Individual country details:
Emerging economies

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Update to 2023
Finalised August 2024

The tables that follow present for each country by subperiod the summary information on the monetary policy framework which lies behind the classification, followed by a list of selected IMF references and other sources which provide further details.

IMF country-specific papers are referred to as follows (and by year of publication, not year of consultation, plus month if there are two issues in the same year):
Background Paper(s) = BP(s)
Economic Developments and Issues = EDI
Economic Developments and Selected Background Issues = EDSBI
Macroeconomic Trends and Policies = MTP
Pre-Membership Economic Review = PMER
Recent Economic Developments = RED
Recent Economic Developments and Background Issues = REDBI
Request for a Stand-By Arrangement = RBSA
Selected Issues = SI
Selected Background Issues = SBI
Selected Background Issues and Statistical Appendix = SBISA
Selected Issues and Statistical Appendix = SISA
Staff Report = SR.

Other abbreviations
DM = Deutsche Mark
EFF – Extended Fund Facility
EMS = European Monetary System
EMU = European Monetary Union
ERM = Exchange Rate Mechanism (of the EMS)
FRF = French franc
GBP = UK pound sterling
GFC = Global Financial Crisis
OMO = open market operation
SBA = Stand-by Arrangement
SDR = Special Drawing Right
USD = US dollar

Argentina made repeated attempts at exchange rate-based stabilisation, in conditions of weak monetary control, before setting up an augmented currency board arrangement in 1991; the collapse of that arrangement in 2001 led to a period of stabilisation, but towards the end of the period direct controls of various kinds were being re-introduced, until a change of course from late 2015.

Years	**Targets and attainment**	**Classification**
1974-6	multiple exchange rates, direct controls on bank lending, bank deposits nationalised (from 1973)	multiple direct controls MDC
1977-90	bank deposits denationalised, central bank gets more autonomy, interest rates still controlled, some liberalisation of forex market; repeated unsuccessful attempts at exchange rate-based stabilisation, each ending with overvaluation; alternation of multiple and unified exchange rates; recurring fiscal dominance; monetary control weak with poor instruments poorly wielded, real interest rates repeatedly negative; central bank remains important source of credit to private as well as public sector; some parallel financial markets	unstructured discretion UD
1991-2001	currency board with some monetary policy ('convertibility plan'): central bank can vary reserve requirements and has some small scope to buy government securities and to lend to private sector, also limited role as lender of last resort	augmented currency board ACB
2002	exit from currency board late 2001 in conditions of forex and banking crisis and government debt default, followed by period of political and economic policy incoherence, in terms of both instruments and objectives; emergency measures of various kinds	unstructured discretion UD
2003-23	some initial economic and financial stabilisation with bank and debt restructuring, economic recovery from late 2002; but from mid-2000s gradual but accelerating recourse to direct controls of various kinds (including from 2012 import and some exchange controls), and monetary financing of budget deficits (central bank independence weakened 2012); significant dollarisation; some use of wide but ineffective monetary targets; exchange rate heavily managed, with sharp depreciation January 2014, floated from December 2015 under new (non-Peronist) government (with continuing depreciations); capital account opened, gradualist fiscal consolidation; inflation targeting formally adopted late 2016 but requires major institutional and operational changes, 2017 and later targets well overshot (expectations unanchored); balance of payments crisis summer 2019 (before election and new Peronist government) despite Stand-By Arrangement 2018, which was cancelled because of implementation failures in mid-2020; big adverse effect from Covid-19, monetary financing of increased government spending, ongoing inflation-depreciation spiral, 2022 government asks again for IMF support; crawling peg from 2020; from	loosely structured discretion LSD

	late 2021 sharply rising interest rates and rate of crawl, more forex restrictions; mid-2023 attempt to reset macro policy with additional depreciation and monetary and fiscal tightening; new government from November 2023 brings stricter stabilisation policies including end to monetary financing of deficits and sharp depreciation, with projected move to new regime of ‘currency competition’	

Selected IMF references: RED 1974 p31; RED 1977 p25, 40-1, 50-2; RED 1984 p34-5; RED 1990 Appendix IV; BP 1992, pp1-11; RED 1993 pp17-19; SI 2002 chII; SR 2005 pp20-1; SI 2006 pp4-9; SR 2006 pp16-18; *Argentina Economic Developments* 2013/2014/2015 (all published February 2016; no regular consultations between 2006 and 2016); SI 2016 pp92-109; SR 2016 pp21-4; SR 2017 pp17-19; *Ex-post Evaluation of Exceptional Access under 2018 SBA*, December 2021, pp1-4, 22-4, 32-8; SR 2022 pp5-11, 20-4; *3rd Review under EFF…* December 2022 pp7-8; *5th and 6th Reviews under EFF…* August 2023 pp10-11, 14-15; *8th Review under EFF…* May 2024 pp6-7, 18, 39.

Additional source: Wolf et al. (2008, esp. ch8).

Brazil had a decade of weak and largely incoherent monetary policy and another decade and a half of gradual change, attempts at stabilisation but recurring loss of control; it then adopted inflation targets in 1999, when its monetary instruments and arrangements were less than adequate, and had to move fast to get inflation targeting to work.

Years	Targets and attainment	Classification
1974-85	central bank and Bank of Brazil together constitute the monetary authorities, with fiscal and developmental responsibilities as well as monetary policy; some indirect instruments but interest rates largely set by authorities, often at subsidised levels, in context of range of direct controls; extensive indexation ('monetary correction' at rates set by government, sometimes related to intended rate of depreciation); recurring fiscal dominance; attempts to control monetary growth rarely succeed; exchange rate heavily managed, i.e. repeatedly devalued in formal or irregular crawl, also major step devaluation 1979	unstructured discretion UD
1986-98	separation of Bank of Brazil from central bank ends fiscal responsibilities of central bank; series of unsuccessful stabilisation plans including currency reforms and price and wage controls; repeated exchange rate adjustments; recurring fiscal dominance; continued indexation; gradual move to more indirect monetary instruments	loosely structured discretion LSD
1999-2000	exchange rate floated under pressure, wide converging inflation targets adopted and met; main monetary instrument is now primary interbank interest rate (SELIC)	loose converging inflation targeting LCIT
2001-3	inflation targets overshot by large margin, and inflation expectations go outside target range	loosely structured discretion LSD
2004-23	wide (and at first relatively high, but reduced gradually from 2019) inflation targets mostly met, except 2015 when regulated price inflation spiked and inflation expectations went temporarily above target band, and 2021-2 when higher fuel and commodity prices pushed inflation up with limited rise in medium-term expected inflation; exchange rate floating; central bank independence remains weak, with central bank liabilities including large amounts of government deposits and reverse repos, some reforms 2019-21; strong fiscal and monetary (but limited other) response to Covid-19; late 2022 new centre-left government, early 2023 failed uprising in favour of previous right-wing government elected late 2018	loose inflation targeting LIT

Selected IMF references: RED 1980 pp40-2, 98-9; RED 1984 pp49-55, 83; RED 1986 pp1-6, 48-50, 78, 87-8; RED 1989 pp1-6; RED 1991 pp1-4; RED 1995 pp1-9; SISA 1999 chVI; SR 2000 pp36-8; SR 2003 pp14-15; SI 2005 chII; SR 2005 pp23-5; SR 2015 AppIV; SI 2016 pp115-40; SR 2016 p39; SR 2017 pp7, 36; SR 2018 pp11, 26; SI 2019 pp13-32; SR 2020 pp57-61; SR 2021 pp7, 11, 20-2; SR 2023 pp7-9, 19-21, 39; SR 2024 p39.

Additional source: Bogdanski et al. (2000); Bogdanski et al (2002).

Bulgaria for many years had a command economy with no real monetary policy, and when that changed it experienced repeated difficulties in monetary control and financial development; in 1998 it introduced (as a last resort) an augmented currency board which has been relatively successful.

Years	**Targets and attainment**	**Classification**
1974-89	state planning with no real monetary policy, financial developments subordinate to plan	multiple direct controls MDC
1990-97	two-tier banking system from April 1990 but instruments initially limited and mostly direct (credit controls); recurring fiscal dominance (from both budget deficits and distressed borrowing by SOEs) despite 1991 law affirming independence of central bank; over time some rise of interbank, forex and government securities markets and some switch towards indirect instruments; trade-offs between objectives unclear and repeated attempts at macro stabilisation not sustained; recurring high inflation with peaks of 398% in July 1991, 122% in January 1995 and over 1000% in March 1997; forex and/or banking crises in 1993-4 and 1996-7	unstructured discretion UD
1998-2023	currency board on DM introduced July 1997, as only way to restore confidence and stability, which takes the rest of that year; peg transferred to euro in January 1999; full forex coverage of domestic monetary base required (and exceeded); entry to EU and single market 2007; central bank (which is also supervisor of banks) tried direct credit controls in 2005-6; it makes occasional use of limited scope to adjust reserve requirements and of various macroprudential policies, and has some scope, increased in 2016, for lender of last resort operations; 2020 Bulgaria joins ERM II (but currency board arrangement unchanged) in move (later delayed) towards adoption of euro, also 2020 joins EU banking union; strong fiscal response to Covid-19, but severe health impact; consumption recovery and global commodity prices push up inflation 2021-22, while political issues 2021-24 hold up policy decisions	augmented currency board ACB

Selected IMF references: *Money, Banking and Credit in the People's Republic of Bulgaria*, 1974, especially pp1-5, 10-11; *Bulgaria: Calculation of Quota*, 1990, pp48-56; RED 1991 chapter V and pp48-9; RED 1993 pp38-9; RED 1995 pp36-51; REDSA 1999 chapters VI and VII; SISA 2004 chapter I; SISA 2006 p62; SI 2009 pp56-9; SR 2018 pp16, 17; SR 2019 pp4-5; SR 2020 pp7-9, 34-5; SR 2022 pp5-6; SR 2024 pp5, 7-10.

Additional source: Wolf et al (2008, especially ch12).

Chile had a decade of non-active monetary policy but repeated changes to exchange rates, however a banking crisis in the mid-1980s forced the central bank to intervene more; after 1990 it adopted informal inflation targets and these became formal and better structured from 2000.

