



**VOLUME 2**

**REPORT TO PARLIAMENT ON  
THE GOVERNMENT OF CANADA'S  
INTERNATIONAL ASSISTANCE**

**Engagement with international  
financial institutions**

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**2021-2022**

This volume of the report meets the reporting requirements of the *Bretton Woods and Related Agreements Act (Bretton Woods Act)*, sections 13 and 14; and the *European Bank for Reconstruction and Development Agreement Act (EBRD Act)*, section 7.

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## Introduction

Volume 2 of the Report to Parliament on the Government of Canada's International Assistance 2022-2023 provides information on Canada's engagement with three international financial institutions (IFIs)<sup>1</sup>: the World Bank Group ([Section A](#)), the International Monetary Fund ([Section B](#)) and the European Bank for Reconstruction and Development ([Section C](#)). Such information responds to various reporting requirements under the *Bretton Woods and Related Agreements Act* and the *European Bank for Reconstruction and Development Agreement (EBRD) Act*.

IFIs provide financial and technical assistance to developing country governments, and in some cases private sector actors in these countries, to support poverty reduction and long-term economic development. These investments cover a wide array of sectors, including education, health, public administration, infrastructure, financial and private sector development, agriculture, and environmental and natural resource management. Some IFIs, including the International Monetary Fund and the World Bank Group, also support developing countries with policy advice, research and analysis, and capacity-development activities.

Canada provides core contributions to support IFI operations and activities, while also providing funds for specific projects. Canada also actively contributes to the development of IFI policies and provides oversight of IFI financial activities through membership on Boards of Governors and Boards of Directors, the latter bodies dealing with day-to-day decisions. Canada is also involved in the work of various internal committees and engages in meaningful dialogue with other shareholders.

In order to provide strategic direction for its engagement with IFIs, Canada develops key objectives that are informed by Canada's commitment to multilateralism, foreign policy, and development priorities, and general principles of good governance.

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<sup>1</sup> This report only covers international assistance and ODA disbursed by the Government of Canada. The [Statistical Report on International Assistance](#) also includes international assistance and ODA from Canadian provinces, territories and municipalities. Please refer to the Statistical Report for detailed definitions of international assistance and ODA.

## Section A: Canada's engagement in World Bank Group operations

The World Bank Group's (WBG) mission is to eliminate extreme poverty by 2030 and boost shared prosperity on a livable planet through inclusive, sustainable economic growth and development. Canada is a founding member of the WBG, which has 189 member countries, and holds a permanent seat on the 25-member Board of Executive Directors. The Canadian Executive Director represents a constituency on the Board that includes Ireland and 11 Commonwealth Caribbean countries. Canada's largest annual contribution to the World Bank is to the International Development Association (IDA), the Bank's concessional fund, which provides low interest loans or grants to the poorest member countries. Canada is the sixth largest donor to this fund since its creation in 1960 and has contributed US\$14.5 billion to IDA since its inception.

During the reporting period, the WBG provided nearly US\$122.9 billion in financing across 90 countries to address the multiple and overlapping crises facing developing countries, including the global food and energy crisis resulting from Russia's unprovoked and unjustified invasion of Ukraine. Rising debt burdens, inflation, conflict, and the increasingly severe impacts of climate change and biodiversity loss put at risk progress towards eradicating extreme poverty and bolstering shared prosperity. During the reporting period, the WBG increased its support for climate change mitigation and adaptation, with climate finance reaching a record high of US\$29.4 billion, or 40 percent of total financing. The WBG also accelerated the preparation of Country Climate and Development Reports, which are used to advise governments on policy actions to adapt to and mitigate the worst climate impacts. The WBG was on track to fulfill its commitment to align all new financing operations with the Paris Agreement goals as of July 1, 2023. In addition, the WBG continues to work with partners to ensure that countries are better prepared for future pandemics through stronger health systems and better access to financing, including through the Pandemic Fund, with \$50 million in support from Canada.

In fall 2022, the WBG began a significant reform effort to evolve its mission statement, operating model, and financial capacity to better address the challenges facing developing countries. This entails a greater focus on global challenges, like climate change and biodiversity loss, pandemics, and fragility, conflict and violence. Canada strongly supports the evolution of the WBG and the Bank's new mission, "to end extreme poverty and boost prosperity on a livable planet." The WBG has also taken significant steps to optimize its balance sheet in order to maximize development impact and generate the resources needed to achieve the Sustainable Development Goals. At the 2023 Spring Meetings, Governors endorsed new measures to increase the WBG's financial capacity by approximately \$50 billion over the next 10 years. Canada has been a key proponent of these efforts, which are aligned with the recommendations of the G20 Independent Review of MDBs' Capital Adequacy Frameworks, and is encouraging the WBG to consider further measures to unlock additional financial capacity to support developing countries.

### Reporting requirements

The *Bretton Woods and Related Agreements Act* came into force in 1985 to govern Canada's engagement with the Bretton Woods institutions: the International Monetary Fund, and the World Bank Group (that is, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency and the International Centre for Settlement of Investment Disputes). The Bretton Woods institutions constitute important channels through which Canada delivers international assistance and supports global economic and financial stability.

As laid out in sections 13 and 14 of the *Bretton Woods and Related Agreements Act*, the Minister of Finance is required to table an annual report in Parliament that provides a general summary of operations under the Act and details of operations that directly affect Canada, along with communiqués issued by the institutions' governing committees. Sections A and B meet these reporting requirements.

For more information, refer to the text of the *Bretton Woods and Related Agreements Act* on Justice Canada's website: [Bretton Woods and Related Agreements Act](#).

## Governance and representation

### Canada's capital subscriptions and shareholding

The World Bank Group is governed by member countries, each of which owns shares of the agencies that make up the World Bank Group. Decision-making power is exercised primarily by countries, through their representative on the Board of Governors and their Executive Directors.

Canada is among the 10 largest shareholders at the World Bank Group. Since the World Bank's creation in 1945, Canada has contributed a total of US\$9.2 billion in capital subscriptions to the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Multilateral Investment Guarantee Agency (MIGA), and US\$14.5 billion in contributions to the International Development Association (IDA) (see Table 1).

Canada's current voting power ranges from 2.5% to 3.45% within the Bank's different institutions. Voting power at the Bank is a function of the shareholdings held by a country. A small share of a member's voting power is also determined by basic votes, which are distributed equally among all members.

**Table 1: Canada's cumulative capital subscriptions, June 2023 (US\$ millions, unless otherwise indicated)**

Description	IBRD	IDA	IFC	MIGA
Capital subscriptions and contributions	8,499.3	14,470.50 <sup>2</sup>	796.1 <sup>3</sup>	56.5
Amount paid in	619.5	14,470.50	305.7 <sup>3</sup>	10.7
Amount not paid in but contingent on future capital requirements	7,879.8	-	-	45.8
Subscription or contributions share (%)	2.6	4.6	3.5	3.0
Voting power (%)	2.5	2.7	3.3	2.5

<sup>2</sup> Represents Canada's cumulative contributions to IDA.

<sup>3</sup> While Canada's cumulative payments to the IFC amount to US\$305.7 million, Canada holds US\$796.1 million of shareholder capital as a result of the conversion of members retained earnings into paid-in capital.



Information on the World Bank Group's 2022-2023 fiscal year (July 1, 2022 to June 30, 2023) is provided in the [financial statements](#) of each entity. Further information on the WBG's performance can be found on its [Results webpage](#).

### **Canada at the Board of Governors**

Each member appoints a Governor to represent it on the Board of Governors, the highest authority governing the World Bank Group. Governors are responsible for core institutional decisions, such as admitting or suspending members, increasing or decreasing the Bank's authorized capital stock, determining the distribution of net income, and reviewing financial statements and budgets. Canada's Governor at the World Bank Group during the reporting period was Deputy Prime Minister and Minister of Finance Chrystia Freeland. During the reporting period Leslie MacLean, Canada's former Deputy Minister of International Development, was Canada's Alternate Governor at the World Bank Group. Chris MacLennan, Canada's current Deputy Minister of International Development was appointed Alternate WBG Governor on October 10, 2023.

### **Canada at the Executive Board**

Governors delegate responsibility for the day-to-day running of the organization to 25 full-time Executive Directors, located at the WBG's headquarters in Washington, D.C. Executive Directors are appointed for two years. They each represent a constituency, which can include more than one country. Canada holds one of the 25 seats on the Executive Board and represents a constituency that is also composed of Ireland and 11 Caribbean countries. Representatives of the governments within the constituency provide advice to the Executive Director on issues discussed at the Executive Board. Canada's Executive Director to the WBG during the reporting period was Katharine Rechico, who was appointed in February 2022.

The Executive Board usually makes decisions by consensus. In the event of a formal vote, however, the relative voting power of individual Executive Directors is based on the shares held by the constituencies they represent. Further information on Canada's Executive Director's office can be found on the [World Bank website](#).

To learn more about the governance of the Executive Board, please visit the World Bank Group's [Board of Directors' webpage](#).

### **Canada at the Development Committee**

By virtue of its significant shareholding, Canada's Governor is also accorded a seat at the Development Committee of the Boards of Governors of the World Bank and IMF. The committee meets twice a year, at the Spring Meetings and the Annual Meetings (held in the Fall). The Development Committee is a ministerial-level forum of the World Bank Group and the IMF for intergovernmental consensus-building on development issues and the financial resources required to promote economic development in developing countries.

In 2022-2023, Canada's Governor tabled two Development Committee statements on behalf of Canada's constituency, in October 2022 and April 2023. The Governor's statements highlighted Canada's priorities at the WBG, including advancing reforms to optimize the financial capacity of the Bank and strengthen its ability to respond to global challenges like climate change. The Statement's also highlighted Canada's support for Ukraine and other priorities such as climate action, biodiversity protection, and gender equality. Statements by all Governors can be found on the [Development Committee webpage](#).



## Canada's financial contributions to the World Bank Group in 2022-2023

Canada is an important provider of funding to the World Bank Group. In 2022-2023, Canada made the following contributions, which are reported as Canadian official development assistance:

### **IDA contribution: \$486.9 million grant**

IDA is one of the largest sources of assistance for the world's 75 poorest countries, 39 of which are in Africa. Strongly aligned with Canada's international assistance priorities, IDA-financed operations focus on issues such as primary education, basic health services and clean water and sanitation. The most recent replenishment of IDA, IDA20, covers the period July 2022 to June 2025 and focuses on areas that reflect new challenges. This involves five special themes – human capital; climate change; gender and development; fragility, conflict and violence; and jobs and economic transformation, as well as four cross-cutting issues of governance and institutions; crisis preparedness; debt; and technology. IDA provides countries with low-interest loans, interest-free loans and grants based on a country's level of income and record of success in managing their economy and their ongoing IDA projects.

During the reporting period of July 1, 2022 to June 30, 2023, Canada provided a grant contribution of \$486.9 million, as agreed under the IDA20 replenishment. These contributions support IDA's efforts to enhance aid effectiveness, finance large regional projects such as infrastructure projects, and provide special assistance for fragile states, while ensuring countries do not take on unsustainable levels of debt.

### **World Bank Group's Ukraine Relief, Recovery, Reconstruction and Reform Trust Fund**

In December 2022, Canada announced it would provide \$115 million to help repair Kyiv's power grid. In making this commitment to Ukraine through the World Bank's Ukraine Relief, Recovery, Reconstruction and Reform Trust Fund, Canada became the first G7 country to meet the June 2022 G7 Leaders' commitment to explore opportunities to use revenues collected through tariff measures against Russia to assist Ukraine. The full \$115 million was disbursed on March 31, 2023.

