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CO-ORDINATION

REVIEW OF THE AGREEMENTS BETWEEN THE UNITED NATIONS
AND THE SPECIALIZED AGENCIES AND THE INTERNATIONAL
ATOMIC ENERGY AGENCY

Views of the executive heads of organizations transmitted
in response to paragraph 13 of Economic and Social Council
resolution 1768 (LIV)

INTERNATIONAL MONETARY FUND

"... I welcome the Council's efforts in this endeavor and I hope they will lead to the maintenance of strong ties among the various organizations of the United Nations system.

"It is a source of satisfaction to me that the entire history of relations between the Fund and the United Nations system has been characterized by close cooperation in a variety of forms and on many levels. I believe that the record of these relations has fully borne out the belief, expressed some 25 years ago in Article XII of the Agreement Between the United Nations and the International Monetary Fund, that the provisions of that Agreement would 'contribute to the maintenance of effective cooperation between the two organizations'. The cooperation between the Fund and the other organizations of the United Nations system on matters of common interest has been of mutual benefit to the organizations concerned and has yielded fruitful results to our member countries. I may add that during the relatively short period since my appointment as Managing Director, I have been very impressed by the degree of cooperation between the Fund and other organizations of the United Nations system.

"The nature of the Fund's relations with other international organizations is governed by the Fund's Articles of Agreement, which require the Fund to cooperate with public international organizations having specialized

responsibilities in related fields provided that the arrangements do not involve a modification of any provision of the Agreement. On this basis, the Fund's Board of Governors approved an agreement on relations with the United Nations. Moreover, under the Articles of Agreement the Executive Directors, who are responsible for the conduct of the general operations of the Fund, may make certain informal arrangements with other international organizations for cooperation in matters of mutual interest. The Fund's practice over the years of entering into informal arrangements with other organizations has assisted in achieving the desired cooperation with them consistently with the Fund's responsibilities to its members in connection with international monetary problems.

"I may briefly refer to some of our informal arrangements with other organizations of the United Nations system. There has been a continuing and close relationship between the Fund and the World Bank, which was established simultaneously with the Fund and has related fields of interest. Close and continuous ties have also been established with the United Nations Conference on Trade and Development and its subsidiary bodies and the CONTRACTING PARTIES to GATT. Indeed, the Fund's interest in the work of UNCTAD and in many of the problems that were also of concern to UNCTAD was an important factor leading to the creation of a permanent Fund office in Geneva. In more specific areas, the Fund is currently cooperating with the ILO on its Comprehensive Employment Strategy and with the FAO on some aspects of World Food Security. These and other informal arrangements were described in greater detail in the factual report which was transmitted to the Secretariat of the United Nations on August 14, 1973.

"The Fund's approach to cooperation with the other organs of the United Nations system has been inspired by a desire to collaborate on all matters of mutual concern and interest largely on the basis of pragmatic working arrangements because these have been found to be most flexible and most effective. The constant liaison with the United Nations organizations and programs, the Department of Economic and Social Affairs, the Regional Commissions and the other specialized agencies has been reflected in direct staff cooperation at the inter-secretariat level, attendance and participation at meetings, technical assistance, preparation of special reports and studies by the Fund, exchange of information and various other forms of working arrangements. In these relationships, the cooperative spirit displayed by other organizations and, in particular, the initiatives of the Economic and Social Council in performing its central coordinating role in economic and social matters, have been important. In addition to the actions and policies adopted by the governing bodies of the various organizations, the harmonious and close working contacts between the Fund's staff and the staffs of other organizations have been an essential ingredient in ensuring the success of these relationships.

"As far as the future is concerned, I reaffirm the need and the desirability for close and continuing cooperation among the organizations of the United Nations system. As the degree of economic and social interdependence

among countries increases, problems and concerns will multiply which will require coordinated and cooperative solutions. In the quest for these solutions, international bodies such as those of the United Nations system can play an important role both as forums for joint consultation and mutual assistance and, especially as far as the developing countries are concerned, as sources of technical and financial assistance. In this process it will be important to ensure that the various international bodies continue to adopt a cooperative approach, although I have little doubt that this will be the firm intention of all of them.

"In view of this, the initiative of the Council to gather the information available on all forms of cooperation and coordination is useful. It is prudent, of course, to take stock of existing relationships between the agencies in order to see whether improvements can be made. I can assure you that, as in the past, the Fund will stand ready to cooperate on matters of mutual concern with other organizations of the United Nations. For reasons already mentioned, our relations with these organizations will be most fruitful if they continue to be based on informal and flexible arrangements.

