



SM

63

10 DOWNING STREET

bc R. Lomas
P. Ricketts

From the Private Secretary

11 December 1985

Thank you for sending me the text of the message from the Secretary General to Commonwealth Heads of Government about the establishment of a Commonwealth Consultative Group on Monetary and Financial Issues, as well as the further message to countries which are being invited to participate. I shall draw them to the Prime Minister's attention.

(C.D. Powell)

Sir Peter Marshall, K.C.M.G.

grw

000

cell

COMMONWEALTH SECRETARIAT

CABLES: COMSECGEN LONDON SW1
TELEX: 27678
TELEPHONE: 01-839 3411 Ext:

MARLBOROUGH HOUSE,
PALL MALL,
LONDON, SW1Y 5HX

From: Sir Peter Marshall KCMG
Commonwealth Deputy
Secretary-General (Economic)

Your ref:
Our ref:

10 December, 1985

Dear Charles,

Commonwealth Consultative Group
on Monetary and Financial Issues

I enclose the text of a message from the Secretary-General to Commonwealth Heads of Government about the establishment of a Commonwealth Consultative Group on Monetary and Financial Issues, as agreed at Nassau. The text is being delivered to other Heads of Governments through the respective High Commissions in London.

I also enclose the text of a follow-up message to those countries which are being invited to participate. They are Australia, Canada, Fiji, India, Jamaica, Nigeria, Sri Lanka, Tanzania, Zimbabwe and Britain.

Yours ever

John Powell

C D Powell Esq
Prime Minister's Office
10 Downing Street
London S W 1

"Text of message dated 9 December 1985 from the Commonwealth Secretary-General to the Heads of Government of countries being invited to participate in the Commonwealth Consultative Group on Monetary and Financial Issues"

Further to my message to Commonwealth Heads of Government of 5 December concerning the establishment of the Commonwealth Consultative Group on International Monetary and Financial Issues, I now write to invite your Government to be a member of the Group.

I am proposing that the first meeting be held at official level on 27-28 January. I should be grateful if you will indicate the willingness of your Government to participate and if so whether the dates indicated are convenient.

Further information on the first meeting will be provided in due course.

With deep respect,

Shridath S. Ramphal

"Text of message dated 5 December 1985 from the Commonwealth Secretary-General to the Heads of Government about the establishment of Commonwealth Consultative Group on Monetary and Financial Issues."

You will recall that at the end of the very constructive discussion in Nassau on international economic issues, it was agreed, on a proposal from Prime Minister Seaga, that the Commonwealth should endeavour to take matters further by the establishment of a Commonwealth Consultative Group to consider the recent reports of the G10 and G24, including the problem of indebtedness, with a view to assisting progress at the 1986 Spring meetings of the Interim and Development Committees.

Both the G10 and G24 reports deal with a number of important monetary and financial issues such as the need for realistic and stable exchange rates, multilateral surveillance of macro-economic policies, the provision of adequate liquidity and finance to developing countries and appropriate adjustment policies. These issues will be considered in-depth in the Interim Committee, while the Development Committee will address important questions concerning future resources for the World Bank, the adequacy of resources for Sub-Saharan Africa and follow-up to the World Bank's Task Force on concessional resources. There is the further consideration that the climate for the discussion of some of these issues has improved since the G5 meeting in September and the recognition at the Annual Bank/Fund Meetings in Seoul of the importance of growth-oriented adjustment for developing countries facing serious payments problems. These developments provide scope for a valuable Commonwealth contribution through the work of the Consultative Group.

Time is, however, short. The Spring meetings will take place on 9-11 April. I am therefore proceeding with constituting the Group which would comprise about 10 countries, a number of which served on the previous Consultative Group established in New Delhi. As envisaged, the Group will function at the political level. But, like the New Delhi Group, it will meet at the early stage at official level to put the work in hand and arrange for the preparation of a draft report.

I shall keep you informed of the progress of this important Nassau initiative. I would, however, welcome any views you may have which could benefit the work of the Group.

With deep respect,

Shridath S. Ramphal