Years	Targets and attainment	Classification
1974-86	monetary system initially largely nationalised and controlled but these soon reversed in wide financial liberalisation; monetary policy instruments largely indirect; extensive indexation; strong official preference for non-active monetary policy, so focus of policy on structural rather than conjunctural issues; exchange rate initially dual, unified 1976 and then adjusted frequently and in varying ways; banking crisis 1983-7 leads central bank to be more active	unstructured discretion UD
1987-90	main monetary instrument is open market operations to affect interest rate on indexed central government securities; exchange rate adjusted, now more for competitiveness and growth purposes, margins widened from 1988; central bank independence law 1989	loosely structured discretion LSD
1991-99	informal converging inflation targeting (target in central bank's annual report), not yet recognised as such by IMF; 1995 main monetary instrument becomes interest rate on one-day operations between central and commercial banks	loose converging inflation targeting LCIT
2000-23	full formal inflation targeting from September 1999, with exchange rate now floating; inflation targets met or near met, except overshoot 2007-8, undershoot 2009, and overshoot 2021-22, but 2-year-ahead inflation expectations remain anchored throughout; various improvements to central bank communication; strong monetary and fiscal response to and swift recovery from Covid-19; upward pressure on inflation 2021-22 brought under control well	full inflation targeting FIT

Selected IMF references: RED 1975 pp29, 34, 49; RED 1982 pp31-3; RED 1986 pp30-4; RED 1991 pp29-30; RED 1995 chII; SI 2003, chII; SR 2009 p11; SR 2011 p18; SR 2015 p23; SR 2018 p11; SR 2021 pp8-10, 15-16; SR 2022 pp10-11; SR 2024 pp5, 10-11, 26.

Additional sources: Corbo and Fischer (1993); Morande and Schmidt-Hebbel (2000).

China had a command economy with no real monetary policy for the first decade, then moved to a two-tier banking system and began to operate direct and later indirect monetary instruments; by the mid-1990s it was using a range of instruments in a partly liberalised financial system, but the key decisions required to formalise a modern monetary policy framework were never quite taken.

Years	Targets and attainment	Classification
1974-83	financial system still geared to providing finance for investment decisions in national state plans; foreign exchange transactions handled within planning process	multiple direct controls MDC
1984-93	two-tier banking system, in which bank lending is main source of finance but not mechanism of physical plan; monetary instruments include credit ceilings, redeposit requirements, central bank refinancing and some use of officially set interest rates; bonds issued since 1981 and bought partly by individuals; currency managed (fixed) with respect to undisclosed basket, dual exchange rates	unstructured discretion UD
1994-2023	exchange rates now unified and heavily managed, mid-2000s forex market liberalised and exchange rate more flexible (except 2008-10); more (but still partial) use of indirect instruments including interest rates instead of direct lending controls; some use of monetary targets; central bank gets some autonomy, direct fiscal dominance largely controlled (but reappears in indirect form of uncontrolled bank lending to SOEs); 2015-16 exchange rate intervention reduced, bank interest rates fully liberalised, policy rate corridor introduced, policy rates become main instrument; 2018 monetary targets dropped, but capital flows still managed and crucial steps to formalise monetary policy framework with clear nominal anchor still not taken; strong fiscal, monetary-credit and containment (lockdown) response to Covid-19 2020-21, rapid initial recovery hindered by repeated lockdowns; monetary policy emphasis shifts back to credit and quantities in place of interest rates; growing real estate market difficulties, various policies in response; limited effect from global price rises 2022-23; monetary policy continues to pursue multiple objectives via both interest-rate- and quantity-based tools, while exchange rate still heavily managed; some gaps remaining in statistical coverage	loosely structured discretion LSD

Selected IMF references: RED 1981 section III.5, p80; RED 1985 pp52-5, 80-1; *Economic Reform in China since 1978* (1989), pp24-6, chX; RED 1989 pp31, 33, 53-7; BP 1991 pp16-17; BP 1994 pp5-8, 22-31; BP 1995 chV; RED 1996 pp21-3, 50; RED 1997 pp19-23; RED 1998 pp12-15, 19-20; SR 2006 pp14-16; SR 2009 pp17-20; SR 2012 pp16-17; SR 2013 pp23-5, 27, 31, 33-4; SR 2014 pp12-13; SR 2015 p15-16; SI 2016 pp12-15; SR 2016 pp5, 7; SI 2017 pp34-40; SR 2017 pp8, 24-5, 28-9; SR 2018 pp26-8; SI 2020 pp3-8,18-19, 24; SR 2020 pp5-8, 20-1; SI 2022 pp3-5, 6-7, 28-9, 41; SR 2022 pp4-5, 30-2, 34; SR 2023 p47; SR 2024 pp9-10, 21, 29-30, 40-1, 99-100.

Additional sources: Xiong (2012); McMahon et al. (2018).

Croatia had a hard start, followed by a move towards heavy exchange rate management in a context of limited development of financial markets and institutions. which paved the way for eventual entry into the European Economic and Monetary Union.

Years	Targets and attainment	Classification
1992-93	new central bank and currency late 1991, attempt at money-based stabilisation derailed by lack of instruments and wider context of transition plus conflict, exchange rate depreciating fast, very high inflation	unstructured discretion UD
1994-2019	new (and successful) stabilisation package late 1993; currency reform May 1994; monetary policy strategy initially based on announced base money targets (overshot), but soon becomes exchange rate-based and this focus continues throughout, in context of high (c.70%) loan and deposit euroization, particularly in later years: exchange rate is relatively stable with 'quasi-peg' to euro but wider fluctuations allowed than normal under a peg; monetary instruments limited: mainly forex purchases to affect liquidity and reserve requirements, also some sales of central bank bills (for liquidity management rather than interest rate setting) and occasional (not always effective) use of credit controls; macroprudential policies; from 2017 public debate followed by preparations for euro adoption	loosely structured discretion LSD
2020-22	entry to ERM II (from already stable exchange rate with high euroisation) in mid-2020, plus moves towards EU banking supervision arrangements; large impact of and fiscal and monetary response to Covid-19	full exchange rate targeting FERT
2023	membership of European Economic and Monetary Union	currency union CU

Selected IMF references: RED 1995 pp21-7; SISA 1999 pp46-8, 50; SISA 2002 chapter II; SISA 2004 chapter I; SR 2004 pp19-20; SR 2007 pp14-15; SR 2009 p12; SR 2010 pp7-9, 13-14; SR 2012, pp8-9; SR 2014 pp12, 13, 15; SR 2015 p13; SR 2016 pp11-12; SR 2017 pp14-16; SR 2019 pp17-20; SR 2021 pp12-17, 18-19, 20; SR 2023 pp4-5, 61-2.

Cyprus had long placed the emphasis in monetary policy on its exchange rate, and this was gradually hardened, with some financial liberalisation and move to indirect monetary instruments, on the road to the adoption of the euro in 2008.

Years	**Targets and attainment**	**Classification**
1974-89	exchange rate set daily by central bank according to unannounced basket, revised 1986; monetary instruments largely ineffective, monetary policy relatively passive; budget deficits important for monetary growth	augmented exchange rate fix AERF
1990-91	exchange rate still set by central bank against basket but forex market now has some autonomy; 1988-91 some kind of announced monetary targets but regularly exceeded	loose exchange rate targeting LERT
1992-2007	peg to ECU from June 1992, with +/- 2.25% bands, then to euro from 1999, from 2005 within ERM2; margins widened to +/- 15% 2001 but wider bands hardly used; 1992-2000 monetary aggregates 'monitored' rather than targeted, often not met; gradual financial liberalisation with Lombard facility and repo OMOs from 1996, interest rate ceiling abolished 2001, central bank independence 2002 and capital controls abolished 2001-3	full exchange rate targeting FERT
2008-23	membership of European Economic and Monetary Union	currency union CU

Selected IMF references: RED 1977 p64; RED 1983 pp44-46, RED 1986 pp47-8; RED 1987 pp37, 51; RED 1991 pp57-8, 82; SR 1993 p4; RED 1994 pp20, 101; BP 1996 pp11-12, 14; SI 1998 pp28-38; SR 2000 pp12-13; SR 2003 pp7-8.

Additional sources: Syrichas (2008); Orphanides (2008).

The Czech Republic underwent a period of rapid financial innovation and liberalisation, with unsuccessful exchange rate pegging and monetary targets replaced by inflation targeting from 1998.

Years	Targets and attainment	Classification
1993-95	currency pegged to basket with narrow margins set by central bank (but private forex market with some autonomy); monetary targets overshot 2 years out of 3; monetary policy operations initially focused on bank reserves, from 1995 on short-term interest rates	augmented exchange rate fix AERF
1996-97	exchange rate band widened February 1996, peg abandoned May 1997; monetary targets undershot 1996, met 1997; monetary instruments now mainly indirect; rapid financial market development	loosely structured discretion LSD
1998-2005	declining inflation targets met or near-met except for undershoot 2003 (inflation expectations also fall briefly below target band); main monetary instrument is repo rate; changes to inflation targeting procedures	loose converging inflation targeting LCIT
2006-23	inflation targets (lower and without band from 2010) met up to 2020, except overshoot 2007-8 and undershoot 2009, when inflation expectations returned quickly to the target zone, also undershoots 2013-16 when medium-term expectations remained anchored; initial aim of entering ERM2 prior to adopting euro set aside; periodic forex intervention; macroprudential policies introduced; exchange rate floor November 2013 to April 2017, as additional instrument in IT (instead of QE) to avoid deflation, with significant forex intervention in last few months; strong response to Covid-19, overall effects less severe than elsewhere, but recovery disrupted by war in Ukraine and related hike in inflation in 2022-23; inflation target overshot from mid-2021 to end-2023, household expectations 12 months ahead rise sharply but financial market expectations 3 years ahead remain anchored	full inflation targeting FIT

Selected IMF references: RED 1993 pp36-7; RED 1994, pp25-6, 33-7, 46-7; SBS pp52-6; SI 1998 chIV; SR 2001 pp22-5; SR 2004 p7; SR 2005 p12; SR 2010 p34; SR 2011 p14; SR 2014 pp5-6, 21; SR 2016 pp6, 10-12, 38-42; SI 2017 pp2-4; SR 2017 pp13-15; SR 2021 pp4-7, 13-14; SR 2022 pp4-6, 9, 12-13; SR 2023 pp7-8, 16, 18-20.

Additional sources: Beblavy (2007a); Beblavy (2007b); Czech National Bank expected inflation data at https://www.cnb.cz/en/statistics/arad-time-series-system/ (accessed 13.8.24).

Czechoslovakia [not itself an emerging economy but the country out of which the Czech Republic and Slovakia later developed] operated a command economy until 1986, then introduced some liberalisation that was initially quite limited but went further from 1991, before the country split into two at the end of 1992.

