The Office of the Nordic-Baltic Constituency

INTERNATIONAL MONETARY FUND

Views and Positions on Policy Developments in the International Monetary Fund

December 2013

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This report is prepared by the Office of the Nordic-Baltic Constituency (NBC), representing Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden in the International Monetary Fund's Executive Board. The purpose is to present the positions taken by the Nordic-Baltic chair in the Executive Board and to update interested audiences on IMF issues. The report is not an exhaustive review of IMF's work, but aims at presenting the key discussions over the past six months through December 2013. The next report is scheduled for June 2014.

The IMF has 188 member countries. Each of them is represented by an Executive Director on the 24 member Executive Board. The IMF supports its membership by providing:

- policy advice to governments and central banks based on analysis of economic trends and cross-country experiences;
- research, statistics, forecasts, and analysis based on tracking of global, regional, and individual economies and markets;
- loans to help countries overcome economic difficulties;
- concessional loans to help fight poverty in developing countries; and
- technical assistance and training to help countries improve the management of their economies.

For additional information, we generally refer to the IMF's website, www.imf.org, which we have also benefited from while preparing this report.

December 19, 2013

I. INTRODUCTION

The agenda of the IMF Executive Board over the past six months comprised diverse items related to global economic and financial issues. Among them were the multilateral surveillance reports, assessments of current fiscal policies and the global impact of unconventional monetary policies as well as a discussion on progress in financial surveillance, mandatory Financial Sector Assessment Programs FSAPs, and assessing reserve adequacy. This report will give an overview of the main items and we refer also to the published statements by our member of the International Monetary and Financial Committee (IMFC).[1]

II. SURVEILLANCE

To maintain stability and prevent crises in the international monetary system, the IMF reviews country policies, as well as national, regional, and global economic and financial developments and thereby has a unique opportunity to assess risks to the global economy. The Fund's bilateral surveillance activities in the 188 member countries are well documented on the IMF's website and this report will focus on multilateral surveillance.

In December 2013, the Executive Board adopted a decision calling on Argentina to implement specified actions to address the quality of its official CPI and GDP data according to a specified timetable[2].

The IMF's main multilateral surveillance products, its "Flagship" reports, are the World Economic Outlook, the Global Financial Stability Report and Fiscal Monitor as well as the Spillover Report and the Pilot External Sector Report. They are published semi-annually on the IMF's website in connection to the Fund's Spring and Annual Meetings.

Over the last few years, the IMF has been making special efforts to integrate more closely all dimensions of surveillance – multilateral, bilateral and financial.

GLOBAL ECONOMIC AND FINANCIAL OUTLOOK

The messages in the Fund's flagship reports published during the October Annual Meetings described a modest global recovery, the abatement of certain risks and emergence of new ones, weighting heavily on the outlook. There were encouraging signs that activity was strengthening in advanced economies. However, a growing number of emerging market economies is coming off cyclical peaks. Nevertheless, their growth rates were projected to remain above those of the advanced economies.

The reports also pointed out to global transitions; towards normalization of global financial conditions; changing patterns of economic growth in advanced and emerging market economies; and the transition to a safer, sounder, and more resilient financial sector due to financial sector regulatory reforms.

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[1] October 2013: http://www.imf.org/External/AM/2013/imfc/statement/eng/ltu.pdf

[2] Press Release: Statement by the IMF Executive Board on Argentina

Expectations of reduced monetary accommodation in the United States may cause further global market adjustments and expose areas of financial excess and systemic vulnerability. Emerging markets face tighter financial conditions as they cope with weaker economic outlooks and, in some cases, rising domestic vulnerabilities. In the euro area, the outlook remains clouded by the unfinished business of restoring bank health and credit transmission and reducing the debt overhang. Implementation challenges are large and halfway policies would pose serious downside risks. However, the Fund sees some positive signs in the euro area for 2014.

