mostly, however, such a reversal will carry some additional costs, which would need to be weighed against present budgetary realities and stated objectives in this area.

## II. CHANGES TO THE MISSION PROCESS AND PROCEDURES

4. **Changes to the mission process and procedures were made as part of the IMF's refocusing of priorities through the Medium-Term Strategy exercise.** The Medium-Term Strategy document was based on the premise that the profound changes in world circumstances that had occurred around the turn of the century "...required an updated

interpretation of the Fund’s mandate as the steward of international financial cooperation and stability. Without new focus and carefully chosen priorities, the institution risked being pulled in too many directions and losing its relevance to large part of the membership.” The Managing Director’s report on implementing the strategy (IMF, 2006a) acknowledged “the importance of tough and independent policy advice” (paragraph 2), and presented a number of proposals to advance the new medium-term strategy that also had implications for the provision of such advice. Many of the report’s proposals were implemented directly by Management, but others were ultimately submitted for Board approval in the paper “Implementing Streamlining” (IMF, 2006b). Of relevance for the present note are the proposals to streamline consultation procedures, sharpen the focus of staff reports, and enhance the efficiency of Board procedures.

### A. Consultation Procedures

5. **The proposals relating to consultations argued for streamlining the Article IV consultation procedures (IMF, 2006a)**, indicating specifically that “Strong engagement with country authorities need not translate into procedures that imply repetitive, pro forma reporting to the Board. It is possible to carry out Article IV surveillance for a number of countries with lighter procedures—smaller teams, shorter missions, and brief reports cast around the final statement—every other year.”

6. **The proposal to loosen up the consultation cycle found its present form with the Decision on Article IV Consultation Cycles adopted by the Board in September 2010 (IMF, 2010)**. According to this decision, countries that are granted a Fund arrangement or a PSI are automatically placed on a 24-month cycle, joining other non-program countries that meet certain criteria (such as not being of systemic importance, not being perceived to be at risk, etc.). By December 2011, close to half of the membership (including eleven non-program countries) was on the 24-month cycle.

7. **The effect of this decision on non-program countries is clear: the opportunities to meet face to face with staff, discuss issues and seek advice were cut in half, unless the missing mission was replaced by a staff visit**. Similarly for program countries, some impairment of the Fund’s advisory role is bound to happen. Consultations that occur during a program provide an opportunity to move away from discussions just on targets and benchmarks, and to pay attention instead to issues of medium- and longer term strategy.

### B. Staff Reports

8. **The length of staff reports on consultations, was to be cut by 10–30 percent, “while striking a balance between brevity and adequate treatment of issues and allowing for necessary differentiation,” while the number of Selected Economic Issues papers and Statistical Appendices was to be reduced**. A guidance memorandum from the First Deputy Managing Director (IMF, 2006d) specified maximum word limits for each category of staff report. This proposal may have had an only limited effect on the advisory

capability of missions; but in-as-much as space considerations limited the number of topics that could be reported, it may have had a dampening effect on the missions' willingness to respond to new issues raised by the authorities.

### C. Board Procedures

9. **Finally, concerning Board Procedures, it was recommended that “For some cases, Article IV consultations can be concluded within 30 days...” and that “The lag between Article IV missions and Board consideration should be lowered to at most 60 days (except PRGF countries), with 14-day Board circulation” (IMF, 2006b).** In view of strong opposition by a majority of Directors, the traditional 3-week circulation period was subsequently reinstated and in the end a maximum lag of 65 days was approved, down from 3 months before the reform. Considering the time required for reviewing the reports, which by its nature could not be shortened, the effective drafting time after a mission returned to headquarters was cut by about 40 percent.

10. **The reduction in Article IV lags was aimed at enhancing the timeliness of Fund surveillance and to allow the Board meeting to be based on a more up to date picture of a country's situation.** But though there is undoubted merit in bringing the issuance of the Executive Board's views closer to the time of the mission, the latter part of the argument is more debatable. As a number of Directors pointed out during the Board discussion of the streamlining proposal, up-to-date information was already being made available through the issuance of supplements to reports when warranted by new developments (IMF, 2006c).

11. **The reduction in Article IV lags had important—and perhaps largely unintended—consequences for the Fund's ability to provide advice during missions.** In presenting this proposal to the Board, the staff had taken too sanguine a view of a missions' ability to speed up the drafting of a report. Directors in turn were mostly concerned with preserving the quality of the reports, a quality they needed in order to discharge properly their surveillance obligation. What was not foreseen was that a shortening of the period at the end of the consultation process would result in a backflow into the period the mission spends in the field and cut short the time available to interact with the authorities — as mission chiefs feel the need to devote time during the mission to the drafting of the report. This happens notwithstanding that the Policy Consultation Note that is prepared in advance of a mission is already drafted as a proto staff report—a practice that by itself seems to introduce some rigidity as it may reduce the willingness to consider new issues—and that the mission's final statement (often given to the authorities in written form), can be subsequently used for the staff appraisal section of the staff report.<sup>1</sup>

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<sup>1</sup> In the case of missions that are required to leave behind a written final statement, a practice that reportedly has increased in recent years, an additional time consuming factor has been the growing fashion to deliver the

(continued...)

### D. Budgetary Savings

12. **The long-standing preoccupation with budgetary savings was intensified as a result of the Medium-Term Strategy and led to renewed efforts to, inter alia, cut travel costs and hence reduce the length and size of missions.** Subsequently, these constraints on the mission process were further tightened by the downsizing program that started in 2008, and a 6 percent across-the-board cut on the previous year's travel budget was imposed in FY2009.<sup>2</sup> Moreover, the downsizing not only had consequences for the size of missions, but also reduced the participation of non-area departments in them (e.g., SPR or FAD) while aggravating, perhaps only temporarily, the problem of high turnover of personnel that had been plaguing the mission process.

13. **A comparison of the situation prevailing around the middle of the past decade and that in the more recent period indicates that indeed there has been a reduction across area departments in both the length of missions and the average number of staff participating in them.** One may note, however, that the shortening of the duration of missions responded not solely to budgetary pressures but reportedly also reflected pressures from staff seeking to limit the time they spend away from their families. But one may also note that the shortening came at about the time when the task of missions was expanded to include intensified outreach activity and additional focus on the financial sector.

14. **Table 1 and Figure 1 (based on methodologically different sets of data) show that over the past 6–8 years there has been a shortening by about 1½ day on average (or about 10 percent) in the typical duration of Article IV consultation and/or UFR missions.** This shortening happened notwithstanding contrary efforts by area departments, which were generally reluctant to shorten the duration of Article IV consultation missions, while no set length could be imposed on UFR missions, which depend on the speed at which negotiations can be concluded.

Table 1. Average Mission Length FY2004–11

	2004	2005	2006	2007	2008	2009	2010	2011
<b>AFR</b>	14.2	9.8	10.5	10.2	9.8	10.0	9.8	8.9
<b>APD</b>	12.4	12.3	9.8	11.2	9.6	8.4	8.8	8.5
<b>EUR</b>	12.4	11.8	10.2	9.9	8.8	10.8	9.5	10.5
<b>MCD</b>	14.2	13.9	11.5	10.0	10.1	9.5	9.1	9.4
<b>WHD</b>	12.4	10.5	7.8	8.4	9.6	7.7	6.4	8.1
<b>Average</b>	13.1	11.5	10.0	9.9	9.5	9.4	8.8	9.1

Source: Office of Budget and Planning, IMF. Data based on the Travel Information Management System (TIMS). This information provides an only approximate description of the overall trend as it is trip based as opposed to mission based (one record is created in TIMS for each flight; if staff during a mission

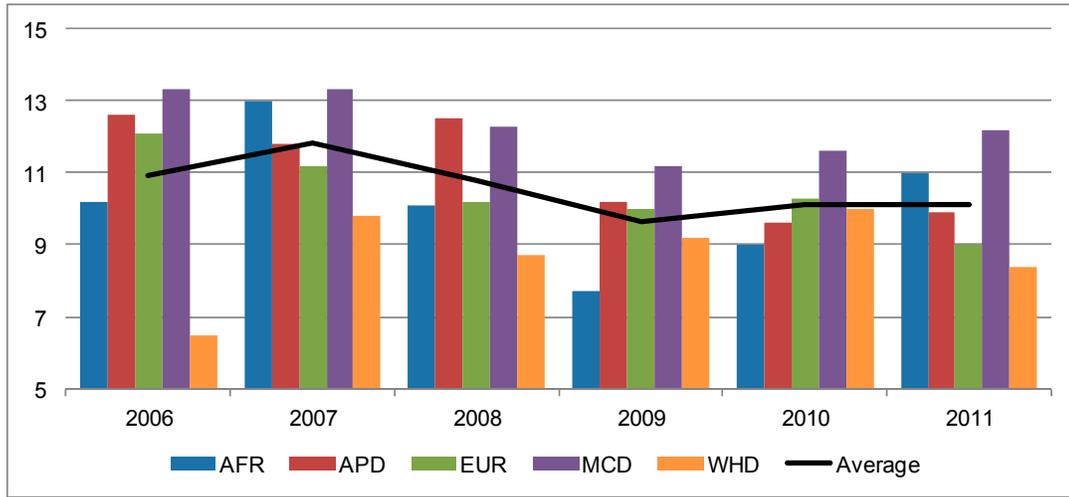
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statement in the form of a PowerPoint presentation. The preparation of such a presentation requires considerably more time than just the drafting of a final statement.

<sup>2</sup> Further cuts were imposed in FY2010, but these reflected savings in ticket prices obtained through special arrangements with airline companies.

travels inside the country, additional entries are created). Moreover it includes staff visits, which typically are shorter than consultation missions.

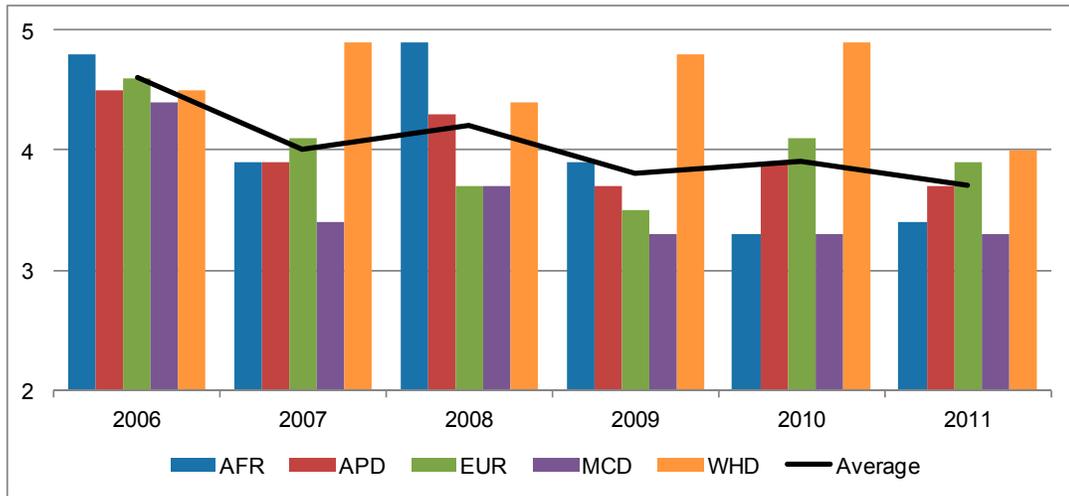
Figure 1. Article IV Consultation Missions – Average Length (Number of days)



Source: OIA, Review of Allocation of Business Travel Budgets. December 15, 2011.

15. **Figure 2 in turn shows the decline that occurred in the size of missions.** Whereas in the past the typical mission comprised a mission chief plus four staff members (of whom at least one was usually supplied by SPR or FAD), more recently the norm has become a total of four staff per mission (usually all from the area department).

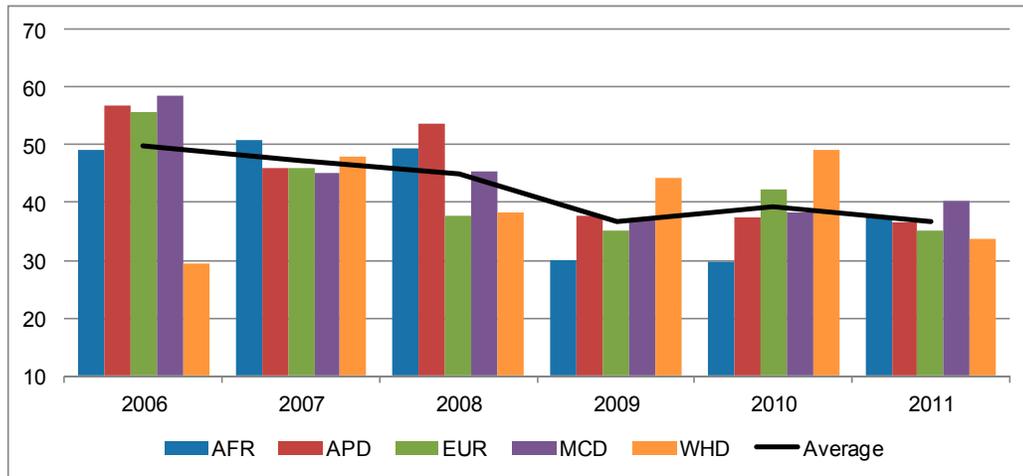
Figure 2. Article IV Consultation Missions – Average Size (Number of Staff)



Source: OIA, Review of Allocation of Business Travel Budgets. December 15, 2011.

16. **Altogether, combining the information about mission size with that on mission length,** these data would indicate that the typical mission’s presence in the field (in terms of staff/days) was reduced by between 20 percent to 25 percent (Figure 3).

Figure 3. Article IV Consultation Missions – Staff/Days in the Field



Source: Author's computations based on OIA, Review of Allocation of Business Travel Budgets. December 15, 2011.

### III. EVIDENCE FROM SURVEYS AND INTERVIEWS

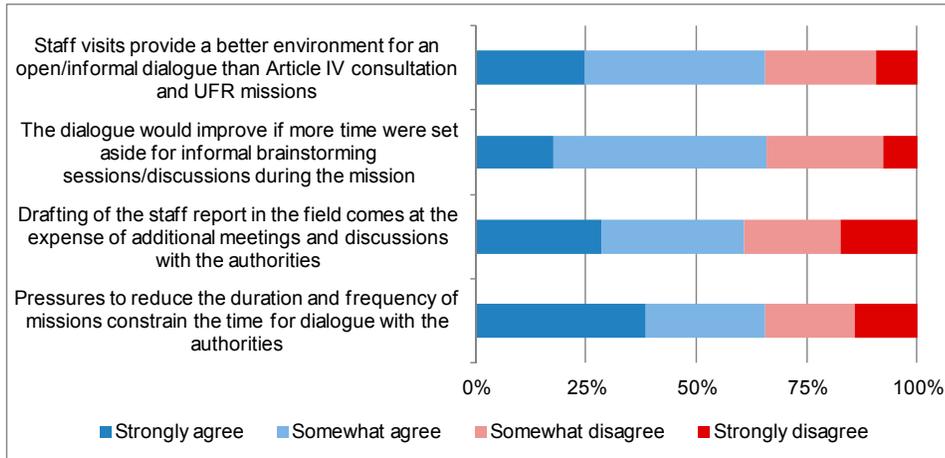
17. **The surveys and interviews conducted for the *RITA* evaluation bring out some of the consequences of the recent changes to the mission process and procedures.** A significant segment, albeit a minority (20 percent), of authorities indicated that they felt missions were in a rush, with little time to engage in a substantive dialogue. More telling perhaps is the relatively stronger desire for additional contacts with the staff: 52 percent of the authorities surveyed—including three-fourths of the authorities from LICs—indicated that they would welcome more frequent staff visits or informal contacts with staff.

18. **Along similar lines, during interviews a number of authorities—particularly those who had been long enough in office to remember how things were in the past—indicated that they had noticed the reduction in length and size of missions and the consequent diminished attention their country was receiving.** Usually these concerns were accompanied by the suggestion that there should be more frequent contacts with staff or meetings with a free agenda during the existing missions.<sup>3</sup>

19. **Evidence on mission process and procedures largely comes from mission chiefs.** Close to two-thirds of mission chiefs indicate that pressures to reduce the duration and frequency of missions limited the time for dialogue with the authorities, and also that the drafting of the staff report in the field came at the expense of additional meetings with the authorities (Figure 4). In addition, a similar proportion of mission chiefs felt that staff visits provide a better environment for an open or informal dialogue than did the regular consultation or UFR missions, and that the dialogue with authorities would improve if time were set aside for informal brainstorming sessions or discussions during these missions.

<sup>3</sup> Some of the interviewed authorities, however, strongly held the opposite view, arguing that missions were disruptive and took too much of their time.

Figure 4. Mission Chiefs Views on Dialogue with the Authorities  
(Percent of respondents)

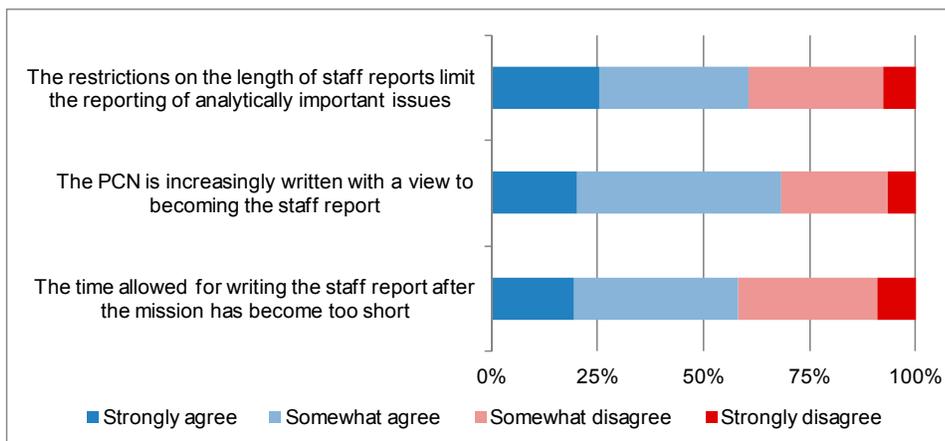


Source: IEO Surveys.

20. When asked about the influence that the presence of a program supported by use of Fund resources could have on the dialogue, most mission chiefs did not see significant adverse effects, but almost 60 percent remarked that **more frequent country visits under a UFR program have a positive effect on building a relation with the authorities.**

21. **As regards the changes made to the reporting process, a majority of mission chiefs (58 percent) complained that the time allowed for writing the staff report after the mission was too short**—even though close to 70 percent of respondents indicated that the Policy Consultation Note was already being written with a view to becoming the staff report. A sizable proportion of mission chiefs (62 percent) felt that the restriction on the length of staff reports was limiting the reporting of analytical important issues (Figure 5).

Figure 5. Mission Chiefs Views on the Reporting Process  
(Percent of respondents)



Source: IEO Surveys.

#### IV. CONCLUSION

22. **The changes to the Fund’s mission process introduced in recent years responded to the desire to streamline procedures**—especially those affecting the workload of the Executive Board—and to obtain budgetary savings in the context of the downsizing of the IMF. These changes may have resulted in a reduction in the opportunities for dialogue and building trust relationships with country authorities.

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## **IV. Transparency Policy**

Prepared by Ita Mannathoko



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## I. INTRODUCTION

1. **The effectiveness of the IMF as a trusted advisor to member countries depends in part on members' confidence that the information and dialogue, particularly if of a sensitive nature, will not be disclosed without their consent.** Article XII, Section 8, of the IMF Articles of Agreement provides for the confidential treatment of the Fund's views on a member's economy and policies, barring the Fund from publishing its views on a member without the member's consent (except under certain specific circumstances). The Fund is also required to safeguard confidential information provided by a member.<sup>1</sup>

2. **At the same time, there has been a concerted drive since 1999 for increased transparency, motivated—in the wake of the financial crises of the 1990s—by a desire for greater openness in economic policymaking and in the dissemination of data on economic and financial developments in member countries.**<sup>2</sup> There was also a desire for increased disclosure of the policy discussions and advice that the IMF gave to member states. An important element of the IMF's transparency policy has therefore been the component addressing the publication of country documents.<sup>3</sup> This component includes guidelines on what corrections and deletions can be made to staff reports after Article IV surveillance and program missions in order to help safeguard confidentiality.

3. **This background study is organized as follows:** It first describes the evolution of transparency policy at the IMF, including publication and the treatment of confidentiality in country reports related to IMF programs and bilateral Article IV surveillance. Second, it reviews findings from both IMF staff and the IEO as to the probable effect of transparency policy and publication on the candor of policy dialogue and staff reports. Desk reviews of IMF transparency policy documents,<sup>4</sup> recent Triennial Surveillance Reviews, and survey findings from both the 2007 IEO evaluation of *IMF Exchange Rate Policy Advice* and for the current evaluation of the *Role of the IMF as Trusted Advisor (RITA)* are used to document transparency policy and collate evidence related to its possible impact on candor. Finally, the report draws conclusions from these findings regarding the impact on the role of the Fund as a trusted advisor.

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<sup>1</sup> See Summing Up of the December 17, 2009 Board discussion of the Review of the Fund's Transparency Policy and the legal interpretation in Annex I of the 2009 Review of the Fund's Transparency Policy.

<sup>2</sup> The IMF's Interim Committee (predecessor to the International Monetary and Financial Committee) emphasized in its October 1998 communiqué that “*Greater transparency and reporting by both the public and private sectors is critical for better functioning financial markets.*”

<sup>3</sup> Ultimately, the IMF used country surveillance, program, and standards-and-codes reports as the principal means for dissemination of country-specific information.

<sup>4</sup> In particular, the 2000, 2002–05, and 2009 Reviews of the Fund's Transparency Policy.

## II. TRANSPARENCY POLICY AND CONFIDENTIALITY

### A. Evolution of Transparency Policy in the IMF

4. **IMF policy has evolved from non-disclosure of country information in the Fund's earliest years to extensive publication of country information in recent years (Box 1).** The IMF's original policy at its inception was one of non-disclosure of its consultations and policy discussions with member countries.

*Expert assistance to member countries constitutes one of the most vital functions and responsibilities of the Fund. Its scope results from the Agreement itself and encompasses technical and practical cooperation and advice on monetary, exchange, balance of payments and related problems ...contacts (with authorities) have not been the subject of publicity. No public reports on these missions have been issued by the Fund; instead, it has been found that the most effective way of using the technical facilities of the Fund has been for its personnel to work quietly as consultants and advisors to the officials of the governments concerned (IMF, 1947).*

#### Box 1. Evolution of the Fund's Transparency Policy

- o **1947:** Policy of non-disclosure of Board documents.
- o **1994:** First routine publication of selected Board documents. Publication of Recent Economic Developments and country statistics.
- o **1996:** Opening of Fund archives. Board approves public access to archived documents over 30 years old (excluding those marked "secret" or "strictly confidential").
- o **1997:** Publication of Public Information Notices (PINs) for Article IV reports on a voluntary basis approved by Board.
- o **1999:** (i) Pilot project for the voluntary publication of Article IV. (ii) Public access allowed to archived Board documents over 5 years old, and to other documents over 20 years old.
- o **2001:** "General policy of voluntary publication" of Article IV, UFR reports; alongside deletions policy.
- o **2004:** "Voluntary but presumed" publication of Article IV, UFR reports. Publication presumed unless authorities object.
- o **2005:** Deletions and corrections policy refined – specifies types of deletions and corrections allowed.
- o **2009:** "Voluntary but presumed" publication was extended to the FSSA, ROSC, AFSSR, and SMP reports and all policy documents. All country reports (except FSAP and technical assistance reports) published unless country formally objects within a limited timeframe.

5. **Marginal changes occurred in the 1950s when the Fund began to publish research products.** For example, the Executive Board was notified in January 1950 that:

*The staff is preparing the first issue of a new publication to be entitled (IMF) Staff Papers. ... The papers will not deal with policy matters. Rather, they will present factual material and technical discussions of international financial problems. The publication will carry a statement that the views expressed in each paper are those of the writer and do not necessarily reflect the opinions of the Executive Board or the officials of the Fund. Care will, of course, be exercised to see that the papers do not contain material that may be embarrassing to the Fund (IMF, 1950).*

6. **The main drive for increased transparency came much later in the 1990s as a succession of financial crises led the public to seek better access to country information and IMF policy advice.** The Interim Committee of the IMF's Board of Governors, in its April 1998 communiqué, included a sub-section titled "greater availability and transparency of information regarding economic data and policies," underscoring member countries' obligation to provide timely and accurate data to the IMF as part of the new transparency measures. The Committee's October 1998 communiqué spoke of "an urgent need to further develop and disseminate internationally accepted norms as a means to raise the transparency of economic policy and to enable financial markets to better assess borrowers' creditworthiness."