Years	**Targets and attainment**	**Classification**
1974-86	monobank plus specialised state banks covering savings and foreign trade, with limited role for credit controls and interest rates; monetary policy aims to control most financial flows in economy, with focus on managing amount of money in circulation and credit control, and is less fully passive than in other socialist economies; exchange rate fixed vs CMEA currencies, pegged to basket of five convertible currencies with occasional depreciations, more frequent 1980s; illegal parallel market	multiple direct controls MDC
1987-1992	some liberalisation late 1980s/early 1990s, including 1989 monobank split between central and two (Czech and Slovak) commercial banks; 1990 slow start of interbank deposit market, bond issues now allowed; 1989-90 changes to official exchange rates for CMEA countries; peg (since 1981, but changed at intervals) to basket of five convertible currencies; 1989 start of forex auction with limited access; central banks sets discount rate from January 1990, reserve requirements October 1990, credit controls remain important; under new government exchange rate unified, depreciated and fixed end-1990; January 1991 relatively successful big bang liberalisation plus stabilisation; new banking laws 1992 add to and clarify powers of central bank and define roles of commercial banks, but banking system needs time to establish itself	loosely structured discretion LSD

Selected IMF references: [Czechoslovakia itself was not a member of the IMF, but its successor state, the Czech and Slovak Federal Republic, joined in late 1990, and then divided into the Czech Republic and Slovakia in December 1992] *Money, Banking and Credit in Czechoslovakia*, 1974, pp1-11, 16, 26-7; *Czechoslovakia – Calculation of Quota*, 1990, pp10-11, 48-54, 66-70; RED 1990 pp13-17, 21; RED 1992 pp20-3, 28-9, 61-3, 65-6.

Egypt moved gradually from a command economy to a more market economy, in monetary and financial as well as other areas, with exchange rate controls giving way to loose exchange rate targeting followed by a heavily managed float, but recurring liberalisation-stabilisation packages were sent astray by policy slippages, and the longstanding aim to move to inflation targeting remained unrealised.

Years	**Targets and attainment**	**Classification**
1974-76	multiple exchange rates; banking system almost entirely nationalised, directed to finance state-determined investments; monetary policy instruments direct	multiple direct controls MDC
1977-91	multiple exchange rates frequently changed and adjusted, never quite unified; halting moves from command economy of 1960s and early 1970s towards more market economy, but monetary instruments remain mostly direct, forex markets heavily controlled; major entry of small mainly foreign banks; recurring fiscal dominance; rising dollarisation	unstructured discretion UD
1992-2002	exchange rate finally unified and pegged de facto to USD (but depreciations 2000-01); monetary instruments become mainly indirect and policy focused on exchange rate stability	loose exchange rate targeting LERT
2003-23	exchange rate formally floated but more or less heavily managed; monetary instruments indirect; central bank has some more autonomy, but recurring monetary financing of high budget deficits; medium-term plan is to move towards inflation targeting, but crucial steps (including genuine exchange rate float) never quite taken, continued reliance on reserve money targeting; major new reform programme November 2016 supported by IMF, with forex liberalised, exchange rate depreciated, and aims to strengthen central bank independence and eventually move to formal inflation targeting, with very wide, initially high and converging informal inflation targets (poorly attained); exchange rate becomes more stable versus USD from mid-2017; 2019 plans for improved central bank autonomy and move to operations based more on interest rates, but monetary transmission poor (e.g. interbank rate outside policy rate corridor); less severe impact from Covid-19 than in some countries, but strong impact from Ukraine war 2022; sharp depreciations March and, within wider stabilisation package, October 2022: some slippages e.g. return to exchange rate stabilisation early 2023, but exchange rates unified early 2024	loosely structured discretion LSD

Selected IMF references: RED 1975 section IV.1 and pp47-8; RED 1978 section V.1 and pp42-6; SR 1989 2-4, 24-8; RED 1992 pp33-4, 47-52; SR 1992 pp17-18; RED 2000 section IV.B; SR 2005 pp13-15; SR 2006 pp14-16; SR 2015 p10; SI 2018 pp38-44; SR 2018 pp18-20; *4th Review under EFF…* January 2019 pp9, 47-50; *1st review under SBA…* December 2020 pp7, 8-9; *2nd review under SBA…* June 2021 pp12-14, 72-3; *Ex Post Evaluation under*

SBA… June 2022 pp14-19; *Request under EFF*… December 2022 pp5-9, 11-13; *1st and 2nd Reviews under EFF*… March 2024 pp1-2, 6-7, 12-13, 60-3.

Additional sources: Selim (2011); Al-Mashat (2011); Central Bank of Egypt, The Inflation Targets, at https://www.cbe.org.eg/en/monetary-policy/inflation-target (accessed 13.8.24).

Estonia introduced an augmented currency board from the start of its national currency in 1992, and that took it into EMU in 2011.

Years	**Targets and attainment**	**Classification**
1992-2010	two-tier banking system and national currency introduced in June 1992 with currency board on DM, with limited use of monetary instruments: central bank issues CDs in interbank market and sets reserve requirements, it has no formal lender of last resort role but ability to lend to banks subject to currency board cover, it operates standing deposit facilities but no marginal lending facilities; from 1999 currency board on euro, within ERM2 from 2004	augmented currency board ACB
2011-23	membership of European Economic and Monetary Union	currency union CU

Selected IMF references: RED 1993 pp5-7; SR 1994 p4; SR 1997 pp27-9; SR 2000 pp22-3; SR 2003 pp46-7.

Additional sources: Beblavý (2007b); Wolf et al (2008, ch 10).

Hungary began to move gradually away from a command economy before the major political changes of 1990, and the gradual evolution continued after that, with heavy exchange rate management giving way to loose inflation targeting from 2001, pursued in a context of challenged central bank independence and at times with unorthodox instruments.

Years	Targets and attainment	Classification
1974-86	state planning with monobank financial system segmented between enterprises and households, with credits to enterprises controlled by sectoral credit ceilings and preferential credit schemes (and credits to households for house purchases only); official concern with high external deficits and debt; gradual introduction of price reforms, including minor financial reforms, and some use of (mainly fiscal) demand management; multiple exchange rates unified October 1981, adjusted more or less often to offset pass-through of foreign inflation to domestic prices	multiple direct controls MDC
1987-94	two-tier banking system from 1987, with household-enterprise segmentation abolished 1989; credit no longer sectorally allocated and ceilings replaced over time by limits on refinancing of bank credits as main monetary policy instrument, together with prudential reserve requirements; refinancing and reserve requirements gradually made more precise and effective, while interest rates become more flexible; elements of fiscal dominance; exchange rate (more fixed than targeted) subject to repeated small devaluations on ad hoc basis to exclude foreign inflationary pressures; banks allowed to deal in forex market, within narrow but widening margins	unstructured discretion UD
1995-2000	pre-announced exchange rate crawl, at speed adjusted downwards at ad hoc intervals and by ad hoc amounts, focus on competitiveness as well as inflation; exchange rate margins now +/- 2.25%; monetary policy instruments more focused, operations in short-term government securities markets gradually taking over from refinancing as main instrument, but monetary control remains weak and imprecise; continuing official focus on growth and tendency to overexpand, recurring large fiscal and external deficits; inflation remains above that of trading partners	loosely structured discretion LSD
2001-7	exchange rate band widened to +/- 15% May 2001, formal inflation targeting from June 2001, with establishment of Monetary Council and quarterly inflation forecasts; main monetary policy instrument is now central bank's benchmark interest rate; inflation reduced, but inflation targets nearly missed 2006 and missed 2007, with rise in household but not professional inflation expectations; policy rate appears to respond to exchange rate as well as inflation rate; large fiscal and external deficits remain	loose converging inflation targeting LCIT
2008-23	exchange rate band abandoned early 2008; static and continuous inflation targets (with tolerance range only from 2015) attained mostly on loose but not full basis in	loose inflation targeting LIT

	most years except 2014-15, when targets undershot but inflation expectations remain roughly anchored, and massive overshoot late 2021 to end-2023 with short-term inflation expectations rising temporarily to well above target, but longer-term remaining well-anchored, amid strong monetary policy response; 2010-12 central bank independence weakened under new government, 2023 further weakening; large impact of and fiscal-monetary response to Covid-19; highly activist monetary policy operations using range of conventional and unconventional instruments, including interest rate caps, subsidised lending and asset purchases, some return to more conventional instruments from 2022	

Selected IMF references: RED 1982 chIV; RED 1987 pp52-4; SR 1987 pp11-12; RED 1988 pp27-34; RED 1989 pp33-40; REDBI 1995 pp18-20, chVI; RSBA 1996 pp1-6; SR 1996 pp13-15; SR 1997 pp16,18; SI 1999 chIV, p; SR 1999 pp17-18, 19, 21, 22-3; SI 2002 chI; SR 2002 pp28-9; SR 2006 pp15-16, 23-5, 29-30; SR 2008 p16; SR 2012 p13; SR 2018 pp12-14, 22; SR 2019 pp11-12, 18; SR 2021 pp6, 13-14; SI 2023 pp20-45; SR 2023 pp9-11, 17-19 47; SR 2024 pp6-10, 20-2, 42.

Additional sources: Beblavy (2007a); Beblavy (2007b); Gábriel, Rariga and Várhegyi (2014).

India pursued a varying set of objectives with limited instruments, but both objectives and instruments evolved from the early 1990s, and India eventually adopted loose inflation targets which it was able to pursue with some success.

Years	Targets and attainment	Classification
1974-2014	exchange rate initially pegged but for most of period is adjusted frequently and in varying ways; initially some state planning but some autonomy for banking system, planning weakened by liberalisation over time, particularly from early 1990s; fiscal dominance always possible but in practice under some control; monetary policy instruments gradually shift over period from direct to indirect; central bank has developmental responsibilities but increasingly serious price stability concern; some implicit/explicit monetary targeting 1985-6 to 1997-8, target achieved only four (separate) years, replaced in 1998 by multiple indicators approach	loosely structured discretion LSD
2014-16	2014 adoption of 'glide path' down towards medium term inflation target, targets met though inflation expectations above target; measures to improve monetary transmission; 2016-17 demonetisation of larger denomination banknotes causes significant growth shock	loose converging inflation targeting LCIT
2017-23	formal adoption of inflation targeting August 2016, with continuous wide targets consistently met or (2020, 2022, 2023) near-met, with financial sector expectations typically within target range but household expectations above; monetary transmission mechanism remains weak; large impact from, and trouble addressing, Covid-19, but limited rise inflation 2022-23; 2023 some reintroduction of exchange rate stabilisation	loose inflation targeting LIT

Selected IMF references: RED 1986 pp25-8; RED 1988 pp14, 18-19; MTP 1990 chs. II, VI; BPs 1995 chIV; SI 2000 chs V, VI; SR 2015 pp8-10; SR 2016 pp12-14; SR 2017 pp15-17, 29; SR 2018 pp26, 33; SR 2019 pp16-19, 33; SR 2021 pp5-6, 19-21, 31; SR 2022 pp12-14, 28; SR 2023 pp5-7, 19, 35.

