Global Financial Governance Initiative

Working Group on Institutional Reform in Global Financial Governance

(Chaired by Ngaire Woods)

Report

(comments welcome, send to ngaire.woods@univ.ox.ac.uk)

Report of a meeting held on Friday 11 October 2002 at the Carnegie Endowment for International Peace, Washington DC

Objectives: This was the third meeting of the working group established to consider developing country interests and needs in global financial governance. The specific objectives of this meeting were to consider the new context for reform, to develop short and medium term practical steps which would ensure greater IMF and World Bank response to developing countries' needs, and to define longer term more strategic issues worthy of further attention. The officials and scholars taking part in the meeting are listed below.

Roundtable: The working group meeting began with a three-hour open roundtable attended by senior IMF, World Bank and former US Treasury officials. The objective was to give a heads-up on the next context for institutional reform, post 9-11, Doha, Monterrey and Johanesburg. A short report of the roundtable was circulated to all participants and the attached note incorporates their feed-back.

The Working Group Meeting conclusions: The discussion of the group focused on the following issues, each of which is reported more fully below:

- Improving the quality and relevance of IMF and World Bank technical advice through changes in staffing, and greater accountability;
- Restraining IMF conditionality to those issues relevant to a crisis or on which the IMF has expertise and more rigorously applying the new conditionality guidelines;
- Using the new Independent Evaluation Office in the IMF to achieve these goals;
- The need for new vigilance and monitoring of donors on debt relief and new aid flows
- Governance implications of the proposed Sovereign Debt Restructuring Mechanism
- The need to implement a new leadership selection process in the IMF and World Bank
- Developing country participation in setting the agenda in the IMF and World Bank
- Enhancing developing country advocacy in the institutions
- Representation and a new voting structure within the institutions
- Examining the impact of and opportunities afforded by other institutions on development lending, crisis management, and conditionality

The discussion on each of these is elaborated under eight headings below. A list of participants is included at the end. The written contribution of Emmanuel Tumusime Mutebile is appended.

1. Technical advice and conditionality

Better technical advice sought

Developing countries need good technical advice on a range of issues including financial and banking sector reforms, achieving compliance with the Financial Stability Taskforce standards, the management of rapid capital inflows and outflows (see Singapore's success on this), exchange rate regimes, levels of volatility at regional and global levels, and legal advice in dealing with debt workouts. The IMF (and on other issues, the World Bank) is well placed to provide useful advice on a number of these issues.

However, current and former officials participating in the group spoke of the difficulty the IMF – and the World Bank - has had in analysing local conditions within member countries. In general it was felt that the significant resources and expertise of the institutions were not being deployed to meet the specific technical needs of developing country members.

In Indonesia, for example, it was suggested that there were five key flaws in the programme the country agreed with the IMF – although, as one member stressed, not all can be attributed to the IMF: (1) the problem was diagnosed incorrectly; (2) the initial programme deepened recession in that country; (3) it failed to gain the confidence of the markets and the support of industrialized countries; (4) it failed (due to a strictly ideological analysis of hedge funds) to analyse the consequences of destabilizing speculation; and (5) it looked like an instrument of US policy.

More broadly, participants mentioned a frustration with inconsistencies in the US approach driving many IMF actions in respect of crisis management, in particular as between concerns to contain moral hazard on the one hand and ad hoc bail-outs on the other.

These perceptions of the Fund underline the need to address a number of governance issues which arose in the discussion.

Staffing

It was argued in the roundtable discussion that the IMF and World Bank need to ensure an appropriate diversity of staff to ensure that the institutions are porous and responsive to the very different needs and knowledge of their various members (cf IADB). (Note from the Chair: such a requirement is stipulated within the Articles of Agreement of each organization: Article XII, section 4(d) of the IMF stipulates that in appointing the staff, the Managing-Director shall `pay due regard to the importance of recruiting personnel on as wide a geographical basis as possible'.)

One member of the group later contributed the thought that diversity should apply particularly to the top Deputies in each organization: down to the Vice-President level in the World Bank Group and Department Directors at the IMF.

Evaluating how well the present composition of staff meets members' needs in the IMF would be a good project for the Independent Evaluation Office to take up (see below).

Applying the New Conditionality Guidelines

At the roundtable discussion James Boughton stressed that the IMF's new Guidelines on Conditionality provide for (1) ownership, meaning that the IMF must interact in ways which permit countries to take the lead, and that Fund officials must continue talking and not walk away from negotiations; (2) parsimony of goals; (3) focus on conditions which clearly lead to specified goals; and (4) clarity as to what is and what is not a condition of the loan .

