

EB/CAM/Mtg/11/4

September 12, 2011

To: Members of the Committee on Executive Board Administrative Matters  
(Mr. Hockin, Chairman; Mr. Alkholifey, Mr. Bakker, Mr. Chia,  
Mr. Mac Laughlin, Mr. Majoro, Mr. Nogueira Batista, Mr. Temmeyer)

From: Kenneth Meyers, Committee Secretary

Subject: **Committee on Executive Board Administrative Matters—Summary Record  
of Meeting 11/4**

Attached for the **information** of Executive Directors is a summary record of the  
July 7, 2011, meeting of the Committee on Executive Board Administrative Matters.

Att: (1)

Other Distribution:  
Members of the Executive Board  
Department Heads



**Committee on Executive Board Administrative Matters (CAM)<sup>1</sup>**  
**Meeting 11/4, July 7, 2011**  
**Summary Note**

**Members present:** Mr. Hockin (Chairman); Mr. Alkholifey; Mr. Bakker; Mr. Maciel (for Mr. Mac Laughlin); Mr. Majoro; Ms. Ridzam (for Mr. Chia); Mr. Temmeyer; Mr. Fachada (for Mr. Nogueira Batista); Mr. Meyers (Committee Secretary).

**Also present:** Mr. Sidi Bouna; Mr. Grønn; Ms. Terracol; Mr. Nomura, Mr. Elder; Mr. Luo; Mr. Kiekens; Mr. Legg; Mr. Meyer; Mr. Rouai; Mr. Lushin; Ms. Balsa; Mr. Giammarioli; Mr. Shaalan; Mr. Choudhary; Mr. Weber.

This note summarizes key points raised during the meeting and the Chairman's understandings of the conclusions reached by the Committee on each agenda item.

**I. OED Assistants Salary Adjustment—Proposed Approach for FY12**

The Chairman noted that recent changes to the salary adjustment rules for Fund staff, particularly the separation of structural salary adjustments in May from merit-based salary awards in July, had important implications for salary adjustments for OED Assistants. New Executive Board decisions would be required to maintain the longstanding alignment of the rules for OED Assistants with those for comparable Fund staff. While it had been envisaged that these issues would be taken up in the planned review of the OED employment framework, that work had yet to commence and would likely take some time to complete. In the meantime, salary adjustment processes for Fund staff had already substantially concluded, and OED Assistants were concerned that they should not be disadvantaged by long delays in addressing this issue. Accordingly, a proposed interim approach had been developed for implementing salary adjustments for OED Assistants for FY 12, as set out in EB/CAM/11/11 (7/5/11).

The CAM supported the proposed interim approach, though a few Directors (*Bakker and Majoro*) questioned whether the award of structural salary adjustment should be contingent on Directors' evaluation of an Assistant's performance, given the absence of a formal performance review mechanism for OED. *Elder*, however, noted that the eligibility of Fund staff for structural salary adjustments is also contingent on satisfactory performance, and that a similar provision for OED Assistants would be an important mechanism for Directors to signal concerns regarding an Assistant's performance without initiating more

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<sup>1</sup> One staff paper was circulated in advance of the meeting: *OED Assistants' Salary Adjustments—Proposed Approach for FY 12* (EB/CAM/11/11 and EB/CAM/11/11, Cor. 1). The meeting ran from 2:30 p.m. to 3:40 p.m.

formal disciplinary procedures. *Rouai* suggested that the linkage between structural adjustments and performance could be reviewed as part of the OED framework; in the meantime, for FY 12, it would be sufficient for the provision allowing Directors to determine whether an Assistant should not receive a structural adjustment on the basis of performance to be addressed as a footnote. The CAM supported this suggestion.

Responding to questions (*Bakker* and *Meyer*) on the likely impact of the OED Assistant salary increases on the FY12 OED budget, the Secretary indicated that the expected impact would be minimal, around 100,000 dollars.

*Luo* and *Majoro* suggested that providing for merit increases for Advisors could be considered as part of the OED framework review.

The Chair concluded that the CAM supported the proposed approach, with *Rouai*'s suggestion to include the provision permitting Directors to determine Assistants' eligibility for structural adjustment in a footnote, and requested that staff prepare a document for approval by the Executive Board on a lapse of time basis. That paper was issued as EBAM/11/15 and the corresponding decision was approved on July 12, 2011.

## **II. Proposed Adjustments to the OED Staffing Framework**

The Chairman requested the CAM's consideration of the proposed adjustments to the OED staffing framework, which had been circulated to Directors by email on July 5, 2011. The Chairman noted the proposal reflected extensive discussions, and represented a compromise between divergent views. While the proposal did not address all Directors' preferences and concerns, based upon bilateral consultations, it was the Chair's understanding that the proposal had the support of a majority of members of the CAM and of other Directors. Given the need to resolve this issue, he now requested Directors' endorsement of the proposal.

CAM members and other Directors indicated they supported the proposal. *Meyer*, however, stated that he could not join the consensus, as many of the upwards adjustments were structural in nature and did not correspond with previous agreements to reduce OED staffing requirements.

While supporting the proposal, some Directors continued to have reservations. *Terracol* questioned the justification for a uniform 0.4 FTE Advisor increase in the staffing norms of all OEDs. *Weber* reiterated his earlier concerns regarding the proposal, particularly regarding the limited resources available for a second Alternate Director. Although *Luo* was concerned that limiting access to temporary resources solely to Offices whose constituencies included crisis-related program countries was too restrictive, *Nomura* suggested that the provision regarding "exceptional crisis-related workload increases" could be broadly interpreted to include constituencies containing countries of systemic importance. *Meyer* requested that in

the final Board paper, staff include estimates, in both absolute and percentage terms of the OED salary budget, of the maximum resource increases needed if the proposed reforms were to be adopted.

The Chairman concluded that the CAM endorsed the proposal and requested that staff prepare a paper for approval by the Executive Board establishing the adjustments to the OED staffing framework, including the information requested by *Meyer*. The Chairman also noted that that paper would request Board approval for the revisions to the OED budget fungibility rules agreed by the CAM earlier this year. Revised proposals for individual Office budget allocations for FY12, reflecting the changes in staffing norms recommended for this year, would be developed following completion of the review of the OED travel budget allocation methodology.