



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)



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2020 Shareholding Review: Report to Governors at the Annual Meetings

Attached is the background document titled “2020 Shareholding Review: Report to Governors at the Annual Meetings” prepared by the World Bank Group for the virtual October 16, 2020 Development Committee Meeting.

**2020 SHAREHOLDING REVIEW
REPORT TO GOVERNORS AT THE ANNUAL MEETINGS**

2020 Shareholding Review: Report to Governors at the Annual Meetings

Introduction

1. Regular 5 yearly shareholding reviews in IBRD and IFC, mandated by the Governors, have been a key element of the WBG shareholding architecture since 2010¹, following agreement on a set of Voice reforms which included an increase in basic votes, a new Board chair for Sub-Saharan Africa and the 2010 Selective Capital Increases (SCIs) in IBRD and IFC. These steps responded to the 2002 Monterey Consensus, which called for enhanced participation of developing countries, and countries with economies in transition, in the World Bank and the IMF.

2. The first regular 5 yearly shareholding review took place in 2015. At the 2015 Annual Meetings in Lima, Governors endorsed a new set of shareholding principles. They also endorsed a timeline for future work both on the Dynamic Formula, to serve as a benchmark for IBRD shareholding, and on the “Forward Look” to underpin discussions of World Bank Group capital needs. Work proceeded according to this timeline and concluded with agreement on the capital package of 2018, which included Selective and General Capital Increases for both IFC and IBRD.

3. Periodic reviews provide an opportunity to take stock of the shareholding structure of the institutions against agreed benchmarks, assess whether shareholding is aligned or misaligned relative to those benchmarks, and if so, establish whether and how to adjust shareholding. Shareholding realignment is not necessarily required with each review, but only when shareholders, through the Board of Governors, decide that the results warrant adjustment². In this way, the reviews provide opportunities for adjustment of the shareholding structures of IBRD and IFC, which in turn helps maintain the legitimacy and good governance of the World Bank Group as a multilateral institution. This note reports to Governors on the work undertaken as part of the 2020 shareholding review (“The Review”), its conclusions and recommendations.

4. The context of the Review was challenging, coming just two years after the conclusion of the 2018 capital increase exercise and as the capital subscriptions process in IBRD and IFC were starting. Additionally, the Board’s work program was significantly affected by the COVID-19 crisis which shifted the focus to crisis response priorities as well as the first Board-led review of IDA voting rights. Nevertheless, the Lima shareholding principles together with the IBRD dynamic formula, provided a framework for the Board to assess the shareholding structure of the institutions based on the latest available data. As noted at the conclusion of the discussions in 2018, however, there is not yet agreement on a benchmark for IFC that will play the role that the Dynamic Formula has for IBRD, and discussion of IFC shareholding focused on this issue. The Review was underpinned by careful preparation, including discussion by COGAM of a timeline and guiding principles to support transparency. The preparatory steps are described in Annex 1.

Shareholding principles

5. The Review reaffirmed the shareholding principles that were endorsed by Governors at the Lima Annual Meetings in 2015, which were agreed to have continued value as a guide to shareholding discussions:

(a) Regular shareholding reviews will take place every 5 years based on agreed principles and a dynamic formula.

¹ See DC 2010-006/1

² *Ibid.* para 35

- (b) *The guiding principle for shareholding realignments is to achieve an equitable balance of voting power. This can be assessed by looking at the balance of voting power between country groups and/or under-representation country-by-country³.*
- (c) *As a global cooperative, all voices are important. Where possible, decision making is by consensus. All members have Basic Votes, protected in the constituent documents of the respective WBG entities.*
- (d) *The smallest poor member countries shall be protected from dilution of their voting power.*
- (e) *Shareholding brings both rights and responsibilities, and all shareholders have an interest in the long-term financial sustainability of the WBG, including IBRD and IFC's AAA credit rating, contributing in line with their capacity to do so.*

6. The Review also reaffirmed the role of the Dynamic Formula. It noted that in the negotiation of the Dynamic Formula in 2016, some further commitments were agreed, including commitments to set aside for that review any issues of Board size, structure or regional composition and to explore limits on dilution in the context of share allocation rules. Unlike the Lima principles, these were specific commitments for the 2015 review only, although additional commitments on such matters could be considered in the event of a negotiation on a new SCI.

Shareholding Database and Dynamic Formula

7. The IBRD Dynamic Formula, a key benchmark for IBRD shareholding reviews, combines data on GDP and IDA replenishments to provide a measure of “Calculated Shareholding” (see Box 1). The difference between Calculated Shareholding and the outcome of the Selective Capital Increase agreed in 2018 (“Post 2018 Shareholding”) provides a measure of over- or under-representation – termed “misalignment” - for each member country.

Box 1: The Dynamic Formula for shareholding

$$CS = (0.8 \cdot EW + 0.2 \cdot IDA)^{0.95}$$

Where

CS = Calculated Shareholding

EW = GDP blend, 60 per cent Market Exchange Rates, 40 per cent Purchasing Power Parity

IDA = share of IDA replenishments, 80 per cent last 3 replenishments, 20 per cent historic.

A 0.95 per cent compression factor is included to reduce the difference in Calculated Shareholding between the largest and smallest shareholders.

³ The 2015 Shareholding Review Report to Governors noted that “there are different interpretations of equitable voting power, in particular whether to give priority to a fair balance of voting power country by country or between groups of countries” (DC 2015-0007 paragraph 40).

8. Data revisions implemented at the outset of the 2020 Review were as follows:

- GDP data updated to the December 2019 release, which provides full year GDP data up to 2018. The five-year average used in the Dynamic Formula therefore covers the period from 2014 to 2018. The source of GDP data is the World Development Indicators (WDI), supplemented by the IMF World Economic Outlook where necessary to complete the data set;
- IDA data updated to include the pledges made during the IDA19 replenishment in December 2019. The three most recent IDA replenishments used in the Dynamic Formula are therefore IDA17, IDA18 and IDA19. New donors to IDA19 (Angola, Azerbaijan, Bahrain, Bulgaria, Ecuador and Uruguay) receive a booster.⁴

9. Additionally, the dataset was further updated in June 2020 to incorporate the 18 May 2020 release of GDP data which included revisions of the Purchasing Power Parity component of the GDP variable. Thereafter, the dataset for the Review was considered closed.

