

INTERNATIONAL MONETARY FUND

**Extension of the Period for Consent to Increase Quotas Under the
Fourteenth General Review of Quotas, the 2008 Reform of Quota and Voice, and the
Eleventh General Review of Quotas**

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(In consultation with the Legal and Secretary's Departments)

Approved by Andrew Tweedie

December 8, 2011

1. This paper proposes a six-month extension of the period for consent to increase quotas under the Fourteenth General Review of Quotas.¹ The current deadline is due to expire on December 31, 2011; however, Resolution No. 66-2 provides that the Executive Board may extend the period for consent as it may determine. An extension under the Board of Governor's Resolution No. 66-2 will also extend the periods of consent for quota increases under the 2008 Reform of Quota and Voice (Resolution No. 63-2) and the Eleventh General Review of Quotas (Resolution No. 53-2).²
2. As of December 8, 2011, 138 members have not yet consented to their proposed quota increases under Resolution No. 66-2 (see Appendix I). The membership committed to use its best efforts to complete, no later than the 2012 Annual Meetings, the necessary steps before individual quota increases can become effective, which requires two remaining conditions to be met: (1) consent to quota increases from members representing at least 70 percent of quotas as of November 5, 2010 and (2) entry into force of the proposed amendment of the Articles of Agreement on the Reform of the Executive Board, for which many members are still in the process of seeking completion of the necessary domestic legal approvals.^{3,4,5} Once these steps are completed, members can pay for their quota increase to make them effective.

¹ See Board of Governor's Resolution No. 66-2, *Fourteenth General Review of Quotas and Reform of the Executive Board*, which can be found at: <http://www-intranet.imf.org/departments/SEC/govern/Pages/BoardofGovernorsResolutions.aspx>.

² Paragraph 7 of Resolution No. 66-2 states: "For members that have not yet consented to their increases in quotas under the Eleventh General Review and under Board of Governors' Resolution No. 63-2, the deadline for consent to such quota increases shall be the date determined by or under paragraph 4 above".

³ To enter into force, the proposed amendment must be accepted by three-fifths of the members (i.e., 113 members), having eighty-five percent of the total voting power. As of December 8, 2011, 34 members accounting for 28.89 percent of the total voting power – Australia, Belize, Benin, Cameroon, Central African

(continued...)

3. A few members still have to consent to their ad hoc quota increases under the 2008 Reform and the 11th General Review of Quotas. Ten of the 54 members eligible for quota increases under the 2008 Reform have not yet consented to their quota increases (see Appendix II). Furthermore, two members (Somalia and Sudan) are currently not eligible to consent to their quota increases under the 11th and 14th General Reviews due to protracted arrears to the Fund in the General Resources Account.^{6,7}

4. In the circumstances and noting the timeline for the effectiveness of quota increases under the 14th General Review, it is proposed to extend the period for consent under Resolution No. 66-2 to end at 6:00 p.m., Washington time, on June 30, 2012.

5. Accordingly, the following decision, which may be adopted by a majority of the votes cast, is proposed for adoption by the Executive Board:

PROPOSED DECISION

Pursuant to paragraph 4 of Resolution No. 66-2, *Fourteenth General Review of Quotas and Reform of the Executive Board*, the Executive Board decides that notices of consent from members to increases in their quotas must be received in the Fund by 6:00 p.m., Washington time, on June 30, 2012.

Republic, China, Cyprus, Dominica, Dominican Republic, France, Gabon, Guinea-Bissau, Guyana, Haiti, India, Jamaica, Japan, Korea, Malaysia, Montenegro, Morocco, Papua New Guinea, Philippines, Samoa, Sao Tome and Principe, Seychelles, Singapore, Spain, Sri Lanka, St. Vincent and the Grenadines, Suriname, Tonga, Trinidad and Tobago, and the United Kingdom—have accepted the amendment.

⁴ The third condition for effectiveness was met on March 3, 2011 when the Voice and Participation Amendment entered into force.

⁵ The Executive Board is scheduled to discuss *Proposed Amendment to the Articles of Agreement on the Reform of the IMF Executive Board and Fourteenth General Review of Quotas—Status of Acceptances and Consents* (12/2/2011) on December 12, 2011 <http://www.imf.org/external/np/pp/eng/2011/121311.pdf>.

⁶ Resolutions No. 53-2 and 66-2 provide that no member with overdue purchases, charges, or assessments to the General Resources Account may consent to, or pay for, its quota increase until it becomes current with respect to these obligations.

⁷ See *Review of the Fund's Strategy on Overdue Financial Obligations* (8/21/2011) <http://www.imf.org/external/np/pp/eng/2011/081911.pdf>.

**Members' Consents to Increases in Quotas
Under the Fourteenth General Quota Review of Quotas in the
International Monetary Fund**

(as of December 8, 2011)

The 138 members listed below have not yet consented to their respective increases under the Board of Governors' Resolution No. 66-2:

Islamic Republic of Afghanistan	Djibouti	Kosovo
Albania	Ecuador	Kuwait
Algeria	Egypt	Kyrgyz Republic
Argentina	El Salvador	Lao People's Dem. Republic
Armenia	Equatorial Guinea	Latvia
Austria	Eritrea	Lebanon
Azerbaijan	Estonia	Lesotho
Bahamas, The	Fiji	Liberia
Bahrain	Finland	Libya
Bangladesh	Gabon	Lithuania
Barbados	Georgia	Macedonia, FYR
Belgium	Germany	Madagascar
Bhutan	Ghana	Mali
Bolivia	Greece	Malta
Bosnia-Herzegovina	Grenada	Marshall Islands
Bulgaria	Guatemala	Mauritania
Cambodia	Guinea	Mauritius
Cameroon	Guinea-Bissau	Mexico
Canada	Honduras	Micronesia, Fed. States of
Cape Verde	Hungary	Moldova
Central African Republic	Iceland	Mongolia
Chile	Indonesia	Montenegro
Comoros	Iran	Morocco
Congo, Dem. Republic of	Iraq	Myanmar
Congo, Republic of	Israel	Nepal
Costa Rica	Italy	New Zealand
Croatia	Jamaica	Nicaragua
Cyprus	Jordan	Niger
Czech Republic	Kazakhstan	Nigeria
Denmark	Kiribati	Norway

Oman	Timor-Leste
Pakistan	Togo
Palau, Republic of	Tonga
Panama	Tunisia
Peru	Turkey
Philippines	Turkmenistan
Portugal	Tuvalu
Qatar	Ukraine
Romania	United Arab Emirates
Russia	United States
Rwanda	Uruguay
Samoa	Uzbekistan
San Marino	Vanuatu
Sao Tome and Principe	Venezuela
Saudi Arabia	Vietnam
Senegal	Yemen, Republic of
Serbia	Zambia
Slovak Republic	Zimbabwe
Slovenia	
Solomon Islands	
Somalia	
Sri Lanka	
St. Kitts and Nevis	
St. Lucia	
St. Vincent and the Grenadines	
Sudan	
Sweden	
Switzerland	
Syrian Arab Republic	
Tajikistan	

**Status of Members' Consents to
Increases in Quotas Under the 2008 Reforms of Quota and Voice
in the International Monetary Fund**

(as of December 8, 2011)

Under the Board of Governors' Resolution No. 63-2 on *Reform of Quota and Voice in the International Monetary Fund*, of the 54 members eligible for increases in quotas, 10 members listed below have not yet consented to their respective increases in quota.

Albania
Bahrain
Bhutan
Cape Verde
Costa Rica

Estonia
Kazakhstan
Palau, Republic of
Timor-Leste
Turkmenistan