Additional sources: Mohanty and Mitra (1999); Reserve Bank of India (2013), ch4 especially Annex 4.12, ch14 especially Annex 14.1.

Indonesia moved from fixing its exchange rate (with some use of monetary instruments) through exchange rate management with a gradually more active and indirect monetary policy to formal inflation targeting from 2006, initially loose but from 2015 full inflation targeting.

Years	**Targets and attainment**	**Classification**
1974-78	most forex transactions via central bank at narrow spreads set by central bank, but forex activity relatively unrestricted: on balance more fix than target; monetary policy relies on credit ceilings, and strongly affected by public sector budget deficit and external operations (especially those of state oil company Pertamina)	augmented exchange rate fix AERF
1979-2005	after November 1978 devaluation exchange rate is managed with reference to trade-weighted basket; more exchange rate variation (in pursuit of competitiveness) after March 1983 devaluation against larger but still undisclosed basket, band widened 1995-96 then more or less managed float from August 1997 (Asian financial crisis); financial sector reforms June 1983 with end of credit ceilings, but authorities slow to create new indirect monetary policy instruments; fiscal dominance on occasions; from early 2000s some kind of informal inflation target	loosely structured discretion LSD
2006-14	formal inflation target with 2% range from July 2005, with switch to 1-month market interest rate instead of base money as intermediate target, then to overnight interest rate as policy rate 2008; inflation targets mostly attained (misses 2008, 2013-14, partly due to administered price rises, but 2013-14 evidence that inflation expectations still anchored), but targeting is loose because large swings of inflation in both directions, and converging (though convergence not consistent); continued concern with, and periodic management of, exchange rate; macroprudential policies from 2012; fiscal dominance largely controlled	loose converging inflation targeting LCIT
2015-23	inflation targets more consistently attained; steps to improve interbank money market and hence monetary transmission mechanism (2016 new policy rate and narrower corridor, 2017 reserve requirements changes); large impact of and fiscal-monetary response to Covid-19 including some asset purchases (with temporary monetary budget financing); 2022 actual and expected inflation briefly exceed target range (Ukraine war)	full converging inflation targeting FCIT

Selected IMF references: RED 1976 pp20, 29-30, 43; RED July 1979 p55; RED 1981 Annex II; RED 1983 pp2, 51-6; RED 1986 pp52-74, 102-3; RED 1990 p56; SR 1997 pp5-6; SI 2002 chII; SR 2005 pp21-2, 27; SR 2008 pp15, 17, 23; SR 2009 p11; SI 2011 chII; SR 2013 pp6, 14-16, 21; SR 2015 pp16-18, 30-1; SR February 2016 p5; SR December 2016 pp 16, 26; SR 2017 pp16-17; SR 2019 pp8-11, 21-2, 25; SR 2021 pp15-18; SI 2022 pp37-40, 41-3; SR 2022 pp6, 32; SR 2023 pp5, 14-16, 23, 35; SR 2024 pp7, 17, 24.

Additional source: Bank Indonesia website, http://www.bi.go.id/en/default.aspx.

Israel progressed from a very poorly functioning framework (and hyperinflation) in the 1980s by way of a crawling exchange rate to inflation targeting (with formal central bank independence coming particularly late in the process).

Years	Targets and attainment	Classification
1974-85	unsuccessful attempts to stabilise currency (versus USD then basket then USD), then from 1977 float with recurring depreciations; high monetary growth and no formal targets, widespread indexation, recurring fiscal dominance, ending in hyperinflation in 1984-5	unstructured discretion UD
1986-91	serious stabilisation efforts from July 1985 (including currency reform and 'no printing' law) but continuing devaluations versus basket of major currencies	loosely structured discretion LSD
1992-94	preannounced exchange rate crawl intended to be consistent with informal inflation target; monetary operations increasingly focused on discount rate	exchange rate with inflation targeting ERwIT
1995-96	exchange rate bands widened, informal inflation targets met	inflation with exchange rate targeting IwERT
1997-2003	exchange rate bands widening continuously, declining narrow formal inflation targets undershot 3 years and overshot 1 year out of 7	loose converging inflation targeting LCIT
2004-23	static inflation targets met or nearly met 17 years out of 20, undershot 2015, 2016 and 2020; exchange rate bands, already so wide they were not relevant, scrapped 2005; some changes to inflation targeting procedures; significant forex purchases to limit appreciation especially 2008-11; central bank finally made independent from 2010 after long delays; 2015-16 inflation and short term expectations below target but longer term expectations close to bottom of target band, forex intervention to counter appreciation in context of start of natural gas production; 2020 inflation target undershot, 2022-3 target slightly overshot, but longer-term expectations remain anchored; strong response to and quick rebound from Covid-19; spillovers from Ukraine war limited	full inflation targeting FIT

Selected IMF references: SR 1977 p10; RED 1984 p44; RED 1985 p56; RED 1987 pp58-60, 81, 105; SR 1987 pp9-10; RED 1989 p49; SR 1991 pp11-12; RED 1993 pp16-18, 39; SR 1996 pp10-12; SR 1998 pp21-4; SISA 1999 pp20-22; SISA 2000 pp57-8; SR 2000 pp22-5; SR 2001 pp16-17; SI 2005 chI; SR 2008 p8; SR 2010 pp18, 23, 27; SIP 2012 chIII; SR 2014 p9 SR 2015 pp10-11; SR 2018 pp8-10, 26; SR 2020 pp5-8, 16-18; SR 2022 pp5, 10-13, 34-7, 51-7; SR 2023 pp7-8, 16-17, 27.

Additional source: Barkai and Liviatan (2007); Bank of Israel (2007).

Jordan initially fixed its exchange rate to the SDR, with monetary policy largely passive, but relaxed that as it liberalised in the late 1980s (and underwent a currency crisis); by the early 1990s it was pegging formally to the SDR but informally to the USD, and that became a firm exchange rate target from the mid-1990s.

Years	Targets and attainment	Classification
1974-84	exchange rate pegged to USD then from February 1975 formally to SDR, operationally more fix than target with actual margins much narrower than formal limits of 2.25%; elements of fiscal dominance; monetary policy instruments mainly direct, policy passive 1970s but more active (pro-growth) 1980s	augmented exchange rate fix AERF
1985-90	currency now allowed to move up to 6% against SDR parity; financial liberalisation (including forex market) and move towards indirect monetary instruments accelerated by currency crisis 1988; after brief float currency repegged to basket May 1989, repegged formally to SDR after large devaluation October 1990	loosely structured discretion LSD
1991-2000	formal peg to SDR but de facto peg to USD; forex market and capital account liberalised 1997; auction rate on central bank CDs (first issued 1993) becomes main instrument of monetary policy	loose exchange rate targeting LERT
2001-23	hard peg to USD de facto, now widely understood as fulcrum of policy; monetary policy clearly geared to maintaining that peg, regarded as 'keystone of financial stability' (SR 2012), by controlling short term interest rates, latterly within some sort of corridor, relative to US federal funds rate; major impact from and response to Covid-19; global price rises 2022	full exchange rate targeting FERT

Selected IMF references: RED 1983 pp27-9; SR 1986 p4; RED 1991 pp53-4; SR 1994 pp21-2; *Background Information on Selected Aspects of Adjustment and Growth Strategy* (1995), chV and pp66-7; SR 1995 pp10, 20; SR 1997 p20; SI 1998 pp82-3, 96-102; SR 1998 p15; RED 2000 p35; SR 2007 p7; SR 2012 pp12, 21; SR 2016 p26; SR 2017 pp18-19, 39; SR 2020 pp11, 30; SR 2022 pp4-6, 13-14, 29; SRIA 2022 p3; *Request under EFF*… December 2023 pp5-7, 10, 21; *1st Review under EFF…* June 2024 pp4-6, 8.

Additional source: Maziad (2011).

Latvia pegged to the SDR soon after its new currency was introduced in 1993, and moved gradually to indirect monetary instruments; the peg was switched to the euro within ERM2 in 2005, and from there Latvia entered EMU in 2014.

Years	**Targets and attainment**	**Classification**
1993	two-tier banking system from 1992; new Latvian currency introduced March-June 1993; exchange rate moving widely; monetary policy instruments initially limited but rapid change	Unstructured discretion UD
1994-2013	1994-2004 exchange rate pegged to SDR, with margins of +/- 1%; central bank dominates FX market but other agents allowed to trade at their own rates; monetary instruments increasingly indirect as financial markets develop, with OMOs replacing forex swaps in mid-2000s; 2005 currency repegged to euro January and into ERM2 April, narrow margins maintained	FERT
2014-23	membership of European Economic and Monetary Union	currency union CU

Selected IMF references: RED 1994 pp37-40, 65-6, 94; RED 1995 pp18-22, 23-5, 79; RED 1996 pp9-10, 51-2; SR 2004 p13; SR 2010 pp6-7; SR 2012 pp29-30.

Additional source: Beblavý (2007b).

Lithuania adopted an augmented currency board soon after the introduction of its new currency in 1993, first on the USD and then from 2002 on the euro, and that lasted until its entry into EMU in 2015.

Years	Targets and attainment	Classification
1993	new Lithuanian currency mid-year, appreciation replaces previous depreciation; bank credit ceilings replaced by indirect measures; no clear framework	unstructured discretion UD
1994-2014	currency board on USD from April 1994, with some use of monetary instruments including reserve requirements, rediscount and open market operations, also some limited scope for lending of last resort; exit from currency board to conventional peg considered, postponed and shelved; currency board anchored on euro from February 2002, within ERM2 from June 2004; euro adoption delayed from original target 2007	augmented currency board ACB
2015-23	membership of European Economic and Monetary Union	currency union CU

Selected IMF references: RED 1994 pp18-19; RED 1995 p30; RED 1996 pp7-12; RED 1998 pp24-6; SR 1999 pp19-20; SR 2000 pp27-8; SR 2001 pp17-18; SR 2009 pp12-13.

Additional sources: Alonso-Gamo et al (2002); Beblavý (2007b); Wolf et al (2008, ch 11).

Malaysia experienced a long period of financial development, accompanied first by exchange rate targeting and then by exchange rate management with more active monetary policy. The Asian financial crisis led it to introduce a peg to the USD plus capital controls for a few years, followed by well-organised monetary policy arrangements focusing on price stability and growth, which did not, however, include a formal inflation target.