Current distribution of IBRD shareholding

10. Of the 189 IBRD Member countries, 43 countries (accounting for 46.7 per cent of shareholding) are under-represented, based on a comparison of post-2018 shareholding with the calculated shareholding from the Dynamic Formula. The remaining 146 countries (53.3 per cent of shareholding) are over-represented. There is therefore an imbalance in terms of country numbers, with the over-represented greatly outnumbering the under-represented. Chart 1 shows the absolute differences between calculated and actual shareholding by constituency: 18 out of 25 constituencies are above their calculated shareholding and could expect to be diluted in the event of a realignment.

11. The Review also assessed misalignment as a percentage of calculated shareholding in order to adjust for country size. The extent of misalignment of the 43 under-represented countries is shown in Chart 2 below. In the previous review, a cutoff point above which countries were considered “highly under-represented” was defined in terms of the mid-point of the distribution. In this review, options to define the most under-represented using statistical measures such as standard deviations from the mean of the distribution were illustrated. In Chart 2 for example, 10 countries, all in the developing country (DTC) group, may be considered extreme outliers in the distribution in terms of statistical analysis, as they are more than 2 standard deviations from the mean.

⁴ “Donors contributing to IDA for the first time will be provided with a booster to ensure that their contribution receives the full weight of the recent component of the IDA variable” ([DC 2016-0010](#), September 20, 2016, para. 16).

Chart 1 – Misalignment by constituency (absolute difference in percentage points)

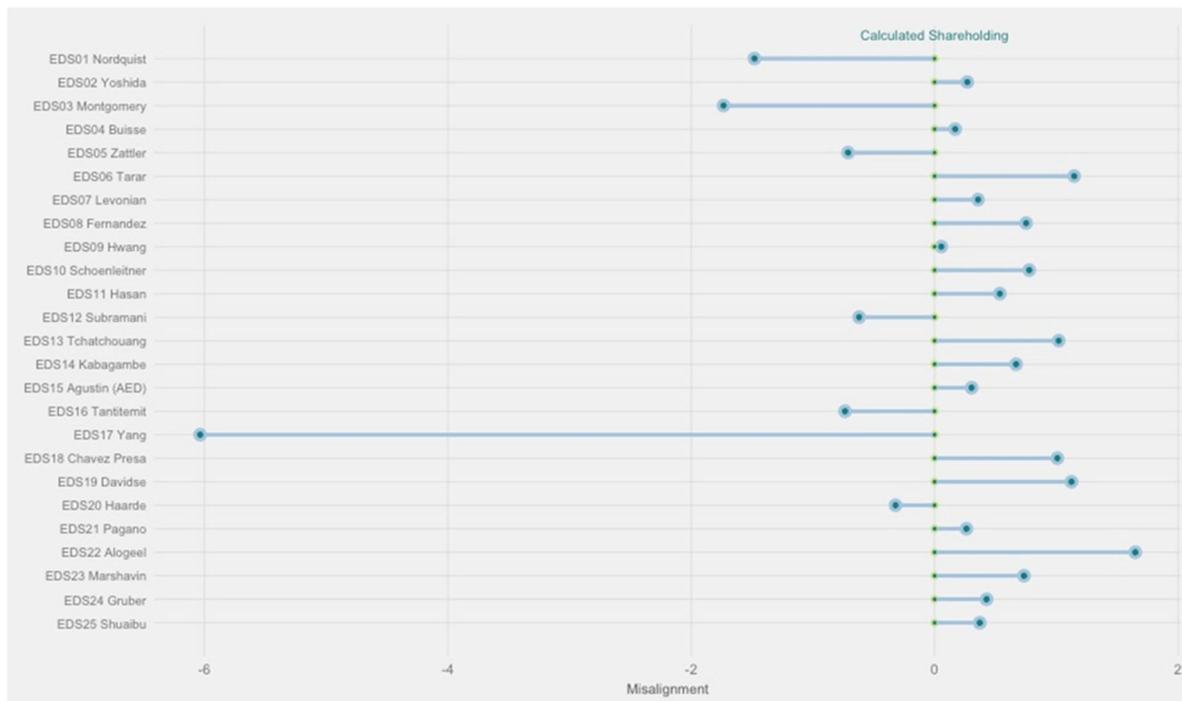
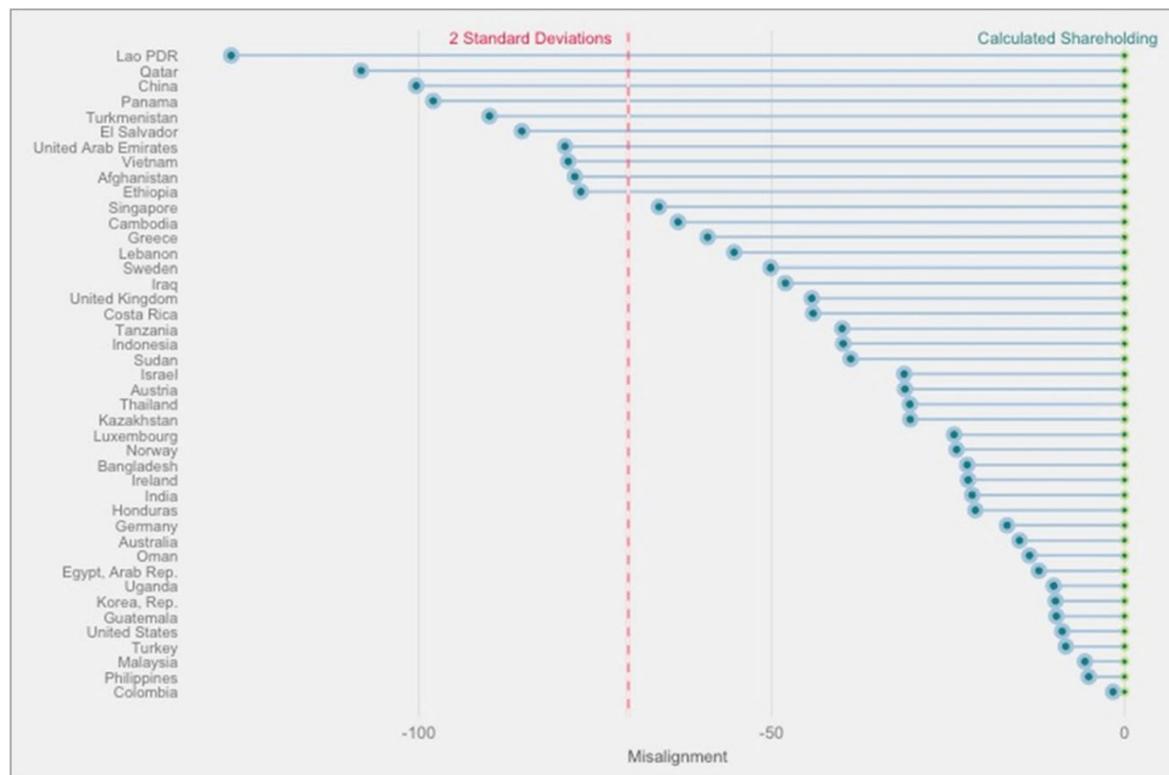