It was widely thought that if the Fund's new guidelines are to change practices, powerful efforts will need to be made both within and from outside the IMF to monitor and enforce the new guidelines. The Group's discussion touched on ways in which such monitoring might proceed. An independent external monitor or ombudsman was mentioned by several members. Scrutiny by the the independent evaluation office was also discussed.

(Note from the Chair: Woods and Bradlow are going to work on a paper detailing what an ombudsman's office might look like and cover)

Professional standards of responsibility

Kunibert Raffer presented a paper on financial accountability in the IMF and World Bank (based on his paper which focuses on the World Bank - see full paper in Appendix 3). He argued that bad incentive structures within the institutions do not encourage sufficient professional care in the preparation of projects and loan proposals. He proposed an independent arbitration panel which would award damages where professional negligence or the lack of due diligence could be shown in respect of decisions made by the IBRD in the project cycle, over which the IBRD has control. He highlighted that this is a traditional feature of international law and in respect of the precedent for such liability, he mentioned a recent case in which Lloyds was held responsible as a consultant for professional advice.

Danny Bradlow's response to the paper was `beware of drawing analogies from the corporate world to hold public organizations and the civil servants that work within them to account. He agreed that the G-7 should be held more responsible for decisions implemented through the IMF and World Bank, but noted that legally (1) lenders can only be held liable for faults of debtors if you can show they have effective management and control of the affairs of their debtors (this might de facto be the case with the Bank and the IMF but it is unlikely to be de jure); (2) one would need to separate out what in fact are the acts and omissions of the borrwer and the institution which is difficult (note the the Inspection Panel has jurisdiction only over the activities of the World Bank); (3) international organizations enjoy immunity which has not diminished even as the scope of their activities has increased and the scope for state immunity has diminished. On the practical side of things, the proposal risks casting financial accountability onto developing countries rather than the G7, for if payments for mistakes are to be made from the resources of the IMF or World Bank this means borrowing developing countries will pay either through the adverse impact on availability of funds or on borrowing charges. Furthermore, these charges are likely to increase if legal standing to make claims is opened up to parties outside of contracts reached between debtor and lender. An alternative approach to greater responsibility in the organizations is to press for clearer

operating rules and procedures within the organizations, and an ombudsman (see above).

The ensuing discussion highlighted the need for greater accountability yet also the need for the Bank and Fund to take risks (that the private sector might not take) and to share in those risks. `The Bank should not be gold-plating projects' said one participant, while another noted that the ideal cannot be (in the extreme) that the IBRD make `just one perfect loan per year'. Yet at the same time, borrowers should not be required to shoulder all the burden of outcomes associated with risks taken.

A general point made repeatedly within the group and at the roundtable was that there is far too much blurring between the World Bank's commercial activities (IBRD lending) and its charitable activities (IDA lending). What might be an acceptable level or depth of conditionality in concessional loans should not be taken as appropriate for commercial lending.

<u>Better use of the Independent Evaluation Office</u>

Montek Singh Ahluwalia (Director of the IEO) attended a discussion as to how developing countries might make better use of the IEO. He outlined the activities of the IEO and pointed out that as yet developing countries have put very little pressure on his office to examine particular things. Keys points arising from the ensuing discussion were:

(1) There was a strong concern as to how the IEO would achieve its goal of `enhancing the learning culture of the IMF and enabling it better to absorb lessons for improvements in its future work' (to cite its founding statement). The Board's inability effectively to utilise discussion of the External Evaluation of ESAF was mentioned. The staff-produced minutes of the Board discussion on this were said to have borne little relationship to that actual discussion. Highlighted was the lack of clear feedback mechanisms of institutional learning. Are there lessons from the OED experience in the World Bank?
(2) the IEO should be asked to evaluate the decision-making process within the IMF and in particular the role and discharge of responsibilities of the Executive Board.
(3) the IEO could also examine the staffing of the IMF and how well it serves the new philosophy outlined in the Conditionality Guidelines.
(4) It would be useful to trace how post-conflict countries – many of whom are in arrears to the IFIs – can best re-engage with the institutions. What does the existing experience show?
(5) needs to keep a better record of alternatives discussed along the way. At present staff proposals to the Board lay out one position only. Tracing any debate about alternatives is very difficult (especially given post-its and emails – much of the record is lost).