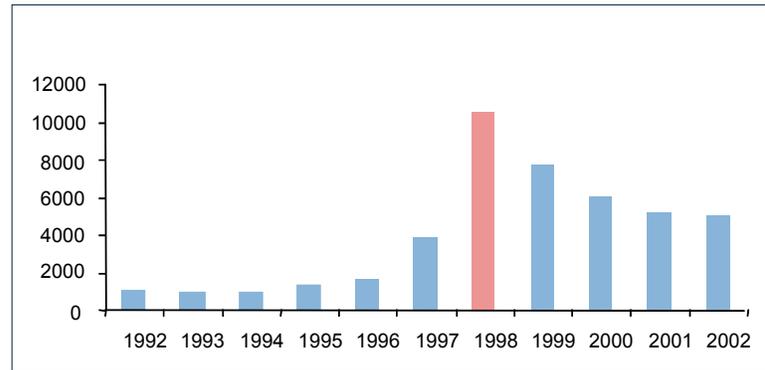
7. **In the late 1990s during the Asian crisis, civil society urged the IMF to increase transparency in its operations with member countries.**

*The Asian crisis also unleashed much deeper changes in IMF transparency. Not only were countries under pressure to come clean, but the IMF itself came in under unprecedented pressure to reveal its policy advice to countries, that is, to be less secretive. To respond to these demands, the IMF started to urge its member countries to publish documents that had been kept outside the public eye.*  
(Dawson, 2003)

The IMF faced increased scrutiny, with articles on it in the press peaking in 1998 (Figure 1).

8. **Public pressure contributed to a sustained trend of increasing disclosure of country information.** The IMF's Director of External Relations, Thomas Dawson, explained in 2003 that, at the height of the 1997–98 Asian crisis, "so great was the clamor that the Fund had to defend its actions not just to its member countries but to a variety of audiences—the media, academics, civil society organizations and, indeed, the public at large."

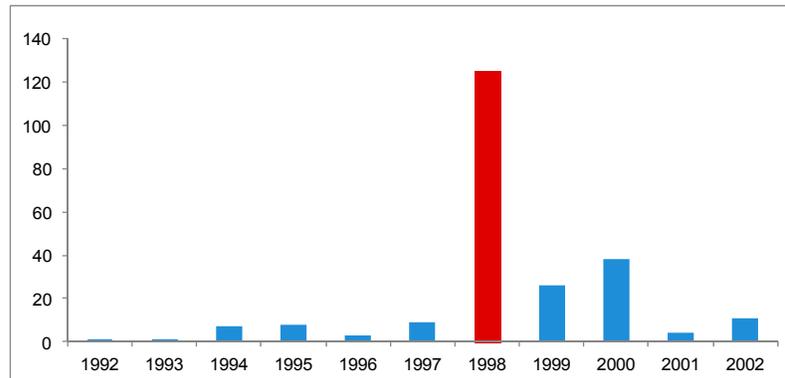
Figure 1. English-Language Media References to the IMF (1992–2002)  
(Number of references)



Source: Factiva database—taken from IMF (2003a).

9. **As noted by Dawson and others, in 1998 the IMF was widely regarded in the media as a secretive institution.** Various IMF Board documents referred to civil society representatives, including NGOs, financial markets and others, criticizing the Fund for not giving country information to the public. A new IMF communications strategy, introduced in 1998, sought to address this concern. By 2003, the IMF was reporting that its transparency policy—introduced at the end of the 1990s—had largely overcome past perceptions that it was secretive about its surveillance policy and program advice. There were far fewer references in the media to the Fund being secretive, down from a peak in 1998 (Figure 2).

Figure 2. References to the IMF and the Word "Secretive"  
in English-Language Publications  
(Number of references)



Source: Factiva database – taken from Dawson (2003).

10. **As a result of these developments, the Fund’s publication policy underwent some profound changes.** After a pilot phase in publication of staff country reports in 1999, this policy progressed to one of voluntary publication of Article IV surveillance reports in 2001 (with a more stringent “voluntary but presumed” publication requirement for the use of Fund

resources (UFR));<sup>5</sup> and after that to the “voluntary but presumed” regime that pertains today for both surveillance and UFR reports. Since 2001, the policy has shifted from requiring country authorities’ explicit consent prior to publication (communicated to the Secretary of the Executive Board) to the current rules whereby a member’s consent to publication is typically obtained on a “non-objection” basis.

## **B. Publication Policy: Deletions and Corrections**

11. **A review of the 1999 pilot phase for publication of staff country reports showed a heavy incidence of requests for corrections and deletions from authorities, particularly from industrial countries.** In view of these findings, the Executive Board urged the staff to ensure that the implementation of the new publication policy addressed the following objectives (see also IMF, 2002): (i) safeguarding the candor of staff reporting to the Executive Board, (ii) preventing the tendency towards negotiated staff reports, and (iii) ensuring published reports were to the extent possible generally the same as those provided to the Executive Board (by placing constraints on text that could be deleted following the Board discussion and prior to publication).

12. **The Executive Board then issued new guidelines governing deletions and corrections.** The Executive Board decided that permitted corrections (prior to the Board discussion) were to be limited to factual changes and proper characterization of authorities’ views (i.e., amending misrepresentations of authorities’ views in the report), while permitted deletions (post-Board discussion) were to be limited to market-sensitive information (IMF, 2000b). Deletions were not to be applied to information already in the public domain or to politically sensitive information that was not highly market-sensitive (IMF, 2001). Executive Directors required that they be informed of all corrections prior to and as close to the Board discussion of the country report as possible, and that staff show clearly the motivations for the different corrections. Observance of the rules governing corrections would ensure that the Board made a properly informed decision based on all the key information available and a true depiction of the staff’s discussions with and advice given to authorities.

13. **In 2005 and 2009, the policy was refined to provide more explicit guidance on what corrections were allowed.** The 2005 Fund policy on modifications, in addition to allowing correction of factual and typographical errors and allowing countries to edit in the views of authorities where they felt that these were mischaracterized or not adequately represented, also permitted staff to modify ambiguous text. Corrections generally take place

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<sup>5</sup> Such presumption meant that if a member did not wish to consent to Fund publication of a document, the member had to notify the Fund of its decision and provide an explanation (including through its Executive Director) before the Executive Board took a decision relating to the member’s use of Fund resources. The definition of presumption has evolved through subsequent amendments to the Transparency Policy Decision. The presumption of publication is currently defined to mean that the Fund encourages each member to consent to the publication by the Fund of a document. See Transparency Policy Decision No. 13564, as amended.

prior to the presentation of the document to the Board. Corrections after the Board meeting were to be limited to situations where (i) the correction was brought to the Board's attention before the conclusion of the Board's consideration of the document; or (ii) the failure to make the correction would undermine the overall value of the publication.

14. **The guidelines further clarified what information could or could not be deleted; and in particular, what was market-sensitive information eligible for exclusion from the report to be published after the Board discussion (IMF, 2005).** “Highly market-sensitive” information eligible for deletion prior to publication included material that was: (i) not already in the public domain; (ii) relevant in the near term, e.g., 12 months; and (iii) specific enough to run a clear risk of triggering a disruptive reaction by market participants, if disclosed. The guidelines indicated that in most cases such information was related to the outlook for exchange rates, interest rates, the financial sector, or sovereign liquidity. The policy also specified material that constituted planned policy not in the public domain, where premature disclosure of policy intentions or operational details of the policy could seriously undermine the authorities' ability to implement it. As in the past, deletions of text that was politically sensitive but did not meet the criteria would not be allowed.

15. **The revisions of 2009 also permitted third party deletions to published staff reports.** These comprised deletions that could be considered at the request of another (“third party”) member, as long as: (i) the text to be deleted related to the third party; and (ii) the member to whom the document related consented to the deletion. The same deletions criteria that applied elsewhere also held for these third party deletions. In general, third party deletions have been considered only rarely.

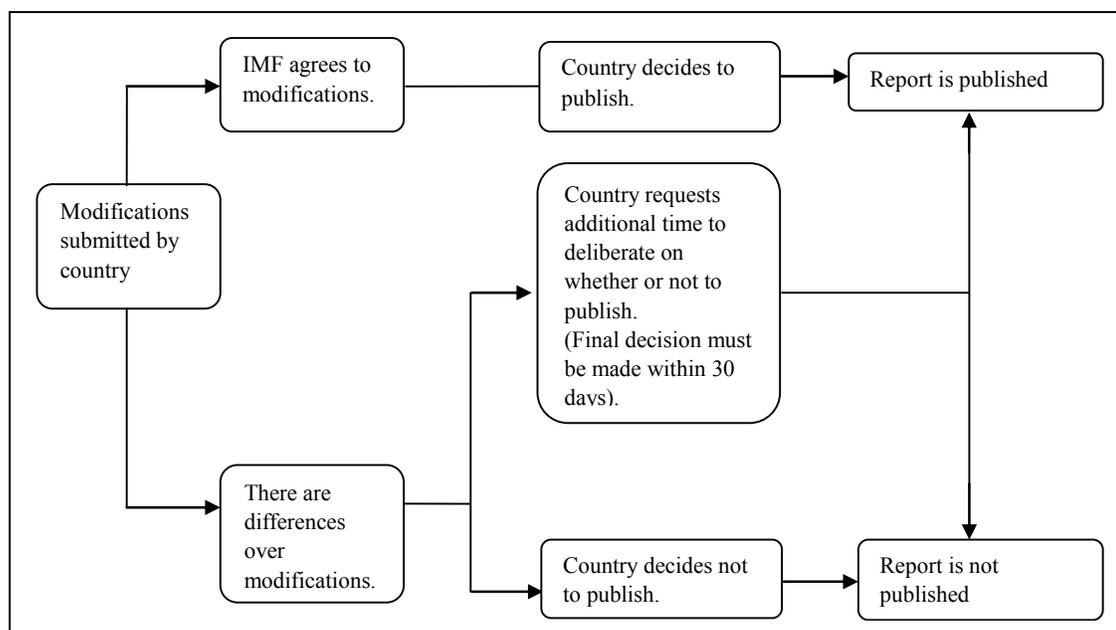
16. **The timeframe for modifications has also been shortened significantly (IMF, 2009d; 2010a).** Authorities are now required to submit requests for corrections to area department staff no later than two days before the relevant Board meeting, and requests for deletions in writing must be submitted in the same time frame, or else no later than three weeks after the Board meeting. The policy also now requires that country documents be published promptly after the Board meeting unless the member notifies the Fund before the conclusion of the relevant Board meeting that it objects to publication, requires additional time to decide whether or not to publish, or else consents to publication subject to reaching agreement with the Fund on deletions to the document (Figure 3).

### C. Publication and Confidentiality in Program Countries

17. **Publication requirements for UFR cases are generally more stringent than those for reports on Article IV surveillance-only countries.** In UFR cases, authorities are expected to **explicitly** inform the Fund about their intentions to publish their country's staff report prior to the Executive Board discussion of the report. The 2010 Transparency Policy Guidance Note (IMF, 2010a) states that members requesting access to Fund resources or support under a Policy Support Instrument (PSI) are expected to indicate that they intend to

consent to publication of the related Board documents before the date of the Board meeting. In cases of exceptional access to Fund resources or to the Flexible Credit Line (FCL), the Managing Director will generally not recommend that the Executive Board approve a request to use the Fund’s general resources or recommend approval of the associated reviews unless the member consents to the publication of the associated staff reports, including the letter of intent and other policy intention documents (IMF, 2010b).

Figure 3. The Modifications Process (2010)<sup>6</sup>



18. **At the same time, authorities can communicate what they see as particularly sensitive understandings through confidential “side letters.”** Side letters are written communications from a member's authorities to Fund Management or staff, containing confidential policy understandings relating to letters of intent and supporting a request for the use of Fund resources. Executive Directors requested a procedure to give the Board full knowledge of the content of members' programs when they are required to make decisions on whether or not a country should be given a loan.<sup>7</sup> Under this procedure, all side letters were to be shown to Directors, with safeguards to preserve confidentiality.

19. **A September 1999 Board Decision stated that the use of side letters to keep certain understandings confidential could be justified only if their publication would directly undermine the authorities' ability to implement the UFR program or render implementation more costly** (for example, with some issues pertaining to exchange market

<sup>6</sup> “Modifications” refers to both corrections made to the original document, and to deletions made to the version of the document that is to be published.

<sup>7</sup> See IMF (1999) Review of Transparency Policy, EBM/99/29.

intervention rules, bank closures, contingent fiscal measures, or measures affecting key prices) (IMF, 1999b). The existence and content of side letters was to be treated with the utmost confidentiality by Management, Fund staff, and Executive Directors. To ensure this, Board meetings to discuss side letters would be announced on a need-to-know basis and would be restricted to one person per Executive Director's office. A numbered copy of the side letter would be made available to each attendee and returned at the end of the meeting.

20. **Information about a side letter could, however, be communicated by Executive Directors to their capitals.** Directors who communicated information about a side letter to their own authorities were required to limit recipients on a strict need-to-know basis; inform recipients of the need to treat the information as highly confidential; and promptly inform the Director representing the member that sent the side letter and the Managing Director of such communication.

21. **In general, side letters have not been widely used by country authorities.** The 2009 Review of Transparency Policy reported that between 2002 and 2009, there had been 20 side letters from 15 countries. This translates to almost 3 side-letters a year.

### III. ASSESSING THE IMPACT OF TRANSPARENCY POLICY

22. **This section surveys some studies that have tried to assess the effects of the IMF's transparency policy, and in particular, the effect of publication rules.** It examines trends in the publication of reports, and in corrections and deletions made to reports, and the potential influence of publication expectations on policy advice. It considers the effect of such expectations on the candor in policy dialogue between authorities and staff, and on the candor of subsequent reports. The section examines three sets of evidence: reviews and studies undertaken by IMF staff; the IEO's 2007 evaluation of *Exchange Rate Policy Advice*; and the findings of surveys undertaken for the present evaluation.

#### A. Assessments by IMF Staff

23. **The IMF staff has examined the effect of transparency in different reviews of the policy over the past decade.** The Fund's Triennial Surveillance Reviews (TSRs) for 2008 and 2011 also considered perceptions regarding the impact of publication on candor in the staff's policy advice and dialogue with authorities.

#### *Transparency Policy Reviews*

24. **At the request of Executive Directors, IMF staff carried out assessments of the effectiveness of the transparency policy.** These assessments, starting in 2000, compiled evidence using surveys and interviews across a range of stakeholders. They also included desk studies of the content of published and unpublished country reports (Box 2) and reviews of published papers on the impact of transparency. Here we only consider those aspects of the reviews that pertain to the effects of the transparency policy on advice and dialogue.

25. **A major feature of the Transparency Policy Reviews has been the absence of survey and interview evidence from authorities after 2002.** From 2003 through 2009, these reviews interviewed or surveyed staff, but not authorities. Hence, these latter reviews were unable to assess the impact of transparency as seen by country authorities, including how it may have affected the authorities' perception of the Fund as a trusted advisor.

**Box 2. Compilation of Evidence in Staff Reviews of Transparency Policy**

**2000:** A relatively comprehensive approach was taken. An external consultant was used and surveys and interviews were conducted with financial markets, academia, civil society, the media, Executive Directors, authorities, and staff. In addition, a comparison of the coverage of sensitive issues in published and unpublished country reports was undertaken. 66 countries (advanced, transition and developing) agreed to participate in the pilot exercise. Information was collated from surveys completed by mission staff and authorities for pilot and non-pilot countries, on a range of publication issues.

**2002:** The 2002 review undertook several limited surveys to assess the reaction of the public to published staff reports. It used an electronic website survey, as well as a survey of journalists and NGOs (financial markets were not included). The response rate was low. Only 26 responses were received from country authorities (out of a potential 370 = 185 countries x 2 agencies per country). Using past data on coverage of sensitive issues in 144 staff Article IV and Article IV/UFR reports, the 2002 review "found no pattern suggesting that publication had led to significant disparities in coverage of sensitive issues between published and unpublished reports."

**2003, 2004:** No reviews of experience were published in these years. The reports produced focused on issues and next steps. They did however, present evidence from data on publication, corrections and deletions, though there was no review of experience beyond this, and no surveys or interviews of authorities or staff.

**2005:** The review relied on Fund-wide data on publication; records of changes made to published staff reports; a survey of mission chiefs; and ten country case studies involving interviews with staff and Executive Directors (also referred to as country representatives in the report). There were no surveys or interviews of authorities.

**2009:** A survey of mission chiefs was conducted to gather views on the impact of publication on candor and the evenhandedness of implementation of the transparency policy. The survey was sent to 131 mission chiefs, covering all member countries, and the response rate approached 50 percent. Staff also conducted a short web-based survey of external stakeholders. Surveys were designed for three separate types of stakeholders: (i) CSOs; (ii) financial market participants, and (iii) other groups (such as think tanks, academics, and other stakeholders). The web surveys were open for several months on an "IMF Transparency Review and Consultation" page on the IMF external website. A total of 24 responses were received. Country authorities were not surveyed or interviewed.

26. **The first Transparency Policy Review (IMF, 2000a) assessed the pilot exercise in the publication of Article IV reports. Most of the countries participating in the pilot felt that candor was not impaired.** Interviews with officials in the countries participating in the pilot exercise revealed that most of them thought that the Article IV consultation process proceeded as "business as usual," with candor unconstrained by the publication decision. However, authorities of countries not participating in the exercise felt that the Fund's role as a confidential advisor would be undermined by the publication of staff reports.

27. **A survey of staff corroborated the view that publication had little impact on the candor of policy dialogue and advice.** Staff involved in the consultation missions in the pilot countries were surveyed (prior to the publication exercise, and again after the exercise). Most respondents reported that the impact of publication of staff reports was neutral to positive, with a drift toward neutral in the post publication group of responses.

28. **However, the high incidence of corrections and deletions requested by countries participating in the pilot exercise might have reflected concerns on the part of authorities regarding the publication of sensitive information.** The extensive changes implied a diminution in candor in reports submitted for Board review and for eventual publication. The “prevalence, extent and nature” of requests for corrections, deletions and additions to staff reports were seen to suggest that “concerns over a trend toward negotiated documents (were) not wholly misplaced and, if a decision to move to voluntary publication of staff reports (were) taken, there (would be) a need to guard against this tendency.” The review noted that 66 percent of published staff reports had corrections made to versions of reports to be published and that not all corrections dealt with just factual errors. Staff reported pressure from industrial country authorities in particular, not to include certain information in the staff reports, to add material, or to recast the policy discussions. Staff reported “frustrating and protracted processes involving voluminous requests for corrections and deletions.” Surveyed staff participating in the pilot exercise noted that publication expectations were likely to lead authorities (particularly from advanced countries) to seek more revisions to reports.

29. **Two years later, survey data collected for the 2002 Transparency Policy Review (IMF, 2002) again found that publication did not seem to affect the candor of policy dialogue, but did make authorities more guarded regarding the candor in written reports.** The survey of authorities’ views on voluntary publication of staff reports had a very low response rate, necessitating caution in interpreting the results. Nevertheless, about three quarters of the authorities responding to the survey felt that the publication of reports did not impair the “candid nature of the dialogue between the staff and authorities.” However, about half these authorities reported that publication led them to call for more revisions to staff reports. Authorities were also evenly split on whether publication enhanced the public debate on economic policy. The corresponding results from the mission chief survey (which had a much higher response rate) were similar. Seventy percent of those surveyed felt publication did not impair the candor of the policy dialogue. However, half of the mission chief survey respondents reported that as a result of publication, they felt pressured to provide report drafts to authorities or Executive Directors prior to the Board meetings. In some cases staff had omitted information from reports in anticipation of such pressures. Staff also reported a tendency to minimize the discussion of sensitive issues in country reports to avoid dealing with subsequent time-consuming requests for deletions and corrections. Half the respondents felt greater pressure for corrections and deletions as a result of publication.

30. **The review further examined the effect that publication may have had on the reporting of candid policy advice and dialogue in written reports by looking at authorities' use of corrections and deletions.** By the end of March 2002, the data were as follows:

- More than half the staff reports had corrections, 60 percent of which were applied in Article IV reports, and 20 percent in UFR reports (and the balance in joint Article IV/UFR reports). Staff reported that some corrections appeared to go beyond what was envisaged under the publication policy;
- Industrial countries, while publishing just a third of the reports, accounted for more than half of the corrections to Article IV reports;
- More than half of the corrections were made after the Board discussion of the staff report (implying that the version of the report that the Board considered was subsequently amended); and
- Twenty-two percent of Article IV and 13 percent of Article IV/UFR staff reports had deletions.

31. **The 2002 review also examined 117 published staff reports and 97 unpublished staff reports** (Article IV and UFR reports), to assess differences in the degree of candor in reporting and the coverage of sensitive information. It found little evidence of differences between the two sets of reports; these findings were, however, qualified by staff.<sup>8</sup>

32. **The 2003 Transparency Policy Review (IMF, 2003b), like its predecessors, surmised that there was no clear evidence that transparency policy had an impact on the candor of dialogue with members.** The review, however, presented no evidence to support this statement. Indeed, for the year ending April 2003, it noted that 67 percent of the published Article IV and UFR reports had corrections (up from 2002), and that a disproportionate share of the corrections came from advanced countries.

33. **In the survey undertaken for the 2005 Transparency Policy Review (IMF, 2005), a significant share of mission chiefs acknowledged that they reduced candor in their reporting to the Executive Board, as a result of the expectation of publication.**<sup>9</sup> The 2005

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<sup>8</sup> The main weakness in this comparative analysis was that the extent of candor in a staff report is likely to depend not only on the coverage of sensitive issues (whether or not an issue is addressed at all), but also on what and how much (intensity and depth of coverage) is recorded on a sensitive issue. Regarding the methodology (comparison of reports), staff themselves conceded that they had not assessed differences in *how* the published and unpublished reports covered sensitive issues.

<sup>9</sup> The 2005 review contained a survey of mission chiefs (with 73 respondents) regarding the impact of publication on the possible dilution or softening of messages in staff reports (reduction in candor).

review noted that “Over one-quarter of responding mission chiefs said that they had withheld information or significantly diluted messages regarding issues relevant or central to the gist of the Fund’s concerns.” Regarding their likely future behavior, the review reported that, “About 30 percent said that they would be more careful about the way messages are couched. Likewise, 20 percent of respondents indicated that they would avoid messages that might cause discomfort to the authorities if their omission does not affect candor. Some 7 percent of respondents stated that they might, in the future, refrain from conveying certain information relevant to the main assessments of the report in order to facilitate publication.”

34. **The 2005 review again found a high incidence of corrections and deletions in reports on more advanced countries—including corrections going beyond what was permitted by existing guidelines.** More than a third of the published stand-alone Article IV reports contained substantive modifications (these were particularly prevalent among reports on advanced economies, somewhat less frequent for emerging markets, and very rare for developing countries). More than half of all published staff reports (Article IV, UFR and other programs) contained corrections, including many that involved substantive changes. Substantive changes were described as including modifications to the staff’s analysis and views. About a fourth of the published reports contained substantive corrections going beyond what was permitted under the Fund’s policy guidelines.

35. **Among mission chiefs who were surveyed for the 2009 Transparency Policy Review (IMF, 2009a), a significant share said that the expectation of publication constrained their drafting of candid country reports.** In a survey of 131 mission chiefs with a 50 percent response rate, more than a third of the respondents reported feeling constrained. The observation was also made in the survey that “knowing authorities never publish allowed for a candid staff report.” The review observed that a limited number of countries (10) never published their country reports, as they considered staff reports to be for discussion at the Fund’s Executive Board, and that “publication undermines candor in the reports, the frankness of discussions between staff and the authorities, and thus the Fund’s role as confidential advisor.”

36. **A rising incidence of corrections also pointed to possible diminution of candor.** The 2009 review showed that corrections and deletions had been concentrated in advanced and middle income countries and had risen during the financial crisis. The review noted that “in this time of crisis, reflecting increased vulnerabilities and sensitivities, the share of published reports with modifications has increased and modification requests have become more substantive.” Table 1 below (reproduced from the review), shows that more than 90 percent of the published reports on advanced economies had modifications in the three years from 2006 to 2009, compared to about 70 percent and 40 percent of emerging and low-income country reports, respectively.

Table 1. Staff Reports with Modifications, January 2006–June 2009  
(Percent of published reports)

	Advanced	Emerging	Low-Income	Total
Correction	93	71	44	56
Deletion	13	19	5	9

Source: IMF (2009a).

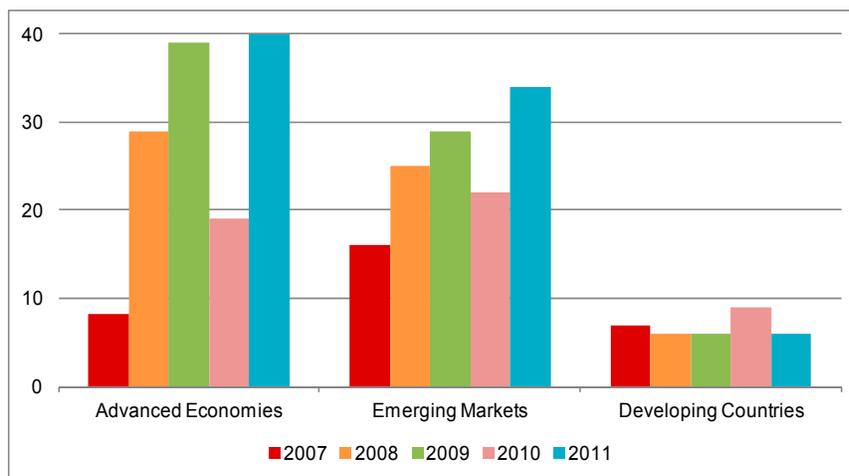
37. **The 2009 review also found that, while modifications were largely consistent with the guidelines, some “grey” area cases persisted, associated with the largest and/or most influential countries.** For these countries, candor in reporting to the Executive Board may also have been affected. The review noted that “although most deletions and corrections are clearly in line with the policy, a minority (1 in 4) of deletions and corrections are not and involve toning down the message of reports.” Staff further observed that “influential countries, as proxied by quota shares and/or having a dedicated Executive Director at the Board—accounted for a disproportionately large share of corrections that were in the gray zone.”<sup>10</sup> They saw this pattern as exposing the Fund to reputational risk. A staff assessment of 50 country reports (part of the transparency review process) found that in 20 percent of the correction cases, the corrections did not fit clearly into the categories permitted by policy (thus preventing the Board from assessing information that it had a right to assess under the policy). Some deletions also fell outside the guidelines.<sup>11</sup> Among reports with deletions in 2008, staff found that in 26 percent of cases, permissible deletions were stretched and guidelines were not fully adhered to. In these cases, information that could have been published under the rules was not.

