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Sir Kenneth Couzens, KCB
Second Permanent Secretary
Overseas Finance

20 October 1981

M O D B Alexander Esq
Private Secretary
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Dear Michael

CANCUN BRIEFING

The Prime Minister asked yesterday for particulars of the IMF quotas and World Bank shareholdings (that is, voting rights) of the countries which will be represented at Cancun. I attach a table.

Bank shareholdings are normally related to IMF quotas. The relationship is however not a precise one because the timing of IMF quota changes and of changes in Bank shareholding are not the same and historical factors can produce discrepancies. The most notable differences shown in the table are however those for a number of LDCs': Mexico, Venezuela, Algeria, Nigeria, Ivory Coast, Saudi Arabia and Yugoslavia. With the exception of Saudi Arabia, these countries have in the past been slow in subscribing or deliberately sought a lower Bank shareholding in order to save expenditure. 10% of a shareholding has to be "paid up", with 1% out of the 10% paid in dollars. Some of these countries are now seeking to increase their Bank shareholding. So is Saudi Arabia which very recently secured a large increase in IMF quota.

At the other extreme, India has always taken up its Bank shares promptly and in full. It is a major Bank and IDA beneficiary.

A copy of this goes to Peter Preston (ODA) and to Tom Bridges (FCO).

Yours ever

Ken

K E COUZENS

enc

CANCUN PARTICIPANTS: VOTING POWER AT IMF AND WORLD BANK

(Expressed as percentage of total votes)

<u>DEVELOPED COUNTRIES</u>	<u>IMF</u>	<u>World Bank</u>
United States	19.68	20.84
Japan	3.92	5.04
West Germany	5.08	5.06
France	4.52	5.05
United Kingdom	6.87	7.44
Canada	3.21	3.22
Sweden	1.09	1.11
Austria	0.81	0.83
	<u>45.18</u>	<u>48.59</u>
 <u>DEVELOPING COUNTRIES</u>		
<u>Latin America</u>		
Mexico	1.29	0.72
Brazil	1.59	1.60
Venezuela	1.58	0.63
Guyana	0.10	0.12
<u>Africa</u>		
Algeria	0.70	0.39
Nigeria	0.88	0.40
Ivory Coast	0.22	0.16
Tanzania	0.17	0.17
<u>Asia</u>		
China	2.84	3.47
Saudi Arabia	3.31	1.46
India	2.71	3.28
Bangladesh	0.39	0.42
Philippines	0.53	0.56
<u>Europe</u>		
Yugoslavia	0.69	0.40
	<u>17.00</u>	<u>13.78</u>

20 OCT 1987

