

SU/20/24

February 13, 2020

The Chair's Summing Up
Tenth Periodic Monitoring Report on the Status of Management Implementation Plans
in Response to Board-Endorsed IEO Recommendations; Categorization of Open
Actions in Management Implementation Plans
Executive Board Meeting 20/16
February 10, 2020

Executive Directors welcomed the opportunity to formally discuss the Periodic Monitoring Report (PMR) on the status of Management Implementation Plans (MIPs) in response to Board-endorsed Independent Evaluation Office (IEO) recommendations, together with the proposal to categorize and address a backlog of open actions in MIPs. They endorsed the assessment contained in the Tenth PMR and broadly supported the categorization as a one-off exercise to effectively resolve longstanding open actions, mindful of the need to prioritize and avoid duplication given resource constraints.

Directors appreciated the accelerated pace of implementing management action plans in recent years. They welcomed in particular the strong progress in recent MIPs, including in response to the IEO evaluations on: *The IMF and Social Protection* (2017) and *The IMF and Fragile States* (2018). Directors noted, however, that there remain open actions, some of which are facing implementation challenges, especially those from older MIPs.

Directors welcomed the proposal to categorize actions by applying the Framework to Address Open Management Actions in Response to Board-Endorsed IEO Recommendations that the Board had approved in March 2019. They noted that the proposed categorization would retain under PMR monitoring actions that remain relevant for members but for which there are no direct or comprehensive oversight mechanisms.

Specifically, Directors agreed to place eight actions into categories that would retain them under PMR monitoring, as they are not fully covered under other workstreams (Categories 2 and 3). They looked forward to considering reformulated actions in a MIP in six months' time, stressing that the reformulation should tackle the root causes of the implementation challenges, while being SMART (specific, measurable, attainable, relevant and timebound) and meeting the thrust of the underlying IEO recommendations. In this context, most Directors attached particular importance to the reformulation of actions on staff tenure and handover of country assignments, asking staff to take a holistic approach that would ensure mission teams' deep understanding of country circumstances, and their strong relationships and traction with member countries.

Directors agreed, or could go along, with the proposal to remove from PMR monitoring actions that involve long-term technical or cultural change (Category 4) and actions that have been superseded by broader workstreams or recent MIPs (Category 5), with some caveats and reservations. Directors stressed that most of these actions remain highly relevant for the Fund, and looked forward to further progress in their implementation through principal workstreams that are subject to robust Board oversight, notably the ongoing comprehensive surveillance review (CSR), the review of the Financial Sector Assessment Program, and the human resources strategy. They appreciated that the paper specifies the linkages between each action and follow-up workstream. Directors emphasized that progress in delivering the desired outcome should be monitored regularly in the context of the appropriate workstreams, although a few Directors continued to see the benefit of monitoring certain actions through the PMR. A few Directors would have preferred deferring the categorization of these actions until after the completion of the CSR, and a few saw scope to reformulate some of the actions in Category 4 to make them SMART rather than removing them altogether from PMR monitoring.

Directors underscored that staff diversity remains a priority for the Fund, including regional, gender, and professional diversity. They recognized that efforts in this area are being enhanced through departmental action plans starting in FY2020, with Board oversight through the Diversity Report, along with periodic reporting to the Board by the Human Resources Department. Noting limited and uneven progress, a number of Directors expressed their strong preference for the reformulation of diversity-related actions for continued PMR monitoring, especially with respect to the share of staff from underrepresented regions. On balance, Directors supported a compromise approach whereby progress in implementing the action on geographic and gender diversity would be kept under PMR monitoring for another five reporting cycles, after which it could be proposed for retiring from PMR monitoring.

Directors welcomed the increased traction of IEO recommendations following the categorization process. They observed that eight actions that had been assessed as off-track by the Ninth PMR were brought back on track in the past year. Most Directors saw merit in including in future PMRs an assessment of the impact of slippage in the implementation of open actions, and looked forward to management's proposal in this regard. Directors emphasized the importance of sustaining efforts to promote knowledge sharing, continuous technical improvements, and cultural change within the Fund.