

November 6, 2002

To: Members of the Executive Board

From: The Secretary

Subject: **Committee on Agenda and Board Procedures—Summary Record of Meeting 02/6**

Attached for the information of Executive Directors is a summary record of the October 17, 2002 meeting of the Committee on Agenda and Board Procedures.

Att: (1)

Other Distribution:
Department Heads

Summary Record
Committee on Agenda and Board Procedures
Meeting 02/6
October 17, 2002 — 2:30 p.m.

Members Present: Messrs. Mozhin (Chairman), Prader, Reddy, Yagi, Zurbrügg; Mr. Anjaria (Secretary)

Also present: Messrs. Al-Assaz, Baukol, Brooke, Callaghan, Costa, Daïri, Djojosebroto, Gitton, Kpetigo, Kropas, Milton, O'Murchu, Sakr, Vittas, von Kleist, Wei, Yakusha, Zoccali; Messrs. Cirillo, Esdar, Friedman (SEC).

1. Timely Circulation of Grays – Conclusion of Discussion

The Chairman noted that the discussion at the recent APC meetings on timely circulation of grays had been concluded via e-mail, with an agreement to strictly apply the cutoff for the submission of Gray statements of 5:00 p.m. the day preceding a Board meeting. The deadline, which had become effective September 3, would be reviewed after six months.

2. Planning of the Board Calendar prior to the 2002 Annual Meetings

The Secretary reported that the experience with planning the Board calendar in the run up to the 2002 Annual Meetings had been mixed: the calendar had been lighter and more evenly distributed than in 2001, and there had been fewer meetings on Tuesdays and Thursdays; but the effort to limit the calendar to items that absolutely had to be completed before the Annual Meetings had not been wholly successful, with more meetings on stand-alone Article IV consultations being held in September 2002 than in September 2001.¹ The decision to hold the IMFC Deputies' meeting in London a week earlier than had been initially foreseen had forced some bunching of items to complete the discussions on key policy items before the Deputies' meeting. In the future, ideally Deputies meetings should be held three—rather than two—weeks before the ministerial meeting. SEC would continue to try to improve the Board calendar by proposing a focused Work Program and avoiding bunching and unnecessary changes in the calendar. In that regard, there was some reason to be optimistic, given the recent increased understanding and cooperation from the main authoring departments.

Speakers welcomed the efforts made by SEC to improve the Board calendar. They agreed that planning to hold the Deputies' meetings three weeks prior to the ministerial meetings would provide more flexibility in scheduling, and they encouraged continued efforts at limiting the number of non-urgent items—such as stand-alone Article IV consultations—in the period prior to the ministerial meetings. One speaker pointed out that

¹ See attached table entitled *Board Meetings July-September 2001, 2002*, which was circulated at the meeting.

bringing forward the deadline for finalizing Board policy discussions would free up some time between the deputies' and ministerial meetings to hold some urgent Article IV consultations and requests for Fund resources, and avoid the long delays that had sometimes been experienced in the past in considering such items because of the need to give priority to policy discussions. Moreover, to avoid the bunching of policy items prior to the Deputies' meeting, early and firm deadlines for finalizing discussions on the main policy items could be set as soon as the work program was agreed.

The Chairman agreed that it would make sense to bring forward policy items to the extent possible, and encouraged the Secretary to work with departments to that end.

3. Role of Executive Board Seminars

The Committee continued its discussion of the role of Executive Board seminars, begun at its July 25, 2002 meeting.

The Secretary explained that, in the gradation of Board meetings from the most informal to the most formal, seminars stood in the middle: they involved a paper, Gray statements, and formal minutes; no formal decision was on the table; but there could be concluding remarks. For informal seminars, there were no Gray statements, concluding remarks, or records kept; thus they were akin to informal Board meetings. There had traditionally been very few informal seminars, and one issue was whether it was useful to keep the distinction between the two seminar formats. While there were good institutional reasons for having various classifications of Board meetings, those distinctions were not clear and had not always been applied consistently.² Nevertheless, some constructive ambiguity among formats could be useful in making progress or coming to consensus on a particular issue.

Several speakers considered that the distinction between formal and informal seminars should be abolished. Some thought that all seminars should be formal, so that their outcome would be recorded in minutes and there would always be concluding remarks; while a few others considered that all seminars should be informal, so that they would provide the format for Directors to express preliminary views off the record, and without concluding remarks, which might prejudice the outcome of an eventual formal Board discussion. Some in that second group felt that summary remarks by the Chairman would be important to lay the basis for a future formal discussion. A third group of speakers agreed that a degree of ambiguity in the format of meetings could be constructive, noting that different formats could serve different needs (e.g., introducing Directors to an issue, providing guidance to staff at an early stage for their future work, or advancing consensus in the Board).

