
FAQs - Canada, the World Bank and the International Monetary Fund

Who represents Canada at the World Bank and IMF?

Per the Bretton Woods and Related Agreements Act¹ of 1945, the Minister of Finance represents Canada at the Board of Governors² for both the World Bank and the International Monetary Fund (IMF). The Minister nominates Executive Directors to each institution, and technically the rest of the Constituency (see “Who does Canada represent...” below) has to approve this nomination before it is official. The Executive Directors are responsible for the general operations of the institutions and exercise all the powers delegated to them by the Board of Governors under the Bank’s³ and IMF’s Articles of Agreement⁴. These Articles of Agreement also outline the conditions of membership and the general principles of organization, management, and operations of the two institutions.

While the Department of Finance - through its International Finance and Development Division and International Policy and Analysis Division (see System Chart) - is primarily responsible for Canada’s participation at the Bank and IMF, the Canadian International Development Agency (CIDA) provides policy support to the Governor and his or her agents. The Minister of International Cooperation, who is responsible for CIDA, is the alternate Governor.

Who does Canada represent at the World Bank and IMF?

The World Bank and IMF both have 185 member countries divided into 24 constituencies. Canada is in a constituency with 12 other members at the World Bank, and 11 other members at the IMF. These groups are usually regionally or geographically grouped.

At the World Bank, the constituency includes: Antigua and Barbuda, The Bahamas, Barbados, Belize, Canada, Dominica, Grenada, Guyana, Ireland, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines. At the IMF, the constituency is the same, but does not include Guyana.

Accordingly, Canada is the only G7 country that represents both lenders (Canada and Ireland) and borrowers (the Caribbean) at the World Bank and the IMF. It also represents one European country - Ireland.

¹ For full text of the Act, see <http://www.canlii.org/ca/sta/b-7/>

² The Bank’s and IMF’s member countries are represented by a Board of Governors. Each member (constituency) country appoints one Governor and one Alternate Governor in accordance with the Articles of Agreement. Pursuant to the Articles, all powers are vested in the Board of Governors as a result they determine membership, authorized capital stock, the distribution of net income, and review financial statements and budgets. The Board of Governors meets once a year at the Annual Meetings.

³ <http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/ORGANIZATION/BODEXT/0,,contentMDK:50004943-men uPK:64020045-pagePK:64020054-piPK:64020408-theSitePK:278036,00.html>

⁴ <http://www.imf.org/external/pubs/ft/aa/index.htm>

Who are Canada's current Executive Directors?

Samy Watson became the Canadian Executive Director to the World Bank in November 2006 and Michael Horgan became the Canadian Executive Director to the International Monetary Fund in August 2006. More information about the Canadian offices at the World Bank⁵ and IMF⁶ can be found on-line.

Who are some of Canada's past Executive Directors to the Bank and Fund?

The World Bank

Leonard Good -1994 - 1998
Terrie O'Leary -1998 - 2002
Marcel Massé -2002 - 2006

The IMF

Thomas A. Bernes - 1996 - 2001
Ian E. Bennett - 2001 - 2004
Kevin G. Lynch - 2004 - 2006
Jonathan Fried - 2006 - 2008

How can you contact the offices of the Executive Directors?

The World Bank

Phone/Fax: 202-458-0082/202-477-4155
Address: MC-12-175, 1818 H Street N.W.
Washington, DC 20433, USA
swatson1@worldbank.org
mpiette@worldbank.org

IMF

Phone/Fax 202-623-7778/202-623-4712
Address: 11-112, 700 - 19th Street N.W.,
Washington, DC 20431, USA
mhorgan@imf.org
cbyrne@imf.org

What other positions are available to Canadians at the World Bank and IMF?

The Executive Directors of both institutions are supported by a team of advisors who tend to have experience in development, finance and central banking. All other positions are available to Canadians on a competitive basis, from the general staff pool, based on experience and qualifications.

How much does Canada contribute to the World Bank and IMF?

Canada contributes to the Bank and Fund in a number of ways. In addition to the payment of its subscription of shares and quotas, which are units of ownership in both institutions, Canada also contributes to the World Bank Group's International Development Association (IDA), the Multilateral Debt Relief Initiative (MDRI), the IMF's Poverty Reduction Growth Facility (PRGF) and various Multi-Donor Trust Funds (MDTFs). In December 2007, the Government of Canada announced that it would provide \$1.3 billion to IDA over the next three years, under the institution's fifteenth replenishment. In February 2008, Canada made a one-time cash payment of \$34 million for IDA15, and in December 2008, it issued its first demand note for IDA15 for \$384 million. We have pledged a total of CDN\$2.5 billion to the MDRI and by end of 2007 had committed \$46.3 million of this. Canada's last payment to the PRGF was in 2006/2007 and amounted to CDN\$7.82 million. From April 1 to December 31 2008, we contributed \$67 million to the Bank's MDTFs. Canada's official development assistance in 2008 amounted to approximately US \$4.73 billion, representing 0.32% of Canadian Gross National Income.

Canada's total contribution

As of June 2008, Canada has subscribed or contributed more than US\$11.908 billion to the World Bank. The breakdown by World Bank agency is as follows:

⁵ On Canada and the Bank, see <http://web.worldbank.org/canada> ; for info on the Canadian Executive Director, see <http://web.worldbank.org/external/default/main?menuPK=386589&pagePK=64099288&piPK=64099409&theSitePK=386583>

⁶ On Canada and the IMF, see <http://www.imf.org/external/country/CAN/index.htm> ; for info on the Canadian Executive Director, see <http://www.imf.org/external/np/sec/memdir/eds.htm>

IBRD - US\$ 5.404 billion
 IFC - US\$ 81.342 million

IDA - US\$ 6.366 billion
 MIGA - US\$ 56.535 million

Does Canada borrow from the Bank and Fund?