38. **The Fund’s 2012 update of publication trends (IMF, 2012), providing data through 2011, shows that rising publication rates have coincided with a sharp increase in deletions in reports on advanced countries and emerging markets.** The data show that publication rates reached 91 percent in 2011 for Article IV, UFR and combined staff reports. However, deletions and corrections for advanced countries and emerging markets have been rising since the mid-2000s (except in 2010, when there was a one-time drop) (Figure 4). In developing countries, however, deletions have been few, having been contained to just 5–7 percent of reports over the four years shown (and almost zero in African countries).

<sup>10</sup> In the Background Paper to the 2009 Transparency Review (IMF, 2009c), the staff’s review of a 30-country sample consisting of the 10 reports with the most corrections in each income group from 2006–08 found that for influential countries with a dedicated Executive Director, an average 10 corrections per report were within policy, while an average 7 corrections per report were not. By contrast for countries without a dedicated Executive Director, an average 7 corrections per report were within policy, while only an average of 1 correction per report was not.

<sup>11</sup> Deletions are supposed to focus on market- and time-sensitive information that could be damaging if published.

Figure 4. Increasing Deletion Rates  
(Percent of published Article IV and UFR reports with deletions from authorities)



Source: Key Trends in Implementation of the Fund's Transparency Policy 2008, 2010–12.

### *Triennial Surveillance Reviews*

39. **The survey for the Fund's 2008 Triennial Surveillance Review (TSR) pointed to authorities' satisfaction with the degree of candor used in reports, together with a preference by some that candor beyond this be delivered in private.**<sup>12</sup> About 92 percent of the responding authorities felt that the degree of candor in staff reports had been appropriate. At the same time, 44 percent reported that more candid messages were delivered separately, rather than in the staff report.

40. **Of the country authorities who were interviewed for the 2008 TSR, most favored publication of country surveillance reports, but a number argued that the emphasis on making public the Fund's advice had gone too far and risked undermining the Fund's role as a confidential advisor in their countries (IMF, 2008c).** The staff survey for the 2008 TSR also asked mission chiefs to what extent publication expectations for staff reports, with only limited scope for deletions, constrained their presentation of a candid staff report. Forty percent said they felt constrained by this to some degree. For 33 percent, their presentation of a candid staff report was also constrained by the concern that authorities might not consent to publication or else might delay publication.

41. **The 2011 TSR (IMF, 2011) yielded similar findings.** In a survey of authorities (33 percent response rate), most respondents felt that staff reports had an appropriate degree of candor (and that where necessary, more candor could be delivered outside of the report). About a third of the respondents reported that more candid messages were, in fact, delivered separately outside of staff reports (mainly orally, and to a lesser extent through the

<sup>12</sup> The review included surveys of authorities (34 percent response rate) and mission chiefs (66 percent response rate) on broad issues regarding the overall surveillance process.

concluding statement). In interviews with authorities from a sample of 20 countries,<sup>13</sup> the 2011 TSR reported “virtually all those interviewed welcomed the greater transparency of the Fund;” however, they generally preferred “candid advice in restricted policy discussions.” . . . “there were still, in the view of most, tensions between the roles of the Fund as confidential advisor and as ruthless truth teller.” Regarding public dissemination of the advice, “many expressed concern about market sensitivity and possible political fallout from open criticism of current policies.” Such statements reveal that authorities remain concerned about public disclosure and publication of sensitive policy advice and dialogue.

42. **In the 2011 TSR’s survey of mission chiefs, almost all respondents reported that they were largely or completely candid in their policy dialogue and advice with authorities—but many reported being less candid in reports to the Board.** As in 2008, a significant share of mission chief survey respondents felt that publication expectations for staff reports, with only limited scope for deletions, constrained their presentation of a candid staff report. Half (up from 40 percent in 2008) felt this way. Just over half of respondents also reported that publication expectations posed a challenge for the full treatment of the discussions of exchange rate issues in the staff report.

#### **B. Assessment in Previous IEO Evaluations: IMF Exchange Rate Policy Advice**

43. **The purpose of the evaluation of *IMF Exchange Rate Policy Advice (IEO, 2007)* was to assess the Fund’s exchange rate surveillance in member countries and examine in depth, features of the dialogue between countries and the Fund that could impair the Fund’s effectiveness in this area.** Among other things, the evaluation considered the influence of publication policies on policy dialogue and its documentation in staff reports. The study elicited the views of authorities and staff through interviews and surveys. In the evaluation’s survey, the IEO “sought to understand why, as identified by the Executive Board, clear and candid treatment of exchange rate issues in IMF reports (remained) a challenge.”

44. **The evaluation’s survey responses indicated that a large majority of authorities approved of the balance between informality, confidentiality, and the reporting requirements to the IMF Executive Board, in their engagement with staff.** Nevertheless, some anxiety remained about the possibility of publication of sensitive information, as did concerns about candor in staff reports that were submitted to the Executive Board. The evaluation notes that some authorities admitted to “withholding relevant data from the IMF or to excluding sensitive topics from discussion. . . and the main reason given. . . for not sharing data and for avoiding certain issues, was a concern that information would be passed on, either to the Executive Board or through publication.” The evaluators observed that

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<sup>13</sup> Interviews were held in Washington DC during the 2011 Spring Meetings. See *2011 Triennial Surveillance Review - External Report on Interviews with Country Authorities*.

“evidence that important information is not conveyed to the Board (by staff)—or not conveyed to staff (by authorities), because it might be conveyed to the Board—raises questions about the accountability of staff in these circumstances, as well as effectiveness of the present setup.”

45. **The evaluation’s survey of staff found that publication expectations affected candor in the drafting of reports:** “More than 40 percent of staff respondents in the IEO survey felt that the expectation of publication or the need to preserve close relationships with country authorities tended to dilute coverage of exchange rate policy issues in staff reports.” Staff respondents further cited transparency requirements and the publication of country documents as the most significant out of nine impediments to clear and candid treatment of exchange rate policy issues. Evaluators reported that “... in several countries, there was much more to IMF advice than met the eye in staff reports. In those cases, the exchange rate discussions were much more intense than suggested by Article IV staff reports. For example, detailed discussions on regime choice took place, with little or no documentation in staff reports or related selected issues papers.” They also noted that staff used “confidential staff notes and meetings, extending over several years in some cases, with the authorities and staff exploring a variety of alternative policy options in the process.”

46. **The evaluation also found that candor in reported policy dialogue and advice was affected.** Evaluators reported that in at least 5 of the 30 economies whose experience was reviewed in depth, “there had been no meaningful two-way discussions on certain exchange rate issues for at least part of the period under review, or their treatment in staff reports was pro forma (lacking detail or much analytical content).”

### C. Assessment for the Evaluation of The Role of the IMF As Trusted Advisor

47. **This section focuses on the survey evidence collected for the present evaluation of the Fund’s role as trusted advisor.** It looks at how the Fund’s policy on transparency generally, and publication specifically, may have influenced: the demand for advice by authorities; the depth of dialogue between authorities and staff; and the reporting in staff reports prepared for review by the Executive Board and subsequently for publication. The *RITA* evaluation surveyed authorities, mission chiefs, and resident representatives for their perceptions on the influence of transparency policy on the Fund’s role as a trusted advisor.

#### *Views of country authorities*

48. **Authorities responding to the survey were largely satisfied with the Fund’s handling of confidentiality, but still raised concerns about possible publication of sensitive information.** Despite the near-unanimous satisfaction with how the Fund handles confidentiality, concerns regarding publication, nevertheless, constrained the demand for advice. Authorities said their willingness to seek IMF advice was limited most by concerns about disclosure of sensitive information to the general public. Overall, almost one-third of respondents reported that concern over disclosure to the general public of information they

shared with IMF limited their willingness to discuss or seek advice on sensitive issues from the IMF. Half of the respondents from large emerging markets, 30 percent of those from LICs, and 20 percent to 30 percent of those from advanced and smaller emerging countries felt limited by public disclosure concerns. Close to 60 percent of the respondents from large emerging markets also reported that concerns about confidential treatment of sensitive information (in reports and elsewhere) mattered, influencing their decision not to seek IMF advice. This was not as great a concern for most of the smaller emerging or LICs, or for large advanced countries. However, it did matter to almost 40 percent of respondents from smaller advanced economies. About one in six respondents overall also reported that concerns about disclosure of information to other international institutions and/or aid agencies limited their willingness to discuss or seek advice on sensitive issues from the IMF.

49. **Few concerns, however, were expressed about disclosure of sensitive information within the IMF.** Almost all respondents were unconcerned about disclosure of country information to other staff, Management, or the Board. They reported that disclosure to these IMF groups did not limit their willingness to discuss or seek advice on sensitive issues from the IMF. The exception was the Asia Pacific region, where one in five respondents expressed concern about disclosure to other staff and Management as well as to the Board.

50. **Authorities sought reassurances about safeguarding confidential policy discussions and advice.** Many authorities needed to be reassured, at least on occasion, regarding the treatment of confidential information (in view of potential publication of reports). About 40 percent of respondents from smaller advanced and emerging countries, 45 percent from LICs, and 67 percent from large emerging countries at least sometimes needed reassurances regarding confidentiality when discussing sensitive issues with the IMF country team. Only 35 percent of the respondents from the large advanced countries needed such reassurances (this group of countries, however, had the highest correction and deletion rates in country reports). In the regional breakdown, the need for reassurances about confidentiality was concentrated in the Asia Pacific region (61 percent) and in Africa (51 percent).

### *Views of mission chiefs and resident representatives*

51. **Overall, staff views were mixed on how the role of staff as a trusted advisor was influenced by transparency and publication policies.** About half of the mission chief respondents to the survey felt that their advisory role had not been changed by transparency policies. Just over a quarter felt that the change had been positive, and the rest that the change had been negative. Resident representatives were a little more positively inclined (almost 40 percent) versus almost 20 percent who felt that the effect of the policy was negative.

52. **Staff respondents confirmed that disclosure and publication expectations may have hampered demand for policy dialogue and advice.** Twenty-six percent of the mission

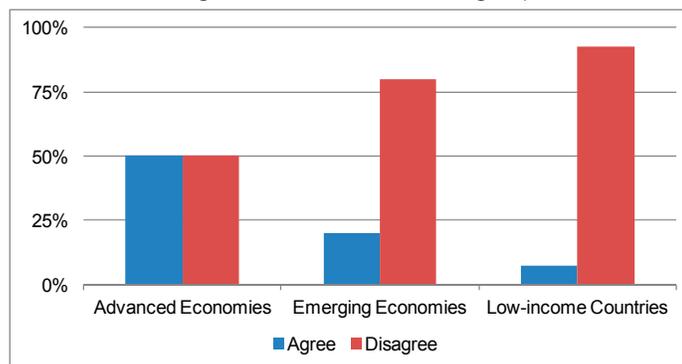
chiefs felt that their role as a trusted advisor had been adversely impacted by concerns authorities may have had that a sensitive issue might be disclosed to other international organizations and donors. Similarly, 30 percent of the resident representatives perceived some adverse impact on their role as a trusted advisor from this disclosure concern.

53. **Most respondents to the two staff surveys did not feel that concerns about disclosure to the Executive Board had affected their trusted advisor role.** About three-quarters of the mission chief respondents (and a similar percentage of the resident representatives) felt that their role as a trusted advisor had not been impacted by any concerns authorities may have had that sensitive issues might be disclosed to the Board. It is noteworthy, nevertheless, that almost a quarter of staff respondents felt that their trusted advisor role was adversely affected by this.

54. **Staff surveys confirmed that the expectation of broader disclosure affected the candor and content of staff reports presented to the Board.** In the mission chief survey, across all income groups, 57 percent of the respondents said they felt pressure to dilute the candor of staff reports in order to avoid upsetting authorities. Similar evidence came from interviews, which showed that staff members drafting reports on advanced economies felt more pressure to self-censor than did those working on other types of countries.<sup>14</sup>

55. **The systemic importance of countries was seen to influence staff candor.** Half of the mission chief survey respondents with experience of working on advanced economies felt that the systemic importance of the country influenced the degree of their candor in dialogue and reports, whereas 20 percent and 7 percent of those who had worked respectively on emerging economies and LICs felt this way (Figure 5).

Figure 5. Mission Chief Candor for Different Country Groups  
(Percent of respondents who agree or disagree with the statement:  
"The systemic importance of the country has influenced the  
degree of candor of the dialogue")



Source: IEO survey of mission chiefs.

<sup>14</sup> Some interviews with staff also suggested that developed economies were more active in engaging on modifications to draft reports because they have more capacity to devote to reviewing IMF reports and engaging staff on proposed changes, thus exerting more pressure on staff to modify reports.

#### IV. CONCLUSIONS

- The IMF's transparency, as reflected in the publication of country reports, has increased significantly since 1999. The transparency policy has sought to protect sensitive information from public disclosure. However, the implementation of the policy appears to have been uneven, influenced by the income levels and systemic importance of member countries. Correction and deletion rates have been significantly higher in some country groups than in others (IMF, 2009a).
- Since the first pilot exercise in publication of country reports, the incidence of corrections has remained high, and a sizeable minority of these corrections has been found to not conform to policy. The candor in some staff reports submitted to the Board may have been diminished by extensive correction prior to the Board discussion. Those corrections that fall in the "gray zone" can affect the content of the Board discussion on a country. Consideration could be given to introducing staff guidelines that require staff to highlight these "gray zone" corrections and defer them for consideration after the Board meeting.
- Publication expectations may have reduced the willingness of some authorities to seek advice and share sensitive information. This could have adverse implications for the candor of dialogue with authorities and for the quality of information on which staff base their policy advice. Fears remain regarding disclosure of sensitive information to the public and to markets.
- Some staff members perceive the expectation of publication to have adversely affected the candor in reports they prepare for the Executive Board—in particular, reports for advanced economies.
- Staff efforts to assess the impact of transparency policy have yielded mixed results and would benefit from re-including a full survey of authorities as was done in 2000.

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## **V. Survey Evidence**

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## I. INTRODUCTION

1. **To obtain evidence on perceptions of the Fund in its role as a trusted advisor, the IEO prepared three different surveys to assess the views of country authorities, mission chiefs (MC), and resident representatives (RR).** The surveys were administered by NORC at the University of Chicago. Table 1 summarizes data on the size of the populations surveyed and the participation rates.

Table 1. Surveyed Groups and Participation Rates

	Country authorities	Mission chiefs	Resident representatives
Number of surveys sent	358	493	163
Number of responses	187	257	95
Participation rate	52%	52%	59%

Source: IEO surveys.

2. **This background document is organized as follows.** Section II reviews the survey methodology. Section III presents the response rates to the three surveys, and Sections IV, V, and VI discuss some key observations from the country authority, mission chiefs, and resident representatives' surveys, respectively, with the observations organized according to the questionnaire formats. The appendices present the full survey data from the three surveys.

## II. SURVEY METHODOLOGY

3. **For each country, the authorities' survey was sent to both the Central Bank Governor and the Minister of Finance.** The survey included a first section on the demand for advice (or lack thereof) from authorities, followed by a section focusing on the supply of advice during different kinds of missions (Article IV, use of Fund resources (UFR), Technical Assistance (TA), or the Financial Sector Assessment Program (FSAP)). Other sections covered the aftermath of the 2008 crisis, the role of the resident representative, confidentiality concerns, and finally, an overall assessment.

4. **The staff survey was sent to all IMF staff who had been mission chiefs or resident representatives between 2005 and 2011 and were still currently working at the Fund.**<sup>1</sup> Both staff surveys were constructed similarly, with a first section addressing the survey recipients' experience on the country where they held their longest tenure, followed by a section on their overall experience as mission chiefs or resident representatives. Both questionnaires also included questions on confidentiality, the impact of the 2008 financial

<sup>1</sup> The list of RRs was created from data available on area department internal websites; the list of MCs was created using an OBP database of missions to countries. Staff members who had left the Fund (retirement or separation) were not included. Staff members who had occupied both positions were asked to complete both surveys.

crisis on the perception of the Fund as a trusted advisor, and, looking forward, what they believed could improve their capacity to act as trusted advisor for country authorities.

5. **The authorities' survey was sent to representatives in 190 economies:** 186 member countries, four territorial entities that are not states as understood by international law but that maintain regular interactions with the IMF, and three regional central banks which regularly participated in interactions with the Fund.<sup>2</sup> The surveys consisted of web-based questionnaires that respondents could fill out online or print and email/fax/mail back to NORC.

6. **The IEO divided the countries into five subgroups based on level of economic development and economic size (Table 2).** The team followed a methodology similar to that used in the IEO evaluation of *IMF Interactions with Member Countries (2009)*. Using the classification from the IMF's *World Economic Outlook (WEO)* report of September 2011, the team grouped the countries between advanced economies and emerging and developing economies. The 34 advanced economies were split into two subgroups: the members of the G-7 (Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States) were labeled Large Advanced (LA), and the other 27 economies were labeled Other Advanced (OA). The 156 remaining countries were split into 71 Low-Income Countries (LICs)<sup>3</sup> and 85 emerging economies. Subsequently, emerging economies were separated in two groups, Large Emerging (LE–19 economies) and Other Emerging (OE–66 economies) on the basis of a GDP threshold of \$300 billion purchasing power parity (PPP) in 2009.

7. **NORC delivered the surveys to country authorities on September 7, 2011 and to IMF staff (mission chiefs and resident representatives) on November 21, 2011.** The authorities survey was closed on February 3, 2012 and the staff surveys were closed on January 27, 2012. All the survey responses were handled directly by NORC in order to preserve the confidentiality of the respondents.

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<sup>2</sup> Somalia, although a member country, was not included as it had not received an Article IV delegation in the time span of our evaluation (2005–11). Three selected territorial entities participated in Article IV missions with the IMF: Aruba, Curaçao-St. Maarten, and Hong Kong SAR. Curaçao and St. Maarten (formerly part of the Netherlands Antilles) have recently become autonomous countries; however, the latest Article IV consultation they participated in (in 2011) was a joint consultation. The IMF does not conduct Article IV discussions with the West Bank and Gaza but it staffs a resident representative office there and maintains regular interactions. In this paper, the term “country” and “economy” are used interchangeably, each referring to both member countries and selected territories. The three regional central banks are the Eastern Caribbean Central Bank (ECCB), the Banque Centrale des Etats de l’Afrique de l’Ouest (BCEAO), and the Banque des Etats de l’Afrique Centrale (BEAC).

<sup>3</sup> As per SPR’s classification for the Poverty Reduction and Growth Trust (PRGT) dated April 2010.

Table 2. Country Groups

Group Name	Number of economies	Description
Large advanced	7	G-7 economies
Other advanced <sup>4</sup>	27	Defined as “advanced” in the September 2011 <i>WEO</i> but not G-7
Large emerging	19	Defined as “emerging and developing” country in the September 2011 <i>WEO</i> but not eligible to receive PRGT resources, and with a GDP above \$300 billion PPP in 2009
Other emerging <sup>5</sup>	66	Defined as “emerging and developing” country in the September 2011 <i>WEO</i> but not eligible to receive PRGT resources, and with a GDP below \$300 billion PPP in 2009
Low-income	71	Eligible to draw resources from the IMF’s PRGT
<b>Total</b>	<b>190</b>	

Source: IEO survey.

### III. RESPONSE RATES

#### A. Country Authorities

8. **For the survey of country authorities, NORC received answers from 187 institutions—a response rate of 52 percent.** The response rate was higher for monetary authorities (66 percent) than for Ministries of Finance (40 percent). As a result, the survey contains answers from 111 monetary authorities and 76 ministries of finance.

9. **The response rate varied significantly across country groups (Table 3).**

Table 3. Authorities’ Survey Responses by Country Group

Group	Institutions surveyed	Responses	Response rate
Large advanced	14	14	100%
Other advanced	54	39	72%
Large emerging	38	22	58%
Other emerging	124	60	48%
Low-income	128	52	41%
<b>Total</b>	<b>358</b>	<b>187</b>	<b>52%</b>

Source: IEO survey.

<sup>4</sup> Includes Hong Kong SAR.

<sup>5</sup> Includes Aruba (former Netherlands Antilles), Curaçao–St. Maarten (former Netherlands Antilles), West Bank and Gaza.

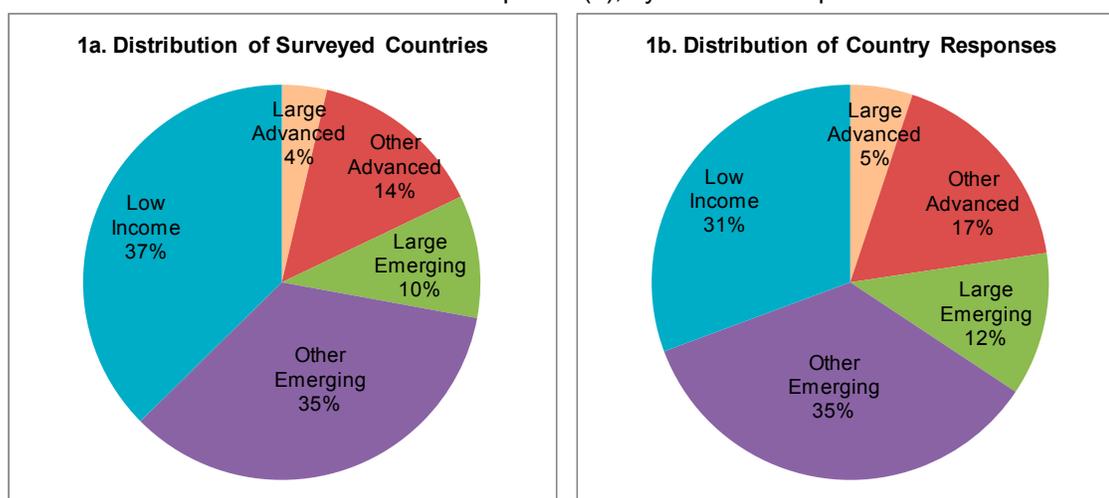
10. **The number of economies submitting at least one response was much higher in each income group (Table 4).** The IEO received at least one completed questionnaire from 137 economies out of a total of 190—a response rate of 72 percent.

Table 4. Number of Economies Submitting At Least One Response to the Authorities' Survey

Group	Countries surveyed	Number of Countries with at least one response	Response rate
Large advanced	7	7	100%
Other advanced	27	24	89%
Large emerging	19	16	84%
Other emerging	66	48	73%
Low-income	71	42	59%
<b>Total</b>	<b>190</b>	<b>137</b>	<b>72%</b>

Source: IEO survey.

Figure 1. Distribution of All Surveyed Countries (a), and Distribution of Countries Submitting at Least One Response (b), by Income Group



Source: IEO Survey.

11. **The distribution of country responses according to income groups (Figure 1) is close to the distribution of surveyed countries,** albeit with a slight overrepresentation of advanced countries and a slight underrepresentation of LICs.

12. **The participation rate also varied across IMF area departments,** with the highest rate registered in the European Department (EUR) (65 percent) and the lowest in Middle East and Central Asia Department (MCD) (44 percent) (Tables 5 and 6). The political events taking place in the Middle East during the survey period probably partially explain the lower response rate of the MCD countries.

Table 5. Authorities' Survey Response by Department

Area Department	Institutions surveyed	Responses	Response rate
AFR	78	36	46%
APD	65	33	51%
EUR	92	60	65%
MCD	62	27	44%
WHD	64	31	48%
<b>Total</b>	<b>358</b>	<b>187</b>	<b>52%</b>

Source: IEO survey.