### **Multilateral debt relief through the World Bank: \$56.8 million**

Under the Multilateral Debt Relief Initiative (MDRI), the World Bank, IMF and African Development Fund (ADF) agreed to cancel 100% of eligible debts owed by heavily indebted poor countries. At the G8 Summit in Gleneagles, United Kingdom, in 2005, Canada and other donor countries agreed to fully compensate the World Bank, IMF and ADF for the debts they cancelled on behalf of poor countries, so as not to undermine the ability of these institutions to provide new financial support to low-income countries. Canada's total commitment over the 50-year lifespan of the MDRI is \$2.5 billion and payments are made annually. Debt relief under the Heavily Indebted Poor Countries Initiative and the MDRI has substantially reduced debt burdens in recipient countries. During the July 1, 2022 to June 30, 2023 reporting period, Canada provided \$56.8 million to the World Bank Group for the MDRI.

### **World Bank Group trust funds and financial intermediary funds: \$682.08 million**

World Bank Group trust funds and financial intermediary funds (FIFs) are effective instruments for channeling donor funding to address key strategic development issues at the country, regional or global level. In particular, trust funds leverage bank funding for development programs, including in post-disaster and post-conflict situations; enable donor





and private sector financiers of development activities to partner with the Bank, consistent with harmonization objectives; build capacity to work in innovative areas; and work with civil society organizations. Trust funds can either be single- or multi-donor. Canada contributes to both types, with the majority of its contributions going to multi-donor trust funds. FIFs enable the international community to provide a direct and coordinated response to global priorities such as pandemics, climate change and food security. FIFs often involve innovative financing and governance arrangements as well as flexible designs which enable funds to be raised from multiple sources, both sovereign and private.

Canada's engagement with the World Bank Group reflects a strong focus on:

- Canada's Feminist International Assistance Policy, which puts the empowerment of women and girls at the centre of its development efforts;
- the poorest countries and countries in conditions of fragility and conflict;
- global public goods, such as health and climate change mitigation; and,
- country operations.

Global Affairs Canada manages Canada's trust fund and FIF relationships at the World Bank Group. Table 2 provides a list of Global Affairs Canada trust fund and FIF disbursements in 2022-2023.

**Table 2: Global Affairs Canada disbursements to WBG trust funds and FIFs in 2022-2023**

Trust fund / FIF	Disbursements between July 1, 2022 and June 30, 2023 (\$ millions)
<b>Sources:</b> Global Affairs Canada, Chief Financial Officer – Statistics	
<b>Africa</b>	
Strengthening Ethiopia's Adaptive Safety Net	15.9
Urban Productive Safety Net and Jobs Projects in Ethiopia	14.9
GIRL/Gender Innovation & Regional Learning	5.0
Resilient Landscapes and Livelihoods for Women in Ethiopia	4.5
South Sudan Multi-Donor Transition Trust Fund	1.5
Technical Assistance for Ethiopia's Reform Agenda	1.3
<b>Americas</b>	
Global Concessional Financing Facility (GCFF) – Venezuelan migration in Ecuador	2.0
Technical Assistance for Social Inclusion of Venezuelan Refugees and Migrants in Colombia and Peru	2.0
<b>Asia</b>	
Funding to the Afghanistan Reconstruction Trust Fund 2020-2024	45.0
Strengthening Health Systems and Services in Bangladesh	3.5



**Table 2: Global Affairs Canada disbursements to WBG trust funds and FIFs in 2022-2023**

<b>Trust fund / FIF</b>	<b>Disbursements between July 1, 2022 and June 30, 2023 (\$ millions)</b>
Oceans for Prosperity – Indonesia	2.3
Gender Responsive Planning & Budgeting in Indonesia	2.0
Bangsamoro Normalization Trust Fund (Philippines)	0.3
<b>Middle East and North Africa</b>	
Support to Jordan’s Growth Matrix	5.0
Global Concessional Finance Facility (Jordan)	1.7
<b>Global initiatives</b>	
Climate Investment Funds - Accelerating Coal Transition Program	320.0
Facility for Resilient Food Systems	100.0
Pandemic Fund	50.0
Support to COVID-19 Essential Health Services Grants	40.0
Global Financing Facility (GFF) Phase II	25.0
PROBLUE	16.9
Adaptation Fund 2022 -2026	10.0
Global Shield Financing Facility – Institutional Support 2023	7.0
Invest in Childcare	4.5
Support to Debt Management Facility III	0.7
LGBTQ2I: Expanding the evidence & Policy	0.6
The Feminist Innovation in Monitoring & Evaluation (FIME) Project	0.5
<b>Total</b>	<b>682.1</b>
<i>Note: total may not add due to rounding.</i>	



## Objectives and results of Canada's WBG trust fund and FIF investments

As Canada continues to engage with the World Bank Group through trust fund arrangements, the effectiveness of these partnerships is assessed to ensure that development outcomes are being achieved. Results from select trust funds include:

- Resilient Landscapes and Livelihoods for Women in Ethiopia
- Accelerating Coal Transition Program
- Gender Responsive Planning & Budgeting in Indonesia

In 2022-2023, Canada contributed \$4.5 million to the Resilient Landscapes and Livelihoods for Women in Ethiopia, which aims to improve climate resilience, land productivity and carbon storage while increasing access to diversified livelihood activities in selected rural watersheds. Since its inception in 2019, this project of \$20 million over 5 years has worked to create economic opportunities for women smallholder farmers and address land tenure issues—particularly for disadvantaged women. In addition, it seeks to enhance the resilience of communities to tackle climate change and its negative impacts in the future by adopting sustainable land management practices. The project reduces the impacts of land degradation, improves agricultural productivity and ultimately contributes to greater food security for vulnerable households across Ethiopia. Results to date include: 431,023 farmers, almost half of whom are women, have adopted sustainable land management practices. Over 1 million households (68% women) were issued second-level land certificates that update existing land records and improve tenure security of smallholder farmers; 264,390 farmers (43% women) participated in income-generating activities supported by the project; and 1,772 Common-Interest Groups (CIGs) were established and supported to diversify community income generating activities such as trading, poultry farming, beekeeping and honey production, and fruits and vegetable cultivation in their backyards.

In addition, Canada contributed \$320 million in the reporting period to the **Climate Investment Funds'** Accelerating Coal Transition (CIF-ACT) Investment Program. The CIF is a FIF housed at the World Bank; the ACT program operates within the CIF. CIF-ACT works to accelerate the transition from coal-powered to clean energy while ensuring a holistic, integrated, socially-inclusive and gender-equal just transition in recipient countries. India, Indonesia, Philippines and South Africa are recipients for the first phase of the project. This total \$1 billion investment builds support at the local level to reconsider the development of new coal plants and accelerate the retirement of existing coal assets. It fosters new economic activities fueled by new clean energy sources for those impacted by the transition. The program works with public sector utilities and private sector operators to define transition pathways while ensuring the pursuit of a fair and inclusive approach to move away from coal. To date, the program has contributed to: increasing environmentally sustainable coal-to-clean transitions; increasing social and economic conditions for workers, particularly women and vulnerable populations, affected by the coal-to-clean transition; and increasing adoption and implementation by CIF-ACT recipient countries of equitable and gender-responsive policies and strategies for coal-to-clean transition.

In 2022-2023, Canada also provided \$2 million in support of the **Gender Responsive Planning & Budgeting in Indonesia**, a multi-donor trust fund housed at the World Bank that works to achieve gender-responsive public financial management that meets the differentiated needs of both women and men. It strengthens national public financial management programs to better target public spending to reduce gender gaps. Efforts focus on improving the capacity in budget analysis, including gender-responsive budgeting of relevant government staff, as well as developing tools capable of capturing gender disaggregated information and linking it to monitoring and performance information for maternal mortality programs at the Ministry of Health. This project is part of Phase III of the



World Bank's Multi-Donor Trust Fund for Public Financial Management that includes the European Union and Switzerland. Results to date include: completed revised Gender Responsive Budgeting tools that included Gender Analysis Pathway and Gender Budget Statement elements; and published the final report of the 2020 Gender Responsive Public Expenditure and Financial Accountability (PEFA) Assessment for Indonesia on the PEFA website, using the PEFA framework.

## World Bank procurement from Canada

The Trade Commissioner Service (TCS) works closely with Canadian companies to increase awareness and pursuit of multi-sectoral procurement opportunities at the IFIs. The TCS maintains the Offices of Liaison with International Financial Institutions (OLIFIs). The Washington, D.C., OLIFI helps businesses access WBG procurement opportunities. Due to data availabilities, this section reflects contract awards for World Bank operational procurement only, and does not include sub-contractor information. It also does not include information for contracts awarded to subsidiaries of Canadian companies which are headquartered outside of Canada.

**Table 3: Disbursements by IBRD and IDA borrowers: Goods and services from Canada<sup>4</sup> (US\$ millions)**

World Bank Fiscal Year (July 1-June 30)	Amount
<b>Note:</b> Based on World Bank Group figures as of January 10, 2023.	
2007-2008	61.4
2008-2009	51.6
2009-2010	80.0
2010-2011	49.8
2011-2012	31.2
2012-2013	177.6
2013-2014	105.5
2014-2015	47.1
2015-2016	27.1
2016-2017	46.5
2017-2018	30.1
2018-2019	36.4
2019-2020	26.4
2020-2021	37.7

<sup>4</sup> Defined as firms/individuals self-reporting Canada as their location. This list would not necessarily include contracts secured by the overseas subsidiaries of Canadian companies, or contracts where the Canadian firm/individual acted as a sub-contractor.



**Table 3: Disbursements by IBRD and IDA borrowers: Goods and services from Canada<sup>4</sup> (US\$ millions)**

World Bank Fiscal Year (July 1-June 30)	Amount
2021-2022	25.5
2022-2023	42.6

**Table 4: Disbursements by IBRD and IDA borrowers: Suppliers of goods and services from Canada, 2022-2023 (US\$)**

Supplier	Sector	Category	Amount
<b>Note:</b> Based on World Bank Group figures as of January 10, 2023. The World Bank fiscal year runs from July 1, 2022 to June 30, 2023.			
EM-ONE ENERGY SOLUTION CANADA INC	Energy and Extractives	Request for Proposals	12,519,498.5
SECTUS TECHNOLOGIES	Transportation	Direct Selection	7,824,868.5
SOCIÉTÉ DE COOPÉRATION POUR LE DÉVELOPPEMENT INTERNATIONAL (SOCODEVI)	Agriculture, Fishing and Forestry	Quality Based Selection	4,441,174.6
WSP CANADA INC	Energy and Extractives	Quality And Cost-Based Selection	4,164,337.5
TULA FOUNDATION	Health; Social Protection	Quality And Cost-Based Selection	1,949,496.2
SANTE MONDE	Information and Communications Technologies; Health	Direct Selection	1,602,467.0
MRV ENERGY CONSULTING INC	Energy and Extractives	Quality And Cost-Based Selection	882,770.8
ADA CONSULTANTS	Transportation	Quality And Cost-Based Selection	734,119.8
CPCS TRANSCOM LIMITED	Energy and Extractives	Direct Selection	662,871.0
EXP. INTERNATIONAL SERVICES	Transportation; Public Administration	Direct Selection	612,309.8
LE GROUPE GENINOV	Transportation; Public Administration	Direct Selection	612,309.8
SURVALENT TECHNOLOGY CORPORATION	Energy and Extractives	Direct Selection	600,000.0
CPCS TRANSCOM LIMITED	Energy and Extractives	Direct Selection	319,655.0



