



DEVELOPMENT COMMITTEE
(Joint Ministerial Committee
of the
Boards of Governors of the Bank and the Fund
on the
Transfer of Real Resources to Developing Countries)



DC2012-0006
April 12, 2012

APPOINTMENT OF DEVELOPMENT COMMITTEE MEMBERS

Attached for the April 21, 2012, Development Committee Meeting is a background paper entitled "Appointment of Development Committee Members," which has been distributed to Governors for a decision without meeting by the close of business on May 18, 2012.

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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Report from the Executive Directors
to the Board of Governors

Appointment of Members of the Development Committee **Amendment of Board of Governors Resolution No. 294**

The Board of Governors Resolution that established the Development Committee provides that members of the Committee are appointed for two year terms by each government that appoints an Executive Director and by each group of governments that elects an Executive Director, alternating between the Bank and the Fund every two years.¹ In addition, with respect to administrative costs, the Resolution provides for the Bank and the Fund to make financial appropriations in equal proportions.²

With the recent governance reforms in the Bank and the Fund, the Bank Board now has one more chair than the Fund Board.

Therefore, the Executive Directors of the Bank propose, to ensure the fullest participation by member governments in the Development Committee, that the Board of Governors approves an amendment to Resolution No. 294 to provide that appointment of Development Committee members every two years shall be based on the larger of the two Executive Boards, and to the extent the Boards correspond in size, to have a rotation system (as is presently the case). In addition, the amendment to Resolution No. 294 would provide that the proportions of the costs for carrying out the work of the Development Committee (the financial appropriations) between the Bank and the Fund would be determined jointly by the President of the Bank and the Managing Director of the Fund from time to time therefore allowing for an envisioned substantial reduction in the Fund's proportionate contribution.

A parallel proposal has been approved by the Executive Directors of the Fund and is being considered by the Governors of the Fund.

¹ Bank Board of Governors Resolution No. 294, dated October 2, 1974, as amended by Resolution No. 479, dated April 23, 1993, paragraphs 1(c) and (d).

² Bank Board of Governors Resolution No. 294, dated October 2, 1974, as amended by Resolution No. 479, dated April 23, 1993, paragraph 6.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

(DRAFT)

Resolution No. ____

Amendment of Board of Governors Resolution No. 294

RESOLVED THAT:

1. Resolution No. 294 on the Establishment of Joint Ministerial Committee of the Boards of Governors of the Bank and the Fund on the Transfer of Real Resources to Developing Countries (the "Development Committee"), is amended as follows:

a. Paragraph 1(c) is amended to read as follows:

“(c) The members of the Development Committee shall be appointed for successive periods of two years by the members of the Bank or the members of the Fund, with the appointments to be made by the members of the institution that has the larger number of executive directors or, if the number of executive directors at the Bank and the Fund is the same, by the members of the institution that did not appoint the previous members of the Development Committee.”

b. Paragraph 6 is amended to read as follows:

“The Bank and the Fund shall make such financial appropriations, in proportions as determined jointly by the President of the Bank and the Managing Director of the Fund from time to time, as are necessary for carrying out the work of the Development Committee.”

2. The amendment of Resolution No. 294 set out in paragraph 1 above shall come into force on the date that this Resolution is adopted or on the date that the identical amendment of Resolution 29-9 of the Board of Governors of the International Monetary Fund is adopted, whichever is later.