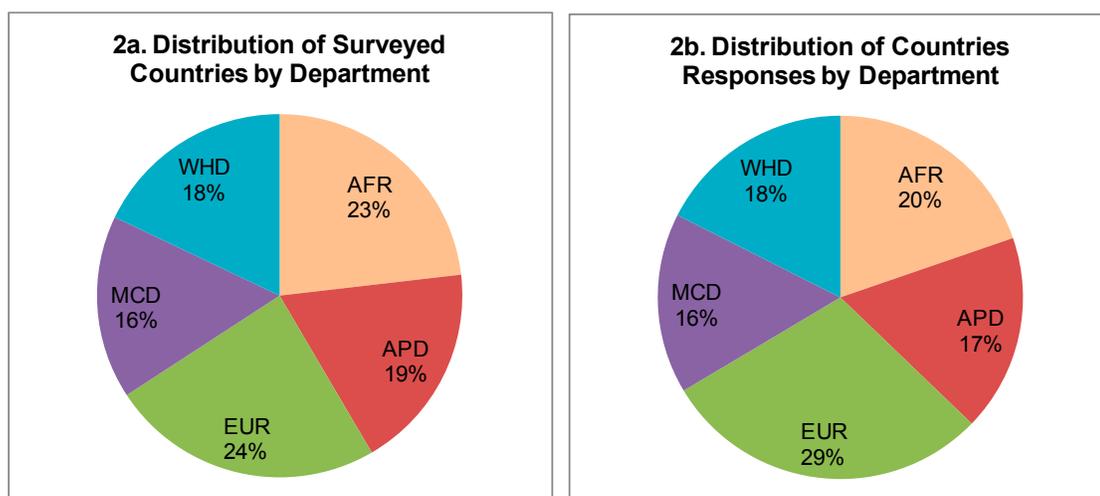
Table 6. Number of Economies Submitting At Least One Response to the Authorities' Survey

Group	Countries surveyed	Number of Countries with at least one response	Response rate
AFR	44	27	61%
APD	35	24	69%
EUR	46	40	87%
MCD	31	22	71%
WHD	34	24	71%
<b>Total</b>	<b>190</b>	<b>137</b>	<b>72%</b>

Source: IEO survey.

13. **The distribution of results across area department (Figure 2) also shows a slight overrepresentation of countries of the European Department (EUR) (29 percent of the countries that submitted at least 1 response versus 24 percent of the surveyed population) and a slight underrepresentation of countries from the African Department (AFR) and from the Asian & Pacific Department (APD) (respectively 20 percent and 17 percent of countries that submitted at least one response versus 23 percent and 19 percent of the surveyed population).**

Figure 2. Distribution of All Surveyed Countries (a), and Distribution of Countries Submitting at Least One Response (b), by Area Department



Source: IEO survey.

## B. IMF Staff

14. **The IEO team also surveyed mission chiefs and resident representatives who held that position at any time since 2005 and were still currently employed by the Fund.** This questionnaire was sent by NORC on November 21, 2011. Responses were accepted until January 23, 2012. NORC received answers from 257 mission chiefs and 95 resident representatives, translating into response rates of 52 percent and 59 percent, respectively. Mission chiefs were asked if the majority of their assignment had been on Article IV consultation/UFR missions or on Technical Assistance / FSAP missions. Depending on their answer to this question, they were directed to specific sections of the questionnaire. Of the respondents, 144 had had a majority of their assignments as surveillance or UFR program MCs (80 and 64 respondents, respectively), and 113 as TA or FSAP MCs.

## IV. KEY OBSERVATIONS FROM THE SURVEY OF AUTHORITIES<sup>6</sup>

### A. The Demand for Advice

15. **The frequency of requesting advice from the IMF appeared to be related to a country's level of economic development,** with the other emerging economies and LICs most frequently requesting advice. When large advanced economies sought views and advice, they were much more likely than other country groups to contact IMF Management and senior staff.

16. **Willingness to seek advice on different topics was also related to country income level,** with LICs more willing to ask the Fund for advice in almost every area. Advanced countries were less willing to seek advice in areas such as exchange rate and monetary policy.

17. **The most commonly selected reasons** for seeking advice were (i) an interest in knowing about other countries' experiences and (ii) a need for advice on institutional areas (fiscal rules, regulation/supervision in the financial sector).

18. **Evenhandedness and bringing value added remain critical issues for building trust.** The existence of sufficient local expertise (a positive factor) and, to a lesser extent, a perception that the IMF had a one-size-fits-all approach (a negative factor) were the two factors that authorities most cited as reasons that mattered in their decision not to seek advice. Among authorities from large emerging economies, the perception that the IMF lacked sufficient country knowledge was also considered a major factor in the decision to not seek IMF's advice.

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<sup>6</sup> See Appendix 1 for full survey data.

19. **Negative experiences with the IMF in the past and the political stigma seen to be associated with working with the Fund represented important barriers to trust, especially in certain regions.** A third of the authorities responding from Asian and Pacific countries said that legacy or political stigma considerations both mattered greatly or somewhat in their decision not to seek the IMF's advice.

### **B. The Supply of Advice**

20. **Fund staff received high praise for providing an environment conducive to a candid dialogue.** Most respondents agreed that the Fund's missions were providing an adequate environment for advice and policy dialogue by clearly explaining the rationale of their advice, by providing an atmosphere suitable for dialogue, by listening to country authorities' perspectives, and by showing willingness to discuss new issues raised by the authorities. These results varied significantly by country income groups.

21. **One-fourth of the respondents felt that missions were more focused on data updating/forecasting than on policy discussions.** This percentage goes up to 37 percent for authorities from LICs.

22. **Under specific circumstances such as the presence of a UFR mission, the positive findings regarding the quality of the dialogue are more nuanced.** Of the respondents whose countries had had a UFR mission at some point since 2005, 42 percent strongly agreed or agreed with the view that UFR missions tended to be driven by their own agenda and were not sufficiently flexible to discuss policy alternatives. Furthermore, a third of respondents whose countries had had a UFR mission indicated that they were reluctant to raise certain topics out of fear that these might subsequently be incorporated into UFR program conditionality.

23. **In contrast, advice provided in the context of TA or FSAP missions was almost unanimously praised by authorities** for its quality and the quality of the discussions associated.

### **C. The Aftermath of the Crisis**

24. **Since the onset of the crisis, authorities have come to see the Fund staff as more open and more flexible in its approach to programs,** but about a third of authorities feel that the Fund has not become more evenhanded in its treatment of countries.

25. **In some areas, the survey results also show a positive trend in the authorities' satisfaction with the quality of the advice and the dialogue with the Fund.** Most notably, 70 percent of authorities found an improvement in the quality of advice on banking sector/financial markets, macrofinancial linkages, and international spillovers. A similar proportion of respondents felt that the IMF had improved in its role as an interlocutor with regards to prudential and supervisory issues in the financial/banking system and with risks

from the international economy. No changes were detected in the area of exchange rate policy advice.

#### **D. The Role of the Resident Representative**

26. **The survey showed that authorities valued many attributes of IMF resident representatives but placed relatively little reliance on them for policy advice.** Resident representatives were viewed as trusted advisors (85 percent of respondents in agreement), good counterparts for discussing policy ideas (79 percent of respondents in agreement), and a good source of information on economic policy issues (80 percent of respondents in agreement). Despite these positive findings, a third of the respondents said that they rarely or never approached the resident representative for policy advice, and almost half of the authorities said that they rarely or never included the resident representative in confidential policy discussions.

#### **E. Confidentiality Concerns**

27. **Overall, authorities were satisfied with how the IMF handled confidentiality.** However, about a fourth of the respondents from large emerging markets said that when they discussed sensitive issues with IMF country teams, they “often” or “most of the time” felt the need for some reassurances regarding confidentiality (including the category “sometimes” pushed the percentage of large emerging market respondents needing reassurances up to two-thirds).

28. **A notable proportion of the authorities said that concerns about the public disclosure of information made them less willing to seek the Fund’s advice on sensitive issues.** The survey asked authorities how the Fund’s disclosure policy affected their willingness to seek advice on sensitive issues. The most problematic area seemed to be the disclosure to the general public (including guidelines under which authorities may withhold consent to the publication of a report or ask for the deletion of market-sensitive material), with about 30 percent of respondents saying this limited their willingness to discuss or seek advice from the Fund on sensitive issues. There were significant differences across country categories and regions, with almost half the authorities in large emerging markets and in APD countries being reticent to discuss or seek IMF advice because of concerns about disclosure to the public, compared to only 14 percent of those from large advanced economies and fewer than a fourth of those from countries in EUR and AFR.

#### **F. Overall Assessment**

29. **Overall, most of the respondents felt that the IMF balanced its role of trusted advisor and fulfilled its surveillance mandate either well or very well** (over 85 percent of respondents in all income groups except large emerging economies). Authorities from large emerging economies were the most critical, with almost half of their respondents considering that the IMF performed “not well” or “poorly.” A similar (but less pronounced) pattern was

observed for the performance of the IMF in balancing its role of trusted advisor with that of providing financial assistance.

30. **In comparison with other international organizations (World Bank, OECD, development banks), the IMF was considered an equal or better performer in the role of trusted advisor.**

## V. KEY OBSERVATIONS FROM THE SURVEY OF MISSION CHIEFS<sup>7</sup>

### A. Mission Chiefs for Article IV or UFR Missions<sup>8</sup>

31. **Mission chiefs in charge of Article IV or UFR missions had more frequent contact with government counterparts in LICs than in more advanced countries.** The frequency of contact (phone/email) between the mission chief and his/her counterpart in the government (the person they interacted the most with during missions) increased as the income level of countries decreased (about 55 percent of mission chiefs were in contact on a weekly or monthly basis with their counterpart in advanced economies; that number rose to 65 percent in emerging economies and almost 85 percent in LICs).

32. **The frequency of contact between the authorities and the mission chief, aside from missions, also depended heavily on the context of the relationship.** For UFR countries, the frequency of contact was weekly or monthly for 90 percent of the mission chiefs. In contrast, in surveillance-only countries, mission chiefs reported that contact was seldom in about 45 percent of cases. According to mission chiefs, the most frequently cited reasons for authorities to seek the IMF's advice were "major problem (crisis/shock) in their country" in the case of UFR countries and "desire to know about experiences in other countries" and "international spillovers and risks to the country" in the case of surveillance-only countries.

33. **Survey evidence suggests that country authorities tended to avoid requesting advice in some core areas of the Fund's expertise.** Mission chiefs reported that "capital flows and/or external current account issues" and "exchange rate policy" were areas where fewer than 50 percent of the authorities typically sought the IMF's advice (with an even lower proportion, about a third, in surveillance-only countries).

34. **Mission chiefs were also asked about the specific circumstances that might have influenced their interactions with the authorities.** The majority of respondents disagreed with statements that frequent turnover of officials, past negative experiences of the country with the Fund, systemic importance of the country, or perception of unequal treatment played

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<sup>7</sup> See Appendix 2 for full survey data.

<sup>8</sup> Sections A and B apply only to MCs who mainly led Article IV or UFR missions.

an adverse role in building a trusted relationship. On the other hand, almost 50 percent of the respondents agreed with the statements indicating that “the perception that the Fund’s advice is guided by the “Washington Consensus” and that “the IMF’s advice reflects the interests of its largest shareholders” were prevalent among authorities. These two statements were especially supported by authorities from emerging economies.

### **B. Overall Experience Since 2005**

35. **The survey of mission chiefs shows that several of the practices of Article IV and UFR missions seemed to constrain or negatively affect the dialogue.** More than half of the mission chiefs agreed with several statements indicating that existing practices limit the possibilities for a deep dialogue in the field (“pressures to reduce the duration and frequency of missions constrain the time for dialogue with authorities,” “drafting of the staff report in the field comes at the expense of additional meetings with the authorities,” and “a large share of the mission’s time in the field is devoted to data gathering or developing projections rather than substantive discussions”). In addition, half of the respondents considered that “adherence to guidelines (in briefing papers/policy consultation notes) was too rigid.” Regarding the writing of the staff report, about 60 percent of respondents agreed with the statement indicating that restrictions on the length of staff reports limited the reporting of analytically important issues. A similar proportion also indicated that there were pressures to dilute the candor of staff reports in order to avoid upsetting country authorities.

36. **Mission chiefs generally agreed that missions would benefit from including some informal discussions** (“The dialogue would improve if time were set aside for informal brainstorming sessions/discussions during the mission,” and “the mission’s effectiveness would improve if there were more opportunities for informal social interactions with senior officials (e.g., lunches/dinners/drinks)”). About 40 percent of mission chiefs also acknowledged that the downsizing of the IMF had led to a significant decrease in the amount of face-to-face time with the authorities.

37. **The survey also found that the presence of a UFR program did not inhibit the candor of the dialogue with authorities.** Mission chiefs widely agreed that more frequent country visits under a UFR program had a positive effect on building a relationship with the authorities.

### **C. Technical Assistance and FSAP Missions<sup>9</sup>**

38. **Mission chiefs corroborated the findings from the country authorities survey that authorities value the Fund’s technical assistance and FSAP missions.** A large majority of mission chiefs (86 percent) who led TA and/or FSAP missions indicated that the

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<sup>9</sup> This section only reflects the views of MCs who mainly led TA or FSAP missions.

primary motivation for the most recent mission they led was “at the authorities’ initiative” (12 percent indicated that the TA/FSAP mission was “in response to strong urging by the IMF”, and 3 percent said it took place “as a condition for completing a UFR program review”).

39. **Almost all the mission chiefs (99 percent) said that authorities had been “very receptive” or “somewhat receptive” to the recommendations/advice provided during the TA/FSAP mission.** Moreover, more than 70 percent of mission chiefs indicated that authorities had contacted them more than once after the end of the mission to follow-up on the recommendations and advice provided during the mission.

#### D. Confidentiality

40. **Mission chiefs believed that the evolution of the Fund’s publication/transparency policy had, in most cases, a positive or no impact** (28 percent of respondents said it had a positive impact, 52 percent said no impact, and 19 percent said a negative impact). Moreover, mission chiefs felt that the implementation of the new transparency policy had not affected the candor of the policy dialogue (the negative influence was seen as focused on policy dialogue on the financial sector and on exchange rate policy).

#### E. The Aftermath of the Crisis

41. **Since the onset of the financial crisis, authorities have shown a renewed interest in the IMF’s advice.** A majority of mission chiefs reported that the crisis had increased the willingness of authorities to seek advice on their own initiative and to initiate a deeper engagement with the Fund. Furthermore, a large majority of respondents agreed that the IMF had become more open to different points of views on policy issues and more flexible in its application of conditionality in programs (86 percent and 92 percent of respondents in agreement, respectively).

42. **However, a majority of mission chiefs (53 percent) agreed with authorities in believing that the IMF had not become more evenhanded** in its treatment of countries since the onset of the crisis.

#### F. Looking Forward

43. **About a third of the respondents considered that the IMF balances its roles of trusted confidant and ruthless truth-teller “not well” or “poorly”.** Mission chiefs felt that providing more staff visits and more availability of technical assistance would be the best ways for the Fund to strengthen its role as trusted advisor. Echoing some of the main concerns of authorities, mission chiefs believed that the policy dialogue with authorities would benefit from incorporating other country experiences into the advice more often, and from recognizing the social and political implications of the advice by offering a wider set of “feasible second-best alternatives.”

## VI. KEY OBSERVATIONS FROM THE SURVEY OF RESIDENT REPRESENTATIVES<sup>10</sup>

### A. Experience in the Country Where They Held Their Longest Tenure as Resident Representative

44. **Resident representatives were asked about the frequency in which, in a typical month, authorities contacted them for advice** either on strategic policy issues or on the specific implementation of policies. Nearly 60 percent responded that they were contacted more than twice a month.

45. **Half of the respondents answered that they were never asked to participate in regular internal policy deliberations within the government.** Moreover, 40 percent of the resident representatives said they were never included in confidential/sensitive policy discussions within the government, and 60 percent said they were never included in direct negotiations between authorities and other international organizations/aid agencies/external lenders. Considering this last example, the contrast is even stronger in the case of resident representatives working in emerging economies, where about 75 percent said they were never included.

46. **While resident representatives felt that the impact of their outreach activities on their role as trusted advisor was positive or slightly positive** (about 70 percent of the respondents), they also said that in most cases authorities remained neutral regarding the resident representatives' outreach activities towards different stakeholders (the country's highest authority, Parliament, the press, civil society, donors/lenders), neither encouraging or discouraging them from explaining economic policy issues to these stakeholders.

47. **Echoing the concerns of mission chiefs, resident representatives said that their ability to be trusted advisors was hindered by authorities' negative perceptions of the IMF.** Their responses showed that "negative past experiences with the IMF," the "perception that IMF advice reflects the interests of its larger shareholders," and the "perception that the Fund's advice is guided by the "Washington Consensus" were important factors in adversely influencing their role as trusted advisors. Slightly less than half the respondents considered each of these factors as very important or somewhat important in adversely influencing their role as trusted advisors.

### B. Overall Experience as a Resident Representative Since 2005

48. **Looking at the position of the resident representative vis-à-vis IMF headquarters, half of the respondents felt they had limited influence in changing headquarters' policy views on "their" countries.** About 75 percent of the respondents felt that having more autonomy or delegated authority to the resident representatives would

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<sup>10</sup> See Appendix 3 for full survey data.

improve their capacity to act as trusted advisors. Half of the respondents felt that present incentives/practices tended to tilt the balance against the role of trusted advisor (relative to the truth-teller role) and one-third felt the lack of clarity between the role of the resident representative and the mission chief undermined their ability to perform a trusted advisor role.

49. **In their own view, the evolution of the Fund’s publication/transparency policy and the emphasis on increased outreach had had mostly a positive or no impact on the resident representative’s role as trusted advisor.** However, resident representatives felt that authorities still had concerns about disclosure of sensitive information to the Executive Board (20 percent of respondents said it affected their role as trusted advisor somewhat negatively) and to donors/other stakeholders (30 percent said it impacted their role as trusted advisor either somewhat negatively or very negatively).

50. **Overall, resident representatives felt there was potential for improvement in their relationship with authorities.** Almost two-thirds of the respondents believed that authorities could have made better use of their potential as trusted advisors.

### C. The Aftermath of the Crisis

51. **Resident representatives believe that the global financial crisis has increased the willingness of authorities to seek advice from the Fund (about 90 percent of respondents in agreement), but that it also increased the authorities’ expectations.** Country counterparts now expected the Fund to be more knowledgeable about global trends and risks that may affect their country.

52. **Resident representatives were asked whether, because of the crisis, authorities had invited them more frequently to participate in confidential policy discussions.** The answers seemed to depend heavily on the seniority of the respondent: Positive answers were received in 30, 50, and 65 percent of cases from staff at the A13/A14, A15, and B levels, respectively.

53. **The resident representatives also confirmed the point made by authorities and mission chiefs about the positive trend in authorities’ satisfaction.** Almost 85 percent of the resident representatives agreed that authorities perceive the Fund as more flexible/responsive to their needs than they did prior to the crisis.

### D. Looking Forward

54. **Among the different options offered by the survey to improve the role of the Fund as a trusted advisor, resident representatives designated “adding a RR’s office for the country if none exists; or expanding its size if one already exists” as the measure that would have the most beneficial impact.** This answer was followed by “increasing the

availability of technical assistance” and “expanding resources for papers/workshops/seminars in countries.”

55. **The survey also asked resident representatives which measures would bring important, small, or no payoffs in improving the policy dialogue with authorities, thus including a sense of benefits relative to the cost of implementing the measures.** Similarly to mission chiefs, they gave the highest marks to measures such as “recognizing the social and political implications of the advice by offering a wider set of ‘feasible second best’ alternatives” and “incorporating other country experiences in the advice more often” (about 80 percent of respondents said these measures would have important payoffs). The suggestion to change incentives to reward staff for emphasizing “brainstorming” and informal modalities of policy discussions was also seen as important, with almost half of the respondents indicating it would have an important payoff.

## Appendix 1. Results of the Country Authorities Survey

Distribution of answer in percentage			By income level						By region					G20 or non G20 1/		IMF program? 2/	
			Overall	LA	OA	LE	OE	LIC	AFR	APD	EUR	MCD	WHD	G20	Non G20	No	Yes
Number of responses			187	14	39	22	60	52	36	33	60	27	31	30	157	113	74
Participation rate			52.2%	100%	72.2%	57.9%	48.4%	40.6%	46.2%	50.8%	65.2%	43.5%	48.4%	78.9%	49.1%	53.6%	50.3%
<b>Section 1 - Seeking the IMF's Advice</b>																	
1. In a typical year, how often do you contact the following staff to seek their views and advice? Please remember that these are contacts you made on your own initiative.	a. Management (Managing Director, Deputy Managing Directors)	Never	51	36	68	45	52	43	35	65	50	52	53	50	51	61	34
		Less than 3 times	43	36	30	45	43	55	61	32	43	43	33	32	45	33	60
		3 times or more	7	29	3	10	6	2	3	3	7	4	13	18	4	7	6
	b. Department Directors or Deputy Directors	Never	37	29	54	43	30	32	25	61	33	20	47	50	51	50	15
		Less than 3 times	44	36	32	43	50	49	53	29	47	60	30	32	45	32	63
		3 times or more	19	36	14	14	20	19	22	10	20	20	23	18	4	18	22
	c. Mission Chiefs	Never	17	36	30	32	5	8	3	28	18	7	26	40	12	25	3
		Less than 3 times	33	29	43	27	35	27	26	44	39	33	19	30	34	41	21
		3 times or more	50	36	27	41	60	65	71	28	43	59	55	30	54	34	76
	d. Other IMF Staff (e.g. country desk economists, economists in technical departments)	Never	19	21	31	18	16	12	6	22	24	8	29	27	17	24	10
		Less than 3 times	27	21	36	27	23	25	14	38	29	38	16	20	28	30	21
		3 times or more	55	57	33	55	61	63	81	41	47	54	55	53	55	46	69
2. What has prompted you to seek advice from the IMF in the past? (Mark all that apply)	a. Major problem (crisis/shock) in the country		40	18	17	11	45	62	56	24	36	56	26	13	45	19	68
	b. International spillovers and assessment of risks		44	36	38	28	51	47	50	24	48	48	48	26	47	38	52
	c. Desire to know about experiences in other countries		63	36	46	78	72	64	66	59	57	74	65	57	65	63	65
	d. Plans for significant changes in existing policies and/or their implementation		51	36	21	39	58	66	81	28	40	63	43	35	54	42	63
	e. Need for expertise on institutional areas (e.g. fiscal rules, regulations/supervision, financial sector etc.)		73	18	50	67	85	85	91	62	55	81	83	43	78	64	85
	f. We did not seek advice		7	27	17	11	0	2	0	10	12	4	4	17	5	11	0
	g. Other reasons, please specify																
3. How much do you agree with the following statements regarding your experience seeking advice?	a. When we have had questions or issues, it has been clear whom we should contact	Strongly agree	30	63	20	24	23	40	47	8	34	19	36	37	29	19	44
		Agree	66	38	68	65	77	60	53	76	64	81	64	47	69	75	56
		Disagree	3	0	12	12	0	0	0	16	2	0	0	16	2	6	0
		Strongly disagree	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	b. We are satisfied with the level of seniority / experience of the IMF staff from whom we have received advice	Strongly agree	29	63	16	12	27	38	38	16	27	31	32	32	28	19	41
		Agree	68	38	84	76	69	62	59	80	73	65	64	58	70	78	57
		Disagree	2	0	0	6	4	0	3	4	0	4	0	5	2	2	1
		Strongly disagree	1	0	0	6	0	0	0	0	0	5	5	0	1	0	
4. When we have sought advice, it has been mostly of:	a. A technical or informational nature		22	25	29	31	26	11	6	36	26	23	39	20	31	12	
	b. A policy or strategic nature		7	25	21	0	0	9	0	12	19	0	0	11	7	10	4
	c. A mix of the technical/informational and policy/strategic nature		70	50	50	69	74	81	94	52	55	77	77	50	73	59	84
5. Would you be willing to seek advice from the IMF on the following areas? (% of respondents who are willing)	a. Public expenditure / Taxation		73	36	62	67	78	88	93	74	56	95	66	44	78	66	84
	b. Capital flows and external current account issues		75	50	59	76	84	85	87	76	59	96	73	52	80	71	82
	c. Exchange rate policy		65	31	40	61	75	85	88	74	41	95	57	33	72	56	80
	d. Public and/or external debt		77	45	71	78	75	91	90	87	67	88	66	56	81	71	86
	e. Monetary policy / Inflation		71	38	42	68	83	89	90	71	48	100	66	37	77	61	86
	f. Banking sector / Financial markets		85	50	82	95	87	92	94	83	80	92	81	64	89	80	92
	g. Price policy / Subsidies / Social safety nets		65	27	58	53	69	81	94	68	47	80	55	33	71	60	73

