

Foreword

Surveillance is one of the most important activities of the IMF, and is central to its efforts to promote global financial stability through international monetary cooperation. Multilateral surveillance can identify economic linkages and policy spillovers between countries, as well as international economic and market developments. It can complement bilateral surveillance by adding global and cross-country perspectives to the analysis of developments in individual countries and in so doing, it can enhance the quality and relevance of the IMF's policy advice.

What is special about the IMF's role is that its near-universal membership gives it a uniquely broad perspective, and that all IMF member governments have committed themselves to be part of its system of peer review and oversight. However, to be influential in this environment, multilateral surveillance must bring to bear analytical rigor, clear policy prescriptions, and an active engagement with senior national policymakers and relevant international forums.

Given the substantial cost to the IMF of its multilateral surveillance activities, and the key role that the IMF has in ensuring a more stable world economy, the Independent Evaluation Office conducted an evaluation of the IMF's multilateral surveillance activities for the period 2000–05. The evaluation separated issues concerning content and quality from issues of use, delivery, and ultimate effectiveness, and evaluated both using data gathered from desk studies of outputs, surveys of stakeholders, and interviews of government officials. This evaluation report recognizes the analytical quality of many individual components of multilateral surveillance. However, it sees considerable scope for improvement, in particular through better integration of financial and macroeconomic dimensions, as well as bilateral and multilateral analysis and policy prescriptions.

The report recommends that the IMF strengthen its role at the center of a more robust global peer review system by establishing a more proactive engagement with relevant intergovernmental groups; enhance the roles of the Executive Board and the International Monetary and Financial Committee in multilateral surveillance; streamline and better focus the products of multilateral surveillance, present shorter and clearer messages, and deliver them more strategically to target groups; and define more clearly the goals of multilateral surveillance and the mechanisms to achieve them.



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