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**Statement by Mr. Rosen and Ms. Shortino on Independent Evaluation Office - Working  
with Partners - IMF Collaboration with the World Bank on Macro-Structural Issues  
(Preliminary)  
Executive Board Meeting  
November 16, 2020**

We thank Charles Collyns and his team for this focused report, which provides valuable insights on the IMF's collaboration with the World Bank. We agree with the underlying conclusion of the report that more *effective* collaboration should be the ultimate goal. This chair has long emphasized the need for the IMF to leverage outside expertise on issues that do not traditionally fall within the Fund's core mandate. Thus, we are somewhat discouraged by the report's conclusion that collaboration on these four pilot areas has been uneven. In this current period of high lending by both institutions, effective collaboration becomes even more critical to the success of IMF and World Bank engagements.

**While we generally support the recommendations, we stress that the one-sided nature of the report underlines the need for efforts by *both* institutions to enhance collaboration on these four topics.** While outside of the scope of this review, we would also stress that harmonization of policy advice in country program cases can be quite uneven and subject to country team personalities – this remains a perennial issue between the two institutions. On the other hand, collaboration on high profile issues such as the Multi-Pronged Work Agenda on debt has been quite positive, and we urge the Fund to apply lessons learned from this successful effort.

We are skeptical of some of the findings with regards to the impact on resources. While pilots may have resulted in a higher workload for existing staff, the IEO report would have benefited from assessing the costs associated with hiring new staff or creating new work units dedicated to topics that fall outside of the Fund's core mandate.

With regards to the specific recommendations:

- We support **recommendation 1** and agree that certain areas could benefit from the use of an overarching framework to guide staff work. We support the proposal to

establish a similar framework on climate, which could more clearly delineate the roles of the World Bank and the IMF and help Fund staff better leverage World Bank expertise on this topic. Growth-oriented structural reforms could also be a good candidate for an overarching framework, particularly given the likely increase in upper credit-tranche programs that will include conditions aimed at restoring growth.

- With regards to **recommendation 2**, we agree on the need to improve internal incentives, but stress that top-down guidance is critical in effecting a broader cultural shift on the need for more regular and effective collaboration.
- We also support the proposals in **recommendation 3**, many of which entail relatively simple steps that could address underlying issues and yield high benefits in terms of collaboration. Developing points of contacts and modalities for sharing information could be quite helpful – but given the size of the World Bank will only be effective if the Bank undertakes similar efforts on their end. We also see strong benefits to enhancing knowledge sharing through cross-linking data repositories or providing reciprocal access to documents and databases, although we would like to better understand the costs associated and different options for sharing.
- We see merit in greater Board engagement as proposed in **recommendation 4**, although would note that the Board often lacks visibility into the coordination taking place between the institutions at the ground level. Thus, greater transparency around coordination may be required to implement this recommendation.

**Like Ms. Levonian, we see merit in the creation of a high-level joint IMF-World Bank Committee to help improve IMF/World Bank collaboration.** The committee should cover broader issues beyond the scope of this report and, as noted by Ms. Levonian, would make recommendations to both Executive Boards, take decisions on areas of joint concern, and provide guidance to staff of both institutions. While not technically within the scope for this evaluation, we encourage Management to use the IEO's findings as a platform to discuss whether there is an opportunity to modernize the institution's approach to collaboration in order to help set the tone from the top.