Distribution of answer in percentage			By income level						By region					G20 or non G20 1/		IMF program? 2/	
			Overall	LA	OA	LE	OE	LIC	AFR	APD	EUR	MCD	WHD	G20	Non G20	No	Yes
Number of responses			187	14	39	22	60	52	36	33	60	27	31	30	157	113	74
Participation rate			52.2%	100%	72.2%	57.9%	48.4%	40.6%	46.2%	50.8%	65.2%	43.5%	48.4%	78.9%	49.1%	53.6%	50.3%
6. How much did the following factors matter in your decision not to seek the IMF's advice?	a. Sufficient local expertise	Mattered greatly	52	85	64	67	36	43	39	69	40	48	70	48	58	41	
		Mattered somewhat	31	8	27	29	44	26	33	32	23	45	31	22	33	27	37
		Did not matter much	13	0	6	5	12	29	17	25	6	5	17	4	15	10	19
	b. Preference for other international institutions or consultants rather than the IMF	Did not matter at all	4	8	3	0	8	2	7	4	2	10	3	4	5	5	3
		Mattered greatly	3	0	3	5	4	2	3	0	4	5	3	0	4	2	5
		Mattered somewhat	30	0	18	38	40	31	50	30	15	20	41	23	31	27	34
	c. Concerns that advice sought informally may be subject to conditionality in an IMF program	Did not matter much	33	33	41	38	28	29	23	30	51	25	17	31	33	32	34
		Did not matter at all	35	67	38	19	28	38	23	41	30	50	38	46	32	39	27
		Mattered greatly	5	0	3	5	4	10	7	4	4	5	7	4	5	4	7
	d. Negative experiences with the IMF in the past	Mattered somewhat	17	0	13	19	22	17	21	22	8	25	17	12	18	15	19
		Did not matter much	22	0	13	24	24	32	21	30	18	30	17	12	24	18	28
		Did not matter at all	56	100	72	52	50	41	52	44	71	40	59	73	53	63	46
	e. Concerns about the political stigma associated with working with the IMF	Mattered greatly	5	8	0	14	2	5	0	7	2	0	14	11	3	6	2
		Mattered somewhat	10	0	10	24	8	10	14	25	2	5	10	19	9	13	5
		Did not matter much	28	8	20	38	33	29	28	25	33	37	17	19	30	27	30
	f. Perception that the IMF's advice reflects the interests of its larger shareholders	Did not matter at all	57	85	70	24	57	56	59	43	63	58	59	52	58	54	63
		Mattered greatly	3	0	0	14	4	0	0	4	2	0	10	8	2	4	2
		Mattered somewhat	18	0	13	38	18	17	14	26	16	24	14	19	18	21	12
g. Perception of unequal treatment of countries by the IMF	Did not matter much	23	0	17	29	27	27	24	33	27	24	7	12	26	17	33	
	Did not matter at all	55	100	70	19	51	56	62	37	55	52	69	62	54	57	53	
	Mattered greatly	6	0	0	19	4	7	7	7	0	0	17	8	5	8	2	
h. Perception that the IMF had a one-size-fits-all approach that was not appropriate for our country	Mattered somewhat	14	0	19	29	16	5	10	26	10	20	10	12	15	16	11	
	Did not matter much	27	8	19	33	30	32	34	30	29	25	14	27	27	26	28	
	Did not matter at all	53	92	63	19	50	56	48	37	61	55	59	54	53	49	60	
i. Perception that the IMF lacked sufficient country knowledge (e.g. on institutions, political constraints, etc.)	Mattered greatly	5	0	0	14	8	2	10	7	2	0	7	4	5	5	5	
	Mattered somewhat	13	0	16	33	8	10	0	15	12	15	24	15	12	17	5	
	Did not matter much	30	8	25	29	38	32	34	37	33	35	10	27	31	30	28	
j. Concerns about confidentiality on sensitive topics	Did not matter at all	52	92	59	24	46	56	55	41	53	50	59	54	52	46	61	
	Mattered greatly	14	8	10	33	10	15	10	29	6	10	21	19	13	17	9	
	Mattered somewhat	31	8	33	57	38	15	17	36	33	35	34	33	30	34	26	
k. Other, please specify	Did not matter much	29	23	27	10	30	41	45	18	35	25	17	15	32	23	39	
	Did not matter at all	26	62	30	0	22	29	28	18	27	30	28	33	24	26	26	
	Mattered greatly	8	8	17	19	2	5	7	21	6	0	7	11	8	9	7	
7. How much do you agree or disagree with the following statements regarding Article IV consultations/UFR missions?	Mattered somewhat	28	23	33	71	18	17	17	39	29	25	31	48	24	37	14	
	Did not matter much	31	23	17	5	46	39	41	18	37	30	24	15	34	26	40	
	Did not matter at all	32	46	33	5	34	39	34	21	29	45	38	26	34	29	39	
a. Missions clearly explain the rationale for their advice	Mattered greatly	6	15	9	10	4	3	3	22	4	0	3	11	5	9	2	
	Mattered somewhat	19	0	31	48	14	8	3	37	24	20	10	30	17	24	11	
	Did not matter much	25	8	13	29	32	30	31	22	18	35	28	19	26	27	21	
b. Missions adequately present policy alternatives and options	Did not matter at all	49	77	47	14	50	60	62	19	55	45	59	41	51	40	66	
	Strongly agree	34	57	24	9	41	38	40	28	37	30	32	33	34	32	38	
	Agree	62	43	76	82	55	56	57	72	61	70	52	60	63	63	61	
c. Missions listen to country authorities' perspectives	Disagree	3	0	0	5	2	6	3	0	0	0	13	3	3	4	1	
	Strongly disagree	1	0	0	5	2	0	0	0	2	0	3	3	1	2	0	
	Strongly agree	17	21	11	5	16	27	24	16	11	19	23	10	19	13	25	
d. Missions provide an atmosphere suitable for a candid dialogue	Agree	68	50	81	64	73	61	65	66	76	74	55	57	70	69	67	
	Disagree	13	29	8	23	11	10	9	19	13	7	16	27	10	16	7	
	Strongly disagree	2	0	0	9	0	2	3	0	0	0	6	7	1	2	1	
e. Missions provide an atmosphere suitable for a candid dialogue	Strongly agree	28	50	29	14	30	25	26	19	30	30	35	30	28	29	27	
	Agree	65	50	68	73	63	65	63	78	65	70	48	57	66	65	65	
	Disagree	5	0	3	9	7	4	9	3	5	0	6	10	4	4	7	
f. Missions provide an atmosphere suitable for a candid dialogue	Strongly disagree	2	0	0	5	0	6	3	0	0	0	10	3	2	3	1	
	Strongly agree	34	79	26	23	29	37	34	28	33	33	39	47	31	34	32	
	Agree	62	21	74	64	66	58	60	72	65	67	42	47	64	60	63	
g. Missions provide an atmosphere suitable for a candid dialogue	Disagree	2	0	0	5	5	0	3	0	2	0	6	0	3	2	3	
	Strongly disagree	3	0	0	9	0	6	3	0	0	0	13	7	2	4	1	

Distribution of answer in percentage			By income level						By region					G20 or non G20/		IMF program? 2/	
			Overall	LA	OA	LE	OE	LIC	AFR	APD	EUR	MCD	WHD	G20	Non G20	No	Yes
<b>Number of responses</b>			187	14	39	22	60	52	36	33	60	27	31	30	157	113	74
<b>Participation rate</b>			52.2%	100%	72.2%	57.9%	48.4%	40.6%	46.2%	50.8%	65.2%	43.5%	48.4%	78.9%	49.1%	53.6%	50.3%
7. How much do you agree or disagree with the following statements regarding Article IV consultations/UFR missions? (cont'd)	e. Missions take into account social and political implications	Strongly agree	8	8	5	0	11	10	9	6	5	7	13	3	9	6	10
		Agree	67	85	84	55	64	60	60	75	75	81	42	62	68	68	66
		Disagree	19	8	11	36	21	19	17	19	18	11	32	28	18	21	17
		Strongly disagree	6	0	0	9	4	12	14	0	2	0	13	7	5	5	7
	f. Missions are more focused on data updating/forecasting than on policy discussions	Strongly agree	4	0	3	9	0	10	6	3	2	8	6	3	5	3	7
		Agree	20	0	13	27	20	27	15	35	14	31	13	10	22	19	22
		Disagree	65	69	76	59	67	55	68	58	74	58	58	69	64	65	65
	g. Missions do not contribute anything new (they just repeat the IMF's standard prescription)	Strongly disagree	11	31	8	5	13	8	12	3	11	4	23	17	9	14	5.80
		Strongly agree	4	0	0	14	4	6	3	3	0	4	16	7	4	6	1
		Agree	21	14	19	36	21	18	17	35	21	19	13	30	19	22	20
		Disagree	59	64	76	32	55	61	54	52	71	67	42	47	61	59	59
	8. How much do you agree or disagree with the following statements regarding the ability of IMF mission teams to promote a constructive dialogue in the context of Article IV consultations/UFR missions?	a. Mission chiefs lack sufficient policy experience	Strongly disagree	15	21	5	18	20	16	26	10	7	11	29	17	15	13
Strongly agree			2	0	0	5	4	0	0	0	0	0	10	0	2	2	1
Agree			7	14	3	18	9	2	0	6	7	11	13	20	5	11	1
Disagree			65	43	79	73	67	55	53	81	67	63	58	60	66	68	59
b. Missions lack country specific knowledge		Strongly disagree	26	43	18	5	21	43	47	13	26	26	19	20	28	19	38
		Strongly agree	4	7	3	14	0	6	3	6	0	0	16	13	3	5	3
		Agree	23	14	11	41	26	24	21	34	21	11	29	23	23	27	17
		Disagree	60	64	79	45	53	58	64	53	67	70	39	57	60	58	63
c. Missions are typically in a rush		Strongly disagree	13	14	8	0	21	12	12	6	12	19	16	7	14	10	17
		Strongly agree	3	0	5	0	0	6	3	3	2	0	6	3	3	3	3
		Agree	17	21	16	18	18	16	6	16	22	22	16	20	17	17	17
		Disagree	66	71	71	82	61	60	58	81	66	67	61	73	65	68	63
d. Missions are not willing to discuss new issues raised by the authorities		Strongly disagree	14	7	8	0	21	18	33	0	10	11	16	3	16	12	17
		Strongly agree	2	0	0	5	0	6	3	0	0	0	10	3	2	3	1
		Agree	8	14	11	14	2	10	6	6	11	0	16	17	7	7	10
		Disagree	69	64	76	68	71	62	64	84	72	78	45	67	69	72	64
e. Rapid turnover of mission chief or team members does not allow time to build trust		Strongly disagree	21	21	13	14	27	22	27	9	18	22	29	13	22	18	24
		Strongly agree	6	0	3	14	11	2	9	6	2	7	10	0	7	6	6
		Agree	34	15	34	27	40	34	42	25	39	11	45	24	36	39	26
		Disagree	51	69	61	55	42	48	30	63	51	74	42	69	48	50	53
f. When changes of mission chief or team member occur, the handover of knowledge about our country is inadequate		Strongly disagree	9	15	3	5	7	16	18	6	9	7	3	7	9	5	16
		Strongly agree	8	0	3	14	12	6	12	6	4	4	16	3	9	8	7
		Agree	33	23	36	36	32	32	33	38	36	26	26	24	34	36	27
		Disagree	52	62	58	45	51	50	39	53	56	59	52	66	50	51	54
g. More frequent staff visits / informal contact would be welcome	Strongly disagree	7	15	3	5	5	12	15	3	4	11	6	7	7	5	11	
	Strongly agree	12	21	0	9	9	22	15	16	5	15	13	13	11	10	14	
	Agree	40	14	47	27	39	51	45	52	28	65	26	23	44	39	43	
	Disagree	40	57	50	55	42	18	30	29	60	19	42	57	36	44	33	
9. The presence of a program supported by UFR (and the associated conditionality) may inhibit the candor of the dialogue. How much do you agree or disagree with the following statements regarding UFR missions in your country since 2005?	a. UFR missions tend to be driven by their own agenda and are not sufficiently flexible to discuss policy alternatives /δ	Strongly disagree	8	7	3	9	11	8	9	3	7	0	19	7	8	7	9
		Strongly agree	6	0	0	0	3	11	9	0	0	0	19	0	6	18	2
		Agree	36	0	20	38	31	43	35	63	36	36	25	0	35	36	36
		Disagree	53	0	80	63	56	43	43	38	59	64	56	0	53	45	55
	b. Country officials are reluctant to raise topics that may subsequently be incorporated into UFR program conditionality /δ	Strongly disagree	5	0	0	0	9	3	13	0	5	0	0	0	5	0	7
		Strongly agree	1	0	0	0	3	0	0	0	0	0	6	0	1	5	0
		Agree	34	0	20	13	25	49	39	25	18	36	50	0	34	45	29
		Disagree	55	0	80	88	59	40	35	75	82	55	38	0	55	41	60
	Strongly disagree	Strongly disagree	10	0	0	0	13	11	26	0	0	9	6	0	10	9	10

Distribution of answer in percentage			By income level						By region					G20 or non G20 1/		IMF program? 2/	
			Overall	LA	OA	LE	OE	LIC	AFR	APD	EUR	MCD	WHD	G20	Non G20	No	Yes
10. Did your country have a TA missions since 2005?	Yes		71	7	26	86	93	90	94	63	48	85	81	41	76	55	96
<i>Number of potential respondents for this section</i>			<i>134</i>	<i>1</i>	<i>11</i>	<i>19</i>	<i>56</i>	<i>47</i>	<i>34</i>	<i>22</i>	<i>30</i>	<i>23</i>	<i>25</i>	<i>13</i>	<i>121</i>	<i>63</i>	<i>71</i>
11. For TA missions, in comparison with Article IV or UFR missions, how much do you agree or disagree with the following statements?	a. TA mission's analysis and recommendations in policy formulation are more useful	Strongly agree	17	0	0	6	21	19	27	10	11	17	16	8	18	10	23
		Agree	67	0	90	78	56	72	67	75	59	74	64	58	68	75	61
		Disagree	14	0	10	17	21	6	3	15	30	9	16	33	12	14	14
	b. TA missions allow for more time to meet with authorities and seek their feedback on findings and recommendations	Strongly disagree	2	0	0	0	2	2	3	0	0	0	4	0	2	2	1
		Strongly agree	21	0	0	6	23	28	33	16	11	26	16	8	22	14	28
		Agree	68	0	90	89	58	68	58	80	67	70	72	83	66	71	65
	c. TA missions provide better environment for an informal exchange of views	Disagree	11	0	10	6	19	4	9	5	22	4	12	8	11	15	7
		Strongly disagree	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Strongly agree	20	0	0	11	23	23	30	15	11	26	16	8	22	10	29
	Agree	70	0	80	83	62	72	64	80	67	70	72	83	68	80	61	
	Disagree	9	0	20	6	13	2	3	5	22	4	8	8	9	8	9	
	Strongly disagree	2	0	0	0	2	2	3	0	0	0	4	0	2	2	1	
12. Did your country have an FSAP missions since 2005?	Yes		70	79	63	62	75	69	83	45	76	70	67	72	69	65	78
<i>Number of potential respondents for this section</i>			<i>133</i>	<i>11</i>	<i>26</i>	<i>14</i>	<i>46</i>	<i>36</i>	<i>30</i>	<i>16</i>	<i>47</i>	<i>19</i>	<i>21</i>	<i>22</i>	<i>111</i>	<i>74</i>	<i>59</i>
13. Considering FSAP missions, how much do you agree or disagree with the following statements?	a. FSAP missions adequately incorporate country specific / institutional features in the analysis	Strongly agree	14	9	4	0	17	23	21	0	5	21	26	5	16	12	17
		Agree	77	82	83	83	79	69	79	92	81	79	53	80	77	75	80
		Disagree	9	9	13	17	5	9	0	8	14	0	21	15	8	13	4
	b. FSAP missions are open to a candid exchange of views when differences in opinions arise	Strongly disagree	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Strongly agree	18	20	4	0	20	31	34	0	5	17	37	11	20	16	20
		Agree	75	70	91	92	76	60	66	100	84	83	47	79	75	76	74
	c. FSAP missions, given the sensitivity of issues covered, handle confidentiality adequately	Disagree	5	10	4	8	5	3	0	0	12	0	5	11	4	4	6
		Strongly disagree	2	0	0	0	0	6	0	0	0	0	11	0	2	3	0
		Strongly agree	21	20	17	0	24	29	25	17	14	21	37	16	23	19	25
	d. FSAP mission teams encourage an early dialogue and involvement of the authorities in the FSAP process	Agree	77	70	83	100	76	68	75	83	84	74	63	79	76	79	74
		Disagree	2	10	0	0	0	3	0	0	2	5	0	5	1	1	2
		Strongly disagree	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Strongly agree	16	27	13	0	15	23	21	15	14	17	16	15	17	13	20	
	Agree	75	64	70	92	80	71	79	85	70	83	68	75	75	74	78	
	Disagree	8	9	17	8	5	6	0	0	16	0	16	10	8	13	2	
Strongly disagree	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
<b>Section 3 - The Aftermath of the Crisis</b>																	
<i>Number of potential respondents for this section</i>			<i>187</i>	<i>14</i>	<i>39</i>	<i>22</i>	<i>60</i>	<i>52</i>	<i>36</i>	<i>33</i>	<i>60</i>	<i>27</i>	<i>31</i>	<i>30</i>	<i>157</i>	<i>113</i>	<i>74</i>
14. How much do you agree or disagree with the following statements regarding how the IMF has changed since the onset of the financial crisis?	a. The IMF has become more open to different points of view	Strongly agree	13	15	3	10	14	19	17	3	7	19	23	11	13	7	21
		Agree	80	77	84	90	83	71	72	90	84	81	71	82	80	83	75
		Disagree	7	8	14	0	3	8	8	6	9	0	6	7	7	9	3
	b. The IMF has become more flexible in its approach to programs	Strongly disagree	1	0	0	0	0	2	3	0	0	0	0	0	1	0	1
		Strongly agree	9	14	3	10	10	12	8	10	5	7	19	10	9	5	17
		Agree	80	86	86	81	78	75	75	81	84	93	65	79	80	85	72
	c. The IMF has become more evenhanded in its treatment of countries	Disagree	10	0	11	5	12	12	14	10	11	0	13	7	10	10	10
		Strongly disagree	1	0	0	5	0	2	3	0	0	0	3	3	1	1	1
		Strongly agree	4	8	0	5	5	4	3	10	2	4	3	4	4	3	6
	Agree	65	58	68	57	70	60	64	63	64	81	55	52	67	64	66	
	Disagree	25	33	32	24	19	25	18	27	35	15	23	33	24	27	22	
	Strongly disagree	6	0	0	14	5	10	15	0	0	0	19	11	5	7	6	
15. Has the quality of the IMF's advice changed in each of the following areas since the onset of the crisis?	a. Fiscal policy / Debt sustainability	Improved	52	54	43	45	45	67	64	66	38	54	48	54	51	42	67
		No Change	45	31	51	50	53	33	36	34	53	46	48	36	47	52	33
		Deteriorated	3	15	5	5	2	0	0	0	0	9	0	3	11	2	0
	b. Exchange rate policy	Improved	24	14	16	11	28	35	38	31	14	35	13	14	26	15	38
		No Change	73	79	84	84	70	61	63	69	84	65	73	79	72	80	62
		Deteriorated	3	7	0	5	2	4	0	0	2	0	13	7	2	5	0

Distribution of answer in percentage			By income level						By region					G20 or non G20/		IMF program? 2/	
			Overall	LA	OA	LE	OE	LIC	AFR	APD	EUR	MCD	WHD	G20	Non G20	No	Yes
15. Has the quality of the IMF's advice changed in each of the following areas since the onset of the crisis? (Cont'd)	c. Monetary policy / Inflation	Improved	32	21	14	21	34	50	47	38	18	46	23	18	34	18	53
		No Change	64	64	84	68	64	48	50	62	76	50	71	68	63	76	46
		Deteriorated	4	14	3	11	2	2	3	0	5	4	6	14	2	6	1
	d. Capital account	Improved	49	46	47	74	47	43	36	57	46	60	50	63	46	50	47
		No Change	50	46	53	21	53	57	64	39	54	40	47	30	54	48	53
		Deteriorated	1	8	0	5	0	0	0	4	0	0	3	7	0	2	0
	e. Banking sector / Financial markets	Improved	69	86	79	55	67	65	68	73	77	59	61	79	67	65	76
		No Change	30	14	18	45	33	35	32	27	21	41	39	21	32	34	24
		Deteriorated	1	0	3	0	0	0	0	0	2	0	0	0	1	1	0
	f. Macrofinancial linkages	Improved	71	93	74	70	65	69	77	80	70	65	61	83	68	70	72
		No Change	29	7	26	25	35	31	23	20	30	35	35	14	32	29	28
	g. International spillover effects	Deteriorated	1	0	0	5	0	0	0	0	0	0	3	3	0	1	0
Improved		69	85	71	65	64	70	71	86	68	48	67	79	67	70	66	
No Change		28	15	29	25	33	28	19	14	32	52	27	14	31	27	31	
Deteriorated	3	0	0	10	4	2	10	0	0	0	7	7	2	3	3		
<b>Number of potential respondents for this section</b>			<b>187</b>	<b>14</b>	<b>39</b>	<b>22</b>	<b>60</b>	<b>52</b>	<b>36</b>	<b>33</b>	<b>60</b>	<b>27</b>	<b>31</b>	<b>30</b>	<b>157</b>	<b>113</b>	<b>74</b>
16. Since the onset of the crisis, how has the performance of the IMF as an interlocutor changed on the following areas?	a. Capital flows and controls	Improved	62	69	72	84	57	47	56	79	59	50	66	81	58	69	49
		No Change	37	23	28	11	41	53	41	18	41	50	31	11	42	29	49
		Deteriorated	2	8	0	5	2	0	3	4	0	0	3	7	1	2	2
	b. Fiscal stimulus and debt sustainability	Improved	57	54	57	47	55	66	60	75	45	62	57	52	59	51	68
		No Change	40	46	35	53	42	34	37	21	49	38	43	48	38	45	31
	Deteriorated	3	0	8	0	4	0	3	4	5	0	0	0	3	4	1	
	c. Prudential and supervisory issues in the financial / banking system	Improved	72	62	63	68	64	72	78	54	68	59	69	63	67	60	77
		No Change	28	38	37	32	36	28	22	46	32	41	31	37	33	40	23
	Deteriorated	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	d. Monetary policy / Global liquidity	Improved	44	31	33	16	48	60	64	39	37	54	28	22	48	33	61
		No Change	53	62	64	68	52	38	33	57	61	46	62	63	51	63	38
		Deteriorated	4	8	3	16	0	2	3	4	2	0	10	15	1	5	2
e. Risks from the international economy	Improved	71	69	79	60	69	71	75	75	74	56	69	67	72	72	69	
	No Change	26	31	18	35	27	27	16	25	25	44	28	30	26	26	26	
	Deteriorated	3	0	3	5	4	2	9	0	2	0	3	4	3	2	5	
f. Global imbalances	Improved	59	54	55	45	65	62	75	54	61	64	38	44	62	57	63	
	No Change	37	38	42	45	31	36	16	43	37	36	55	44	35	40	32	
	Deteriorated	4	8	3	10	4	2	9	4	2	0	7	11	3	4	5	
<b>Section 4 - The Role of IMF Resident Representatives</b>																	
17. Has your country had a resident representative (RR) at any time since 2005?	Yes	56	15	24	76	54	84	69	62	41	65	53	48	57	39	82	
<b>Number of potential respondents for this section</b>			<b>108</b>	<b>3</b>	<b>10</b>	<b>17</b>	<b>34</b>	<b>44</b>	<b>25</b>	<b>22</b>	<b>26</b>	<b>18</b>	<b>17</b>	<b>15</b>	<b>93</b>	<b>47</b>	<b>61</b>
18. In a typical year, how often do you?	a. Use the RR's services to convey messages to IMF HQ	Often	55	0	33	44	39	79	79	40	38	65	56	43	57	40	67
		Sometimes	34	0	56	50	42	19	17	50	50	29	19	29	34	44	26
		Rarely	9	0	11	6	16	0	0	10	13	6	19	29	6	14	5
	Never	2	0	0	0	3	2	4	0	0	0	6	0	2	2	2	
	b. Ask the RR to obtain information from HQ	Often	39	0	22	31	26	58	48	40	21	47	44	21	42	23	51
		Sometimes	43	0	67	50	45	35	40	50	50	35	38	50	42	56	34
		Rarely	15	0	11	19	26	5	8	10	25	18	13	21	14	16	14
	Never	3	0	0	0	3	2	4	0	4	0	6	7	2	5	2	
	c. Approach the RR for policy advice	Often	28	0	0	6	19	49	44	15	13	35	38	7	32	12	41
		Sometimes	38	0	44	44	35	40	40	60	25	41	25	29	40	42	36
		Rarely	17	0	22	19	26	9	12	10	29	18	13	14	17	19	15
	Never	17	0	33	31	19	2	4	15	33	6	25	50	11	28	8	
d. Include the RR in confidential policy discussions	Often	21	0	0	19	13	31	28	10	17	31	19	21	21	14	26	
	Sometimes	34	0	33	6	39	43	40	25	29	31	44	0	39	26	34	
	Rarely	27	0	22	38	35	17	24	30	38	25	13	36	25	28	27	
Never	19	0	44	38	13	10	8	35	17	13	25	43	15	33	19		
19. How much do you agree or disagree with the following statements regarding your experiences with Resident Representatives (RR)?	a. RRs are viewed as trusted advisors	Strongly agree	22	0	0	0	19	35	36	11	21	24	13	8	24	12	29
		Agree	63	0	67	81	58	63	60	79	54	65	63	54	65	67	61
		Disagree	11	0	22	13	19	2	4	11	17	12	13	23	9	14	8
	Strongly disagree	4	0	11	6	3	0	0	0	8	0	13	15	2	7	2	
	b. RRs lack sufficient experience	Strongly agree	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Agree	9	0	0	6	23	2	4	0	8	6	31	8	9	12	7
Disagree		70	0	100	69	65	67	56	95	75	76	50	85	68	79	64	
Strongly disagree	21	0	0	25	13	30	40	5	17	18	19	8	23	10	29		