Chart 2 – Under-representation by country (as a percentage of calculated shareholding)



What are the possible options for adjustment?

12. In light of these data, the Review considered illustrative simulations of different approaches to adjusting shareholding, summarized in Table 1:

(i) **allocations of newly issued shares.** Simulations of Selective Capital Increases based on newly issued shares were illustrated, using different allocation rules including: an allocation to all shareholders; an allocation to under-represented countries, with other countries not required to subscribe; and an allocation to the most under-represented. The latter approach required defining a cutoff point to identify the most under-represented. For this simulation a cutoff point of two standard deviations from the mean was used, although it should be noted that other options are possible. An issue of new shares requires a resolution of the Governors, passed with a 75 per cent majority of voting power.

(ii) **allocations of current and potential future unallocated shares.** Simulations showed the options for adjusting shareholding without issuing new shares, using unallocated shares (shares that have been authorized but are not yet allocated to a member country). These simulations focused on allocations both to all under-represented countries and to the most under-represented countries, this time using a cutoff of one standard deviation for the mean⁵. As well as the existing stock of 8,066 unallocated shares, the simulations looked at the potential use of additional unallocated shares which may become available at the end of the subscription period of the 2018 capital exercise, noting that the number of such additional shares will not be known until 2023 at the earliest. A reallocation of such shares would help ensure that IBRD benefitted from the full amount of the capital increase agreed in 2018. An allocation of unallocated shares requires a resolution of the Governors, passed with a simple majority of voting power.

(iii) **allocations of newly issued shares designed to achieve defined outcomes.** As a variation on the approach described above in (i), simulations were presented that delivered particular outcomes, for example a fixed percentage reduction in the under-representation of all under-represented countries or the most under-represented countries. Such approaches would sharpen the focus on outcomes (rather the number of shares to issue) and would be technically feasible if developed further.

13. A range of views on the illustrative simulations emerged. Among those who expressed a position there was little support for an allocation of shares to all countries. There was a view that adjustment should benefit a broad cross section of under-represented countries, rather than a smaller number of the most under-represented countries, especially as too much targeting of allocations could lead to some under-represented countries being diluted further. At the same time, it was noted that broader allocations by themselves may not address sufficiently cases of extreme under-representation, especially if the number of shares available is limited, and so there may be merit in either allocating shares to the most under-represented, or combining allocation rules to achieve a more balanced outcome overall. Different views were expressed on where to draw the cutoff line to determine extreme under-representation in simulations that include some targeting of allocations.

⁵ The use of one Standard Deviation as a cutoff allows a larger group of under-represented countries to benefit from the allocation than the cutoff based on two Standard Deviations used in the simulations described in para 12(i).

Table 1: Summary of simulations presented

Simulations based on newly issued shares		
<i>Shares issued⁶</i>	<i>Recipients</i>	<i>Basis of allocation</i>
250,000	All countries	In proportion to Calculated Shareholding
22,170	All under-represented countries	In proportion to under-representation
22,170	The most under-represented countries ⁷	In proportion to under-representation
194,064	All under-represented countries	To reduce misalignment by 10 per cent
10,531	The most under-represented countries	To reduce misalignment by 10 per cent
Simulations based on unallocated shares		
<i>Shares allocated⁸</i>	<i>Recipients</i>	<i>Basis of allocation</i>
8,066	All under-represented countries	In proportion to under-representation
8,066	The most under-represented countries ⁹	In proportion to under-representation
8,066 + 15,000	All under-represented countries	In proportion to under-representation
8,066 + 15,000	The most under-represented (8,066) then all under-represented (15,000)	In proportion to under-representation

Should there be a realignment?

14. Discussion in the Review has shown there are divergent views on whether to realign shareholding, although within each position described below there are different perspectives and priorities, and there are chairs who did not strongly identify with either view, in some cases indicating flexibility, leaving their position open, or noting the divergence of their constituency members' views. Interest was expressed by some chairs in further technical work on the options, including simulations combining allocation rules and exploring the use of unallocated shares, while others felt that those simulations already presented were sufficient to conclude the review.