Years	Targets and attainment	Classification
1974-84	currency pegged to dollar then from September 1975 to undisclosed basket (based on trade and settlement currency, different from IMF calculations of effective rate), with 2.25% margins exceeded occasionally, in market where banks operate more or less freely; monetary policy instruments initially direct but becoming indirect, with growth of money and bond markets; policy directed in part to social objectives; fiscal policy mostly under control;	loose exchange rate targeting LERT
1985-98	exchange rate policy more 'active' from late 1984 though still peg of sorts to same basket, no mention of margins; further gradual financial liberalisation, monetary instruments more indirect; fiscal deficits often large but dominance avoided; capital inflows hard to manage; Asian financial crisis mid-97 leads to capital outflows, large depreciation, crisis measures to save banks; position worsened by Russian crisis mid-98	loosely structured discretion LSD
1999-2005	(temporary) capital controls from September 1998 and currency pegged to USD, permitted spreads 2% only; forex transactions and financial sector in general quite controlled, but forex market has some autonomy, the arrangement is more target than fix, and margins are narrow; April 2004 new liberalised interest rate framework with standing facilities forming corridor around overnight policy rate	full exchange rate targeting FERT
2006-23	July 2005 exchange rate peg replaced by managed float against undisclosed basket; most exchange controls now ended; post-2008 development of macroprudential policies; wider role for Monetary Policy Committee after new central bank law 2009; central bank has viable dual mandate for price stability and growth (but no formal targets); some differences between authorities and IMF re exchange rate flexibility and intervention but degree of exchange rate management declines over time; from late 2016 continuing measures to improve functioning of forex markets, but little change to capital flow measures; major impact of and response to Covid-19; 2022 Ukraine war disruption	well structured discretion WSD

Selected IMF references: RED 1975 pp24-5; RED 1979 pp17-22; RED 1983 pp28-30, 50; RED 1985 p36; RED 1986 pp38-9, 64-5; RED 1988 pp32-5; SR 1989 p32; SR 1994 pp11, 15; RED 1999 pp13-18, 23-4; SR 2005 pp16-17, 24; SR 2011 pp7-9; SR 2013 pp15, 23; SR

2014 pp8-9; SR 2016 pp62-3; SR 2018 pp10-14, 58-60; SR 2019 pp11-13, 21-3; SR 2020 pp9-11, 57-8; SR 2021 pp4-6, 10-12, 18-19; SR 2022 pp12-14; SR 2024 pp4-9, 14-15.

Additional source: Ibrahim (2016).

Malta fixed its currency for two decades to a basket, with little use of monetary policy, then moved via a period of exchange rate targeting, first to the basket and then to the euro within ERM2, together with some monetary and financial modernisation, to membership of EMU from 2008.

Years	**Targets and attainment**	**Classification**
1974-94	currency fixed to basket, initially more for inflation control but later partly for competitiveness; repeated changes to basket (which becomes simpler, more transparent and more stable over time); devaluation 1992; monetary policy assigned to development, interest rates rarely changed; no autonomous foreign exchange market, little use of domestic monetary policy instruments; capital controls	augmented exchange rate fix AERF
1995-2007	1995-2004 exchange rate pegged to basket; some monetary and financial modernisation by now, including more or less active interbank money and foreign exchange markets and limited capital account liberalisation; currency into ERM2 in May 2005 (Malta joined EU in May 2004) within very narrow margins, capital controls eliminated, some more use of indirect monetary policy instruments	full exchange rate targeting FERT
2008-23	membership of European Economic and Monetary Union	currency union CU

Selected IMF references: RED 1979 pp42-3, 59-60; SR 1986 pp4, 7; RED 1988 pp43-4, 87; RED 1994 pp29-33, 36-40; RED 1997 pp33-6, 41; SR 2007 p18.

Additional sources: Grech (2003); IMF (2004), chV, especially pp36, 40-41, 42-3.

Mexico had a long period of financial evolution with some exchange rate management plus increasingly active monetary policy, before embarking in 2001 on inflation targeting which became more organised and effective from 2011.

Years	Targets and attainment	Classification
1974-6	fixed exchange rate (fixed since 1954) in context of heavily regulated monetary system but open foreign exchange market with no capital controls	full exchange rate targeting FERT
1977-2000	exchange rate floating, initially more managed (with dual exchange rate market 1982-91), but freer float from 1995; monetary policy instruments evolving from central bank-set interest rates, reserve requirements and occasional direct credit controls, with recurring fiscal dominance, to open market operations in short and medium term government securities; recurring periods of exchange rate weakness and capital flight, especially 1982 (which precipitated nationalisation, reform and privatisation of commercial banks) and 1994; central bank more independent from 1993	loosely structured discretion LSD
2001-3	converging inflation targets nearly missed twice in three years; targeting operated through (longstanding) control of banks' settlement balances rather than policy rate; central bank communication weak, e.g. no inflation forecasts published; 'rules-based' mechanism from 2003 to provide for international reserve accumulation without distortions to forex market	loose converging inflation targeting LCIT
2004-10	stable inflation targets missed 2008, 2009 (with some upward drift of inflation expectations), and nearly missed 2004, 2010; inflation forecasts published from 2007 and policy rate becomes main instrument in 2008	loose inflation targeting LIT
2011-23	inflation targets hit or near-hit each year except 2017, 2021 and 2022, but medium-term though not always short-term expectations remain anchored; inflation targeting framework now more complete and more comparable to that elsewhere, ongoing improvements in communication; major impact of, but limited fiscal and monetary response to, Covid-19; limited spillovers from rise in global inflation 2022-23	full inflation targeting FIT

Selected IMF references: RED 1980 pp34-41; RED 1983 pp70-3; RED 1990 pp34-5; RED 1995 chapter I; SI 2000 chapter VI; SI 2002 pp94-6; SR 2003 pp9, 12, 22-4, 30; SR 2006 p4; SR 2009 p18; SR 2011 p17; SR 2017 pp17-19, 31; SR 2018 pp18, 34; SR 2020 pp4-9, 19-22, 32; SR 2021 pp5-6, 17-19, 31; SR 2022 pp13-15, 36, 76-8; SR 2023 pp11-14, 30.

Morocco had for a long period a focus on the exchange rate, with exchange rate targeting formalised in 1991 and hardened in 2007, plus some gradual financial liberalisation. 2018 saw the start of a process of widening the exchange rate bands with a view to a later switch to inflation targeting, but no inflation target (even informal) so far identified.

Years	**Targets and attainment**	**Classification**
1974-80	exchange rate set daily by central bank, stabilised versus undisclosed basket (revised 1980); elements of fiscal dominance; monetary policy based on direct instruments including direct credit controls (encadrement du crédit) from 1976	augmented exchange rate fix AERF
1981-90	late 1980 currency basket revised, more flexibility (depreciation) allowed, and interest rates reformed (set more actively by authorities); direct credit controls continue but central bank also intervening regularly in growing money market; some money and credit targets set 1987-90 but rarely attained	loosely structured discretion LSD
1991-2006	exchange rate pegged to undisclosed basket; after April 2001 devaluation exchange rate pegged to revised basket 'dominated by euro', but weights not disclosed; interbank forex market from 1996 (tightly managed); experiment with monetary targets 1998-2002 but targets often missed and not dominant element of policy; direct credit controls replaced in move to indirect monetary instruments, notably regular 7-day repo auctions, interest rates now liberalised; central bank autonomy strengthened 2006	loose exchange rate targeting LERT
2007-17	exchange rate pegged to basket whose weights were finally disclosed (80% euro, 20% USD); improved monetary arrangements including publication of inflation forecasts; from 2008 IMF repeatedly raises issue of shift to inflation targeting; medium term plan 2013 to move to greater exchange rate flexibility and then inflation targeting, former to be implemented 2016-17 (but not)	full exchange rate targeting FERT
2018-23	exchange rate margins widened 2018 from ± 0.3% to ± 2.5% relative to basket of euro (60%) and USD (40%); heavy impact of Covid-19 (plus drought) but strong policy response; 2020 margins widened to ± 5%; 2022-23 global commodity price shock;	loose exchange rate targeting LERT

Selected IMF references: RED 1977 pp30, 33, 49; RED 1981 pp30, 33-4, 44; RED 1982 pp43-4, 47; RED 1991 chIV; SI 1996 sections I.5, I.7; RED 2000 chV; SR 2006 p3; SR 2009 p5; SR 2014 p22; SR November 2015 pp14-17; SR 2016 pp17-18; SR 2017 pp16-17; SR 2019 pp14-15, 23; SRIA 2019 p3; SR 2020 pp6-8, 14-15, 25; SR January 2022 pp14, 16; SR December 2022 p9; SR 2024 pp5, 14, 39.

Additional source: Achy and Boughrara (2011).

Pakistan has had a slow, erratic and unfinished process of financial modernisation, with a range of objectives, no formal targets, and instruments becoming effective and indirect only towards the end of the period. External and political factors provided repeated distraction and disruption to modernisation of the monetary framework.

Years	**Targets and attainment**	**Classification**
1974-81	exchange rates fixed by central bank, other banks trade only at those rates; monetary policy operated largely by direct credit controls; recurring monetary financing of fiscal deficits	augmented exchange rate fix AERF
1982-2023	exchange rate more or less managed, with frequent changes, with eye initially more to competitiveness but later more to inflation control; exchange rate unified 1999, continues for many years to be largely fixed (at changing rates), but with gradual liberalisation; monetary policy operated until 1992 largely by imprecise direct credit controls, then slow and erratic shift towards indirect instruments with regular Treasury bill auctions from 1991, but interest rate corridor and clear policy rate only from 2015; monetary financing of government, directly by the central bank and later also by the commercial banks, remains important; banking system (nationalised in 1974, some privatisation from early 1990s) highly concentrated; increases in central bank independence repeatedly discussed but implementation half-hearted; frequent slippages in both stabilisation policy and structural reforms; monetary policy objectives include growth, competitiveness and inflation, but latter comes to dominate in 2010s; talk from 2015 of moving to inflation target but major reforms required first; exchange rate market-determined from May 2019, with monetary focus still on reserve money, and commitment to end fiscal dominance; plan to strengthen central bank independence; impact from and response to Covid-19, relatively small output effect; major policy slippage (mainly fiscal plus some renewed forex intervention) 2021, some attempt to get back on track 2022, but floods, political turmoil and global commodity price rises 2022-23 cause some delays	loosely structured discretion LSD

Selected IMF references: RED 1976 pp33-6, 67-8; RED 1979 pp70-2; SR 1979 pp2-3; RED 1981 pp36-7; RED 1985 pp49-56, 82-4; RED 1988 pp55-6; RED 1989 pp63-5, 68-71; RED 1991 pp128-34; RED 1992 pp32-3; RED 1995 pp35-8; RED 1997 pp4-5, 30, 61-2; SR 2000 pp6, 17-21, 40-41; SISA 2002 ch, IV; SISA 2004 pp22-3; SR 2009 pp9, 16; SR 2012 p10; SR 2015 p12; SR 2017 pp12-13; *Request under EFF…* June 2019 pp14-15; *1st Review under EFF…* December 2019 pp12-13; *2nd to 5th Reviews under EFF…* March 2021 pp14-17; *6th Review under EFF…* December 2021 pp6, 11, 17-20; *7-8th Reviews under EFF…* August 2022 pp4-5, 16-20; *Request for SBA…*June 2023 pp4-10, 17-19, 30-1; *1st Review under SBA…* December 2023 p12; *2nd Review under SBA…*April 2024 pp5-7, 12.