Distribution of answer in percentage			By income level						By region					G20 or non G20 1/		IMF program? 2/	
			Overall	LA	OA	LE	OE	LIC	AFR	APD	EUR	MCD	WHD	G20	Non G20	No	Yes
<i>Number of potential respondents for this section</i>			108	3	10	17	34	44	25	22	26	18	17	15	93	47	61
19. How much do you agree or disagree with the following statements regarding your experiences with Resident Representatives (RR)? (cont.)	c. The turnover of RRs is too high	Strongly agree	2	0	0	0	3	2	4	0	0	0	6	0	2	5	0
		Agree	9	0	11	6	13	7	4	16	13	6	6	8	9	10	9
		Disagree	80	0	78	81	77	81	80	84	74	81	81	85	79	81	79
		Strongly disagree	9	0	11	13	7	10	12	0	13	13	6	8	9	5	12
	d. RRs see their role more as an ambassador for the IMF than as an advisor	Strongly agree	3	0	0	0	3	5	13	0	0	0	0	0	4	0	5
		Agree	33	0	38	63	39	15	13	37	43	25	50	77	26	52	18
		Disagree	55	0	63	31	55	63	48	58	57	63	50	23	60	45	62
	e. RRs are good counterparts for discussing our policy ideas	Strongly disagree	9	0	0	6	3	18	26	5	0	13	0	0	11	2	15
		Strongly agree	15	0	0	6	6	29	42	5	0	12	13	0	17	5	23
		Agree	64	0	50	63	65	67	54	79	65	71	50	54	65	62	65
	f. RRs are a good source of information on economic policy issues	Disagree	19	0	50	31	26	5	4	16	30	18	31	38	16	29	12
		Strongly disagree	2	0	0	0	3	0	0	0	4	0	6	8	1	5	0
		Strongly agree	13	0	0	6	6	24	29	5	0	18	13	0	15	5	19
	g. RRs should do more outreach with stakeholders outside the government (e.g. NGOs, private sector, or the press)	Agree	67	0	78	56	68	69	54	84	71	65	63	46	70	71	64
Disagree		16	0	22	31	23	5	13	11	25	18	13	38	13	17	16	
Strongly disagree		4	0	0	6	3	2	4	0	4	0	13	15	2	7	2	
20. Based on your experience with Resident Representatives since 2005, how successful or unsuccessful have they been in their role as trusted advisors?	Strongly agree	12	0	0	10	18	22	0	8	13	13	8	12	10	13		
	Agree	52	0	44	63	42	58	65	72	25	53	47	42	53	54	50	
	Disagree	31	0	33	25	42	24	13	28	46	33	33	30	29	31		
	Strongly disagree	6	0	22	13	6	0	0	0	21	0	7	17	5	7	6	
Very successful	Very successful	22	0	22	0	13	35	32	11	21	24	19	8	24	10	31	
	Successful	60	0	44	75	61	60	56	74	50	71	56	46	63	62	59	
	Not very successful	13	0	33	25	16	2	8	16	21	6	13	38	9	21	7	
	Not successful at all	5	0	0	0	10	2	4	0	8	0	13	8	5	7	3	
<b>Section 5 - Confidentiality Concerns</b>																	
<i>Number of potential respondents for this section</i>			187	14	39	22	60	52	36	33	60	27	31	30	157	113	74
21. Have the following concerns limited your willingness to discuss or seek advice on sensitive issues from the IMF? (respondents who answered yes)	a. Disclosure to other staff or management	7	7	11	14	5	4	3	23	5	0	6	10	7	8	6	
	b. Disclosure to the IMF board	7	14	14	14	4	2	3	23	5	0	6	21	5	8	6	
	c. Disclosure to other international institutions and/or aid agencies	15	0	14	29	16	13	14	33	7	8	16	17	14	15	15	
	d. Disclosure to the general public (including guidelines under which authorities may withhold consent to the publication of a report or ask for the deletion of market sensitive materials)	29	14	25	48	28	29	23	47	24	32	26	38	27	30	27	
22. When discussing sensitive issues with the IMF country team, did you feel the need for some reassurances regarding confidentiality?	Rarely	55	64	58	33	60	55	49	39	62	74	52	48	57	55	56	
	Sometimes	36	36	34	43	34	35	43	42	36	22	32	41	35	35	37	
	Often	3	0	3	10	2	4	6	6	0	4	3	0	4	4	3	
	Most of the time	5	0	5	14	3	6	3	13	2	0	13	10	5	6	4	
23. Overall, were you satisfied as to how the IMF handled confidentiality?	a. Yes	95	100	95	85	96	96	94	93	95	96	97	89	96	95	94	
<b>Section 6 - Overall Assessment</b>																	
24. How well has the IMF balanced its role of trusted advisor to individual countries with...?	a. Fulfilling its surveillance mandate	Very well	13	21	5	0	11	24	26	14	10	7	7	11	13	9	18
		Well	78	64	89	53	86	74	69	76	84	85	72	59	81	77	79
		Not well	7	7	5	42	4	0	3	10	5	7	14	22	5	11	1
		Poorly	2	7	0	5	0	2	3	0	0	0	7	7	1	2	1
	b. Providing financial assistance	Very well	14	15	7	6	9	28	27	14	10	12	10	8	16	9	21
		Well	70	77	86	53	80	51	45	62	85	69	76	62	71	77	60
Not well		13	8	7	29	9	17	18	24	6	19	7	23	11	12	14	
Poorly	3	0	0	12	2	4	9	0	0	0	7	8	2	2	4		
25. How do the following institutions compare with the IMF as potential trusted advisors?	a. BIS	Much better than the IMF	3	10	3	6	2	3	8	4	4	0	0	8	2	4	2
		Somewhat better than the IMF	13	50	12	39	2	5	8	19	13	4	19	46	6	16	7
		Same as the IMF	64	30	70	50	72	65	68	63	56	76	65	38	69	68	58
		Somewhat worse than the IMF	17	10	15	6	20	23	12	15	25	12	15	8	19	11	28
	b. Other international institutions (e.g., World Bank, OECD, Development Banks...)	Much worse than the IMF	3	0	0	0	4	5	4	0	2	8	0	0	3	1	5
		Much better than the IMF	1	0	0	5	0	0	0	0	0	0	3	4	0	1	0
		Somewhat better than the IMF	7	0	3	20	7	6	13	7	2	4	14	12	6	6	9
		Same as the IMF	71	67	69	62	70	81	81	79	61	81	62	58	74	73	68
Somewhat worse than the IMF	Somewhat worse than the IMF	21	33	29	15	21	13	6	14	35	15	21	27	19	20	21	
	Much worse than the IMF	1	0	0	0	2	0	0	0	2	0	0	0	1	0	2	

Distribution of answer in percentage			By income level						By region					G20 or non G20 1/		IMF program? 2/	
			Overall	LA	OA	LE	OE	LIC	AFR	APD	EUR	MCD	WHD	G20	Non G20	No	Yes
Number of responses			187	14	39	22	60	52	36	33	60	27	31	30	157	113	74
Participation rate			52.2%	100%	72.2%	57.9%	48.4%	40.6%	46.2%	50.8%	65.2%	43.5%	48.4%	78.9%	49.1%	53.6%	50.3%
25. How do the following institutions compare with the IMF as potential trusted advisors? (cont.)	c. Private consultants	Much better than the IMF	2	0	0	0	4	3	7	0	2	0	0	0	2	0	5
		Somewhat better than the IMF	9	0	6	6	12	13	4	12	6	8	19	8	9	9	10
		Same as the IMF	28	8	23	35	37	25	29	28	25	38	26	21	30	28	29
		Somewhat worse than the IMF	47	42	48	53	42	50	50	48	46	50	41	33	49	47	47
		Much worse than the IMF	14	50	23	6	6	10	11	12	21	4	15	38	9	17	9
	d. Central Banks or Ministries from other countries	Much better than the IMF	6	11	0	12	4	12	10	4	0	0	22	14	5	8	5
		Somewhat better than the IMF	16	33	13	29	17	16	10	28	19	4	19	32	14	18	13
		Same as the IMF	44	33	41	29	46	44	47	36	36	68	37	27	46	42	45
		Somewhat worse than the IMF	31	22	44	24	28	31	33	24	43	28	15	18	33	27	35
Much worse than the IMF	3	0	3	6	6	3	0	8	2	0	7	9	2	4	2		
26. Do you see room for improvement in the IMF's performance as trusted advisor?	Significant room for improvement		12	14	3	35	9	14	15	23	7	7	13	29	9	15	9
	Some room for improvement		71	71	82	65	72	64	74	57	78	81	61	61	73	70	73
	Limited room for improvement		16	14	16	0	17	20	12	17	16	11	23	11	16	15	17
	No room for improvement		1	0	0	0	2	2	0	3	0	0	3	0	1	1	1
<b>Section 7 - Background Information</b>																	
27. Please indicate which of the following best describes your current position.	a. Minister/Deputy Minister or Governor/Deputy Governor of the Central Bank		30	21	11	16	40	42	30	29	21	33	47	11	34	24	39
	b. Permanent secretary, senior advisor, department director		47	50	53	63	39	46	45	32	53	56	43	54	46	45	51
	c. Other (please specify)		23	29	37	21	21	13	24	39	26	11	10	36	20	31	10
28. Please indicate for how many years you have been in the position	1 year		51	7	21	14	21	6	9	26	17	11	10	17	15	13	18
	2 years		13	7	8	24	14	14	15	6	12	11	23	13	13	15	11
	3 years		16	21	16	10	16	18	21	10	14	19	20	10	17	15	18
	4 years		12	14	11	14	5	20	15	19	5	11	17	13	12	10	15
	5 years		4	0	8	10	2	4	3	10	5	4	0	7	4	5	4
	More than 5 years		39	50	37	29	43	37	36	29	47	44	30	40	39	43	33
29. Please indicate with how many IMF missions you have interacted since 2005.	One		5	7	14	11	0	2	0	21	3	0	3	19	3	8	1
	Two to three		13	7	19	22	12	8	9	11	12	11	24	11	14	16	8
	Four or more		82	86	68	67	88	90	91	68	84	89	72	70	84	76	90

1/ The G20 group includes the 19 countries that are individually represented in the group

2/ The program/surveillance status is assigned according to the country status reported by mission chiefs using the time reporting system and as of February 1st 2012

Φ = Less than 5 observations were available, results are therefore not displayed

shaded area describes questions where the total of the answers does not add up to 100% (mostly yes/no questions where only 1 answer is displayed)

δ/ For this question, respondents were offered the option to answer *Not Applicable* (N/A). The results presented are for respondents who provided an answer (respondents who skipped the question or checked N/A are not taken into account in the frequency computation).

## Appendix 2. Results of the Mission Chief Survey

Distribution of answer in percentage			Majority of missions led			Grade 1/		Income level of country of longest tenure			
			Overall	Art. IV	UFR	TA/FSAP	A14/A15	B1 or higher	Advanced	Emerging	Low Income
<i>Number of responses</i>			257	80	64	113	151	102	22	64	58
1. Since 2005, the majority of missions you have led have been:	a. Bilateral Surveillance		31	100	0	0	23	44	86	75	22
	b. UFR		25	0	100	0	20	32	14	25	78
	c. TA/FSAP		44	0	0	100	57	24	-	-	-
<b>Section 1 - Experience in the Country Where You Held the Longest Tenure</b>											
<i>Number of potential respondents for this section</i>			144	80	64	-	65	78	22	64	58
2. How would you classify the country of your longest tenure as mission chief since 2005?	a. Large advanced economy (G7)		4	8	0	-	0	8	27	0	0
	b. Other advanced economy		11	16	5	-	12	10	73	0	0
	c. Large emerging market economy (G20)		8	13	3	-	0	15	0	19	0
	d. Other emerging market economy		36	48	22	-	38	35	0	81	0
	e. Low-income country (ECF-eligible)		40	16	70	-	49	32	0	0	100
3. During your tenure in this country, how frequently did the following officials request a private meeting to ask for your advice or to discuss a policy issue?	a. President or Prime Minister	Never	57	73	37	-	50	63	82	59	45
		Sometimes	29	21	40	-	28	29	14	32	33
		Often	14	6	24	-	22	8	5	10	22
	b. The Minister or Deputy Minister of Finance	Never	17	28	3	-	13	21	36	21	5
		Sometimes	35	38	32	-	36	35	45	35	31
		Often	48	35	65	-	52	45	18	44	64
	c. Other Senior officer at the Ministry of Finance	Never	16	23	8	-	20	13	23	19	10
		Sometimes	34	38	30	-	28	40	45	35	29
		Often	50	40	62	-	52	47	32	46	60
	d. The Governor or Deputy Governor of the Central Bank	Never	13	18	6	-	14	12	18	19	3
		Sometimes	38	46	29	-	31	45	64	37	31
		Often	49	36	65	-	55	44	18	44	66
	e. Other Senior officer at the Central Bank	Never	20	25	14	-	20	21	23	24	16
		Sometimes	34	35	32	-	34	33	36	33	33
		Often	46	40	54	-	45	46	41	43	52
4. For this country, how frequently were you in contact (phone/e-mail) with your direct counterpart in the government (the person you interact the most with during missions)?	Weekly		25	14	40	-	34	17	14	19	36
	Monthly		46	43	51	-	41	51	41	46	48
	Seldom		27	41	10	-	22	32	45	33	14
	Never		1	3	0	-	3	0	0	2	2
5. How often did the country's authorities request that the IMF's views/advice on economic policy be provided via...	a. a private note on a specific topic	Never	27	29	25	-	33	23	45	27	21
		Sometimes	56	56	56	-	52	60	50	56	59
		Often	17	15	19	-	16	17	5	17	21
	b. a selected issues paper on a specific topic	Never	36	29	44	-	38	35	18	37	41
		Sometimes	56	59	52	-	55	56	73	52	56
		Often	8	13	3	-	8	9	9	11	5
	c. a workshop or seminar on a specific topic	Never	31	38	24	-	36	28	50	30	26
		Sometimes	62	53	73	-	56	67	45	63	66
		Often	7	10	3	-	8	5	5	6	9
	d. a private meeting with senior management	Never	35	38	30	-	38	32	36	37	31
		Sometimes	55	54	56	-	53	56	50	55	57
		Often	11	8	14	-	9	12	14	8	12
	e. a technical assistance mission	Never	11	18	3	-	6	15	50	5	3
		Sometimes	48	54	40	-	44	51	45	57	38
		Often	41	29	57	-	50	33	5	38	59

Distribution of answer in percentage			Majority of missions led			Grade 1/		Income level of country of longest tenure			
			Overall	Art. IV	UFR	TA/FSAP	A14/A15	B1 or higher	Advanced	Emerging	Low Income
<i>Number of potential respondents for this section</i>			<b>144</b>	<b>80</b>	<b>64</b>	<b>113</b>	<b>65</b>	<b>78</b>	<b>22</b>	<b>64</b>	<b>58</b>
<b>6. Did the country's authorities request, remain neutral, or discourage you to explain the mission's views on the economy to...</b>	<b>a. the country's highest authority (President, Prime Minister, etc.)</b>	Requested	48	31	68	-	59	38	16	45	61
		Neutral (decision left to MC)	38	49	24	-	30	45	53	40	30
		Discouraged	14	20	8	-	11	18	32	15	9
	<b>b. Parliament</b>	Requested	31	25	38	-	30	32	23	33	32
		Neutral (decision left to MC)	57	57	57	-	62	52	59	52	61
		Discouraged	12	18	5	-	8	16	18	15	7
	<b>c. the Press</b>	Requested	34	29	40	-	39	30	27	35	35
		Neutral (decision left to MC)	50	44	57	-	50	49	45	44	58
		Discouraged	16	27	3	-	11	21	27	21	7
	<b>d. Civil Society (e.g. Unions, NGOs)</b>	Requested	24	21	27	-	29	20	32	23	21
		Neutral (decision left to MC)	71	70	71	-	68	72	59	68	77
		Discouraged	6	9	2	-	3	8	9	8	2
<b>e. Donors/Lenders</b>	Requested	37	24	52	-	43	33	6	31	53	
	Neutral (decision left to MC)	60	71	48	-	56	62	88	64	47	
	Discouraged	3	6	0	-	2	4	6	5	0	
<b>7. In your view, what were the two most important reasons that prompted the authorities to seek economic policy advice from the IMF during your tenure? (Select two answers)</b>	<b>a. Major problem (crisis/shock) in their country</b>		38	21	60	-	45	33	27	27	55
	<b>b. International spillovers and assessment of risks to their country</b>		34	45	19	-	31	36	59	37	21
	<b>c. Desire to know about experiences in other countries</b>		37	40	33	-	36	38	45	40	31
	<b>d. Plans for significant changes in existing policies and/or their implementation</b>		32	29	37	-	30	33	23	32	36
	<b>e. Need for expertise on institutional areas (e.g. fiscal rules, regulations/supervision, etc.)</b>		36	38	35	-	45	28	18	41	38
	<b>f. Political motivations (e.g., to get the Fund's support on a contentious economic issue)</b>		12	11	13	-	13	12	9	10	16
	<b>g. Authorities did not seek advice</b>		4	8	0	-	0	8	9	6	0
<b>8. In which of the following areas did the authorities seek advice from the IMF during your tenure as mission chief and what type of advice did they seek? (Mark all that apply)</b>	<b>a. Public expenditure / Taxation</b>	Advice of a policy/strategic nature	60	54	69	-	69	53	55	56	67
		Advice of a technical nature	66	56	78	-	66	65	41	67	74
	<b>b. Capital flows and/or External current account issues</b>	Advice of a policy/strategic nature	28	21	38	-	17	38	14	33	29
		Advice of a technical nature	15	11	20	-	14	17	9	14	19
	<b>c. Exchange rate policy</b>	Advice of a policy/strategic nature	44	31	59	-	45	42	18	36	62
		Advice of a technical nature	27	16	41	-	29	24	5	23	40
	<b>d. Public and/or External debt</b>	Advice of a policy/strategic nature	51	35	70	-	55	46	45	42	62
		Advice of a technical nature	47	34	63	-	45	47	23	44	59
	<b>e. Monetary policy / Inflation</b>	Advice of a policy/strategic nature	53	39	70	-	46	59	27	45	71
		Advice of a technical nature	40	26	56	-	38	41	14	36	53
	<b>f. Banking sector / Financial markets</b>	Advice of a policy/strategic nature	60	58	64	-	63	59	73	61	55
		Advice of a technical nature	63	58	70	-	68	60	59	61	67
<b>g. Price policy / Subsidies / Social safety nets</b>	Advice of a policy/strategic nature	31	19	47	-	32	31	14	23	47	
	Advice of a technical nature	26	19	36	-	32	22	5	30	31	
<b>h. Growth / Real sector issues</b>	Advice of a policy/strategic nature	48	43	55	-	46	49	36	45	55	
	Advice of a technical nature	29	26	33	-	32	26	27	19	41	

Distribution of answer in percentage			Majority of missions led			Grade 1/		Income level of country of longest tenure			
			Overall	Art. IV	UFR	TA/FSAP	A14/A15	B1 or higher	Advanced	Emerging	Low Income
<i>Number of potential respondents for this section</i>			<b>144</b>	<b>80</b>	<b>64</b>	<b>113</b>	<b>65</b>	<b>78</b>	<b>22</b>	<b>64</b>	<b>58</b>
<b>9. How much do you agree or disagree with the following statements regarding country-specific circumstances that may have influenced your interactions with the authorities?</b>	<b>a. Frequent changes among high level officials have impeded the building of trust /δ</b>	Strongly agree	5	3	7	-	2	8	0	9	2
		Somewhat agree	22	27	17	-	19	23	29	20	22
		Somewhat disagree	34	42	26	-	33	35	50	41	22
		Strongly disagree	39	28	50	-	46	34	21	30	54
	<b>b. The Central Bank has been more receptive to the Fund's advice than the ministry of Finance /δ</b>	Strongly agree	12	16	7	-	12	12	18	14	7
		Somewhat agree	36	41	30	-	33	38	59	37	25
		Somewhat disagree	37	34	42	-	40	34	14	42	42
		Strongly disagree	15	9	22	-	15	15	9	7	25
	<b>c. The country's past experiences with the IMF have resulted in a distrust of the Fund /δ</b>	Strongly agree	9	11	7	-	8	10	7	11	7
		Somewhat agree	22	21	23	-	21	22	7	31	16
		Somewhat disagree	31	28	33	-	26	35	33	23	38
		Strongly disagree	38	39	37	-	44	33	53	34	38
	<b>d. The systemic importance of the country has influenced the degree of candor in the dialogue /δ</b>	Strongly agree	4	5	3	-	5	4	8	3	4
		Somewhat agree	16	25	6	-	0	24	42	17	4
		Somewhat disagree	24	23	26	-	23	25	25	34	11
		Strongly disagree	55	48	65	-	73	47	25	46	81
	<b>e. The perception of unequal treatment of countries by the IMF has adversely influenced the relationship with authorities /δ</b>	Strongly agree	7	7	6	-	5	8	0	11	5
		Somewhat agree	22	27	18	-	18	27	0	33	20
		Somewhat disagree	24	24	24	-	28	21	44	15	27
		Strongly disagree	47	42	52	-	49	44	56	42	48
	<b>f. The perception that IMF advice reflects the interests of its larger shareholders is prevalent among authorities /δ</b>	Strongly agree	6	7	5	-	3	8	6	11	2
		Somewhat agree	40	38	41	-	36	42	28	40	43
		Somewhat disagree	24	30	17	-	26	23	44	23	19
		Strongly disagree	30	25	36	-	34	27	22	26	37
<b>g. The perception that the Fund's advice is guided by the "Washington Consensus" is prevalent among authorities /δ</b>	Strongly agree	9	12	5	-	7	11	10	11	6	
	Somewhat agree	40	42	38	-	46	36	35	39	44	
	Somewhat disagree	27	21	35	-	26	28	15	29	30	
	Strongly disagree	24	25	22	-	21	25	40	21	20	

Distribution of answer in percentage			Majority of missions led			Grade 1/		Income level of country of longest tenure				
			Overall	Art. IV	UFR	TA/FSAP	A14/A15	B1 or higher	Advanced	Emerging	Low Income	
<b>10. During your tenure as a mission chief, did this country have an FSAP or a technical assistance (TA) mission?</b>			Yes	89	84	95	-	83	94	73	92	91
<i>Number of potential respondents for this section</i>			<b>128</b>	<b>67</b>	<b>61</b>	<b>-</b>	<b>54</b>	<b>73</b>	<b>16</b>	<b>59</b>	<b>53</b>	
<b>11. Which of the following best describes the primary motivation for this country's TA/FSAP missions?</b>	<b>a. FSAP missions /6</b>	At the authorities' initiative	57	67	43	-	71	51	67	75	26	
		In response to strong urging by the IMF	41	33	52	-	29	46	33	25	68	
		As a condition for completing a UFR program	2	0	4	-	0	3	0	0	5	
	<b>b. MCM TA missions /6</b>	At the authorities' initiative	82	90	75	-	77	87	100	90	72	
		In response to strong urging by the IMF	14	7	19	-	15	13	0	7	22	
		As a condition for completing a UFR program	4	2	6	-	8	0	0	2	7	
	<b>c. FAD TA missions /6</b>	At the authorities' initiative	84	91	78	-	80	86	∅	86	80	
		In response to strong urging by the IMF	15	9	19	-	18	12	∅	12	18	
		As a condition for completing a UFR program	2	0	3	-	2	2	∅	2	2	
	<b>d. STA TA missions /6</b>	At the authorities' initiative	77	76	78	-	70	84	60	80	77	
		In response to strong urging by the IMF	20	22	20	-	25	16	40	18	21	
		As a condition for completing a UFR program	2	2	2	-	5	0	0	3	2	
<b>12. How receptive were the authorities to the recommendations / advice provided during the TA / FSAP mission?</b>			Very receptive	49	35	56	-	59	41	19	59	47
			Somewhat receptive	45	25	41	-	39	51	75	32	51
			Somewhat unreceptive	5	23	3	-	2	7	6	7	2
			Not receptive at all	1	18	0	-	0	1	0	2	0
<b>Section 2 - Overall Experience since 2005 2/</b>												
<i>Number of potential respondents for this section</i>			<b>144</b>	<b>80</b>	<b>64</b>	<b>-</b>	<b>65</b>	<b>78</b>	<b>22</b>	<b>64</b>	<b>58</b>	
<b>13. How much do you agree or disagree with the following statements regarding your experience in the field?</b>	<b>a. Pressures to reduce the duration and frequency of missions constrain the time for dialogue with the authorities</b>	Strongly agree	38	35	43	-	45	33	23	33	50	
		Somewhat agree	27	25	30	-	23	31	32	25	28	
		Somewhat disagree	20	23	17	-	16	24	32	27	9	
		Strongly disagree	14	18	10	-	16	12	14	14	14	
	<b>b. Drafting of the staff report in the field comes at the expense of additional meetings and discussions with the authorities</b>	Strongly agree	29	24	35	-	33	26	9	24	41	
		Somewhat agree	32	33	32	-	33	32	36	35	28	
		Somewhat disagree	22	23	21	-	22	22	23	29	14	
		Strongly disagree	17	21	13	-	13	21	32	13	17	
	<b>c. The dialogue would improve if more time were set aside for informal brainstorming sessions / discussions during the mission</b>	Strongly agree	18	14	22	-	16	20	14	16	21	
		Somewhat agree	48	47	49	-	48	47	29	48	55	
		Somewhat disagree	26	32	19	-	28	25	48	26	19	
		Strongly disagree	8	6	10	-	8	8	10	10	5	

