



**MINISTRY: FINANCE
REPUBLIC OF SOUTH AFRICA**

**Joint Statement by South African Finance Minister Pravin Gordhan and
Australian Deputy Prime Minister and Treasurer Wayne Swan, on the Selection
Process of the Managing Director of the IMF**

Following the resignation of Dominique Strauss-Kahn, who led the IMF at a pivotal period during the global financial crisis, the members of the IMF must act decisively and select a new Managing Director. The task is urgent given the current challenges facing the global economy, including in particular the needs of low income and developing countries who rely on the IMF for support. The global financial crisis demonstrated that the world needs a strong IMF and a strong Managing Director.

In selecting the new Managing Director for the IMF, it is important that we adhere to commitments made by the G20 leaders on the reform of the International Financial Institutions. In particular, in Pittsburgh G20 Leaders agreed that the heads and senior leadership of all international institutions should be appointed through an open, transparent and merit-based process.

Australia and South Africa, as co-chairs of the G20 IMF Reform Working Group, want to underscore the importance of adhering to the commitments agreed to by G20 leaders regarding the selection of the next Managing Director of the IMF.

For too long, the IMF's legitimacy has been undermined by a convention to appoint its senior management on the basis of their nationality. In order to maintain trust, credibility and legitimacy in the eyes of its stakeholders, there must be an open and transparent selection process which results in the most competent person being appointed as Managing Director, regardless of their nationality.

Issued: 22 May 2011