

TRADUCTION



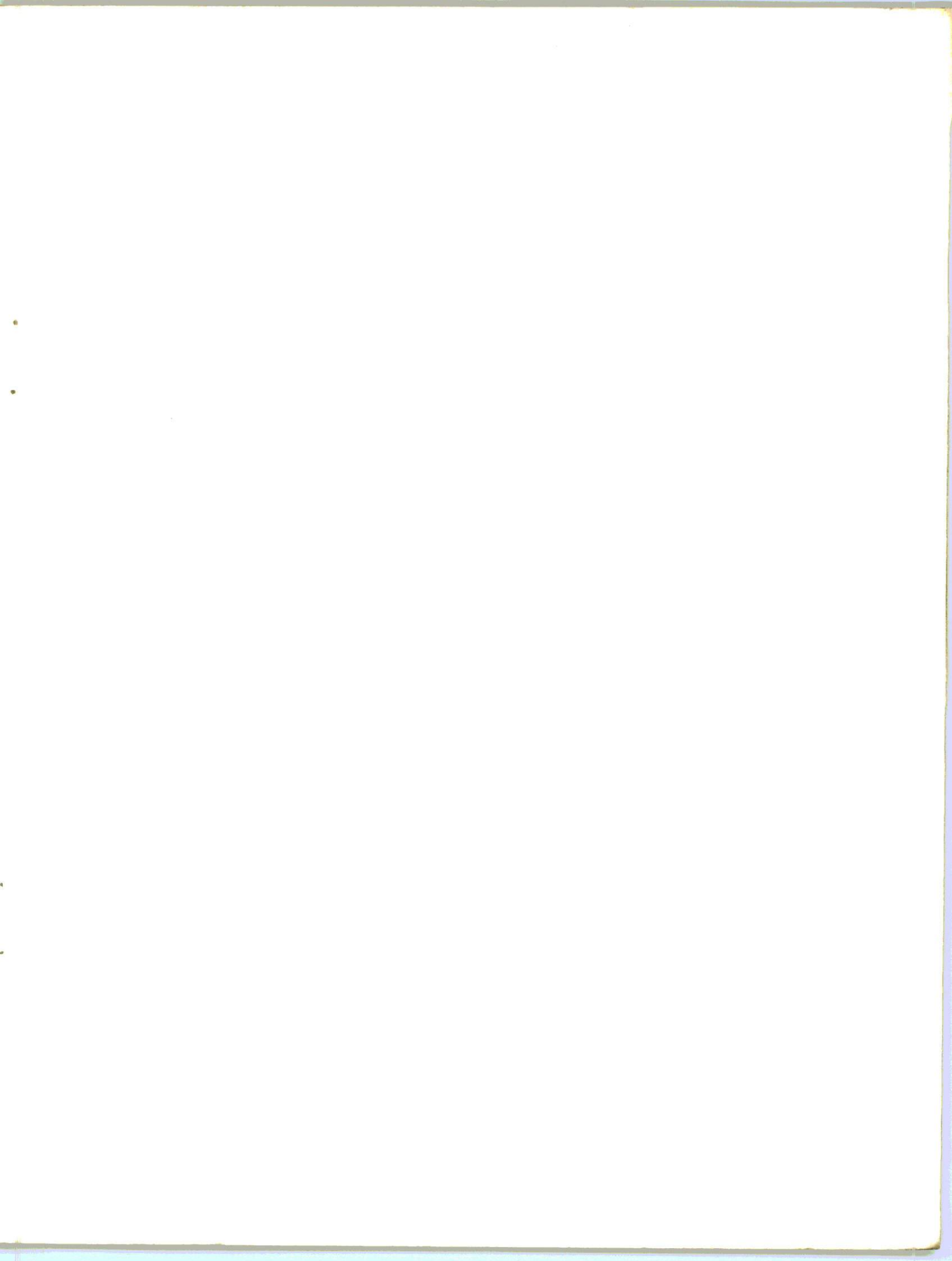
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ASSEMBLEE ANNUELLE
CONSEIL DES GOUVERNEURS
FONDS MONETAIRE INTERNATIONAL

1970

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PROGRAMME

Lundi 21 septembre	10 heures	- Cérémonies d'ouverture Discours du Président Discours annuel du Directeur général, FMI Discours annuel du Président, BIRD, SFI et IDA
	15 heures	- Débat annuel
Mardi 22 septembre	9 h 30	- Débat annuel
Mercredi 23 septembre	9 h 30	- Débat annuel Election des Administrateurs pour le FMI
Jeudi 24 septembre	9 h 30	- Débat annuel Election des Administrateurs pour la BIRD
	17 heures	- Comité conjoint de la procédure
Vendredi 25 septembre	9 h 30	- Rapports du Comité conjoint de la procédure Déclarations du Directeur général, FMI et du Président, BIRD, SFI et IDA Clôture

- Notes:
1. Toutes les séances seront communes.
 2. Les élections des Administrateurs auront lieu à 11 heures.
 3. La session annuelle du Conseil administratif du Centre International pour le Règlement des Différends Relatifs aux Investissements s'ouvrira le mercredi 23 septembre à 15 heures.

DISPOSITIONS RELATIVES A LA CONDUITE DES REUNIONS

ADMISSION

1. Les séances des Conseils des Gouverneurs du Fonds, de la Banque, de la SFI et de l'IDA seront communes et les observateurs accrédités, représentants de la presse, invités et membres du personnel pourront y assister.
2. Seuls les Gouverneurs qui sont membres du Comité conjoint de la procédure, leurs conseillers, les Administrateurs et les membres du personnel dont la présence sera nécessaire participeront aux réunions de ce Comité.

PROCEDURE ET PROCES-VERBAUX

3. Le Président des Conseils des Gouverneurs établira l'ordre des interventions aux séances. La parole sera donnée aux Gouverneurs, en principe dans l'ordre selon lequel ils l'auront demandée.
4. Avec l'autorisation du Président, tout Gouverneur pourra demander que sa déclaration figure in extenso au procès-verbal, s'il en remet le texte à l'avance aux Secrétaires.
5. Les Secrétaires feront préparer la transcription in extenso des délibérations des Conseils des Gouverneurs et du Comité conjoint de la procédure. Les transcriptions des délibérations du Comité conjoint de la procédure seront confidentielles et ne seront communiquées qu'au Président des Conseils des Gouverneurs, au Directeur général du FMI, au Président de la Banque et de ses institutions affiliées et aux Secrétaires.
6. Les rapports du Comité conjoint de la procédure seront signés par le Président du Comité et par le Rapporteur.

COMMUNICATIONS A LA PRESSE

7. Le Président des Conseils des Gouverneurs, le Directeur général du FMI et le Président de la Banque et de ses institutions affiliées communiqueront à la presse les renseignements qu'ils estimeront appropriés sur les délibérations des Assemblées annuelles.

ORDRE DU JOUR

1. Rapport annuel 1970
2. Rapports financiers et Rapport des Commissaires aux comptes
(Appendice VI du Rapport annuel 1970 et Documents du
Fonds Nos 4 et 5)
3. Budget administratif pour l'exercice prenant fin le 30 avril 1971
(Appendice IV du Rapport annuel 1970 et Documents du Fonds
Nos 5 et 6)
4. Réserve générale et répartition du revenu net (Document du
Fonds No 7)
5. Mécanisme de l'ajustement des taux de change (Document du
Fonds No 8)
6. Modifications des Règles et Règlements (Document du Fonds No 9)
7. Election ordinaire des Administrateurs en 1970
8. Lieu et date de l'Assemblée annuelle 1972
9. Election des membres du bureau et du Comité conjoint de la
procédure 1970-71

Le 21 septembre 1970

Le 21 septembre 1970

Monsieur le Président,

Au nom du Conseil d'Administration du Fonds Monétaire International, j'ai l'honneur de vous transmettre, pour être soumis à l'examen du Conseil des Gouverneurs, le Rapport des Commissaire aux comptes pour l'exercice clos le 30 avril 1970.

La vérification des comptes a été effectuée, conformément aux dispositions de la section 20, paragraphe b) de la Réglementation générale du Fonds, par une commission composée de MM. André Valls, Shamsir bin Omar et A.S.C. Johnson, désignés respectivement par la France, la Malaisie et le Sierra Leone.

Veillez agréer, Monsieur le Président, l'expression de ma haute considération.

Le Directeur général
et
Président du Conseil d'Administration

Pierre-Paul Schweitzer

Monsieur le Président
du Conseil des Gouverneurs
Assemblée annuelle 1970
Fonds Monétaire International

REPORT ON AUDIT
1970

THIS DOCUMENT IS
NOT FOR PUBLICATION

International Monetary Fund
Washington, D. C., U. S. A.

REPORT ON AUDIT
For Fiscal Year Ended April 30, 1970

International Monetary Fund
Washington, D.C., U.S.A.
June 26, 1970

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LETTER OF TRANSMITTAL

Washington, D.C.
June 26, 1970

The Board of Governors
International Monetary Fund

We have the honor to submit herewith through the Managing Director and Executive Directors the report on the audit of the International Monetary Fund (General Account and Special Drawing Account) and the separately administered Staff Retirement Fund for the fiscal year ended April 30, 1970.

The Audit Committee is pleased to acknowledge that it was given full access to the accounting records of the Fund, and that all the information required in connection with the audit was readily available and competently given by the Director of Administration, the General Counsel, the Treasurer, the Internal Auditor, and all other officers of the Fund with whom the Audit Committee had dealings. The audit was greatly facilitated thereby, and the Audit Committee wishes to express its sincere appreciation.

AUDIT COMMITTEE:

/s/ André Valls, Chairman (France)

/s/ Shamsir bin Omar (Malaysia)

/s/ A.S.C. Johnson (Sierra Leone)

**REPORT OF
THE AUDIT COMMITTEE**

INTERNATIONAL MONETARY FUND

Part One
General Account
and

Part Two
Special Drawing Account

THE AUDIT

Authority for audit

The audit was carried out pursuant to Section 20(b) of the By-Laws of the International Monetary Fund. In accordance with the provisions of the By-Laws, France, Malaysia and Sierra Leone were each invited to nominate a member to serve on an external audit committee to conduct the necessary audit. The appointments of the three members nominated were confirmed by the Executive Board.

Scope of the audit

The audit was conducted in accordance with the requirements of Section 20(b) of the By-Laws that the audit be comprehensive with respect to the examination of the financial records of the Fund; that it extend, insofar as practicable, to the ascertainment that operations and transactions conducted through the General Account or the Special Drawing Account during the period under review were supported by the necessary authority; and that it determine that there was adequate and faithful accounting for the assets and liabilities of the Fund and for special drawing rights. In considering the authority for operations and transactions, reference was made to the Articles of Agreement, the By-Laws, the Rules and Regulations, the Resolutions of the Board of Governors, the minutes of the Executive Board and the General Administrative Orders of the Fund. The Committee applied such tests to the accounting and other financial records as it considered necessary to establish the adequacy of the system of accounting and internal control. In determining the Committee's program of test examination, consideration was given to the work carried out by the Internal Auditor, as reported by him, and to the standard of his work as observed by the Committee.

Audit certificate

We have examined the Balance Sheet of the General Account of the International Monetary Fund as at April 30, 1970, the Statement of Income and Expenditure and the Statement of Reserves for the year then ended, and the schedules related thereto; and the Balance Sheet of the Special Drawing Account of the International Monetary Fund as at April 30, 1970, and its related schedules. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, these Balance Sheets and Statements, together with the notes appearing thereon, present fairly the financial position of the International Monetary Fund as at April 30, 1970, and the results of the operations and transactions in the General Account for the year then ended, and in the Special Drawing Account for the period from January 1, the date on which the first allocation of special drawing rights was made, through April 30, 1970, in conformity with generally accepted accounting principles, and, with respect to the General Account, applied on a basis consistent with that of the preceding year.

AUDIT COMMITTEE:

/s/ André Valls, Chairman (France)

/s/ Shamsir bin Omar (Malaysia)

/s/ A.S.C. Johnson (Sierra Leone)

INTRODUCTORY COMMENTS

During the year the amendments to the Articles of Agreement, which established the Special Drawing Account and made other changes, became effective. Article XXII, Section 1, states that all operations and transactions involving special drawing rights shall be conducted through the Special Drawing Account, and that all other operations and transactions of the Fund shall be conducted through the General Account. The Audit Committee, therefore, has divided the report into two parts. Part One deals with the General Account, and Part Two deals with the Special Drawing Account.

The financial statements and supporting schedules that have been audited are given as appendices to the respective comments on the General Account (Part One) and the Special Drawing Account (Part Two).

PART ONE: GENERAL ACCOUNT

In accordance with Section 20(b) of the By-Laws, all accounts of the General Account are summarized in U.S. dollar equivalents.

I. GENERAL COMMENTS

As a result of the activation of the Special Drawing Account during the year, a new asset—special drawing rights—is shown for the first time in the General Account.

Gold holdings at April 30, 1970, were higher than those at the close of the previous fiscal year because of purchases of gold from members, largely from South Africa, while currency holdings were below those of the previous year mainly because of the use of special drawing rights in repurchases by members.

The total amounts of purchases and repurchases of currencies were slightly above those of the preceding year. The outstanding drawings at the close of the fiscal year were larger than those of last year.

The increase of outstanding drawings and the purchases of gold by the Fund had the net effect of increasing members' gold tranches. The increases in the gold tranches were primarily the net result of changes during the year which affected the positions of a few members. The gold tranche of one member was reduced by a drawing to the extent of its super gold tranche, one member moved to a debtor position, while the gold tranches of four members were increased.

The rise in the Fund's holdings of members' currencies in excess of quotas, which to some extent reflects the increase of other members' gold tranches, is mainly due to drawings by two members.

Although the total amount of the stand-by arrangements entered into during the year was the largest of any fiscal year, the amount available at the year end was approximately the same as at the close of the previous year.

The capital of the Fund did not change substantially during the year. On February 9, 1970, the Board of Governors adopted Resolution No. 25-3 proposing an increase of \$7.6 billion. Pursuant to the resolution the increases in quotas are not to take effect prior to October 30, 1970.

II. ANALYSIS OF SELECTED OPERATIONS AND TRANSACTIONS

Purchases of currencies by members

During the year, 33 members made purchases in 17 currencies amounting to \$2,995,653,097. Of this amount, \$575,691,757 fell within the members' super gold tranches (the super gold tranche is defined as the amount by which the Fund's holdings of a member's currency are below 75 per cent of its quota) and is not required to be repurchased.

There were 58 individual purchases, summarized as follows:

<u>Number of Purchases</u>	<u>Amount</u>	
43	\$2,260,888,177	– Under stand-by arrangements (excludes one drawing amounting to \$2,750,000 which was reclassified as a drawing under the decision on compensatory financing)
2	9,000,000	– Under compensatory financing of export fluctuations
<u>13</u>	<u>725,764,920</u>	– Other transactions
<u>58</u>	<u>\$2,995,653,097</u>	

Details of the currencies purchased by members are set forth in Table 1 (see page 6).

Repurchases by members of own currencies

During the year, 168 individual repurchases amounting to \$1,670,690,561 were made by 46 members in gold, in special drawing rights, and in 13 currencies. These repurchases are analyzed as follows:

Repurchases under Article V, Section 7(b)	\$ 186,080,190
[The obligations of repurchase under Article V, Section 7(b), undischarged at April 30, 1969 (\$15,504,747), and those incurred at April 30, 1969 (\$170,575,433), have been discharged.]	
Repurchases of drawings under decision on compensatory financing of export fluctuations	79,375,000
Repurchases of drawings in connection with quota increases	17,620,833
Repurchases of drawings under stand-by arrangements, schedules, and other provisions approved by the Fund	<u>1,387,614,538</u>
Total	<u>\$1,670,690,561</u>

The total amount was applied mainly to reduce outstanding drawings by \$1,664,584,119 and to repurchase currencies paid as subscriptions in excess of 75 per cent of members' quotas by \$6,101,436.

The amounts of gold, special drawing rights, and currencies paid by members in repurchasing their currencies are shown in Table 2 (see page 7).

Table 2

**REPURCHASES BY MEMBERS OF OWN CURRENCY WITH GOLD, SDR OR OTHER
MEMBERS' CURRENCIES, YEAR ENDED APRIL 30, 1970**

(in thousands of U.S. dollars)[†]

Repurchasing Members	Gold	Special Drawing Rights	Argentine Pesos	Australian Dollars	Austrian Schillings	Belgian Francs	Canadian Dollars	French Francs	Deutsche Mark	Italian Lire	Japanese Yen	Mexican Pesos	Netherlands Guilders	Swedish Kronor	United States Dollars	Total Gold, SDRs, and Currencies
Afghanistan	3,089						17,000		15,875	1,087					5,410	10,187
Belgium		187														32,875
Burundi		7,000		3,600												187
Ceylon	397		8,886				6,601		4,700	4,000	900	6,400	3,600	3,000	1,000	20,600
Chile											1,815	4,100	3,700		18,500	55,000
Colombia	903	20,900				2,355				1,000			500		33,041	61,299
Congo, Dem. Rep. of	1*	1,000		500		4			19				1,300	2,700	5,250	8,750
Costa Rica	418	2,475				500			400				2,200		438	4,472
Cyprus										2,800					3,597	5,250
Dominican Republic							2,500		2,600	2,000			1,000		1,557	15,000
Ecuador	423	250				2,000				2,000			1,000		4,000	18,500
El Salvador										5,000					1,600	5,600
Ghana															500	5,000
Guatemala																
Guinea																
Haiti		900								350		87	300	550	200	2,387
India		35,000		5,000		3,900	25,500			21,600	16,000	3,400	10,000		70,000	187,000
Indonesia		3,156								2,000	1,000		3,800		44	13,356
Jamaica															903	908
Kenya																
Korea	31	500							1,500	300				700		10,720
Lesotho		600														500
Liberia		950														4,000
Mali																2,950
Morocco																2,410
Nepal	1*								5,000							16
New Zealand																20,638
Nicaragua	35	19,400								162					10,638	16,251
Pakistan		1,395													16,211	32,400
Panama																3,167
Peru	6,283	2,000		162			1	125	371	162		4	324	4,000	637	11,127
Sierra Leone										(1,303)		9,000			5,648	3,500
South Africa	49,999											162			137	49,999
Spain	82	3,100														3,713
Sudan		1,000														5,600
Swaziland																
Syrian Arab Republic																1,000
Tanzania																2,500
Trinidad and Tobago																1,000
Tunisia																5,750
Turkey	11,079	65,000				1,400										24,500
United Arab Republic						87										20,000
United Kingdom	8,089	17,750				25,000										934,199
Uruguay			10,000													14,473
Yugoslavia																47,750
Zambia																3,447
Totals	80,844	182,565	10,000	58,048	62	35,410	79,528	151	203,318	207,422	80,718	40,079	136,368	40,357	515,814	1,670,690
Percent of Grand Total	4.8	10.9	0.6	3.5		2.1	4.8		12.2	12.4	4.8	2.4	8.2	2.4	30.9	100.0

[†] Details may not add to totals.
* Less than \$1,000.

INTRODUCTORY COMMENTS

During the year the amendments to the Articles of Agreement, which established the Special Drawing Account and made other changes, became effective. Article XXII, Section 1, states that all operations and transactions involving special drawing rights shall be conducted through the Special Drawing Account, and that all other operations and transactions of the Fund shall be conducted through the General Account. The Audit Committee, therefore, has divided the report into two parts. Part One deals with the General Account, and Part Two deals with the Special Drawing Account.

The financial statements and supporting schedules that have been audited are given as appendices to the respective comments on the General Account (Part One) and the Special Drawing Account (Part Two).

PART ONE: GENERAL ACCOUNT

In accordance with Section 20(b) of the By-Laws, all accounts of the General Account are summarized in U.S. dollar equivalents.

I. GENERAL COMMENTS

As a result of the activation of the Special Drawing Account during the year, a new asset—special drawing rights—is shown for the first time in the General Account.

Gold holdings at April 30, 1970, were higher than those at the close of the previous fiscal year because of purchases of gold from members, largely from South Africa, while currency holdings were below those of the previous year mainly because of the use of special drawing rights in repurchases by members.

The total amounts of purchases and repurchases of currencies were slightly above those of the preceding year. The outstanding drawings at the close of the fiscal year were larger than those of last year.

The increase of outstanding drawings and the purchases of gold by the Fund had the net effect of increasing members' gold tranches. The increases in the gold tranches were primarily the net result of changes during the year which affected the positions of a few members. The gold tranche of one member was reduced by a drawing to the extent of its super gold tranche, one member moved to a debtor position, while the gold tranches of four members were increased.

The rise in the Fund's holdings of members' currencies in excess of quotas, which to some extent reflects the increase of other members' gold tranches, is mainly due to drawings by two members.

Although the total amount of the stand-by arrangements entered into during the year was the largest of any fiscal year, the amount available at the year end was approximately the same as at the close of the previous year.

The capital of the Fund did not change substantially during the year. On February 9, 1970, the Board of Governors adopted Resolution No. 25-3 proposing an increase of \$7.6 billion. Pursuant to the resolution the increases in quotas are not to take effect prior to October 30, 1970.

No significant change occurred during the year in the indebtedness of the Fund.

The general upward trend of total income, administrative expenditure, and the General Reserve continued. There was a sharp rise in operational expenditure because of the provision for the payment of remuneration in accordance with Article V, Section 9, of the Articles of Agreement, as amended effective July 28, 1969.

Income from investments under the gold investment program rose because of higher rates of interest on the investments; and correspondingly there was an increase in the amount credited to the Special Reserve.