15. One view is that there should not be a shareholding realignment in this review in light of the ongoing subscriptions to the 2018 capital increases, current global context, and capital adequacy of the institution.¹⁰ On this view, while the Dynamic Formula is a key benchmark for IBRD shareholding and identifies misalignment, other factors should be taken into account in considering whether to pursue a realignment. As both capital subscription periods and the gap between

⁶ The numbers of shares assumed to be issued for the first three simulations were the same as in the 2018 agreement. In the other two simulations, the number of shares issued are what is required to achieve the outcome specified.

⁷ Countries under-represented by more than two standard deviations from the mean of the distribution.

⁸ 8,066 unallocated shares are available now. 15,000 additional shares represent a number of shares that, on the basis of past subscription rates, may become available at the end of the current IBRD capital subscription process.

⁹ Countries under-represented by more than one standard deviation from the mean of the distribution.

¹⁰ The IBRD 2018 capital increases became effective on October 1, 2018 with the adoption of the [General Capital Increase Resolution no. 663](#) and the [Selective Capital Increase Resolution no. 664](#). The IFC 2018 capital increases became effective on April 16, 2020 with the adoption of the [General Capital Increase Resolution no. 272](#) and the [Selective Capital Increase Resolution no. 271](#).

shareholding reviews are 5 years, some overlap between these processes cannot be avoided. Nevertheless, chairs taking this view felt that it would be preferable to return to the issue in some years' time and focus in the near term of other priority issues.

16. Another view is that because the data reveals substantial misalignment, as a matter of principle this should be addressed in some way, even if for wider reasons only a modest adjustment is possible at this stage. On this view, even incremental adjustments are important for the regular 5 yearly reviews, underpinned by shareholding principles agreed by Governors in Lima, to demonstrate support for a dynamic shareholding structure that adjusts over time in order to support the legitimacy of the institution. Therefore, it is important to take the opportunity to make a correction when misalignment is identified, not least as the misalignment in the data was unlikely to self-correct over time. The absence of an adjustment would therefore bequeath a bigger issue for future Boards to address in upcoming reviews.

17. Overall, with these divergent views, there is no basis for a clear recommendation from the Board on next steps in the Review and Governors' guidance would be welcome.

IFC shareholding methodology

18. The Review recognized that at the conclusion of the previous shareholding review the report to Governors observed that "The next 5 yearly shareholding review...will also provide an opportunity to consider further the methodology to be used for adjusting IFC shareholding".¹¹ A settled benchmark for IFC shareholding would have the advantage of putting IFC and IBRD on an equivalent footing at the outset of future shareholding reviews. Accordingly, the Review considered the possible options to establish an agreed benchmark for IFC shareholding.

19. Historically IFC shareholding has been linked to IBRD shareholding. Initial subscriptions to IFC (in 1956) were set in relation to IBRD shareholding, and this approach has continued to be used for new IFC members subsequently. Over time, however, the shareholding has diverged to some extent as the frequency and subscription of capital increases have differed, members have joined at different times, and thus the parallelism between the two institutions' shareholding has not been maintained. In other words, while there is a link between the shareholding of the two institutions, it has been interpreted flexibly over time. A comparison of the post-2018 shareholding structures of IFC and IBRD shows that developing countries' shareholding is lower in IFC than in IBRD – for example, the DTC grouping has 40.11 per cent of IFC shareholding compared to 45.18 per cent in IBRD.

20. The Review recalled the approaches taken to previous Selective Capital Increases for IFC, including consultative approaches as well as approaches that took IBRD as the baseline for calculating under- and over- representation. It considered three main options for adopting a benchmark for future shareholding reviews:

- (i) to negotiate a separate shareholding formula for IFC
- (ii) to use IBRD shareholding as a baseline
- (iii) to use the IBRD Dynamic Formula as a baseline.

21. Views diverged on these options. A new formula for IFC could better reflect its distinct

¹¹ [DC 2018-0003/P](#), April 20, 2018 para. 24.

private sector mandate in its shareholding structure, although establishing how best to do this would require further technical work and negotiation. However, separate formulas in IBRD and IFC would imply divergence rather than convergence of the shareholding structures of the two institutions, which is not consistent with a one WBG approach, nor with approaches taken in the past. While the use of the IBRD Dynamic Formula did not have this drawback, it was negotiated specifically in the institutional context of IBRD. Use of IBRD shareholding as a benchmark would represent a simple and practical approach in line with recent precedent that would provide a solid basis for future reviews and was seen as continuing the status quo by some chairs. However, there was also a view that the issue did not need to be settled definitively at this stage, and there was interest in further technical work to explore the viability and implications of the options.

Conclusion

22. The work of the 2020 Shareholding Review has confirmed the support of the members of the World Bank Group for the shareholding architecture that has been developed in recent years, notably the strong shareholding principles (“The Lima Principles”); an agreed analytical framework based on the Dynamic Formula for IBRD; sound working guidelines to conduct shareholding reviews in a transparent and open way; and a rich set of options for adjusting shareholding when there is agreement to do so. The Review also provided an opportunity to consider how to extend this architecture to provide a reference point for addressing IFC shareholding.

23. On IBRD, the Review identified continuing issues with the shareholding structure that merit careful and thorough consideration, including the under-representation of members, with several cases of extreme misalignment. It also identified concerns about the timing of a potential realignment given the recent capital increase and the on-going subscription process. ***In light of the diverging views expressed, Governors may wish to provide guidance for next steps in the 2020 Shareholding Review in light of the shareholding data, current global context and the shareholding principles agreed at Lima.***

24. On IFC, adopting an agreed baseline for future shareholding reviews would strengthen the WBG shareholding architecture by putting the shareholding frameworks for IFC and IBRD on an equal footing, in the spirit of one World Bank Group. As the status quo option, IBRD shareholding can continue to provide this benchmark for the next review, but this decision may call for further technical work to inform a choice between the options. ***Governors may wish to provide guidance on this issue.***

Questions for Governors

25. Based on the discussions during the review, the following options (in no order of preference) are suggested for Governors consideration and guidance:

