

EUROPEAN PARLIAMENT

2004



2009

Committee on International Trade

2005/2121(INI)

27.1.2006

OPINION

of the Committee on International Trade

for the Committee on Economic and Monetary Affairs

on the strategic review of the International Monetary Fund
(2005/2121(INI))

Draftsman: Jean-Louis Boursanges

PA_NonLeg

SUGGESTIONS

The Committee on International Trade calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Welcomes the strategic review under way at the IMF; supports a re-orientation of IMF policies towards emphasising its core mandate of stabilising global exchange rate fluctuations and as a lender of last resort for countries experiencing serious balance of payment problems;
2. In the interests of parallelism with the WTO, calls on the European institutions responsible, in particular the Council and the Commission, to take the necessary measures to ensure that the eurozone or if possible the European Community is represented and votes as a single block and to facilitate the achievement of that objective as soon as possible as a transitional measure; urges the Member States to join together in an arrangement equivalent to a 'shareholders agreement' under company law that will guarantee that they form a single negotiating block;
3. Welcomes the IMF's role in integrating low-income countries into the world economy and stresses the interdependence of international trade, balance of payments problems and national development policies, regulations governing the labour market and public health services aimed at reducing poverty;
4. Recognises the ongoing review of IMF conditionalities attached to its loans to low-income countries; recommends that the review makes priority reference to poverty reduction as the goal of all IMF lending to low-income countries; urges European Executive Directors on the Board of the IMF to make sure that remaining conditionalities do not drive low-income countries to unilaterally open their markets outside the framework of WTO negotiations or restrict their freedom to negotiate on their own terms within the framework of WTO negotiations the degree of market opening that they are willing to commit to;
5. Also calls on the IMF to ensure an adequate degree of flexibility in implementing trade-related conditionalities so as to enable beneficiary countries to determine their degree of market opening;
6. Emphasises the IMF's role in aligning European and national development policies aimed at tackling poverty by means of a comprehensive approach based on the idea that trade and monetary policies are not ends in themselves but a tool for tackling poverty;
7. Calls for better coordination and greater coherence between the policies of the IMF, the World Bank, the WTO, the European Central Bank and other international organisations and the European Union, in particular as regards the instruments linking the various markets, such as the Integrated Framework, the Trade Integration Mechanism, the Poverty Reduction and Growth Facility and the recently adopted Policy Support Instruments (PSI), in order to ensure that open-market policies have a positive impact on poverty reduction; asks for more coherence between IMF programmes and the Millennium Development Goals; draws attention in this context to the ambivalence in the position of the IMF which,

although it is responsible for only one very specific aspect of public action, plays a leading, if not predominant, role in implementing the strategies pursued by all players; therefore considers that it is essential to create a structure for coordinating and even planning such strategies that involves all international stakeholders;

8. Encourages better cooperation between the IMF and the European Parliament and national parliaments, especially in developing countries, in order to strengthen transparency, democratic responsibility and the legitimacy of the IMF and its policies;
9. Calls on the Council to take the necessary measures to obtain more equity in voting power, especially concerning more balanced voting rights between rich and poor countries and adjusting the voting powers of emerging countries in a way that will more equitably reflect the current economic relations worldwide ;
10. Calls for the integration of the fight against corruption into all IMF policies in order to enhance its effectiveness.

PROCEDURE

Title	The Strategic review of the International Monetary Fund		
Procedure number	2005/2121(INI)		
Committee responsible	ECON		
Committee asked for its opinion Date announced in plenary	INTA 4.7.2005	DEVE 4.7.2005	AFET 4.7.2005
Enhanced cooperation	—		
Draftsman: Date appointed	Jean-Louis Bourlanges 12.7.2005		
Discussed in committee	24.11..2005		
Date suggestions adopted	25.1.2006		
Result of final vote	for:	28	
	against:	0	
	abstentions:	0	
Members present for the final vote	Jean-Pierre Audy, Enrique Barón Crespo, Jean-Louis Bourlanges, Daniel Caspary, Christofer Fjellner, Béla Glattfelder, Jacky Henin, Syed Kamall, Sajjad Karim, Caroline Lucas, Erika Mann, Helmuth Markov, David Martin, Javier Moreno Sánchez, Georgios Papastamkos, Godelieve Quisthoudt-Rowohl, Bogusław Rogalski, Tokia Saïfi, Robert Sturdy, Johan Van Hecke, Daniel Varela Suanzes-Carpegna, Zbigniew Zaleski,		
Substitutes present for the final vote	Margrietus van den Berg, Elisa Ferreira, Robert Goebbels, Antolín Sánchez Presedo, Frithjof Schmidt		
Substitutes under Rule 178(2) present for the final vote	Seán Ó Neachtain		