Peru had a long period in which monetary instruments were direct and ineffective, followed by a sustained stabilisation and liberalisation from 1993 which eventually laid the basis for the adoption of inflation targeting from 2002.

Years	Targets and attainment	Classification
1974-92	exchange rates (dual or multiple in most years) adjusted frequently and in varying ways with eye to balance of payments and/or inflation; monetary policy instruments mainly direct; fiscal dominance endemic; new currencies 1985, 1991; special status of state-owned Banco de la Nacion relative to central bank complicates monetary control; several failed attempts at stabilisation and at financial liberalisation; varying rates of dollarisation	unstructured discretion UD
1993-2001	sustained stabilisation and liberalisation from early 1990s: central bank gets some autonomy, role of Banco de la Nacion reduced, exchange rate floating (since late 1990), fiscal deficits controlled; liberalisation and deepening of financial markets; focus of policy on inflation reduction via control of base money; among monetary instruments emphasis shifts from reserve requirements to interest rates, but some continued use of macroprudential tools, capital flow measures and forex intervention; high continuing dollarisation	loosely structured discretion LSD
2002-23	inflation targets; overshoot 2008 and 2022, smaller deviations 2011 and 2015, but medium-term inflation expectations remain anchored except for brief period around 2008; further use of macroprudential policies, occasional but gradually diminishing forex intervention; gradual de-dollarisation; major impact from Covid-19 despite strong fiscal and monetary response; larger inflation target overshoot from late 2021 to late 2023, inflation expectations for 2022 and 2023 rise above but those for 2024 remain within target range; 2023 El Niño weather phenomena	full inflation targeting FIT

Selected IMF references: SR 1974 pp13-14; RED 1979 pp35-7; RED 1982 pp27-31, 37-9; RED 1984 pp30-31, 56; SR 1987 pp2-3; RED 1990 pp1-2, 33-9, 58; RED 1995 chI; SR 1997 AppV; SI 2001 chIV; SR 2002 p10; SR 2009 p11; SR 2012 p7; SR 2015 p5; SR 2016 pp7-8; SR 2017 p13; SR 2018 pp11-12; SI 2019 pp17-21, 29, 41-5, 52-5; SR 2019 pp5, 12-14; SR 2021 pp4-9, 14-16; SR 2022 pp5, 13; SR 2023 pp7-9, 12-13; SER 2024 pp8, 11, 44.

Additional sources: Pastor (2012); Banco Central de Reserva del Perú website for inflation and inflation expectations data.

The Philippines had a long period of varying objectives and (mostly indirect) instruments, but undertook loose inflation targeting from 2002 and more effective inflation targeting from 2009.

Years	Targets and attainment	Classification
1974-2001	exchange rate de jure floating but de facto managed (partly by Bankers' Association) versus USD, with concern for competitiveness and inflation, varying flexibility (including cleanish float from 1985, brief fixity 1996-7 and then cleanish float); monetary policy operated in early years (sometimes in form of base money targets) mainly through sales and purchases of central bank paper, central bank rediscounting, reserve requirements and forex swaps, but repos, reverse repos and interest rates gradually become more important (with ceilings on bank interest rates abolished); monetary financing of government varies but sometimes large; recurring short-lived spikes in inflation, often oil-price-related; monetary policy objectives typically include growth and internal and external stability, but inflation control gradually becomes more important; monetary policy periodically derailed by political, natural or external events, including severe financial problems in 1981, 1983, 1989-90; following large losses accumulated from quasi-fiscal operations, central bank restructured 1993 with some independence which is later increased	loosely structured discretion LSD
2002-08	four out of seven narrow (1%) band inflation targets missed, erratic convergence in targets and in outturns	loose inflation targeting LIT
2009-23	all targets (2% band) attained, except for undershoot late 2015 when long-term expectations remained close to centre of band, overshoot second half of 2018 when expectations exceeded band only briefly, and overshoot mid-2022 to late 2023 related to Ukraine war, when short-term inflation expectations rise sharply but longer-term expectations barely rise above the target range; interest rate corridor from 2016 with later improvements in operation; large effect of but also firm response to Covid-19; global inflation rise 2022-23	full inflation targeting FIT

Selected IMF references: RED 1978 p13; RED 1980 pp23-6, 29-32; SR 1980 p3; RED 1982 pp37-9; SR 1986 pp3-6; RED 1988 pp37-9; RED 1992 pp7-8; RED 1994 pp10-14; SR 1994 pp5-6; RED 1995 pp25-8, 35; SR 1995 pp7-9, 22-3, 26-7; RED 1996 pp28-30; SR 1996 pp12, 20-21; SISA 1998 ch 1; SR 1998 p14; SI 1999 ch IV; SI2001 ch II; SR 2001 pp22-3; SR 2015 pp10-11; SR 2016 pp17-19; SR 2018 p21; SR 2020 pp10-11, 20; SR 2021 pp4-6, 28; SR 2022 pp6-7, 8-9, 29; SR 2023 pp5-6, 12-14.

Additional reference: Houben (1997); Bangko Sentral ng Pilipinas, *Monetary Policy Report* November 2023 p24, February 2024 p18.

Poland had some limited evolution away from its previous command economy before the political change of 1989, but then underwent rapid stabilisation and financial reform that allowed it to embark in 1998 on inflation targeting, which was tightened in 2004.

Years	**Targets and attainment**	**Classification**
1974-81	monobank financial system accommodating centrally set economic plan; multiple exchange rates for trade with both 'non-socialist' and 'socialist' countries	multiple direct controls MDC
1982-89	major economic reforms 1982 designed to give more autonomy and responsibility to enterprises, along with bank credits being provided on basis of profitability and other considerations (not just in accord with plan), but implementation of reforms imperfect; exchange rates with non-socialist countries unified, then adjusted (devalued) in relation to basket at intervals so as to secure profitability of c.80% of exports; end of monobank system 1989 with nine new commercial banks established	unstructured discretion UD
1990-97	1990 'shock therapy' with exchange rate devalued and pegged to USD with narrow margins, subsequently devalued again; forex market liberalised; preannounced crawl from May 1992 with rate of crawl and central parity adjusted at intervals; move to indirect monetary policy instruments – initially refinancing rate and liquidity management, by 1993 open market operations in central bank and Treasury bills, later government bonds; preferential credits modified and ended; banks freed to set own interest rates; fiscal dominance initially significant but gradually brought under control; 'multi-anchor, multi-indicator' strategy	loosely structured discretion LSD
1998-2003	formal converging inflation targeting, but narrow targets missed two years and nearly missed two years, out of six; inflation converged but only erratically	loose converging inflation targeting LCIT
2004-23	static inflation targets undershot 2014-16 (but long-term inflation expectations remain within tolerance band), missed some months in other years, large overshoot 2021-23 (despite ‘anti-inflation shield’ tax cuts), with longer-term but not short-term inflation expectations still anchored within target band; macroprudential policies introduced; Covid-19 first wave relatively small, but strong effect from and policy response to second wave late 2020; Ukraine war disruption 2022-23	full inflation targeting FIT

Selected IMF references: Poland – Calculation of Quota, December 1985, pp35-9; RED 1988 pp1-3, 40-41; RED 1991 pp1-2, 22-9, 36-8; BP 1994 pp39-40, 51-4, 74-8; RED 1997 pp56-8, 145-57; SR 1999 pp20-21; SR 2000 pp22-4; SR 2001 p22; SR 2003 pp18, 24; SR 2014 p32; SR 2017 p38; SR 2019 pp9-11, 27; SR 2021 pp4-5, 18-21; SR 2022 pp16-21, 34; SR 2023 pp4-6, 18-20, 34.

Other references: Narodowy Bank Polski, *Report on monetary policy in 2023*, pp7-15, 26.

Romania had made little change to its command economy before the 1989 revolution, and reform after that was slow and erratic, but enough for it to embark on loose inflation targeting in 2006.

Years	**Targets and attainment**	**Classification**
1974-90	monobank financial system accommodating centrally set economic plan; multiple exchange rates for trade with both 'non-socialist' and 'socialist' countries	multiple direct controls MDC
1991-2000	two-tier banking system from end-1990 but development of modern financial system with coherent monetary policy and instruments slow and tortuous; attempts to reform forex market and arrangements equally erratic; recurring fiscal dominance	unstructured discretion UD
2001-05	unannounced exchange rate crawl at varying rates; fiscal dominance partly controlled, gradual move towards indirect monetary policy instruments; objectives clearer	loosely structured discretion LSD
2006-13	narrow inflation targets from August 2005, convergence erratic, three large overshoots and two near misses in eight years, but evidence that inflation expectations anchored (albeit in top half of target band); interest rate corridor, but continued attention to exchange rate, width of corridor and recurring divergence between policy and 'effective' interest rates (weakness of transmission mechanism) mean inflation targeting remains less than 'fully-fledged'	loosely converging inflation targeting LCIT
2014-23	now continuous and static inflation targets, but inflation targeting still not fully-fledged; targets well undershot 2015-16 partly due to tax cuts, with financial analysts' 2-year ahead inflation expectations remaining broadly within target band; interest rate corridor narrowed late 2017 but money market rate goes from near bottom to top; 2018 inflation target nearly overshot; 2020 further narrowing of corridor, market rate at top; some impact of and policy response to Covid-19; 2021-23 large inflation target overshoots (partly due to Ukraine war), but 2-year ahead expectations rise above target band only briefly and slightly	loose inflation targeting LIT

Selected IMF references: RED 1974 pp84-9; RED 1979 pp48-9; RED 1982 pp107-9; RED 1990 pp1-6, 61-2; RED 1992 pp6-9; RED 1997 pp11-13, 36-51, 53, ; SISA 2000 pp91-101; SISA 2007 pp12-16; SR 2012 pp17-19; SR 2014 p14; SR 2015 pp5, 13; SR 2017 pp5-6, 16, 58; SI 2017 pp32-52; SR 2018 pp12-13; SR 2019 pp12-13, 24; SR 2021 pp13-15; SR 2022 pp7, 15-17; SR 2023 pp4-5, 46.

Additional sources: NBR *Inflation Report*, November 2016, p12 for inflation expectations.