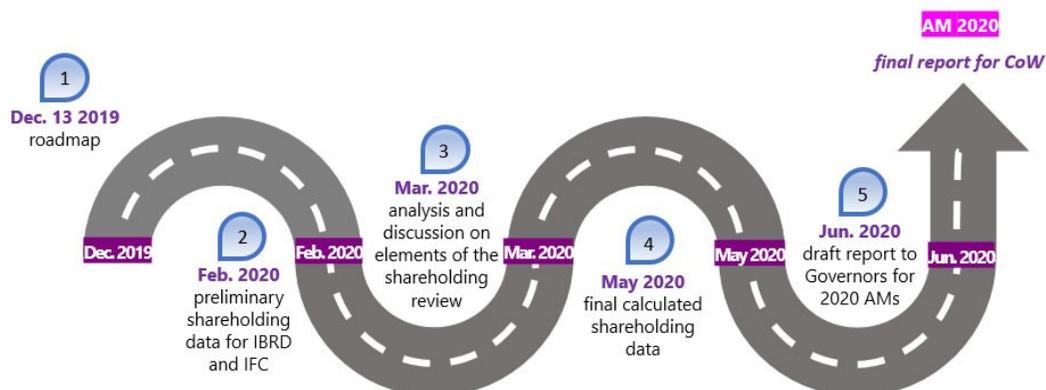
- For IBRD, do Governors prefer: (a) to complete the Review, concluding that no further work is required and no shareholding adjustment necessary at this time; (b) to request further technical work on options for a gradual adjustment of shareholding using unallocated shares; or (c) to request further technical work on any possible options for adjusting shareholding, including new issues of shares?
- For IFC, do Governors prefer: (a) to complete the Review, concluding that no further work is required and no shareholding adjustment necessary at this time; or (b) request further technical work to explore in more detail the options for an IFC benchmark for the next shareholding review?

Annex 1: Technical Preparations for the 2020 Review

Preparations for the 2020 shareholding review commenced in 2019 and included the following steps:

- (i) a Technical Briefing to the Board on the previous 2015 shareholding review in October 2019, with a particular focus on the development of the Dynamic Formula to serve as the benchmark for shareholding discussions in IBRD and on the main features of the agreement on a Selective Capital Increase reached in 2018 as part of the capital package.
- (ii) a shareholding “Open House” which provided an opportunity for all Executive Directors and their staff to engage with the Corporate Secretariat shareholding team in an informal setting and raise questions.
- (iii) technical work to update the database underpinning the Dynamic Formula. The GDP variable in the Dynamic Formula is a five-year rolling average and for this review it spans the years 2014-2018. The IDA variable gives an 80 per cent weight to the three most recent IDA replenishments, which for this review were IDA17, IDA18 and IDA19.
- (iv) an informal discussion in COGAM of a provisional timeline for the review (shown below) together with some ground rules and guiding principles for the review (see Annex Box 1).

2020 Shareholding Review Roadmap



Annex Box 1: 2020 Shareholding Review: procedural ground rules

- (i) *COGAM participation.* It is anticipated that COGAM meetings on shareholding will be open to all on an equal basis.
- (ii) *Transparency.* Data sets discussed at COGAM will be those prepared by the Corporate Secretariat. Executive Directors may request additional data to be circulated, and with the agreement of the COGAM Chair they will be provided by the Corporate Secretariat. Any data sets prepared by the Corporate Secretariat at the request of one or more Executive Directors will be shared with all Executive Directors.
- (iii) *Data.* The calculated shareholding numbers circulated for the first COGAM meeting will be based on the most recent GDP data published in October 2019 and the pledged contributions to IDA19. The GDP variable in the Dynamic Formula is a five-year rolling average and it will span the years 2014 2018. The IDA variable gives an 80 per cent weight to the three most recent replenishments, which for this review will be IDA17, IDA18 and IDA19.
- (iv) *Data revisions.* It is important that the review is conducted on both up to date data and the basis of a stable data set. Revised GDP data for the years included in the Dynamic Formula will be released in April 2020 and it is proposed to incorporate those revisions and then “close” the database so that all subsequent discussions are based on the same data set.
- (v) *Report to Governors.* A Report to Governors on the Review will be prepared by Corporate Secretariat on behalf of COGAM. All Executive Directors will have the opportunity to provide written comments on the Report before it is circulated to the Committee of the Whole.

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Annex 2 - Distribution of Shareholding and Under and Over Representation in IBRD and IFC 1/ (in percent)