"We look forward to further cooperation with the Council and in the conviction that the dialogue between the Council and the specialized agencies, including the Fund, will contribute to the creation of a better social and economic climate in the world that will benefit all members of the international community ...".

H. Johannes Witteveen
Managing Director

ANNEX

The Fund's Relations Within the United Nations System

Co-operation between the Fund and other organizations was envisaged in the Fund's Articles of Agreement. Such co-operation has taken place both within the framework of a formal agreement with the United Nations itself and of close but informal working arrangements with several other organizations within the United Nations system. Special arrangements have existed with the Contracting Parties to the General Agreement on Tariffs and Trade (GATT).

1. Agreement with the United Nations

The Agreement was approved by the Board of Governors of the Fund on 17 September 1947 and by the General Assembly of the United Nations on 15 November 1947 and entered into force on the latter date.

2. Co-operation with the World Bank

Traditionally co-operation between the two institutions has been close. The Fund and the Bank staffs consult with each other on all points of common interest, and maintain arrangements for exchanging documents. There is a practice of mutual exchange of views and information between the staffs both before the departure and after the return of Fund or Bank missions to member countries. On many occasions staff members of each institution have participated in the missions of the other. Such co-operation has been particularly close with regard to the foreign debt problems of member countries. The Boards of Governors of the Fund and the Bank have always held simultaneous annual meetings.

3. Informal Contacts of the Managing Director

Throughout the Fund's existence the Managing Director has, from time to time, held ad hoc meetings with the heads of various organizations of the United Nations to discuss matters of mutual interest and concern. Since September 1972, in response to a resolution adopted at the Third United Nations Conference on Trade and Development, tripartite meetings have been held between the Managing Director of the Fund, the Director-General of the GATT, and the Secretary-General of UNCTAD. These meetings have provided an opportunity for an exchange of views by the heads of the three organizations on the activities of their respective institutions in particular regarding problems concerning the international monetary system, the world's trading system, and the problems of developing countries.

4. Fund Representation at the United Nations and in Geneva

The Fund maintains a liaison office at the United Nations Secretariat in New York and since 1950 a senior Fund officer, the Special Representative to the United

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Nations, has been primarily responsible for co-ordinating Fund relations with the United Nations. Similarly, to facilitate relations with those international institutions that maintain offices or hold meetings in Geneva - notably the UNCTAD and the GATT - the Fund assigned a senior staff official to Geneva in 1965 and established an office there on 1 May 1967. The staff of the Geneva Office is in constant and close contact with relevant organizations in the United Nations system and attend meetings on a regular basis.

5. Co-operation with the GATT

The Fund was deeply involved in the preparatory negotiations for the International Trade Organization and has had a special relationship with the GATT since its creation. This has arisen partly because of the need to co-ordinate policies within the respective jurisdictions of the Fund and the GATT and partly because of the explicit requirements of the General Agreement.

Since 1959, when the GATT initiated regular and systematic consultations under GATT articles XII and XVIII, there have been over 150 such Fund-GATT consultations. For the Fund these consultations involve the transmittal of relevant information to the GATT Committee on Balance of Payments Restrictions and the presentation of the Fund's findings as to whether the restrictions imposed or maintained by the contracting party in question exceeded those necessary. The Fund representative may give additional comments in answer to questions from members of the Committee and usually provides informal assistance in the drafting of the Committee's report.

6. Fund Participation in the Meetings of United Nations Agencies

In addition to the representation provided by the Fund's representatives in New York and Geneva, the Fund has participated directly in meetings of various United Nations agencies, committees, conferences and working groups. The Managing Director has personally taken part in many meetings of ECOSOC and presents the Annual Report of the Fund's Executive Directors to ECOSOC. The Managing Director is a member of the Administrative Committee on Co-ordination (ACC) and the Fund actively participates in all aspects of the work of the ACC.

Fund representatives have attended either regularly or in particular circumstances meetings of the following organizations: 1/

Administrative Committee on Co-ordination (including its sub-committees)
Commission on International Commodity Trade
Commission on International Trade Law
Committee for Programme Co-ordination
Conference on Trade and Development, including its various organs and committees

1/ In the following listing the prefix "United Nations" has been dropped, where applicable.

