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December 13, 2022

**Statement by Mr. Guerra and Ms. Moral Betere on Implementation Plan in Response to
IMF Executive Board and Management Endorsed Recommendations of the 2022
Institutional Safeguards Review
(Preliminary)
Executive Board Meeting
December 16, 2022**

As we stated in our Joint Statement on the Review of Institutional Safeguards in June 2022, ensuring the highest standards of institutional governance, data and analytical integrity is paramount to the Fund's ability to deliver on its mandate and its capacity to serve its member countries in an effective, even-handed, and impartial manner. Against this background, we thank staff for the comprehensive work on the implementation plan to address the recommendations of the Institutional Safeguards Review (ISR).

As members of the Steering Group (SG), we would like to stress our strong support for the overall process and outcome, which is the result of many internal discussions and close engagement with Management and Staff Association. In this vein, we welcome that the document represents a single and holistic voice on the approach to the Institutional Safeguards Review. The holistic nature of the report stems not only from the support of all parties involved but also from the inclusion of all the recommendations of the ISR together with timelines for implementation and the stakeholders responsible for monitoring the strategy. In this regard, the Matrix of recommendations in Annex I is a very useful instrument for guiding the status of the different recommendations.

We positively note that the implementation of the main recommendations is well advanced and that workstreams are being established in cases where actions required further consultation. We want to stress the fact that the aim is to follow up on the implementation in a similar way as the IEO recommendations are addressed. Also, having an instrumental role, the Office of Internal Audit (OIA) will validate the overall implementation

through a progress report in the first half of 2024 and additional implementation updates, consistent with the Periodic Monitoring Report process.

Giving structure and more clarity to the terms of staff's engagement with OEDs is a matter of strategic importance. In this regard, Management, Board members and their offices all have an important role to play in the effective implementation of the agreed action plan. A clear commitment by the Executive Board to the implementation of the Institutional Safeguards agenda will send an important signal of our support for the development of a culture of strong institutional cohesion. The Executive Board should continue its engagement with staff in the work around shared principles and, importantly, the review of the Board Code of Conduct. This should be a timely opportunity to give more clarity to the different roles and responsibilities of Executive Directors.

We agree with Ms. Riach and Mr. Chrimes that a timely Review of the Transparency Policy is an important related priority. One of the most active interactions among staff, management and OEDs offices relates directly to the transparency policy. So, we join other Directors in calling for a comprehensive review of the Transparency Policy in FY 2023.

Given the existing high workload of staff, we call for a careful prioritization and budgeting exercise for the implementation of actions where additional resources will be necessary in order to avert any risks in the implementation process. It is clear from Annex I, that many of the recommendations will be accommodated *within the existing work program*. Although that will be optimal from the point of view of the resource implications, in an environment where staff is already under high work pressure, this has its own implementation risks. The Annex also makes it clear that the responsibility of implementing the action plan will be usually concentrated in a few departments (LEG, HR, SPR) and offices (OII and OIA). So careful consideration should be given to adequately consider the resource implications of the action plan and the corresponding work pressures for staff in a granular way, where the work will be recurring or demands new complex tasks.