2013 SPILLOVER REPORT

The report focuses on the “Systemic Five” (S5), China, euro area, Japan, UK and US, and highlights that while risks have abated, the S5 face growth below potential. As many other countries are operating at or close to potential, that brings additional challenges to closing the S5 output gap without adverse spillovers. The report asked whether current policies such as monetary easing, closer co-operation in the financial sector and fiscal consolidation had had positive or negative spillover effects domestically and globally. It concluded that the near-term effects of S5 policies have been mostly positive and that they had in particular been successful in avoiding tail risks that were present last year. However, the report warned against complacency and saw potential emerging risks related to very accommodative monetary policies.

2013 PILOT EXTERNAL SECTOR REPORT

Global external imbalances add to vulnerabilities by exacerbating domestic booms and busts and amplifying spillovers. Accommodative monetary policies in the advanced countries’ core have supported domestic and global activity, but also spill over into capital flows that complicate policies elsewhere. Medium-term fiscal consolidation and structural reform are required for deficit countries and stronger domestic demand for surplus countries that implement unbalanced growth models. Responses to capital flows include a range of macroeconomic policy tools, such as greater exchange rate flexibility. However, restrictions on capital movements should not be seen as a substitute for policy adjustment. Structural adjustments, such as increased product and service market flexibility, are central to reducing vulnerabilities from external imbalances over time.

CLUSTER REPORTS

Two cluster reports were produced this year. The German-Central European Supply Chain – Cluster Report and the Nordic Regional Report. The former focused on bilateral trade linkages between Germany and the Czech Republic, Hungary, Poland and the Slovak Republic (CE4). The supply chain production in CE4 countries has been supported by large inflows of FDI and led to considerable technology transfers to the CE4 countries and has accelerated income convergence. To sustain their current competitive advantage CE4 countries need to continue investing in human capital and upgrading labor skills to cement their comparative advantage and to move up the value chain.

The Nordic Regional Report covered Denmark, Finland, Norway, and Sweden. The report highlighted that the four countries share a set of consistent policy frameworks, robust social institutions and sound macroeconomic fundamentals. The report also noted that a large and highly concentrated banking sector operates across the region and, while well capitalized by international standards, relies significantly on wholesale markets for financing and that heavily indebted households raise the probability of severe negative feedback loops from house price corrections. Furthermore, the report pointed out that national financial reforms continue and strong fiscal frameworks have helped create fiscal buffers. The Nordic countries cooperate closely on financial sector issues, but discussions on burden-sharing arrangements in the event of the failure of a systemic bank are at an early stage

KEY TRENDS IN VULNERABILITIES IN LOW-INCOME COUNTRIES

Many low-income countries (LICs) have succeeded in maintaining strong growth during the weak global recovery. In September 2013, the Fund conducted an annual assessment of the current vulnerability of LICs to adverse external shocks. The key conclusion is that most LICs are in better position to deal with adverse shocks, but that significant fiscal vulnerabilities persist in many oil exporting countries as well as small and fragile LICs. There are also significant regional differences, with approximately half of LICs in Latin America, the Caribbean and Asia assessed as highly vulnerable to a growth decline, which is higher than the levels recorded during the peak of the crisis. By contrast, this applies to less than a quarter of LICs in sub-Saharan Africa and the Middle East and Europe. Sub-Saharan Africa stands out as the one region where progress in rebuilding policy buffers has lowered the number of countries expected to be highly vulnerable in 2013, approaching pre-crisis levels.

NBC VIEW

The Nordic Baltic Constituency (NBC) pointed out that despite a somewhat brighter outlook in a number of advanced economies, mid-year global growth projections were revised down and downside risks continued to dominate, although, recent developments are somewhat more favorable. The NBC also pointed out that slower than expected growth was an important factor in explaining that fiscal sustainability risks remained high or are increasing in many countries. Therefore, there was a need to continue with growth-friendly fiscal consolidation and structural reforms. In high-debt advanced economies, fiscal consolidation needed to be anchored in credible medium-term plans. Our constituency also emphasized that challenges and uncertainties were associated with unwinding of unconventional monetary policy and the eventual normalization of interest rates in advanced economies. Although adverse side-effects might well arise in the transition process, we must not forget that the policy reorientation should reflect underlying improvements in advanced economies, notably the US. Many emerging markets had to continue to improve their policy frameworks to reduce vulnerabilities to external shocks. Failure to do so would negatively influence risks and future growth prospects.