Development Programme (Governing Council, Committee of Experts on
Development Planning and Inter-Agency Consultative Board)
Economic Commission for Africa
Economic Commission for Asia and the Far East
Economic Commission for Europe
Economic Commission for Latin America
Economic and Social Council
Food and Agriculture Organization
General Agreement on Tariffs and Trade
General Assembly
Industrial Development Organization
Inter-Agency meetings on Selected Management Problems
International Coffee Conference
International Cotton Advisory Board
International Labour Organisation
International Rubber Study Group
International Tin Conference
International Wheat Council
Interregional Seminar on Government Accounting and Financial Management
Interregional Seminars on Economic Development
Interregional Workshop on Problems of Budget Classification
Statistical Commission
Subregional meetings on Economic Co-operation in West Africa (ECA)
Technical Assistance Board

7. Co-operation with UNCTAD

The Managing Director addressed the first and third UNCTAD conferences in person and his statement was presented to the second UNCTAD conference by a senior Fund staff member. In addition, a team of Fund representatives attended all three conferences. Representatives from the Fund's Geneva Office have been present at all meetings of the Trade and Development Board (TDB) since its creation.

Fund representatives have been involved in the work of many other UNCTAD bodies including the permanent committees of the TDB, namely the Committee on Invisibles and Financing Related to Trade, the Committee on Shipping, the Committee on Commodities, and the Committee on Manufactures as well as the Expert Group on International Monetary Issues, the Intergovernmental Group on Supplementary Financing, the Group on Preferences (later Special Committee on Preferences), the Permanent Group on Synthetics and Substitutes, and the Intergovernmental Group on Trade Expansion, Economic Co-operation and Regional Integration Among Developing Countries.

The Fund has prepared studies on a number of subjects of interest to UNCTAD, both at the request of the latter and on its own initiative. It has collaborated particularly closely with UNCTAD on commodity problems and participated in the negotiations leading to the International Tin, Cocoa and Sugar Agreements. Since 1969 the Fund has assisted in the financing of buffer stocks. The Fund also provides UNCTAD with statistical and other information.

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8. Regional Co-operation

The Fund has maintained regular relations with the Regional Economic Commissions and Fund co-operation with ECAFE is given as a particular example. In 1967, on the recommendation of a joint ECAFE-United Nations Office of Technical Co-operation seminar, the Fund prepared a study on international banking and credit facilities in the ECAFE area and submitted it to ECAFE. In 1970, a Fund staff member was assigned to assist the ECAFE secretariat in drafting proposals for monetary co-operation in the ECAFE region. Since then Fund staff members have regularly assisted in the preparation and discussion of schemes for an Asian Clearing Union and an Asian Reserve Bank. In 1972 and 1973 the Fund staff, at the request of ECAFE, undertook a systematic survey of the draft articles for the Asian Clearing Union, which have since been signed by some of the participants in April 1973.

9. Co-operation with ILO and FAO

There is an informal arrangement for co-operation between the staff of the Fund and the ILO in connexion with the World Employment Programme. The Fund staff has met with leaders of the Comprehensive Employment Strategy Missions both before and after such missions and are sent the mission's draft reports for comments. A Fund staff member attended the Interagency Meeting held in March 1973 in Geneva to evaluate the Comprehensive Employment Strategy Missions. In a similar manner the Fund has co-operated with FAO on its proposals for World Food Security and Fund staff members have participated in interagency meetings on the subject. Fund representatives have also participated in FAO sponsored meetings on agricultural commodities.

10. Fund documents, studies and reports

Reference has already been made to the transmittal of documents to the World Bank and the GATT. In addition, the Fund transmits some of its staff studies and reports to some 20 other organizations including the United Nations, its regional commissions and certain specialized agencies. (In 1972 over 500 Fund documents were transmitted to the United Nations and its agencies.)

The Fund has also prepared special studies and reports at the request of various United Nations agencies including the Economic and Social Council, the United Nations Commission on International Commodity Trade, ECAFE and UNCTAD. It has co-operated in the preparation of a number of studies by United Nations agencies and in particular the study of the United Nations Commission on Trade Law (UNCITRAL) on international payments.

11. Co-operation on statistical matters

From 1948 to 1963 the Fund, the World Bank and the United Nations Statistical Office jointly collected and distributed trade statistics. The Fund exchanges statistical information and publications with these organizations and with agencies such as FAO, ILO and the GATT. It also participates in technical co-ordinating conferences and meetings on statistical programmes under United Nations auspices.