<u>2. Debt relief and new aid flows</u>

(NB see attached contribution to the group by Emmanuel Tumusime-Mutebile, Governor of the Central Bank of Uganda)

Members of the group tracking debt relief and new aid flows highlighted 4 key points:

(1) The quantity of new aid flows needs to be at a level which does not overwhelm government capacity within developing countries. Low income countries need to retain

control over the overall level of public spending.

(2) New aid flows need to be channelled in ways which reinforce, rather than supersede national budgetary processes. Governments need to be able to set their own nationally agreed budgetary priorities through a budgetary process which is then subjected to Public Expenditure Reviews (within which donors can and should articulate views). Where additional aid is allocated to a specific sector or to specific expenditures within that sector (such as through the new global funds for health and education) it risks undermining and distorting the budgetary process and the allocations which result from it. Donors should pay a role – but in the appropriate forum. In discussion a study of how ten countries have allocated their budgets and spent new debt relief was cited by Ann Pettifor (see www.jubileeplus.org).

(3) Aid flows need to be <u>more</u> not <u>less</u> predictable. Promises of aid are often not followed-up. To quote Emmanuel Tumusime-Mutebile: `Disbursements of aid are volatile and unpredictable'… `promises…prove over-optimistic'. This hinders medium term planning and erodes the sustainability of public finances in low income countries. In discussion Roy Culpeper noted the Tanzanian consultative group's efforts to monitor donors (see Working Group 2, GFGI work in this regard). Clearly more monitoring of donors is essential (see also point 5 below).

(4) Debt relief is proceeding on calculations of sustainability which are unrealistic. In part, this is because the calculations are being made after Paris Club debt relief (see http://www.jubileeplus.org/). It was pointed out in discussion that this was a deliberate decision of the Executive Boards of the IMF and the World Bank who wanted to avoid having to commit to some $2.5 billion in debt relief which would be required if debt sustainability was to be calculated prior to relief. A further problem, however, is that calculations have been made on the basis of over-optimistic commodity price projections (see Tumusime-Mutebile, attached). The consequence is that HIPC recipients still face external debt levels which are unsustainable. In discussion the NEPAD basis for calculating sustainability was broadly supported – it uses fiscal revenue as a basis for calculations rather than exports.

(5) Free-riding is occurring in debt relief, by both governments, multilaterals and commercial creditors. Some <u>non-Paris Club bilateral creditors</u> are refusing to provide debt relief in accord with HIPC principles, even though as members of the IMF and IDA they were part of unanimous agreements to grant (eg Uganda) HIPC relief. Some <u>multilateral creditors</u> (eg regional development banks) and <u>commercial creditors</u> are refusing to give relief consistent with the Enhanced HIPC initiative. Uganda is at present facing a claim for nearly double the amount of debt relief it is receiving under HIPC, from just one creditor – Libya.

3. A sovereign debt restructuring mechanism

The group considered the Fund's proposal for a Sovereign Debt Restructuring Mechanism (see www.imf.org). Two specific concerns were discussed. If there is to be a statutory standstill mechanism: what should be the role of the IMF (and creditors) in determining whether a restructuring of debt is necessary?; and how can/should a dispute resolution mechanism be structured?

Kunibert Raffer noted the approach taken in his paper (which uses chapter 9 of US

Bankruptcy Law as a model) in which an independent panel adjudicates whether or not a debtor had good cause in activating a bankruptcy mechanism and would also resolve subsequent disputes ensuring the protection of public interests along with fairness to creditors. In discussion it was pointed out that no other countries have experience or precedent of the US bankruptcy model (although the same could be said of any SDRM). Although there was general agreement that a universally compelling system was needed.

Daniel Tarullo outlined a different approach (see Daniel Tarullo, `Rules, discretion, and authority in international financial reform', *Journal of International Economic Law*, 2001). First, he highlighted that workouts must deal with private sector debt which builds up much more rapidly than sovereign debt and that too muscular a statutory standstill mechanism would risk increasing the costs of borrowing and trigger investors not to roll over debt. Furthermore, he highlighted the problem of accountability of any independent standstill authority. The US Bankruptcy Court is accountable to Federal Circuit Courts and the Supreme Court. An ad hoc panel risks being an unaccountable body imposing rules. One has to ask: whom would it comprise? With what credentials and interests? An alternative approach is to convert current proposals into mandatory collective action clauses with a dispute mechanism defined as narrowly as possible so as to limit any damage to capital flows.