The Russian Federation in its first decade (after the dissolution of the USSR) failed to develop a clear monetary framework or to stabilise the economy, but from 2002 gradual monetary and financial reform was undertaken without a formal framework or targets, until the adoption of inflation targets in 2017, which could not, however, be sustained from 2021.

Years	**Targets and attainment**	**Classification**
1992-2001	2-tier banking system, highly concentrated; central bank role complicated 1992-93 by residual relationship with other ruble-using FSU states; monetary policy in principle moving towards indirect instruments via growing interbank and other financial markets, but repeatedly dominated by large fiscal deficits (after as well as before 1995 law on central bank independence) and lack of hard budget constraints for SOEs; exchange rate initially unified and freed but heavily managed via interest rates and intervention, with formal band from mid-1995 and then sliding bands from mid-1996 (at depreciation rate less than inflation); attempts at stabilisation typically not sustained but undermined, resulting in hyperinflation 1992-3, financial market crunch August 1995 (interbank interest rates over 1000%), persistent high inflation, and major financial crisis August 1998 with debt repudiation and banking failures; exchange rate floated September 1998	unstructured discretion UD
2002-16	monetary policy instruments gradually getting sorted out (e.g. by 2003 central bank running regular deposit auctions, as main tool for liquidity management), and moving towards indirect: repo rate becomes informal and then 1-week auction rate becomes formal policy rate within corridor in 2014; exchange rate formally flexible and intervention becomes less frequent towards end of period; oil stabilisation fund from 2004 and, partly as result, fiscal dominance somewhat less problematic than in past; conflict between exchange rate and inflation objectives resolved towards end of period in favour of latter; converging inflation targets introduced from 2014 but overshot 2014, 2015 and most of 2016	loosely structured discretion LSD
2017-20	stationary point inflation targets for 2017-20 attained, though inflation targeting arguably in need of further improvement, e.g. with respect to communication and de facto asymmetry of target; major impact of and policy response to Covid-19	full inflation targeting FIT
2021-23	[TENTATIVE: No Article IV Reports, no inflation data in International Financial Statistics after March 2022] invasion of Ukraine and start of war February 2022, followed by economic sanctions by western countries; inflation target for 2021 overshot, those for 2022 and 2023 (despite very sharp fall in early 2023, with inflation target temporarily undershot) probably well	loosely structured discretion LSD

	overshot (but data issues), with consumer expectations continuously well above target	

Selected IMF references: PMER 1992 pp45-6; RED April 1993 pp41-2; RED 1994 pp31-40; RED 1997 pp33-49; RED 1999 pp7-25, 71-94; SR 1999 pp29-30; SR 2002 pp14-15; SI 2003 chIV; SR 2003 p22; SR 2005 pp22-3; SR 2006 pp20-21; SI 2007 chI; SR 2007 pp13-14; SR 2008 pp19-21; SR 2010 pp18-20; SI 2011 chII; SR 2012 pp21-2; SR 2013 p13; SR 2014 pp21-2; SR 2017 p12; SR 2018 pp12-13, 25, 45; SR 2019 pp13-14, 32; SR 2021 p25.

Other sources: Bank of Russia, *Annual Report for 2022*, pp30-2; Bank of Russia, *Annual Report for 2023*, pp8-11; Bank of Finland (2024).

Slovakia started by fixing its exchange rate, but the bands were widened amidst rapid financial change and emphasis shifted towards price stability and inflation targets; the latter became formal in 2005 and Slovakia also allowed wide movements of its exchange rate, now within the wide ERM2 margins, before entering EMU in 2009.

Years	**Targets and attainment**	**Classification**
1993-5	currency pegged to basket, originally of five currencies, then of DM and USD (with known weights) only, margins of +/-0.5%, widened to +/-1.5%; devaluation July 1993; forex transactions still heavily regulated, but monetary instruments evolving	augmented exchange rate fix AERF
1996-2004	currency pegged to basket, margins widened over 1996 to +/- 5%, then January 1997 to +/-7%; peg abandoned late 1998 in favour of more or less managed float; monetary instruments now becoming largely indirect, by 2000 operating instrument is overnight interest rate; informal inflation targets given more prominence from 1999 but few other elements of inflation targeting	loosely structured discretion LSD
2005-08	formal inflation targets partly met; currency in ERM2 from November 2005 but some intervention and full use of wide bands; revaluation 2007	inflation plus exchange rate targeting I&ERT
2009-23	membership of European Economic and Monetary Union	currency union CU

Selected IMF references: RED 1993 p55; RED 1994 pp31-2, 53-4; SBI 1995 pp31-3; SR 1997 pp30-31; SR 2000 pp18, 22-3, 29; SR 2001 p22; SR 2005 pp13-16; SR 2006 pp13-15; SR 2007 pp9-10.

Additional sources: National Bank of Slovakia website, https://www.nbs.sk/en/monetary-policy/nbs-monetary-policy-up-to-2008; Beblavy (2007a); Beblavy (2007b); Banerjee et al (2011).

Slovenia managed its exchange rate throughout in various ways, with rapid evolution of financial markets and monetary instruments allowing exchange rate management to be supported by monetary and then informal inflation targets, on the way to EMU in 2007.

Years	**Targets and attainment**	**Classification**
1992-93	no targets, but successful stabilisation of inflation and tolar/DM exchange rate, despite incomplete financial markets and instruments and ongoing structural change	unstructured discretion UD
1994-97	currency held within unannounced band (which was depreciated late 1995, also late 1997) against DM; financial markets and monetary instruments evolving; tension between disinflation and competitiveness as objectives, and over desirable speed of adoption of euro	loosely structured discretion LSD
1998-2001	broad money targets met 1998-2000 (but missed 1997 and 2001), exchange rate floating but heavily managed; financial markets still underdeveloped, indexation prevalent	monetary with exchange rate targeting MwERT
2002-03	monetary targets replaced by informal inflation targets which are often adjusted and then more or less met; some financial liberalisation (including deindexation); exchange rate heavily managed but no announced target	inflation with exchange rate targeting IwERT
2004-06	in ERM2 from June 2004, currency stabilised at announced parity (with undisclosed narrow band), inflation targets met	exchange rate with inflation targeting ERwIT
2007-23	membership of European Economic and Monetary Union	currency union CU

Selected IMF references: SR 1994 pp30-31; RED 1995 pp29-36; SR 1996 pp18-23; SR 1997 pp27-33; RED 1997 pp32-5; SR 2002 pp14-16, Appendices IV and V; SR 2005 pp12-13.

Additional sources: Beblavy (2007b); Banerjee et al (2011).

South Africa initially fixed and then managed its exchange rate, with a process of financial liberalisation facilitating the adoption of inflation targets in 2002.

Years	**Targets and attainment**	**Classification**
1974-78	exchange rate pegged to USD for 6 months, managed for 12 and then repegged to USD, with devaluation September 1975; more fix than target, with narrow margins set by central bank; monetary policy instruments mainly direct	augmented exchange rate fix AERF
1979-2002	managed float of exchange rate; gradual liberalisation through 1980s makes monetary policy instruments more indirect and brings fiscal dominance under control; monetary targets 1986-9, missed 3 years out of 4, authorities insist on objectives other than inflation; central bank made independent in 1996 constitution; from 1998 new repo-based interest rate operations and authorities looking to move to formal inflation targeting, which starts 2002 with large overshoot	loosely structured discretion
2003-23	wide inflation targets met or nearly met (typically around top of band) except 2008-9 and 2022; 2-year ahead inflation expectations seem to have exceeded top of band in 2008 but since then have remained consistently around or just below top of band; major effect of and policy response to Covid-19; mid-2022 adjustment to monetary policy implementation framework involving different reserve remuneration for different tiers of banks' reserves	loose inflation targeting LIT

Selected IMF references: RED 1978 pp42-6; RED 1980 pp61-2; RED 1983 pp43-6; RED 1988 pp57-9; RED 1989 pp41-3; SR 1989 p20-21; SI 1998 pp25-6; SR 1998 p30; SR 2011 p16; SR 2014 p38; SR 2016 p41; SR 2018 pp35-6, 80-86; SR 2023 pp10, 14-16, 71-7;

Additional sources: Stals (2011); Aron and Muellbauer (2006); South African Reserve Bank, *Monetary Policy Review* October 2023 pp7-9; *Monetary Policy Review* April 2024 pp35-6.

Taiwan initially fixed its exchange rate within a highly regulated financial system, but began to liberalise gradually and continuously from 1979. A period of loosely structured discretion gave way to monetary targeting, at first converging, and then from 2003 the consistent attainment of stationary monetary targets. In 2020 those targets were replaced by reference ranges, with policymaking considering a wider range of data.

Years	**Targets and attainment**	**Classification**
1974-78	exchange rate fixed to USD, no autonomous forex market, with single change (appreciation) July 1978; monetary policy has multiple objectives, pursued mainly via interest rates within banking system dominated by domestic banks owned and controlled by government; fiscal deficit mostly well under control; monetary growth strongly affected by trade surpluses and capital inflows	augmented exchange rate fix AERF
1979-92	forex market established early 1979 with rate determined in principle by panel of bank managers on basis of USD bought and sold previous day, but in practice heavily managed float; small and frequent depreciations and appreciations mostly responding to strength of USD; 1980s interest rate deregulation; money market established 1976 comes to provide market-determined interest rate, and by mid-late 1980s main monetary policy instrument is OMOs, mainly in central bank bills and CDs (repos from 1983) but also redeposits from postal savings system, in operations to sterilise large inflows; from mid-1980s central bank has targets for money supply with reserve money as operating target, targets published from 1992 but overshot that year	loosely structured discretion LSD
1993-2002	wide (5% band, except 6% in 1998, Asian financial crisis) converging monetary targets attained roughly in first few years and then more precisely and consistently; exchange rate moving more widely from 1997 (partly in response to Asian crisis); OMOs in CDs as main monetary instrument; financial sector reforms covering reserve requirements, OMOs, interest rates, interbank forex market, payments system; rise in market as opposed to bank financing	loose converging monetary targets LCMT
2003-19	wide (4% band) stationary monetary targets consistently attained; exchange rate moving within relatively narrow range (‘dynamic stability’), balance of payments surpluses persist; continuing gradual financial sector development in areas of government bonds, forex market, interest rates, payments system, capital flows, financial infrastructure, and SME and housing finance; macroprudential measures from 2010 of increasing sophistication, designed to deter property market instability; OMOs in CDs remain main instrument of monetary policy with focus on absorbing excess liquidity and controlling bank reserves so as to sustain steady growth in monetary aggregates; minutes of monetary policy meetings published from 2017, press conferences after meetings livestreamed from 2018	loose monetary targets LMT

2020-23	2020 target range for M2 becomes reference range, with policy decisions to be based on variety of economic and financial indicators as well as monetary growth; reference range exceeded 2021 and (by less) 2022 but met 2023; policy response to Covid-19 enables economic growth to be sustained (but slower); from late 2020 some use of macroprudential tools and credit controls on property lending, reinforced in 2022-3 by rises in reserve requirements; continued use of interest rates and OMOs	loosely structured discretion LSD

Selected IMF references: none, no Article IV or other reports available.