**Table 4: Disbursements by IBRD and IDA borrowers: Suppliers of goods and services from Canada, 2022-2023 (US\$)**

Supplier	Sector	Category	Amount
KALIM SHAH	Water, Sanitation and Waste Management	Direct Selection	287,770.0
GROUPEMENT CPCS (CHEF DE FILE) & ROYAL HASKONING DHV	Transportation; Industry, Trade and Services	Quality Based Selection	283,793.0
CPCS TRANSCOM LTD	Public Administration	Consultant Qualification Selection	281,619.0
NANOMETRICS INC	Water, Sanitation and Waste Management	Direct Selection	272,462.1
GROUPE S.M. INTERNATIONAL	Information and Communications Technologies	Consultant Qualification Selection	252,355.0
GROUPEMENT IATA, IOS PARTNERS INC, APS AVIATION INC, FIDAFRICA (PWC)	Agriculture, Fishing and Forestry; Industry, Trade and Services	Consultant Qualification Selection	245,158.1
CPCS TRANSCOM LIMITED	Public Administration	Direct Selection	242,273.0
WATERLUTION- A WATER LEARNING EXPERIENCE	Transportation; Agriculture, Fishing and Forestry; Industry, Trade and Services	Direct Selection	236,000.0
HEALTH STANDARDS ORGANIZATION (HSO) WITH ACCREDITATION CANADA	Health	Consultant Qualification Selection	230,000.0
TATYANA NYCHPEROVCH	Education; Social Protection	Individual Consultant Selection	226,714.0
BROCK UNIVERSITY	Education; Social Protection	Direct Selection	223,815.8
RICHARD C. HURAS	Transportation	Individual Consultant Selection	214,000.0
DAMIEN ECHEVIN	Information and Communications Technologies; Education; Agriculture, Fishing and Forestry; Public Administration	Direct Selection	205,500.0



**Table 4: Disbursements by IBRD and IDA borrowers: Suppliers of goods and services from Canada, 2022-2023 (US\$)**

Supplier	Sector	Category	Amount
PIERRE MORIN	Public Administration	Direct Selection	181,875.0
JOSEPH WALTER MIK	Financial Sector; Information and Communications Technologies; Public Administration	Individual Consultant Selection	169,910.0
CPCS TRANSCOM LIMITED	Energy and Extractives; Public Administration	Consultant Qualification Selection	152,667.6
FERNANDO CARTWRIGHT	Education	Individual Consultant Selection	138,000.0
AECOM CONSULTANTS INC	Information and Communications Technologies; Transportation	Direct Selection	134,535.9
LE GROUPEMENT SGGROUP/RMDA	Energy and Extractives	Direct Selection	131,300.0
INTERNATIONAL FINANCIAL CONSULTING LTD	Financial Sector; Public Administration	Direct Selection	115,100.0
WALID MADHOUN	Information and Communications Technologies; Public Administration	Individual Consultant Selection	114,828.9
VENKATA NUKALA	Energy and Extractives	Individual Consultant Selection	103,180.0
JACQUES CORBIN	Energy and Extractives	Individual Consultant Selection	101,780.0
DFG CONSULTING INC	Financial Sector	Direct Selection	99,996.5
TATYANA NYCHPEROVYCH	Education; Social Protection	Individual Consultant Selection	98,837.9
BASEL AL BISHTAWI	Financial Sector; Information and Communications Technologies	Direct Selection	92,400.0
PAUL ANDRÉ TURCOTTE	Energy and Extractives	Individual Consultant Selection	90,100.0



**Table 4: Disbursements by IBRD and IDA borrowers: Suppliers of goods and services from Canada, 2022-2023 (US\$)**

Supplier	Sector	Category	Amount
CPCS TRANSCOM LIMITED	Energy and Extractives	Least Cost Selection	86,612.0
INDUSTRIAL PLANKTON INC	Agriculture, Fishing and Forestry	Direct Selection	83,400.0
CPCS TRANSCOM LIMITED	Financial Sector; Public Administration	Direct Selection	67,330.0
BERNARD NYABURERWA	Education	Individual Consultant Selection	67,276.0
PAULETTE DUNN-PIERRE	Education; Social Protection	Individual Consultant Selection	47,676.0
SCARIE NIVYINTIZO	Transportation	Direct Selection	47,451.0
CANADIAN LEADERS IN INTERNATIONAL CONSULTING	Energy and Extractives	Quality And Cost-Based Selection	41,540.0
SCARIE NIVYINTIZO	Information and Communications Technologies	Individual Consultant Selection	41,527.0
NYABURERWA BERNARD	Education	Direct Selection	41,000.0
MINDBLOOM CONSULTING	Education	Direct Selection	37,300.0
MATIN KHOLMATOV	Agriculture, Fishing and Forestry; Industry, Trade and Services	Individual Consultant Selection	36,918.0
ANDRÉ CÉ TÉ	Education; Health; Public Administration	Individual Consultant Selection	35,330.0
KOUAM ERIC CAMILLE	Agriculture, Fishing and Forestry; Industry, Trade and Services	Individual Consultant Selection	29,613.3
HAROLD COULOMBE	Public Administration	Direct Selection	27,000.0
DANY LAVEAULT	Education	Individual Consultant Selection	19,000.0
JULIAN DOUGLAS	Agriculture, Fishing and Forestry; Industry, Trade and Services	Individual Consultant Selection	8,636.0
PARALLÈLE	Public Administration	Direct Selection	1,372.4





**Table 4: Disbursements by IBRD and IDA borrowers: Suppliers of goods and services from Canada, 2022-2023 (US\$)**

Supplier	Sector	Category	Amount
KADDOUR MEHIRIZ PHD	Public Administration	Direct Selection	1,026.2
NUMÃ RIX	Public Administration	Direct Selection	458.7
2ND SKIN	Public Administration	Direct Selection	458.0
EDUCATION INTERNATIONALE	Education	Direct Selection	320.5
GROUPE ETR	Public Administration	Direct Selection	199.6

### Canadian Financial Institutions and the World Bank Group

Canadian financial institutions are also actively engaged with the World Bank Group as lead arrangers and financiers of bond issuances – connecting Canadian financial institutions and capital markets with the global development agenda. Below are several recent transactions that illustrate where Canadian financial institutions have played a major role:

- In September 2023 the World Bank issued a US\$500 million Sustainable Development Bond linked to the Secured Overnight Financing Rate (SOFR). The lead managers for the transaction are **BMO Capital Markets, National Bank of Canada Financial**, and HSBC.
- In September 2023 the World Bank issued a C\$1.0 billion seven-year Sustainable Development Bond, whose proceeds will support the IBRD’s work on issues like climate change, biodiversity, and gender equality. This issuance was jointly led by **CIBC, RBC Capital Markets, National Bank of Canada Financial and Scotiabank**.
- In April 2023, the International Finance Corporation issued a C\$500 million five-year Social Bond for sustainable investments supporting women entrepreneurs and low-income households in need of essential services. This IFC issuance was jointly led by **Bank of Montreal, CIBC, and TD Bank**.



## Communiqués of the Development Committee of the Boards of Governors of the World Bank and IMF (as required under the Bretton Woods Act)

### World Bank-IMF Spring Meetings 2022: Development Committee Statement by Chair

April 12, 2022

1. The Development Committee (DC) recalls that on March 2, the United Nations General Assembly by a majority of 141 countries adopted the resolution ES-11/1 “Aggression against Ukraine” [1] that “deplores in the strongest terms the aggression by the Russian Federation against Ukraine in violation of Article 2 (4) of the Charter” and “demands that the Russian Federation immediately cease its use of force against Ukraine”. Thirty-five countries abstained from the vote; five countries voted against the resolution; some countries expressed no position. The DC recognizes that Russia’s war against Ukraine has massive humanitarian consequences and detrimental repercussions for the global economy through direct and indirect channels. The DC calls for a speedy resolution through diplomatic channels, including “political dialogue, negotiations, mediation and other peaceful means”[2], and for greater international cooperation and strengthened multilateralism to prevent fragmentation and safeguard global economic integration.

2. The global economy faces tighter and more volatile financial conditions as well as compounding crises related to public health, human capital, climate change and biodiversity, food and energy insecurity, debt, refugees and internal migration, and fragility, conflict, and violence (FCV). The impacts will be felt most by low-income countries (LICs) and middle-income countries (MICs), especially their most vulnerable people, including women and children. Economic recovery is likely to remain at risk amid geopolitical tensions, with investment, trade, and global economic growth affected by commodity price shocks, supply chain bottlenecks, inflationary pressures, and disruptions in remittances. The possible emergence of new COVID-19 variants underscores the [1] Quote from UN Resolution ES-11/1. [2] Idem. need to prepare for further risks from the pandemic and address the uneven deployment of vaccines. Tax evasion, corruption, as well as illicit financial flows, also remain concerns. We ask the WBG and the IMF to remain vigilant, coordinate actions, and orient their country engagement toward a green, resilient, and inclusive economic recovery, while remaining focused on the twin goals of ending extreme poverty and boosting shared prosperity and helping countries achieve the SDGs.

3. The sharp rise in prices for food, energy, and other commodities is weakening food systems and hitting the most vulnerable the hardest, undermining poverty alleviation efforts and exacerbating inequality both in LICs and MICs. Higher costs for fertilizers and supply constraints for staple crops, combined with water scarcity, floods, droughts, and other climate change impacts especially affect small farmers and threaten global food security. We ask the WBG to use all its tools to increase its financing, policy and analytical support to help countries address immediate food security and social protection needs; we also urge it to coordinate closely with MDBs, WFP and other UN agencies, the WTO, the IMF, and other stakeholders on the global response to the crises. We call on the WBG to continue supporting countries in implementing policies to increase resilience amid reduced food supplies, while working to address the underlying vulnerabilities that have exacerbated food insecurity, and to dissuade policy makers from any actions that could negatively impact food markets.

4. The war in Ukraine and other conflicts in recent years have forcibly displaced millions and spurred a rapid rise in the global refugee population, placing strain on host communities. We applaud the WBG for its commitment to address fragility, conflict, and violence; and for nearly tripling IDA financing to FCV in the last five years. We call for enhanced field presence and financial support in such situations. We call on the WBG to: continue responding to



development needs during crises, so that it can help alleviate food insecurity, malnutrition, forced displacement, and gender-based violence; provide emergency income support; restore and improve inclusive access to education, health, and basic services such as water and energy; and expand economic opportunities and jobs, with emphasis on women and girls. We welcome the continued implementation of the WBG FCV strategy and the IMF recently adopted fragile and conflict affected states strategy. We encourage the WBG to continue working across the humanitarian-development-peace nexus—with governments, the UN, the IMF, and other partners, including bilateral, multilateral, and nongovernmental organizations—to analyze the drivers of FCV, with a focus on prevention and resilience, and to deliver critical services. We recognize that FCV situations are deepening, with crises emerging in both LICs and MICs. We ask the WBG to continue responding with flexible and innovative policy and financing options, and an enhanced footprint, with due attention to its social and fiduciary standards, so that resources may be used strategically and effectively.

5. Responding to the COVID-19 crisis remains a critical priority. Though vaccination rates have risen, setbacks to development gains have hit the neediest, particularly in small states and FCV situations, necessitating tailored, country-focused interventions. We congratulate the WBG's crisis response efforts and unprecedented financial support, delivering \$204 billion in 2020-2021, including for health, education, and social protection to address the significant impact on human capital in LICs and MICs. We commend the extraordinary IDA20 replenishment, totaling \$93 billion, which was agreed a year early and will be critical to support these efforts in the poorest countries and to maintain a focus on long-term goals. We thank the WBG, together with the Multilateral Leaders' Task Force (WBG, IMF, WHO and WTO), for catalyzing international actions aimed at fast, equitable vaccine delivery. We ask the WBG to continue using its convening power and financial leverage to help deploy vaccines, increase manufacturing, invest in diagnostics and therapeutics, and strengthen health systems, all of which will help developing countries accelerate economic recovery. Based on recent experiences and lessons, and in close coordination with its international health partners, we urge the WBG to focus further financial, policy and analytical support to helping countries achieve their vaccination goals, strengthen health systems' capacity, move toward universal health coverage, and support resilience, prevention, and preparedness for future pandemics.

