

**IMMEDIATE
ATTENTION**

EBAP/11/93

September 2, 2011

To: Members of the Executive Board

From: The Acting Secretary

Subject: **Managing Director—Participation on the Board of Directors of the
World Economic Forum**

At the request of Mr. Legg, in his capacity as Chairman of the Ethics Committee, attached for consideration by Executive Directors is a memo from Mr. Legg to Members of the Executive Board in connection with the Managing Director's proposal to accept an invitation to participate on the Board of Directors of the World Economic Forum.

It is not proposed to bring this matter to the agenda of the Executive Board. In the absence of objection by **noon on Friday, September 9, 2011**, the Managing Director's proposal to accept an invitation to participate on the Board of Directors of the World Economic Forum in her official capacity will be deemed approved by the Executive Board, and it will be so recorded in the minutes of the next meeting thereafter.

This document will shortly be posted on the extranet, a secure website for Executive Directors and member country authorities.

Att: (1)

Other Distribution:
Department Heads



Office Memorandum

To: Members of the Executive Board

September 2, 2011

From: Chris Legg, Chairman of the Ethics Committee

Subject: **Managing Director—Participation on the Board of Directors of the World Economic Forum**

The Managing Director is seeking Executive Board approval of her proposal to accept an invitation to participate on the Foundation Board of the World Economic Forum (“WEF”). The WEF is a not-for-profit foundation and an independent and neutral organization that does not take political positions on the issues it addresses. The organization is committed to improving the state of the world by engaging business, political, academic and other leaders of society to shape global, regional and industry agendas.

The Foundation Board has overall responsibility for establishing the long term direction and objectives of the WEF, and is comprised of international public and private sector leaders. The Foundation Board does take broad strategic decisions on the matters the WEF should focus on, as well as deal with certain organizational decisions. However it does not take positions on specific policy issues.¹ The Managing Director has previously served on the Foundation Board while Minister of Economy, Finance and Employment of France. Another member of management – Deputy Managing Director Min Zhu – is currently a member of the WEF Foundation Board, with the approval of the Managing Director.

The applicable standard for senior staff playing a leadership role in an organization that is involved in, or is perceived to be involved in, matters related to the Fund’s mandate is that such participation is in an official rather than personal capacity, based on approval by the Managing Director on the basis that such participation is in the interest of the Fund. For participation by the Managing Director, the approval of such activity would come from the Executive Board. The Ethics Committee is of the view that the WEF would be perceived to

¹ The WEF website sets out the Foundation Board’s role as follows: “The Foundation board is the guardian of our mission, values and brand. It is responsible for inspiring business and public confidence through an exemplary standard of governance. Individuals with unique leadership experience -- from business, politics, academia and civil society -- participate for three years in the board’s activities. The Board’s role includes: managing the statutes of the World Economic Forum and its institutions; appointing new members; reviewing fund applications; determining and monitoring the execution of the World Economic Forum’s strategies; and defining the roles of the Managing Board and Committees, including the review of strategies and activities in light of the Forum’s mission.”

be involved in matters related to the Fund's mandate and, as a result, participation, if allowed, should take place in an official capacity based on approval of the Executive Board. The Ethics Committee notes the Managing Director views that her participation in the Foundation Board is in the interest of the Fund as the WEF is a unique forum for engaging in private exchanges with and for expressing the Fund's position to a wide range of leaders, including from business, politics, academia and civil society, thus helping to further broaden the Fund's reach and assist with buy-in from important actors.

cc: Messrs. Hagan and Tiwari