

**LAPSE OF
TIME**

EBD/21/30

July 30, 2021

To: Members of the Executive Board

From: The Secretary

Subject: **2021 Annual Meeting of the IMF Board of Governors**

Board Action:	Executive Directors' consideration on a lapse of time basis
Deadline to Request a Board Meeting, after which Proposed Decision Deemed Approved:	Tuesday, August 3, 2021 5:30 p.m.
Proposed Decision:	Page 3
Additional Information:	It is proposed that the attached draft report to the Board of Governors and proposed resolution on the 2021 Annual Meeting of the IMF Board of Governors be sent to the Board of Governors for a vote without meeting, pursuant to Section 13 of the Fund's By-Laws.
Questions:	Ms. Burgoyne, SEC (ext. 39014) Ms. Stetsenko, LEG (ext. 34499)



July 30, 2021

2021 ANNUAL MEETING OF THE IMF BOARD OF GOVERNORS

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

Prepared by the Legal Department and the Secretary's Department

1. The COVID-19 pandemic continues to take its toll on human lives and to severely impact economic activity worldwide. Against this backdrop, the challenges identified in 2020 to organize the Annual Meetings of the Fund's Board of Governors persist in 2021.
2. While the Fund is not required by its Articles of Agreement to hold an Annual Meeting of the Board of Governors, the Fund's By-Laws require that the Board of Governors hold regular meetings at annual intervals, unless it decides otherwise.¹ Due to the uncertainties regarding the evolution of the pandemic and the resumption of international travel, and consistent with Section 3 of the By-Laws, it is proposed that the Executive Board recommend to the Board of Governors that the 2021 Annual Meeting of the Board of Governors not be held.² Upon the approval of this recommendation, the documentation required to conduct the official business of the Fund that is ordinarily conducted at the annual meeting of the Board of Governors would be mailed to Governors for a vote without meeting.³ This approach is consistent with that followed in 2020 and 2001.⁴
3. It is also proposed that the International Monetary and Financial Committee (IMFC) and Development Committee (DC) meetings will be held in hybrid format and their members invited to attend in person, if they wish. Other events that we normally hold in the context of the Annual Meetings, including public and by-invitation only

¹ By-Laws, Section 3.

² The World Bank is required under its Articles of Agreement to hold an annual meeting of its Board of Governors. To allow its Board of Governors to conduct its meetings and vote through telecommunication means, the World Bank recently approved an amendment to its By-Laws permitting voting by any other means than "in person" by the Board of Governors at any of its meetings, including the Annual Meetings. In 2021, it is expected that the World Bank's Board of Governors will meet virtually. While the IMF could similarly amend its By-Laws to allow the official business of the Board of Governors to be conducted virtually, staff is of the view that the logistical difficulties and potential cyber security risks associated with a virtual meeting of 190 Governors do not appear to justify convening a virtual plenary meeting of all Governors for only a few minutes to approve the ordinary business of the Fund, when this could be conducted through a vote without meeting (i.e., by mail) as has been done previously.

³ Votes without meeting are authorized under By Laws, Section 13. The formal business of the Fund to be concluded by vote without meeting would consist of (a) approval of the annual report, financial statements, audit report and budget, (b) approval of any changes to the Rules and Regulations, (c) the selection of the BOG Chairman, Vice-Chairmen and members of the Joint Procedures Committee for the 2022 Annual Meetings.

⁴ See 2001 (EBD/01/91) and 2020 (EBD/20/23)

events, will be held virtually. The schedules of the International Monetary and Financial Committee (IMFC), the Development Committee (DC), and other ministerial meetings, as well as other public events, are being prepared and will be communicated to the membership in due course.

4. Given ongoing uncertainties, staff will continue to monitor the worldwide epidemiological situation and if needed, amend this plan in accordance with relevant WHO and CDC guidance.

Proposed Decision

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

1. The Executive Board adopts the "Report of the Executive Board to the Board of Governors on 2021 Annual Meeting of the Board of Governors" as set forth in the Annex to EBD/21/30 (the "Report"); and recommends the adoption by the Board of Governors of the Resolution set forth in the Attachment to the Report (the "Resolution").
2. Pursuant to Section 13 of the By-Laws, the Board of Governors is requested to vote without meeting on the draft Resolution entitled "2021 Annual Meeting of the Board of Governors" set forth in Attachment I to Annex I of EBD/21/30. To be valid, votes must be received at the seat of the Fund before 6:00 p.m., Washington time, on August 30, 2021. Votes received after that time will not be counted.
3. The Executive Board authorizes and directs the Secretary to send the Report of the Executive Board to the Board of Governors on the 2021 Annual Meeting of the Board of Governors, in Annex I of EBD/21/30, and the draft Resolution entitled "2021 Annual Meeting of the Board of Governors" to each member of the Fund by mail or other rapid means of communication on or before August 4, 2021.
4. All votes cast pursuant to this decision shall be held in the custody of the Secretary until counted, and all proceedings with respect thereto shall be confidential until the Executive Board determines the result of the vote.
5. The effective date of the Resolution shall be the last day allowed for voting.
6. The Secretary is authorized to take such actions as he shall deem necessary or appropriate to carry out the purposes of this decision.

Annex I. Draft Report of the Executive Board to the Board of Governors

1. The COVID-19 pandemic continues to cause unprecedented economic hardship and disruptions that give rise to challenges to organizing the 2021 Annual Meeting of the Fund Board of Governors.
2. Due to the uncertainties regarding the evolution of the pandemic and the resumption of international travel, the Executive Board recommends that: (i) pursuant to Section 3 of the By Laws, the 2021 Annual Meeting of the Board of Governors not be held this year; and (ii) in accordance with Section 13 of the By-Laws, the official business of the Fund (including approval of the annual report, the financial statements, the audit report, the administrative and capital budgets, and any amendments of Rules and Regulations, and selection of the Board of Governors officers for the next Annual Meeting) that is normally conducted at the Annual Meeting, be conducted by mail. The International Monetary and Financial Committee (IMFC) and Development Committee (DC) meetings will be held in hybrid format and their members invited to attend in person, if they wish. Other public and by-invitation-only events normally held in the context of the Annual Meetings will be held virtually. The speeches by the Chairman of the Boards of Governors of the Fund and World Bank, the Managing Director of the Fund, and the President of the World Bank will be delivered either virtually or in a hybrid format (to be determined at a later date) and streamed to the membership.
3. In accordance with the requirements of By-Law 3(a), the attached Resolution is proposed for approval by the Board of Governors.

Attachment to Annex I. Draft Resolution of the Board of Governors

Resolved

Due to the continuing difficulties and travel restrictions caused by the COVID-19 pandemic, the 2021 Annual Meeting of the Board of Governors will not be held this year. The Fund's official business that is normally conducted at the Annual Meeting of the Board of Governors will be conducted by mail.