

5.4. Creation of a Board of Directors Working Party

The CHAIRMAN drew attention to the fact for some time now Directors had failed to see eye to eye on certain aspects of Bank activity. This had meant that there had on occasions been less than the traditional consensus. Topics giving rise to contention included the scale and extent of Bank financing for industrial modernisation projects, recourse to floating-rate operations and the precise yardsticks to be adopted as regards procurement and protection of the environment.

It had been the custom hitherto for the Board to set up Working Parties from among its members with the aim of laying the groundwork and smoothing the way for decisions by both the Directors and the Governors on matters falling within their respective provinces. This approach had so far worked out extremely well, a particularly successful instance being the outcome of the findings reached by the Working Party set up in 1979 to investigate the outlook for Bank lending from own resources over the period 1980-1986.

The Management Committee was in favour of setting up a similar Working Party to look into specific questions emerging from the scenario painted by its predecessor with sights set on the 1980-1986 time frame. Were this idea to meet with Directors' agreement in principle, the Management Committee could recommend the terms of reference within which the new Working Party might operate. In line with the normal procedure, the Working Party's findings would be documented in a report for consideration by the Board of Directors as a whole before submission to the Governors in early 1984.

Mr CAMDESSUS warned against the risk of exacerbating familiar differences of opinion by shifting the Board's customary discussions to another forum. As he saw it, there were two prerequisites: the members of the new Working Party would need to be thoroughly independent and to have a full brief to negotiate, and the Board of Directors would have to be prepared to go along with any findings reached by consensus among the Working Party, something that had not proved easy with respect to certain conclusions reached by previous working parties.

Mr MÜLLER-ENDERS thought that the new Working Party should define boundaries for financing operations, particularly in the industrial sector, given that valid projections could not be mapped out unless there was mutual agreement on the delimitations of Bank strategy as a whole.

In the absence of any objection to the Management Committee's proposal, the CHAIRMAN recorded that the BOARD OF DIRECTORS agreed in principle to set up, from among its members, a Working Party to conduct a review of Bank activity in the context of the pointers formulated for the years 1980-1986 by the previous Working Party in 1979/80.