4 key points emerged in the discussion:

(1) Some capability to ensure a standstill (however mandated) was said to be vital because of the high costs to developing countries of being forced to borrow their way out of crises. Vital is some room to manouevre – a standstill mechanism could do this and might also be vital to avoid nationalizing private debt in a crisis. It was also noted that Indonesia nationalized a huge sum of private debt both directly and indirectly. That said, the Indonesian `Jakarta Initiative Debt Workout' was cited as an example of a way to get foreign creditors to reschedule;

(2) Crucial is to ensure a system which is binding upon all creditors so that debtors do not become beholden to individual actions by rogue, maverick or opportunistic creditors (as they have become even under HIPC). On this there was support for the Krueger plan which proposes one single international agreement applied all over the work – achieved by amending the IMF's Articles of Agreement and requiring a formal ratification by each member state binding it to change its domestic law.

(3) The role of the IMF is very problematic. The Krueger plan has the IMF filing the debtor's workout plan, endorsing the plan, and managing the process. It was argued that the Fund's role should clearly not be greater than that of supplying additional resources.

(4) There was real debate as to whether or not a SDRM would make investments in developing countries less attractive or more costly. Clearly there is no precedent to adjudicate this claim. Some in the group argued that it would not (citing Eichengreen Clementi etc). Others argued that a reduction in short-term capital inflows would be desirable for some developing countries – although a better way to achieve this goal may well be for developing countries to use capital controls.

Many developing countries face real capacity problems in dealing with the legal wrangling, disputes and court actions surrounding debt workouts (HIPC and Paris Club negotiations are replete with examples of countries having to hire legal help). The IMF might offer technical advice to debtors in their negotiations with creditors.

4. A new leadership selection process in the IMF and World Bank

In 2000 Working Groups were set up by the Executive Boards in each of the IMF and World Bank to look into the issue of leadership selection. Nothing has come forward from those working groups. Furthermore it may be that the Executive Boards feel restrained from agreeing to any new procedure which would bind future Boards. Several ideas were discussed on this issue by the working group.

First, it was felt that the issue should be revived and pressed during this period of calm when no actually candidacy is in question.

Second, perhaps the issue be remitted to a forum other than the Executive Boards of the institutions – e.g. Board of Governors? Development Committee? G-20? As per the example of HIPC which was mentioned in the roundtable discussion.

Third, two existing proposals for a leadership selection process were mentioned (Kapur and Kahler). These should be forwarded to the Working Groups of each organization and to the Development Committee and some response requested.

(Note from the Chair: these proposals will be circulated to you shortly for comments).

5. Strategic agenda-setting: Developing country input into strategic agenda-setting within the IMF and World Bank

The group discussed the failure of developing countries adequately to set the policy or research agenda in either the IMF or the World Bank. This failure was attributed to a number of causes.

First, it was felt that national leaders in developing countries tended not to press issues at the Ministerial level and then follow them through via their officials. To quote one participant: `Ministers do not champion issues and ensure they are put on the agenda in the way that, say Gordon Brown does'. On this issue, it was noted (by one of the policy-makers present) that Ministers of Finance and Central Bank Governors face very real incentives not to press issues. They often rely on the IMF and the World Bank to assist them in resisting internal pressures and political wrangling at home. Individually, each will often find `natural allies' in the Fund and Bank. For this reason it is important that Heads of State are engaged in key debates – a difficult task given that the low priority of many of these issues on their national political agendas. Directions forward on this are discussed under `Advocacy' below.

Second, at the Board level it was noted that policy documents in both the IMF and the World Bank are not released with sufficient lead-time to allow Executive Directors representing developing countries to prepare and consult in a considered response. In the IMF the rule is that such documents are released four weeks before Board discussion. It was proposed that an alternative approach would be to copy the process used by the Independent Evaluation Office and by the IMF in its review on conditionality. This would involve posting documents on websites before they come before the Board so as better to permit the G-24 to consult and respond.

Third, it was argued that the offices of multi-constituency Executive Directors could be considerably strengthened in both organizations. Three practical steps on this.