Selected financial data on the General Account in connection with the above comments, expressed in millions of U.S. dollars, are as follows:

	<u>At April 30</u>		Increase + Decrease -
	<u>1970</u>	<u>1969</u>	
	\$	\$	\$
Special drawing rights	212	-	+ 212
Gold Account	3,563	3,371	+ 192
Currencies and securities with depositories	18,564	18,801	- 237
Capital	21,348	21,230	+ 118
Indebtedness	1,065	1,096	- 31
General Reserve	350	324	+ 26
Special Reserve	366	309	+ 57
Outstanding drawings	5,369	4,678	+ 691
Amounts available under stand-by arrangements	301	373	- 72
Members' gold tranches	5,976	4,929	+1,047
Holdings of currencies in excess of members' quotas	4,018	3,292	+ 726
	<u>During Fiscal Year</u>		
	<u>1970</u>	<u>1969</u>	
Sales of gold by the Fund	250	547	- 297
Sales of gold to the Fund	289	-	+ 289
Purchases of currencies by members	2,995	2,838	+ 157
Repurchases of currencies by members	1,670	1,542	+ 128
Total income	138	122	+ 16
Income from gold investments	56	46	+ 10
Administrative expenditure	28	24	+ 4
Operational expenditure	46	22	+ 24

II. ANALYSIS OF SELECTED OPERATIONS AND TRANSACTIONS

Purchases of currencies by members

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The amounts of gold, special drawing rights, and currencies paid by members in repurchasing their currencies are shown in Table 2 (see page 7).

**PURCHASES BY MEMBERS OF OTHER MEMBERS' CURRENCIES WITH MEMBER'S
OWN CURRENCY, YEAR ENDED APRIL 30, 1970**
(in thousands of U. S. dollars)

Table 1

Purchasing Member	Argentine Pesos	Australian Dollars	Austrian Schillings	Belgian Francs	Canadian Dollars	Finnish Markkaa	Deutsche Mark	Irish Pounds	Italian Lire	Japanese Yen	Mexican Pesos	Netherlands Guilders	Norwegian Kroner	South African Rand	Pounds Sterling	U.S. Dollars	Venezuelan Bolivares	Total
Afghanistan																9,750		9,750
Belgium					10,000					10,000		6,000				26,500		46,500
Burma																6,000		12,000
Burundi																1,500		1,500
Ceylon		5,000															5,000	15,000
Chad																3,775		3,775
Chile																10,000		20,000
Colombia					10,000											20,250	5,000	33,250
Denmark					4,000		4,000									15,000		45,000
Dominican Republic					10,000								10,000			8,000		8,000
Ecuador										10,000						6,000		11,000
El Salvador																12,250		12,250
France				21,900	75,300			12,200	117,800	101,300	14,000	48,600	13,000	46,000		346,638	7,300	985,838
Germany				20,000	60,000		127,500		55,000	80,000		40,000		25,000		260,000		540,000
Ghana		37,300	17,000							5,000						3,000		3,000
Guatemala																6,000		6,000
Guinea																		3,800
Haiti										3,800								3,800
Indonesia									9,000	10,000		20,000				1,500		3,800
Ireland															12,000			12,000
Israel																		1,500
Liberia																20,000		20,000
Mali																8,000		8,000
Nicaragua										10,000								10,000
Pakistan					14,000											35,000		45,000
Peru																1,400		1,400
Philippines																2,250		2,250
Rwanda																		14,000
Syrian Arab Republic																25,000		25,000
Tunisia					4,500													35,000
Turkey										6,000						8,000		15,000
United Kingdom																12,000		18,000
Uruguay	16,000	17,000		20,000	97,500	169,500		80,500	128,500	11,500	20,000			35,000	404,500		1,000,000	
Totals	16,000	59,300	17,000	61,900	292,300	311,000	12,200	262,300	372,100	25,500	134,600	23,000	106,000	12,000	1,263,153	17,300	2,995,653	
Percent of Grand Total	0.5	2.0	0.6	2.1	9.7	0.3	10.4	8.7	12.4	0.9	4.5	0.8	3.5	0.4	42.2	0.6	100.0	

Table 2

**REPURCHASES BY MEMBERS OF OWN CURRENCY WITH GOLD, SDR OR OTHER
MEMBERS' CURRENCIES, YEAR ENDED APRIL 30, 1970**

(in thousands of U.S. dollars)†

Repurchasing Members	Gold	Special Drawing Rights	Argentine Pesos	Australian Dollars	Austrian Schillings	Belgian Francs	Canadian Dollars	French Francs	Deutsche Mark	Italian Lire	Japanese Yen	Mexican Pesos	Netherlands Guilders	Swedish Kronor	United States Dollars	Total Gold, SDRs, and Currencies
Afghanistan	3,089						17,000		15,875	1,087					5,410	10,187
Belgium		187							600						1,000	32,875
Burundi		7,000		3,600					4,700	1,500	900	6,400	3,600	3,000	18,500	187
Ceylon	397		8,886				6,601			4,000	1,815	4,100	3,700		18,500	20,600
Chile						2,355									33,041	55,000
Colombia	903	20,900			4	500				1,000			500	2,700	5,250	61,299
Congo, Dem. Rep. of	1*	1,000	500						19				1,300		5,250	8,750
Costa Rica	418	2,475							400	2,800		4,019	2,200	900	4,000	4,338
Cyprus									2,600	9,000		4,500			1,600	5,600
Dominican Republic		250				2,000	2,500			2,000		3,000	1,000		500	500
Ecuador	423															2,387
El Salvador										350	16,000		300	550	200	187,000
Ghana							25,500			21,600		3,400	10,000		70,000	13,356
Guatemala						3,900				2,000	1,000		3,800		44	44
Guinea				5,000					5						903	908
Haiti		900														10,720
India		35,000														500
Indonesia		3,156														4,600
Jamaica																2,950
Kenya	31								1,500	300			2,410	700	2,000	2,410
Korea		500														16
Lesotho		600		500											14	20,638
Liberia		950													10,638	16,251
Mali															16,211	32,400
Morocco									5,000				4	4,000	637	3,167
Nepal	1*															11,127
New Zealand										162					5,648	3,500
Nicaragua	35	19,400								(1,303)					137	49,999
Pakistan		1,395		162				1	125	371			356	1,000	3,713	5,600
Panama										6					3,611	
Peru	6,283	2,000									5					1,000
Sierra Leone	49,999						1,600			900						2,500
South Africa	82	3,100														1,111
Spain																1,000
Sudan		1,000														5,750
Swaziland																258
Syrian Arab Republic																24,500
Tanzania						1,400									3	20,000
Tanzania										9,671			67	2,500	313,000	934,199
Trinidad and Tobago						87			25	3,900			3,400	12,500	5,383	14,473
Tunisia					56	20,199			163,500	138,000			90,000			47,750
Turkey	11,079		10,000	2,400					6,100	6,350			8,300	9,250	981	3,447
United Arab Republic		65,000	37,000						1,632							1,670,690
United Kingdom	8,089	17,750						826		207,422			136,368	40,357	515,814	
Uruguay																
Yugoslavia	7		10,000	58,048					151	203,318						
Zambia	80,844	182,565														
Totals		4,8	10,9	0,6	3,5	2,1	4,8	4,8	12,2	12,4	8,2	4,8	2,4	2,4	30,9	100,0
Percent of Grand Total		4.8	10.9	0.6	3.5	2.1	4.8	4.8	12.2	12.4	8.2	4.8	2.4	2.4	30.9	100.0

† Details may not add to totals.

‡ Less than \$1,000.

Drawings outstanding

The changes in drawings outstanding during the year are summarized in Table 3. The table shows an amount of \$5,369,479,000 of outstanding drawings involving 49 members at April 30, 1970, which is an increase of \$691,002,000 over the amount of \$4,678,477,000 recorded at the end of the previous year. This increase is analyzed below:

Increases

Purchases increasing Fund's holdings of members' currencies above 75% of their quotas	\$2,419,961,000
[This amount is the difference between the total purchases (\$2,995,653,000) and purchases within the super gold tranche (\$575,692,000)]	

Decreases

Purchases by other members of the currency of one member with outstanding drawings	\$ 61,800,000	
Use of currencies of members with outstanding drawings by the Fund for making payments	2,575,000	
Repurchases of previous purchases	<u>1,664,584,000</u>	<u>1,728,959,000</u>
Net increase		<u><u>\$ 691,002,000</u></u>

Of the \$5,369,479,000 drawings outstanding at April 30, 1970, \$4,018,064,000 is subject to charges on balances in excess of quotas.

The net increase of drawings outstanding for the year is larger than the increase for the previous year (\$118,509,000), though the amounts of purchases and repurchases were approximately the same in the two years. The main reason for this is that the currencies of members with drawings outstanding in the fiscal year 1970 were used by other members to a lesser extent than were the currencies of members with drawings outstanding in the fiscal year 1969.

DRAWINGS OUTSTANDING

Table 3

as at April 30, 1970

(in thousands of U.S. dollars)*

Members (1)	Increases in Outstanding Drawings (Purchases to be Repurchased)				Reductions in Outstanding Drawings			Balances April 30, 1970 [2+5-6-7-8]
	Balances April 30, 1969 (2)	Purchases (3)	Amounts Within Member's Super- Gold Tranche and Therefore Not Required to be Repurchased (4)	Amounts to be Repurchased [3-4] (5)	Repurchases (6)	Purchases of Member's Currency by Other Members (7)	Use by the Fund of Member's Currency for Making Payments (8)	
				9,750	10,187			23,112
Afghanistan	23,550	9,750	(11,066)	35,433	32,875		2,558	15,000
Belgium		46,500						75,000
Bolivia	15,000							31,487
Brazil	75,000	12,000		12,000				6,687
Burma	19,487							102,200
Burundi	5,375	1,500		1,500	20,600			3,775
Ceylon	107,800	15,000		15,000				72,250
Chad		3,775		3,775	55,000			102,350
Chile	107,250	20,000		20,000	61,299			
Colombia	130,399	33,250		33,250				3,250
Costa Rica	12,000				8,750			
Cyprus	364				364			40,392
Denmark		45,000	(4,607)	40,392				18,125
Dominican Republic	20,597	8,000		8,000	10,472			18,250
Ecuador	12,500	11,000		11,000	5,250			
El Salvador	22,975	12,250		12,250	15,000			20,225
France	243,944	985,838		985,838				1,229,782
Germany		540,000	(540,000)					
Ghana	88,400	3,000		3,000	18,500			72,900
Guatemala	17,000	6,000		6,000	5,600			17,400
Guinea	1,000	3,800		3,800				4,300
Haiti	8,762	1,500		1,500	500			7,875
Iceland	15,000				2,387			15,000
India	322,000				187,000			135,000
Indonesia	65,106	59,000		59,000	13,356			110,750
Iran	31,247							31,247
Ireland		20,000	(20,000)					44,981
Israel		45,000	(18)	44,981				1,757
Korea	12,477				10,720			9,350
Liberia	12,550	1,400		1,400	4,600			
Mali	10,950	2,250		2,250	2,950			10,250
Mauritius	4,000							4,000
Morocco	62,410				2,410			60,000
New Zealand	59,906				20,638			39,268
Nicaragua	19,000	14,000		14,000	16,251			16,748
Nigeria	6,166							6,166
Pakistan	83,300	35,000		35,000	32,400			85,900
Panama	11,159				3,167			7,991
Peru	39,998	15,000		15,000	11,127			43,870
Philippines	82,499	18,000		18,000				100,499
Rwanda	4,000	2,000		2,000				6,000
Sierra Leone	6,900				3,500			3,400
Somalia	1,900							1,900
South Africa	50,000				49,999			
Spain	62,487				3,713		15	58,757
Sudan	52,200	9,500		9,500	5,600			46,600
Syrian Arab Republic	12,000				2,500			19,000
Trinidad and Tobago	4,750				1,000			3,750
Tunisia	23,060	4,500		4,500	5,750			21,810
Turkey	75,500	10,000		10,000	24,500			61,000
United Arab Republic	90,500				20,000	61,800		70,500
United Kingdom	2,396,000	1,000,000		1,000,000	934,199			2,400,000
Uruguay	34,500	1,840		1,840	14,473			21,866
Yugoslavia	115,500				47,750			67,750
Totals	4,678,477	2,995,653	(575,691)	2,419,961	1,664,584	61,800	2,574	5,369,479

*Details may not add to totals.

Stand-by arrangements

The amounts available under stand-by arrangements with 23 members at April 30, 1970, were \$301,042,000 as shown in the following analysis:

Amounts available at April 30, 1969, under stand-by arrangements		\$ 373,900,000
Stand-by arrangements entered into during the year		<u>2,381,280,000</u>
		\$2,755,180,000
Drawings under stand-by arrangements	\$2,263,638,000 ¹	
Stand-by arrangements expired or cancelled	<u>190,500,000</u>	<u>2,454,138,000</u>
Amounts available at April 30, 1970		<u><u>\$ 301,042,000</u></u>

A comparison of the use of stand-by arrangements by members between the fiscal years 1969 and 1970 follows:

	<u>1970</u> \$	<u>1969</u> \$
Stand-by arrangements entered into	2,381,280,000	541,150,000
Drawings under stand-by arrangements	2,263,638,000 ¹	1,910,910,000
Increases through Repurchases	Nil	1,000,000
Stand-by arrangements expired or cancelled	190,500,000	275,150,000
Amounts available at the end of the year	301,042,000	373,900,000

Table 4 shows particulars of the stand-by arrangements in effect at April 30, 1970, and the amounts available at that date for future drawings.

¹ Includes one drawing amounting to \$2,750,000 which was reclassified as a drawing under the decision on compensatory financing.

Table 4

STATUS OF STAND-BY ARRANGEMENTS

as at April 30, 1970

(expressed in millions of U.S. dollars)

<u>Member</u>	<u>Date of Agreement</u>	<u>Expiration Date</u>	<u>Amount Agreed</u>	<u>Amount Drawn</u>	<u>Amount Available</u>
Afghanistan	October 23, 1969	October 22, 1970	\$ 12.00	\$ 8.00	\$ 4.00
Brazil	February 4, 1970	February 3, 1971	50.00		50.00
Burma	November 24, 1969	November 23, 1970	12.00	11.99	0.01
Ceylon	August 12, 1969	August 11, 1970	19.50	15.00	4.50
Colombia	April 21, 1970	April 20, 1971	38.50		38.50
El Salvador	July 15, 1969	July 14, 1970	17.00	6.00	11.00
France	September 19, 1969	September 18, 1970	985.00	985.00	Nil
Ghana	May 29, 1969	May 28, 1970	5.00	3.00	2.00
Guatemala	August 1, 1969	July 31, 1970	12.00	6.00	6.00
Guyana	April 6, 1970	April 5, 1971	3.00		3.00
Indonesia	April 17, 1970	April 16, 1971	46.30		46.30
Korea	March 13, 1970	December 31, 1970	25.00		25.00
Liberia	June 1, 1969	May 31, 1970	2.00	1.00	1.00
Mali	October 23, 1969	October 22, 1970	3.00	2.25	0.75
Morocco	December 15, 1969	December 14, 1970	25.00		25.00
Nicaragua	May 26, 1969	May 25, 1970	15.00	14.00	1.00
Panama	February 3, 1970	February 2, 1971	10.00		10.00
Peru	April 17, 1970	April 16, 1971	35.00		35.00
Philippines	February 20, 1970	February 19, 1971	27.50	18.00	9.50
Somalia	January 20, 1970	January 19, 1971	3.98		3.98
Tunisia	January 1, 1970	December 31, 1970	7.50		7.50
Turkey	July 1, 1969	June 30, 1970	27.00	10.00	17.00
United Kingdom	June 20, 1969	June 19, 1970	1,000.00	1,000.00	Nil
		Totals	<u>\$2,381.28</u>	<u>\$2,080.24</u>	<u>\$301.04</u>

III. BALANCE SHEET

Gold Account

Gold with depositories

The gold with depositories at April 30, 1970, amounted to 78,993,505.271 fine ounces valued at \$2,764,772,684, an increase of \$193,720,960 over the value of gold held at the close of the preceding year. The net increase is accounted for as follows:

Increases

Subscriptions	\$ 23,758,009	
Repurchases of currencies by members	80,844,167	
Sales of gold by members to the Fund	289,010,079	
Charges on sales of gold by member	696,875	
Operational charges	8,398,467	
Charges on balances in excess of quotas	58,962,442	
Deposit by prospective member	1,500,008	
Purchases of members' earmarked gold and other gold	138	\$463,170,185

Decreases

Sales of gold to members	\$250,000,292	
Payments of interest on indebtedness	17,029,320	
Transfer charges under General Arrangements to Borrow	2,419,613	269,449,225
Net increase in gold with depositories		<u>\$193,720,960</u>

Increase in Bars	\$219,220,922
Decrease in General Deposits	<u>25,499,962¹</u>
Net increase in gold with depositories	<u>\$193,720,960</u>

¹ This amount of gold was transferred from General Deposits to the Fund's holdings of gold bars on the occasion of sales of gold.

The increase in gold with depositories, as compared to the decrease of \$445,124,344 in the previous year, was due mainly to the large purchases of gold from South Africa which were made in accordance with Executive Board Decisions Nos. 2914-(69/127) and 2915-(69/127) taken on December 30, 1969. Decision No. 2914-(69/127) stipulates that the Fund will purchase gold from South Africa when South Africa states that the offer is made in accordance with the terms of the letter on this subject from South Africa to the Fund. This decision is subject to review after five years, or earlier if there is a request for a review because of a major change in circumstances. The sales of members' gold to the Fund during the year amounted to \$289,010,079, of which \$282,750,079 was made by South Africa.

The depositories confirmed directly to the Audit Committee the gold held by them for the account of the Fund. Included in the quantities confirmed were 42,857.363 fine ounces of gold held in suspense for the account of the Yemen Arab Republic pending completion of the formalities of its membership; and 24,948.188 ounces held under earmark for the account of individual members which are not included in gold with depositories as shown in the Balance Sheet. The amounts of earmarked gold in excess of five ounces were certified by the members concerned.

Investments

United States Government securities with a face value of \$844,250,000 maturing within 12 months were held at April 30, 1970. These securities, which were confirmed directly to the Audit Committee by the depository, are shown under the Gold Account in the Balance Sheet at cost, \$799,944,728, while the accrued earnings of \$20,587,625 at April 30, 1970, are included in the amount shown for Other Assets. Funds awaiting investment as at April 30, 1970, amounted to \$46,783.

The United States has given an undertaking to resell to the Fund on request 22,856,900.312 fine ounces of gold valued at \$799,991,511.

Special drawing rights

On April 30, 1970, the holdings of special drawing rights by the General Account amounted to 212,472,421 units of special drawing rights valued at \$212,472,421. The holdings of special drawing rights by the General Account represent the excess of receipts (SDR 212,723,503) over transfers (SDR 251,082) in operations and transactions with members who are participants in the Special Drawing Account. Further details are given in Part Two of this report.

Currencies and securities

The currency and security holdings at April 30, 1970, amounted to \$18,564,526,597, a decrease of \$237,270,322 from the holdings at the end of the previous year as shown hereunder:

Decreases		
Purchases of gold from members	\$289,010,079	
Purchase of members' earmarked gold and other gold	138	
Repurchases of currencies by members with gold	80,844,167	
Repurchases of currencies by members with special drawing rights	182,565,187	
Repayment of borrowings under the General Arrangements to Borrow	515,000,000	
Interest on Fund's indebtedness	31,200	
Transfer charges under General Arrangements to Borrow	387	
Net administrative and fixed property expenditures	34,077,266	
Distribution of net income for fiscal year 1969	<u>31,895,699</u>	\$1,133,424,123
Increases		
Subscriptions in currencies	\$ 71,895,501	
Sales of gold to members	250,000,292	
Transfer of special drawing rights to participants for currencies	251,082	
Borrowings under the General Arrange- ments to Borrow	484,000,000	
Cash income from investments	52,769,906	
Operational charges	2,954,697	
Charges on balances in excess of quotas	<u>34,282,323</u>	<u>896,153,801</u>
Decrease		<u>\$ 237,270,322</u>

The holdings of currencies and securities were confirmed directly to the Audit Committee by the depositories concerned.

It is noteworthy that these holdings are subject to unchallengeable purchases by members to the extent of their respective gold tranches, which in total amounted to \$5,976 million at April 30, 1970. They are also subject, in accordance with the terms of the stand-by arrangements, to drawings to the extent of \$301 million, the amount available under these arrangements at April 30, 1970.

Included in the holdings at April 30, 1970, is \$5,369,479,606 of outstanding drawings which members are obligated to repurchase.

Subscriptions to capital - receivable

Balances of original quotas - not due

This account shows the total amount of balances of original quotas receivable from 19 members but not due, because at April 30, 1970, the members had not established par values for their currencies. These amounts have been credited to the Members' Authorized Subscriptions account, but none of these members is obligated to pay the balance of its subscription under its respective membership resolution listed below before 30 days after initial par value for its currency has been agreed by the Fund:

Member	Board of Governors' Resolution	
	Number	Date
Algeria	18-10	August 20, 1963
Cambodia	24-7	July 28, 1969
Cameroon	17-10	September 19, 1962
Central African Republic	17-11	September 19, 1962
China*		
Congo, People's Republic of the	17-13	September 19, 1962
Dahomey	17-20	September 21, 1962
Equatorial Guinea	24-17	October 3, 1969
Gabon	17-14	September 19, 1962
Ivory Coast	17-16	September 19, 1962
Laos	14-8	September 29, 1959
Malagasy Republic	18-11	August 20, 1963
Mauritania	18-6	May 31, 1963
Niger	17-18	September 19, 1962
Senegal	16-9	September 20, 1961
Southern Yemen	24-5	July 2, 1969
Togo	16-11	September 20, 1961
Upper Volta	17-19	September 19, 1962
Viet-Nam	11-1	June 25, 1956

*China has refrained from communicating a par value under the provisions of Article XX, Section 4(a), which states in part that "No member whose metropolitan territory has been occupied by the enemy shall be required to make such a communication while that territory is a theater of major hostilities or for such period thereafter as the Fund may determine."

