

Parallel Resolutions

Parallel Resolutions of the Board of the World Bank and the IMF

The Joint Ministerial Committee of the Boards of Governors of the Bank and the Fund on the Transfer of Real Resources to Developing Countries was established by the Parallel Resolutions of the Board of Governors of the World Bank and the IMF. ¹The text is as follows:

WHEREAS the Committee of the Board of Governors of the International Monetary Fund on Reform of the International Monetary System has recommended the establishment of a joint ministerial committee of the Boards of Governors of the International Monetary Fund (the Fund) and the International Bank for Reconstruction and Development (the Bank) to carry forward the study of the broad question of the transfer of real resources to developing countries and to recommend measures to be adopted in order to implement its conclusion;

WHEREAS it is desirable to consider the question of the transfer of real resources to developing countries in relation to existing or prospective arrangements among countries, including those involving international trade and payments, the flow of capital, investment, and official development assistance;

WHEREAS the said Committee has invited the Managing Director of the Fund to discuss with the President of the World Bank the preparation of appropriate parallel draft resolutions on the establishment of such a joint ministerial committee for adoption by the respective Boards of Governors of the Fund and Bank;

WHEREAS pursuant to such discussions the President of the Bank and the Managing Director of the Fund have proposed to the Executive Directors of the Bank and Fund, respectively, and the Executive Directors of the Bank have approved the submission of this Draft Resolution to the Board of Governors of the Bank and the Executive Directors of the Fund have approved the submission of a parallel Draft Resolution to the Board of Governors of the Fund;

WHEREAS the Committee as envisaged would be helpful in providing a focal point in the structure of international economic cooperation for formation of a comprehensive overview of diverse international activities in the development area, for efficient and prompt consideration of development issues, and for coordination of international efforts to deal with problems of financing development; and

WHEREAS the Board of Governors of the Fund [Fund] is considering the said parallel resolution;

NOW, THEREFORE, the Board of Governors hereby RESOLVES:

1. Establishment and Composition of Joint Ministerial Committee
 - a. There is established a Joint Ministerial Committee of the Boards of Governors of the Bank and Fund on the Transfer of Real Resources to Developing Countries (hereinafter called the Development Committee)

- b. The members of the Development Committee shall be governors of the Bank, governors of the Fund, ministers, or others of comparable rank.
 - 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.
 - d. Each member government of the Bank or the Fund, as the case may be, that appoints or elects an executive director and each group of member governments of the Bank or of the Fund, as the case may be, that elects an executive director shall appoint one member of the Development Committee and up to seven associates, and, for any meeting when the member of the committee is not present, may appoint an alternate with full power to act for the member at such meeting.
 - e. Each member and associate shall serve until a new appointment is made by the member government or member governments of the Bank or the Fund, as the case may be, that are entitled to make the appointment or until the next succeeding regular election of executive directors, whichever is earlier.
 - f. During the periods when appointments are made by members of the Bank, a member of the Bank whose membership has been suspended pursuant to Article VI, Section 2 of the Articles of Agreement of the Bank shall not appoint or participate in the appointment of a member of the Committee, his alternate and associates. When the membership of a member of the Bank is suspended, and when a suspended member is restored to good standing, the consequences on the Executive Director of the Bank appointed or elected by such member, or in whose election such member participated, shall apply to the member of the Committee, his alternate and associates appointed by that member of the Bank, or in whose appointment such member participated.
 - g. During the periods when appointments are made by members of the Fund, a member of the Fund whose voting rights are suspended pursuant to Article XXVI, Section 2 (b) of the Articles of Agreement of the Fund shall not appoint, or participate in the appointment of, a member of the Committee, his alternate and associates. When the voting rights of a member of the Fund are suspended, the rules in Schedule L, paragraph 3(c) of the Articles of Agreement of the Fund on the termination of office and replacement of executive directors shall apply to the member of the Committee, his alternate and associates appointed by that member of the Fund, or in whose appointment such member participated.
2. Chairman

The Development Committee shall select a Chairman from among its members, who shall serve for such period as the Committee determines. The Chairman of the Boards of Governors of the Bank and the Fund, or a governor designated by him shall convene the first meeting of the Committee and shall preside over it until the Chairman has been selected.

