

FINANCIAL STABILITY FORUM

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CURRENT STRUCTURE:

National Authorities		26 Seats
Three Chair-Countries	21 Seats	
Canada		
France		
Germany		
Italy		
Japan		
UK		
US		
One Chair-Countries	5 Seats	
Australia		
Hong Kong		
Netherlands		
Singapore		
Switzerland		
International Financial Institutions		6 Seats
IMF	2	
World Bank	2	
BIS	1	
OECD	1	
Regulatory and Supervisory Groupings		7 Seats
BCBS Banking Supervision	2	
IASB Accounting	1	
IAIS Insurance	2	
IOSCO Securities Commissions	2	
Committees of Central Bank Experts		2 Seats
CPSS Paymt & Settlemt	1	
CGFS Glob Fin Syst	1	
European Central Bank		1 Seat
GRAND TOTAL		<hr/> 42 Seats

SUMMARY of CURRENT REPRESENTATIVE STRUCTURE OF THE FSF

Countries	26 Seats
Institutions	16 Seats
TOTAL	42 Seats

Regional Representation

Europe (6 countries)	14 Seats
North American (2 countries)	6 Seats
Sub-Total	20 Seats / 26 Country Seats = 77 % = transatlantic, not global
Asia (4 countries)	6 Seats
TOTAL	26 Seats

Recommendations for FSF Governance Reform

1. REDUCE the institutional seats from 16 to 3, one IFI seat, one regulatory and supervisory seat, and one central bank seat. Rotation would occur, depending on the issue being discussed. Seats would be filled by those who have a primary role in the issue under discussion. No seats for listeners, observers, or institutions per se. Seats imply voice and required involvement in the discussion. No seats for status.
2. REDUCE all the country seats to ONE per country. Rotate the three representatives from each country---finance ministry, central bank, and financial services agency officials---into the country seat, depending on the issue under discussion.
3. ADD country seats from emerging market economies and regions to achieve better balance based on financial sector criteria. *Illustratively*, add 5 CHINA, INDIA, BRAZIL, RUSSIA and SOUTH KOREA.

Resulting New FSF Structure Compared with Existing Structure

20 Seats Total instead of 42 =	less "unwieldy"
17 Countries instead of 12 =	more inclusive
7 Countries from Asia instead of 4 =	more balanced
3 Seats for Institutions instead of 16 =	more country-centric

CIB: 3FEB09