The summary below shows the movements in the account during the year:

Subscriptions receivable but not due from 19 members at April 30, 1969		\$746,680,687
Deduct		
Payments of currency portions of member's subscriptions by:		
Botswana - following notification that the currency of Botswana is the South African rand which has an established par value	\$ 2,900,788	
Chad - on the basis of a provisional rate, pur- suant to Resolution No. 19-8	6,847,203	
Malta - upon the establishment of a par value	7,499,986	17,247,976
		<u>17,247,976</u>
		\$729,432,710
Add		
Currency subscriptions of three new members that will not become due until the establishment of the par values of their currencies:		
Cambodia	\$14,249,937	
Equatorial Guinea	5,499,532	
Southern Yemen	19,999,998	39,749,467
		<u>39,749,467</u>
Balance of subscriptions receivable, but not due, from 19 members at April 30, 1970		<u>\$769,182,177</u>

Balances of increases in quotas - not due

Of the members who had consented to an increase in their quotas following the Fourth Quinquennial Review and who had made requests to settle the increase in installments, three remained with the final installments not due totaling \$1,800,000 on April 30, 1970: Cameroon (\$800,000), Central African Republic (\$500,000), and Gabon (\$500,000). However, as a result of partial payments during the year of \$600,000 of currency subscription by Cameroon and \$125,000 of gold subscription by the Central African Republic in advance of their next installments, the balances not due on April 30, 1970, were reduced to \$1,075,000.

Other assets

The balance in this account on April 30, 1970, amounted to \$55,423,808, and the details are summarized in Schedule 5. This amount includes \$33,061,707 representing charges payable by members on their currencies held by the Fund in excess of their quotas for the quarter ended April 30, 1970; \$20,587,625 in respect of accrued earnings on gold investments; and \$1,774,476 relates to various classes of advances, prepayments, receivables, and deposits.

Included in the balance of the accumulated expenditure on fixed property of \$32,126,205 at April 30, 1970, is an amount of \$9,435,344 which is the total expenditure to date on the new headquarters building of the Fund. The total estimated cost of the project is \$43.5 million. To expedite construction, work has started under a letter of intent contract.

In accordance with the established policy of the Fund, the entire cost of additions during the year to fixed property, to furniture and fixtures, and to automotive equipment was charged to expense. Detailed memoranda records are maintained for the several classes of these assets, and the accumulated costs at April 30, 1970, are shown in Schedule 5. The increase in the book value of these assets which was written off during the year is summarized as follows:

	Balances		Increase \$
	1970 \$	1969 \$	
Fixed property	32,126,205	25,615,600	6,510,605
Furniture and equipment	3,115,980	2,920,018	195,962
Automotive equipment	91,964	84,479	7,485

Capital

The membership of the Fund increased from 111 to 115 upon the admission during the year of Cambodia, Equatorial Guinea, Southern Yemen, and Swaziland. The capital of the Fund, which increased by \$117,800,000 during the year, amounted to \$21,348,700,000 at April 30, 1970. Details are shown in Schedule 3.

The following is an analysis of the increase in the capital of the Fund during the year:

New members' quotas

Cambodia	\$19,000,000	
Equatorial Guinea	6,000,000	
Southern Yemen	22,000,000	
Swaziland	<u>6,000,000</u>	\$ 53,000,000

Increases in quotas under Article III, Section 2

Board of Governors'
Resolution

20-6 The Fourth Quinquennial Review:

Final payments of installments:

Algeria	\$ 3,000,000	
Chad	1,000,000	
Congo, People's Republic of the . .	1,000,000	
Dahomey	1,000,000	
Ivory Coast	800,000	
Luxembourg	1,600,000	
Malaysia	5,000,000	
Mauritania	500,000	
Morocco	3,600,000	
Niger	1,000,000	
Upper Volta	<u>1,000,000</u>	19,500,000

Installments paid:

Cameroon	\$ 800,000	
Central African Republic	500,000	
Gabon	<u>500,000</u>	1,800,000

Compensatory Financing of
Export Fluctuations:

24-6 Jamaica	\$ 8,000,000	
25-1 Congo, Dem. Rep. of.	<u>33,000,000</u>	41,000,000

Other -

25-2 Laos		<u>2,500,000</u>
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Total increases		<u><u>\$117,800,000</u></u>
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Special reserve

The balance to the credit of the Special Reserve account at April 30, 1970, was \$366,224,001. This was an increase of \$56,741,734 over the balance at the close of the previous year and represented the year's income from investments in U. S. Government securities (Exhibit C). In accordance with a decision of the Executive Board on November 27, 1957, income from this source is credited to this account as it is earned to make provision for possible administrative deficits.

The Audit Committee noted that the Gold Investment Program is under periodic review by the Fund.

General reserve

The General Reserve represents the Fund's accumulated net income which at April 30, 1969, amounted to \$324,646,839 including provisionally the net income of \$70,837,822 for the year then ended, pending action by the Board of Governors. In accordance with Board of Governors' Resolution No. 24-14, adopted October 3, 1969, \$38,942,123 was allocated to this account, and \$31,895,699 was distributed to members.

The balance in the account at April 30, 1970, amounted to \$350,303,618 including the net income of \$57,552,478 for the year under review transferred provisionally to this account pending action by the Board of Governors.

Subscriptions in respect of increases in quotas consented to but not yet effective

The amount of \$1,800,000 in this account on April 30, 1970, represents the balance of increases in quotas consented to by three members but not yet effective because payments were to be made in installments. As each installment is paid in full, the amount becomes an effective increase in the member's subscription and is transferred to its authorized subscription account. In April 1970, partial payments amounting to \$725,000 were received from two members on installments which were not then due. The balances not due, amounting to \$1,075,000, is a contra of the subscriptions to capital receivable - balances of increases in quotas not due. Details are shown in Schedule 4.

Indebtedness

At April 30, 1970, outstanding borrowings of the Fund under Article VII, Section 2(i), of the Articles of Agreement amounted to \$1,065 million, consisting of \$815 million under the General Arrangements to Borrow, and \$250 million under a special agreement with one member.

The currencies of ten major industrial countries equivalent to \$5,888.9 million were made available under the General Arrangements to Borrow, to strengthen the Fund when supplementary resources are needed to forestall or cope with an impairment of the international monetary system. These arrangements were renewed for a period of five years to end October 23, 1975.

There was an increase in the amount available under the Arrangements during the year, amounting to \$31.8 million, due to the net effect of a devaluation of the French franc on August 10, 1969, and a revaluation of the German mark on October 26, 1969.

In connection with drawings by two members during the year, the Fund made calls on participants totaling the equivalent of \$484 million. Repayments to participants totaled \$515 million. The difference of \$31 million represents a decrease in the Fund's indebtedness, bringing the total indebtedness under the General Arrangements to Borrow to \$815 million.

The claim to repayment of one participant amounting to \$210 million was transferred to four other participants in accordance with paragraph 13 of the Arrangements.

There was no change during the year in the Fund's indebtedness of \$250 million which had been borrowed previously by special agreement with one of its members.

Schedule 6 gives details of the maximum amounts of the credit arrangements, the borrowings outstanding and the unused credit under the General Arrangements to Borrow at April 30, 1970.

Provision for potential refunds of stand-by charges

The figure of \$740,447 shown in the Balance Sheet represents the balance of charges paid by members for stand-by arrangements which were still in force on April 30, 1970. This balance is the maximum amount that could become available to these members as credits against service charges on purchases of currencies by them subsequent to April 30, 1970, under the stand-by arrangements, or as refunds resulting from adjustments or cancellations of the arrangements after that date. Charges in respect of amounts not drawn by the date of expiration of stand-by arrangements are transferred to income.

The following summarizes the transactions, including accruals, in this account during the year:

Balance at April 30, 1969		\$ 859,972
Add - Stand-by charges received during the year		<u>5,942,977</u>
		\$6,802,949
Deduct		
Transfers to income upon cancellation or expiration of stand-by arrangements	\$ 383,599	
Credits against service charges on drawings	5,657,220	
Refund under gold tranche	26	
Refund on cancellation	<u>21,657</u>	<u>6,062,502</u>
Balance at April 30, 1970		<u><u>\$ 740,447</u></u>

Other liabilities

The items constituting the figure of \$33,176,124 shown in the Balance Sheet under this heading are summarized in Schedule 7. They consist of \$27,181,314, representing total remuneration payable to members in accordance with Article V, Section 9, of the Articles of Agreement; \$3,982,062 representing interest payable on indebtedness; and \$2,012,748 relating mainly to personal services, travel, and other administrative costs.

IV. STATEMENT OF INCOME AND EXPENDITURE

Income and expenditure

A comparative statement of the income and expenditure of the Fund for the five years ended April 30, 1970, is given below:

Fiscal Year	Gross income in millions of U.S. dollars	Percentage of increase + over or decrease - from the preceding year	Expenditure in millions of U.S. dollars	Percentage of increase + over or decrease - from the preceding year	Net income in millions of U.S. dollars	Percentage of increase + over or decrease - from the preceding year
1966	81.32	+70.3	36.77	+65.6	44.55	+74.4
1967	89.62	+10.2	39.19	+ 6.6	50.43	+13.2
1968	89.44	- 0.2	33.70	- 14.0	55.74	+10.5
1969	122.09	+36.5	51.25	+52.1	70.84	+27.1
1970	138.13	+13.1	80.57	+57.2	57.55	- 18.8

In accordance with Executive Board Decision No. 753-(58/17), the net income of \$57.55 million for the year (excluding income from gold investments credited to the Special Reserve – Exhibit C), has been transferred provisionally to the General Reserve pending action by the Board of Governors.

Income

The schedule of Fund charges remained unchanged during the year, except that beginning July 28, 1969, no service charges were levied on gold tranche drawings in accordance with Rule I-2 of the Rules and Regulations.

The various classes of income during the year compared with those of the preceding year are summarized as follows:

	Year ended April 30		Increase + Decrease - \$
	1970 \$	1969 \$	
Operational charges			
Service charges	11,890,574	14,194,254	- 2,303,680
Charges for stand-by arrangements . . .	383,600	399,315	- 15,715
Interest on withdrawing member's currency held by the Fund	-	33,538	- 33,538
Other operational income	696,875	-	+ 696,875
	<u>12,971,049</u>	<u>14,627,107</u>	- 1,656,058
Charges on balances in excess of quotas	124,728,392	107,452,146	+17,276,246
Interest on holdings of special drawing rights	413,883	-	+ 413,883
Other income	<u>13,611</u>	<u>11,267</u>	+ 2,344
Total income	<u><u>138,126,935</u></u>	<u><u>122,090,520</u></u>	<u><u>+16,036,415</u></u>

There was a net increase in total income of \$16,036,415 over the figure of \$122,090,520 for the previous year. The decrease of \$2,303,680 in income from service charges on transactions was due to the amount of purchases within the gold tranches during the year.

There was no income from interest on withdrawing member's currency held by the Fund as the final installment due under a settlement agreement between a former member and the Fund was made in January 1969.

Included in the income are charges on sales of gold to the Fund by South Africa, amounting to \$696,875.

The income from charges on balances in excess of members' quotas increased by \$17,276,246, due partly to an increase in the amount of currency holdings subject to such charges, and partly to the aging of some of the outstanding drawings and the consequent application of higher rates of charges.

Included in income for the first time are receipts of interest equivalent to \$413,883 on holdings of special drawing rights acquired by the General Account during the four-month period ended April 30, 1970.

Administrative expenditure

The Administrative Budget for the year, as approved by the Executive Board on April 9, 1969, and adopted by the Board of Governors by Resolution No. 24-13 on October 3, 1969, made provision for administrative expenditure totaling \$27,900,000. Supplementary appropriations totaling \$1,100,000 were approved by the Executive Board on February 27, 1970. The revised budget, therefore, totaled \$29,000,000, which was \$4,050,000 higher than the revised budget of \$24,950,000 for the previous year.

The following table lists the revised provisions for the year under the major headings reflecting the various inter-category transfers authorized by the Executive Board on February 27, 1970, and May 14, 1970. The table confirms that the expenditure incurred under the several headings of the budget was in all cases within the amounts of the budget provisions. The table also compares the expenditure under those headings with the corresponding expenditure of the preceding year.

	Revised Budget F.Y. 1970	Expenditure F.Y. 1970	Expenditure F.Y. 1969	Increase + Decrease -
	\$	\$	\$	\$
I. Board of Governors	662,000	659,828	581,523	+ 78,305
II. Office of Executive Directors				
Salaries	1,710,000	1,704,610	1,447,539	+ 257,071
Other compensations and benefits	480,000	460,102	405,476	+ 54,626
Travel	340,000	308,712	393,177	- 84,465
	<u>2,530,000</u>	<u>2,473,424</u>	<u>2,246,192</u>	<u>+ 227,232</u>
III. Staff				
Salaries	11,870,000	11,858,137	10,240,699	+1,617,438
Other compensations and benefits	4,713,000	4,708,909	3,923,257	+ 785,652
Travel	3,264,000	3,086,714	2,480,911	+ 605,803
	<u>19,847,000</u>	<u>19,653,760</u>	<u>16,644,867</u>	<u>+3,008,893</u>
IV. Special Services to Member Countries	2,176,000	2,175,493	1,944,966	+ 230,527
V. Other Administrative Expenses				
Communications	845,000	797,915	655,101	+ 142,814
Office occupancy	745,000	741,181	527,714	+ 213,467
Books and printing	655,000	636,996	507,238	+ 129,758
Supplies and equipment	570,000	542,085	604,486	- 62,401
Miscellaneous	970,000	951,914	672,429	+ 279,485
	<u>3,785,000</u>	<u>3,670,091</u>	<u>2,966,968</u>	<u>+ 703,123</u>
Totals	<u>29,000,000</u>	<u>28,632,596</u>	<u>24,384,516</u>	<u>+4,248,080</u>
Deduct: Estimated expenses of operating the Special Drawing Account		<u>887,656</u>	-	<u>+ 887,656</u>
Net administrative expenditure		<u>27,744,940</u>	<u>24,384,516</u>	<u>+3,360,424</u>

The net administrative expenditure rose by \$3,360,424 to \$27,744,940 due to larger expenditure under all categories during the year. An amount of \$887,656 was deducted from total administrative expenditure representing the estimated expenses of operating the Special Drawing Account since August 6, 1969, the day the required level of participation in the Special Drawing Account was achieved. Reimbursement of this amount has been received from participants in the Special Drawing Account in accordance with Article XXVI, Section 4.

The expenditure of \$659,828 under the heading of Board of Governors shows an increase of \$78,305 over the figure of \$581,523 in the previous year, due mainly to higher travel costs for Governors.

The increase of \$227,232 for the Office of the Executive Directors results mainly from salary increments approved and an increase in the number of assistants appointed during the year. The increase of \$3,008,893 for the regular staff results mainly from an increase in the number of appointments to professional and general service positions and salary increments approved during the year. Related costs for compensations and benefits as a result of those increases were similarly increased.

The expenditure in connection with Special Services to Member Countries increased by \$230,527 due mainly to additional costs of the IMF Institute and the Panel of Central Bank Experts.

There was also an increase of \$703,123 in Other Administrative Expenses, due partly to the loss of rent from the International Bank for Reconstruction and Development when it relinquished office space in the Fund building, and partly to higher costs of goods and services related to the administrative operations of the Fund.

Operational expenditure

Operational expenditure for the year of \$46,310,902 shows a net increase of \$23,975,209 over the expenditure of \$22,335,693 in the previous year. This increase is due mainly to the expenditure of \$27,181,314, the amount in respect of remuneration payable to members in accordance with the provisions of Article V, Section 9, for the period from July 28, 1969, through April 30, 1970, at the rate of one and one-half per cent per annum. Payments of the remuneration were made to 32 members in gold, special drawing rights and members' currencies during May 1970.

Appendix to
Part One

**Audited Exhibits
and Schedules Related
to the General Account**

ASSETS AND LIABILITIES

GOLD ACCOUNT (Schedule 1)			
Gold with depositories (See Note 1)	.....		\$21,348,700,000
(78,993,505.271 fine ounces at \$35 per ounce)			
Bars	\$2		
General deposits	—		
	\$2	\$ 366,224,001	
		350,303,618	716,527,619
Less: 42,857.363 fine ounces held in suspense for the account of the Yemen Arab Republic pending completion of the formalities of membership	—		
Investments (See Note 2)			
U.S. Government securities maturing within 12 months at cost (face amount \$844,250,000)		\$1,075,000	
Funds awaiting investment	—	725,000	1,800,000
SPECIAL DRAWING RIGHTS (See Note 3)			
(212,472,421 units)			
CURRENCIES AND SECURITIES (See Note 4) (Schedule 2)			
With depositories			
Currencies		\$815,000,000	
Securities		250,000,000	1,065,000,000
(nonnegotiable, noninterest-bearing demand obligations, payable at face value by members in their currencies)			
SUBSCRIPTIONS TO CAPITAL – RECEIVABLE			
Balances of original quotas – not due (Schedule 3)			740,447
Balances of increases in quotas – not due (Contra) (Schedule 4)			
OTHER ASSETS (See Note 5) (Schedule 5)			
			33,176,124
TOTAL ASSETS	LIABILITIES		<u>\$23,165,944,190</u>

NOTES:

1. Excludes 24,948.188 fine ounces held under earmark for members, of the Articles of Agreement.
2. Made with the proceeds of the sale of 22,856,900.312 fine ounces. A service charge for funds drawn under the arrangement. A member's share will be the prorated portion of the remaining stand-by charge. quantity of gold can be reacquired.
3. The unit of value of special drawing rights is equivalent to 0.888 grams of gold.
4. Total outstanding drawings of members amount to \$5,369 million. Fund charges amount to \$4,018 million.
5. The assets and liabilities of the Staff Retirement Fund are not included.

/s/ Frank A. Southard, Jr.
Acting Managing Director

GENERAL ACCOUNT
STATEMENT OF INCOME AND EXPENDITURE
for the year ended April 30, 1970

INCOME		
Operational charges		\$ 12,971,049
Charges on balances in excess of quotas		124,728,392
Interest on holdings of special drawing rights		413,883
Other		<u>13,611</u>
TOTAL INCOME (See Note 1)		\$138,126,935
EXPENDITURE		
Administrative expenditure		
Board of Governors		\$ 659,828
Executive Directors		
Salaries and expense allowances	\$ 1,704,610	
Other compensations and benefits	460,102	
Travel	<u>308,712</u>	2,473,424
Staff		
Salaries	\$11,858,137	
Other compensations and benefits	4,708,909	
Travel	<u>3,086,714</u>	19,653,760
Special services to member countries		2,175,493
Other administrative expenses		
Communications	\$797,915	
Office occupancy expenses	741,181	
Books and printing (See Note 2)	636,996	
Supplies and equipment	542,085	
Miscellaneous (See Note 3)	<u>951,914</u>	3,670,091
Total administrative expenditure		\$28,632,596
Deduct: Estimated expenses of operating the Special Drawing Account		<u>887,656</u>
Net administrative expenditure		\$27,744,940
Operational expenditure		
Remuneration	\$27,181,314	
Transfer charges on currencies borrowed under General Arrangements to Borrow	2,420,000	
Interest on indebtedness		
Under General Arrangements to Borrow	12,990,916	
Other	<u>3,750,000</u>	
Gold handling and sundry other costs (net)	31,328 Cr.	
Total operational expenditure		46,310,902
Fixed property expenditure		<u>6,518,615</u>
TOTAL EXPENDITURE		80,574,457
NET INCOME		\$ 57,552,478
(Transferred provisionally to General Reserve pending action by Board of Governors) (Exhibit C)		

NOTES:

1. Excludes income from investments amounting to \$56,741,734 transferred to Special Reserve (Exhibit C).
2. After deduction of \$90,604 for sales of Fund's publications.
3. After deduction of \$306,561 for food service sales.

GENERAL ACCOUNT
STATEMENT OF RESERVES
for the year ended April 30, 1970

SPECIAL RESERVE (See Note 1)

Balance, April 30, 1969	\$309,482,267	
Add		
Income from investments in U.S. Government securities	56,741,734	
Balance, April 30, 1970		\$366,224,001

GENERAL RESERVE

Balance, April 30, 1969 (See Note 2)	\$324,646,839	
Deduct		
Distribution of net income for fiscal year 1969 in accordance with Board of Governors' Resolution No. 24-14	31,895,699	
		\$292,751,140
Add		
Net income (Exhibit B), transferred provisionally pending action by Board of Governors	57,552,478	
Balance, April 30, 1970		350,303,618
TOTAL RESERVES (per Balance Sheet)		<u>\$716,527,619</u>

NOTES:

1. From November 1, 1957 income from investments in U.S. Government securities has been placed to this reserve. Any administrative deficit for any fiscal year of the Fund must be written off first against this reserve. Pursuant to Article XII, Section 6 (c) of the Articles of Agreement, the Fund may make transfers from this reserve to the General Reserve.
2. Includes net income of \$70,837,822 for fiscal year ended April 30, 1969 transferred provisionally to the General Reserve pending action by the Board of Governors. In accordance with Board of Governors' Resolution No. 24-14, \$38,942,123 was allocated to the General Reserve and \$31,895,699 was distributed to members pursuant to Article XII, Section 6 (b).