Following some discussion, the Chairman concluded that there seemed to be broad agreement that different formats were appropriate for different purposes, and that what was really needed was greater clarity on why a particular format was proposed for a particular

² See attached table entitled *Executive Board Seminars: 2000-2002*, which was circulated at the meeting.

meeting. To that end, it would be important to have better communication among the staff, management, and the Secretary on the purpose of the meeting, so that clearer expectations could be conveyed to the Board prior to each meeting. He suggested that the Board be notified in advance about the purpose of seminars, and the format that would best fit the purpose—including whether any or all of the following would be involved: a paper, Gray statements, minutes or a brief summary record of the main points made, and concluding remarks.

4. Next Meeting of the Committee

The Chairman suggested that the problem of non-observance of circulation periods for policy papers be discussed at the next meeting of the Committee. As agreed previously, SEC would circulate beforehand a note proposing ways to improve procedures in that area, as a basis for the discussion.

The meeting concluded at 3:50 p.m.

Attachments (2)

1. Table of Board Meetings July-September 2001, 2002
2. Table of Executive Board Seminars: 2000-2002

Prepared by:

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Board Meetings July – September 2001, 2002
(number of hours)

	July	August	September	Jul-Sept.	Jan-Sept.
Board Meetings¹					
2001	66	50	63	179	521
2002	63	38	58	159	506
of which, Stand-alone Art. IV items					
2001	22	14	3	39	108
2002	19	8	9	36	109

1/ Including formal and informal meetings, Committees, Seminars

EXECUTIVE BOARD SEMINARS: 2000 - 2002

<u>Meeting No.</u>	<u>Date</u>	<u>Subject</u>	<u>Length</u>	<u>Outcome</u>
SEM/00/1	3/30/00	Financial Stability Forum WG Reports	65	None
SEM/00/2	5/1/00	Debt & Reserve-Related Indicators of External Vulnerability	170	Summing Up
Informal Sem	8/2/00	Emerging Market Financing (folded into ICM Report)	90	None
SEM/00/3	7/17/00	Draft Guidelines for Public Debt Management	210	Concluding Remarks
SEM/00/4	8/31/00	Review of Quota Formula	180	None
SEM/00/5	12/11/00	Misreporting in the Context of HIPC Initiative Assistance- Preliminary Consideration	150	None
SEM/01/1	2/22/01	Seminar on Streamlining the Financial Structure of the IMF	102	None
SEM/01/2	3/5/01	Seminar on Armenia, Georgia, Kyrgyz Republic, Moldova, & Tajikistan--External Debt & Fiscal Sustainability	155	None
SEM/01/3	5/2/01	IMF Staff Comments on Jan 01 Proposals of Basel Committee on Banking Supervision for New Capital Adequacy Framework for Banks	100	None
SEM/01/04	6/15/01	Informal Seminar on Methodology for Current Account and Exchange Rate Assessments	180	Summing Up
SEM/01/5	6/22/01	Fund's Internal Budgetary Practices	195	None

<u>Meeting No.</u>	<u>Date</u>	<u>Subject</u>	<u>Length</u>	<u>Outcome</u>
SEM/01/6	7/6/01	Capital Account Liberalization-- Considerations for Sequencing	90	Informal Concluding Remarks
SEM/01/7	8/23/01	Involving the Private Sector in the Resolution of Financial Crises--The Treatment of the Claims of Private Sector and Paris Club	125	None
SEM/02/1	2/8/02	Twelfth General Review of Quotas-- Preliminary Considerations and Next Steps	165	Concluding Remarks
SEM/02/2	2/13/02	Involving the Private Sector in the Resolution of Financial Crises-- Complementing the Catalytic Approach and Further Consideration	170	Summing Up
SEM/02/3	3/6/02	Sovereign Debt Restructuring Mechanism--Further Reflections and Future Work	160	None
SEM/02/4	3/8/02	Sovereign Debt Restructuring Mechanism--Concluding Remarks	30	Concluding Remarks
SEM/02/5	4/8/02	Fund and Bank Methodology for Assessing Legal, Institutional, and Supervisory/Regulatory Aspects of AML/CFT - Update and Next Steps	135	Informal Concluding Remarks
SEM/02/6	6/10/02	Immunities of Fund Officials	60	None
SEM/02/7	6/14/02	Assessing Sustainability	125	Summing Up
SEM/02/8	6/27/02	Anti-Money Laundering/CFT Method; Implementation of Legal and Regulatory Framework	210	Informal Concluding Remarks