Our Constituency supports the Fund‘s work in shedding light on interconnectedness and risks and advocates greater regional focus in Fund’s surveillance, while maintaining the tradition of depth and rigorous analysis that has traditionally characterized the IMF surveillance. The NBC supports increased international policy coordination and strong implementation of agreed policies to reach a durable global rebalancing. The Pilot External Reports and the Spillover Reports have added valuable dimensions to the IMF’s surveillance work. We favor streamlining the multilateral surveillance products and integrating the spillover and external balance analyses into flagship reports to ensure communication of a clear and consistent messages to the Fund‘s broad audience.

Specifically on the Nordic Regional Report, the authorities in the four countries covered by it warmly welcomed this innovative regional surveillance exercise. They noted their close real and financial linkages, that they faced comparable external and domestic challenges, and shared similar preferences for economic and social policies. There were important differences as well, notably in their monetary arrangements. Even though the report only covered four countries, all eight countries in the constituency were economically and financially interlinked and could draw on the report. The four countries had benefitted from the regional consultation process and expressed the hope that the Fund had gained valuable experience for developing the regional aspects of its surveillance.

III. REASSESSMENT OF FISCAL POLICIES

IMF continued analyzing the lessons from the crisis for the conduct and operation of fiscal policy. In July, staff presented a paper which investigates how developments during and after the 2008–09 crisis have changed economists' and policymakers' views on fiscal policies. Also, an informal session on the Fund's work stream on international taxation issues was held in early summer.

REASSESSING FISCAL POLICY

The paper finds that advanced economies have experienced much larger shocks than previously thought possible and sovereign-bank feedback loops have amplified the sovereign debt crises. This has led to reassessing what constitutes "safe" sovereign debt levels for advanced economies and has prompted a more risk-based approach to analyzing debt sustainability. The crisis has also provided further evidence that fiscal policy is an appropriate countercyclical tool. However, the design of fiscal adjustment programs, and particularly the merit of frontloading policy actions, has returned to the forefront of the policy debate. The crisis has also revealed the challenges involved in establishing credible medium-term budget frameworks and fiscal rules to underpin fiscal policy that are also sufficiently flexible to respond to cyclical fluctuations.

ISSUES IN INTERNATIONAL TAXATION AND THE ROLE OF THE IMF

The Fund's work plan in the area of taxation focuses on the Fund's mandate and macroeconomic expertise and complements the work of other institutions such as the OECD. The work plan is centered on macro-relevant cross-country spillovers from national tax design and practices. Issues of tax avoidance by multinationals and evasion by individuals are the focus of immediate concerns.

NBC VIEW

Our Constituency emphasized the need to have a holistic approach when assessing fiscal sustainability. All contingent liabilities stemming from large internationally-connected domestic banks and public sector related entities as well as macroeconomic shocks should be taken into account. For fiscal policy to be truly effective as a countercyclical tool, a number of conditions need to be satisfied, including fiscal room for maneuver so that a fiscal expansion does not trigger a sovereign debt crisis. To ensure such room for maneuver, budgetary positions need to be roughly balanced over the cycle and long-term fiscal sustainability must be preserved. Regarding taxation, our Constituency supports initiatives by the EU Commission to combat tax fraud and tax evasion and by the OECD to launch and implement a Comprehensive Action Plan on Base Erosion. The IMF role should be to complement these efforts. We also strongly support the development of the global standard for automatic exchange of information.