3. Meetings

- a. Members of the Development Committee, associates, and the executive directors of the Bank and the Fund, or in their absence their alternates, shall be entitled to participate in meetings of the committee, unless the Committee decides to hold a session restricted to members, the President of the Bank, and the Managing Director of the Fund. Participation in respect of each item on the agenda of a meeting shall be limited to one person in respect of each member government or group of member governments that appoint a member of the Committee.
- b. The President of the Bank and the Managing Director of the Fund shall be entitled to participate in the meetings of the Development Committee, and each may designate a representative to participate in his place at any meeting when he is not present. Each may be accompanied normally by two members of his staff, at any unrestricted session of the Committee
- c. The Development Committee shall invite the heads of other international financial or economic organizations, as well as other persons, to attend or participate in meetings of the Committee relating to their areas of responsibility.

4. Terms of Reference

- a. The Development Committee shall maintain an overview of the development process and shall advise and report to the Boards of Governors of the Bank and the Fund on all aspects of the broad question of the transfer of real resources to developing countries, and shall make suggestions for consideration by those concerned regarding the implementation of its conclusions. The Committee shall review, on a continuing bases, the progress made in fulfillment of its suggestions.
- b. The Development Committee shall establish a detailed program of work, taking account of the topics listed in Annex 10 of the Outline of Reform. The Committee in carrying out its work shall bear in mind the need for coordination with other international bodies
- c. The Development Committee shall give urgent attention to the problems of (i) the least developed countries and (ii) those developing countries most seriously affected by balance of payments difficulties in the current situation.

5. Procedures

- a. The Development Committee shall meet at the time of the annual meetings of the Boards of Governors of the Bank and the Fund and, in addition, as often as required. The Chairman may call meetings after consulting the members of the Committee and shall consult them on calling a meeting if so requested by any member of the Committee.
- b. A quorum for any meeting of the Development Committee shall be two-thirds of the members of the Committee.
- c. The Development Committee may establish sub-committees or working groups from time to time.
- d. The Committee shall appoint an Executive Secretary, who shall be entitled to participate in all Committee meetings. The Executive Secretary, supported by a

small staff as necessary, and drawing on the staffs of the Bank and the Fund to the maximum extent feasible, shall be responsible to the Committee for carrying out the work directed by the Committee.

- e. Appropriate arrangements shall be made for the coordination of the work of the Development Committee and the work of the Executive Directors of the Bank and the Fund.
- f. The President of the Bank and the Managing Director of the Fund shall arrange to carry out technical work requested by the Committee and provide administrative support for the Committee within the competence of their organizations.
- g. The Committee may request assistance from international organizations or other bodies or individuals in connections with the preparation of its work.
- h. In reporting any suggestions or views of the Development Committee, the Chairman shall seek to establish a sense of the meeting. In the event of a failure to reach a unanimous view, all views shall be reported, and the members holding such views shall be identified.
- i. The Development Committee shall report not less than once a year to the Boards of Governors on the progress of its work and may publish such other reports as it deems desirable to carry out its purposes.
- j. The Development Committee may determine any aspect of its procedure that is not established by this Resolution.

6. Administrative Costs

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.

7. Review

At the end of two years from the effective date of this Resolution, the Boards of Governors of the Fund and the Bank shall review the performance of the Committee, and shall take such action as they deem appropriate.

¹ IBRD Governors Resolution 294, October 2, 1974;

Resolution No. 479. Amendment of Board of Governors Resolution No. 294. Adopted without meeting 1992/93;

Resolution No.622. Amendment of Board of Governors Resolution No. 294. Adopted on May 18, 2012; IMF Governors Resolution 29-9, October 2, 1974. [As amended by Resolution No. 48-4, adopted effective April 23, 1993.];

Resolution No. 67-2. Amendment of Board of Governors Resolution No. 29-9. Adopted without meeting on April 9, 2012.