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Country Name	Post-2018 IBRD Shareholding 2/ (I)	Post-2018 IFC Shareholding 2/ (II)	Dynamic Formula- Calculated Share 3/ (III)	IBRD - Absolute Under or Over Representation 4/ (I) - (III)	IFC - Absolute Under or Over Representation (IBRD Post-2018 Share) 5/ (II) - (I)	IFC - Absolute Under or Over Representation (IBRD Calculated Share) 6/ (II) - (III)
Afghanistan	0.024	0.007	0.042	-0.018	-0.017	-0.035
Albania	0.049	0.057	0.023	0.026	0.008	0.034
Algeria	0.493	0.285	0.283	0.210	-0.208	0.002
Angola	0.160	0.077	0.158	0.001	-0.083	-0.082
Antigua and Barbuda	0.026	0.004	0.002	0.024	-0.022	0.002
Argentina	1.101	1.656	0.669	0.432	0.554	0.987
Armenia	0.072	0.047	0.022	0.050	-0.025	0.025
Australia	1.407	1.848	1.616	-0.209	0.441	0.232
Austria	0.654	0.771	0.857	-0.203	0.117	-0.086
Azerbaijan	0.104	0.104	0.093	0.011	0.001	0.012
Bahamas, The	0.055	0.020	0.017	0.038	-0.035	0.003
Bahrain	0.059	0.068	0.051	0.009	0.009	0.018
Bangladesh	0.284	0.376	0.347	-0.063	0.092	0.029
Barbados	0.038	0.019	0.006	0.032	-0.019	0.013
Belarus	0.176	0.206	0.105	0.071	0.030	0.100
Belgium	1.559	1.976	0.927	0.632	0.417	1.049
Belize	0.023	0.007	0.003	0.021	-0.016	0.004
Benin	0.055	0.011	0.022	0.033	-0.044	-0.011
Bhutan	0.030	0.032	0.005	0.025	0.002	0.027
Bolivia	0.113	0.087	0.057	0.056	-0.025	0.030
Bosnia and Herzegovina	0.035	0.028	0.030	0.005	-0.007	-0.002
Botswana	0.033	0.008	0.027	0.006	-0.025	-0.018
Brazil	2.346	2.441	2.172	0.174	0.095	0.269
Brunei Darussalam 7/	0.097	-	0.021	0.077	-	-
Bulgaria	0.274	0.226	0.092	0.182	-0.048	0.134
Burkina Faso	0.055	0.039	0.021	0.034	-0.016	0.018
Burundi	0.046	0.009	0.006	0.040	-0.037	0.003
Cabo Verde	0.032	0.004	0.003	0.029	-0.028	0.001
Cambodia	0.022	0.016	0.036	-0.014	-0.007	-0.021
Cameroon	0.097	0.046	0.055	0.042	-0.051	-0.009
Canada	2.538	3.176	2.487	0.051	0.638	0.689
Central African Republic	0.043	0.010	0.003	0.040	-0.033	0.006
Chad	0.043	0.053	0.018	0.025	0.010	0.035
Chile	0.425	0.494	0.320	0.105	0.069	0.174
China	6.011	2.950	12.047	-6.035	-3.061	-9.096
Colombia	0.425	0.533	0.432	-0.007	0.108	0.101
Comoros	0.016	0.002	0.002	0.014	-0.014	0.000
Congo, Dem. Rep.	0.150	0.102	0.057	0.093	-0.048	0.045
Congo, Rep.	0.046	0.010	0.015	0.031	-0.036	-0.005
Costa Rica	0.050	0.043	0.072	-0.022	-0.007	-0.029
Cote d'Ivoire	0.154	0.156	0.057	0.097	0.002	0.099
Croatia	0.122	0.127	0.077	0.045	0.006	0.050
Cyprus	0.076	0.084	0.034	0.042	0.007	0.050
Czech Republic	0.340	0.388	0.283	0.057	0.048	0.105
Denmark	0.759	0.814	0.631	0.128	0.056	0.184

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Annex 2 - Distribution of Shareholding and Under and Over Representation in IBRD and IFC 1/ (in percent)



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Country Name	Post-2018 IBRD Shareholding 2/ (I)	Post-2018 IFC Shareholding 2/ (II)	Dynamic Formula- Calculated Share 3/ (III)	IBRD - Absolute Under or Over Representation 4/ (I) - (III)	IFC - Absolute Under or Over Representation (IBRD Post-2018 Share) 5/ (II) - (I)	IFC - Absolute Under or Over Representation (IBRD Calculated Share) 6/ (II) - (III)
Djibouti	0.035	0.005	0.004	0.031	-0.030	0.001
Dominica	0.025	0.005	0.001	0.024	-0.020	0.004
Dominican Republic	0.113	0.060	0.111	0.002	-0.053	-0.051
Ecuador	0.163	0.104	0.138	0.025	-0.059	-0.034
Egypt, Arab Rep.	0.468	0.522	0.525	-0.057	0.054	-0.003
El Salvador	0.020	0.003	0.037	-0.017	-0.017	-0.034
Equatorial Guinea	0.031	0.005	0.022	0.009	-0.026	-0.017
Eritrea	0.026	0.037	0.004	0.022	0.010	0.032
Estonia	0.049	0.056	0.039	0.010	0.007	0.017
Eswatini	0.022	0.027	0.007	0.015	0.005	0.019
Ethiopia	0.066	0.012	0.117	-0.051	-0.054	-0.104
Fiji	0.051	0.018	0.009	0.042	-0.033	0.009
Finland	0.494	0.613	0.432	0.062	0.118	0.180
France	3.913	4.725	3.744	0.169	0.812	0.982
Gabon	0.041	0.050	0.023	0.018	0.008	0.026
Gambia, The	0.034	0.008	0.003	0.031	-0.027	0.005
Georgia	0.093	0.065	0.030	0.064	-0.028	0.036
Germany	4.272	5.033	4.983	-0.711	0.761	0.051
Ghana	0.097	0.217	0.091	0.005	0.120	0.125
Greece	0.161	0.269	0.256	-0.095	0.109	0.014
Grenada	0.027	0.006	0.002	0.025	-0.020	0.005
Guatemala	0.088	0.052	0.096	-0.008	-0.035	-0.044
Guinea	0.082	0.023	0.017	0.065	-0.059	0.006
Guinea-Bissau	0.027	0.004	0.002	0.025	-0.023	0.001
Guyana	0.062	0.062	0.006	0.057	0.000	0.056
Haiti	0.068	0.040	0.014	0.054	-0.028	0.026
Honduras	0.028	0.023	0.034	-0.006	-0.006	-0.012
Hungary	0.449	0.514	0.206	0.243	0.065	0.309
Iceland	0.071	0.010	0.034	0.037	-0.061	-0.024
India	3.068	4.020	3.731	-0.663	0.951	0.289
Indonesia	1.040	1.234	1.454	-0.415	0.194	-0.220
Iran, Islamic Rep.	1.457	0.233	0.661	0.796	-1.224	-0.427
Iraq	0.183	0.025	0.271	-0.088	-0.158	-0.246
Ireland	0.339	0.090	0.414	-0.075	-0.249	-0.325
Israel	0.266	0.114	0.349	-0.083	-0.152	-0.235
Italy	2.743	3.176	2.551	0.192	0.433	0.625
Jamaica	0.135	0.167	0.021	0.113	0.032	0.146
Japan	7.201	7.183	6.932	0.269	-0.018	0.250
Jordan	0.084	0.047	0.061	0.023	-0.037	-0.014
Kazakhstan	0.207	0.204	0.270	-0.063	-0.003	-0.066
Kenya	0.151	0.158	0.113	0.038	0.007	0.045
Kiribati	0.030	0.004	0.000	0.030	-0.026	0.004
Korea, Rep.	1.631	1.289	1.791	-0.159	-0.343	-0.502
Kosovo	0.055	0.057	0.013	0.043	0.001	0.044
Kuwait	0.809	0.687	0.224	0.585	-0.122	0.462