IV. ASSESSING UNCONVENTIONAL MONETARY POLICIES

GLOBAL IMPACT AND CHALLENGES OF UNCONVENTIONAL MONETARY POLICIES

With exit from unconventional monetary policies (UMP) on the horizon, the IMF is taking a closer look at their effectiveness and potential global implications. Unconventional monetary policies are considered by the Fund to have been beneficial in net terms for both UMP countries and on a global basis. However, these benefits may have abated over time, and they have the potential to bring risks to financial stability, central bank credibility, as well as complacency with respect to structural reforms. The Fund's policy recommendations therefore place great emphasis on stronger structural, financial and fiscal reforms to support medium-term growth and reduce the burden on UMP. Normalization of interest rates in both UMP and non-UMP countries is expected but additional volatility due to market reactions beyond the control of central banks could also occur, making the transition more bumpy. This volatility could have significant spillovers to the rest of the world, and it is important both to carefully manage the unwinding of UMP so that it goes hand in hand with economic recovery and to build resilience and policy buffers where potential for adverse spillovers persists due to weak fundamentals.

NBC VIEW

Our view is that unconventional monetary policies were necessary in combating the current crisis and that they have had the intended impact. Now, however, is the right time to start thinking about the implications of exit and address fragilities, which may have built up. While our Constituency supported UMPs we also warned against potential risks associated with highly expansionary monetary policies for extended periods, such as credit bubbles, capital misallocations and destabilizing risk-taking behavior.

V. STRENGTHENING THE GLOBAL FINANCIAL SYSTEM

The Fund continues to play a critical role in supporting financial sector reform efforts through its bilateral and multilateral surveillance, technical assistance and participation in FSB-led work.

FINANCIAL SECTOR SURVEILLANCE REVIEW

The IMF's Financial Surveillance Strategy (FSS) was adopted by the Executive Board in September 2012. The strategy set out concrete and prioritized actions over three to five years to strengthen financial surveillance. This would help the Fund fulfill its mandate of ensuring effective operation of the international monetary system and supporting global financial stability. During the first year of implementation, significant progress has been made in improving risk identification and policy analysis. However, some important challenges remain, particularly in the area of risk and policy analysis and the development of a unified macro-financial framework. With respect to risk and policy analysis, further work will be needed on exit from unconventional monetary policies, the design of future monetary policy frameworks, and the policy implications of sovereign-bank spillovers and financial interconnectedness between countries.

KEY ASPECTS OF MACROPRUDENTIAL POLICY

This study provides a framework for IMF's country-specific advice on macro-prudential policy. The key message is that the goals and scope of macro-prudential policy need to be defined clearly; it should aim to contain systemic vulnerabilities and not be overburdened with objectives that it is unsuited to achieve. Macro-prudential policy implementation needs strong institutional and governance frameworks and must be supported by strong supervision and enforcement. Furthermore, it must be complemented by appropriate monetary, fiscal and other financial sector policies. The IMF furthermore calls for international coordination of macro-prudential policies to address cross-border implications.

REVIEW OF SYSTEMICALLY IMPORTANT FINANCIAL JURISDICTIONS

In September 2010, the Executive Board made stability assessments under the Financial Sector Assessment program (FSAP) a regular and mandatory part of bilateral surveillance for 25 jurisdictions with systemically important financial sectors. Of NBC countries only Sweden was included in this list. Reflecting the experience of the first cycle of mandatory assessments and the lessons learned from the financial crisis, a new methodology for determining jurisdictions with systemically important financial sectors was proposed in December 2013. On the basis of this new methodology, 29 jurisdictions, including four Nordic countries, Denmark, Finland, Norway, and Sweden, were deemed to have systemically important financial sectors.