GENERAL ACCOUNT

GOLD ACCOUNT

as at April 30, 1970

Gold with depositories		\$2,764,772,684	
(78,993,505.271* fine ounces, at \$35.00 per fine ounce)			
Less: 42,857.363 fine ounces held in suspense for the account of the Yemen Arab Republic pending completion of the formalities of membership		1,500,008	\$2,763,272,676
Investments:			
In U.S. Government securities:			
<u>Maturing Within</u>	<u>Face Value</u>	<u>Cost</u>	
3 months	\$400,200,000	\$385,103,044	
4 to 6 months	199,750,000	188,100,768	
7 to 9 months	124,250,000	114,730,995	
10 to 12 months	120,050,000	112,009,921	
	<u>\$844,250,000</u>	<u>\$799,944,728</u>	
Funds awaiting investment		46,783	799,991,511
TOTAL GOLD ACCOUNT (per Balance Sheet)			<u>\$3,563,264,187</u>

* Excludes 24,948.188 fine ounces held under earmark for members as follows:

Member	Fine Ounces	Member	Fine Ounces	Member	Fine Ounces
Afghanistan	513.948	Haiti	35.512	Panama	2.361
Algeria	0.585	Honduras	160.460	Paraguay	3.065
Argentina	413.212	Iceland	11.143	Peru	562.795
Austria	3.985	Indonesia	801.577	Philippines	4.389
Bolivia	0.269	Iran	356.234	Rwanda	37.531
Brazil	588.285	Iraq	0.163	Saudi Arabia	2.047
Cameroon	0.977	Ireland	0.045	Sierra Leone	171.549
Central African Republic	0.044	Israel	610.453	Somalia	0.484
Ceylon	2,246.782	Ivory Coast	0.141	South Africa	5,039.159
Chad	0.208	Jamaica	1.971	Spain	21.625
Chile	4.398	Jordan	0.502	Sudan	2.951
Colombia	1.156	Korea	1.035	Syrian Arab Republic	6.861
Congo, Democratic Rep. of	48.144	Laos	0.229	Thailand	2.409
Congo, People's Rep. of the	0.209	Lebanon	1.568	Trinidad and Tobago	4.113
Costa Rica	30.251	Liberia	72.561	Tunisia	1.187
Cyprus	0.952	Libyan Arab Republic	0.676	Turkey	0.319
Dahomey	0.008	Malaysia	1.028	Uganda	2.304
Denmark	70.109	Mauritania	0.459	United Arab Republic	0.693
Dominican Republic	5.745	Mauritius	0.081	United Kingdom	137.940
Ecuador	388.520	Morocco	11.146	Upper Volta	0.071
El Salvador	3,939.002	Nepal	3.042	Uruguay	2.223
France	7,019.329	New Zealand	184.991	Viet-Nam	3.724
Gabon	0.123	Nicaragua	167.210	Yugoslavia	50.008
Ghana	0.582	Niger	0.046	Zambia	558.394
Guatemala	0.909	Nigeria	1.006		
Guinea	0.242	Pakistan	628.733	TOTAL	<u>24,948.188</u>

GENERAL ACCOUNT
CURRENCIES AND SECURITIES WITH DEPOSITORIES
as at April 30, 1970

Depositories	National Currencies	AMOUNT IN MEMBERS' CURRENCIES			Exchange Rates (See Note 1)	U. S. Dollar Equivalents	Per Cent of Quota
		Securities	Currency	Totals			
Da Afghanistan Bank	Afghans	791,181,264	1,226,965,791	2,018,147,055	45.0000	44,847,712	154.6
Banque Centrale d'Algérie	Dinars	835,399,490	55,541,925	890,941,415	4.93706*	11,250,000	See Note 2
Reserve Bank of Argentina	Argentines	185,817,006	12,350,108	198,167,114	3.50000*	242,208,457	69.2
Austrian National Bank	Dollars	51,969,218	42,873,826	94,843,044	112.0000†	256,133,732	51.2
	Schillings		45,619,152	97,588,370	26.0000	3,753,399	2.1
Banque Nationale de Belgique	Francs	10,634,500,000	312,482,329	10,946,982,329	50.0000	216,939,647	51.4
Banco Central de Bolivia	Pesos	257,069,524	183,331,776	440,401,300	11.8750*	37,086,425	127.9
Standard Bank Limited (Botswana)	S.A. Rand	2,046,348	2,069,543	4,115,891	140.000†	2,897,360	96.6
Banco Central do Brasil	New Cruzeiros	1,440,159,453	1,440,159,453	2,880,318,906	4.26500*	337,669,274	96.5
People's Bank of the Union of Burma	Kyats	261,823,825	59,487,747	321,311,572	21.0000†	67,475,430	140.6
Banque de la République du Burundi	Francs	1,206,000,000	595,963,450	1,801,963,450	87.5000	20,593,868	137.3
Banque Centrale des Etats de l'Afrique Equatoriale et du Cameroun (Cameroun)	CFA Francs	822,021,600	11,108,400	833,130,000	277.710*	3,000,000	See Notes 2 and 3
Banque de Canada	Dollars	384,000,000	8,653,959	392,653,959	92.5000†	363,204,893	49.1
Banque Centrale des Etats de l'Afrique Equatoriale et du Cameroun (Central African Republic)	CFA Francs	411,010,800	5,554,200	416,565,000	277.710*	1,500,000	See Note 2
Central Bank of Ceylon	Rupees	443,064,293	562,208,665	1,005,272,958	16.8000†	168,885,857	216.5
Banque Centrale des Etats de l'Afrique Equatoriale et du Cameroun (Chad)	CFA Francs	3,441,438,801	29,159,550	3,470,598,351	277.710*	12,497,203	125.0
Banco Central de Chile	Escudos	1,640,007,600	1,640,007,600	3,280,015,200	9.88000*	165,992,672	132.8
Banco de la Republica (Colombia)	Pesos	3,451,372,473	3,451,372,473	6,902,744,946	17.6000*	196,100,709	156.9
Banque Nationale du Congo (Democratic Republic of the Congo)	Zaires	33,261,979	48,582	33,310,561	200,000†	67,489,123	75.0
Banque Centrale des Etats de l'Afrique Equatoriale et du Cameroun (The People's Republic of the Congo)	CFA Francs	513,763,500	6,942,750	520,706,250	277.710*	1,875,000	See Note 2
Banco Central de Costa Rica	Colones	145,582,029	145,582,029	291,164,058	6.25500	21,974,646	87.9
Central Bank of Cyprus	Pounds	84,499	84,499	168,998	240.000†	15,772,431	78.9
Banque Centrale des Etats de l'Afrique de l'Ouest (Dahomey)	CFA Francs	513,763,500	6,942,750	520,706,250	277.710*	1,875,000	See Note 2
Danmarks Nationalbank	Kroner	1,215,256,116	1,215,256,116	2,430,512,232	7.50000	162,034,149	99.4
Banco Central de la Republica Dominicana	Pesos	10,747,968	31,377,736	42,125,704	1.00000	42,125,704	131.6
Banco Central del Ecuador	Sueres	666,002,544	666,002,544	1,332,005,088	18.0000	37,000,141	148.0
National Bank of Ethiopia	Colones	97,424,747	97,424,747	194,849,494	3.50000	38,969,899	155.9
Bank of Finland	Dollars	35,041,950	480,679	35,522,629	2.00000	4,209,052	74.8
Banque de France	Markkaa	4,103,165,250	351,714,952	4,454,880,202	4.98997	83,742,253	67.0
Banque Centrale des Etats de l'Afrique Equatoriale et du Cameroun (Gabon)	Francs	41,103,165,250	6,833,632,878	47,936,798,128	5.55419	1,969,107,670	199.9
The Gambia Currency Board	CFA Francs	411,010,800	5,554,200	416,565,000	277.710*	1,500,000	See Note 2
Deutsche Bundesbank	Pounds	2,006,335	20,946	2,027,281	240.000†	4,865,074	97.3
Bank of Ghana	Deutsche mark	3,214,750,000	46,709,116	3,261,459,116	3.66000	89,099,048	74.3
Bank of Greece	New Cedis	134,131,836	749,318	134,881,154	98.0000†	132,185,531	191.6
Banco de Guatemala	Drachmas	—	2,249,746,510	2,249,746,510	30.0000	74,991,350	75.0
Banque Centrale de la Republique de Guinee (Guinee)	Quetzales	—	36,141,159	36,141,159	1.00000	36,141,159	144.6
Banque Nationale de la Republique d'Haiti	Francs	27,270,000	4,815,845,166	4,843,115,166	247.000*	16,497,339	102.6
Banco Central de Honduras	Dollars	55,680,805	316,791	56,000,000	2.00000	13,793,399	52.0
The Central Bank of Iceland	Gourdes	28,099,960	40,350,540	68,450,500	5.00000	19,206,269	128.0
Reserve Bank of India	Lempiras	437,937,500	400,040	438,337,540	2.00000	14,250,000	75.0
Bank Indonesia	Kronaur	6,168,270,000	1,873,018,856	8,041,288,856	88.0000	26,360,868	175.1
Bank Markazi Iran	Rupees	82,511,656,588	281,233,144	82,792,890,732	7.50000	852,933,752	114.7
Central Bank of Iraq	Rupiahs	9,372,782,060	20,168,406,446	29,541,188,506	325.000*	125,368,655	152.6
The Central Bank of Ireland	Rials	21,130,444	95,120,629	116,251,073	75.7500	124,988,614	99.99
Banca d'Italia	Dinars	15,019,241	296,028	15,315,269	280.000†	59,994,121	75.0
Banque Centrale des Etats de l'Afrique de l'Ouest (Ivory Coast)	Pounds	232,990,000	342,764	233,332,764	240.000†	36,968,813	46.1
Bank of Jamaica	Pounds	822,021,600	160,684,675	982,706,275	3.50000	17,478,478	125.0
The Bank of Japan	Shillings	23,516,948	206,293,112,809	229,810,060,757	277.710*	3,000,000	See Note 2
Central Bank of Jordan	Dollars	80,403,963,950	2,616,603,431	83,020,567,381	120.000†	28,610,124	75.3
The Bank of Kenya	Yen	4,223,979	2,616,603,431	6,840,582,410	360.000	230,613,687	31.8
Central Bank of Kuwait	Dinars	190,734,051	4,282,846	195,016,897	280.000†	11,991,968	74.9
Banque Nationale du Laos	Shillings	9,428,188,620	2,338,582	11,766,771,202	14.0000†	27,030,968	74.9
Banque du Liban (Lebanon)	Won	13,200,379	582,430,001	595,630,380	255.000*	59,257,328	84.5
Standard Bank Limited (Lesotho)	Dinars	444,000,000	187,517	444,187,517	280.000†	37,486,108	75.0
The Bank of Monrovia (Liberia)	Kips	14,396,245	6,000,000	20,396,245	240.000*	1,875,000	See Note 2
Bank of Libya	Pounds	1,687,971	364,655	2,052,626	2.9148	6,735,585	74.8
	S. A. Rand	26,803,003	22,697	26,825,700	140.000†	2,394,935	79.8
	Dollars	5,009,860	68,776	5,078,636	1.00000	27,006,734	135.0
	Pounds				280.000†	14,220,182	74.8

(continued overleaf)

GENERAL ACCOUNT
CURRENCIES AND SECURITIES WITH DEPOSITORIES
as at April 30, 1970

Depositaires	National Currencies	AMOUNT IN MEMBERS' CURRENCIES			Exchange Rates (See Note 1)	U. S. Dollar Equivalents	Per Cent of Quota
		Securities	Currency	Totals			
Caisse d'Epargne de l'Etat (Luxembourg)	Francs	739,489,492	9,646,019	749,135,511	50.0000	14,982,710	78.9
Institut d'Emission Malgache (Malagasy Republic)	Francs	819,001,106	14,115,350	833,116,456	277.710*	2,999,951	See Note 2
Reserve Bank of Malawi	Pounds	4,055,490	48,249	4,103,739	240.000†	9,848,973	87.5
Central Bank of Malaysia	Dollars	269,687,149	3,962,607	273,649,756	3.06122	89,392,385	71.5
Banque Centrale du Mali	Francs	—	15,332,231,483	15,332,231,483	555.419*	27,604,802	162.4
Central Bank of Malta	Pounds	3,074,000	45,049	3,119,049	240.000†	7,485,717	74.9
Banque Centrale des Etats de l'Afrique de l'Ouest (Mauritania)	CFA Francs	513,763,500	6,942,750	520,706,250	277.710*	1,875,000	See Note 2
Bank of Mauritius	Rupees	108,520,000	900,360	109,420,360	5.55555*	19,695,684	123.1
Banco de Mexico, S.A.	Pesos	338,900,720	2,009,417,389	2,009,417,389	12.5000	160,753,391	59.5
Banque du Maroc (Morocco)	Dirhams	—	306,251,945	645,152,663	5.06049	127,488,181	141.7
Nepal Rastra Bank	Rupees	75,264,071	1,067,414	76,331,485	10.1250	7,538,912	75.4
De Nederlandsche Bank N. V.	Guilders	637,000,000	19,492,047	656,492,047	3.62000	181,351,394	34.9
Reserve Bank of New Zealand	Dollars	103,776,785	36,395,011	140,171,796	112.000†	156,992,412	99.99
Banco Central de Nicaragua	Cordobas	—	216,982,827	216,982,827	7.00000	30,997,547	163.1
Banque Centrale des Etats de l'Afrique de l'Ouest (Niger)	CFA Francs	513,763,500	6,942,750	520,706,250	277.710*	1,875,000	See Note 2
Central Bank of Nigeria	Pounds	29,101,258	2,556,908	31,658,166	280.000†	88,642,865	88.6
Norges Bank	Kroner	—	414,512,572	414,512,572	14.000†	58,031,760	38.7
State Bank of Pakistan	Rupees	766,482,255	424,959,312	1,191,441,567	21.000†	250,202,729	133.1
Banco Nacional de Panama	Balboas	20,711,000	8,279,992	28,990,992	1.00000	28,990,992	103.5
Banco Central del Paraguay	Guaranies	—	1,415,084,909	1,415,084,909	126.000*	11,230,833	74.9
Banco Central de Reserva del Peru	Soles	1,685,860,140	1,200,289,206	2,886,149,346	26.8150*	107,631,898	126.6
Central Bank of the Philippines	Pesos	317,445,487	396,251,091	713,696,578	3.90000	182,999,123	166.4
Banco de Portugal	Escudos	1,594,925,000	21,704,305	1,616,629,305	28.7500	56,230,584	75.0
Banque Nationale du Rwanda	Francs	—	1,993,321,382	1,993,321,382	100.000†	19,933,214	132.9
Saudi Arabian Monetary Agency	Riyals	299,689,882	4,059,001	303,748,883	4.50000	67,499,752	75.0
Bank of Sierra Leone	Leones	—	130,376	130,376	120.000†	16,026,705	106.8
Accountant-General (Singapore)	Dollars	67,500,000	1,273,334	68,773,334	3.06122	22,465,989	74.9
Banca Nazionale Somalia (Somalia)	Shillings	79,285,714	20,490,101	99,775,815	14.000†	13,968,614	93.1
South African Reserve Bank	Rand	16,302,109	1,441,067	17,743,176	140.000†	24,840,447	12.4
Banco de Espana	Pesetas	4,800,000,000	12,437,820,423	17,237,820,423	70.0000	246,254,577	98.5
Bank of Sudan	Pounds	31,589,096	200,784	31,789,880	287.156†	91,286,547	160.2
Barclay's Bank D.C.O. (Swaziland)	S. A. Rand	3,396,088	45,000	3,441,088	140.000†	4,817,524	80.3
Sveriges Riksbank	Kronor	62,120,727	872,962,214	935,082,941	5.17321	168,746,719	74.9
Banque Centrale de Syrie	Pounds	—	41,973,266	41,973,266	2.19148	47,499,404	125.0
Bank of Tanzania	Shillings	—	197,331,956	197,331,956	14.000†	27,626,474	86.3
Bank of Thailand	Baht	1,461,905,840	19,772,460	1,481,678,300	20.8000	71,234,534	75.0
Central Bank of Trinidad and Tobago	Dollars	74,006,849	8,337,936	82,344,785	2.00000	41,172,393	93.6
Banque Centrale de Tunisie	Dinars	15,016,875	11,561,555	26,578,430	0.525000	50,625,580	144.6
Banque Centrale de la Republique de Turquie	Liras	734,887,760	542,045,436	1,276,933,196	9.00000	141,881,466	131.4
Bank of Uganda	Shillings	194,286,252	2,372,708	196,658,960	14.000†	27,532,254	86.0
Central Bank of Egypt	Pounds	38,965,063	29,749,137	68,714,200	287.156†	197,316,947	131.5
Bank of England	Pounds	1,835,875,000	10,237,796	1,846,112,796	240.000†	4,430,670,710	181.6
Federal Reserve Banks (United States)	Dollars	2,387,000,000	62,748,753	2,649,748,753	1.00000	2,649,748,753	51.4
Riggs National Bank of Washington, D.C. (See Note 4)	Dollars	—	543,524	543,524	1.00000	543,524	See Note 2
Banque Centrale des Etats de l'Afrique de l'Ouest (Upper Volta)	CFA Francs	513,758,476	6,942,750	520,701,226	277.710*	1,874,982	See Note 2
Banco Central del Uruguay	Pesos	459,187,837	7,832,979	467,020,816	7.40000	63,110,971	114.7
Banco Central de Venezuela	Bolivares	675,277,864	11,306,862	686,584,726	4.48500*	153,084,666	61.2
National Bank of Viet-Nam	Piastres	—	1,590,000,000	1,590,000,000	80.0000*	19,875,600	See Note 2
Banque Nationale de Yougoslavie	Dinars	—	2,343,199,829	2,343,199,829	12.5000	187,455,986	125.0
Bank of Zambia	Kwacha	28,266,000	367,778	28,633,778	140.000†	40,087,290	80.2
TOTALS (in U.S. dollar equivalents) (per Balance Sheet)		\$13,818,725,552	\$4,745,801,045	\$18,564,526,597			

NOTES:

1. Parity rates, except for those marked *, which are provisional rates for bookkeeping purposes. Rates marked † represent U.S. cents per currency unit; all other rates represent currency units per U.S. dollar.
2. Currency holdings represent amounts paid in respect of an increase in quota; the currency portion of the original subscription will not become due until a par value has been established.
3. Holdings also include currency subscription payment made in anticipation of an authorized increase in quota. (See Schedule 4).
4. Checking accounts are maintained with Riggs National Bank of Washington, D.C., for the purpose of making local payments for administrative expenditures.

GENERAL ACCOUNT
STATUS OF SUBSCRIPTIONS TO CAPITAL
as at April 30, 1970
(expressed in U.S. dollars)

Members	QUOTAS		
	Paid	Receivable	Total
Afghanistan	\$ 29,000,000		\$ 29,000,000
Algeria	30,000,039	\$ 44,999,961	75,000,000
Argentina	350,000,000		350,000,000
Australia	500,000,000		500,000,000
Austria	175,000,000		175,000,000
Belgium	422,000,000		422,000,000
Bolivia	29,000,000		29,000,000
Botswana	3,000,000		3,000,000
Brazil	350,000,000		350,000,000
Burma	48,000,000		48,000,000
Burundi	15,000,000		15,000,000
Cambodia	4,750,063	14,249,937	19,000,000
Cameroon	5,096,522	13,103,478	18,200,000
Canada	740,000,000		740,000,000
Central African Republic	2,652,795	6,847,205	9,500,000
Ceylon	78,000,000		78,000,000
Chad	10,000,000		10,000,000
Chile	125,000,000		125,000,000
China	55,000	549,945,000	550,000,000
Colombia	125,000,000		125,000,000
Congo, Dem. Rep. of	90,000,000		90,000,000
Congo, People's Rep. of the	3,152,793	6,847,207	10,000,000
Costa Rica	25,000,000		25,000,000
Cyprus	20,000,000		20,000,000
Dahomey	3,250,000	6,750,000	10,000,000
Denmark	163,000,000		163,000,000
Dominican Republic	32,000,000		32,000,000
Ecuador	25,000,000		25,000,000
El Salvador	25,000,000		25,000,000
Equatorial Guinea	500,467	5,499,533	6,000,000
Ethiopia	19,000,000		19,000,000
Finland	125,000,000		125,000,000
France	985,000,000		985,000,000
Gabon	2,652,813	6,847,187	9,500,000
Gambia, The	5,000,000		5,000,000
Germany, Fed. Rep. of	1,200,000,000		1,200,000,000
Ghana	69,000,000		69,000,000
Greece	100,000,000		100,000,000
Guatemala	25,000,000		25,000,000
Guinea	19,000,000		19,000,000
Guyana	15,000,000		15,000,000
Haiti	15,000,000		15,000,000
Honduras	19,000,000		19,000,000
Iceland	15,000,000		15,000,000
India	750,000,000		750,000,000
Indonesia	207,000,000		207,000,000
Iran	125,000,000		125,000,000
Iraq	80,000,000		80,000,000
Ireland	80,000,000		80,000,000
Israel	90,000,000		90,000,000
Italy	625,000,000		625,000,000
Ivory Coast	5,500,036	13,499,964	19,000,000
Jamaica	38,000,000		38,000,000
Japan	725,000,000		725,000,000
Jordan	16,000,000		16,000,000
Kenya	32,000,000		32,000,000
Korea	50,000,000		50,000,000
Kuwait	50,000,000		50,000,000
Laos	4,375,055	5,624,945	10,000,000
Lebanon	9,000,000		9,000,000

(continued overleaf)

GENERAL ACCOUNT
STATUS OF SUBSCRIPTIONS TO CAPITAL
as at April 30, 1970
(expressed in U.S. dollars)

Members	QUOTAS		
	Paid	Receivable	Total
Lesotho	\$ 3,000,000		\$ 3,000,000
Liberia	20,000,000		20,000,000
Libyan Arab Republic	19,000,000		19,000,000
Luxembourg	19,000,000		19,000,000
Malagasy Republic	6,282,156	\$ 12,717,844	19,000,000
Malawi	11,250,000		11,250,000
Malaysia	125,000,000		125,000,000
Mali	17,000,000		17,000,000
Malta	10,000,000		10,000,000
Mauritania	3,250,008	6,749,992	10,000,000
Mauritius	16,000,000		16,000,000
Mexico	270,000,000		270,000,000
Morocco	90,000,000		90,000,000
Nepal	10,000,000		10,000,000
Netherlands	520,000,000		520,000,000
New Zealand	157,000,000		157,000,000
Nicaragua	19,000,000		19,000,000
Niger	3,250,007	6,749,993	10,000,000
Nigeria	100,000,000		100,000,000
Norway	150,000,000		150,000,000
Pakistan	188,000,000		188,000,000
Panama	28,000,000		28,000,000
Paraguay	15,000,000		15,000,000
Peru	85,000,000		85,000,000
Philippines	110,000,000		110,000,000
Portugal	75,000,000		75,000,000
Rwanda	15,000,000		15,000,000
Saudi Arabia	90,000,000		90,000,000
Senegal	2,500,018	22,499,982	25,000,000
Sierra Leone	15,000,000		15,000,000
Singapore	30,000,000		30,000,000
Somalia	15,000,000		15,000,000
South Africa	200,000,000		200,000,000
Southern Yemen	2,000,002	19,999,998	22,000,000
Spain	250,000,000		250,000,000
Sudan	57,000,000		57,000,000
Swaziland	6,000,000		6,000,000
Sweden	225,000,000		225,000,000
Syrian Arab Republic	38,000,000		38,000,000
Tanzania	32,000,000		32,000,000
Thailand	95,000,000		95,000,000
Togo	1,125,044	10,124,956	11,250,000
Trinidad and Tobago	44,000,000		44,000,000
Tunisia	35,000,000		35,000,000
Turkey	108,000,000		108,000,000
Uganda	32,000,000		32,000,000
United Arab Republic	150,000,000		150,000,000
United Kingdom	2,440,000,000		2,440,000,000
United States	5,160,000,000		5,160,000,000
Upper Volta	3,250,001	6,749,999	10,000,000
Uruguay	55,000,000		55,000,000
Venezuela	250,000,000		250,000,000
Viet-Nam	29,625,004	9,374,996	39,000,000
Yugoslavia	150,000,000		150,000,000
Zambia	50,000,000		50,000,000
Subscriptions to capital-paid	\$20,579,517,823		
Subscriptions to capital-receivable Balances of original quotas-not due (per Balance Sheet)		\$769,182,177	
TOTAL (per Balance Sheet)			\$21,348,700,000

