

June 6, 2001

To: Members of the Executive Board

From: The Secretary

Subject: **Agenda and Procedures Committee—Summary Record of Meeting 01/4**

Attached for the information of Executive Directors is the summary record of the May 8, 2001 meeting of the Agenda and Procedures Committee.

Att: (1)

Other Distribution:
Department Heads

Summary Record
Agenda and Procedures Committee
Meeting 01/4, May 8, 2001

Members present: Mr. Bernes (Chairman), Mr. Collins, Mr. Donecker, Mr. Mozhin, Mr. Yakusha, Mr. Anjaria (Secretary).

Also present: Mr. Al-Azzaz, Mr. Bauche, Mr. Cippa, Mr. Daïri, Mr. Gonzales-Sanchez, Mr. Guinigundo, Mr. Hendrick, Mr. Ismael, Mr. Jayatissa, Mr. Low, Ms. Lundsager, Mr. Milton, Mr. Portugal, Mr. Prader, Mr. Shaalan, Mr. Törnquist, Mr. Vittas, Mr. Wei, Mr. Yoshimura.

The meeting convened at 10:00 am.

1. Evaluation of experimental procedures (models A and B)

The Secretary recalled that the model A/B approach had been introduced for a variety of reasons, including a desire to make more effective use of Board time, stimulate proactive discussions of high quality, and ensuring that small countries were given adequate treatment by the Board. In practice, over two-thirds of consultations had taken place under model A.

A number of speakers commented that, while model B had been successful in ensuring that there were enough speakers for consultations with small countries, it had failed to achieve its second more general purpose, which was to stimulate a more lively and well-focused discussion. Over time, the distinction between the two models had almost disappeared, and there was no longer any discernable difference in the quality and effectiveness of discussions taking place under the two models for countries that generate significant interest from Executive Directors. For instance, even though model B had been opted for in the consultation with Norway, the Board meeting had taken place as if it were model A.

A few speakers suggested that the model A/B approach be abandoned altogether. A number of other speakers still found the approach useful as a means to guarantee at least three speakers for items that might not otherwise benefit from a full Board discussion. It was also felt that more efforts should be made to enhance the quality of discussions, and that model B still could be helpful in this regard.

Problems with model A were also discussed. One speaker was of the view that the large number of gray statements that were often received under model A reduced the quality of discussions. Many of those statements were sent after the agreed deadline of 3 pm the day before, leaving Directors with little time to consider them. The practice of having the staff answer questions at the beginning of meetings when eight or more grays had been received, in the view of this Director, further reduced the effectiveness of the debate. Rather than giving preference to long written statements, as was the current practice, the discussion format should encourage brief oral statements that encouraged proactive discussion. The Secretary said he agreed it would be helpful if all gray statements were issued before the

deadline of 3 pm. Improving the timeliness of grays hinged primarily on the cooperation of Directors' offices.

Other speakers noted that both written and oral statements often were repetitive, and that not enough use was made of association: when a speaker agreed with views expressed either in the staff appraisal or in grays and earlier interventions, they should associate themselves with those views rather than repeating the argumentation. However, it was also pointed out that chairs often had to make complete statements on countries of special interest to their authorities. It was suggested that the offices of Executive Directors make a more concerted effort to educate new staff on how to intervene effectively in the Board. The Chairman remarked that no structure could substitute for Directors' discipline, both in publishing gray statements in a timely manner, and in avoiding duplication in oral interventions.

In light of the limited use of model B, the Chairman suggested introducing a presumption that model A would be applied to all consultations, unless a Director specifically requested model B. The Committee generally agreed that this would save both time and resources.

The Chairman asked for views on broadening the use of the experimental procedures to include Board meetings on the use of Fund resources (UFR). After discussion, it was agreed that use of the model A/B approach for UFR Board meetings did not appear to be warranted at this time.

2. Access to staff statements following country matters sessions

Some speakers proposed that the staff as a rule be asked to circulate written statements after informal country matters sessions. That would reduce the need for Directors to take extensive notes during those meetings, while improving the accuracy of the reports they subsequently submitted to their authorities. As a minimum, tables listing the relevant data should be made available to the Board, preferably before meetings.

The Secretary noted that at informal Board meetings focusing on a single country, the staff frequently circulated a written statement. For the country matters sessions, which were informal meetings covering a group of countries, the objective was to give brief updates on key developments in Fund relations, and written statements were in general not warranted. While it was correct that the staff sometimes read from speaking notes, circulating them would add work and reduce the spontaneity and frankness of comments. He undertook to remind staff of the procedures, and to request circulation of brief tables limited to key indicators at country matters sessions as warranted.

3. Next meeting

The Committee agreed to meet again in about one month. The Chairman asked the Secretary to attach the guidelines on models A and B and the guidelines for effective

interventions to the summary record for consideration at the next meeting. He further proposed that the Committee return to the question of access to staff statements following country matters sessions in the context of a discussion on access to verbatim transcripts, since the two issues were linked. The Secretary said he would prepare a note highlighting the key points relating to verbatim transcripts as a means of facilitating that discussion.

The meeting concluded at 11:40 am.



