



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

REFORM OF PROCESS FOR APPOINTMENT OF WORLD BANK PRESIDENT

Minister Manuel today re-iterated South Africa's strong support for the G-20 position that the heads of the international financial institutions, including the World Bank, should be appointed using an open, transparent selection process with candidates not restricted by nationality.

Since the IMF and World Bank were established 60 years ago, the convention has been that a United States citizen, nominated by the President of the United States, be appointed as World Bank President and that the IMF Managing Director be a European nominated by the major countries of Western Europe.

At a time when the effectiveness and legitimacy of the Bank need to be restored, it would be unfortunate if a truly merit-based process, allowing the consideration of candidates from any World Bank member country, were not followed on this occasion and into the future.

As a member of the Management Troika in 2006 of the G-20 (the Group of Twenty emerging and advanced economies), South Africa strongly supported a reference in the October 2006 G-20 Communiqué which reiterated the position expressed in the October 2005 G-20 *Statement on Reforming the Bretton Woods Institutions* that the selection of senior management of the IMF and World Bank should be based on merit and ensure broad representation of all member countries. South Africa continues to hold this view.

The G-20 welcomed consideration of any steps to ensure a fully transparent process for the selection of the IMF Managing Director and the World Bank President.

South Africa looks forward to the IMF and World Bank continuing their modernisation processes by opening up their appointment processes in response to the concerns of many of their members.

South Africa shares this view with Peter Costello, the Australian Treasurer, and Guido Mantega, the Brazilian Minister of Finance and 2008 Chairman of the G-20.

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