NBC VIEW

NBC supports the financial surveillance strategy as an integral part of the overall surveillance activity of the IMF. Important policy areas such as capital flow management, macro-prudential policy and unconventional monetary policy have benefitted from the new emphasis on financial surveillance. However, the NBC sees room for further strengthening the depth of the risk analysis, identification of transmission channels and policy responses. Our Constituency welcomes the update of the methodology for determining jurisdictions with systemically important financial sectors, which entailed the inclusion of four Nordic countries to the list of systemically important financial sectors. We noted that their selection was based solely on the banking channel, in large part related to the nature of cross-border banking in the Nordic Region. While we agree with staff that the new method certainly has identified some important potential channels of contagion, we also note that other parameter values or other methods could have resulted in a different selection of countries. Nevertheless, regular reviews of our financial sectors should help to further strengthen the financial systems in the region.

VI. IMF LENDING

The IMF plays a central role as a lender of last resort for members with actual or potential balance of payments needs. In response to the global crisis, the demand for Fund loans increased dramatically. Since the end of 2011, demand for Fund resources has broadly stabilized, with credit outstanding and commitments still close to historic highs. As per

November 2013, the Fund had outstanding credit amounted to about SDR 77 billion, and undrawn loan commitments of about SDR 106 billion (for details see appendix).

EURO AREA PROGRAM COUNTRIES

The IMF has continued the joint effort with the European Commission and the European Central Bank in the euro area program countries, providing resources and offering policy advice. In the last six months, Ireland, Portugal, and Cyprus successfully completed their program reviews, while the fifth review in Greece is still ongoing. Despite progress on some fronts, sizable challenges remain for Greece to recover from the crisis. Ireland will exit the group of program countries at the end of 2013 after solidly implementing the program for the past three years and will rely on market financing in 2014. Portugal's program has also remained on track despite changes in the cabinet and rulings of the constitutional court rejecting some of the fiscal consolidation measures presented by the government. Positive results reflect the authorities' strong commitment to the program. There are nevertheless significant downside risks to the program, stemming from slow economic performance but also from implementation problems. Should these risks materialize, decisive policy action is needed since the maneuvering room under the program has become limited. The Cypriot program has been on track as the authorities have executed the agreed measures, although the financial sector still faces several difficulties.

NBC VIEW

Given the composition of our Constituency, on IMF programs with EU countries we coordinate our views closely with EU member countries. Our Constituency has supported the completion of program reviews and appreciates the significant efforts the authorities and people of Greece, Cyprus, Portugal and Ireland have already made to achieve sustainable recovery from the crisis.

Regarding the Greek program, our chair encourages the authorities to demonstrate full commitment to the program and underscores the importance of the continued implementation of the agreed measures. On Portugal, our Constituency is encouraged by the revived signs of growth in Portuguese economy and sees it to be essential that the permanent fiscal adjustment measures replace the temporary ones. We also encourage the Portuguese authorities to accelerate the implementation of the structural reform agenda to improve competitiveness. Regarding Cyprus, our Constituency emphasizes the need to finalize the restructuring and strengthening of the financial sector, leading to further gradual relaxation of capital controls. We also urge that the Anti-Money Laundering action plan be implemented swiftly.

VII. ASSESSING RESERVE ADEQUACY

International reserves remain an essential external liquidity buffer for most countries. They generally lower crisis risks and provide space for countries to respond to shocks. In December, the Executive Board met to discuss the staff paper on Assessing Reserve Adequacy – Further Considerations. This paper reviews and builds on the guidance developed in the Fund's 2011 Assessing Reserve Adequacy (ARA) policy paper. It is focused on the precautionary motive for holding reserves, and has two aims: (i) to explore the role reserves play in preventing and mitigating crises; and (ii) to consider in what ways current guidance on reserve adequacy may need to be augmented to account for country-specific factors. The adequacy considerations presented in the paper move beyond traditional metrics for less-mature and low-income economies, and consider the reserve needs for mature market economies as well.

NBC VIEW

The NBC agrees that reserves play important crisis prevention and mitigation roles both in mature and less-mature economies. However, our Constituency stressed that sound macroeconomic policies and prudential frameworks are the first line of defense in preventing crises. We also agree that many mature market economies may need precautionary external buffers and see the desirability of taking due account for country specific factors in assessing country reserve needs.