Office Memorandum

To: Executive Directors

January 18, 2000

From: Shailendra J. Anjaria

A handwritten signature in black ink, appearing to be "SA", is written over a horizontal line that extends to the right.

Subject: **Executive Board Meetings on Country Matters**

Attached for your information are guidelines for the conduct of the Executive Board's informal country matters sessions, intended to encourage meetings that are as brief and productive as possible.

I understand that staff will conduct their briefings in accordance with these guidelines from the next session, tentatively being planned in about two weeks' time.

Attachment

cc: The Acting Managing Director
The Managing Director (o/r)
Mr. Fischer (o/r)
Mr. Aninat (o/r)
Heads of Departments and Offices
Mr. Cross

FO/DIS/00/9

Executive Board Meetings on Country Matters¹

1. Purpose

The meetings are intended to inform Executive Directors of the key issues facing staff and management in important country cases. Country matters sessions are an opportunity for staff to brief Executive Directors whenever economic developments in a country, or Fund-country relations, take unexpected turns.

2. Content

Oral presentations at the outset of each country briefing are expected to be concise, normally lasting three to four minutes for each country. They should focus on broad policy issues and not be overly detailed. Provision of detailed information on country developments will normally be left to regular Board meetings and informal meetings on individual countries, or provided in bilateral contacts between staff and Executive Directors. Any tables or charts distributed at a country matters session will be limited to key indicators.

3. Departmental rotation

The current practice of scheduling each country matters session around area departments taken two at a time is maintained. When requested by SEC to schedule countries, area departments are asked to feel comfortable skipping a turn if there are no key cases warranting inclusion in a particular country matters session. SEC will continue to advise area departments if a proposed list of countries to be covered appears too long and needs paring down. Each country matters session will normally last up to no more than 90 minutes.

4. Discussion following oral presentations

We will revert to the format of concluding an oral presentation and a question-and-answer session on one country before moving on to the next country. In order to keep the session to within the 90-minute limit, staff responses to questions are expected to be as concise as possible. In particular, area departments are encouraged to respond to a question of detail by suggesting that it be taken up bilaterally with the Executive Director concerned following the meeting. Over time, it is expected that Executive Directors will avoid raising questions of detail.

¹ Prepared by the Secretary's Department, in consultation with area departments and management.



Office Memorandum

To: Executive Directors

May 5, 2000

From: Shailendra J. Anjaria *SJA*

Subject: **New Experimental Procedures for Article IV Consultation to Begin Monday, June 5, 2000**

Following extensive consultations involving Executive Directors, management, and staff, it was agreed at a meeting of the Agenda and Procedures Committee (APC) on May 4 (under the chairmanship of Mr. Wijnholds) that the new experimental procedures for Article IV consultations should go into effect on Monday, June 5. Accordingly, electronic speakers' lists will be posted two weeks prior to scheduled meetings, with an indication of which procedure the Executive Director for the country in question has chosen.

Please find attached a description of the experimental procedures and guidelines for interventions, both of which have been circulated previously to Executive Directors. The APC has asked me to request Executive Directors to ensure that the guidelines for interventions are observed by all in their offices who have the occasion to intervene during Article IV consultations.

Attachment

cc: The Managing Director
The Deputy Managing Directors
Heads of Departments
Mr. Cross/Mr. Salmon

A Suggested Procedure for Article IV Consultation Discussions

For each Article IV discussion, *the Director* representing the country in question would choose between two models A & B. The choice should be made *no later than two weeks before the discussion*. If less than three Directors express interest in acting as lead speakers, a Director would be allowed to change his preference from Model A to Model B preferably no later than one week prior to the Board meeting. But if the Director continues to prefer Model A, that preference would be allowed to stand.

In practice, the electronic speakers' list for an Article IV consultation will be posted 2 weeks prior to the scheduled meeting, with an indication of which procedure the concerned Director has chosen.

Model A

This model relies primarily on “self restraint” on the part of Directors and their staff. It also provides an incentive for Directors desiring to demonstrate “leadership” to produce statements ahead of the discussion.

Self-restraint alone has proven inadequate to more efficient discussions. Therefore, to help improve this situation, a set of guidelines are provided for oral interventions at the Board (Annex I). These are *not compulsory*, nonetheless need to be accepted *by consensus*. **Board ownership of these guidelines is essential to their success.** The guidelines should be brought to the attention of all existing and new Directors, Alternate Executive Directors, and Temporary Alternative Executive Directors, as well as Chairpersons. Directors should assume responsibility for making their staff aware of these guidelines, encourage their use, and reinforce their importance on a regular basis. The specifics of the model would be as follows:

1. Directors may issue Grays and register as speakers in the same manner as is the current practice. Authors of Grays should endeavor to make their statements available by 3 p.m. the day prior to the discussion.
2. At the discussion, staff would provide an initial response to Directors' statements after eight (8) interventions, with Grays being included and counted. To illustrate, if there were six Grays, the discussion would commence with two oral interventions, after which staff would provide their initial response; if there are eight or more Grays, staff would respond at the beginning of the meeting; if none were issued, the initial staff response would come after eight interventions; if there are fewer than 8 interventions, staff would respond at the Chairperson's discretion.
3. The remaining Directors on the speakers' list would be free to intervene as they see fit but would be strongly encouraged to follow the guidelines for effective interventions (see Annex I).