6. The multiple, overlapping crises will have long-term consequences. We ask the WBG to remain focused on supporting debt sustainability and transparency, including through implementation of the G20 Common Framework, together with the Paris Club to support LICs; as well as through efforts to address debt vulnerabilities in MICs. We welcome the WBG's Climate Change Action Plan, which will help it align with the Paris Agreement and bolster its efforts to promote biodiversity, improve access to energy and clean water, and support a just transition to a low-carbon economy, adapted to each country's circumstances. We also welcome the WBG's \$26 billion climate change financing in 2021. We also encourage the WBG to: enable private capital mobilization and job creation, including through domestic capital markets development; coordinate with the IMF on the new Resilience and Sustainability Trust and explore options to utilize Special Drawing Rights (SDRs); expand fiscal space, including through domestic resource mobilization; step up financing for the Global Public Goods (GPGs) agenda, while recognizing MICs' key role in its implementation; lead on gender equality, with financial, policy and technical support; enhance human capital through investments in education, health, and social protection; invest in infrastructure and promote digitalization, including through the private sector; and support all clients for a green, resilient, and inclusive recovery, which will be key in reversing development losses and reducing inequalities. We look forward to fruitful discussions in these areas, with an emphasis on debt vulnerabilities, GPGs, digital transformation, climate change, and fragility.



## World Bank-IMF Annual Meetings 2022: Development Committee Statement by Chair

October 12, 2022

1. The Development Committee recalls that on March 2, the United Nations General Assembly by a majority of 141 countries adopted the resolution ES-11/1 “Aggression against Ukraine” that “deplores in the strongest terms the aggression by the Russian Federation against Ukraine in violation of Article 2 (4) of the Charter” and “demands that the Russian Federation immediately cease its use of force against Ukraine”. Thirty-five countries abstained from the vote; five countries voted against the resolution; some countries expressed no position.

2. The Development Committee recognizes that since our last meeting in April, Russia’s war against Ukraine has continued with massive humanitarian consequences and detrimental repercussions for the global economy through direct and indirect channels. The Development Committee acknowledges that on October 12, the United Nations General Assembly by a majority of 143 countries adopted the resolution ES-11/L.5 “Territorial integrity of Ukraine: defending the principles of the Charter of the United Nations” that expresses its strong support for “the de-escalation of the current situation and a peaceful resolution of the conflict through political dialogue, negotiation, mediation and other peaceful means” .

3. The Development Committee reiterates its call for greater international cooperation and strengthened multilateralism to prevent fragmentation and safeguard global economic integration.

4. The global economy continues to be negatively affected by multiple ongoing crises. Russia’s war against Ukraine has exacerbated the challenges from these crises. The lingering effects of the COVID-19 pandemic and related public health and education crises, rising debt, climate change and biodiversity loss, food insecurity, energy-access deficits, fragility, conflict and resulting migration, supply-chain and trade disruptions have steepened the slowdown in global growth, and caused reversals in poverty reduction and a rise in inequality. Persistent high global inflation could further tighten financial conditions, increase borrowing costs, and lead to financial stress. In the context of tight fiscal space, there is a need to improve the efficiency and targeting of existing financial resources, and address inefficient and distortive subsidies, while protecting the most vulnerable. Moreover, the recent spike in prices is likely to worsen energy and food insecurity and malnutrition. Intensified multilateral cooperation is essential to address these challenges.

5. We ask the World Bank Group (WBG) and the International Monetary Fund (IMF) to continue to work with policymakers on an ambitious policy response and financing programs that boost inclusive and sustainable economic growth, create jobs, and expand social protection, while strengthening macroeconomic and financial stability, domestic resource mobilization, and cooperation in combating tax avoidance and evasion, and the quality of spending; curbing corruption, illicit financial flows, and profit-shifting; reducing debt vulnerabilities; promoting trade; and mobilizing larger volumes of private capital. A renewed focus on protecting and improving the well-being of poor households and the most vulnerable is needed, in line with the goals of ending extreme poverty and promoting shared prosperity in a sustainable manner, while also contributing to the achievement of the SDGs.

6. We commend the WBG’s global crisis response package, which sets out the framework for an operational response to the multiple overlapping crises, including up to \$170 billion through June 2023 to address food insecurity; large learning and job losses; climate mitigation and adaption; and other long-term development challenges. These operations must be underpinned by a green, resilient, and inclusive development approach. We welcome the WBG’s flexibility in responding with speed and scale across all countries and regions and ask the Bank to ensure enhanced supervision and strengthened field presence in order to



manage the environmental, social, and fiduciary risks. We are encouraged by the WBG's commitment to gender equality through its operational and technical support to clients. We look forward to further progress on this front and to an updated Gender Strategy. We stress the importance of continuing to invest in adequate, efficient, and equitable education, health, and social protection systems. We support the role of the WBG in promoting a vibrant private sector that drives job creation and economic transformation—both of which are key to an inclusive and sustained recovery and development. Based on the WBG's principles of serving all clients, we ask management for an agenda to address these development challenges for MICs.

7. We welcome the approval of the Financial Intermediary Fund (FIF) for Pandemic Prevention, Preparedness, and Response (PPR), and the \$1.4 billion in contributions pledged to the fund so far. Supported by the G20 countries, as well as other donors, and in partnership with the WHO, the FIF will allocate financing where investments are most urgently needed to bolster pandemic PPR and fill key capacity gaps. We ask the WBG to continue strengthening coordinated, inclusive, and expert-based action with multilateral partners for a One-Health approach. This and other global health initiatives are essential to building the core capacities needed to prevent and contain future pandemics, while also strengthening public health systems and moving towards universal health coverage.

8. We are deeply concerned by the recent interlinked shocks to food and energy markets, exacerbated by Russia's war in Ukraine. We congratulate the WBG for its rapid and ongoing response, and call on the institution to continue to work with client countries to protect vulnerable people, especially women, by: i) scaling up social safety nets to meet food, nutrition, and energy needs; ii) improving the production capacities and consumption efficiency of food and energy value chains through diversification, phasing out inefficient subsidies and policies, and avoiding waste and overconsumption; iii) promoting trade flows in the food, agricultural, and energy sectors, trade finance, and regional integration; and iv) stepping up investments to support agricultural technology and improve the resilience of food and energy systems. We welcome the WBG's commitment to deliver \$30 billion for food security, including efforts to encourage sustainable food and fertilizer production, address storage and loss reduction, facilitate trade, and support vulnerable households and producers. We welcome the IMF's new Food Shock Window, which will help countries deal with emergency balance-of-payments pressures adversely impacting food security. We also welcome the coordinated action on food security and nutrition among the FAO, IFAD, IMF, WBG, WFP, and WTO, and other multilateral initiatives to respond to the crisis and protect the most vulnerable, especially in situations of fragility, conflict, and violence (FCV).

9. We stress that climate change and biodiversity loss will further hinder development objectives. Therefore, addressing climate, biodiversity, and sustainable development is more critical than ever for all countries. Integrated climate action will require larger and more coordinated financing from all sources, consistent and integrated strategies, and a conducive enabling environment. Transitions to a low-greenhouse gas emission, climate-resilient economy will require significant annual investments in the short- to medium-term in all client countries, including FCV, and small states, which face immense challenges in financing. We recognize the WBG's role as the largest multilateral provider of climate financing in developing countries. We commend its record delivery of over \$30 billion in climate finance in the past fiscal year, in addition to \$1.9 billion in WBG-managed external resources. We encourage the WBG to continue to implement the Climate Change Action Plan. We strongly welcome the WBG's pioneering work to deliver Country Climate and Development Reports (CCDRs) as diagnostic tools, which will help countries identify the various impactful actions to deliver on the climate agenda, the development agenda, and their Nationally Determined Contributions. We call on the WBG and other MDBs to play a significant role in aligning with the Paris Agreement. We ask the WBG, in collaboration with others, to support: i) the development of countries' long-term strategies for investing in climate action; ii) the preparation, screening, and structuring of reforms and projects for bankable, climate-resilient



investments that mobilize private capital and foster a business environment aligned with low-carbon and resilient development; iii) increased concessional and blended finance for adaptation and mitigation; and iv) bold investment in high-quality, sustainable infrastructure that enables a just energy transition. We look forward to the discussion and goals that emerge from COP27 and COP15. We recall and reaffirm the commitment made by developed countries to the goal of mobilizing jointly \$100 billion per year by 2020 and annually through 2025 to address the needs of developing countries, in the context of meaningful mitigation actions and transparency on implementation and stress the importance of meeting that goal fully as soon as possible.

10. We are deeply concerned about the global learning crisis, which has been exacerbated by the COVID-19 pandemic. The large learning losses among poorer and younger students are expected to lower future earnings, weaken productivity, increase poverty, and deepen inequality, with adolescent girls often facing greater risks. We commend the WBG's work to prioritize and invest in learning and skills to safeguard human capital, education systems, and future productivity. We ask the WBG to close data gaps and continue its focus on foundational skills for all children and on teacher and curriculum quality. We also encourage the WBG to invest in youth through secondary and vocational education, and entrepreneurial training and skills—in particular for girls and marginalized groups. Digital technology should be leveraged to deliver quality education, enhance skills, and share knowledge to prepare for future crises.

11. We look forward to the successful implementation of IDA20, which will deliver a record \$93 billion package to IDA clients, thanks to the generosity of partners and IDA's strong financial model. The financing will support efforts to help LICs and eligible MICs, particularly in FCV settings, respond to the multiple crises and build a greener, and more resilient and inclusive future. We welcome the important steps the WBG has undertaken through the IDA20 commitment to develop and implement a methodology for tracking nature-positive investments.

12. We encourage the WBG and the IMF to work closely with policymakers to address rising public and private debt vulnerabilities by providing tailored policy advice to LICs and MICs to strengthen fiscal policy, public investment programs, and public and private debt management frameworks. We recognize WBG and IMF collaboration, within their respective mandates, together with the Paris Club, to support the implementation of the Common Framework for eligible countries in need of debt restructuring. We reaffirm the importance of joint efforts by all actors, including private creditors, to continue working to enhance debt management and transparency. We welcome the WBG's ongoing work to improve data accuracy through enhanced reporting.

13. We ask WBG Management to engage with the Board of Executive Directors in a systematic dialogue to enhance our shared vision for the WBG, including strategic priorities, strengths and gaps, incentives, operational approach, and financial capacity to bolster and scale the response to global challenges and move toward achieving the Twin Goals and the SDGs in all client countries.

14. In this context, we ask WBG Management to identify gaps in the Bank Group's current institutional and operational framework and deliver a work program by the end of the year, for consideration by the Executive Board. This work program should be aimed at strengthening the WBG's role and capacity to continue to be responsive to the evolving needs of all client countries. This should include designing pertinent financial reforms to responsibly make the most efficient use of the WBG's balance sheets and generate new resources and contribute to strengthening coordination and collaboration across the broader international financial architecture, as well as incentivizing country demand, and addressing any operational obstacles to the WBG's effective response. Beyond deploying its own finance, the WBG also has an important role to play in mobilizing private sector finance and continuing to mobilize



substantial concessional resources for IDA towards meeting the substantially increased challenges of LICs, especially the FCV and in Africa, generating and sharing knowledge and data, and promoting policy reforms, including for domestic resource mobilization.

15. WBG Management should report on the status of this dialogue by the Spring Meetings 2023.

16. We request that WBG Management explore the recommendations of the Independent Review of MDB Capital Adequacy Frameworks (CAF), commissioned by the G20, to make the most efficient use of the Group's balance sheets to increase lending capacity, while preserving long-term financial sustainability, robust credit ratings (i.e. AAA ratings), and preferred creditor status. We ask that Management accelerate its engagement with the Board of Executive Directors and follow up before the end of the year with a roadmap for systematically assessing and discussing each of the recommendations presented in the CAF report, including regarding their applicability to the WBG institutions. We expect Management to develop an implementation plan for consideration by the shareholders in good time before the Spring Meetings 2023, and to follow up with implementation of the agreed-upon priority actions in 2023.

<sup>[1]</sup> Quote from UN Resolution ES-11/1.

<sup>[2]</sup> Quote from UN Resolution ES-11/1L.5.



## Section B: Canada's engagement in International Monetary Fund operations

The International Monetary Fund (IMF) is the central multilateral institution in the international financial system. Its role is to provide global economic surveillance, capacity development assistance, and financial assistance to countries experiencing unsustainable external imbalances and related economic difficulties.