GENERAL ACCOUNT

STATUS OF SUBSCRIPTIONS IN RESPECT OF INCREASES IN
QUOTAS CONSENTED TO BUT NOT YET EFFECTIVE

(Increases in Quotas of Members - Fourth Quinquennial Review)

as at April 30, 1970

(expressed in U.S. dollars)

Member	Installments Not Due	Partial Payments			Balances of Installments Not Due
		Gold	Currency or Securities	Totals	
Cameroon	\$ 800,000		\$600,000	\$600,000	\$ 200,000
Central African Republic	500,000	\$125,000		125,000	375,000
Gabon	500,000				500,000
TOTALS (per Balance Sheet)	\$ 1,800,000	\$125,000	\$600,000	\$725,000	\$ 1,075,000

GENERAL ACCOUNT

OTHER ASSETS

as at April 30, 1970

ACCOUNTS RECEIVABLE - MEMBERS		\$33,061,707
ACCRUED INCOME FROM INVESTMENTS		20,587,625
SUNDRY DEBTORS		1,427,664
PREPAYMENTS		218,505
SUNDRY CASH		128,307
FIXED PROPERTY		
At cost	\$32,126,205	
Less: Accumulated write-off	<u>32,126,205</u>	—
FURNITURE AND EQUIPMENT		
At cost	\$3,115,980	
Less: Accumulated write-off	<u>3,115,980</u>	—
AUTOMOTIVE EQUIPMENT		
At cost	\$91,964	
Less: Accumulated write-off	<u>91,964</u>	—
TOTAL OTHER ASSETS (per Balance Sheet)		<u><u>\$55,423,808</u></u>

**GENERAL ACCOUNT
INDEBTEDNESS**

**Under Article VII, Section 2(i), of the Articles of Agreement
as at April 30, 1970**

(expressed in millions of currency units)

GENERAL ARRANGEMENTS TO BORROW¹

Participant	Maximum Amounts of Credit Arrangements		Fund Indebtedness		Balances Available Under Credit Arrangements	
	Participant's Currency	U.S. Dollar Equivalent	Participant's Currency	U.S. Dollar Equivalent	Participant's Currency	U.S. Dollar Equivalent
Belgium	BF 7,500	\$ 150.0	—	—	BF 7,500	\$ 150.0
Canada	Can\$ 216.2	200.0	Can\$ 129.7	\$ 120.0	Can\$ 86.5	80.0
Deutsche Bundesbank	DM 4,000	1,092.9	—	—	DM 4,000	1,092.9
France	F 2,715.4	488.9	—	—	F 2,715.4	488.9
Italy	Lit 343,750	550.0	Lit 206,250	330.0	Lit 137,500	220.0
Japan	¥ 90,000	250.0	¥ 68,400	190.0	¥ 21,600	60.0
Netherlands	f. 724	200.0	f. 470.6	130.0	f. 253.4	70.0
Sveriges Riksbank	SKr 517.3	100.0	SKr 232.8	45.0	SKr 284.5	55.0
United Kingdom	£ 357.1	857.1	—	—	£ 357.1	857.1
United States	US\$ 2,000	2,000.0	—	—	US\$ 2,000	2,000.0
Totals		\$5,888.9		\$ 815.0		\$5,073.9

OTHER

Member	TOTAL (per Balance Sheet)	
	Member's Currency	U.S. Dollar Equivalent
Italy ²	Lit 156,250	250.0
		\$1,065.0 ³

NOTES:

1. The amounts borrowed under the General Arrangements to Borrow are made under an agreement that became effective October 24, 1962 for a period of four years. This agreement was renewed for a further period of four years until October 23, 1970, and subsequently for a period of five years until October 23, 1975.
2. Funds borrowed under arrangements other than the General Arrangements to Borrow.
3. Certificates of Indebtedness expressed in terms of fine ounces of gold are issued by the Fund.

GENERAL ACCOUNT

OTHER LIABILITIES

as at April 30, 1970

ACCOUNTS PAYABLE - MEMBERS	\$27,181,314
INTEREST PAYABLE ON INDEBTEDNESS	3,982,062
OTHER ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	2,012,748
	<hr/>
TOTAL OTHER LIABILITIES (per Balance Sheet)	\$33,176,124
	<hr/> <hr/>

PART TWO: SPECIAL DRAWING ACCOUNT

I. GENERAL COMMENTS

Since January 1, 1970, operations and transactions involving special drawing rights have been recorded in the Special Drawing Account. The purpose of the facility based on special drawing rights is to enable the Fund to meet any general shortage of unconditional international liquidity by supplementing the existing reserve assets of its members.

Following long negotiations, an amendment of the Articles of Agreement, which included provisions for the facility based on special drawing rights in the Fund, was proposed by the Executive Directors and approved by the Board of Governors. With the acceptance of the proposed amendment by three-fifths of the members having four-fifths of the total voting power, the Articles of Agreement were amended on July 28, 1969, *inter alia*, establishing the Special Drawing Account. By August 6, 1969, members having 75 per cent of the total of quotas had deposited with the Fund instruments of participation setting forth that they undertake all the obligations of a participant in the Special Drawing Account, and that they had taken all steps necessary to enable them to carry out all of their obligations.

On the basis of the proposal by the Managing Director in which the Executive Directors had concurred, the Board of Governors on October 3, 1969, adopted Resolution No. 24-12 which provides for allocation of special drawing rights by the Fund to participants in the Special Drawing Account during a basic period of three years beginning January 1, 1970. The resolution also indicates the date, the quota basis, and the rate for each of three allocations during the basic period.

By December 31, 1969, 105 members of the Fund had deposited instruments of participation and thus became participants in the Special Drawing Account. On that date 10 members of the Fund had not deposited instruments of participation.

The first allocation of special drawing rights was made to 104 participants in the Special Drawing Account on January 1, 1970. The Republic of China, though a participant, notified the Fund that it did not wish special drawing rights to be allocated to it for the first basic period.

Five basic groups of accounts are kept for the Special Drawing Account:

Net cumulative allocations of special drawing rights to participants

Holdings of special drawing rights by participants

Holdings of special drawing rights by the General Account

Holdings of special drawing rights by other holders

Settlement account of terminating participants.

The accounts within each group have been designed to show allocations, holdings, and the source and use of special drawing rights. All operations and transactions are recorded and all data for financial statements are prepared by electronic data processing equipment.

In accordance with By-Law 20(b), the accounts in the Special Drawing Account are summarized in units of value of special drawing rights. As stipulated by Article XXI, Section 2, the unit of value of special drawing rights is equivalent to 0.888671 gram of fine gold.

Operations and transactions between participants and the General Account

The operations and transactions between participants and the General Account since January 1, 1970, were:

Receipts by General Account

Repurchases by participants	SDR 182,565,187	
Settlement of charges	28,856,777	
Reimbursement of assessments	887,656	
Interest on holdings of special drawing rights	413,883	SDR 212,723,503

Transfers from General Account to five participants to prevent minus balances

251,082

SDR 212,472,421

As a result of the foregoing, the holdings of the General Account at April 30, 1970, amounted to SDR 212,472,421.

The repurchases by participants with special drawing rights represented 28.9% of all repurchases in the General Account by members during the four months ended April 30, 1970.

Of the total charges paid by members in the General Account since January 1, 1970, settlements were made by participants in special drawing rights in the following percentages:

Service charges	24.0%
Stand-by charges	14.0%
Charges on balances in excess of quotas	86.7%

Reimbursement to the General Account of the estimated cost of operating the Special Drawing Account was made by an assessment against participants pursuant to Article XXVI, Section 4, for the period August 6, 1969, to April 30, 1970. The assessment for each participant was fixed by the Board of Executive Directors at the rate of 0.026 per cent of its allocation of special drawing rights.

Interest was calculated on the daily balances of the holdings of special drawing rights by the General Account at the rate of 1-1/2 per cent per annum.

Appendix to
Part Two

Audited Exhibits
and Schedules Related to the
Special Drawing Account

SPECIAL DRAWING ACCOUNT

BALANCE SHEET

as at April 30, 1970

Values expressed in units of value of special drawing rights -
one unit of value is equivalent to 0.888671 gram of fine gold

ALLOCATIONS

Net cumulative allocations of special drawing rights to participants (See Note 1) (Schedule 1)	SDR 3,414,045,600
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HOLDINGS

Holdings of special drawing rights (See Note 2) (Schedules 1 and 2)			
Participants			
Holdings above allocations			
Allocations	SDR 1,944,936,000		
Received (net)	175,013,254	SDR 2,119,949,254	
Holdings below allocations			
Allocations	SDR 1,469,109,600		
Used (net)	387,485,675	1,081,623,925	SDR 3,201,573,179
General Account			212,472,421
			SDR 3,414,045,600

NOTES:

- Under Articles XXX and XXXI of the Fund Agreement which cover termination of participation in or the liquidation of the Special Drawing Account, each participant has an obligation to pay to the Fund an amount equal to its net cumulative allocation of special drawing rights and any other amounts that may be due and payable because of participation in the Special Drawing Account. The Fund also has an obligation to redeem, in accordance with these Articles, the special drawing rights held by each participant.
- Special drawing rights allocated by the Fund do not constitute claims by holders against the Fund to provide currency, except as prescribed by the provisions of Articles XXX and XXXI relating to the termination of participation and liquidation. Participants may use their special drawing rights to obtain currency in accordance with the provisions of Article XXV, and under Section 5 of this Article they are entitled to request the Fund's assistance in the form of designation of participants to provide currency in exchange for special drawing rights. The obligation of a participant to provide currency for special drawing rights does not extend beyond the point at which its holdings of special drawing rights in excess of its net cumulative allocations are equal to twice its net cumulative allocation or such higher limit as may be agreed between a participant and the Fund. A participant may, however, provide currency in excess of the obligation limit or any agreed higher limit.

/s/ Walter O. Habermeier
Treasurer

/s/ Frank A. Southard, Jr.
Acting Managing Director

SPECIAL DRAWING ACCOUNT
ALLOCATIONS, HOLDINGS AND OBLIGATIONS TO PROVIDE CURRENCY UNDER ARTICLE XXV, SECTION 4
as at April 30, 1970
(expressed in units of special drawing rights)

Holders	Net Cumulative Allocations	Holdings			Balance of Obligation to Provide Currency
		Total	Per Cent of Cumulative Allocations	(+) Above (-) Below Allocations	
Afghanistan	4,872,000	3,370,240	69.17	- 1,501,760	11,245,760
Algeria	12,600,000	14,100,176	111.90	+ 1,500,176	23,699,824
Argentina	58,800,000	58,784,712	99.97	- 15,288	117,615,288
Australia	84,000,000	87,994,433	104.75	+ 3,994,433	164,005,567
Austria	29,400,000	35,673,177	121.33	+ 6,273,177	52,526,823
Belgium	70,896,000	81,910,444	115.53	+ 11,014,444	130,777,556
Bolivia	4,872,000	4,870,733	99.97	- 1,267	9,745,267
Botswana	504,000	503,869	99.97	- 131	1,008,131
Brazil	58,800,000	58,784,712	99.97	- 15,288	117,615,288
Burma	8,064,000	2,334	.02	- 8,061,666	24,189,666
Burundi	2,520,000	2,299,557	91.25	- 220,443	5,260,443
Cambodia	3,192,000	1,592,678	49.89	- 1,599,322	7,983,322
Cameroon	3,057,600	3,056,805	99.97	- 795	6,115,995
Canada	124,320,000	133,122,436	107.08	+ 8,802,436	239,837,564
Central African Rep.	1,596,000	1,595,585	99.97	- 415	3,192,415
Ceylon	13,104,000	58,840	.44	- 13,045,160	39,253,160
Chad	1,680,000	1,667,022	99.22	- 12,978	3,372,978
Chile	21,000,000	21,996,841	104.74	+ 996,841	41,003,159
Colombia	21,000,000	58,848	.28	- 20,941,152	62,941,152
Congo, Dem. Rep. of	15,120,000	15,617,097	103.28	+ 497,097	29,742,903
Congo, People's Rep. of	1,680,000	1,679,563	99.97	- 437	3,360,437
Costa Rica	4,200,000	3,194,778	76.06	- 1,005,222	9,405,222
Cyprus	3,360,000	3,359,126	99.97	- 874	6,720,874
Dahomey	1,680,000	1,679,563	99.97	- 437	3,360,437
Denmark	27,384,000	27,376,880	99.97	- 7,120	54,775,120
Dominican Republic	5,376,000	25,280	.47	- 5,350,720	16,102,720
Ecuador	4,200,000	3,915,629	93.22	- 284,371	8,684,371
El Salvador	4,200,000	4,198,908	99.97	- 1,092	8,401,092
Equatorial Guinea	1,008,000	1,007,738	99.97	- 262	2,016,262
Finland	21,000,000	21,996,841	104.74	+ 996,841	41,003,159
France	165,480,000	165,436,975	99.97	- 43,025	331,003,025
Gabon	1,596,000	1,595,585	99.97	- 415	3,192,415
Gambia, The	840,000	839,782	99.97	- 218	1,680,218
Germany, Fed. Rep. of	201,600,000	229,535,368	113.85	+ 27,935,368	375,264,632
Ghana	11,592,000	11,588,986	99.97	- 3,014	23,187,014
Greece	16,800,000	25	.00	- 16,799,975	50,399,975
Guatemala	4,200,000	4,198,908	99.97	- 1,092	8,401,092
Guinea	3,192,000	1,190,595	37.29	- 2,001,405	8,385,405
Guyana	2,520,000	1,517,311	60.21	- 1,002,689	6,042,689
Haiti	2,520,000	1,255,126	49.80	- 1,264,874	6,304,874
Honduras	3,192,000	3,191,170	99.97	- 830	6,384,830
Iceland	2,520,000	2,519,345	99.97	- 655	5,040,655
India	126,000,000	84,196,919	66.82	- 41,803,081	293,803,081
Indonesia	34,776,000	22,267	.06	- 34,753,733	104,305,733
Iran	21,000,000	20,994,540	99.97	- 5,460	42,005,460
Ireland	13,440,000	13,436,506	99.97	- 3,494	26,883,494
Israel	15,120,000	24	.00	- 15,119,976	45,359,976
Italy	105,000,000	120,034,015	114.31	+ 15,034,015	194,965,985
Ivory Coast	3,192,000	3,191,170	99.97	- 830	6,384,830
Jamaica	6,384,000	6,382,340	99.97	- 1,660	12,769,660
Japan	121,800,000	132,485,994	108.77	+ 10,685,994	232,914,006
Jordan	2,688,000	2,687,301	99.97	- 699	5,376,699
Kenya	5,376,000	5,374,602	99.97	- 1,398	10,753,398
Korea	8,400,000	10,353,709	123.25	+ 1,953,709	14,846,291
Laos	1,680,000	501,146	29.83	- 1,178,854	4,538,854

SPECIAL DRAWING ACCOUNT
ALLOCATIONS, HOLDINGS AND OBLIGATIONS TO PROVIDE CURRENCY UNDER ARTICLE XXV, SECTION 4
as at April 30, 1970
(expressed in units of special drawing rights)

Holders	Net Cumulative Allocations	Holdings			Balance of Obligation to Provide Currency
		Total	Per Cent of Cumulative Allocations	(+) Above (-) Below Allocations	
Lesotho	504,000	3,787	.75	- 500,213	1,508,213
Liberia	3,360,000	2,757,967	82.08	- 602,033	7,322,033
Luxembourg	3,192,000	3,191,170	99.97	- 830	6,384,830
Malagasy Republic	3,192,000	3,191,170	99.97	- 830	6,384,830
Malawi	1,890,000	1,889,509	99.97	- 491	3,780,491
Malaysia	21,000,000	23,300,589	110.95	+ 2,300,589	39,699,411
Mali	2,856,000	39,329	1.37	- 2,816,671	8,528,671
Malta	1,680,000	1,679,563	99.97	- 437	3,360,437
Mauritania	1,680,000	1,679,563	99.97	- 437	3,360,437
Mauritius	2,688,000	2,668,778	99.28	- 19,222	5,395,222
Mexico	45,360,000	47,353,438	104.39	+ 1,993,438	88,726,562
Morocco	15,120,000	15,116,069	99.97	- 3,931	30,243,931
Netherlands	87,360,000	98,757,796	113.04	+ 11,397,796	163,322,204
New Zealand	26,376,000	26,369,142	99.97	- 6,858	52,758,858
Nicaragua	3,192,000	3,137,979	98.30	- 54,021	6,438,021
Niger	1,680,000	1,679,563	99.97	- 437	3,360,437
Nigeria	16,800,000	16,795,632	99.97	- 4,368	33,604,368
Norway	25,200,000	27,199,777	107.93	+ 1,999,777	48,400,223
Pakistan	31,584,000	12,140,963	38.44	- 19,443,037	82,611,037
Panama	4,704,000	3,262,472	69.35	- 1,441,528	10,849,528
Paraguay	2,520,000	2,519,345	99.97	- 655	5,040,655
Peru	14,280,000	14,276,287	99.97	- 3,713	28,563,713
Philippines	18,480,000	39	.00	- 18,479,961	55,439,961
Rwanda	2,520,000	1,472,853	58.44	- 1,047,147	6,087,147
Senegal	4,200,000	1,196,689	28.49	- 3,003,311	11,403,311
Sierra Leone	2,520,000	481,512	19.10	- 2,038,488	7,078,488
Somalia	2,520,000	2,509,354	99.57	- 10,646	5,050,646
South Africa	33,600,000	39,109,017	116.39	+ 5,509,017	61,690,983
Southern Yemen	3,696,000	3,695,039	99.97	- 961	7,392,961
Spain	42,000,000	41,989,080	99.97	- 10,920	84,010,920
Sudan	9,576,000	142,002	1.48	- 9,433,998	28,585,998
Swaziland	1,008,000	7,615	.75	- 1,000,385	3,016,385
Sweden	37,800,000	37,790,172	99.97	- 9,828	75,609,828
Syrian Arab Republic	6,384,000	8	.00	- 6,383,992	19,151,992
Tanzania	5,376,000	5,374,602	99.97	- 1,398	10,753,398
Togo	1,890,000	1,889,509	99.97	- 491	3,780,491
Trinidad and Tobago	7,392,000	7,390,078	99.97	- 1,922	14,785,922
Tunisia	5,880,000	3	.00	- 5,879,997	17,639,997
Turkey	18,144,000	18,139,283	99.97	- 4,717	36,292,717
Uganda	5,376,000	5,374,602	99.97	- 1,398	10,753,398
United Arab Rep.	25,200,000	82,489	.32	- 25,117,511	75,517,511
United Kingdom	409,920,000	304,328,090	74.24	- 105,591,910	925,431,910
United States	866,880,000	926,011,039	106.82	+ 59,131,039	1,674,628,961
Upper Volta	1,680,000	1,679,563	99.97	- 437	3,360,437
Uruguay	9,240,000	9,237,598	99.97	- 2,402	18,482,402
Venezuela	42,000,000	44,498,245	105.94	+ 2,498,245	81,501,755
Viet-Nam	6,552,000	6,550,296	99.97	- 1,704	13,105,704
Yugoslavia	25,200,000	6,691,138	26.55	- 18,508,862	68,908,862
Zambia	8,400,000	8,898,822	105.93	+ 498,822	16,301,178
Total Participants	3,414,045,600*	3,201,573,179*			
General Account	-	212,472,421*			
Totals	3,414,045,600	3,414,045,600			

* Per Balance Sheet.