Other sources: Annual Reports (AR) of Central Bank of China (Taiwan), 2004-23 especially AR 2004 pp75-7; AR 2010 pp 74-5; AR 2018 pp64-5; AR 2019 pp68-75; AR 2020 pp9-10; AR 2021 pp9, 66-7, 73-9; AR 2022 pp73-5; AR 2023 pp70-84; Central Bank of China (Taiwan) (2006); Emery (1984); Emery (1987); Shih (1996).

Thailand initially fixed its exchange rate but a slow and erratic process of financial reform brought a move to loose exchange rate targeting and eventually allowed a shift to indirect monetary instruments; the Asian financial crisis led to a float, and this was followed by inflation targeting, initially loose, harder from 2010 but looser again from 2015.

Years	**Targets and attainment**	**Classification**
1974-81	exchange rate fixed to USD and then from 1978 to a basket dominated by USD, very narrow spreads on bank transactions set by Exchange Equalisation Fund; monetary policy instruments include maxima on bank loan and deposit rates, reserve requirements (with banks obliged to hold government securities), selective lending operated partly through rediscount facilities; some interest rate and other liberalisation	augmented exchange rate fix AERF
1982-96	July 1981 baht devalued and pegged to USD, daily fixing replaced by rather more open forex market; from November 1984 peg is determined in relation to undisclosed basket (with weight of USD increased late 1985) and 'other considerations', which allows small movements to counter loss of competitiveness; by mid-80s monetary policy relies more on indirect instruments including operations in repo market, but reverts to direct controls and moral suasion when thought necessary; financial markets long remain weak, especially secondary markets other than repurchase market (for government, state enterprise and central bank bonds), but early 1990s interest rate ceilings abolished and mid-90s more financial reform improves scope for indirect instruments; central bank continues to provide finance to government in varying amounts; short-lived attempts late 1980s at (internal) monetary targeting, replaced by multiple indicators-type approach; policy objectives include growth, inflation, forex reserves and external equilibrium	loose exchange rate targeting
1997-99	mid-1997 Asian financial crisis leads to float of exchange rate and large depreciation only partly unwound in later quarters; central bank (which has more de facto than de jure independence) prepares for inflation targeting	loosely structured discretion LSD
2000-19	2000-8 wide (0-3.5%) inflation targets and 2009 -14 narrower targets (0.5-3%) consistently attained; exchange rate managed, mainly with view to smoothing and rebuilding of forex reserves, and capital controls used briefly in face of surging inflows, but cleaner float over time; regular policy rate (14-day repo rate) within corridor from 2007; central bank de jure independence improved from 2008; 2015-19 2.5% point target with wider +/-1.5% tolerance band, undershot 2015 but just attained 2016-19, with long-term inflation forecasts	loose inflation targeting LIT

	remaining within band though some signs of de-anchoring of expectations	
2020-23	inflation target lowered and narrowed to 1-3%, attained 2020 and 2021, overshot 2022 but undershot by end of 2023, with short-term inflation expectations rising only briefly above target band and longer-term expectations anchored throughout; strong effect of and response to Covid-19; 2022 global commodity price rises	full inflation targeting FIT

Selected IMF references: RED 1975 pp40-41; RED 1979 p37; RED 1981 p45; RED 1986 pp43, 45; SR 1986 p32; RED 1987 pp34-6; RED 1989 pp36-9; RED 1990 pp12-13; BP 1991 pp22-5; RED 1993 pp23-4; RED 1997 p13; SR 2001 pp16, 18, 30-31; SR 2002 pp7, 14; SR 2003 pp13-14, 16; SI 2007 pp50-51; SR 2007 pp14, 17-20; SR 2008 p16; SR 2015 p22; SR 2017 pp9-10, 27; SI 2017 pp2-9; SR 2018 pp11-14, 25; SR 2019 pp13-16, 26; SR 2021 pp17-18, 25; SR 2022 pp4-7, 13-15; SR 2023 pp17-18.

Additional references: Grenville and Ito (2010); Bank of Thailand, *Monetary Policy Report*, Q2 2024 p47.

Türkiye had a long period of incoherent policy, with some improvements in its monetary instruments in the 1990s, then moved to inflation targets from 2002, but it struggled (or declined) to meet those targets on a consistent basis and in 2006-8 and again from 2014 its framework has to be reclassified as loosely structured discretion.

Years	**Targets and attainment**	**Classification**
1974-88	exchange rate adjusted frequently (more fixed than targeted); monetary policy operated mainly through direct instruments; strong element of fiscal dominance; 1986-88 monetary targets repeatedly missed; lack of clarity over objectives, with repeated returns to expansion before inflation fully controlled	unstructured discretion UD
1989-2002	exchange rate more market-determined; central bank now operating more through indirect instruments; but objectives not coherent, recurring fiscal dominance; exchange rate crises 2000-01 lead to stabilisation and reform including move to inflation targeting 2002, but first target well undershot	loosely structured discretion LSD
2003-5	wide informal/implicit inflation targets (+/-2% band) hit	loose converging inflation targeting LCIT
2006-8	wide formal inflation targets overshot, no evidence of expectations remaining anchored	loosely structured discretion LSD
2009-13	wide inflation targets met except for 2011, when expectations remain partly within band	loose inflation targeting LIT
2014-23	wide inflation targets repeatedly overshot, expectations repeatedly above wide target band; IMF presses for monetary policy normalisation, i.e. move to supplying liquidity to banks at single policy rate within interest rate corridor, together with positive real policy rate, and later for clear FX intervention policy; from 2019 repeated central bank management changes, interest rate cuts, lira depreciations, and late 2021 scheme to protect lira term deposits against (in order to limit) depreciation, while inflation continues to rise; major effect of Covid-19, with strong policy response, mainly monetary, which supports growth but worsens pre-existing imbalances; shift to more orthodox policies late 2020 turns out to be short-lived; after May 2023 elections policy shifts back towards stabilisation by conventional means	loosely structured discretion LSD

Selected IMF references: RED 1985 section III.1; RED 1990 pp1-2, 22-23, 31; SR 2004 pp4, 26, 40; SR 2013 pp11-12; SI 2014 pp11-18; SR 2014 pp16-19; SR 2016 pp7, 19-20; SR 2018 p31; SR 2019 pp5-6, 12-14; SR 2021 pp5-14, 18-20, 46; SR 2022 pp5-13, 18-20, 32, 40, 43; *IMF Staff Concludes Staff Visit to Türkiye* October 6, 2023 (press release).

Other references: Central Bank of Republic of Turkey, *Inflation Report*, February 2024 pp35, 76, 79.

Venezuela fixed and then managed multiple exchange rates for many years within an underdeveloped financial system; the exchange rate was unified and floated in 1989 but managed in the late 1990s, while limited financial reforms were introduced; from 2003 (no IMF consultations) it seems that more exchange rate management and price and capital controls were used, and even more so from 2010.

Years	Targets and attainment	Classification
1974-82	dual exchange rate system unified 1976, peg to USD with narrow spreads fixed by central bank; 1974 law makes range of monetary policy instruments available to central bank, mainly direct, but heavy reliance on reserve requirements, selective credit controls and interest rates which were administratively set until 1981; recurring monetary financing of budget deficits	augmented exchange rate fix AERF
1983-8	multiple (3 or 4 tier) exchange rates plus price, exchange and import controls in response to capital outflows and exchange rate pressure; administered interest rates varied widely in both directions; oil revenues and monetary financing as alternative sources of finance for government spending; central bank uses rediscount facilities and reserve requirements as main instruments, in context of interest rate ceilings and limited open market operations	unstructured discretion UD
1989-2002	unified exchange rate floating from early 1989, later more management of exchange rate including from 1996 preannounced crawl (but with repeated changes to central parity and rate of crawl), followed by float February 2002-January 2003; initially some movement towards indirect monetary policy instruments (OMOs in interbank money market) within wider but uncompleted programme of financial reform; redemption of government bonds from late 1997 leads to shortage of effective monetary policy instruments; central bank gets more autonomy in 1992 but monetary financing of deficits continues	loosely structured discretion LSD
2003-09	[NOTE: no IMF reports after 2004, no good alternative sources of information, so classification tentative] new exchange rate peg supported by extensive exchange and price controls; devaluations 2004 and 2005; exchange controls more extensive from 2006 and reinforced 2008, 2009 (according to Chinn-Ito index); new currency (bolivar fuerte) 2007; monetary policy relies heavily on OMOs (no effective policy rate)	LSD (tentative)
2010-23	[NOTE: no IMF reports after 2004, no good alternative sources of information, so classification tentative] exchange controls strengthened further 2010, involving dual and later multiple exchange rates; devaluations in 2010, 2013 and 2016, but significant overvaluation probably remains; monetary policy instruments weak, with ceilings on interest rates; monetary growth	UD (tentative)

	becomes dominated by growing budget and public sector deficits, objectives become less coherent, hyperinflation, deep depression, large depreciation in official forex market plus massive depreciation in parallel market, political as well as economic crisis; periodic but short-lived attempts at stabilisation; 2018 new ‘sovereign bolivar’ = 100,000 old bolivars (eliminating five zeros); 2019 exchange controls reduced, more exchange rate flexibility; short-lived boost from de facto but permitted dollarisation; 2021 ‘nueva expresión monetaria’ eliminates six zeros from currency; 2022-23 short-lived rise in oil price and temporary easing of US sanctions lead to return of economic growth after long contraction, with slowing of depreciation, limited stabilisation and liberalisation	

Selected IMF references: RED 1975 p24; RED 1976 p26; RED 1979 p50; RED 1983 pp41, 66, 68; RED 1984 pp3-4, 39-40, 44-6, 68-70; RED 1987 pp34-7, 58-9; SR 1987 pp22-4; RED 1990 pp30-7, 53; RED 1994 pp23-7, 57-9; SR 1999 pp22, 23-4; SISA 2001 ch V; SR 2001 pp15-16; SI 2004 ch V; SR 2004 pp8-16, 24-5, 30; IMF *Regional Economic Outlook: Western Hemisphere*, October 2023.

Additional references: Reinhart and Santos (2016), especially Appendix I; Weisbrot and Ray (2010); Weisbrot and Johnston (2012); CEPAL, *Economic Survey of Latin American and Caribbean*, 2018-23, country notes for Venezuela.

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