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Annex 2 - Distribution of Shareholding and Under and Over Representation in IBRD and IFC 1/ (in percent)



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Country Name	Post-2018 IBRD Shareholding 2/ (I)	Post-2018 IFC Shareholding 2/ (II)	Dynamic Formula- Calculated Share 3/ (III)	IBRD - Absolute Under or Over Representation 4/ (I) - (III)	IFC - Absolute Under or Over Representation (IBRD Post-2018 Share) 5/ (II) - (I)	IFC - Absolute Under or Over Representation (IBRD Calculated Share) 6/ (II) - (III)
Kyrgyz Republic	0.049	0.067	0.017	0.032	0.018	0.050
Lao PDR	0.013	0.012	0.029	-0.016	-0.001	-0.017
Latvia	0.073	0.084	0.045	0.028	0.011	0.039
Lebanon	0.048	0.011	0.074	-0.026	-0.037	-0.064
Lesotho	0.042	0.008	0.005	0.037	-0.034	0.003
Liberia	0.027	0.006	0.005	0.021	-0.020	0.001
Libya	0.413	0.052	0.057	0.356	-0.361	-0.005
Lithuania	0.081	0.091	0.069	0.012	0.010	0.022
Luxembourg	0.101	0.095	0.125	-0.024	-0.006	-0.030
Madagascar	0.090	0.027	0.024	0.066	-0.063	0.003
Malawi	0.069	0.071	0.012	0.057	0.002	0.059
Malaysia	0.456	0.648	0.481	-0.026	0.193	0.167
Maldives	0.019	0.003	0.007	0.012	-0.016	-0.004
Mali	0.073	0.026	0.026	0.048	-0.047	0.000
Malta	0.055	0.063	0.016	0.039	0.008	0.047
Marshall Islands	0.018	0.026	0.000	0.018	0.007	0.026
Mauritania	0.057	0.015	0.010	0.048	-0.042	0.005
Mauritius	0.064	0.073	0.020	0.044	0.009	0.053
Mexico	1.719	1.395	1.458	0.262	-0.324	-0.063
Micronesia, Fed. Sts.	0.021	0.029	0.001	0.021	0.008	0.029
Moldova	0.087	0.057	0.019	0.068	-0.031	0.038
Mongolia	0.030	0.009	0.022	0.008	-0.021	-0.013
Montenegro	0.035	0.040	0.008	0.027	0.005	0.032
Morocco	0.291	0.376	0.161	0.129	0.086	0.215
Mozambique	0.059	0.019	0.025	0.034	-0.039	-0.005
Myanmar	0.152	0.044	0.127	0.026	-0.109	-0.083
Namibia	0.079	0.026	0.020	0.059	-0.053	0.006
Nauru 7/	0.023	-	0.000	0.023	-	-
Nepal	0.062	0.039	0.045	0.016	-0.023	-0.006
Netherlands	1.949	2.192	1.575	0.374	0.242	0.617
New Zealand	0.406	0.189	0.233	0.173	-0.216	-0.043
Nicaragua	0.038	0.032	0.023	0.015	-0.006	0.009
Niger	0.052	0.012	0.013	0.039	-0.040	-0.001
Nigeria	0.700	1.080	0.611	0.088	0.381	0.469
North Macedonia	0.023	0.024	0.020	0.003	0.001	0.003
Norway	0.603	0.687	0.747	-0.144	0.084	-0.060
Oman	0.089	0.056	0.101	-0.012	-0.032	-0.044
Pakistan	0.510	0.831	0.487	0.023	0.322	0.344
Palau	0.001	0.001	0.000	0.000	0.000	0.001
Panama	0.041	0.039	0.081	-0.040	-0.002	-0.042
Papua New Guinea	0.082	0.054	0.030	0.052	-0.028	0.024
Paraguay	0.073	0.026	0.058	0.016	-0.047	-0.032
Peru	0.328	0.366	0.263	0.065	0.038	0.103
Philippines	0.428	0.533	0.450	-0.022	0.105	0.083
Poland	0.738	0.384	0.689	0.048	-0.354	-0.306

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Annex 2 - Distribution of Shareholding and Under and Over Representation in IBRD and IFC 1/ (in percent)