SPECIAL DRAWING ACCOUNT
SOURCE AND USE OF SPECIAL DRAWING RIGHTS

Four Months Ended April 30, 1970

(expressed in units of special drawing rights)

	PARTICIPANTS	GENERAL ACCOUNT	TOTAL
<u>Source of Special Drawing Rights Received:</u>			
A. Allocations	3,414,045,600		3,414,045,600
B. Transactions with Designation (Article XXV, Section 2 (a))	155,010,135		155,010,135
C. Transactions Without Designation (Article XXV, Section 2 (b) (i))	20,000,000		20,000,000
D. Net Interest (Schedule 3)	559,145	413,883	973,028
E. Payments Between Participants and the General Account:			
(I) Repurchases		182,565,187	182,565,187
(II) Charges		28,856,777	28,856,777
(III) Reimbursement of Special Drawing Account Expenses (Schedule 4)		887,656	887,656
(IV) Other	251,082		251,082
	3,589,865,962	212,723,503	3,802,589,465
<u>Use of Special Drawing Rights:</u>			
A. Transactions with Designation (Article XXV, Section 2 (a))	155,010,135		155,010,135
B. Transactions without Designation (Article XXV, Section 2 (b) (i))	20,000,000		20,000,000
C. Net Charges (Schedule 3)	973,028		973,028
D. Payments Between Participants and the General Account:			
(I) Repurchases	182,565,187		182,565,187
(II) Charges	28,856,777		28,856,777
(III) Reimbursement of Special Drawing Account Expenses (Schedule 4)	887,656		887,656
(IV) Other		251,082	251,082
	388,292,783	251,082	388,543,865
Total Holdings as at April 30, 1970 (per Balance Sheet)	3,201,573,179	212,472,421	3,414,045,600

SPECIAL DRAWING ACCOUNT
INTEREST AND CHARGES ON SPECIAL DRAWING RIGHTS
PURSUANT TO ARTICLE XXVI, SECTIONS 1 AND 2
Four Months Ended April 30, 1970
(expressed in units of special drawing rights)

Schedule 3

Participants	Charges on Net Cumulative Allocations	Interest on Holdings	Net (-) Charge or (+) Interest	Participants	Charges on Net Cumulative Allocations	Interest on Holdings	Net (-) Charge or (+) Interest
Afghanistan	24,026	23,533	- 493	Lesotho	2,485	2,403	- 82
Algeria	62,137	65,589	+ 3,452	Liberia	16,570	15,411	- 1,159
Argentina	289,973	289,973	-	Luxembourg	15,741	15,741	-
Australia	414,247	430,520	+ 16,273	Malagasy Republic	15,741	15,741	-
Austria	144,986	165,807	+ 20,821	Malawi	9,321	9,321	-
Belgium	349,624	382,501	+ 32,877	Malaysia	103,562	109,611	+ 6,049
Bolivia	24,026	24,026	-	Mali	14,084	9,827	- 4,257
Botswana	2,485	2,485	-	Malta	8,285	8,285	-
Brazil	289,973	289,973	-	Mauritania	8,285	8,285	-
Burma	39,768	34,199	- 5,569	Mauritius	13,256	13,203	- 53
Burundi	12,427	11,951	- 476	Mexico	223,693	228,925	+ 5,232
Cambodia	15,741	13,249	- 2,492	Morocco	74,564	74,564	-
Cameroon	15,079	15,079	-	Netherlands	430,816	467,326	+ 36,510
Canada	613,085	647,844	+ 34,759	New Zealand	130,073	130,073	-
Central African Rep.	7,871	7,871	-	Nicaragua	15,741	15,608	- 133
Ceylon	64,622	22,869	- 41,753	Niger	8,285	8,285	-
Chad	8,285	8,230	- 55	Nigeria	82,849	82,849	-
Chile	103,562	105,863	+ 2,301	Norway	124,274	130,603	+ 6,329
Colombia	103,562	67,870	- 35,692	Pakistan	155,757	120,932	- 34,825
Congo, Dem. Rep. of	74,564	75,592	+ 1,028	Panama	23,198	20,115	- 3,083
Congo, People's Rep. of	8,285	8,285	-	Paraguay	12,427	12,427	-
Costa Rica	20,712	16,582	- 4,130	Peru	70,422	70,422	-
Cyprus	16,570	16,570	-	Philippines	91,134	8,393	- 82,741
Dahomey	8,285	8,285	-	Rwanda	12,427	10,688	- 1,739
Denmark	135,044	135,044	-	Senegal	20,712	18,493	- 2,219
Dominican Republic	26,512	2,190	- 24,322	Sierra Leone	12,427	4,788	- 7,639
Ecuador	20,712	20,185	- 527	Somalia	12,427	12,386	- 41
El Salvador	20,712	20,712	-	South Africa	165,699	183,452	+ 17,753
Equatorial Guinea	4,971	4,971	-	Southern Yemen	18,227	18,227	-
Finland	103,562	105,863	+ 2,301	Spain	207,123	207,123	-
France	816,066	816,066	-	Sudan	47,224	15,716	- 31,508
Gabon	7,871	7,871	-	Swaziland	4,971	4,848	- 123
Gambia, The	4,142	4,142	-	Sweden	186,411	186,411	-
Germany, Fed. Rep. of	994,192	1,031,474	+ 37,282	Syrian Arab Republic	31,483	9,899	- 21,584
Ghana	57,166	57,166	-	Tanzania	26,512	26,512	-
Greece	82,849	20,047	- 62,802	Togo	9,321	9,321	-
Guatemala	20,712	20,712	-	Trinidad and Tobago	36,454	36,454	-
Guinea	15,741	15,166	- 575	Tunisia	28,997	22,925	- 6,072
Guyana	12,427	10,393	- 2,034	Turkey	89,477	89,477	-
Haiti	12,427	8,580	- 3,847	Uganda	26,512	26,512	-
Honduras	15,741	15,741	-	United Arab Republic	124,274	13,315	- 110,959
Iceland	12,427	12,427	-	United Kingdom	2,021,523	1,768,292	- 253,231
India	621,370	605,701	- 15,669	United States	4,275,025	4,491,820	+ 216,795
Indonesia	171,498	59,229	- 112,269	Upper Volta	8,285	8,285	-
Iran	103,562	103,562	-	Uruguay	45,567	45,567	-
Ireland	66,279	66,279	-	Venezuela	207,123	216,288	+ 9,165
Israel	74,564	13,073	- 61,491	Viet-Nam	32,311	32,311	-
Italy	517,808	579,123	+ 61,315	Yugoslavia	124,274	89,307	- 34,967
Ivory Coast	15,741	15,741	-	Zambia	41,425	42,431	+ 1,006
Jamaica	31,483	31,483	-				
Japan	600,658	642,320	+ 41,662	Total Participants	16,836,384	16,422,501	- 973,028*
Jordan	13,256	13,256	-	General Account	-	413,883	+ 559,145*
Kenya	26,512	26,512	-	Totals	16,836,384	16,836,384	-
Korea	41,425	47,660	+ 6,235				
Laos	8,285	5,868	- 2,417				

*Per Schedule 2

SPECIAL DRAWING ACCOUNT
ASSESSMENTS SETTLED IN SPECIAL DRAWING RIGHTS PURSUANT
TO ARTICLE XXVI, SECTION 4¹

Schedule 4

for the Period ended April 30, 1970²
(expressed in units of special drawing rights)

PARTICIPANTS	ASSESSMENTS	PARTICIPANTS	ASSESSMENTS
Afghanistan	1,267	Lesotho	131
Algeria	3,276	Liberia	874
Argentina	15,288	Luxembourg	830
Australia	21,840	Malagasy Republic	830
Austria	7,644	Malawi	491
Belgium	18,433	Malaysia	5,460
Bolivia	1,267	Mali	743
Botswana	131	Malta	437
Brazil	15,288	Mauritania	437
Burma	2,097	Mauritius	699
Burundi	655	Mexico	11,794
Cambodia	830	Morocco	3,931
Cameroon	795	Netherlands	22,714
Canada	32,323	New Zealand	6,858
Central African Rep.	415	Nicaragua	830
Ceylon	3,407	Niger	437
Chad	437	Nigeria	4,368
Chile	5,460	Norway	6,552
Colombia	5,460	Pakistan	8,212
Congo, Dem. Rep. of	3,931	Panama	1,223
Congo, People's Rep. of	437	Paraguay	655
Costa Rica	1,092	Peru	3,713
Cyprus	874	Philippines	4,805
Dahomey	437	Rwanda	655
Denmark	7,120	Senegal	1,092
Dominican Republic	1,398	Sierra Leone	655
Ecuador	1,092	Somalia	655
El Salvador	1,092	South Africa	8,736
Equatorial Guinea	262	Southern Yemen	961
Finland	5,460	Spain	10,920
France	43,025	Sudan	2,490
Gabon	415	Swaziland	262
Gambia, The	218	Sweden	9,828
Germany, Fed. Rep. of	52,416	Syrian Arab Republic	1,660
Ghana	3,014	Tanzania	1,398
Greece	4,368	Togo	491
Guatemala	1,092	Trinidad and Tobago	1,922
Guinea	830	Tunisia	1,529
Guyana	655	Turkey	4,717
Haiti	655	Uganda	1,398
Honduras	830	United Arab Republic	6,552
Iceland	655	United Kingdom	106,579
India	32,760	United States	225,389
Indonesia	9,042	Upper Volta	437
Iran	5,460	Uruguay	2,402
Ireland	3,494	Venezuela	10,920
Israel	3,931	Viet-Nam	1,704
Italy	27,300	Yugoslavia	6,552
Ivory Coast	830	Zambia	2,184
Jamaica	1,660		
Japan	31,668		
Jordan	699		
Kenya	1,398		
Korea	2,184		
Laos	437		
		TOTAL	887,656 ³

1. Levied in accordance with Executive Board Decision adopted on April 17, 1970.
2. This period commenced on August 6, 1969, when the Special Drawing Account became operational.
3. Per Schedule 2.

Staff Retirement Fund

STAFF RETIREMENT FUND

THE AUDIT

Scope of the audit

The Audit Committee has examined the separate accounts and financial statements relating to the Staff Retirement Fund for the year ended April 30, 1970. In the course of the examination, the Committee referred to the Articles of the Staff Retirement Plan and to the decisions of the Pension, Administration and Investment Committees created under the Plan. The Audit Committee made what it considered an adequate test check of the various classes of transactions, taking into account the audit coverage of the Internal Auditor, whose report to the Committee showed that a detailed examination had been made of the participants' accounts.

Audit certificate

In our opinion, the Balance Sheet, Statement of Source and Application of Funds, and the related Schedules of Participants' Account, Accumulation Account, Retirement Reserve Account and Reserve Against Investments present fairly the financial position of the Staff Retirement Fund as at April 30, 1970, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

AUDIT COMMITTEE:

/s/ Andre Valls, Chairman (France)

/s/ Shamsir bin Omar (Malaysia)

/s/ A.S.C. Johnson (Sierra Leone)

I. THE PLAN

There were no amendments to the Plan during the year.

The Twentieth Actuarial Valuation of the Staff Retirement Plan was carried out during the year based on the participants and retirees at April 30, 1969. The Actuary certified that future contributions by the Fund at the rate of 14.27 per cent of the pensionable remuneration of participants were required for the fiscal year beginning May 1, 1969, in addition to the contribution of the participants, to provide benefits under the Plan. However, in view of factors that seem likely to raise the required rate in future years, the Pension Committee agreed to maintain the present rate of contribution of the Fund at 15-1/3 per cent.

The number of participants increased by 78 during the year, and at April 30, 1970, there were 1,135 of which 1,088 were active members and 47 were inactive participants, i.e., those who have left the Fund and have not withdrawn their contributions.

The changes in the number of participants in the Plan during the year were as follows:

Membership at April 30, 1969		1,057
Add		
New members	173	
Transfers from IBRD	<u>2</u>	<u>175</u>
		1,232
Deduct		
Withdrawals	77	
Deaths	3	
Retirements	14	
Transfers to IBRD	<u>3</u>	<u>97</u>
Membership at April 30, 1970		<u><u>1,135</u></u>

The number of pensioners increased by 15 during the year making a total of 102 pensioners at the year end. The number of persons who retired under the Plan but were not yet drawing pensions was 47 at April 30, 1970. In addition, 14 children were receiving benefits under the Plan at that date.

II. BALANCE SHEET

Investments

The portfolio consists of bonds of the U. S. Government (including *de facto* guaranteed), of IBRD and IADB bonds, and of corporate bonds and stocks, which with one exception are United States corporations. The book value of the portfolio increased from \$28,366,586 to \$31,789,927. The difference of \$3,423,341 is due to an increase of \$803,001 in bonds and an increase of \$2,620,340 in stocks. The market value of the portfolio amounted to \$27,637,249 at April 30, 1970, compared to \$29,556,068 at April 30, 1969.

The Audit Committee received directly from the custodian confirmations of investments held at the year end.

Holdings of the various classes of investments at April 30, 1970, stated in original investment values, were within the limiting percentages prescribed by the Pension Committee, as follows:

	<u>Percentage Authorized</u>	<u>Percentage Held</u>
Bonds		
U.S. Government (including <i>de facto</i> guaranteed)	Minimum 20	22.61
International Bank for Reconstruction and Development and Inter- American Development Bank	Maximum 20	14.82
Corporate (other than convertible)	Maximum 25	17.55
Corporate (convertible)	Maximum 5	0.10
Total bonds		55.08
Stocks	Maximum 50	44.92
Total portfolio		100.00

Participants' Account, Accumulation Account, Retirement Reserve Account and Reserve Against Investments

The amounts in the Participants' Account, Accumulation Account, Retirement Reserve Account and Reserve Against Investments show an increase of \$3,482,105 at April 30, 1970, over the total balances in these accounts at the end of the previous year as follows:

	<u>Year ended April 30</u>		Increase + Decrease - \$
	<u>1970</u> \$	<u>1969</u> \$	
Participants' Account (Schedule I to Exhibit I)	6,574,515	5,713,271	+ 861,244
Accumulation Account (Schedule II to Exhibit I)	<u>19,892,863</u>	<u>17,738,832</u>	<u>+ 2,154,031</u>
Total Participants' and Accumulation Accounts . .	<u>26,467,378</u>	<u>23,452,103</u>	<u>+ 3,015,275</u>
Retirement Reserve Account (Schedule III to Exhibit I)	4,866,991	3,925,194	+ 941,797
Reserve Against Investments (Schedule IV to Exhibit I)	<u>872,692</u>	<u>1,347,659</u>	<u>- 474,967</u>
Total reserves	<u>5,739,683</u>	<u>5,272,853</u>	<u>+ 466,830</u>
Totals	<u><u>32,207,061</u></u>	<u><u>28,724,956</u></u>	<u><u>+ 3,482,105</u></u>

The above increase (\$3,482,105) represents the increases in investments (\$3,423,341) and working capital (\$58,764).

III. OPERATING RESULTS

The operating results of the Staff Retirement Fund are summarized as follows:

Income		
Participants' contributions	\$1,015,085	
Employer's contributions	1,999,221	
Refunds by participants restored to service	5,751	
Transfers from Retirement Plan of the International Bank for Reconstruction and Development	22,518	
Investment income	<u>1,521,139</u>	
	\$4,563,714	
Less		
Net loss on sales and redemptions of investments	<u>474,967</u>	\$4,088,747
Disbursements		
Pension payments, withdrawals, death benefits and transfers		<u>606,642</u>
Excess of income over disbursements for the year		<u><u>\$3,482,105</u></u>

The decrease of \$75,019 in the amount of excess of income over disbursements for the current year compared to that of the previous year (\$3,557,124) was mainly due to the net loss on sales and redemptions of investments of \$474,967 which was written off to the Reserve Against Investments account. There was no such loss in the preceding year.

The excess of income over disbursements for the year under review was mainly used to purchase additional investments.

All administrative expenses of the Plan for the year were borne by the Fund in accordance with the provisions of Article 6, Section 6.2(d), of the Staff Retirement Plan.

Appendix

**Audited Exhibits
and Schedules Related to the
Staff Retirement Fund**

**STAFF RETIREMENT FUND
BALANCE SHEET
as at April 30, 1970**

ASSETS			
CASH AT BANKS		\$	130,377
INVESTMENTS			
Bonds, at amortized cost			
United States Government	\$ 6,011,097		
(including de facto guaranteed notes)			
(market value, \$4,982,417)			
International Bank for Recon- struction and Development and Inter-American Development Bank ...	4,484,246		
(market value, \$3,376,520)			
Corporate	5,368,804		
(market value, \$3,921,414)			
Corporate Convertible	30,000		
(market value \$28,200)		\$15,894,147	
Stocks, at cost			
Preferred Convertible	\$ 7,073		
(market value, \$8,625)			
Common	15,888,707		
(market value \$15,320,073)		15,895,780	31,789,927
ACCRUED INTEREST ON BONDS AND CONTRIBUTIONS FROM PARTICIPANTS AND EMPLOYER			298,402
TOTAL ASSETS			<u>\$32,218,706</u>

LIABILITIES AND RESERVES			
PARTICIPANTS' ACCOUNT (Schedule I)		\$	6,574,515
ACCUMULATION ACCOUNT (Schedule II)			19,892,863
RETIREMENT RESERVE ACCOUNT (Schedule III)			4,866,991
RESERVE AGAINST INVESTMENTS (Schedule IV)			872,692
ACCOUNTS PAYABLE			11,645
TOTAL LIABILITIES AND RESERVES			<u>\$32,218,706</u>

/s/ Walter O. Habermeier
Treasurer

/s/ Frank A. Southard, Jr.
Acting Managing Director

STAFF RETIREMENT FUND
PARTICIPANTS' ACCOUNT
for the year ended April 30, 1970

	<u>Participating Service</u>	<u>Additional Contributions</u>
Balance, April 30, 1969	\$5,657,697	\$55,574
Add		
Participants' contributions	\$1,000,055	\$15,030
Benefits and interest refunded by participants restored to service	4,716	
Interest credited to participants	<u>253,076</u>	<u>2,426</u>
	<u>\$1,257,847</u>	<u>\$17,456</u>
Deduct		
Refunds on withdrawal of participants	\$ 141,786	\$ 397
Refunds on death prior to retirement	11,645	
Transfers to Retirement Reserve Account	237,643	9,622
Transfers to International Bank for Reconstruction and Development Retirement Plan (net)	<u>12,966</u>	
	<u>\$ 404,040</u>	<u>\$10,019</u>
Balance, April 30, 1970	<u>\$6,511,504</u>	<u>\$63,011</u>
TOTAL (per Balance Sheet)		<u><u>\$6,574,515</u></u>

STAFF RETIREMENT FUND
ACCUMULATION ACCOUNT
for the year ended April 30, 1970

	Balance, April 30, 1969		\$17,738,832
Add			
	Employer's contributions – Participating service		1,999,221
	Income from investments		
	Interest earned on bonds	\$798,762	
	Dividends received on stocks	<u>722,377</u>	1,521,139
	Benefits and interest refunded by participants restored to service		<u>1,035</u>
			<u>\$21,260,227</u>
Deduct			
	Withdrawal benefits	\$ 41,244	
	Transfers to Retirement Reserve Account	789,320	
	Transfers to International Bank for Reconstruction and Development Retirement Plan (net)	25,143	
	Interest transferred to Participants' Account	255,502	
	Interest transferred to Retirement Reserve Account	256,155	
	Net loss on sales of investments	\$474,967	
	Less: Transfer from Reserve Against Investments	<u>474,967</u> —	<u>1,367,364</u>
	Balance, April 30, 1970 (per Balance Sheet)		<u><u>\$19,892,863</u></u>

**STAFF RETIREMENT FUND
RETIREMENT RESERVE ACCOUNT
for the year ended April 30, 1970**

			\$3,925,194
Balance, April 30, 1969	.....	
Add			
Transfers from			
Participants' Account	.....	\$247,265	
Accumulation Account	.....	<u>789,320</u>	1,036,585
Interest credited	.....		<u>256,155</u>
			\$5,217,934
Deduct			
Pension Payments to			
Retired participants	.....	\$280,648	
Beneficiaries of deceased participants	.....	36,204	
Disabled retired participants and their children	.....	<u>19,032</u>	\$335,884
Payments upon death of retired participants	.....	<u>15,059</u>	<u>350,943</u>
Balance, April 30, 1970 (per Balance Sheet)	.....		<u><u>\$4,866,991</u></u>

STAFF RETIREMENT FUND
RESERVE AGAINST INVESTMENTS

for the year ended April 30, 1970

Balance, April 30, 1969		\$1,347,659
Deduct		
Transfers to Accumulation Account, representing losses on sales of		
Bonds	\$732,692	
Stocks	<u>25,526</u>	
	\$758,218	
Less transfers from Accumulation Account, representing gains on sales of stocks	<u>283,251</u>	<u>474,967</u>
Balance, April 30, 1970 (per Balance Sheet)		<u><u>\$ 872,692</u></u>

STAFF RETIREMENT FUND
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
for the year ended April 30, 1970

FUNDS PROVIDED BY

Income

Participants' contributions			
Participating service	\$1,000,055		\$1,015,085
Additional voluntary contributions	15,030		
		<u>1,015,085</u>	
Employer's contributions			1,999,221
Income from investments	\$1,521,139		
Less: Amortization of bond discounts and premiums (net)	15,727		1,505,412
		<u>1,505,412</u>	
Refunds by participants restored to service			5,751
Transfers from Retirement Plan of International Bank for Reconstruction and Development			22,518
			<u>22,518</u>
Total Income			\$4,547,987

Investments

Sales and redemptions of investments (book value)			
U.S. Government securities	\$3,591,234		
(including de facto guaranteed notes)			
Stocks	330,654	\$3,921,888	
		<u>3,921,888</u>	
Less			
Losses from Sales and Redemptions of Investments (net) Transferred from Reserve Against Investments	\$474,967		
Capital gains distribution in stock	9,731	484,698	3,437,190
		<u>484,698</u>	
TOTAL FUNDS PROVIDED			<u>\$7,985,177</u>

FUNDS APPLIED TO

Pension Payments, Withdrawals, and Death Benefits

Pension payments to			
Retired participants	\$280,648		
Beneficiaries of deceased participants	36,204		
Disabled retired participants and their children	19,032		\$ 335,884
		<u>335,884</u>	
Payments to participants on withdrawal			183,427
Payments upon death of retired participants			15,059
Refunds on death prior to retirement			11,645
Transfers to Retirement Plan of International Bank for Reconstruction and Development			60,627
			<u>60,627</u>
Total Pension Payments, Withdrawals, and Death Benefits			\$ 606,642
Purchases of Investments			
U.S. Government securities (including de facto guaranteed notes)	\$3,555,088		
International Bank for Reconstruction and Development bonds	592,270		
Corporate bonds	231,150		
Stocks	2,941,263		7,319,771
		<u>7,319,771</u>	
Increase in Working Capital (Schedule I)			58,764
			<u>58,764</u>
TOTAL FUNDS APPLIED			<u>\$7,985,177</u>

PROJET DE RESOLUTION

Rapports financiers, Rapport des Commissaires
aux comptes et Budget administratif

IL EST DECIDE :

Que le Conseil des Gouverneurs du Fonds estime que le Rapport des Commissaires aux comptes pour l'exercice financier clos au 30 avril 1970, les rapports financiers qui y figurent et le budget administratif pour l'exercice qui prendra fin le 30 avril 1971, répondent aux prescriptions de l'article XII, section 7 des Statuts, et de la section 20 de la Réglementation générale.

Le 21 septembre 1970

RENSEIGNEMENTS SUR LE BUDGET ADMINISTRATIF
DU FONDS POUR L'EXERCICE PRENANT FIN LE 30 AVRIL 1971

1. Le budget approuvé par les Administrateurs pour l'exercice prenant fin le 30 avril 1971 figure à l'appendice IV du Rapport annuel du Fonds, et l'évolution de l'organisation et de ses activités est examinée dans la note A du supplément. Le présent document complète les données présentées dans ce Rapport.