VIII. FUND RESOURCES AND GOVERNANCE

The voting power of IMF member countries is based on quotas, which broadly reflect the countries' relative position in the world economy. While quota subscriptions from member countries should normally be the IMF's main source of financing, the IMF can supplement its resources through borrowing from members if it believes its resources could otherwise fall short of members' needs.

THE 2010 REFORMS

In November 2010, the IMF agreed wide-ranging governance reforms to reflect the increasing importance of emerging market countries in the global economy. Once the 2010 reforms become effective, they will produce a shift of about 6 percent of quota shares to dynamic emerging market and developing countries. China will become the 3rd largest member country in the IMF, and there will be four emerging market and developing countries (EMDCs) (Brazil, China, India, and Russia) among the 10 largest shareholders in the Fund. However, sufficient approval has not yet been obtained for the reforms coming into force[3]. In particular, the ratification by the United States (voting power of 16.75 percent) is necessary. The U.S. has a legislative process that it is following.

QUOTA FORMULA REVIEW

A review of the current quota formula was also agreed as part of the 2010 reforms[4]. Any realignment is expected to result in increases in the quota shares of dynamic economies in line with their relative positions in the global economy, and hence likely in the share of emerging market and developing countries as a whole. Steps will also be taken to protect the voice and representation of the Fund's poorest members. The review of the current quota formula did not lead to agreement on a new formula before the deadline in January 2013, when the Executive Board submitted its report to the Board of Governors. However, discussions under the review provide important building blocks for the Executive Board to

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[3] For the most recent information, see http://www.imf.org/external/np/sec/misc/consents.htm.

[4] It consists of four variables: 1) GDP has the largest weight of 50 percent (of this 60% relates to MER GDP and 40% to PPP GDP); 2) Openness constitutes 30 percent of the formula and is measured by the sum of current payments and receipts; 3) Variability of current receipts and net capital flows has the weight of 15 percent and; 4) Official foreign exchange reserves constitutes 5 percent. A compression factor, reducing the dispersion in calculated quota shares across members, is applied to the weighted sum of these variables.

agree on a new quota formula as part of the 15th General Review of Quotas, the completion of which has been brought forward to January 2014.

The membership is committed to maintaining the size of the Executive Board at 24 members. However, Advanced European countries will reduce their combined Board representation by two chairs in favor of EMDCs at the latest by the time of the first election after the 2010 reforms take effect.

FUND RESOURCES

The IMF's main backstop for quota resources is the New Arrangements to Borrow (NAB), under which participants from 38 member countries stand ready to lend US$554 billion (SDR 370 billion) to the IMF. The contributions constitute a temporary increase in IMF resources to support members in need and they are not earmarked for any region or member country.

The Fund’s lending or so called current forward commitment capacity is about US$413 billion (SDR 268 billion). The pledged US$461 billion, allowing for a 20 percent prudential balance, will increase the capacity by around US$370 billion to US$783 billion. With existing commitments (outstanding loans and undrawn balances) of about US$293 billion, the Fund’s lending power will exceed US$1 trillion.

DISTRIBUTION OF REMAINING WINDFALL GOLD SALES PROFIT TO THE PRGT

The financing framework for concessional lending is provided through the Poverty Reduction and Growth Trust (PRGT). In September 2012, the Executive Board approved a strategy to create a self-sustaining PRGT, which would use the remaining SDR 1.75 billion of windfall profits from gold sales. On October 10, 2013 the Fund obtained the required pledges to allow resources linked to the windfall gold sales profits to support the self-sustainability of concessional lending. All NBC member countries pledged their share of gold sales profits to be transferred to PRGT.