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Country Name	Post-2018 IBRD Shareholding 2/ (I)	Post-2018 IFC Shareholding 2/ (II)	Dynamic Formula- Calculated Share 3/ (III)	IBRD - Absolute Under or Over Representation 4/ (I) - (III)	IFC - Absolute Under or Over Representation (IBRD Post-2018 Share) 5/ (II) - (I)	IFC - Absolute Under or Over Representation (IBRD Calculated Share) 6/ (II) - (III)
Portugal	0.322	0.363	0.273	0.049	0.041	0.090
Qatar	0.100	0.064	0.209	-0.108	-0.036	-0.144
Romania	0.296	0.202	0.295	0.001	-0.094	-0.093
Russian Federation	2.850	4.016	2.157	0.693	1.166	1.859
Rwanda	0.066	0.020	0.015	0.051	-0.046	0.004
Independent State of Samoa	0.034	0.005	0.001	0.033	-0.029	0.004
San Marino 7/	0.024	-	0.002	0.021	-	-
Sao Tome and Principe	0.031	0.021	0.001	0.030	-0.010	0.020
Saudi Arabia	2.773	2.329	1.123	1.649	-0.444	1.206
Senegal	0.129	0.105	0.033	0.097	-0.025	0.072
Serbia	0.149	0.089	0.072	0.077	-0.060	0.017
Seychelles	0.011	0.002	0.002	0.008	-0.008	0.000
Sierra Leone	0.046	0.014	0.008	0.038	-0.032	0.006
Singapore	0.256	0.035	0.425	-0.169	-0.221	-0.390
Slovak Republic	0.172	0.195	0.128	0.045	0.022	0.067
Slovenia	0.073	0.071	0.066	0.007	-0.003	0.005
Solomon Islands	0.032	0.005	0.002	0.030	-0.027	0.003
Somalia	0.028	0.006	0.008	0.020	-0.021	-0.001
South Africa	0.749	0.770	0.467	0.282	0.021	0.303
South Sudan	0.063	0.073	0.013	0.050	0.010	0.060
Spain	1.906	1.669	1.647	0.259	-0.237	0.022
Sri Lanka	0.226	0.292	0.146	0.081	0.066	0.147
St. Kitts and Nevis	0.011	0.025	0.001	0.009	0.014	0.023
St. Lucia	0.028	0.006	0.003	0.025	-0.021	0.004
St. Vincent and the Grenadines 7/	0.014	-	0.001	0.013	-	-
Sudan	0.088	0.012	0.122	-0.034	-0.076	-0.110
Suriname	0.017	0.024	0.007	0.010	0.007	0.017
Sweden	0.906	1.049	1.360	-0.454	0.143	-0.311
Switzerland	1.473	1.720	1.193	0.280	0.247	0.527
Syrian Arab Republic	0.108	0.020	0.066	0.042	-0.088	-0.046
Tajikistan	0.053	0.053	0.017	0.036	0.001	0.037
Tanzania	0.058	0.046	0.081	-0.023	-0.012	-0.036
Thailand	0.495	0.516	0.646	-0.151	0.021	-0.130
Timor-Leste	0.033	0.034	0.003	0.030	0.001	0.031
Togo	0.070	0.040	0.008	0.062	-0.031	0.031
Tonga	0.031	0.005	0.001	0.030	-0.026	0.004
Trinidad and Tobago	0.139	0.161	0.032	0.107	0.021	0.128
Tunisia	0.074	0.139	0.072	0.002	0.065	0.067
Turkey	1.105	0.748	1.197	-0.092	-0.357	-0.449
Turkmenistan	0.030	0.032	0.057	-0.027	0.002	-0.025
Tuvalu	0.018	0.002	0.000	0.018	-0.016	0.002
Uganda	0.041	0.033	0.045	-0.004	-0.007	-0.012
Ukraine	0.579	0.467	0.232	0.347	-0.112	0.235
United Arab Emirates	0.254	0.184	0.455	-0.201	-0.069	-0.270
United Kingdom	3.913	4.725	5.647	-1.734	0.812	-0.922

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Annex 2 - Distribution of Shareholding and Under and Over Representation in IBRD and IFC 1/ (in percent)



Country Name	Post-2018 IBRD Shareholding 2/ (I)	Post-2018 IFC Shareholding 2/ (II)	Dynamic Formula- Calculated Share 3/ (III)	IBRD - Absolute Under or Over Representation 4/ (I) - (III)	IFC - Absolute Under or Over Representation (IBRD Post-2018 Share) 5/ (II) - (I)	IFC - Absolute Under or Over Representation (IBRD Calculated Share) 6/ (II) - (III)
United States	16.769	17.319	18.249	-1.480	0.550	-0.930
Uruguay	0.147	0.157	0.068	0.079	0.010	0.089
Uzbekistan	0.153	0.169	0.120	0.033	0.016	0.049
Vanuatu	0.034	0.006	0.001	0.032	-0.028	0.005
Venezuela, RB	0.848	1.077	0.321	0.527	0.229	0.756
Vietnam	0.191	0.039	0.342	-0.151	-0.153	-0.304
Yemen, Rep.	0.097	0.039	0.053	0.044	-0.058	-0.014
Zambia	0.170	0.070	0.039	0.131	-0.100	0.031
Zimbabwe	0.157	0.144	0.032	0.125	-0.013	0.111

Source: Corporate Secretariat Staff Calculations.

1/ In the context of shareholding, representation is defined on the basis of the relationship between a Member's shareholding and a given benchmark. In IBRD this benchmark is determined by the IBRD Dynamic Formula in the form of Calculated Share. Absent an agreement for a benchmark for IFC, two options are presented: Post-2018 IBRD Shareholding, and IBRD Calculated Share.

2/ Figures represent the respective agreed outcomes of the 2018 SCI and GCI for IBRD and IFC, assuming full subscription to the shares allocated.

3/ Calculated shares are generated by the IBRD Dynamic formula, which combines 80 per cent Economic Weight (measured by GDP, averaged over five years and using a blend of market exchange rates and PPP of 60/40), and 20 per cent Development Contributions (measured by IDA contributions with most weight given to the three most recent replenishments). Data sources include: WDI (May 2020) and WEO (December 2019 and April 2020) for Economic Weight; and DFI Staff calculations (as of April 5, 2020) for Development Contributions.

4/ Represents under or over representation measured as the absolute difference, in percentage points, between IBRD Calculated Shares and post-2018 IBRD Shares. A negative value indicates that a country is under represented, while a positive value indicates it is over represented.

5/ Represents under or over representation measured as the absolute difference, in percentage points, between post-2018 IFC Shares and post-2018 IBRD Shares. A negative value indicates that a country is under represented, while a positive value indicates it is over represented.

6/ Represents under or over representation measured as the absolute difference, in percentage points, between post-2018 IFC Shares and IBRD Calculated Shares. A negative value indicates that a country is under represented, while a positive indicates that it is over represented.

7/ Indicates countries that are members of IBRD but not of IFC.