4. The remainder of the meeting would proceed as is the current practice, with staff providing a second round of responses at the close of interventions.

Model B

1. There would be at least three lead contributors—a Director, who is interested in having his/her chair act as a lead contributor, would indicate this to the Secretary *no less than one week before the discussion*, and preferably earlier.

2. If there are more than three Directors wishing to be lead contributors, the Secretary will proceed under the provisions of model A.

3. *In cases where there are less than three lead contributors, one week prior to the discussion* the Secretary would fill any shortfall through resort to a randomly generated, but fixed, list of Directors (see Annex II for a illustrative example). The Secretary would move down the list, contacting each Director in turn, and encourage that Director to designate *an appropriate person* in his/her office to fulfil the role of lead contributor.

4. A Director could ask to be bypassed, if so desired. Directors representing the country in question would, of course, be bypassed. The Secretary would continue until three lead contributors were in place. These Directors could issue statements independently of one another, or in light of an agreed upon division of labor. The choice would be theirs.

5. The next time this model is invoked, the Secretary would pick up where he/she left off on the list, but would start with Directors who had bypassed earlier opportunities. To avoid the possibility that the same group of Directors would speak on different countries, a new random list will be established once a first random list is exhausted.

6. The three lead contributors should endeavor to distribute Grays by 3:00 p.m., the day prior to the discussion.

7. Directors who did not volunteer to assume a lead role in the discussion would still have the option to issue Grays.

8. If the chairperson considers it useful, the meeting could begin with staff responding to the Grays. Otherwise, the staff response would await interventions from other Directors.

9. There would be a speakers' list, and any other chair that wishes to speak could then do so when, and as, they see fit. Statements in this section should seek to conform to the guidelines for Board interventions (Annex I). Directors would be free to intervene at any time with questions or comments.

10. In all other respects, the meeting would follow current practices.

Guidelines for Efficient and Effective Interventions in Article IV Discussions

Use of these guidelines should be encouraged for all speakers, staff and the Chairperson. The Chairperson has an important role to play in encouraging their observance in a flexible and sensitive manner.

1. Speakers should refrain from describing underlying economic conditions unless they have not been adequately or accurately characterized in the staff report. Similarly, there is rarely a need for a speaker to repeat statistics in the staff report unless the figures are needed to make a point not previously addressed.
2. When Directors require factual information or points of clarification, they should seek to obtain these from staff *prior to* the meeting. Staff comments during the meeting should concentrate on major issues arising from Directors' remarks. The Chairperson should encourage staff to address specific factual or technical questions from individual Directors bilaterally (i.e., outside the meeting). Individual Directors or staff may advise all Directors of bilateral exchanges considered to be of general interest.
3. Directors making oral interventions could – when, and if, possible *and* appropriate – provide copies of their statements to staff prior to the meeting to facilitate comprehensive and clear responses during the meeting. Such a practice is by no means compulsory and is entirely at the discretion of individual Directors.
4. When a speaker agrees with views previously expressed in Grays or in earlier interventions and wishes to make a point “for emphasis”, they should associate themselves with the views of others rather than repeating the argumentation.(e.g., “On issue “x”, I concur with staff and/or the views expressed by....”). Where the views expressed in Grays or Buffs conform to views in the staff report, they should also make use of “association” where appropriate and helpful.
5. To facilitate a speaker’s ability to condense interventions through greater use of “association”, authors of Buffs *and* Grays are encouraged to submit their statements as early as possible. Authors of Buffs should endeavor to make their statements available *at least 48 hours before they are to be discussed*; authors of Grays should seek to submit their statements *no later than 3:00 PM the day prior to the discussion*. It should be assumed that all written statements circulated have been read prior to the meeting.
6. Speakers who wish to prepare “comprehensive” and detailed interventions that reiterate the views expressed in the staff report, should table their interventions “for the record”

and, if a spoken intervention is still considered to be of value to the Board, the speaker should make extensive use of “association” and/or restrict his or herself to points not yet made in the discussion or staff report.

7. “Two-handed” interventions would be made as desired.
8. Throughout the discussion, the Chairperson would be encouraged to seek clarification from Directors where necessary. In an effort to facilitate a balanced discussion, the chairperson is also encouraged to raise or highlight particular points that will help focus the discussion and assist staff in adequately responding to the issues raised by Directors.

Annex II

Illustrative List of Directors for Model II Interventions (Random Selection)

Mr. Carstens
Mr. Wijnholds
Mr. Shaalan
Mr. Milleron
Mr. Wei
Mr. Pickford
Mr. Morais
Mr. Taylor
Mr. Portugal
Mr. Bernes
Mr. Cippa
Mr. Mozhin
Mr. Barro Chambrier
Mr. Kiekens
Mr. Yoshimura
Mr. Kelkar
Mr. Hansen
Mr. Mirakhor
Ms. Lissakers
Mr. Faini
Ms. Jul
Mr. Al-Turki
Mr. Esdar
Ms. Hetrakul