

**LAPSE OF
TIME**

EBAP/22/52

July 22, 2022

To: Members of the Executive Board

From: The Acting Secretary

Subject: **Board Meeting Operations Under the New Ways of Working**

Board Action: Executive Directors' **consideration** on a lapse of time basis

Deadline to Request a Board Meeting, after which Proposed Decision Deemed Approved: **Wednesday, July 27, 2022 5:30 p.m.**

Proposed Decision: Page 5

Additional Information: The report (EB/APC/22/2, 7/20/22) was endorsed by the Agenda and Procedures Committee on July 22, 2022. The report has been revised to incorporate comments from APC members.

A redlined version is also attached for Executive Directors' convenience.

Questions: Mr. Ogada, SEC (ext. 37886)
Mr. Dall'Orto, SEC (ext. 34263)
Ms. Christopherson Puh, LEG (ext. 35376)
Ms. Thomas, LEG (ext. 38328)



July 22, 2022

BOARD MEETING OPERATIONS UNDER THE NEW WAYS OF WORKING

Prepared by SEC and LEG staff

EXECUTIVE SUMMARY

On July 14, 2022, the Committee on Agenda and Board Procedures (APC) met to discuss possible options for the future of Executive Board operations, given the end of the “exceptional circumstances” that allowed for convening regular virtual and/or hybrid Board meetings during the COVID-19 pandemic.

After careful consideration, a broad consensus was achieved among both APC members and non-APC members on Option 2—outlined in EB/APC/22/1 (July 11, 2022) with certain modifications, as detailed in Paragraphs 3-6 below—as striking an appropriate balance between increasing the share of in-person Board meetings compared to the current hybrid and virtual modalities, while retaining some of their flexibility. In particular, modifications were requested on the format of informal sessions, scheduling of Committee meetings, and remote access for backbenchers to observe during in-person meetings. Importantly, Option 2 would not change the concept of a resident Board or otherwise require an amendment to the Fund’s Articles of Agreement, By-Laws, or Rules and Regulations.

Accordingly, in this paper, the APC recommends to the Board: (i) the approval of Option 2, as modified; and (ii) a review to take place in January 2023 of the experience of Board operations under Option 2, as modified.

BOARD MEETING OPERATIONS UNDER THE NEW WAYS OF WORKING

1. **On July 14, 2022, the APC met to discuss the possible options for the future of Board operations as outlined in EB/APC/22/1 (July 11, 2022).** Under Management’s Resumption Plan in response to the COVID-19 pandemic, the transition to Phase 4B for Fund staff on July 5 implied the end of “exceptional circumstances” and a shift to a new normal, in which staff is required to meet a minimum in-office attendance of 40 percent per month. In this context, the APC had asked the Secretary’s Department (SEC) on May 19 to prepare options for Executive Directors’ (EDs) consideration on how the Board could operate once the exceptional circumstances that allowed for convening regular virtual and/or hybrid Board meetings during the COVID-19 pandemic were lifted, and the default general rule of in-person formal Board meetings was reinstated.

2. **After careful consideration, a broad consensus was achieved among both APC members and non-APC members on Option 2—outlined in EB/APC/22/1 and further modified in Paragraphs 3-6 below based on the discussion—as striking the right balance between increasing the share of in-person Board meetings compared to the current hybrid and virtual modalities, while retaining some of their flexibility.** Importantly, this option would not change the concept of a resident Board or otherwise require amending the Fund’s Articles of Agreement, By-Laws, or Rules and Regulations. APC members and non-APC members agreed that going forward, there would be a significant amount of learning by doing, and the experience should be reviewed by the APC in about six months to adapt, if needed, the chosen format as experience is gained. In the meantime, the APC would monitor the implementation of Option 2 as part of its work program. APC members and non-members also agreed to consider additional resource needs that SEC would require in order to implement Option 2 effectively. In this regard, SEC will discuss its resource needs with Management and the Office of Budget and Planning.

A. Board Operations Under Proposed Option 2

3. Under Option 2, **formal Board meetings** would take place in person, and shall primarily be held on **Mondays and Wednesdays**.

- **Formal Board items** could spill over into **Tuesdays, Thursdays, and Fridays** if there is a need to do so. To avoid having three consecutive days of formal Board meetings, formal items that could not be accommodated on Mondays and Wednesdays would be primarily scheduled on Thursdays.¹ When not possible, formal meetings would then be scheduled on Tuesdays and, if needed, on Fridays. All of these meetings would be held in person, unless an ad-hoc Board

¹ Having three consecutive days with Board meetings could overload the calendars of Board stakeholders; result, for example, in disorderly issuance of grays during weekends; and could delay other important business of the Fund.

decision is taken under Rule C-4 of the Fund's Rules and Regulations to hold them in hybrid or fully virtual format.