COMPARAISONS BUDGETAIRES

2. Au cours des dernières années, le budget administratif et les dépenses effectives du Fonds se sont présentés comme suit :

<u>Exercice</u>	<u>Budget approuvé</u>	<u>Dépenses effectives</u>
1966	\$15.460.000	\$15.035.587
1967	\$18.840.000	\$18.082.335
1968	\$22.100.000	\$21.299.439
1969	\$24.950.000	\$24.384.516
1970	\$29.000.000	\$28.632.596
1971	\$33.700.000	

3. Les totaux des 13 principales catégories de dépenses figurent à l'appendice IV du Rapport annuel. Les chiffres inscrits au budget apparaissent d'une manière plus détaillée à l'Annexe I du présent document ainsi que les chiffres correspondants pour 1969-1970. Le plafond du budget relatif à l'exercice 1970, qui avait été fixé initialement à 27.900.000 dollars a ensuite été porté à 29.000.000 de dollars. Ce relèvement reflète principalement la décision prise en cours d'exercice par le Conseil d'Administration de procéder à un relèvement général des traitements. Dans les dépenses effectives - soit 28.632.596 dollars - figure une somme de 887.656 dollars provenant d'un prélèvement effectué sur les allocations cumulatives nettes des participants au Compte de Tirage Spécial, qui représente le remboursement des frais de gestion de ce compte depuis le 6 août 1969, de sorte que les dépenses administratives nettes ressortent à 27.744.940 dollars.

PERSONNEL

4. On trouvera à l'Annexe II l'organigramme du Fonds. Aucune modification d'ordre structurel n'a été apportée depuis l'an dernier.

5. Le nombre total maximum de postes approuvé pour le nouvel exercice s'élève à 1.133, ce qui représente une augmentation de 95 postes par rapport au plafond de l'exercice précédent. Sur ces 1.133 postes, 51 ont trait à des activités communes au Fonds et à la Banque. Au 31 juillet 1970, 1.034 membres du personnel régulièrement employés étaient en fonction et un certain nombre de membres du personnel étaient en outre engagés temporairement. Pour les six derniers exercices, les plafonds des effectifs du personnel ont été les suivants:

<u>Exercice</u>	<u>Plafond</u>
1966	715
1967	817
1968	901
1969	976
1970	1.038
1971	1.133

6. Les chiffres ci-dessus ne comprennent pas les Assistants des Administrateurs. Les 20 Administrateurs ont droit chacun à quatre Assistants. Au 31 juillet 1970, 63 Assistants d'Administrateurs étaient en fonction.

7. On trouvera à l'Annexe III un tableau comparant les classifications et le nombre de postes prévus au budget pour les divers départements et services du Fonds avec ceux de l'exercice précédent. Les augmentations de personnel ont été effectuées sur une base sélective afin de fournir une assistance supplémentaire aux bureaux où le volume de travail a continué de s'accroître.

INDEMNITES ET PRESTATIONS

8. Au mois de mai du présent exercice, le Conseil d'Administration a approuvé une proposition de la Direction visant à augmenter les traitements du personnel à dater du 1er mai. La recommandation de la Direction se fondait sur une étude indiquant que le coût de la vie à Washington avait augmenté sensiblement et que les salaires offerts par le Fonds étaient devenus moins compétitifs par rapport à ceux des autres employeurs. Il a été estimé que le coût de cette augmentation atteindra approximativement 1.000.000 de dollars pour l'exercice.

REPARTITION GEOGRAPHIQUE DES POSTES

9. Le Fonds a poursuivi ses efforts afin de s'assurer les services des candidats les mieux qualifiés et représentant le plus grand nombre de pays possible. Au 30 avril 1970, le Fonds comptait parmi ses effectifs des ressortissants de 81 pays (voir Annexe IV).

DEPLACEMENTS OFFICIELS

10. Au cours de l'exercice écoulé, 116 pays ont reçu la visite d'Administrateurs et de membres des services du Fonds à l'occasion de missions ainsi qu'au titre de l'assistance technique. Pour l'exercice précédent, le nombre de pays visités atteignait 101.

COOPERATION TECHNIQUE

11. Ainsi qu'il est indiqué dans la Note A du Supplément au Rapport annuel, le Fonds a continué au cours de l'exercice écoulé de détacher des fonctionnaires auprès des pays membres dans le cadre de son programme de coopération technique. Au 31 juillet 1970, des fonctionnaires en détachement de longue durée servaient dans 16 pays membres. Les services du Fonds ont également effectué un certain nombre de missions de courte durée, dont plusieurs ont été entreprises dans le cadre d'un programme destiné à aider les banques centrale à améliorer leurs bulletins de statistiques.

12. Par l'intermédiaire de son Service des banques centrales, le Fonds met à la disposition des pays membres qui en font la demande des experts destinés à occuper dans les banques centrales de ces pays des postes supérieurs de direction et de gestion. Au 31 juillet 1970, 48 experts servaient dans les pays suivants : Afghanistan, Burundi, Ethiopie, Gambie, Guinée, Guinée équatoriale, Guyane, Indonésie, Kenya, Laos, Libéria, Malaisie, Malawi, Malte, Maurice, Ouganda, Panama, République arabe du Yémen, République démocratique du Congo, Rwanda, Sierra Leone, Singapour, Somalie, Soudan, Tanzanie, Trinidad et Tobago et Zambie. Un certain nombre de nouvelles demandes d'experts sont en cours d'examen.

13. Dans le cadre du programme d'assistance technique du Fonds consacré au domaine des finances publiques, 12 experts servent actuellement au Burundi, en Ethiopie, en Indonésie, au Libéria, en Malaisie, au Sierra Leone, en Somalie, en Tanzanie et à Trinidad et Tobago.

14. De nouveaux progrès ont été réalisés en vue de distribuer à environ 200 établissements financiers et éducatifs situés dans 24 pays d'Amérique latine quelque 275 livres et articles en espagnol consacrés à des sujets monétaires et financiers. Le Fonds collabore avec le Centre d'études monétaires latino-américaines et avec la Banque Interaméricaine de Développement à la réalisation de ce projet. Les deux expéditions effectuées jusqu'à présent portaient sur 106 titres.

INSTITUT DU FMI

15. Pendant l'exercice 1970, l'Institut du FMI a organisé sept cours auxquels ont participé 174 stagiaires désignés par les Gouvernements et les banques centrales de pays membres. Trois de ces cours ont traité de la méthodologie de la balance des paiements (deux en anglais et un en français) et quatre ont porté sur l'analyse et la politique financières, dont deux en anglais, un en français et un en espagnol. Les cours de méthodologie de la balance des paiements ont duré huit semaines et ceux consacrés à l'analyse et à la politique financières, 20 semaines chacun. Deux de ces cours avaient commencé pendant l'exercice précédent et deux autres se sont poursuivis pendant l'exercice actuel. Depuis la création de ces cours de perfectionnement par le Fonds en 1950 jusqu'à la fin de l'exercice 1970, un total de 958 stagiaires venant de 108 pays ont suivi ces cours. En plus de ceux qui avaient débuté pendant l'exercice précédent, l'Institut a organisé cinq cours pour l'exercice actuel : trois ont porté sur l'analyse et la politique financières (en anglais, en français et en espagnol), un sur la méthodologie de la balance des paiements (en anglais) et un sur les finances publiques (en anglais).

ASSEMBLEE ANNUELLE DES CONSEILS DES GOUVERNEURS

16. Le coût, pour le Fonds, de l'Assemblée 1970 à Copenhague a été estimé à 850.000 dollars. On trouvera ci-dessous le coût effectif pour le Fonds des Assemblées annuelles qui se sont tenues depuis 1964 et le coût estimatif de la présente Assemblée.

<u>Année</u>	<u>Lieu</u>	<u>Coût</u>
1964	Tokyo	\$865.000
1965	Washington, D.C.	\$473.000
1966	Washington, D.C.	\$509.000
1967	Rio de Janeiro	\$835.961
1968	Washington, D.C.	\$581.522
1969	Washington, D.C.	\$659.828
1970 (estimation)	Copenhague	\$850.000

ANNEX I
 ADMINISTRATIVE BUDGET FOR FISCAL YEAR ENDING APRIL 30, 1971
 AS APPROVED BY THE EXECUTIVE BOARD
 COMPARED WITH THE ACTUAL EXPENDITURE AND THE BUDGET FOR FISCAL YEAR ENDED APRIL 30, 1970

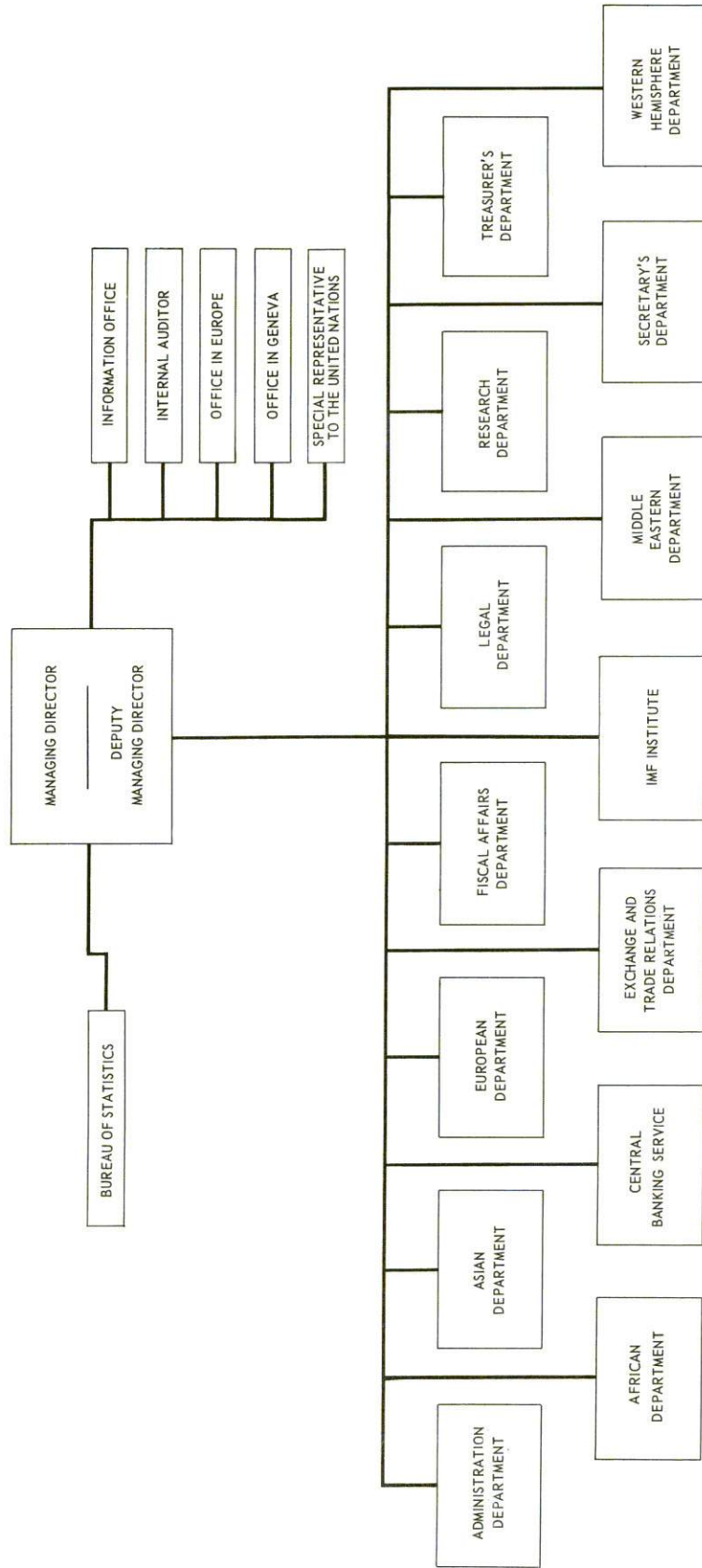
Category of Expenditure	Fiscal Year 1970		Fiscal Year 1971 Proposed Budget
	Adjusted Budget	Actual Expenditure ¹	
I. A - BOARD OF GOVERNORS	\$ 662,000	\$ 659,828	\$ 850,000
II. EXECUTIVE DIRECTORS			
B - SALARIES			
Executive Directors & Alternates	1,107,900	1,102,522	1,150,000
Assistants to Executive Directors	602,100	602,087	710,000
Total	1,710,000	1,704,609	1,860,000
C - OTHER COMPENSATIONS AND BENEFITS			
Income tax reimbursements	66,000	65,773	63,000
Settlement allowances	46,000	37,544	130,000
Retirement contributions	228,000	225,395	248,000
Dependency allowances	72,000	69,602	75,000
Health benefits	21,000	20,607	18,000
Group life insurance	5,000	4,969	6,000
Education and study allowances	42,000	36,210	50,000
Total	480,000	460,102	590,000
D - TRAVEL			
Business	215,000	208,872	200,000
Appointment	35,000	22,563	135,000
Repatriation	40,000	30,298	140,000
Home leave	50,000	46,976	50,000
Total	340,000	308,711	525,000
Total Executive Directors	2,530,000	2,473,423	2,975,000
III. STAFF			
E - SALARIES	11,870,000	11,858,136	13,700,000
F - OTHER COMPENSATIONS AND BENEFITS			
Expense allowance	16,000	16,000	16,000
Income tax reimbursements	1,708,000	1,707,350	1,870,000
Settlement allowances	136,000	135,532	210,000
Retirement contributions	1,790,000	1,789,407	2,100,000
Dependency allowances	570,000	569,599	615,000
Health benefits	288,000	286,891	348,000
Group life insurance	49,000	48,616	55,000
Staff relations and welfare	37,500	37,126	43,000
Education and study allowances	118,500	118,384	150,000
Total	4,713,000	4,708,909	5,407,000
G - TRAVEL			
Business	2,374,000	2,262,145	2,800,000
Appointment	235,000	197,222	275,000
Repatriation	210,000	207,281	160,000
Home leave	445,000	420,064	445,000
Total	3,264,000	3,086,714	3,680,000
Total Staff	19,847,000	19,653,760	22,787,000
IV. H - SPECIAL SERVICES TO MEMBER COUNTRIES			
IMF Institute Program	680,200	680,106	746,000
Special Appointees Program	-	-	45,000
Panel of Central Bank Experts	1,087,500	1,087,383	1,300,000
Technical Assistance Panel	393,000	392,826	458,000
Financial Libraries	15,300	15,176	50,000
Total Special Services	2,176,000	2,175,493	2,599,000
V. OTHER ADMINISTRATIVE EXPENSES			
I - COMMUNICATIONS			
Postage	323,000	301,475	365,000
Telephone	232,000	231,368	244,000
Telegraph	290,000	265,070	310,000
Total	845,000	797,914	919,000
J - OFFICE OCCUPANCY EXPENSES			
Maintenance, utilities and rent	658,000	655,096	902,000
Building alterations	87,000	86,085	95,000
Total	745,000	741,181	997,000
K - BOOKS AND PRINTING			
Books, newspapers and periodicals	97,000	93,314	104,000
Contractual printing	558,000	543,681	561,000
Total	655,000	636,995	665,000
L - SUPPLIES AND EQUIPMENT			
Expendable supplies	185,000	170,974	205,000
Office equipment and furnishings	333,000	321,983	445,000
Automotive equipment and supplies	17,000	16,322	20,000
Maintenance of equipment	35,000	32,804	37,000
Total	570,000	542,084	707,000
M - MISCELLANEOUS			
Insurance	75,000	72,338	80,000
Representation	42,000	41,873	50,000
External audit	14,000	13,496	18,000
Consulting services	120,000	118,356	124,000
Data processing services	313,000	310,759	485,000
Food services	140,000	132,389	143,000
Other contractual services	99,000	97,922	100,000
Recreation center	60,000	59,970	61,000
Sundries	107,000	104,807	140,000
Total	970,000	951,914	1,201,000
Total Other Administrative Expenses	3,785,000	3,670,090	4,489,000
TOTAL BUDGET ESTIMATE	\$29,000,000	\$28,632,596 ²	\$33,700,000

¹ Cents omitted, therefore details may not add to totals.

² Net administrative expenditures totaled \$27,744,940 after the deduction of \$887,656 reimbursed to the General Account by assessments levied on the net cumulative allocations of participants in the Special Drawing Account.

INTERNATIONAL MONETARY FUND

CHART OF ORGANIZATION



ANNEX III

COMPARISON OF BUDGETED POSITIONS FOR FISCAL YEARS 1970 AND 1971
BY DEPARTMENT

Department or Office	Total		Professional				General Service	
			Division Chief & Above		Other			
	1970	1971	1970	1971	1970	1971	1970	1971
Managing Director								
Immediate Office	4	4	2	2	—	—	2	2
Information Office	8	8	1	1	4	4	3	3
Internal Auditor	5	5	1	1	2	3	2	1
Special Representative to UN	2	2	1	1	—	—	1	1
Deputy Managing Director	3	3	1	1	—	—	2	2
Administration	132	144	7	7	30	36	95	101
African	73	76	12	12	37	39	24	25
Asian	48	56	9	10	23	27	16	19
Central Banking Service	17	22	7	8	3	5	7	9
European	52	60	11	12	25	29	16	19
Exchange and Trade Relations	56	61	11	12	26	27	19	22
Fiscal Affairs	52	56	9	11	29	28	14	17
IMF Institute	38	42	5	6	11	10	22	26
Legal	29	30	6	6	9	9	14	15
Middle Eastern	27	30	8	8	9	12	10	10
Research	69	76	9	11	37	39	23	26
Secretary's	148	152	9	9	55	56	84	87
Treasurer's	86	98	10	8	37	44	39	46
Western Hemisphere	80	86	11	15	44	44	25	27
Bureau of Statistics	66	75	6	8	32	34	28	33
Office in Europe	12	13	2	2	4	4	6	7
Office in Geneva	2	3	1	1	1	2	—	—
Joint Library	29	31	1	1	12	13	16	17
Subtotal	1,038	1,133	140	153	430	465	468	515
Assistants to Executive Directors	80	80						
Total	1,118	1,213						

ANNEX IV
DISTRIBUTION OF STAFF MEMBERS AND ASSISTANTS TO EXECUTIVE DIRECTORS
BY CATEGORY AND NATIONALITY
AS OF APRIL 30, 1970

Country	Staff at Division Chief Level and Above		Total Professional Staff		Total Staff	
	No.	Per Cent	No.	Per Cent	No.	Per Cent
Afghanistan	—	—	2	.35	2	.18
Algeria	—	—	—	—	2	.18
Argentina	—	—	5	.87	8	.73
Australia	3	2.24	13	2.27	36	3.27
Austria	—	—	6	1.04	6	.55
Belgium	2	1.50	7	1.22	9	.82
Bolivia	—	—	2	.35	10	.91
Brazil	1	.74	4	.70	11	1.00
Burma	3	2.24	3	.52	4	.36
Cambodia	—	—	1	.18	1	.09
Canada	4	2.99	18	3.15	56	5.09
Ceylon	—	—	3	.52	6	.55
Chile	1	.74	8	1.40	13	1.18
China	1	.74	9	1.57	9	.82
Colombia	1	.74	4	.70	9	.82
Costa Rica	—	—	—	—	2	.18
Cuba	—	—	1	.18	3	.27
Dahomey	—	—	1	.18	1	.09
Denmark	2	1.50	3	.52	5	.46
Dominican Republic	—	—	1	.18	3	.27
Ecuador	—	—	3	.52	7	.64
El Salvador	—	—	1	.18	2	.18
Finland	—	—	6	1.04	9	.82
France	5	3.73	38	6.64	58	5.27
Germany	5	3.73	21	3.67	32	2.91
Ghana	1	.74	2	.35	2	.18
Greece	3	2.24	8	1.40	11	1.00
Guatemala	—	—	2	.35	5	.46
Guinea	—	—	1	.18	1	.09
Guyana	—	—	—	—	4	.36
Haiti	—	—	1	.18	12	1.09
Honduras	—	—	—	—	3	.27
Iceland	—	—	2	.35	3	.27
India	8	5.97	26	4.54	40	3.64
Indonesia	—	—	1	.18	2	.18
Iran	3	2.24	6	1.04	6	.55
Iraq	—	—	1	.18	3	.27
Ireland	—	—	6	1.04	8	.73
Israel	1	.74	6	1.04	6	.55
Italy	3	2.24	11	1.92	24	2.18
Jamaica	—	—	1	.18	11	1.00
Japan	—	—	10	1.75	15	1.36
Jordan	—	—	2	.35	2	.18
Kenya	—	—	—	—	1	.09
Korea	—	—	7	1.22	14	1.27
Lebanon	—	—	4	.70	4	.36
Malagasy	—	—	1	.18	1	.09
Malaysia	—	—	—	—	1	.09
Mali	—	—	1	.18	1	.09
Mauritania	1	.74	1	.18	1	.09
Mexico	—	—	4	.70	8	.73
Morocco	—	—	—	—	1	.09
Netherlands	6	4.48	22	3.85	27	2.45
New Zealand	3	2.24	7	1.22	12	1.09
Nicaragua	1	.74	3	.52	6	.55
Nigeria	—	—	3	.52	4	.36
Norway	1	.74	9	1.57	10	.91
Pakistan	2	1.50	5	.87	8	.73
Panama	1	.74	1	.18	3	.27
Paraguay	2	1.50	2	.35	2	.18
Peru	—	—	5	.87	12	1.09
Philippines	—	—	1	.18	34	3.09
Portugal	—	—	1	.18	5	.46
South Africa	—	—	—	—	3	.27
Spain	—	—	6	1.04	11	1.00
Sudan	—	—	1	.18	1	.09
Sweden	2	1.50	7	1.22	9	.82
Syrian Arab Republic	—	—	2	.35	3	.27
Thailand	—	—	2	.35	5	.46
Trinidad & Tobago	—	—	1	.18	7	.64
Tunisia	—	—	1	.18	1	.09
Turkey	2	1.50	4	.70	8	.73
United Arab Republic	3	2.24	7	1.22	9	.82
United Kingdom	15	11.20	50	8.74	110	10.00
United States	48	35.82	162	28.32	304	27.64
Upper Volta	—	—	1	.18	1	.09
Uruguay	—	—	2	.35	5	.46
Venezuela	—	—	1	.18	1	.09
Viet-Nam	—	—	—	—	2	.18
Yugoslavia	—	—	1	.18	2	.18
Zambia	—	—	1	.18	1	.09
	134	100.00	572	100.00	1,100	100.00

Le 24 juillet 1970

Monsieur le Président,

J'ai l'honneur de vous informer que, pour l'exercice clos le 30 avril 1970, le Fonds a réalisé un revenu net de 57.552.478,01 dollars. En vertu de l'article XII, section 6, paragraphe a) des Statuts du Fonds, les Gouverneurs doivent déterminer chaque année la part de ce revenu qui sera affectée aux réserves et la part qui, le cas échéant, sera distribuée.