Distribution of answer in percentage			Overall	Majority of missions led			Grade 1/		Income level of country of longest tenure		
				Art. IV	UFR	TA/FSAP	A14/A15	B1 or higher	Advanced	Emerging	Low Income
<i>Number of potential respondents for this section</i>			<b>144</b>	<b>80</b>	<b>64</b>	<b>113</b>	<b>65</b>	<b>78</b>	<b>22</b>	<b>64</b>	<b>58</b>
<b>13. How much do you agree or disagree with the following statements regarding your experience in the field? (cont.)</b>	<b>d. The mission's effectiveness would improve if there were more opportunities for informal social interactions with senior officials</b>	Strongly agree	18	20	16	-	25	13	9	16	24
		Somewhat agree	44	47	40	-	36	51	36	52	38
		Somewhat disagree	28	24	33	-	28	29	41	21	31
		Strongly disagree	10	9	11	-	11	8	14	11	7
	<b>e. A large share of the mission's time in the field is devoted to data gathering or developing projections rather than substantive discussions</b>	Strongly agree	18	18	17	-	19	17	5	19	21
		Somewhat agree	39	29	52	-	48	31	18	26	62
		Somewhat disagree	28	27	30	-	23	32	27	40	16
	<b>f. Staff visits provide a better environment for an open/informal dialogue than Article IV consultation and UFR missions</b>	Strongly disagree	15	27	0	-	9	19	50	15	2
		Strongly agree	25	25	24	-	31	19	10	24	31
		Somewhat agree	41	46	35	-	42	40	43	44	36
		Somewhat disagree	25	22	30	-	22	27	29	25	24
	<b>g. High turnover of staff on my mission team has negatively affected the relationship with authorities</b>	Strongly disagree	9	8	11	-	5	13	19	6	9
Strongly agree		18	22	14	-	25	13	23	18	17	
Somewhat agree		36	39	32	-	39	34	32	35	38	
Somewhat disagree		32	32	32	-	20	40	36	34	28	
<b>14. How much do you agree or disagree with the following statements?</b>	<b>a. Adherence to guidelines (in briefing papers / policy consultation notes) is too rigid</b>	Strongly disagree	14	8	22	-	16	13	9	13	17
		Strongly agree	13	14	11	-	14	12	5	14	14
		Somewhat agree	38	38	38	-	42	35	32	35	43
		Somewhat disagree	43	46	38	-	38	46	55	46	34
	<b>b. Senior management typically prefers that mission chiefs not engage in discussions on topics not included in the brief</b>	Strongly disagree	7	3	13	-	6	8	9	5	9
		Strongly agree	9	8	11	-	9	9	5	10	10
		Somewhat agree	29	34	22	-	34	23	36	26	29
	<b>c. There are pressures to dilute the candor of staff reports in order to avoid upsetting country authorities</b>	Somewhat disagree	47	44	51	-	48	47	55	45	47
		Strongly disagree	15	14	16	-	8	21	5	19	14
		Strongly agree	15	18	13	-	13	18	14	17	14
		Somewhat agree	42	46	37	-	34	47	45	41	41
	<b>15. How much do you agree or disagree with the following statements regarding staff reports?</b>	<b>a. The time allowed for writing the staff report after the mission has become too short</b>	Somewhat disagree	28	25	32	-	33	24	36	27
Strongly disagree			15	11	19	-	20	10	5	14	19
Strongly agree			20	28	10	-	16	23	18	25	14
Somewhat agree			38	34	44	-	39	38	23	38	45
<b>b. The policy consultation note (PCN) is increasingly written with a view to becoming the staff report</b>		Somewhat disagree	33	29	38	-	41	26	41	29	34
		Strongly disagree	9	10	8	-	5	13	18	8	7
		Strongly agree	20	26	13	-	18	22	10	30	14
		Somewhat agree	48	53	42	-	50	47	57	49	44
		Somewhat disagree	25	18	34	-	26	24	29	18	32
		Strongly disagree	6	3	11	-	6	7	5	3	11

Distribution of answer in percentage			Majority of missions led			Grade 1/		Income level of country of longest tenure			
			Overall	Art. IV	UFR	TA/FSAP	A14/A15	B1 or higher	Advanced	Emerging	Low Income
<i>Number of potential respondents for this section</i>			144	80	64	113	65	78	22	64	58
<b>15. How much do you agree or disagree with the following statements regarding staff reports? (cont.)</b>	<b>c. The restrictions on the length of staff reports limit the reporting of analytically important issues</b>	Strongly agree	25	25	25	-	29	23	18	26	28
		Somewhat agree	35	35	35	-	33	37	18	37	40
		Somewhat disagree	32	30	33	-	33	31	41	34	26
		Strongly disagree	8	9	6	-	5	9	23	3	7
<b>16. How much do you agree or disagree with the following statements regarding the influence of a Use-of-Fund-Resources (UFR) program on the dialogue with authorities?</b>	<b>a. The presence of a UFR program inhibits the candor of the dialogue /δ</b>	Strongly agree	2	5	0	-	0	4	0	5	0
		Somewhat agree	25	41	16	-	22	28	36	26	22
		Somewhat disagree	41	41	41	-	50	34	36	47	37
		Strongly disagree	32	14	43	-	28	34	27	21	41
	<b>b. The present practices of UFR missions do not allow enough flexibility to discuss policy alternatives /δ</b>	Strongly agree	5	5	5	-	7	4	0	5	6
		Somewhat agree	29	46	19	-	30	28	10	39	25
		Somewhat disagree	47	43	49	-	50	45	60	39	50
	<b>c. Authorities are reluctant to raise topics that may subsequently be incorporated into UFR program conditionality /δ</b>	Strongly disagree	19	5	27	-	13	23	30	16	19
		Strongly agree	11	21	6	-	7	16	13	16	8
		Somewhat agree	52	56	49	-	61	44	38	59	48
		Somewhat disagree	28	21	32	-	26	30	38	19	33
	<b>d. More frequent country visits under a UFR program have a positive effect on building a relationship with the authorities /δ</b>	Strongly disagree	9	3	13	-	7	10	13	5	12
		Strongly agree	48	31	57	-	60	38	30	33	62
		Somewhat agree	37	37	37	-	24	46	50	39	33
		Somewhat disagree	13	29	5	-	11	15	20	22	6
	<b>e. UFR program conditionality is too rigid, reducing the room for dialogue with authorities /δ</b>	Strongly disagree	2	3	2	-	4	0	0	6	0
Strongly agree		3	6	2	-	7	0	0	3	4	
Somewhat agree		21	34	14	-	22	22	30	22	19	
<b>17. How many years...</b>	<b>a. do you consider essential to obtain a good understanding of a country</b>	Somewhat disagree	55	51	57	-	52	59	60	53	56
		Strongly disagree	20	9	27	-	20	20	10	22	21
		Less than 1 year	13	9	19	-	11	14	9	13	16
		1 year	42	46	38	-	43	42	45	46	36
	2 years	31	32	31	-	34	30	32	25	38	
	More than 2 years	13	14	13	-	12	14	14	16	10	
<b>b. on average have your postings as mission chief lasted</b>	Less than 1 year	5	5	5	-	8	3	9	3	5	
	1 year	11	13	8	-	16	6	14	10	11	
	2 years	49	44	54	-	48	48	36	48	54	
	More than 2 years	36	38	33	-	27	43	41	39	30	
<b>18. In any of your postings, have any of the following factors had a negative impact on your advisory relationship with the authorities? (mark all that apply)</b>	Gender	4	5	2	-	6	1	14	3	0	
	Nationality	4	5	3	-	2	6	9	5	2	
	Race/ethnicity	6	5	8	-	3	9	0	8	7	
	Age	3	5	0	-	3	3	0	3	3	
	Religion	1	0	3	-	2	1	0	0	3	

Distribution of answer in percentage		Majority of missions led			Grade 1/		Income level of country of longest tenure				
		Overall	Art. IV	UFR	TA/FSAP	A14/A15	B1 or higher	Advanced	Emerging	Low Income	
<b>Section 3 - Technical Assistance and FSAP Missions</b>											
<i>Number of potential respondents for this section</i>		<i>113</i>	-	-	<i>113</i>	<i>86</i>	<i>24</i>	-	-	-	
19. The primary motivation for this mission was...	a. at the authorities' initiative	86	-	-	86	88	79	-	-	-	
	b. in response to strong urging by the IMF	12	-	-	12	10	13	-	-	-	
	c. as a condition for completing a UFR program review	3	-	-	3	1	8	-	-	-	
20. What was the area of focus for this mission? (Mark only one)	a. FSAP / Follow-up / Update	19	-	-	19	14	42	-	-	-	
	b. Public expenditure / Taxation	35	-	-	35	40	25	-	-	-	
	c. Debt management	4	-	-	4	3	0	-	-	-	
	d. Monetary policy	4	-	-	4	5	0	-	-	-	
	e. Exchange rate policy	1	-	-	1	1	0	-	-	-	
	f. Banking sector / Financial markets (apart from FSAP)	13	-	-	13	14	8	-	-	-	
	g. Statistics	9	-	-	9	8	13	-	-	-	
	h. Other	15	-	-	15	15	13	-	-	-	
21. How receptive were the authorities to your recommendations / advice provided during the TA / FSAP mission?	Very receptive	76	-	-	76	79	67	-	-	-	
	Somewhat receptive	23	-	-	23	20	33	-	-	-	
	Somewhat unreceptive	1	-	-	1	1	0	-	-	-	
	Not receptive at all	0	-	-	0	0	0	-	-	-	
22. Do you consider that the time available to discuss and explain the advice given during this mission was appropriate?	Yes, it was appropriate	81	-	-	81	79	83	-	-	-	
23. After the end of this mission, how often did the authorities contact you to follow-up on the recommendations and advice you provided during the mission?	More than once	71	-	-	71	68	83	-	-	-	
	Once	21	-	-	21	25	8	-	-	-	
	Never	8	-	-	8	7	8	-	-	-	
24. Thinking about all TA and FSAP missions you have been involved in since 2005, at what level do you usually discuss your advice?	a. Minister or Central Bank Governor	48	-	-	48	48	54	-	-	-	
	b. Deputy Minister or Deputy Governor	23	-	-	23	21	29	-	-	-	
	c. Head of the implementing agency	29	-	-	29	31	17	-	-	-	
	d. Technicians at the implementing agency	0	-	-	0	0	0	-	-	-	
<b>Section 4 - Confidentiality</b>											
<i>Number of potential respondents for this section</i>		<i>257</i>	<i>80</i>	<i>64</i>	<i>113</i>	<i>151</i>	<i>102</i>	-	-	-	
25. Since 2005, how has your role as a trusted advisor been influenced by the following?	a. Evolution of the publication / transparency policy	Very positively	6	3	6	9	10	1	-	-	-
		Somewhat positively	22	22	14	27	21	23	-	-	-
		No impact	52	45	59	54	55	47	-	-	-
		Somewhat negatively	18	29	17	11	12	28	-	-	-
		Very negatively	1	1	3	0	1	1	-	-	-
	b. Emphasis on increased outreach efforts	Very positively	13	9	17	12	13	12	-	-	-
		Somewhat positively	40	33	46	41	41	38	-	-	-
		No impact	40	40	29	46	43	34	-	-	-
		Somewhat negatively	7	15	8	1	2	15	-	-	-
		Very negatively	1	3	0	0	1	1	-	-	-

Distribution of answer in percentage			Majority of missions led			Grade 1/		Income level of country of longest tenure			
			Overall	Art. IV	UFR	TA/FSAP	A14/A15	B1 or higher	Advanced	Emerging	Low Income
<i>Number of potential respondents for this section</i>			257	80	64	113	151	102	22	64	58
25. Since 2005, how has your role as a trusted advisor been influenced by the following? (cont.)	c. Concerns of authorities that sensitive issues might be disclosed to the Executive Board	Very positively	2	3	0	3	3	1	-	-	-
		Somewhat positively	2	1	0	4	3	2	-	-	-
		No impact	73	64	81	75	77	67	-	-	-
		Somewhat negatively	21	30	16	17	16	27	-	-	-
	d. Concerns of authorities that sensitive issues might be disclosed to donors / other stakeholders	Very negatively	2	3	3	1	1	3	-	-	-
		Very positively	3	1	2	5	5	0	-	-	-
		Somewhat positively	3	3	0	4	3	3	-	-	-
		No impact	68	60	79	67	70	65	-	-	-
26. Since 2005, how has the implementation of the new transparency policy ("voluntary but presumed") affected the candor of the policy dialogue in the following areas?	a. Financial sector	Somewhat negatively	23	32	16	21	20	28	-	-	-
		Very negatively	3	4	3	2	2	4	-	-	-
		Positive influence	10	10	6	12	11	9	-	-	-
	b. Fiscal policy	No influence	72	62	76	77	76	66	-	-	-
		Negative influence	18	27	17	11	14	25	-	-	-
		Positive influence	13	10	11	16	16	9	-	-	-
	c. Exchange rate policy	No influence	79	77	81	80	79	78	-	-	-
		Negative influence	8	13	8	3	5	12	-	-	-
		Positive influence	8	11	6	6	9	6	-	-	-
	d. External debt	No influence	72	57	77	81	76	65	-	-	-
		Negative influence	21	33	16	13	15	29	-	-	-
		Positive influence	9	8	11	9	10	9	-	-	-
e. Monetary policy	No influence	83	82	84	84	83	83	-	-	-	
	Negative influence	7	10	5	6	7	9	-	-	-	
	Positive influence	9	6	11	9	8	10	-	-	-	
27. Typically, to whom do you disclose the content of confidential policy discussions?	No influence	82	79	81	87	85	77	-	-	-	
	Negative influence	9	14	8	5	6	13	-	-	-	
	a. No one	1	0	0	3	1	0	-	-	-	
	b. Mission team members	87	89	87	86	86	91	-	-	-	
	c. Mission reviewers (own department)	90	97	100	79	88	93	-	-	-	
	d. Department head	70	70	67	73	64	81	-	-	-	
	e. SPR reviewers	36	52	72	7	28	49	-	-	-	
f. Management	33	44	50	16	23	47	-	-	-		
g. Executive Board	3	3	8	0	2	4	-	-	-		
<b>Section 5 - The Aftermath of the Crisis</b>											
28. Did you lead a mission after 2007?		Yes	91	89	92	92	93	88	-	-	-
<i>Number of potential respondents for this section</i>			234	71	59	104	140	90	-	-	-
29. Since 2007, compared to your earlier experiences, how much do you agree or disagree with the following statements?	a. The crisis has increased the willingness of authorities for a deeper engagement with the Fund	Strongly agree	30	27	22	36	35	23	-	-	-
		Somewhat agree	61	59	61	62	56	67	-	-	-
		Somewhat disagree	6	8	12	1	5	7	-	-	-
		Strongly disagree	3	5	4	1	3	2	-	-	-
	b. The crisis has increased the willingness of authorities to seek advice on their own initiative	Strongly agree	25	17	16	34	27	22	-	-	-
		Somewhat agree	62	66	64	59	61	64	-	-	-
		Somewhat disagree	12	17	18	5	11	14	-	-	-
		Strongly disagree	1	0	2	1	2	0	-	-	-
	c. The crisis has required that staff receive more training about financial markets and instruments	Strongly agree	40	44	33	42	43	37	-	-	-
		Somewhat agree	48	46	53	45	46	48	-	-	-
		Somewhat disagree	11	10	14	10	10	12	-	-	-
		Strongly disagree	1	0	0	3	0	2	-	-	-

Distribution of answer in percentage			Majority of missions led			Grade 1/		Income level of country of longest tenure			
			Overall	Art. IV	UFR	TA/FSAP	A14/A15	B1 or higher	Advanced	Emerging	Low Income
<i>Number of potential respondents for this section</i>			<i>234</i>	<i>71</i>	<i>59</i>	<i>104</i>	<i>140</i>	<i>90</i>	-	-	-
29. Since 2007, compared to your earlier experiences, how much do you agree or disagree with the following statements? (cont.)	d. Since the crisis, authorities request that missions incorporate more cross-country perspectives in their advice	Strongly agree	23	16	22	27	23	22	-	-	-
		Somewhat agree	51	48	37	60	51	48	-	-	-
		Somewhat disagree	23	31	35	10	21	26	-	-	-
		Strongly disagree	5	5	6	3	5	4	-	-	-
	e. Since the crisis, authorities request a deeper analysis of global trends and risks that may affect their countries	Strongly agree	29	29	22	33	29	30	-	-	-
		Somewhat agree	54	52	62	50	54	52	-	-	-
		Somewhat disagree	13	15	12	13	13	15	-	-	-
	f. The availability of new financing instruments since the onset of the crisis has increased the desire of authorities to engage in policy discussions	Strongly disagree	4	5	4	4	4	4	-	-	-
		Strongly agree	14	10	18	15	16	13	-	-	-
		Somewhat agree	38	29	27	54	41	33	-	-	-
		Somewhat disagree	32	38	40	22	26	40	-	-	-
	30. How much do you agree or disagree with the following statements regarding how the IMF has changed since the onset of the financial crisis?	a. The IMF has become more open to different points of views on policy issues	Strongly disagree	15	24	16	8	16	14	-	-
Strongly agree			24	25	26	22	27	19	-	-	-
Somewhat agree			62	58	66	63	60	67	-	-	-
Somewhat disagree			11	13	7	13	11	10	-	-	-
b. The IMF has become more flexible in its application of conditionality in programs		Strongly disagree	3	4	2	2	2	3	-	-	-
		Strongly agree	30	26	34	29	34	23	-	-	-
		Somewhat agree	62	62	57	65	58	69	-	-	-
c. The IMF has become more evenhanded in its treatment of countries		Somewhat disagree	7	10	9	5	7	7	-	-	-
		Strongly disagree	1	1	0	1	1	1	-	-	-
		Strongly agree	6	3	9	7	8	3	-	-	-
		Somewhat agree	41	36	38	46	43	39	-	-	-
31. Since the onset of the crisis, how has the performance of the IMF as an interlocutor changed on the following areas?		a. Capital flows and controls	Somewhat disagree	38	45	41	31	35	40	-	-
	Strongly disagree		15	16	12	17	14	18	-	-	-
	Improved		69	69	76	64	71	67	-	-	-
	b. Fiscal stimulus and debt sustainability	No Change	26	25	24	27	24	27	-	-	-
		Deteriorated	5	6	0	8	5	6	-	-	-
		Improved	76	80	71	76	83	67	-	-	-
	c. Prudential and supervisory issues in the financial / Banking system	No Change	19	17	22	19	16	25	-	-	-
		Deteriorated	5	3	7	5	2	8	-	-	-
		Improved	74	81	69	72	75	73	-	-	-
	d. Monetary policy / Global liquidity	No Change	25	19	31	26	24	27	-	-	-
		Deteriorated	0	0	0	1	1	0	-	-	-
		Improved	52	54	55	49	57	46	-	-	-
e. Risks from the international economy	No Change	46	45	42	49	42	52	-	-	-	
	Deteriorated	2	1	4	1	2	1	-	-	-	
	Improved	82	85	89	76	81	85	-	-	-	
f. Inward / Outward spillovers	No Change	18	15	11	24	19	15	-	-	-	
	Deteriorated	0	0	0	0	0	0	-	-	-	
	Improved	74	79	80	65	73	76	-	-	-	
g. Macrofinancial linkages	No Change	25	21	20	31	25	23	-	-	-	
	Deteriorated	1	0	0	3	2	1	-	-	-	
	Improved	74	74	70	78	76	72	-	-	-	
		No Change	24	26	30	19	22	28	-	-	-
		Deteriorated	1	0	0	3	2	0	-	-	-

Distribution of answer in percentage			Majority of missions led			Grade 1/		Income level of country of longest tenure			
			Overall	Art. IV	UFR	TA/FSAP	A14/A15	B1 or higher	Advanced	Emerging	Low Income
<i>Number of potential respondents for this section</i>			<i>234</i>	<i>71</i>	<i>59</i>	<i>104</i>	<i>140</i>	<i>90</i>	-	-	-
<b>32. What impact has the downsizing at the IMF had on the amount of face-to-face time with the authorities?</b>	Significant increase		5	1	0	10	8	0	-	-	-
	No significant change		52	49	57	51	50	54	-	-	-
	Significant decrease		43	49	43	40	42	46	-	-	-
<b>Section 6 - Looking Forward</b>											
<i>Number of potential respondents for this section</i>			<i>257</i>	<i>80</i>	<i>64</i>	<i>113</i>	<i>151</i>	<i>102</i>	-	-	-
<b>33. In your view, how well does the IMF balance its role of "trusted confidante" versus "ruthless truth-teller" to individual countries in the context of...</b>	<b>a. Surveillance</b>	Very well	6	5	8	6	8	4	-	-	-
		Well	59	60	54	62	56	64	-	-	-
		Not well	30	27	31	31	31	27	-	-	-
	<b>b. Providing financial assistance</b>	Poorly	5	8	7	2	5	5	-	-	-
		Very well	11	4	15	15	12	12	-	-	-
		Well	64	59	71	63	65	61	-	-	-
<b>34. Do you see room for improvement in the IMF's performance as trusted advisor?</b>	Not well		21	31	13	19	21	22	-	-	-
	Poorly		3	6	2	3	2	5	-	-	-
	Significant room for improvement		25	29	24	22	26	23	-	-	-
	Some room for improvement		63	57	63	68	66	61	-	-	-
<b>35. How could the Fund improve its role as a trusted advisor? (rank from 1 (will improve the most) to 6 (will improve the least) (Average score is displayed))</b>	Limited room for improvement		10	11	13	8	8	14	-	-	-
	No need for improvement		2	3	0	2	1	3	-	-	-
	<b>a. Longer missions</b>		4.97	5.13	5.14	4.76	4.93	5.01	-	-	-
	<b>b. More staff visits</b>		2.86	2.67	2.57	3.17	2.94	2.74	-	-	-
	<b>c. More resources for papers / workshops / seminars in countries</b>		3.75	3.58	4.16	3.63	3.75	3.75	-	-	-
	<b>d. Additional staff per country</b>		3.33	3.15	3.17	3.62	3.36	3.27	-	-	-
<b>e. Adding a resident representative's office for the country, if none</b>		3.18	3.04	2.38	3.75	3.30	3.00	-	-	-	
<b>f. More availability of technical assistance</b>		2.82	3.45	3.38	2.04	2.62	3.14	-	-	-	
<b>36. How much of a payoff do you think the following changes could have in improving the policy dialogue with authorities?</b>	<b>a. Recognizing the social and political implications of the advice by offering a wider set of "feasible second best" alternatives</b>	Important payoff	71	68	64	78	75	65	-	-	-
		Small payoff	25	31	30	17	21	30	-	-	-
		No payoff	4	1	6	5	3	5	-	-	-
	<b>b. Incorporating other country experiences in the advice more often</b>	Important payoff	82	79	81	84	85	78	-	-	-
		Small payoff	17	19	17	15	14	21	-	-	-
		No payoff	1	1	2	1	1	1	-	-	-
	<b>c. Changing incentives to reward staff for emphasizing "brainstorming" and informal modalities of policy discussions</b>	Important payoff	44	53	41	39	45	41	-	-	-
		Small payoff	46	37	50	50	44	49	-	-	-
		No payoff	10	11	9	11	11	9	-	-	-

Distribution of answer in percentage				Majority of missions led			Grade 1/		Income level of country of longest tenure			
				Overall	Art. IV	UFR	TA/FSAP	A14/A15	B1 or higher	Advanced	Emerging	Low Income
<i>Number of potential respondents for this section</i>				<b>257</b>	<b>80</b>	<b>64</b>	<b>113</b>	<b>151</b>	<b>102</b>	-	-	-
36. How much of a payoff do you think the following changes could have in improving the policy dialogue with authorities? (cont.)	d. Establishing best practices to ensure a smooth transition when there is a new team member	Important payoff	45	44	48	45	50	39	-	-	-	
		Small payoff	45	45	39	49	42	49	-	-	-	
		No payoff	10	12	13	6	8	11	-	-	-	
	e. Strengthening guidance provided to mission chiefs regarding their expected roles	Important payoff	31	26	28	36	37	23	-	-	-	
		Small payoff	51	49	47	55	48	54	-	-	-	
		No payoff	18	26	25	9	15	23	-	-	-	
	f. Increasing the IMF's awareness of the authorities' desired communication / outreach strategy	Important payoff	36	25	27	48	41	29	-	-	-	
		Small payoff	50	54	56	45	49	53	-	-	-	
		No payoff	14	21	17	7	10	18	-	-	-	
	g. Introducing random satisfaction interview of authorities after missions	Important payoff	20	13	13	28	26	9	-	-	-	
		Small payoff	50	47	59	46	48	54	-	-	-	
		No payoff	30	39	28	25	26	37	-	-	-	
37. Do you have specific suggestions to strengthen the Fund as a trusted advisor? (write suggestions)												
<b>Section 7 - Background Information</b>												
38. Please indicate your grade.	A14	26	9	3	53	44	0	-	-	-		
	A15	33	35	44	25	56	0	-	-	-		
	B1 / B2	21	26	33	10	0	52	-	-	-		
	B3 or higher	19	30	19	12	0	48	-	-	-		
39. During your Fund career, how many missions (including staff visits) have you led?	One	4	1	3	6	4	2	-	-	-		
	2 to 4	18	18	8	23	23	9	-	-	-		
	5 to 10	26	34	23	21	29	22	-	-	-		
	More than 10	53	48	66	50	44	68	-	-	-		
40. During your Fund career, to how many countries have you led missions?	One	9	5	16	7	10	5	-	-	-		
	2 to 3	34	53	31	22	36	31	-	-	-		
	4 to 5	23	28	30	16	21	26	-	-	-		
	More than 5	35	15	23	55	34	37	-	-	-		

1/ Four respondents did not provide an answer for this question and are therefore not taken into account

2/ Starting from this section, respondents were asked to answer based on their entire experience, with the exception of Section 3.