4. The default assumption will be that all formal Board meetings would be held in person on Mondays and Wednesdays, with SEC not providing hybrid or fully virtual capabilities on these two days. This means that **the (Acting) Chair, EDs (or their representatives), and staff speaking at each meeting must attend in person**. Nevertheless, **participants registered to attend** the meeting as **observers** and approved by SEC would have the option to **watch** and **listen** remotely, if desired, the Board's deliberations **with no option to intervene** via the remote connection capabilities that SEC would provide. Following current practice, Board meeting registration, administered by SEC, would dictate who would have access to this remote connection capabilities during in-person meetings. Accordingly, since registration is capped for restricted Board items, given the sensitive issues discussed, access to remote connection capabilities for restricted items would be more limited than for non-restricted items.

5. Informal Board sessions would be primarily scheduled on **Fridays** in **fully virtual** format, which would allow for having virtual Fridays to improve work-life balance and decrease the Fund's carbon footprint.

- **However, for informal sessions for which in-person attendance is considered important**, they would be scheduled on days when the Board is expected to convene formal Board meetings. Accordingly, such informal sessions would be scheduled, to the extent possible, on **Mondays and Wednesdays in in-person format** and, when not possible, **in hybrid format on Thursdays or Tuesdays**. Similar to formal Board meetings, approved observers for in-person informal sessions would also have the option to watch and listen remotely, if desired, with no option to intervene via the remote connection capabilities.

6. Board Committee meetings and **staff technical/Q&A sessions** would be primarily scheduled on **Tuesdays and Thursdays** and could be organized in any format.

- Board Committee Chairs, in close consultation with Committee members, would decide the format for each of their meetings in advance. The format would be communicated on the respective Notice and Agenda for each meeting. Similar to formal Board meetings, approved observers for in-person Committee meetings would have the option to watch and listen remotely, if desired, with no option to intervene via the remote connection capabilities.
- **Board Committee meetings** and **staff technical/Q&A sessions** could also be held **on Fridays in fully virtual format** if the schedule allows.

7. Instituting the above-mentioned changes and, in particular, establishing regular virtual Fridays without changing Rule C-4, would require substantially more forward looking and active calendar and scheduling management. In particular, formal Board items would need to be scheduled mostly on Mondays and Wednesdays. This would require strong ownership and discipline by all Board calendar stakeholders (EDs, Management, and staff) and should be

accompanied by further meaningful reforms that modernize and make Board meetings more efficient (e.g., use of lapse-of-time procedures, issuance of joint grays, length of interventions). The APC encourages the Board to discuss possible reforms in an upcoming Board retreat. The APC is expected to conduct a review of the experience of the new modalities set forth in this paper by end-January 2023, and to present recommendations to the Board on any changes that it considers may be required.

RECOMMENDATION

8. Accordingly, in this paper, the APC recommends to the Board: (i) the approval of Option 2, as modified in Paragraphs 3-6 above, to be implemented with effect from close of business July 29, 2022; and (ii) a review to take place in January 2023 of the experience of Board operations under these new modalities.

Proposed Decision

The following decision, which may be adopted by a majority of the votes cast, is proposed for adoption by the Executive Board.

The Executive Board approves the proposals to: (i) conduct its operations commencing close of business July 29, 2022, under the framework described in Paragraphs 3-6 of EBAP/22/52; and (ii) conduct a review of the experience with the framework described in paragraphs 3-6 of EBAP/22/52 by end-January 2023, as set forth in paragraph 7 of EBAP/22/52.



July ~~2022~~, 2022

BOARD MEETING OPERATIONS UNDER THE NEW WAYS OF WORKING

Prepared by SEC and LEG staff

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Proposed ~~Recommendation~~ Decision

~~The following decision, which may be adopted by a majority of the votes cast, is proposed for adoption by the Executive Board. The APC recommends the following decision for approval by the Executive Board:~~

The Executive Board approves the proposals to: (i) conduct its operations commencing close of business July 29, 2022, under the framework described in Paragraphs 3-6 of EBAP/22/52; and (ii) conduct a review of the experience with the framework described in paragraphs 3-6 of EBAP/22/52 by end-January 2023, as set forth in paragraph 7 of EBAP/22/52.