

**LAPSE OF  
TIME**

EBAP/22/46

June 28, 2022

To: Members of the Executive Board

From: The Secretary

Subject: **Proposal to Hold Particular Meetings of the Executive Board in a Fully Virtual or Hybrid Format Under Rule C-4 of the Fund's Rules and Regulations**

Board Action:	Executive Directors' <b>consideration</b> on a lapse of time basis
Deadline to Request a Board Meeting, after which Proposed Decision Deemed Approved:	<b>Thursday, June 30, 2022 5:30 p.m.</b>
Proposed Decision:	Page 4
Questions:	Mr. Cirillo, SEC (ext. 36710) Ms. Thomas, LEG (ext. 38328))





June 28, 2022

## PROPOSAL TO HOLD PARTICULAR MEETINGS OF THE EXECUTIVE BOARD IN A FULLY VIRTUAL OR HYBRID FORMAT UNDER RULE C-4 OF THE FUND'S RULES AND REGULATIONS

### EXECUTIVE SUMMARY

*This paper proposes a decision to hold specific Executive Board meetings in a fully virtual or hybrid format in accordance with Rule C-4 of the Fund's Rules and Regulations, which allows for a particular meeting to be held elsewhere, including in a non-physical location. This proposal, which will apply for a limited period of time, will allow the Executive Board to have enough time to consider alternative arrangements for Board operations and meetings in light of the recent change to mandate a new hybrid work model for Fund staff, which will start on July 5th, 2022. Accordingly, in line with Rule C-12 of the Rules and Regulations, such meetings may be convened through means of telecommunication on specified days between July 5, 2022 and July 29, 2022.*

Approved By  
**Rhoda Weeks-Brown**  
and **Ceda Ogada**

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## LEGAL FRAMEWORK FOR EXECUTIVE BOARD MEETINGS

1. **The legal framework governing meetings of the Executive Board is structured around the requirement that the Executive Board functions in continuous session at the principal office of the Fund.** Under Rules C-4 and C-12 of the Rules and Regulations, the default requirement is that Board meetings shall be held in person at the principal office of the IMF, and that Executive Directors must participate and vote in Board meetings “in person”, unless the Board decides to hold a particular meeting “elsewhere”, including meetings convened by means of telecommunication (i.e., virtually).
2. **The current use of virtual and hybrid Board meetings was authorized by a Board decision adopted to respond to exceptional circumstances, such as those posed by the COVID-19 pandemic.** The Executive Board authorized the Managing Director to convene virtual meetings of the Executive Board or hold hybrid meetings (which entails both physical participation at the principal office of the Fund and participation via telecommunications), whenever, in the Managing Director’s judgment, in consultation with the Executive Board, such meetings are warranted by exceptional circumstances.<sup>1</sup> In approving this decision, it was considered that “in person meetings would remain the norm”.<sup>2</sup>
3. **Under the current legal framework, in the absence of exceptional circumstances, formal Board meetings need to be held in-person, unless the Board decides otherwise for particular meetings under Rule C-4 of the Rules and Regulations.** Under Rule C-4, the Executive Board can decide to hold a particular meeting “elsewhere”. The Board has previously decided that the term “elsewhere” could include a non-physical location, thus authorizing convening formal Board meetings by virtual or hybrid means. (Informal sessions of the Board and Committee meetings are not subject to this regime and could be held in virtual or hybrid format, since such meetings are meetings of Executive Directors, not the Executive Board deliberating as a decision-making organ of the Fund.<sup>3</sup>)

## PROPOSAL TO CONVENE PARTICULAR MEETINGS IN VIRTUAL OR HYBRID FORMAT

4. **With the initiation of Phase 4B of the Resumption Plan, Fund staff will be utilizing a mandatory hybrid work model approved by Management, which will represent the “new**

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<sup>1</sup> DEC/A/14236

<sup>2</sup> EBAP/20/27, para. 6

<sup>3</sup> See *Report of the Working Group on Committees on Board Practices*, endorsed by the Executive Directors (FO/DIS/10/223, Revision 1, 11/16/10; and EBD/10/73)

**normal”**. Under this new normal, staff will now for the first time since the start of the pandemic be required to be physically in the office for a minimum period of time. This in turn implies an end to the “exceptional circumstances” that had eliminated requirements for physical presence and thus precluded or complicated the ability to hold fully in-person meetings. As the Board has been updated by Management, the “new normal” represents an end to the exceptional circumstances that impacted the modalities of the Fund’s operations at earlier stages of the pandemic. With the cessation of the exceptional circumstances that enabled the Managing Director’s authority to convene virtual and hybrid Board meetings, under the current legal framework, the Executive Board would need to resume in-person meetings at the Fund’s principal office.

5. **The introduction of the new hybrid work model for Fund staff raises a question of what alternative arrangements for Board operations and meetings might need to be considered by the Executive Board for which more time is needed.** Since the new normal for Fund staff starts on July 5, 2022, which is the start date of Phase 4B, the Board would need some additional time to consider alternatives for its own operations and meetings, including identifying and addressing operational and logistical challenges that may arise in connection with the “new normal”, in order to enable the Executive Board to effectively carry out its operations.

6. **In light of the above, it is proposed that, consistent with Rule C-4, the Executive Board approve the convening of particular Board meetings in a fully virtual or hybrid format for a limited period of time.** This will permit Executive Directors to participate and vote during that period in meetings convened through means of telecommunication as provided for in Rule C-12. Specifically, it is proposed that the Executive Board would have the option to meet in fully virtual or hybrid format at its meetings held on the dates listed below, while the specific modality would be specified in advance for each meeting:

- July 5
- July 6
- July 7
- July 8
- July 11
- July 12
- July 13
- July 14
- July 15
- July 18
- July 19
- July 20
- July 21
- July 22
- July 25
- July 26
- July 27
- July 28
- July 29

7. **Notwithstanding the proposed approval of the option for the aforementioned particular meetings to be held elsewhere, in-person Board meetings will continue to be the norm under the current legal framework.** The proposed decision is not intended to modify the default provisions in the current legal framework that Executive Directors participate and vote in formal Board meetings in-person. Similarly, the decision—if adopted, would be meant to apply only for a limited period of time as described above in paragraph 6.

## Proposed Decision

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

In accordance with Rule C-4 of the Fund's Rules and Regulations, the Executive Board decides to approve the option to hold particular Board meetings elsewhere, by convening those meetings through means of telecommunications only, or both in-person and by means of telecommunications, on the dates specified in paragraph 6 of EBAP/22/46.