

WORLD FUND and BANK Inaugural Meeting



March 16, 1946

REPORT OF THE AD HOC COMMITTEE ON ELECTION PROCEDURES FOR EXECUTIVE DIRECTORS

Reporting Delegate: George A. Blowers, Ethiopia.

MR. CHAIRMAN: I have the honor to report to the Board on the work of the Ad Hoc Committee on Procedures for Executive Directors, which was appointed by the Chairman at the session of the Boards of Governors on March 15, 1946. The Committee, under the chairmanship of Mr. Graham F. Towers of Canada, met on March 16, 1946, to consider the procedures for election of Executive Directors.

Present at the Meeting were the representatives of Canada, Ethiopia, Belgium, Czechoslovakia, Egypt, Panama and Uruguay. The reporter was asked to prepare a list of the countries entitled to participate in the various elections, together with their votes, the total number of votes and calculations of the critical percentages involved in the elections. These lists are attached to this report as an annex. New lists will be furnished in the event that additional countries accept membership before the elections take place.

The Committee makes the following recommendations:

1. The Committee decided that the elections should take place on Monday, March 18.
2. Governors should be requested to present all nominations to the Secretary-General in sufficient time for the list of nominations to be posted at 5:00 p.m. Sunday, March 17. All nominations should include the names of the nominees and their nationalities. Nominations should not be closed until the Chairman reads the list of candidates immediately before the balloting begins. No nominations for Fund Directors should be received after balloting for the Fund Directors begins, and no nominations for Bank Directors should be received after balloting for the Bank Directors begins.
3. The Chairman should supervise the elections and should appoint such tellers and other assistants as he finds necessary.
4. Questions that arise in connection with the election procedures should be resolved by the Chairman or, at the request of any Governor, by the Board.

As a general rule, questions should be stated in general terms without identifying the members concerned with their solution.

5. It was agreed that the Fund elections should precede the Bank election. The first ballot at the Fund elections should be simultaneous balloting of all the Governors entitled to participate in the election of 5 directors under Article XII, Section 3(b)(iii) and all of the American Republics entitled to vote in the election of two Directors under Article XII, Section 3(b)(iv). The balloting for the five directors of the Fund should then be concluded before any further ballots are taken for the two Directors to be elected by the American Republics. After all voting on Fund Directors has been concluded, the election of the Directors of the Bank should take place.
6. Balloting should be by signed ballots to be prepared by the Secretariat. The ballots should contain the name of the voting Governor and the country he represents, the number of votes to which he is entitled, a statement that he votes for a particular person and the name of the nominee's country, and a place for the signature of the Governor. Ballots should be clearly marked for use in Fund elections and the Bank election. They should also be marked first ballot, second ballot, etc. One ballot should be handed to each Governor eligible to participate in the election immediately before a vote is taken. Only ballots distributed at that time should be eligible ballots.

At each balloting, the roll of eligible Governors should be called in the alphabetical order of the countries they represent. As each Governor's name is called, he should deposit his ballot in a ballot box. When all of the ballots have been cast, the Chairman should announce the number of votes received by each nominee, the Governors who voted for each elected candidate, the Governors whose votes contributed to his election, and the Governors who are eligible to participate in the next balloting.

7. At the end of each ballot, the Chairman may recess the meeting for such period as he may deem necessary.
8. The question was raised before the Committee whether a Governor could abstain from voting on any balloting during the course of an election. It was the view of the Committee that Schedule C, paragraph 3, of the Fund Agreement and Schedule B, paragraph 3 of the Bank Agreement would prevent a Governor from voting on any ballot taken subsequent to the one in which he refrained from voting. These paragraphs provide that if the full number of directors is not elected on the first ballot, a second ballot shall be held in which there shall vote "only (a) those governors who voted in the first ballot for a person not elected, and (b) those governors whose votes for a person elected are deemed under 4 below to have raised the votes cast for that person above twenty percent (fifteen percent) of the eligible votes."

The Committee took a different view with respect to the election of two Directors of the Fund by the American Republics. In the second election provided for under paragraph 7 of Schedule C of the Fund Agreement, the provision is that "Governors whose votes contributed to the election of the first Director shall take no part in the election of the second Director."

Thus, it is the Committee's opinion that a Governor who abstains from voting on the first ballot is not barred from voting on the subsequent ballots.

In view of the importance of the elections and the complicated nature of the voting procedure, it is the strong view of the Committee that Governors eligible to vote should not abstain from voting:

9. In connection with the dropping of candidates receiving the lowest number of votes, two problems were considered:
 - (a) If there are two candidates who receive an equal number of votes, neither should be dropped from the next ballot.
 - (b) No candidate should be dropped if the number of nominees remaining would be less than the number of directors to be elected.
10. The Committee also considered a problem which might arise if a candidate receives more than the specified maximum percentage of the votes. If two Governors with an equal number of votes voted for one nominee and either of them could be deemed under the voting provisions to have raised the nominee's total beyond the specified maximum, it will be necessary to determine which Governor shall be deemed to have so raised the number of votes the nominee received. The Committee recommends that this determination be made by lot.
11. If it is necessary in the course of the elections to make interpretations of the voting provisions, it is the hope of the Committee that such interpretations will be made liberally for the purpose of achieving the intention of the framers of the Articles of Agreement and of the Governors.

FUND
TALLY SHEET
Election of Five Executive Directors, by Members not Entitled
to Appoint Directors, Other Than the American Republics,
Article XII, Sec. 3(b) (iii)

<u>Member</u>	<u>Vote</u>						
Belgium	2,500						
Canada	3,250						
Czechoslovakia	1,500						
Egypt	700						
Ethiopia	310						
Greece	650						
Iceland	260						
Iran	500						
Iraq	330						
Luxembourg	350						
Netherlands	3,000						
Norway	750						
Philippine Commonwealth	400						
Poland	1,500						
Union of South Africa	1,250						
Yugoslavia	850						
Total	18,100						

19% of total = 3,439 votes

20% of total = 3,620 votes

FUND
TALLY SHEET
Election of Two Executive Directors by American Republics,
Article XII, Sec. 3(b) (iv)

Member	Vote						
Bolivia	350						
Brazil	1,750						
Chile	750						
Colombia	750						
Costa Rica	300						
Cuba	750						
Dominican Republic	300						
Ecuador	300						
El Salvador	275						
Guatemala	300						
Honduras	275						
Mexico	1,150						
Nicaragua	270						
Panama	255						
Paraguay	270						
Peru	500						
Uruguay	400						
Total	8,945						

45% of total = 4,026 votes