Φ = Less than 5 observations were available, results are therefore not displayed

Shaded area describes questions where the total of the answers does not add up to 100% (mostly yes/no questions where only 1 answer is displayed)

δ/ For this question, respondents were offered the option to answer *Not Applicable* (N/A). The results presented are for respondents who provided an answer (respondents who skipped the question or checked N/A are not taken into account in the frequency computation).

### Appendix 3. Results of the Resident Representative Survey

Distribution of answer in percentage		Overall	Grade			Income level of country of longest tenure		
			A13 / A14	A15	B1 or higher	Advanced / Emerging 1/	Low Income	
<i>Number of responses</i>		<i>95</i>	<i>55</i>	<i>22</i>	<i>18</i>	<i>38</i>	<i>57</i>	
<b>Section 1 - Experience in the Country Where You Held the Longest Tenure as a Resident Representative</b>								
<b>1. How would you classify the country of your longest tenure as a resident representative since 2005?</b>	Advanced economy	4	2	5	11	11	0	
	Large emerging market country (G20)	15	4	14	50	37	0	
	Other emerging market country	21	25	18	11	53	0	
	Low-income country (ECF-eligible)	60	69	64	28	0	100	
<b>2. How long was your longest assignment since 2005?</b>	Less than a year	7	11	5	0	5	9	
	One to two years	18	24	5	17	21	16	
	More than two years	75	65	91	83	74	75	
<b>3. During your tenure as a RR, did the country have an active UFR program?</b>	Yes	69	78	77	33	50	82	
<b>4. During that assignment, were you assigned an office at...</b>	The Central Bank	45	47	45	39	53	40	
	The Ministry of Finance	8	7	18	0	3	12	
	Another Government facility	6	9	5	0	5	7	
	A privately owned office building	40	36	32	61	39	40	
<b>5. Not counting social events and period of mission's visits, how often in a typical month did you meet with the following people in the country?</b>	<b>a. The President or Prime Minister</b>	Never	68	62	68	89	82	60
		1 time	28	33	32	11	16	37
		2-3 times	3	5	0	0	3	4
		3+ times	0	0	0	0	0	0
	<b>b. The Governor of the Central Bank</b>	Never	18	13	18	33	32	9
		1 time	38	31	45	50	39	37
		2-3 times	16	16	23	6	13	18
		3+ times	28	40	14	11	16	37
	<b>c. Deputy Governors</b>	Never	15	19	9	11	16	14
		1 time	27	19	32	44	39	18
		2-3 times	26	26	27	22	24	27
		3+ times	33	37	32	22	21	41
	<b>d. The Minister of Finance</b>	Never	16	11	9	39	34	4
		1 time	33	29	32	44	42	26
		2-3 times	23	22	41	6	11	32
		3+ times	28	38	18	11	13	39
	<b>e. Other Ministers</b>	Never	28	27	14	50	47	16
		1 time	54	56	64	33	45	60
		2-3 times	12	9	18	11	3	18
		3+ times	6	7	5	6	5	7
	<b>f. Deputy Ministers or Permanent Secretaries</b>	Never	6	7	0	11	13	2
		1 time	26	26	23	28	26	25
		2-3 times	33	31	41	28	34	32
		3+ times	35	35	36	33	26	41

Distribution of answer in percentage				Grade			Income level of country of longest tenure		
				Overall	A13 / A14	A15	B1 or higher	Advanced / Emerging 1/	Low Income
<b>Number of potential respondents</b>				<b>95</b>	<b>55</b>	<b>22</b>	<b>18</b>	<b>38</b>	<b>57</b>
<b>5. Not counting social events and period of mission's visits, how often in a typical month did you meet with the following people in the country? (cont.)</b>	<b>g. Department Heads (or their equivalent)</b>	Never	0	0	0	0	0	0	
		1 time	5	4	9	6	11	2	
		2-3 times	22	20	18	33	29	18	
		3+ times	73	76	73	61	61	81	
	<b>h. Junior officials</b>	Never	4	4	9	0	5	4	
		1 time	5	5	5	6	5	5	
		2-3 times	14	15	9	17	16	12	
		3+ times	77	76	77	78	74	79	
	<b>i. Donors and NGOs</b>	Never	1	0	0	6	3	0	
		1 time	11	5	14	22	21	4	
		2-3 times	16	16	14	17	18	14	
		3+ times	73	78	73	56	58	82	
<b>6. How often in a typical month did authorities contact you for...</b>	<b>a. ...conveying messages to HQ</b>	Never	13	15	0	22	18	9	
		1 time	48	45	50	56	50	47	
		2-3 times	26	24	36	22	26	26	
		3+ times	13	16	14	0	5	18	
	<b>b. ...data about other countries or the world economy</b>	Never	24	31	18	11	21	26	
		1 time	49	49	59	39	42	54	
		2-3 times	16	13	18	22	21	12	
		3+ times	11	7	5	28	16	7	
	<b>c. ...information about other countries' experiences with similar policy challenges</b>	Never	21	27	14	11	24	19	
		1 time	52	45	73	44	45	56	
		2-3 times	17	16	9	28	21	14	
		3+ times	11	11	5	17	11	11	
	<b>d. ...advice or discussions of a technical nature or on the specific implementation of policies</b>	Never	8	9	0	17	13	5	
		1 time	32	35	27	28	39	26	
		2-3 times	31	29	45	17	26	33	
		3+ times	29	27	27	39	21	35	
	<b>e. ...advice or discussions on policy / strategic issues</b>	Never	14	15	5	22	21	9	
		1 time	34	38	32	22	37	32	
2-3 times		22	16	41	17	18	25		
3+ times		31	31	23	39	24	35		
<b>7. How often did authorities ask you to participate in...</b>	<b>a. ...regular internal policy deliberations within the government</b>	Never	49	47	45	61	61	42	
		Occasionally	33	31	45	22	32	33	
		Frequently	18	22	9	17	8	25	
	<b>b. ...confidential / sensitive policy discussions within the government</b>	Never	42	40	50	39	45	40	
		Occasionally	44	45	41	44	50	40	
		Frequently	14	15	9	17	5	19	
	<b>c. ...direct negotiations between authorities and other international organizations / aid agencies / external lenders</b>	Never	57	56	50	67	74	46	
		Occasionally	31	27	36	33	26	33	
		Frequently	13	16	14	0	0	21	

Distribution of answer in percentage				Grade			Income level of country of longest tenure		
				Overall	A13 / A14	A15	B1 or higher	Advanced / Emerging 1/	Low Income
<b>Number of potential respondents</b>				<b>95</b>	<b>55</b>	<b>22</b>	<b>18</b>	<b>38</b>	<b>57</b>
<b>8. How often did the authorities request views/advice on economic policy via the following?</b>	<b>a. A note or paper on a specific topic</b>	Never	22	31	9	11	16	26	
		Occasionally	65	56	82	72	71	61	
		Frequently	13	13	9	17	13	12	
	<b>b. A joint research paper with local staff</b>	Never	65	70	64	50	62	67	
		Occasionally	34	28	36	50	35	33	
		Frequently	1	2	0	0	3	0	
	<b>c. A workshop or seminar on a specific topic</b>	Never	18	20	14	17	18	18	
		Occasionally	61	60	59	67	61	61	
		Frequently	21	20	27	17	21	21	
<b>9. In which of the following areas did the authorities seek advice from you during your tenure as resident representative and what type of advice did they seek? (Mark all that apply)</b>	<b>a. Public expenditure / Taxation</b>	Advice of a policy/strategic nature	65	69	68	50	45	79	
		Advice of a technical nature	72	69	73	78	71	72	
	<b>b. Capital flows and/or External current account issues</b>	Advice of a policy/strategic nature	42	35	41	67	47	39	
		Advice of a technical nature	48	44	50	61	53	46	
	<b>c. Exchange rate policy</b>	Advice of a policy/strategic nature	45	42	50	50	32	54	
		Advice of a technical nature	44	44	41	50	39	47	
	<b>d. Public and/or External debt</b>	Advice of a policy/strategic nature	55	58	50	50	39	65	
		Advice of a technical nature	59	64	55	50	50	65	
	<b>e. Monetary policy / Inflation</b>	Advice of a policy/strategic nature	51	51	55	44	37	60	
		Advice of a technical nature	57	65	45	44	53	60	
	<b>f. Banking sector / Financial markets</b>	Advice of a policy/strategic nature	55	53	55	61	53	56	
		Advice of a technical nature	61	55	73	67	68	56	
	<b>g. Price policy / Subsidies / Social safety nets</b>	Advice of a policy/strategic nature	40	47	36	22	32	46	
		Advice of a technical nature	35	36	32	33	29	39	
	<b>h. Growth / Real sector issues</b>	Advice of a policy/strategic nature	48	51	45	44	34	58	
Advice of a technical nature		49	49	41	61	47	51		
<b>10. How often did authorities ask you to explain or follow-up on policy issues raised by the missions?</b>	Never	6	7	0	11	13	2		
	Occasionally	45	47	23	67	47	44		
	Frequently	48	45	77	22	39	54		
<b>11. Did the country's authorities request, remain neutral, or discourage you to explain economic policy issues to...</b>	<b>a. ...the country's highest authority (President, Prime Minister, etc.)</b>	Requested	33	33	48	17	19	42	
		Neutral (decision left to the RR)	47	56	29	44	50	46	
		Discouraged	19	11	24	39	31	12	
	<b>b. ...Parliament</b>	Requested	30	25	43	28	22	35	
		Neutral (decision left to the RR)	56	64	52	39	59	54	
		Discouraged	14	11	5	33	19	11	
	<b>c. ...the Press</b>	Requested	17	20	18	6	18	16	
		Neutral (decision left to the RR)	71	73	68	67	66	74	
		Discouraged	13	7	14	28	16	11	
	<b>d. ...civil society (e.g. Unions, NGOs)</b>	Requested	19	18	27	11	13	23	
		Neutral (decision left to the RR)	74	78	64	72	76	72	
		Discouraged	7	4	9	17	11	5	
	<b>e. ...donors/lenders</b>	Requested	52	56	48	44	35	63	
		Neutral (decision left to the RR)	46	44	52	44	59	37	
		Discouraged	2	0	0	11	5	0	

Distribution of answer in percentage			Overall	Grade			Income level of country of longest tenure	
				A13 / A14	A15	B1 or higher	Advanced / Emerging 1/	Low Income
<b>Number of potential respondents</b>			<b>95</b>	<b>55</b>	<b>22</b>	<b>18</b>	<b>38</b>	<b>57</b>
<b>12. What kind of impact did your outreach activities (e.g. press conferences, interactions with civil society...) have on your role as a trusted advisor?</b>		Positive impact	48	62	36	22	42	53
		Slightly positive impact	21	15	23	39	21	22
		No impact	17	18	14	17	18	16
		Slightly negative impact	14	5	27	22	18	11
		Negative impact	0	0	0	0	0	0
<b>13. How important were the following country features in adversely influencing your role as a trusted advisor?</b>	<b>a. Frequent changes among high level officials</b>	Very important	14	15	10	17	13	14
		Somewhat important	23	22	38	11	13	30
		Somewhat not important	16	20	5	17	18	14
		Not important at all	47	44	48	56	55	41
	<b>b. Perception of unequal treatment of countries by the IMF</b>	Very important	7	7	5	12	5	9
		Somewhat important	29	27	36	24	30	28
		Somewhat not important	20	20	14	29	27	16
		Not important at all	44	45	45	35	38	47
	<b>c. Perception that IMF advice reflects the interests of its larger shareholders</b>	Very important	12	11	9	18	14	11
		Somewhat important	30	25	36	35	35	26
		Somewhat not important	19	18	18	24	27	14
		Not important at all	39	45	36	24	24	49
	<b>d. Perception that the Fund's advice is guided by the "Washington Consensus"</b>	Very important	13	16	5	11	13	12
		Somewhat important	29	25	32	39	34	26
		Somewhat not important	21	20	23	22	26	18
		Not important at all	37	38	41	28	26	44
	<b>e. Strong ideological differences within the government or between the Central Bank and Ministries</b>	Very important	7	9	10	0	5	9
		Somewhat important	23	22	24	28	21	25
		Somewhat not important	23	20	24	33	29	20
		Not important at all	46	49	43	39	45	46
	<b>f. Negative past experiences with the IMF</b>	Very important	22	20	29	22	26	20
		Somewhat important	23	15	29	44	24	23
		Somewhat not important	22	25	14	22	21	23
		Not important at all	32	40	29	11	29	34
<b>Section 2 - Overall Experience as a Resident Representative Since 2005 2/</b>								
<b>14. How much do you agree or disagree with the following statements?</b>	<b>a. More autonomy or delegated authority to the RR would improve their capacity to act as a trusted advisor</b>	Strongly agree	35	40	27	28	-	-
		Agree	42	35	55	50	-	-
		Disagree	22	25	18	17	-	-
		Strongly disagree	1	0	0	6	-	-
	<b>b. Allocating more analytical work on the country to the local office would improve the role of the RR as a trusted advisor</b>	Strongly agree	11	13	5	11	-	-
		Agree	39	36	45	39	-	-
		Disagree	43	44	41	44	-	-
		Strongly disagree	7	7	9	6	-	-
	<b>c. The RR has limited influence in changing IMF headquarters' policy views on a country</b>	Strongly agree	11	9	23	0	-	-
		Agree	39	44	32	33	-	-
		Disagree	32	31	23	44	-	-
		Strongly disagree	19	16	23	22	-	-

Distribution of answer in percentage				Grade			Income level of country of longest tenure		
				Overall	A13 / A14	A15	B1 or higher	Advanced / Emerging 1/	Low Income
<i>Number of potential respondents</i>				95	55	22	18	38	57
14. How much do you agree or disagree with the following statements? (cont.)	d. RRs are rotated too often for them to achieve a trusted advisor status	Strongly agree	6	5	9	6	-	-	
		Agree	24	27	18	22	-	-	
		Disagree	56	53	59	61	-	-	
		Strongly disagree	14	15	14	11	-	-	
	e. Lack of clarity between the roles of the RR and mission chief undermines the RR's ability to perform as a trusted advisor	Strongly agree	12	11	14	11	-	-	
		Agree	19	15	27	22	-	-	
		Disagree	51	56	41	50	-	-	
		Strongly disagree	18	19	18	17	-	-	
15. The role of RR has often been described as a balancing act between two roles: trusted confidante vs ruthless truth-teller. In that light, how much do you agree with the following statements?	a. Achieving a proper balance between these two roles is difficult	Strongly agree	9	9	14	6	-	-	
		Agree	36	35	27	50	-	-	
		Disagree	49	49	59	39	-	-	
		Strongly disagree	5	7	0	6	-	-	
	b. Present incentives/practices tend to tilt the balance against the role of trusted confidante	Strongly agree	12	15	9	6	-	-	
		Agree	36	33	45	33	-	-	
		Disagree	52	51	45	61	-	-	
		Strongly disagree	1	2	0	0	-	-	
16. How has your role as trusted advisor been influenced by the following?	a. Evolution of the publication / transparency policy	Very positively	14	20	9	0	-	-	
		Somewhat positively	24	22	18	39	-	-	
		No impact	43	44	50	33	-	-	
		Somewhat negatively	19	15	23	28	-	-	
		Very negatively	0	0	0	0	-	-	
	b. Emphasis on increased outreach efforts	Very positively	19	25	9	11	-	-	
		Somewhat positively	34	33	41	28	-	-	
		No impact	31	33	23	33	-	-	
		Somewhat negatively	17	9	27	28	-	-	
		Very negatively	0	0	0	0	-	-	
	c. Concerns of authorities that discussion on sensitive issues might be disclosed to the Executive Board	Very positively	0	0	0	0	-	-	
		Somewhat positively	4	7	0	0	-	-	
		No impact	75	71	82	78	-	-	
		Somewhat negatively	21	22	18	22	-	-	
		Very negatively	0	0	0	0	-	-	
	d. Concerns of authorities that sensitive issues might be disclosed to donors / other stakeholders	Very positively	0	0	0	0	-	-	
		Somewhat positively	3	6	0	0	-	-	
		No impact	67	65	67	72	-	-	
		Somewhat negatively	26	28	29	17	-	-	
		Very negatively	4	2	5	11	-	-	
17. To whom do you disclose information given to you in confidence? (Mark all that apply)	No One	10	13	10	0	-	-		
	Your immediate supervisor at HQ	86	85	86	89	-	-		
	The Director of your department	21	17	19	33	-	-		
18. Have authorities inquired as to whom you would disclose the content of confidential discussions?	Yes	20	20	14	28	-	-		
	No	80	80	86	72	-	-		

Distribution of answer in percentage				Grade			Income level of country of longest tenure		
				Overall	A13 / A14	A15	B1 or higher	Advanced / Emerging 1/	Low Income
<b>Number of potential respondents</b>				<b>95</b>	<b>55</b>	<b>22</b>	<b>18</b>	<b>38</b>	<b>57</b>
<b>19. Based on your experience, how many years does it take ...</b>	<b>a. ...to learn enough about the country and its institutions for you to be an effective advisor</b>	Less than a year	15	20	9	6	-	-	
		1 year	61	59	68	56	-	-	
		2 years	21	19	14	39	-	-	
		More than two years	3	2	9	0	-	-	
	<b>b. ...for the authorities to get to know the RR sufficiently to gain their trust and confidence</b>	Less than a year	15	19	14	6	-	-	
		1 year	54	52	52	61	-	-	
		2 years	24	22	24	28	-	-	
		More than two years	8	7	10	6	-	-	
<b>20. In any of your postings, have any of the following factors had a negative impact on your advisory relationship with the authorities? (mark all that apply)</b>	Gender	1	0	0	6	-	-		
	Nationality	9	13	5	6	-	-		
	Race/ethnicity	2	2	0	6	-	-		
	Age	4	4	5	6	-	-		
	Religion	0	0	0	0	-	-		
<b>21. In sum, in regard to your potential as a trusted advisor, do you think that the authorities...</b>	made full use of it	32	33	32	28	-	-		
	could have made better use of it	64	63	68	61	-	-		
	did not use it at all	4	4	0	11	-	-		
<b>Section 3 - The Aftermath of the Crisis</b>									
<b>22. Have you been a RR after 2007?</b>		Yes	93	98	95	75	-	-	
<b>Number of potential respondents</b>				<b>89</b>	<b>54</b>	<b>21</b>	<b>14</b>		
<b>23. Was there a UFR program as a result of the financial crisis in that country during your tenure?</b>		Yes	36	38	43	21	-	-	
<b>24. How much do you agree or disagree with the following statements?</b>	<b>a. The crisis has increased the willingness of authorities to seek Fund advice on their own initiative</b>	Strongly agree	38	42	24	43	-	-	
		Somewhat agree	51	44	67	50	-	-	
		Somewhat disagree	12	14	10	7	-	-	
		Strongly disagree	0	0	0	0	-	-	
	<b>b. Authorities now expect the Fund to be more knowledgeable about global trends and risks that may affect their countries</b>	Strongly agree	51	52	38	64	-	-	
		Somewhat agree	40	38	52	29	-	-	
		Somewhat disagree	8	8	10	7	-	-	
	<b>c. The availability of new financing instruments since the onset of the crisis has increased the desire of authorities to engage in policy discussions</b>	Strongly disagree	1	2	0	0	-	-	
		Strongly agree	17	18	20	7	-	-	
		Somewhat agree	46	48	35	57	-	-	
	<b>d. Because of the crisis the authorities have invited me to participate more frequently in confidential/sensitive policy discussions</b>	Somewhat disagree	30	28	30	36	-	-	
		Strongly disagree	7	6	15	0	-	-	
		Strongly agree	16	15	14	21	-	-	
	<b>e. The authorities see the Fund as more flexible/responsive to their needs than they did prior to the crisis</b>	Somewhat agree	30	23	38	43	-	-	
		Somewhat disagree	40	47	33	29	-	-	
		Strongly disagree	13	15	14	7	-	-	
		Strongly agree	33	34	38	21	-	-	
	Somewhat agree	51	50	33	79	-	-		
	Somewhat disagree	12	12	19	0	-	-		
	Strongly disagree	5	4	10	0	-	-		

Distribution of answer in percentage		Overall	Grade			Income level of country of longest tenure		
			A13 / A14	A15	B1 or higher	Advanced / Emerging 1/	Low Income	
<b>Section 4 - Looking Forward</b>								
<i>Number of potential respondents</i>		<b>95</b>	<b>55</b>	<b>22</b>	<b>18</b>			
<b>25. Do you see room for improvement in the IMF's performance as a trusted advisor?</b>	Significant room for improvement	16	15	23	11	-	-	
	Some room for improvement	67	69	68	61	-	-	
	Limited room for improvement	16	15	9	28	-	-	
	No need for improvement	1	2	0	0	-	-	
<b>26. How could the Fund improve its role as a trusted advisor? (rank from 1 (will improve the most) to 6 (will improve the least) (Average score is displayed)</b>	<b>a. Longer missions</b>	5.32	5.47	5.05	5.24	-	-	
	<b>b. More staff visits</b>	3.56	3.8	3.24	3.29	-	-	
	<b>c. More resources for papers / workshops / seminars in countries</b>	3.31	3.08	3.55	3.61	-	-	
	<b>d. Additional staff per country</b>	3.72	3.75	3.86	3.47	-	-	
	<b>e. Adding a resident representative's office for the country, if none exists; or expanding its size, of one already exists</b>	1.86	1.85	1.73	2.06	-	-	
	<b>f. More availability of technical assistance</b>	3.16	3.02	3.48	3.17	-	-	
<b>27. How much of a payoff do you think the following changes could have in improving the policy dialogue with authorities?</b>	<b>a. Recognizing the social and political implications of the advice by offering a wider set of "feasible second best" alternatives</b>	Important payoff	81	85	82	67	-	-
		Small payoff	17	11	18	33	-	-
		No payoff	2	4	0	0	-	-
	<b>b. Incorporating other country experiences in the advice more often</b>	Important payoff	77	70	86	83	-	-
		Small payoff	23	30	14	17	-	-
		No payoff	0	0	0	0	-	-
	<b>c. Changing incentives to reward staff for emphasizing "brainstorming" and informal modalities of policy discussions</b>	Important payoff	47	42	50	61	-	-
		Small payoff	44	45	45	39	-	-
		No payoff	9	13	5	0	-	-
	<b>d. Establishing best practices to ensure a smooth transition when there is a new team member</b>	Important payoff	44	48	41	33	-	-
		Small payoff	48	43	55	56	-	-
		No payoff	9	9	5	11	-	-
	<b>e. Strengthening guidance provided to mission chiefs regarding their expected roles</b>	Important payoff	38	40	36	33	-	-
		Small payoff	47	45	50	50	-	-
		No payoff	15	15	14	17	-	-
	<b>f. Increasing the IMF's awareness of the authorities' desired communication / outreach strategy</b>	Important payoff	44	46	50	28	-	-
		Small payoff	43	37	41	61	-	-
		No payoff	14	17	9	11	-	-
<b>g. Introducing random satisfaction interview of authorities after missions</b>	Important payoff	20	22	18	17	-	-	
	Small payoff	49	52	55	33	-	-	
	No payoff	31	26	27	50	-	-	
<b>28. Do you have specific suggestions to strengthen the Fund as a trusted advisor? (write suggestions)</b>								

Distribution of answer in percentage		Overall	Grade			Income level of country of longest tenure	
			A13 / A14	A15	B1 or higher	Advanced / Emerging 1/	Low Income
<b>Section 5 - Background Information</b>							
<i>Number of potential respondents</i>		<i>95</i>	<i>55</i>	<i>22</i>	<i>18</i>	<i>38</i>	<i>57</i>
<b>29. Please indicate your current grade.</b>	A13	6	11	0	0	-	-
	A14	52	89	0	0	-	-
	A15	23	0	100	0	-	-
	B1 / B2	14	0	0	72	-	-
	B3 or higher	5	0	0	28	-	-
<b>30. Since 2005, how many postings have you had as a Resident Representative?</b>	One	83	85	82	78	-	-
	Two	16	13	18	22	-	-
	Three or more	1	2	0	0	-	-

1/ Because of the low number of RRs who officiated in advanced economies, the two categories are counted together

2/ Starting from Section 2, respondents were asked to answer based on their entire experience. Therefore the income level of the country of their longest tenure is not relevant anymore and is not presented.

shaded area describes questions where the total of the answers does not add up to 100% (mostly yes/no questions where only 1 answer is displayed)