

**LAPSE OF
TIME**

EBAP/19/102

December 3, 2019

To: Members of the Executive Board

From: The Secretary

Subject: **Managing Director—Proposed Acceptance of Invitation to Participate on the Board of Trustees of the World Economic Forum, and as a Member of the Global Issues Group of the World Economic Forum**

Board Action:

Executive Directors' **consideration** on a lapse of time basis

Deadline to Request a Board Meeting, after which Proposed Recommendation Deemed Approved:

**Friday, December 6, 2019
5:30 p.m.**

Additional Information:

At the request of Mr. Mojarrad, in his capacity as Chairman of the Ethics Committee, attached for consideration by Executive Directors is a memorandum to the Members of the Executive Board setting forth the recommendation of the Committee in connection with the Managing Director's request to accept an invitation to participate on the Board of Trustees of the World Economic Forum, and as a member of the Global Issues Group of the World Economic Forum.



Office Memorandum

To: Members of the Executive Board

December 2, 2019

From: Mr. Mojarrad, Chair of the Ethics Committee

Subject: Managing Director: Proposed Acceptance of Invitation to participate on the Board of Trustees of the World Economic Forum, and as a member of the Global Issues Group of the World Economic Forum

Background

The Ethics Committee has received a request from the Managing Director to approve her proposal to accept an invitation to participate on the Board of Trustees of the World Economic Forum (“WEF”), and as a member of the WEF’s Global Issues Group (“GIG”). The WEF is a not-for-profit foundation established in 1971 and headquartered in Geneva, Switzerland. It is independent and impartial and is committed to improving the state of the world by engaging the foremost political, business, cultural and other leaders of society to shape global, regional and industry agendas.

The Board of Trustees has overall responsibility for approving the strategic framework of the WEF as well as certain organizational decisions and is comprised of international public and private sector leaders. Each member of the Board of Trustees is nominated for a period of three years, with the possibility of being re-elected, is not remunerated, and is required to attend meetings twice a year, virtually, or in-person. The GIG is comprised of the heads of the world’s most important multilateral organizations, including the United Nations and the World Trade Organization, and serves an informal coordinating role in the overall prioritization and development of global initiatives that further public-private cooperation to improve the state of the world. Members of the GIG are not remunerated and are required to attend meetings twice a year, virtually, or in-person. The former Managing Director previously served in these WEF roles as well.

Legal Standard

Under the terms of the Managing Director’s contract, she may not, without the approval of the Executive Board, apply for or accept any public or private employment or position, whether or not she receives any compensation for such employment or position. The Ethics Committee is responsible for making recommendations to the Executive Board in this regard. In doing so, the Ethics Committee applies the Fund’s standards of conduct, as those are the standards applicable to the Managing Director under the terms of her contract. Under the Fund’s standards of conduct, any external activities by staff members are evaluated for actual or perceived conflicts of interest with the staff member’s duty of loyalty to the Fund. Moreover, in order for a senior staff member to play a leadership role in an organization that is involved in, or is perceived to be involved in, matters related to the Fund’s mandate, such participation must be in an official rather than personal capacity, and may be approved by the

Managing Director on the basis that such participation is in the interest of the Fund. Applying these standards to the Managing Director, the approval of such activity would come from the Executive Board, also based on its assessment of any conflict of interest, and (in the case of work carried out in an official capacity) its determination that the activity is in the interest of the Fund.

Recommendation

The Ethics Committee, having consulted with the Fund's Ethics Advisor, considers that the Managing Director's acceptance of the invitations to participate on the Board of Trustees of the WEF and as a member of GIG are unlikely to give rise to any conflict of interest concerns. Among other considerations, the Committee notes that the positions do not entail the payment of any compensation to the Managing Director and require limited time commitments from her.

The Ethics Committee is of the view that the WEF would be perceived to 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. In this regard, the Ethics Committee supports the views of the Communications Department that the Managing Director's participation in these activities 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. Accordingly, the Ethics Committee recommends that the Executive Board approve the Managing Director's request to accept the proposed invitations.

Attachment

cc: Ms. Weeks-Brown
Mr. Lin

Børge Brende
President

Dr Kristalina Georgieva
Managing Director
International Monetary Fund
700, 19th Street NW
Washington, DC 20431
USA

15 October 2019
rymo

Dear Dr Georgieva,

Allow me to congratulate you once again regarding your new role. As we have discussed, please know that you have our full support, especially at this critical time.

As part of our work together, I would like to invite you to join the Global Issues Group (GIG) of the World Economic Forum. In view of the Forum's convening power with decision-makers, we are increasingly working with international organizations to address global challenges. To better coordinate these efforts, we created the GIG, comprising the heads of the world's most important multilateral organizations. The group serves an informal yet critical coordinating role in the overall prioritization and development of global initiatives that further public-private cooperation to improve the state of the world.

Given your leadership and the Fund's role in fostering global growth and economic stability, I believe your membership and contributions to this group would be most valuable.

The GIG usually convenes virtually in the winter and then again in Davos in January for a private informal breakfast on the Wednesday. I very much hope that you will be able to join us. The list of members is attached, and my colleagues will be ready to answer any further questions about the group and your expected role.

Should you accept this invitation, I would value your nomination of a Sherpa to represent you at a special meeting we are hosting in Geneva on 28 October to shape the GIG's agenda and priorities for the next year.

I look forward to seeing you soon and welcoming you as a valuable member of the group.

Yours sincerely,