Canada has been an influential member of the IMF since 1945, as one of the original 29 signatories to the IMF Articles of Agreement. Since then, the IMF has grown to include a near-global membership of 190 member countries. Canada is engaged in all aspects of IMF governance and activities, and plays a collaborative role with its international partners to ensure that the Fund is effectively fulfilling its mandate. A healthy and stable global economy creates more jobs for Canadians, promotes stable prices for goods and services, and improves our standard of living.

With Canada's support, the IMF has taken a number of actions to assist Ukraine in the face of Russia's unjustifiable and illegal invasion:

- In April 2022, the IMF created a new Administered Account for Ukraine, championed by Canada. The Account allows IMF member countries to provide flexible bilateral financing directly to the Government of Ukraine. Canada, Germany, Belgium, and the Netherlands have all made significant contributions through this facility so far;
- The IMF created a new Food Shock Window to permit Ukraine and other eligible countries suffering from significantly higher food prices as a result of Russia's invasion to access additional emergency financing. On October 7, 2022, Ukraine received US\$1.3 billion from the IMF through this facility. Other affected countries, including in Africa and the Americas such as Malawi, South Sudan, and Haiti, have received financing through this window as well.
- On March 31, 2023, the IMF approved a new 4-year US\$15.3 billion support program for Ukraine.

This response from the IMF is a demonstration of the international community's support for Ukraine, and helped the Government of Ukraine sustain government operations and continue to provide essential services. Canada has been, and will remain, a strong advocate for Ukraine at the IMF.

During the reporting period, the IMF continued to be an integral part of the global response to the COVID-19 pandemic, providing an unprecedented volume of emergency financing to its members in order to meet urgent financing needs associated with the pandemic. On August 2, 2021, the IMF's Board of Governors approved a general allocation of new Special Drawing Rights (SDRs) equivalent to US\$650 billion—the largest in IMF history. This allocation helped supplement member countries' foreign exchange reserves and increased global liquidity. The IMF also provided policy advice and technical assistance to its members throughout the crisis to help them address urgent issues such as cash management, financial supervision, cybersecurity, and economic governance. These activities helped stabilize the global economy and will promote a stronger, more sustainable, and more inclusive recovery.

Following the SDR allocation, Canada and other G7/G20 Leaders agreed to magnify the impact of the allocation by committing to channel US\$100 billion to vulnerable and low-income countries. While Canada initially committed to channeling 20 percent of its SDR allocation, Deputy Prime Minister Chrystia Freeland announced in April 2022 that Canada had not only met but exceeded its channeling commitment. During the reporting period, the total amount channeled represented about 40 per cent of Canada's 2021 SDR allocation, including almost \$3.5 billion of new commitments to the core IMF trusts (the Poverty





Reduction and Growth Trust - PRGT and the Resilience and Sustainability Trust - RST). Additional contributions made after the reporting period brings Canada's total channeling commitment to nearly 50 per cent.

## Governance and representation

### Canada's voting share

Member countries' voting shares are based largely on their relative global economic weight and openness to international trade. Canada holds a 2.22 per cent IMF voting share, making Canada the 11th-largest member during the reporting period.

Table 1: Voting shares of top 20 IMF members (Percentage of total votes)		
Rank	Country	Share (%)
1	United States	16.50
2	Japan	6.14
3	China	6.08
4	Germany	5.31
5	France	4.03
6	United Kingdom	4.03
7	Italy	3.02
8	India	2.63
9	Russian Federation	2.59
10	Brazil	2.22
<b>11</b>	<b>Canada</b>	<b>2.22</b>
12	Saudi Arabia	2.01
13	Spain	1.92
14	Mexico	1.80
15	Netherlands	1.76
16	Korea	1.73
17	Australia	1.33
18	Belgium	1.30
19	Switzerland	1.17
20	Turkey	0.95



### Canada at the Board of Governors

The IMF is accountable to its member countries through a number of mechanisms. The Board of Governors, composed of a Governor and an Alternate Governor appointed by each member country, is the IMF's highest decision-making body. The Board of Governors is responsible for the most important institutional decisions required under the Articles of Agreement (e.g., approving quota increases, admitting new members, and amending Articles and by-laws). Canada's Governor at the IMF during the reporting period was Deputy Prime Minister and Minister of Finance Chrystia Freeland. The position of Alternate IMF Governor is currently held by Tiff Macklem, Governor of the Bank of Canada.

### Canada at the Executive Board

The Board of Governors delegates authority over the IMF's regular business to the 24-member Executive Board, which is chaired by the IMF's Managing Director Kristalina Georgieva. The constituency system allows the 24 Board members to represent all 190 member countries, making it easier to conduct day-to-day business.

Canada holds one of the 24 seats on the Executive Board and represents a constituency of 12 countries<sup>5</sup>. With all constituency members combined, the Executive Director for Canada holds a voting power of 3.37%—making it the 12th-largest constituency by voting share. Given Canada's financial contributions and level of IMF engagement, a Canadian has always held the Executive Director position within this constituency. Canada's Executive Director during the reporting period was Philip John Jennings. The Executive Director is supported by a staff of seconded individuals from the countries represented within our constituency.

The Executive Board usually operates on a consensus basis, so formal votes are rare. Canada contributes to the development of policy proposals before they are brought to the Board through informal discussions with staff and management, or through consultation with other members of the Executive Board.

To learn more about the governance, representation and accountability structures of the IMF, please visit the [IMF's Governance Structure website](#).

### Canada at the International Monetary and Financial Committee (IMFC)

The IMFC advises and reports to the Board of Governors on international monetary and financial matters, and emerging issues of global importance. While it has no formal decision-making powers, it plays an important role in setting the strategic direction of the Fund. The composition of the IMFC mirrors that of the Executive Board, with Canada's Minister of Finance occupying one of the 24 seats at the IMFC table. Nadia Calviño, Spain's First Vice President and Minister for Economy and Digitalization, served as IMFC Chair for the reporting period. The IMFC usually meets twice a year, during the IMF-World Bank Annual and Spring Meetings, and usually issues communiqués providing strategic direction and policy guidance to the IMF Managing Director and the Executive Board. When the IMFC is not able to reach consensus on a communiqué, the IMFC Chair may release a statement. The IMFC Chair's Statements for the reporting period are included below and also published on the IMF website.<sup>6</sup> Canada's Minister of Finance also tables written statements on behalf of Canada's constituency during the IMF-World Bank Annual and Spring Meetings that outline collective

<sup>5</sup> Antigua and Barbuda, the Bahamas, Barbados, Belize, Canada, Dominica, Grenada, Ireland, Jamaica, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines

<sup>6</sup> [IMFC Chair's Statement](#), April 21, 2022; [IMFC Chair's Statement](#), October 14, 2022.



priorities for the activities of the Fund. The constituency's statements for the reporting period are published on the IMF website.<sup>7</sup>

## IMF resources, lending, and capacity development

### IMF financial resources

The IMF's total financial resources are composed of both permanent and temporary resources. Members' permanent quota<sup>8</sup> subscriptions are the primary component of IMF financial resources. These resources are supplemented by the New Arrangements to Borrow (NAB), a renewable multilateral borrowing arrangement (in which Canada participates along with 40 other members) that forms a second line of defence for the IMF. Additionally, the IMF maintains temporary bilateral borrowing arrangements (BBAs) with 42 members (including Canada), which serve as a third line of defence. In the event of a major global economic crisis, the Fund can draw on these multilateral and bilateral lines of credit after all other resources have been effectively depleted. Further information can be found on the [IMF's multilateral and bilateral borrowing website](#).

While the resources outlined above can be used to support the macroeconomic adjustment needs of any member country, the IMF also maintains trust funds to enable concessional lending to the poorest and most vulnerable members<sup>9</sup>. The Poverty Reduction and Growth Trust (PRGT) is financed through loan and grant contributions from members such as Canada, as well as through IMF investment income.

In addition, in October 2022 Canada supported the creation of the new IMF Resilience and Sustainability Trust (RST), which complements the Fund's toolkit by providing longer-term affordable financing to low-income and vulnerable middle-income countries to address longer-term challenges, including climate change and pandemic preparedness. The RST is a loan-based trust with a governance and financial structure similar to the PRGT.

IMF financial operations are conducted in Special Drawing Rights (SDR)<sup>10</sup>, an international reserve asset created by the IMF to supplement the existing official reserves of member countries. Table 2 summarizes the IMF's financial resources, and Canada's commitments and financial position at the Fund as of April 30, 2023 (the end of the Fund's fiscal year). For more information on IMF finances, see the [IMF's 2022 Annual Report of the Executive Board](#).

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<sup>7</sup> [IMFC Statements by Country](#), April 21, 2022; [IMFC Statements by Country](#), October 14, 2022.

<sup>8</sup> [IMF Quotas](#)

<sup>9</sup> [IMF Support for Low-Income Countries and Poverty Reduction and Growth Trust \(PRGT\)](#)

<sup>10</sup> The SDR serves as the unit of account of the IMF. Its value is based on a basket of currencies comprising the U.S. dollar, euro, pound sterling, Japanese yen, and Chinese renminbi. SDRs can be exchanged for the freely useable currencies of IMF members. On April 28, 2023, 1 SDR equaled 1.828970 Canadian dollars.



**Table 2: Summary of IMF financial resources and Canada's financial position at the IMF, as of April 30, 2023 (Billions)**

Description	Total IMF (SDR)	Canada's Commitment (SDR)	Canada's Commitment (CAD)	Drawn from Canada's Commitment (SDR)
<b>Sources:</b> <a href="#">IMF: Canada: Financial Position in the Fund</a> ; <a href="#">2023 IMF Financial Statements</a> ; <a href="#">Currency Units per SDR</a> ; Department of Finance Canada calculations.				
<b>General Resources Account</b>				
Quota	476	11.0	20.1	3.3
New arrangements to borrow	364	7.7	14.1	0
Bilateral borrowing agreements	140	3.5	6.4	0
<b>Poverty Reduction and Growth Trust (PRGT)</b>				
Active lending commitments	21.2 <sup>11</sup>	1.5 <sup>12</sup>	2.8	0.7
<b>Resilience and Sustainability Trust (RST)</b>				
Active I commitments	2.5 <sup>14</sup>	1.4 <sup>13</sup>	2.4	0

### IMF lending programs

The IMF makes its resources available to help members finance temporary balance of payments problems while they implement economic policy adjustments. To provide this assistance, the IMF utilizes two types of lending arrangements: non-concessional lending that is available to all members, and concessional lending available to qualifying low-income and vulnerable member countries. Non-concessional lending is financed out of the Fund's normal resources grouped under the General Resources Account (GRA), whereas concessional lending is financed out of the PRGT. The same approach is used with respect to the RST.

On September 30, 2022, the IMF launched its Food Shock Window (offering increased access until September 2023 to its emergency financing facilities) to help countries cope with balance of payments needs associated with the global food shock exacerbated by Russia's invasion of Ukraine.

On March 6, 2023, the IMF temporarily raised the limits on members' annual and cumulative access to GRA lending, in the light of increased uncertainty and tighter financing conditions. These increased limits helped to ensure that member countries had sufficient access to IMF

<sup>11</sup> Reflects total undisbursed lending commitments and credit outstanding.

<sup>12</sup> Canada's loan commitment to the PRGT was increased to SDR 2 billion on May 26, 2022, slightly after the reporting period.

<sup>13</sup> Canada's RST agreement with the IMF became effective on September 27, 2022. Of the total amount, SDR 1.1 billion (about \$2 billion) was provided as a revolving loan commitment, with the rest split between RST's deposit and reserve accounts.



financing facilities. Further details on the IMF lending process and instruments are available on the [IMF lending website](#).

## Lending arrangements

During its 2022-23 fiscal year (May 1, 2022 to April 30, 2023) the IMF approved 16 new non-concessional lending arrangements totalling SDR 43.9 billion (approximately \$80.3 billion). As at April 30, 2023, there were 28 active non-concessional arrangements with the Fund, with a total commitment of SDR 128.8 billion and total credit outstanding of SDR 96.7 billion (approximately \$235.7 billion and \$177 billion respectively).