1. Greater allocation of staff and resources should be made to developing country constituencies. The convention of allocating staff in a uniform way across all ED offices should be abolished (this was widely agreed at the roundtable discussion).
2. One participant proposed that there should be no revolving door for Executive Directors and Alternates (not just staff), including their working as consultants for the Fund or Bank for at least one year following the end of their service on the Boards.
3. The choice of Advisors and Technical Assistants in Executive Director Offices should be based strictly on merit and not – to quote a participant - `(as at present) on politically-motivated nominations by the authorities of multi-country constituencies'. Stricter rules of employment and tenure could perhaps be considered in this regard.

Other ideas for improving strategic input in the organizations are dealt with in the next section on enhancing developing country advocacy.

6. Advocacy: enhancing collective developing country advocacy

There was widespread agreement that the existing forum for collective advocacy in the IMF and the World Bank – the G-24 – could be much updated and improved. In the words of one participant: `If I'd wanted to design a structure guaranteed to have no influence, this would be it'. The ensuing discussion of how to strengthen and improve developing country advocacy generated proposals on what a good secretariat should do, how to leverage existing capacities, and what kinds of new ideas might be pursued.

Functions: What should a secretariat for developing countries do?

1. Deliver current policy papers or `second opinions which are timely, informed, readable and authoritative. Of the essence is that policy papers provide views at the time that issues being considered by policy-makers.
2. Fresh research in new areas to help to set the agenda in the institutions. Use this research to raise big issues and to question prevailing orthodoxies, remembering that much leverage must be sought from a small input.
3. Exchange of information and networking to process existing research and information.
4. Advocacy using the media and effective links with sympathetic non-governmental organizations and groups on an issue-by-issue basis.
5. Build and maintain independent capacity and be systematic about this. The skilled diaspora from developing countries could be better used in this regard. Funding from the World Bank or other official bodies must be fully arms-length.

Leveraging existing capacity

Secretariat facilities: Developing countries have three secretariat institutions at present each fulfilling some of these functions: the G-24 in Washington DC; the South Centre in Geneva; and the G-77 in New York (to a very small degree concerned with these issues). These existing institutions shold be made more coherent. Furthermore, there are some non-governmental groups such as the Third World Network engaged in some of these roles. A

clear first step would be to start a serious discussion among these actors as to how they might more coherently and effectively fulfil the above-listed functions.

Research coordination and direction: Up until now the research coordinator of the G24 has been in charge of commissioning research and undertaking quality-control. It was proposed that this job should be split among three or four prominent academics who would commission and control fresh research, with the Secretariat in Washington DC taking charge of the production of policy papers.

Fresh ideas

Jackson Hole for Developing Countries: A couple of members of the group discussed the utility of informal networks of officials, academics and private sectors actors such as those fostered at Jackson Hole each year (among industrialized country officials, academics, and financial sector actors). Might such an event be possible for developing country officials? To some extent the Technical Meetings of the G-24 were a step in this direction. This idea needs to be revived with care taken to ensure that officials from national capitals are involved, along with top academics.

Professional lobbying: It was suggested that the secretariat should make better use of lobbying and media relations expertise. Either by retaining an expert or at least by undertaking a once-over review of the lobbying and media relations of the group. Greater clarity is needed as to the mindset of recipients of the various outputs and to what they might most constructively respond.

7. Representation: Improving developing country representation within the institutions

On this issue the group was greatly assisted by a paper prepared by Ariel Buira (see Appendix 4) who led a discussion on reforming voting power and quotas in the IMF. He emphasized that at Bretton Woods in 1944, the allocation of quotas began with a politically-acceptable deal that the major allies be allocated a certain percentage of votes. The technical formulae were then derived to serve that deal. So too today a suitable voting structure should begin with an allocation of just under 50% of votes to developing countries and just over 50% of votes to industrialized countries. Ariel Buira highlighted his concern that any reform should not leave the institution underfunded for less resources means heavier adjustment which casts a heavy burden on developing countries. He argued the case for a larger IMF in which those who are prepared to put in resources (e.g. emerging markets – whose quotas are at present out of line) should have more of a say.

The ensuing discussion highlighted the following considerations:

- why not make existing large vote-holders pay more? (the practical contribution they actually make is a tiny fraction of the institutions' resources) Should priority be on increasing resources or on increasing votes?
- in respect of the IBRD would it not be better to consider structuring governance as a credit club based on collectivised credit risk rather than as a multilateral lending agency?
- to what kinds of decisions should existing or revised voting allocation be applied and for what decisions would a different voting structure be appropriate? (see more broadly the

distinction made by Kelkar and Yadav on three instruments for three objectives (voting, contributions, and access to resources) Is there a conception of minority rights which can usefully be deployed to flesh out different kinds of voting requirements? (see forthcoming paper by Marfan)
- to what extent should we focus on developing countries' capacity to exit (ie use other agencies) rather than their voice within the Fund and Bank (see Exit or Voice below)?