Lors de la 24ème Assemblée annuelle, le Conseil des Gouverneurs a autorisé l'affectation à la Réserve générale d'un montant s'élevant à 38.942.122,76 dollars et la distribution aux membres d'un montant égal à 31.895.699,27 dollars, conformément aux dispositions de l'article XII, section 6, paragraphe b).

Conformément à la décision prise par le Conseil d'Administration le 14 avril 1958, le revenu net réalisé par le Fonds après le 30 avril 1969 a été transféré provisoirement, à la fin de chaque mois, à la Réserve générale. Le montant total ainsi transféré pendant l'exercice clos le 30 avril 1970 s'élève à 57.552.478,01 dollars.

Les Administrateurs proposent que, sur ce revenu net, 17.532.118,96 dollars soient distribués aux membres, à raison de 2 pour cent de la position créditrice nette de chaque membre au Fonds pendant l'exercice clos le 30 avril 1970, en tenant compte du montant que chaque membre a reçu sous forme de rémunération pendant cet exercice. La position créditrice nette d'un membre est représentée par la différence entre la moyenne des avoirs du Fonds en la monnaie de ce pays membre et les 75 pour cent de la quote-part de ce membre, aucun compte n'étant tenu des avoirs dépassant 75 pour cent de la quote-part. Les Administrateurs proposent également que le reste, soit 40.020.359,05 dollars, soit affecté à la Réserve générale. En ce qui concerne la distribution de revenu aux pays membres, je désirerais attirer l'attention sur le fait que dans les dépenses du Fonds pour l'exercice clos le 30 avril 1970 figure, pour la première fois, le paiement d'une rémunération prévue par l'article V, section 9. Cette rémunération a été payée à partir du 28 juillet jusqu'à la fin de l'exercice au taux de 1,5 pour cent sur la position créditrice nette des membres, et le montant total versé s'est élevé à 27.181.314 dollars.

Les Administrateurs recommandent l'adoption par le Conseil des Gouverneurs du projet de résolution ci-joint, lequel autorise l'affectation à la Réserve générale de 40.020.359,05 dollars et la distribution aux membres de 17.532.118,96 dollars, conformément aux dispositions de l'article XII, section 6, paragraphes a) et b).

Veillez agréer, Monsieur le Président, l'expression de ma haute considération.

Le Directeur général et
Président du Conseil d'Administration

Pierre-Paul Schweitzer

Monsieur le Président du
Conseil des Gouverneurs
Assemblée annuelle 1970
Fonds Monétaire International

PROJET DE RESOLUTION

Réserve générale et répartition du revenu net

LE CONSEIL DES GOUVERNEURS, ayant pris note de la recommandation des Administrateurs et des considérations y afférentes exposées dans la lettre d'envoi du Directeur général et Président du Conseil d'Administration au Président du Conseil des Gouverneurs en date du 24 juillet 1970,

DECIDE QUE sur le revenu net de 57.552.478,01 dollars réalisé pour l'exercice clos le 30 avril 1970 :

1. un montant s'élevant à 40.020.359,05 dollars sera affecté à la Réserve générale, et

2. un montant s'élevant à 17.532.118,96 dollars sera réparti entre les membres, conformément aux dispositions de l'article XII, section 6 b), de telle sorte que le total de la rémunération et du revenu net versé à chaque membre soit équivalent à 2 pour cent du montant représentant la différence entre la moyenne des avoirs du Fonds en la monnaie de chaque pays membre le 30 avril 1970 et les 75 pour cent de la quote-part de ce membre.

Le 12 août 1970

Monsieur le Président,

Les Administrateurs ont consacré une section de leur Rapport annuel 1969 au "Mécanisme de l'ajustement des taux de change" et ont fait connaître leur intention de continuer à étudier cette question sur laquelle plusieurs Gouverneurs ont exprimé leur opinion lors de leur Assemblée annuelle de 1969. Pendant l'année en cours, les Administrateurs ont poursuivi leurs travaux, et j'ai maintenant l'honneur de vous transmettre ci-joint un rapport intitulé "Le rôle des taux de change dans l'ajustement des paiements internationaux"* fondé sur les recherches qu'ils ont effectuées jusqu'à présent et dont tous les Gouverneurs vont recevoir un exemplaire. Ce rapport a trait au point 5 ("Mécanisme de l'ajustement des taux de change") de l'ordre du jour du Conseil des Gouverneurs pour son assemblée de Copenhague.

Ce rapport se compose de deux parties. Les opinions des Administrateurs concernant les aspects politiques de cette question sont exposées dans la Deuxième partie du rapport intitulée "Implications relatives aux questions de politique"; la Première partie contient une étude descriptive et analytique sur laquelle se fondent ces opinions.

Il convient de noter que les Administrateurs se proposent de continuer à étudier cette question au cours des prochains mois.

Je vous prie de bien vouloir agréer, Monsieur le Président, l'assurance de ma haute considération.

Le Président du Conseil d'Administration

Pierre-Paul Schweitzer

Président du Conseil des Gouverneurs
Assemblée annuelle 1970
Fonds Monétaire International

* Fait l'objet d'une diffusion distincte.

Le 21 septembre 1970

Monsieur le Président,

Les modifications ci-jointes aux Règles et Règlements sont soumises à l'examen du Conseil des Gouverneurs en application de la section 16 de la Règlementation générale.

Les dispositions de la Règle I-6 c), d) et f) ont été modifiées le 20 mai 1970 à la suite de l'entrée en vigueur de l'amendement des Statuts le 28 juillet 1969. L'article V, section 7 c) iv) et le paragraphe 1 e) de l'Annexe B des Statuts modifiés stipule que lorsqu'un membre a encouru des obligations de rachat excédant 25 pour cent de sa quote-part, il devra reporter le paiement de l'excédent à la fin de l'exercice ou des exercices suivants. Afin de faire accorder les dispositions de la Règle I-6 avec l'article V, section 7 c) iv), les mots "le montant dont le paiement devra être différé" ont été ajoutés à la fin de l'ancien texte de la Règle I-6 c) et, dans la dernière phrase des paragraphes d) et f) de la Règle I-6, les mots "l'obligation de rachat" ont été remplacés par "le paiement du montant dû".

Le texte modifié de cette Règle figure à l'Annexe I. Le projet d'une résolution soumise à l'agrément du Conseil des Gouverneurs constitue l'Annexe II.

Les Administrateurs n'ont pas apporté d'autres modifications aux Règles et Règlements depuis la dernière Assemblée annuelle.

Veillez agréer, Monsieur le Président, l'expression de ma haute considération.

Le Directeur général et
Président du Conseil d'Administration

Pierre-Paul Schweitzer

Monsieur le Président
du Conseil des Gouverneurs
Assemblée annuelle 1970
Fonds Monétaire International

MODIFICATIONS APORTEES AUX REGLES ET REGLEMENTS
DEPUIS L'ASSEMBLEE ANNUELLE 1969

Règle I-6. Texte tel qu'il a été modifié le 20 mai 1970.

- c) Lorsqu'une obligation de rachat a été ainsi calculée pour un membre, le Directeur général, après consultation avec l'Administrateur nommé ou élu par le membre, notifiera celui-ci par lettre contenant tous les détails nécessaires relatifs à ce calcul, y compris la répartition du montant payable entre les types de réserves et, le cas échéant, le montant dont le paiement devra être différé.
- d) Si le membre se déclare d'accord avec ledit calcul, il en avisera le Fonds dans les trente jours qui suivent la date de réception de la notification de ce calcul. Le Directeur général enverra alors au membre une demande officielle de paiement et en notifiera en même temps le Conseil. Le membre s'acquittera du paiement du montant dû dans les trente jours qui suivent la date de réception de la demande officielle de paiement.
- f) Une fois qu'un accord est intervenu avec le membre aux termes de l'alinéa e) ci-dessus, ou qu'une décision est prise par le Conseil d'Administration déterminant l'obligation de rachat du membre, le Directeur général enverra à celui-ci une demande officielle de paiement et en notifiera en même temps le Conseil. Le membre s'acquittera du paiement du montant dû dans les trente jours qui suivent la date de réception de cette demande officielle de paiement, ou suivant tout autre délai que peut décider le Conseil d'Administration.

PROJET DE RESOLUTION

Modifications des Règles et Règlements

IL EST DECIDE :

Que le Conseil des Gouverneurs du Fonds notifie aux Administrateurs qu'il a examiné les modifications des Règles et Règlements adoptées par les Administrateurs depuis l'Assemblée annuelle de 1969 et qu'il n'a aucune correction à proposer.

REGLEMENT CONCERNANT L'ELECTION ORDINAIRE
DES ADMINISTRATEURS DU FONDS EN 1970

1. Définitions: Suivant l'usage qui en est fait dans ce Règlement, et sous réserve d'adaptation au contexte:
 - a) Par le terme "Statuts", on entend les Statuts du Fonds.
 - b) Par le terme "Conseil", on entend le Conseil des Gouverneurs du Fonds.
 - c) Par le terme "Président", on entend le Président du Conseil des Gouverneurs ou le Vice-Président assumant les fonctions de Président.
 - d) Le terme "Gouverneur" comprend le Gouverneur suppléant ou tout Gouverneur suppléant temporaire assumant les fonctions de Gouverneur.
 - e) Par le terme "Secrétaire", on entend le Secrétaire ou tout Secrétaire intérimaire du Fonds.
 - f) Par "Election", on entend l'élection ordinaire d'Administrateurs en 1970.
2. Date de l'élection: L'élection se tiendra pendant l'Assemblée annuelle 1970, à la date qui sera fixée par le Conseil.
3. Règlement de base - Annexe C: Sous réserve des modifications énoncées plus loin, les dispositions de l'Annexe C des Statuts s'appliqueront à la tenue de l'élection.
4. Administrateurs à élire en vertu de l'article XII, section 3 b)(iii):
 - a) Onze Administrateurs seront élus conformément à l'article XII, section 3 b) (iii).
 - b) Etant donné le nombre d'Administrateurs à élire en vertu de l'article XII, section 3 b) (iii):
 - i) On remplacera "19 pour cent" par 6 pour cent aux paragraphes 2 et 5 de l'Annexe C.
 - ii) On remplacera "20 pour cent" par 13 pour cent aux paragraphes 3 et 5 de l'Annexe C.
 - iii) On remplacera "cinq Administrateurs" par "onze Administrateurs" et "cinq personnes" par "onze personnes" au paragraphe 2 de l'annexe C.

5. Administrateurs à élire conformément à l'article XII, section 3 b)(iv):
Trois Administrateurs seront élus conformément à l'article XII, section 3 b)(iv) et
 - a) Le pourcentage minimum de voix exigé pour l'élection au titre de cet alinéa sera de 28 pour cent.
 - b) Le pourcentage maximum de voix pour tout candidat, aux fins du paragraphe 13 ci-dessous, sera de 38 pour cent.
6. Désignation des candidats:
 - a) Tout candidat désigné par un ou plusieurs Gouverneurs habilités à prendre part à l'élection sera éligible au poste d'Administrateur.
 - b) Chaque désignation devra figurer sur une Formule de désignation fournie par le Secrétaire, signée par le ou les Gouverneurs effectuant la désignation et remise au Secrétaire.
 - c) Un Gouverneur ne peut désigner qu'un candidat.
 - d) Les désignations pourront être remises jusqu'à midi la veille du jour prévu pour l'élection. Le Secrétaire affichera et distribuera la liste des candidats désignés.
7. Surveillance de l'élection: Le Président nommera les scrutateurs et autres adjoints et prendra les mesures qu'il estimera nécessaires à la tenue de l'élection.
8. Scrutins: Un bulletin de vote sera remis, avant chaque scrutin, à chaque Gouverneur habilité à voter. Pour chaque scrutin, seuls les bulletins distribués pour ce scrutin seront comptés.
9. Ordre des scrutins: Au premier scrutin, tous les Gouverneurs habilités à participer à l'élection d'Administrateurs au titre de l'article XII, section 3 b)(iii) et ceux pour toutes les Républiques américaines habilités à participer à l'élection d'Administrateurs au titre de l'article XII, section 3 b)(iv) voteront simultanément. Le scrutin pour les Administrateurs élus au titre de l'article XII, section 3 b)(iii) devra ensuite être conclu avant que n'aient lieu d'autres scrutins pour les Administrateurs élus par les Républiques américaines.
10. Scrutin - Règles générales: Chaque scrutin se déroulera comme suit:
 - a) Il sera procédé à l'appel des pays membres dont les Gouverneurs sont habilités à voter, et chaque bulletin, signé par le Gouverneur, sera déposé dans l'urne.

- b) Lorsqu'un scrutin sera terminé, le Président fera compter les voix et annoncera les noms des candidats élus avant la fin de la séance au cours de laquelle l'élection aura eu lieu. Si un autre scrutin est nécessaire, le Président annoncera les noms des candidats sur lesquels portera ce scrutin et les pays membres dont les Gouverneurs sont habilités à voter.
 - c) Si les scrutateurs estiment qu'un bulletin de vote n'a pas été convenablement rempli, ils fourniront si possible au Gouverneur l'occasion de le corriger avant de compter les résultats; et le bulletin ainsi corrigé sera considéré comme valide.
11. Scrutin et élection des Administrateurs au titre de l'article XIII, section 3 b)(iii):
- a) Lorsque, dans un scrutin, le nombre de candidats désignés ne dépasse pas le nombre d'Administrateurs à élire, chacun de ces candidats sera considéré comme élu par le nombre de voix qu'il aura obtenues à ce scrutin, sous réserve, toutefois, que si, audit scrutin, on estime que les voix d'un Gouverneur - aux termes de l'Annexe C, paragraphe 4 - ont porté le nombre de voix en faveur d'un candidat à plus de 13 pour cent de l'ensemble des voix, nul ne sera considéré comme élu s'il n'a obtenu audit scrutin un minimum de 6 pour cent de l'ensemble des voix; on procédera alors à un deuxième tour de scrutin auquel tout candidat non élu sera habilité à se présenter.
 - b) Si, après le premier tour de scrutin, le nombre d'Administrateurs à élire, conformément au paragraphe 4 ci-dessus, n'a pas été atteint, un second et, si nécessaire, d'autres tours de scrutin pourront avoir lieu. Les Gouverneurs habilités à voter à ces tours de scrutin successifs seront uniquement i) les Gouverneurs qui ont voté au scrutin précédent pour un candidat non élu, et ii) les Gouverneurs dont les voix pour un candidat élu au tour de scrutin précédent sont considérées, aux termes de l'Annexe C, paragraphe 4, comme ayant porté le nombre de voix en faveur de ce candidat à plus de 13 pour cent de l'ensemble des voix.
 - c) Les voix d'un Gouverneur ne seront pas considérées, aux termes de l'Annexe C, paragraphe 4, comme ayant porté le total des voix en faveur d'un candidat à plus de 13 pour cent de l'ensemble des voix si, sans les voix dudit Gouverneur, ce total dépassait 6 pour cent, mais non 13 pour cent de l'ensemble des voix.
 - d) Si, lors d'un scrutin, deux ou plusieurs Gouverneurs disposant d'un nombre égal de voix ont voté pour le même candidat, et si les voix d'un ou plus de ces Gouverneurs, mais pas tous, peuvent être considérées comme ayant porté le total des voix exprimées en faveur de ce candidat à plus de 13 pour cent de l'ensemble des voix aux termes de l'annexe C, paragraphe 4, le Président décidera alors par tirage au sort quels seront le ou les Gouverneurs, suivant le cas, qui seront habilités à voter au scrutin suivant.

- e) Si un Gouverneur s'abstient de participer à un scrutin ayant lieu aux termes de l'article XII, section 3 b)(iii) il n'aura plus droit de participer à un autre scrutin et il ne sera pas tenu compte de ses voix au sens de l'article XII, section 3 (i), pour l'élection des Administrateurs. Si, lors d'un scrutin, un pays membre n'est pas représenté par un Gouverneur dûment nommé, ce pays sera considéré comme s'étant abstenu de participer à ce scrutin.

12. Voix exprimées en faveur d'un candidat désigné non élu au titre de l'article XII section 3 b)(iii):

Tout membre, dont le Gouverneur a voté au cours du dernier scrutin pour un candidat désigné non élu au titre de l'article XII, section b)(iii), peut, avant la date effective de l'élection, désigner un Administrateur qui a été élu conformément à ces dispositions et il sera considéré après la date effective de l'élection comme ayant obtenu le nombre de voix dont disposait le membre pour cette élection.

13. Election d'Administrateurs au titre de l'article XII, section 3 b)(iv):
Ce Règlement complète les dispositions de l'Annexe C, paragraphe 7.

- a) Chaque Gouverneur habilité à participer à l'élection devra donner toutes les voix dont il dispose à un seul candidat.
- b) Les trois candidats recueillant le plus grand nombre de voix seront élus - sous réserve qu'aucun candidat ne sera élu s'il n'a obtenu au moins 28 pour cent de l'ensemble des voix. Le candidat élu par le plus petit nombre de voix exprimées pour les trois candidats élus sera considéré comme ayant été élu par toutes les voix exprimées en sa faveur, par toutes les voix des abstentionnistes, et par toutes les voix exprimées en faveur du candidat ou des candidats non élus.
- c) Si, lors d'un scrutin, il reste encore deux ou plusieurs Administrateurs à élire, et s'il y a un nombre égal de candidats, chaque candidat sera élu par le nombre de voix exprimées en sa faveur sous réserve que, si les voix d'un Gouverneur sont considérées comme ayant porté le nombre de voix exprimées en faveur d'un candidat à plus de 38 pour cent de l'ensemble des voix, aucun des candidats ne sera élu à ce scrutin à moins d'avoir obtenu 28 pour cent de l'ensemble des voix, et il faudra alors procéder à un autre scrutin pour lequel tout candidat non élu au cours du scrutin précédent sera éligible.

14. Scrutins successifs pour l'élection d'Administrateurs au titre de l'article XII, section 3 b)(iv):

- a) Si, après le premier scrutin, le nombre d'Administrateurs à élire conformément au paragraphe 5 ci-dessus n'a pas été atteint, on procédera à un second scrutin, et, si nécessaire, à plusieurs scrutins successifs. Les Gouverneurs habilités à voter au cours

- de ces scrutins successifs seront seulement i) ceux qui ont voté au cours du scrutin précédent pour un candidat non élu, ou qui se sont abstenus de voter au cours du scrutin précédent, et ii) ceux dont les voix en faveur d'un candidat élu au cours du scrutin précédent sont considérées comme ayant porté le nombre de voix exprimées en faveur de ce candidat à plus de 38 pour cent de l'ensemble des voix. Pour déterminer si les voix exprimées par un Gouverneur doivent être considérées comme ayant porté le total obtenu par un candidat à plus de 38 pour cent de l'ensemble des voix, il conviendra de considérer ces 38 pour cent comme comprenant d'abord des voix du Gouverneur qui a exprimé le plus grand nombre de voix en faveur de ce candidat, puis celles du Gouverneur qui en a exprimé le nombre immédiatement inférieur, et ainsi de suite jusqu'à ce qu'on ait atteint les 38 pour cent.
- b) Les voix d'un Gouverneur exprimées conformément à l'alinéa a) ci-dessus ne seront pas considérées comme ayant porté le total des voix exprimées en faveur d'un candidat à plus de 38 pour cent de l'ensemble des voix si, sans les voix de ce Gouverneur, le total est supérieur à 28 pour cent, mais ne dépasse pas 38 pour cent de l'ensemble des voix.
- c) Si lors d'un scrutin deux ou plusieurs Gouverneurs disposant d'un nombre égal de voix ont voté pour le même candidat, et si les voix d'un ou plusieurs de ces Gouverneurs, mais non de tous, peuvent être considérées, aux termes de l'alinéa a) ci-dessus, comme ayant porté le total des voix en faveur de ce candidat, à plus de 38 pour cent de l'ensemble des voix, le Président décidera par tirage au sort quels seront le ou les Gouverneurs, suivant le cas, qui seront habilités à voter au scrutin suivant.
15. Elimination de candidats: Si, lors d'un scrutin, deux ou plusieurs candidats ont recueilli le plus petit nombre de voix, aucun candidat ne sera éliminé du scrutin suivant, mais si la même situation se reproduit au scrutin suivant, le Président éliminera par tirage au sort l'un des candidats du scrutin suivant.
16. Proclamation des résultats: Après le dernier scrutin, le Président fera distribuer une déclaration proclamant les résultats de l'élection.
17. Date d'entrée en vigueur des résultats de l'élection des Administrateurs: La date d'entrée en vigueur des résultats de l'élection est fixée au 1er novembre 1970. Les Administrateurs en poste exerceront leurs fonctions jusqu'à la veille du 1er novembre inclusivement.

18. Questions d'ordre général: Toute question concernant la tenue de l'élection sera résolue par les scrutateurs, sous réserve d'appel, à la requête de tout Gouverneur, au Président, et de ce dernier au Conseil. Chaque fois que cela sera possible, ces questions seront posées sans identifier les pays membres ou les Gouverneurs intéressés.

Texte approuvé par le Conseil des Gouverneurs
Résolution No 25-5, 10 septembre 1970