The IMF also approved 10 new concessional arrangements under the PRGT, amounting overall to SDR 3.6 billion (approximately \$6.6 billion). As at April 30, 2023, there were 24 active PRGT arrangements with a total committed amount of SDR 8.3 billion and total outstanding amount of SDR 16.6 billion (about \$15.2 billion and \$30.4 billion respectively). During the same period, IMF approved 5 arrangements under the new RST amounting to SDR 2.5 billion (about \$4.6 billion).

Table 3 provides a summary of new IMF lending arrangements approved in 2022-23. A complete list of the IMF's lending arrangements as of April 30, 2023 is available in its annual report and on the [IMF Lending Arrangements website](#).<sup>14</sup>

**Table 3: Summary of new lending arrangements approved during 2022-2023**

Description	Number of new arrangements	Size (SDR billions)	Size (\$ billions)
<b>Source:</b> IMF, Department of Finance Canada calculations. <b>Notes:</b> Arrangement counts and total program sizes may not add up due to rounding and the IMF's use of blended programs that include both concessional and non-concessional lending.			
<b>Non-concessional lending</b>	<b>16</b>	<b>43.9</b>	<b>80.3</b>
Regular program lending	11	21.0	38.4
Precautionary lending	5	22.8	41.8
<b>Concessional lending (PRGT)</b>	<b>10</b>	<b>5.9</b>	<b>10.1</b>
<b>Resilience and Sustainability Trust (RST) (concessional and non-concessional)</b>	<b>5</b>	<b>2.5</b>	<b>4.6</b>
<b>Total lending</b>	<b>31</b>	<b>52.3</b>	<b>95.0</b>

Canada is a strong supporter of the IMF trusts, and in 2022-23 announced the completion of its \$2.44 billion contribution to the IMF's Resilience and Sustainability Trust (RST), being among the first countries to finalize and implement its RST agreement with the IMF. During the reporting period Canada also recalled its latest contribution to the PRGT first announced in 2021-22, which includes SDR 500 million in new loan commitments (bringing total PRGT loan commitments to SDR 2 billion) and a \$107 million grant.

<sup>14</sup> Additional information is available in IMF's [Weekly Report on Key Financial Statistics](#).



Table 4a: Active IMF lending arrangements, as of April 30, 2023 – by region	Size (SDR billions)
<b>Source:</b> IMF, Department of Finance Canada calculations.	
Africa	15.5
Americas	96.5
Asia	13.0
Europe	14.7
<b>Total</b>	<b>139.7</b>

Table 4b: IMF's 5 largest borrowers, as of April 30, 2023 – by type and country	Size (SDR billions)
<b>Source:</b> IMF, Department of Finance Canada calculations.	
<b>Non-concessional lending agreements (GRA)</b>	<b>66.4</b>
Argentina	32.3
Egypt	13.4
Ukraine	9.0
Ecuador	6.1
Pakistan	5.6
<b>Concessional lending agreements (PRGT)</b>	<b>5.2</b>
Ghana	1.3
Congo, DRC	1.1
Kenya	1.0
Sudan	1.0
Uganda	0.8

### Capacity development

For over 50 years, the IMF's capacity development (CD) work has helped members strengthen the ability of domestic institutions to foster effective policies, leading to greater economic stability and growth. IMF CD activities are both internally and externally financed. They account for about a third of the IMF's total budget. As of April 30, 2023, total spending for direct technical advice, policy-oriented training and peer learning in FY 2023 was US\$337million. For more information, see [IMF Capacity Development](#).

### Canada's contributions to capacity development

External partnerships allow the IMF to scale up its capacity building efforts for members in need. Canada has historically been among the largest external contributors to IMF CD activities, providing approximately US\$119 million (approximately \$161 million) since 2012



(see Table 5 for details). This support has helped low- and middle-income countries build capacity in areas such as central bank functions, public financial management, debt management, and financial sector development and oversight. Canadian-financed CD is generally delivered in three distinct ways:

**1. Regional Technical Assistance Centres (RTACs):** The IMF has developed a regionally tailored approach to CD delivery. In addition to the training offered at the IMF Institute for Capacity Development in Washington, D.C., the IMF operates seven regional training institutes and nine RTACs in Africa, Asia, the Caribbean, Central America, China, the Middle East, and the Pacific. Canada, as the largest donor to the Caribbean Regional Technical Assistance Centre (CARTAC), has contributed nearly US\$67 million (approximately \$90.8 million) over the last 20 years. CARTAC provides specialized capacity development that is valued by participating Caribbean countries and territories. This is in line with Canada's commitment to support small island developing states in the Caribbean. For more information, see [IMF Regional Capacity Development Centers](#).

**2. Country-directed initiatives:** Member countries, other IFIs, and IMF project financing vehicles (e.g., RTACs, multi-donor trust funds, and country-specific trusts) can maintain "subaccounts" for targeted technical assistance initiatives and/or retaining a strategic reserve for rapid response to emerging priorities. Canada maintains a subaccount to support various CD activities in the Caribbean, Ukraine, the Middle East, and Africa.

**3. Multi-donor trust funds:** The IMF manages several thematic funds. Examples include the Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) Fund, along with others that focus on improving data availability, public debt management, and other public financial management issues. Canada is also supporting the AML/CFT Thematic Trust Fund and the IMF-Somalia Trust Fund for Capacity Development. For more information, see [Thematic Funds for Capacity Development](#).



**Table 5: Canadian technical assistance  
(US\$ millions)**

Description	Total disbursed from 2011-2012 to 2021-2022	Amount disbursed/allocated in 2022-2023
<b>Notes:</b> IMF capacity development financing is denominated in US dollars. On April 30, 2023, 1 US dollar equaled 1.3562 Canadian dollars. Table only includes initiatives to which Canada has contributed.		
<b>Source:</b> IMF.		
<b>Regional Technical Assistance Centres</b>		
Africa Regional Technical Assistance Centres	10.4	0
Caribbean Regional Technical Assistance Centre	27.1	0
Central America, Panama and the Dominican Republic Regional Technical Assistance Centre	9.7	0
Pacific Financial Technical Assistance Centre	1.1	0
<b>Country-directed initiatives</b>		
Canada-Caribbean Enhanced Public Financial Management Project	15.8	0
Canadian Global Technical Assistance Subaccount	16.8	0
Ukraine Selected Capacity Development Activities	18.7	0
Other Selected Fund Activities	3.2	0
<b>Multi-donor thematic trust funds</b>		
AML/CFT Thematic Fund	3.4	0
COVID-19 Crisis Capacity Development Initiative	3.5	0
Somalia Trust Fund for Capacity Development	3.2	0.3
World Bank Subaccount for Selected Fund Activities	5.8	0
<b>Total amount</b>	<b>118.7</b>	<b>0.3</b>

Additional details on IMF operations (including IMF surveillance, lending, capacity building, and institutional governance) are available on the [IMF website](#).





## Chair's Statements of the International Monetary and Financial Committee of the Board of Governors of the IMF (as required under the Bretton Woods Act)

### Chair's Statement of the Forty-Fifth Meeting of the International Monetary and Financial Committee (IMFC)

April 21, 2022

Chaired by Ms. Nadia Calviño, First Vice President of Spain and Minister for Economy and Digitalization

*The IMFC recalls that on March 2, the United Nations General Assembly by a majority of 141 countries adopted the resolution ES-11/1 "Aggression against Ukraine" <sup>1</sup> that "deplores in the strongest terms the aggression by the Russian Federation against Ukraine in violation of Article 2 (4) of the Charter" and "demands that the Russian Federation immediately cease its use of force against Ukraine". Thirty-five countries abstained from the vote; five countries voted against the resolution; some countries expressed no position.*

*The IMFC recognizes that Russia's war against Ukraine has massive humanitarian consequences and detrimental repercussions for the global economy through direct and indirect channels. The IMFC calls for a speedy resolution through diplomatic channels, including "political dialogue, negotiations, mediation and other peaceful means",<sup>2</sup> and for greater international cooperation and strengthened multilateralism to prevent fragmentation and safeguard global economic integration.*

The IMFC expresses its deep appreciation to Prime Minister Magdalena Andersson for her leadership as IMFC Chair and welcomes Vice President Nadia Calviño as the new Chair.

The recovery of the global economy continues but has slowed down owing to new Covid-19 variants and is now facing a major setback from the war against Ukraine and its ramifications, which will amplify existing challenges. The resulting surge in energy and food prices has added to inflationary pressures, while supply disruptions have further intensified, and financial markets and capital flows are exhibiting increased volatility. Against the background of unprecedented uncertainties, rising interest rates, and record high global debt, the spillovers through commodity markets, trade, and financial channels could exacerbate existing vulnerabilities. Potential risks of debt distress, together with refugee flows, increased food insecurity, and inequality could add to social pressures. At the same time, climate change, together with other shared challenges—such as energy security, affordability, and sustainability—are becoming more pressing and require urgent attention.

In this context, strong domestic policies and international cooperation are needed more than ever to preserve the global economic recovery and safeguard macroeconomic stability, while battling the pandemic and, where necessary, mitigating the impact of energy and food price increases on the most vulnerable groups. We welcome the Managing Director's call for urgent action on food security, in collaboration with multilateral and bilateral donors, to avert a food crisis by supporting the most vulnerable countries. We will continue to prioritize health spending and we will provide well-targeted support for vulnerable groups, including refugees and those affected by energy and food price spikes, while preserving long-term fiscal sustainability, including, where applicable, by bolstering medium-term fiscal frameworks. Central banks are closely monitoring the impact of price pressures on inflation expectations and will continue to appropriately calibrate the pace of monetary policy tightening in a data-dependent and clearly communicated manner, ensuring that inflation expectations remain well anchored, while being mindful to safeguard the recovery and limit negative cross-country



spillovers. We will also continue to monitor and, if necessary, tackle financial vulnerabilities and risks to financial stability, including through targeted macroprudential measures and, if needed, other complementary policies. We will intensify our joint efforts to boost equitable access to a comprehensive COVID-19 toolkit, including vaccines, tests, treatments, and enhanced in-country delivery in developing countries, and remove relevant supply and financing constraints to overcome the pandemic, including by boosting local production of vaccines. We will take action to provide financial assistance to countries in need, particularly those affected by the current circumstances, while supporting their efforts to address heightened debt challenges, and strengthening debt transparency practices by both debtors and creditors, public and private.

Against the backdrop of current uncertainties, we will intensify our efforts to achieve the goal of a more resilient, sustainable, and inclusive global economy, while remaining fully committed to fostering multilateral cooperation. We will strengthen pandemic prevention, preparedness and response to future infectious diseases. We also reiterate our strong commitment to further accelerate climate action in line with the Paris Agreement, taking into account country specific factors, and look forward to strong ambition for COP27, including enhanced action on adaptation and resilience. We recognize that timely, smooth, and just transitions to net zero will be critical for efforts towards increasing energy security and global resilience to current instability and future shocks. We will utilize policy mixes based on all effective tools, ranging from fiscal, market, and regulatory actions, including efficient policy instruments to reduce greenhouse gas emissions, while protecting the most vulnerable groups. We will ensure that the digital transformation process plays a key role in making our economies more resilient and inclusive, being mindful of data protection, data sharing, and interoperability and portability. We will ensure that the design of legal and regulatory frameworks for crypto assets can better protect against financial stability and integrity risks, while fostering innovation. We reaffirm our commitments on exchange rates, excessive global imbalances, and governance, and our statement on the rules-based trading system, as made in April 2021.

We welcome the Managing Director's Global Policy Agenda. In the context of current stress in the macroeconomic circumstances and outlook, we look forward to the IMF's swift and vital real-time and granular support to members through its tailored cutting-edge policy advice, timely financial support, and targeted capacity development in close and effective collaboration with international partners.