NBC VIEW

All the Nordic-Baltic countries have ratified the 2010 reforms. We urge members who have not yet done so, to complete ratification of the reforms without further delay. The discussions on the quota formula and the 15th General Review of Quotas must be conducted as an integrated package within the IMF bodies where the interests of all IMF member countries are represented. GDP and openness should remain the most important variables in the quota formula. Openness reflects the member countries’ interconnectedness in the global economic and financial system, and is closely related to the very mandate of the IMF and the purpose of quotas. Increasing the weight of GDP relative to openness would benefit a few large countries at the expense of two thirds of the membership, developing, emerging, and advanced countries alike. That would not enhance legitimacy or be broadly acceptable. Countries in the Nordic-Baltic Constituency have pledged and entered into voluntary agreements on additional bilateral loans of more than USD 30 billion to the IMF’s General Resources Account. Our Constituency has also been supportive of the continuous activation of the NAB, in which Denmark, Finland, Norway and Sweden are participants.

IX. INDEPENDENT EVALUATION OFFICE

The Independent Evaluation Office (IEO) was established in 2001 to conduct independent and objective evaluations of Fund policies and its activities. During its existence the IEO has produced more than twenty reports and all of them are available on the IMF's website. This year, the IEO underwent an external evaluation for the second time in its twelve year history. It was found that IEO evaluations have been relevant and of high quality, making significant contributions to the IMF's effectiveness and learning culture. Many IEO recommendations have been implemented and others have impacted IMF thinking and activities. There is still significant scope to further strengthening the traction of IEO's evaluations.

NBC VIEW

Over the years, the NBC has firmly supported a strong, independent and effective IEO. Our Constituency believes that the IEO has contributed significantly to enhancing the learning culture of the Fund and supported the Fund's institutional governance and oversight, hence strengthening the Fund's external credibility.

X. ANNEX

IMF Lending Arrangements as of November 30, 2013

(In Thousands of SDRs)

General Resources Account (GRA)					
Stand-By Arrangements (SBA)					
Member	**Date of Arrangement**	**Expiration**	**Total Amount Agreed**	**Undrawn Balance**	**IMF Credit Outstanding Under GRA**
Bosnia and Herzegovina	September 26, 2012	September 25, 2014	338,200	126,825	404,994
Georgia	April 11, 2012	April 10, 2014	125,000	125,000	225,138
Jordan	August 03, 2012	August 02, 2015	1,364,000	682,000	682,000
Kosovo	April 27, 2012	December 26, 2013	90,968	12,752	94,631
Romania	September 27, 2013	September 26, 2015	1,751,340	1,751,340	5,520,875
St. Kitts and Nevis	July 27, 2011	July 26, 2014	52,510	5,141	47,925
Tunisia	June 07, 2013	June 06, 2015	1,146,000	1,047,200	98,800
		Total	**4,868,018**	**3,750,258**	**7,074,363**
Extended Arrangements (EFF)					
Member	**Date of Arrangement**	**Expiration**	**Total Amount Agreed**	**Undrawn Balance**	**IMF Credit Outstanding Under GRA**
Cyprus	May 15, 2013	May 14, 2016	891,000	742,500	148,500
Greece	March 15, 2012	March 14, 2016	23,785,300	16,574,400	23,551,225
Ireland	December 16, 2010	December 15, 2013	19,465,800	579,375	18,886,425
Jamaica	May 01, 2013	April 30, 2017	615,380	458,660	535,195
Pakistan	September 04, 2013	September 03, 2016	4,393,000	4,033,000	2,140,841
Portugal	May 20, 2011	May 19, 2014	23,742,000	2,363,000	21,379,000
Seychelles	December 23, 2009	December 22, 2013	26,400	3,300	25,465
		Total	**72,918,880**	**24,754,235**	**66,666,651**
Flexible Credit Line (FCL)					
Member	**Date of Arrangement**	**Expiration**	**Total Amount Agreed**	**Undrawn Balance**	**IMF Credit Outstanding Under GRA**
Colombia	June 24, 2013	June 23, 2015	3,870,000	3,870,000	0
Mexico	November 30, 2012	November 29, 2014	47,292,000	47,292,000	0
Poland, Republic of	January 18, 2013	January 17, 2015	22,000,000	22,000,000	0
		Total	**73,162,000**	**73,162,000**	**0**
Precautionary and Liquidity Line (PLL) [1/]					
Member	**Date of Arrangement**	**Expiration**	**Total Amount Agreed**	**Undrawn Balance**	**IMF Credit Outstanding Under GRA**
Morocco	August 03, 2012	August 02, 2014	4,117,400	4,117,400	0
		Total	**4,117,400**	**4,117,400**	**0**