Canada and other developed countries do not meet the criteria for borrowing from the Bank or Fund because of the size of their economies.

How much say does Canada have at the Bank and Fund?

According to the Bank's and IMF's Articles of Agreement, each member country is required to have a minimum subscription of shares/quotas in the total capital stock of both institutions. The amount of the minimum subscription is roughly proportional to the absolute size of the country's economy in the world. Member countries are then allocated a certain number of votes according to the size of this subscription.

Canada is the 7th largest shareholder at the World Bank of total capital subscriptions (tied with Italy, India, Russia and Saudi Arabia). Canada has contributed US\$5.5 billion to the IBRD, IFC and MIGA and has 45,045 votes, which represents 2.78% of the total.

At the IMF, Canada ranks 9th, contributes \$6.369 billion SDR and has 63,942 votes or 2.89% of the total.

	World Bank			International Monetary Fund		
	Shares (Millions US)	No. of Votes	Percentage	Quota (Millions SDR)	No. of Votes	Percentage
US	26,496.9	265,219	16.38	37,149.3	371,743	16.77
Japan	12,700.0	127,250	7.86	13,312.8	133,378	6.02
Germany	7,239.9	72,649	4.49	13,008.2	130,332	5.88
France	6,939.7	69,647	4.30	10,738.5	107,635	4.86
UK	6,939.7	69,647	4.30	10,738.5	107,635	4.86
China	4,479.9	45,049	2.78	8,090	81,151	3.66
Italy	4,479.5	45,045	2.78	7,055.5	70,805	3.19
Saudi Arabia	4,479.5	45,045	2.78	6,985.5	70,105	3.16
Canada	4,479.5	45,045	2.78	6,369.2	63,942	2.89
All others	79,100.3	835,003	51.55	103,925.1	1,079,467	48.71
Total	157,334.9	1,619,599	100	217,372.7	2,216,193	100%

Source: IBRD Subscriptions and Voting Power, April 2009; IMF Members' quotas and voting power, May 21, 2009

Is Canada a big player at the World Bank and IMF?

Canada's subscriptions and voting power are marginal. However, as a member of the group of the world's seven most industrialized countries (G7), Canada is a significant player both within and outside the Bank and IMF. Canada's influence is further strengthened by the fact that it is one of very few countries represented on the Boards of Directors of all the regional development banks: the European Bank for Reconstruction and Development, the Asian Development Bank, the Inter-American Development Bank, the Caribbean Development Bank and the African Development Bank. In addition, Canada bridges the gap between lender and borrower countries. As mentioned above, Canada is the only G7 country that is grouped with an EU country (Ireland), a HIPC country (Guyana) and borrowing or category II countries (Caribbean).

How do we know what Canada does at the World Bank and IMF?

The Minister of Finance tables an annual report to Parliament on activities related to the Bank and International Monetary Fund⁷. In response to pressure from civil society, the annual *Report on Operations Under the Bretton Woods and Related Agreements Act* has improved dramatically in recent years. The report now discloses the Canadian position on a range of issues, a medium term strategic framework for engaging with the Bank and IMF, an evaluation of progress on the priorities and planned actions identified in the previous year, and corresponding corrective measures to realign priorities where progress has fallen short⁸. That said, these reports have never been debated before Parliament, and were only referred to the Standing Committee on Foreign Affairs and International Development for the first time in April 2007.

The Department of Finance also outlines some of its priorities and objectives in the department's Sustainable Development Strategy⁹, a requirement of all federal government departments, and in its annual Reports on Plans and Priorities. The Official Development Assistance (ODA) Accountability Act¹⁰ also now requires Finance to include a summary of positions taken by the government at the World Bank and IMF on any resolution, and as part of an overall report on Canadian ODA, indicate how Canadian activities at the Bank have contributed to the fulfillment of the Act.

Canada's contributions and support for special initiatives at the World Bank and the IMF are also outlined in some detail in the annual budget to Parliament made by the Finance Minister.

To what extent are Canadian officials at the World Bank and IMF accountable to the public?

The House of Commons Standing Committee on Foreign Affairs and International Development and the Senate Committee on Foreign Affairs have the mandate to review Canada's participation in all international institutions, including the Bank and IMF. However, these matters are not regularly discussed. The last review of the Bretton Woods Institutions was completed in 1995, and no Canadian Executive Director has appeared before any Commons Committee since then. In 1994, the Special Joint Committee Reviewing Canadian Foreign Policy recommended that the ministers who are responsible for the IFIs and Canada's Executive Directors appear annually before Parliament's foreign affairs and finance committees. This has yet to happen.

For nine years, Finance Canada and CIDA held bi-annual meetings with civil society prior to the Bank and IMF Spring and Fall meetings. These meetings were an important venue for exchanging opinions on a variety of issues. However, such an exchange has become less of a priority for the government since 2006.



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⁷ See http://www.fin.gc.ca/bretwood/bretwd08_1-eng.asp#worldbank

⁸ See http://www.halifaxinitiative.org/index.php/canada_and_the_ifis for our report cards on these annual reports

⁹ <http://strategis.ic.gc.ca/epic/site/sd-dd.nsf/en/sd00052e.html>

¹⁰ The ODA Act became law in June 2008 and now legally requires Canadian aid to contribute to poverty reduction, take into account the perspectives of the poor, and be consistent with international human rights standards.