We support the IMF's increased surveillance focus on risk analysis and contingent policy advice; and its efforts to continue strengthening multilateral surveillance and analytical work on pressing policy issues, including on inflation and its drivers, policy mixes and international spillovers, financial, external, and corporate sector vulnerabilities, fiscal adjustment, scarring from the pandemic, and inequality. We welcome the IMF's recently completed Review of the Institutional View on capital flows and look forward to continued collaboration with other international organizations on capital flow issues and continued work on the Integrated Policy Framework. We look forward to the IMF's guidelines on strengthening the assessment of debt vulnerabilities and risks with the new debt sustainability framework for market-access countries and the work on the Multi-Pronged Approach. We look forward to the upcoming review of the IMF's Framework for Enhanced Fund Engagement on Governance.

The IMF has an important role in providing continued financial support with adequate safeguards through its facilities to members experiencing balance of payments needs, including countries that are particularly affected by the current circumstances, such as those that are at high risk from energy price increases and food insecurity. We welcome the progress on voluntary channeling of SDRs and call for further contributions. In particular, we welcome the recent decision to establish the Resilience and Sustainability Trust (RST). The Trust aims to help low-income and eligible small states and middle-income countries address longer-term structural challenges that pose macroeconomic risks, including climate change



and pandemics. We reaffirm our support for broad-based voluntary contributions in SDR or freely usable currencies, particularly from members with strong external positions according to their domestic processes, to enable the RST's full operationalization later this year, while furthering IMF collaboration with the World Bank and other relevant multilateral institutions. We welcome our members' commitment to treat the RST as a preferred creditor, consistent with all IMF lending. We also urge members, including through broader voluntary participation, to cover the remaining resources to meet the total amount being sought for loans and subsidies for the PRGT, helping ensure its self-sustainability, as well as to replenish the Catastrophe Containment and Relief Trust to provide debt service relief in the event of further shocks. We welcome the establishment of the IMF's Multi-Donor Administered Account to facilitate bilateral financial assistance to Ukraine and will continue to work closely, in coordination with international partners, to support Ukraine in meeting its external financing needs, both immediate and for the post-war reconstruction. We welcome the G20's commitment to step up efforts to implement the Common Framework for debt treatments, which is also agreed by the Paris Club, in a timely, orderly, and coordinated manner, giving more certainty to debtor countries, jointly supported by the IMF and the World Bank. We encourage efforts to make progress in the cases of those countries that have requested a debt treatment under the Common Framework. More generally, we also support the IMF's broad agenda on debt sustainability, transparency, and restructuring. We also highlight the IMF's work to help address high and rising debt vulnerabilities.

We welcome the IMF stepping up its work as described—in line with its mandate and in continued effective collaboration with partners—in the new strategies on climate, on digital money and its implications for policies and the international monetary system, and on fragile and conflict-affected states, as well as the deepening of its macro-financial bilateral surveillance, mainstreaming of gender issues, and its enhanced engagement on policy issues affecting inequality. We reiterate the IMF's important role in responding to members' diverse needs for guidance on the macroeconomic and financial implications of climate change issues and on effective policy responses, including as a forum for dialogue.

We support the IMF's efforts to further integrate its capacity development with its surveillance and lending activities, while remaining agile to support members in implementing crisis-related responses, addressing vulnerabilities, and strengthening institutional capacity. We welcome the Fund's country-tailored approach to capacity development and support it in securing appropriate financing.

We reaffirm our commitment to a strong, quota-based, and adequately resourced IMF at the center of the global financial safety net. We remain committed to revisiting the adequacy of quotas and will continue the process of IMF governance reform under the 16<sup>th</sup> General Review of Quotas, including a new quota formula as a guide, by December 15, 2023. We welcome the second progress report to the Board of Governors and will build on recent constructive discussions to make further progress by the time of our next meeting.

We support ongoing modernization projects in the IMF and call for further progress on diversity. We support increasing gender diversity in the Executive Board. We agree on the importance of strong institutional safeguards and look forward to the outcome and the next steps of the review by the Executive Board and management on Institutional Safeguards.

Our next meeting is expected to be held on October 13, 2022.



## Chair's Statement of the Forty-Sixth Meeting of the International Monetary and Financial Committee (IMFC)

October 14, 2022

Chaired by Ms. Nadia Calviño, First Vice President of Spain and Minister for Economy and Digitalization

*The IMFC recalls that on March 2, the United Nations General Assembly by a majority of 141 countries adopted the resolution ES-11/1 "Aggression against Ukraine" that "deplores in the strongest terms the aggression by the Russian Federation against Ukraine in violation of Article 2 (4) of the Charter" and "demands that the Russian Federation immediately cease its use of force against Ukraine". Thirty-five countries abstained from the vote; five countries voted against the resolution; some countries expressed no position.*

*The IMFC recognizes that since our last meeting in April, Russia's war against Ukraine has continued with massive humanitarian consequences and detrimental repercussions for the global economy through direct and indirect channels. The IMFC acknowledges that on October 12, the United Nations General Assembly by a majority of 143 countries adopted the resolution ES-11/L.5 "Territorial integrity of Ukraine: defending the principles of the Charter of the United Nations" that expresses its strong support for "the de-escalation of the current situation and a peaceful resolution of the conflict through political dialogue, negotiation, mediation and other peaceful means".*

*The IMFC reiterates its call for greater international cooperation and strengthened multilateralism to prevent fragmentation and safeguard global economic integration.*

The global recovery is slowing amidst high uncertainties. Hit by multiple shocks, the global economy is facing significant challenges, and the outlook is more difficult than in April and subject to downside risks. More than two years of pandemic, followed by Russia's war against Ukraine, are weighing heavily on economic activity with significant impact on livelihoods. Inflation is at multi-decade highs, debt is elevated, food and energy security risks are increasing, supply-chain and trade disruptions persist, and financial conditions are tightening, while capital flow and exchange rate volatility have increased. The global economy is subject to increased fragmentation risks. The steep rise in the cost of living is affecting everyone, with the most vulnerable hit the hardest. These developments come on top of intensifying inequality, debt vulnerabilities, and climate shocks. Rapid digitalization brings both opportunities and risks.

In this global context, appropriate domestic policies and intensified multilateral cooperation are essential to safeguard macroeconomic and global financial stability, shore up resilience, limit negative spillovers, and overcome the current food crisis. We will calibrate and coordinate our domestic policies, managing tradeoffs, and bolstering the effectiveness of the policy response, tailored to country-specific circumstances. Our priorities are to fight inflation and to protect the most vulnerable populations while safeguarding debt sustainability, growth, and macro-financial stability, and managing other vulnerabilities. Central banks are strongly committed to achieving price stability and ensuring that inflation expectations remain well anchored, in line with their respective mandates. Clear communication of policy and safeguarding central bank independence can help avoid exacerbating market volatility, limit negative cross-country spillovers, and maintain policy credibility. Fiscal policy will prioritize the protection of vulnerable groups from the burden of rising cost of living through temporary and targeted support while ensuring fiscal sustainability. We will ensure coherence of the overall monetary and fiscal stances, with due consideration to the complementary role of structural policies in easing trade-offs. As we continue to monitor financial vulnerabilities and risks to financial stability, our macroprudential policies need to guard against rising systemic risks as financial conditions tighten, while being mindful of potential negative procyclical effects. Recognizing that many currencies have moved significantly this year with increased volatility, we reaffirm our commitments on exchange rates, as made in April 2021. We will also advance our structural reform agenda to address supply constraints, bolster female labor force participation, and increase growth potential, thus easing growth-inflation tradeoffs.



Urgent multilateral action is needed to address shared challenges. We will further step up efforts to overcome the food crisis in coordination with international organizations and development partners and, in this context, will focus on supporting affected countries in protecting vulnerable populations from the impact of food price shocks and on lifting of export restrictions on food and fertilizers. We will continue to support vulnerable countries as they address their pressing financing needs and debt vulnerabilities. We reiterate our strong resolve to further accelerate climate action in line with the Paris Agreement and UNFCCC commitments, taking into account country-specific factors. We look forward to strong ambition for COP27, including enhanced action on adaptation and resilience. We recognize that timely, smooth, and just transitions to net zero will be critical for efforts toward increasing energy security and global resilience to current instability and future shocks. We will utilize policy mixes based on all effective tools, ranging from fiscal, market, and regulatory actions, including efficient policy instruments to reduce greenhouse gas emissions, while protecting the most vulnerable groups. We note the need to gradually adapt energy markets and promote the role of renewables as part of the energy mix, as well as strengthening the social support to green and sustainable transitions. We will ensure that the digital transformation process plays a key role in making our economies more resilient and inclusive, being mindful of data protection, data sharing and interoperability and portability. We will also work together to develop and implement effective legal and regulatory frameworks for the crypto-assets ecosystem, including the so-called stablecoins, and work to enhance cross-border payments. We reiterate our commitment on excessive global imbalances, and governance, and our statement on the rules-based trading system, as made in April 2021.

We welcome the Managing Director's Global Policy Agenda.

We support the IMF's surveillance focus on timely and granular policy advice to respond to ongoing shocks and uncertainty and strengthen resilience. We welcome the IMF's policy advice and analytical work on inflation, monetary-fiscal policy interactions, policy spillovers, and risks related to global food insecurity, trade, and safety nets. We support the IMF's emphasis on inclusive policies. We welcome the IMF's progress on operationalizing the Integrated Policy Framework, guiding members on the appropriate use of multiple policy tools to deal with shocks and risks taking into account country-specific circumstances and in line with the Institutional View. We look forward to the upcoming reviews of the Role of Trade in the Work of the Fund and of the implementation of the 2018 Framework for Enhanced Fund Engagement on Governance.

We reiterate the IMF's critical role in providing financial support, including on a precautionary basis, with adequate safeguards to help members deal with balance of payments problems. We welcome the operationalization of the Resilience and Sustainability Trust (RST) and look forward to the first RST-supported programs later this year. We welcome the progress toward a cooperation framework with the World Health Organization and the World Bank to enable support of pandemic preparedness efforts through the RST. We reaffirm our support for broad-based voluntary contributions to the RST, including through voluntary channeling of SDRs and timely conversion of the pledges into agreements. To maximize members' benefit from the RST, we look forward to it playing a catalytic role through strengthened collaboration with the World Bank and other relevant multilateral institutions and attracting additional finance for climate and pandemic preparedness from the official and private sector. We welcome the new temporary food-shock window under the IMF's emergency financing instruments, which will help enhance support to members facing urgent balance of payments needs related to the global food shock. We also welcome the new Staff Monitored Program with Executive Board Involvement. Looking forward, the IMF needs to continue to review and, if necessary, adapt its instruments and policies to best serve the membership in the context of global shocks. We will undertake all necessary efforts to close the remaining funding gap in the Poverty Reduction and Growth Trust for subsidies and loans, including through voluntary SDR channeling. We look forward to the forthcoming review of the Catastrophe Containment and Relief Trust, where funding needs will be evaluated. We welcome the voluntary contributions made for the IMF's multi-donor administered account to facilitate bilateral financial assistance to Ukraine.

We support the IMF's efforts to work with partners to address current and future debt challenges. We welcome the recent progress made on Zambia's debt restructuring. Building on this momentum, we



support the IMF's work with the World Bank to help strengthen and accelerate the implementation of the G20's Common Framework (CF) for debt treatments on a case-by-case basis, which is also agreed by the Paris Club, in a timely, orderly, and coordinated manner. We encourage the timely, orderly, and coordinated conclusion of the debt treatments for Chad and Zambia and progress on Ethiopia under an IMF-supported program. Given the rise of vulnerabilities in middle-income countries, we support efforts to explore, with all stakeholders, ways to promote stronger creditor coordination for debt restructuring where the CF is not applicable and to develop further complementary avenues to foster greater global consensus on debt challenges worldwide and appropriate ways to address them. We look forward to the IMF's work on collateralized financing practices, strengthening contractual provisions to support debt restructurings, improving debt data quality and transparency, roll-out of the new Sovereign Risk and Debt Sustainability Framework, and implementation of the revised sovereign-arrears policies.