8. Exit or voice? Other institutions and their impact on developing countries choices

Throughout the discussion, the issue of other institutions came up, broaching three questions:

(1) on what global financial issues are other institutions (OECD, WTO, BIS) becoming signficant, how, and with what implications for developing countries? How are new standards, codes and/or conditionalities developing in the FSF, IOSCO etc. Does this reduce the IMF's role? The BIS now has a world agenda, having broadened its membership (although not of the G10) and begun opening up regional offices such as the one about to open in Mexico. Is this taking the BIS into IMF territory in terms both of technical assistance and mobilizing resources? The Basle II Accord is one which will deeply affect developing countries. The WTO Financial Services Agreement is also an important institution to monitor. The role of the OECD is perhaps also important (e.g. in financial liberalization conditionality in Mexico and South Korea). We should also examine market-based operators – IOSCO, the rules of currency trading, hedge funds, and so forth especially as they relate to developing country needs better to manage their vulnerability to capital markets. Underlying these questions is a concern for how developing countries might better manage capital flows in normal times.

(2) Do other institutions (e.g. regional development banks, BIS, G20) provide alternatives to developing countries? On regional reserves arrangements, it was argued (reflecting on the experience of the FLAR) that regional arrangements will always be under stress since the smaller the number of participants, the higher the risk to each individual member (from policy choices and failures of others). Put more simply, the argument was voiced by one participant as `in Latin America we don't trust each other enough'. On development finance, it was argued that regional banks are already becoming more significant lenders: the Asian Development Bank was said to be lending more to Asia than the World Bank. The success of the Andean Development Fund (CAF) which now lends more than the Inter-American Development Bank was noted. Along with the European Investment Bank, the CAF is an example of how non-conditional lending can be effective. For market confidence it was argued that the IMF and World Bank imprimaturs are still important.

(3) How do governance arrangements in different organizations compare and with what implications for developing countries?

Participants in the Washington DC working group meeting:

Ngaire Woods (Chair), Fellow in Politics and International Relations, University College, Oxford University, UK
Devesh Kapur, Associate Professor in the Department of Government, Harvard University,

USA.
Richard Webb, President, Central Reserve Bank (BCR), Peru
Emmanuel Tumusime-Mutebile, Central Bank Governor, Uganda (had to cancel out late but sent in the appended written contribution to the group)
Aziz Ali Mohammed, Advisor to G-24 Liaison Office, Washington DC.
Gerald Helleiner, Professor Emeritus, Department of Economics, University of Toronto, Canada
Ariel Buira, G-24 Secretariat, Washington DC, USA
Kunibert Raffer, Associate Professor at the Department of Economics, University of Vienna, Austria
Ann Pettifor, Programme Director - Centre for International Finance and Governance. New Economics Foundation, London, UK
Louis Kasekende, Executive Director (Uganda), World Bank, Washington DC
Anwar Nasution, Senior Deputy Bank Governor, Central Bank of Republic of Indonesia
Danny Bradlow, Professor of Law and Director, International Legal Studies Program Washington College of Law, American University, Washington DC
Jomo Sundaram, Professor of Economics University of Malaya, Kuala Lumpur, Malaysia
Gobind Nankani, Vice President and Head, Poverty Reduction and Economic Management Network, World Bank, Washington DC, USA.
Anupam Khanna, Chief Economist, Shell, London, UK.
Rizal Ramli, Economic analyst, former Minister of Finance, Indonesia
Roy Culpeper, President, the North-South Institute, Ottawa, Canada
Cyrus Rustomjee, Executive Director (South Africa) IMF, Washington DC (as observer)
Daniel Tarullo, Professor at Georgetown University Law Centre and former US Deputy Special Assistant to the President for Economic Policy (for the discussion on the Sovereign Debt Restructuring Mechanism)
Montek Ahluwalia Singh, Director of IEO (for the discussion of the Independent Evaluation Office in the IMF)

Appendices:
1. Statement by Emmanuel Tumusime-Mutebile
2. Proposals for a new leadership selection procedure (to be circulated later)
3. Financial accountability within the IBRD, Kunibert Raffer (circulated at the meeting)
4. A new voting structure, by Ariel Buira (circulated at the meeting)