

**EXECUTIVE
BOARD
MEETING**

SM/23/66
Supplement 1

April 3, 2023

To: Members of the Executive Board

From: The Acting Secretary

Subject: **Review of Implementation of the 2018 Framework for Enhanced Fund
Engagement on Governance—Draft Press Release**

Board Action: Executive Directors' **consideration** (Formal)

Tentative Board Date: **Tuesday, April 4, 2023**

Publication: Proposed, with main paper

Questions: Mr. Moriyama, FAD (ext. 38547)
Ms. Rossi, LEG (ext. 38332)
Mr. Augsten, SPR (ex. 39054)



IMF Executive Board Concludes Review of the Implementation of the Framework for Enhanced Engagement on Governance

FOR IMMEDIATE RELEASE

Washington, DC – [April, 03, 2023]: The Executive Board of the International Monetary Fund (IMF) concluded the Review of the Implementation of the Framework for Enhanced Engagement on Governance.

On April 4, 2023, the Executive Board of the International Monetary Fund (IMF) discussed the staff papers on the "Review of the Implementation of the 2018 Framework for Enhanced Fund Engagement on Governance". The review covers implementation of the policies on governance detailed in "Framework for Enhanced Engagement on Governance" (the "2018 Framework") and in "The Role of the IMF in Governance Issues: Guidance Note," adopted by the Executive Board in 1997 (1997 Governance Policy).

In April 2018, the IMF Executive Board adopted a "Framework for Enhanced Engagement on Governance" (the "2018 Framework") to promote more systematic, effective, candid, and evenhanded engagement with member countries regarding corruption of macro critical dimensions and governance vulnerabilities linked to corruption. The 2018 Framework comprises four elements: (i) a systematic assessment of the nature and severity of governance vulnerabilities and of corruption with respect to all members; (ii) an assessment of the economic impact of the governance weaknesses that have been identified; (iii) the provision of policy advice in circumstances where Fund engagement is justified; (iv) an assessment of governmental measures to prevent private actors from offering bribes to foreign officials or providing services that enable such officials to conceal proceeds of their corrupt acts.

At the time of the adoption of the Framework in 2018, the Executive Board called for a formal review of the implementation. An Interim Update conducted in July 2020 found that implementation of the 2018 Framework was well underway. In addition, in May 2021 and May 2022, updates on the implementation status of COVID-19 Emergency Financing-related governance commitments were published. This Review of the Implementation of the 2018 Framework for Enhanced Fund Engagement on Governance finds that Fund engagement on governance and corruption issues has been broadly systematic, candid, effective, and evenhanded and, based on its findings, makes proposals to further improve implementation of the 2018 Framework.

Executive Board Assessment¹

< >

¹ At the conclusion of the discussion, the Managing Director, as Chairman of the Board, summarizes the views of Executive Directors, and this summary is transmitted to the country's authorities. An explanation of any qualifiers used in summings up can be found here: <http://www.IMF.org/external/np/sec/misc/qualifiers.htm>.