Poverty Reduction and Growth Trust (PRGT)					
Extended Credit Facility (ECF) [2/]					
Member	**Date of Arrangement**	**Expiration**	**Total Amount Agreed**	**Undrawn Balance**	**IMF Credit Outstanding Under PRGFT**
Afghanistan, Islamic Republic of	November 14, 2011	November 13, 2014	85,000	61,000	88,610
Bangladesh	April 11, 2012	April 10, 2015	639,960	365,691	369,873
Benin	June 14, 2010	April 30, 2014	74,280	10,610	87,384
Burkina Faso	June 14, 2010	December 31, 2013	82,274	3,225	136,540
Burundi	January 27, 2012	January 26, 2015	30,000	15,000	91,225
Central African Republic	June 25, 2012	June 24, 2015	41,775	34,812	65,021
Comoros	September 21, 2009	December 31, 2013	13,573	1,558	11,272
Cote d'Ivoire	November 04, 2011	November 03, 2014	390,240	130,080	561,057
Gambia, The	May 25, 2012	May 24, 2015	18,660	7,775	32,233
Guinea	February 24, 2012	February 23, 2015	128,520	73,440	55,585
Haiti	July 21, 2010	August 29, 2014	40,950	3,276	37,674
Kenya	January 31, 2011	January 30, 2014	488,520	71,921	626,049
Kyrgyz Republic	June 20, 2011	June 19, 2014	66,600	19,030	122,129
Liberia	November 19, 2012	November 18, 2015	51,680	36,916	56,902
Malawi	July 23, 2012	July 22, 2015	104,100	65,050	125,377
Niger	March 16, 2012	March 15, 2015	78,960	56,400	50,314
Sao Tome & Principe	July 20, 2012	July 19, 2015	2,590	1,850	3,552
Sierra Leone	October 21, 2013	October 20, 2016	62,220	53,330	84,896
Solomon Islands	December 07, 2012	December 06, 2015	1,040	743	12,777
		Total	**2,400,942**	**1,011,706**	**2,618,470**
Standby Credit Facility (SCF)					
Member	**Date of Arrangement**	**Expiration**	**Total Amount Agreed**	**Undrawn Balance**	**IMF Credit Outstanding Under PRGFT**
Georgia	April 11, 2012	April 10, 2014	125,000	125,000	49,000
Tanzania	July 06, 2012	January 05, 2014	149,175	74,575	298,710
		Total	**274,175**	**199,575**	**347,710**

[1/] Formerly Precautionary Credit Line (PCL).
[2/] Formerly Poverty Reduction and Growth Facility (PRGF).

XI. STAFF OF THE OFFICE OF THE NORDIC BALTIC CONSTITUENCY

The Office of the Nordic Baltic Constituency presents the views of our member countries in the IMF's Executive Board in close coordination with our authorities in the eight capitals. The Office also regularly meets with representatives from the member countries' administrations or private delegations. All the positions in the office rotate between the eight member countries according to an agreed schedule and all countries are represented at all times.

By December 30, 2013, our staff includes:

Audun Groenn	Executive Director, Norway
Pernilla Meyersson	Alternate Executive Director, Sweden
Uldis Rutkaste	Senior Advisor, Latvia
Gitte Wallin Pedersen	Advisor, Denmark
Martin Lindpere	Advisor, Estonia
Paavo Miettinen	Advisor, Finland
Ragnheidur Jonsdottir	Advisor, Iceland
Ramune Arust	Advisor, Lithuania
Maria P. Marin	Administrative Assistant
Anneli Nilsson	Administrative Assistant

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