We welcome the IMF's stepped-up efforts—in line with its mandate and in continued effective collaboration with partners—to deepen its macro-financial surveillance and implement its strategies for helping members tackle climate change, reap the opportunities and mitigate the risks related to digitalization, and reduce income and gender inequality, when deemed macro-critical. We also welcome the IMF's efforts to provide customized support to fragile and conflict-affected states in addressing their unique needs, including macroeconomic issues arising from security and humanitarian challenges. We reiterate the IMF's important role in responding to members' diverse needs for guidance on the macroeconomic and financial implications of climate change issues and on effective policy responses, including through dialogue. We look forward to the IMF's analytical work on the implications of digital money for global financial stability and the International Monetary System, on policy considerations for crypto assets, and on improving cross-border payment arrangements. We welcome the recent strategy integrating macro-critical aspects of gender into the IMF's core activities exploring synergies with other Fund workstreams. We support the IMF's work to enhance engagement on social spending.

We support the IMF's efforts to further integrate country-tailored capacity development (CD) with surveillance and lending activities and secure appropriate financing for CD. We look forward to the review of the strategic framework for CD, following the Independent Evaluation Office's recommendations.

We reaffirm our commitment to a strong, quota-based, and adequately resourced IMF at the center of the global financial safety net. We remain committed to revisiting the adequacy of quotas and will continue the process of IMF governance reform under the 16<sup>th</sup> General Review of Quotas, including a new quota formula as a guide, by December 15, 2023. We welcome the constructive engagement of all members. We also welcome the third progress report to the Board of Governors and look forward to accelerated progress by the time of the next meeting.

We welcome the IMF's continued efforts to attract talent to support existing and new priority areas and urge it to step up improvements in staff diversity and inclusion, responding to the specific challenges identified in the FY 2020 - FY 2021 Diversity and Inclusion Report. We also stress the importance of increasing gender diversity in the Executive Board. We support the IMF's efforts to strengthen its Enterprise Risk Management framework to underpin responsible risk taking in fulfilling its mandate. We look forward to the implementation of the recommendations of the Institutional Safeguards Review.

Our next meeting is expected to be held on April 14, 2023.



## Section C: Canada's engagement in European Bank for Reconstruction and Development operations

### Reporting requirements

Created in 1991, the European Bank for Reconstruction and Development (EBRD) fosters the transition toward democratic, market-oriented economies and promotes private and entrepreneurial initiatives in Central and Eastern Europe, Central Asia, and the Southern and Eastern Mediterranean region. The EBRD recognizes that successful market economies should be inclusive as well as competitive, environmentally friendly, integrated, resilient and well governed. In 2022, the EBRD made €13.1 billion in investments – their highest level of investment ever – supporting 431 projects across 37 economies. Canada has been a member of the EBRD since its creation and is the bank's 8th largest shareholder.

The EBRD was the first international financial institution to approve a comprehensive package to respond to the war in Ukraine and support the resilience of Ukraine and other affected countries. The "Resilience Package," announced in March 2022, enabled €1.7 billion in financing in calendar year 2022 (of which 50 per cent was enabled through donor guarantees and grants) to help the citizens, companies, and state-owned enterprises affected by the war in Ukraine. In October 2022, [Canada signed a €36.5 million guarantee agreement to enable, together with others, a €300 million EBRD loan to Naftogaz](#), Ukraine's state-owned gas company, helping to keep the heat and lights on in Ukraine during winters. By the end of 2023, EBRD's total support in Ukraine is projected to reach €3 billion. EBRD's support in Ukraine has been focused on energy security, municipal services and livelihoods for displaced persons, trade finance, and the provision of liquidity for small and medium-sized enterprises.

The *European Bank for Reconstruction and Development Act (EBRD Act)* came into force in 1991 and provides the legal framework for Canada's membership in the EBRD. As a founding member and the eighth-largest shareholder in the Bank, Canada actively contributes to the development of EBRD policies while providing oversight of the Bank's financial activities. This is primarily achieved through Canada's seats on the Board of Governors and Board of Directors.

As laid out in section 7 of the *EBRD Act*, the Minister of Finance is required to provide to Parliament an annual report of operations containing a general summary of all actions taken under the Act, including their sustainable development and human rights aspects. This section meets these reporting requirements.

For more information, refer to the text of the *EBRD Act* on Justice Canada's website: [European Bank for Reconstruction and Development Agreement Act](#).

### Governance and representation

#### Canada's capital subscriptions and shareholding

As of December 31, 2022, the EBRD had 71 shareholders: 69 countries, as well as the European Union and the European Investment Bank. The EBRD is active in 37 economies in Central and Eastern Europe, Central Asia, and the southern and eastern Mediterranean region. At its 2022 Annual Meeting, Governors approved in principle a limited and incremental expansion of the Bank's activities into sub-Saharan Africa and Iraq over the next several years, which will see a select number of countries in the region apply to become EBRD shareholders and countries of operations.



The EBRD's share capital is provided by member countries that hold proportional voting rights. Decision-making power is primarily exercised by member countries through their representatives on the Board of Governors and the Board of Directors. Canada is the eighth-largest shareholder of the EBRD, with its shares representing 3.4% or €1.02 billion of the institution's capital. Of Canada's total share, €213 million is paid-in capital and the remaining is callable capital<sup>15</sup>.

**Table 1: Canada's capital subscriptions to the EBRD, 2022, as of 31 December 2022 (€ millions)**

Description	Total
<b>Note:</b> Figures are from the 2022 financial report for the EBRD.	
Capital subscriptions and contributions	1,020.49
Amount paid in	212.85
Amount not paid in but contingent on future capital requirements	807.64
Subscription or contributions share (%)	3.43
Voting power (%)	3.43

Information on the EBRD's 2022 fiscal year (January 1, 2022 to December 31, 2022) is provided in its [Annual Review](#) and [Financial Report](#). Further information on the EBRD's performance can be found in the [Sustainability Report](#) and [Transition Report](#). The Bank releases considerable information on its various activities. Bank publications include information guides (such as the *Guide to EBRD Financing*), evaluation reports, special reports, country strategies, and assorted fact sheets. Information can be obtained on the [Bank's website](#).

Requests for EBRD information can be addressed to:

Attention: Access to Information Function  
 European Bank for Reconstruction and Development  
 5 Bank Street, London  
 E14 4BG, United Kingdom

Or submitted online to [accessinfo@ebrd.com](mailto:accessinfo@ebrd.com), or through the Bank's [Information Request Form](#).

### Canada at the Board of Governors

The highest authority in the EBRD is the Board of Governors. The Board meets annually and approves the EBRD's Annual Review, net income allocation and financial statements, the independent auditor's report, the election of the chair and vice-chair for the next Annual Meeting, as well as other items requiring governors' approval. Governors provide a written statement at the EBRD annual meetings. [Canada's statement](#) outlines its priorities at the Bank.

<sup>15</sup> Callable share capital is composed of resources that are not paid to the banks but act as a guarantee to allow banks to borrow on international capital markets to finance their lending program. Callable share capital, which has never been drawn on by the banks, would only be utilized in extreme circumstances to repay loans, should a bank's reserves not be sufficient. It represents a contingent liability of the Government of Canada, and is listed in the Public Accounts.





A Governor and an Alternate Governor represent each of the 71 shareholders. Canada's Governor during the reporting period was Deputy Prime Minister and Minister of Finance Chrystia Freeland. David Morrison, Deputy Minister of Foreign Affairs, is Canada's Alternate Governor.

To learn more about the governance of the Board of Governors, please visit the [EBRD's Board of Governors webpage](#).

### **Canada at the Executive Board**

The Board of Directors is responsible for the general operations of the Bank. It comprises 23 members, with each representing either one member or a constituency of member countries. The Board helps to set the strategic and financial course for the Bank, in consultation with the Bank's management. During the reporting period, Canada was represented on the EBRD Board of Directors by Sarah Fountain Smith. The Director for Canada also represents Morocco, Jordan and Tunisia at the EBRD Board of Directors.

To learn more about the governance of the Executive Board, please visit the [EBRD's website](#). The office of the Director for Canada, Morocco, Jordan, and Tunisia, can be reached by email at [canadaoffice@ebrd.com](mailto:canadaoffice@ebrd.com).

### **Canada at board committees**

The Board of Directors has established four committees to oversee Bank activities: the Board Steering Group, the Audit Committee, the Budget and Administrative Affairs Committee, and the Financial and Operations Policies Committee. This division of labour is consistent with good corporate governance practices and provides an appropriate system of checks, balances and incentives. In addition, the structure ensures a more effective discussion by the Board, once initiatives are ready for approval.

The Board Steering Group is responsible for the coordination of the committees' work programs to avoid overlap and ensure timely completion. In addition to some administrative duties, the Group's chair is the main liaison between the Board of Directors and management. In 2022, the Group was chaired by the Director for the Netherlands, China, Mongolia, North Macedonia, and Armenia (January to August) and the Director for the Czech Republic, Hungary, Slovak Republic, Croatia, and Georgia (September to December).

The Audit Committee's primary objective is to ensure that the financial information reported by the Bank is complete, accurate, relevant and timely. The Committee oversees the integrity of the Bank's financial statements, and the compliance of its accounting and reporting policies with the requirements set out in the International Financial Reporting System. It also reviews the EBRD's system of internal controls and its implementation, as well as the functions of the internal audit, evaluation, compliance and risk management teams. In 2022, the Committee was chaired by the Director for Belgium, Luxembourg, and Slovenia (January to August) and the Director for the European Investment Bank (September to December).

The Budget and Administrative Affairs Committee is responsible for ensuring that the Bank's budgetary, staff and administrative resources are aligned with its strategic priorities. To this end, the Committee reviews the medium-term resource framework, annual budgets and the business plan. It also oversees the Bank's human resources policies, the Shareholder Special Fund, and the uses of Donor funding. In 2022, the Committee was chaired by the Director for Poland, Bulgaria, and Albania (January to August) and the Director for Germany (September to December).



The Financial and Operations Policies Committee oversees the Bank's financial and operational policies, including the annual borrowing plan and the liquidity policy prepared by the Treasury Department. The committee plays a key role in taking forward implementation of the Bank's Strategic and Capital Framework; policy coherence and coordination; discussions on projects under the early warning system; and substantive preparations for the EBRD's Annual Meeting. Since 2007, the Committee has also been charged with overseeing the net income allocation process. As well, it is responsible for the Bank's Environmental and Social Policy and EBRD country and sector strategies. In 2022, the Committee was chaired by the Director for Canada, Morocco, Jordan, and Tunisia (January to August) and the Director for the United Kingdom (September to December).

### **Benefits of EBRD membership**

Canada's membership in the EBRD, and its active participation in the discussion of policy and operational issues, is an important means to help shape economic and social development in the EBRD's countries of operation. Canada strongly supports the overriding objective of developing a strong private sector by mobilizing financing for projects with a high transition impact and by providing advice and technical assistance to businesses and governments. The Bank provides Canada with a vehicle to contribute to development in transition countries that are not currently part of Canada's bilateral development assistance programs. This year, Canada has worked closely with the EBRD to respond to Russia's war in Ukraine and provide critical financial and policy support as Ukraine navigates this crisis. As Ukraine's largest institutional investor, EBRD will also have an important role to play in supporting Ukraine's reconstruction, once conditions in the country allow.

Finally, Canada's engagement helps to raise awareness among Canadian companies of opportunities presented by the EBRD. Canadian companies can seek financing for projects undertaken in the Bank's countries of operations. The Bank often relies on the procurement of goods and services from the private sector to implement transition projects. The Executive Director's office works diligently with Bank management to increase awareness amongst Canadian companies of the opportunities presented at EBRD, with a view to increasing the participation of Canadian companies. Canadian financial institutions also play an active role in managing EBRD global bond issuances. Furthermore, Canadians are well represented on EBRD staff. At the end of 2022, there were 31 Canadians on the staff of the EBRD, representing 0.83% of total positions.

