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## **IMPLEMENTATION PLAN IN RESPONSE TO THE EXECUTIVE BOARD-ENDORSED CATEGORIZATION OF OPEN ACTIONS IN MANAGEMENT IMPLEMENTATION PLANS**

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## IMPLEMENTATION PLAN IN RESPONSE TO THE EXECUTIVE BOARD-ENDORSED CATEGORIZATION OF OPEN ACTIONS IN MANAGEMENT IMPLEMENTATION PLANS

### EXECUTIVE SUMMARY

In line with the Board-approved Categorization of Open Actions in Management Implementation Plans (MIPs),<sup>1</sup> this paper proposes an MIP for the eight reformulated actions that would benefit from further follow up. The MIP aims to:

- **Strengthen the continuity of the relationship between the Fund and member countries** by creating a robust human resource (HR) management framework to bring tenure in country assignments close to the three-year average target; enhancing monitoring and accountability for country team turnover; and assessing barriers to longer mission chief and desk economist tenure.
- Complementing the above measures on tenure, **enhance knowledge sharing across successive country teams**, setting standard procedures and a monitoring mechanism for country assignment handover.
- **Improve incentives for sound data management** by mainstreaming best practices; embedding relevant milestones from the ongoing update to the Catalogue of Time Series (CTS) and the metadata cleanup.
- **Alleviate country authorities' concerns about disclosure** by improving transparency of Fund policies regarding the treatment of confidential information and strengthening country teams' engagement with authorities on this matter.
- **Create a more robust review process for working papers (WPs)** by identifying good departmental practices and updating guidelines on the review, approval, and publication of WPs; increasing transparency and accountability for the interdepartmental review of WPs; and improving outlets for country analytical work.

The above proposed actions relate to the ongoing work program and are expected to be absorbed by current administrative budgets. Therefore, no significant new or additional resource requests are expected.

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<sup>1</sup> IMF, *Categorization of Open Actions in Management Implementation Plans*, December 2019, available at [www.imf.org](http://www.imf.org).

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## Acronyms and Abbreviations

ADs	Area Departments
AF	Accountability Framework
AFR	African Department
APD	Asia and Pacific Department
APR	Annual Performance Review
Board	Executive Board
COM	Communications Department
CP	Categorization Paper
CSD	Common Surveillance Database
CSI	Common Surveillance Indicators
CSR	Comprehensive Surveillance Review
CTS	Catalogue of Time Series
DGG	Data Governance Group
EBV	Enterprise Business Vocabulary
EDs	Executive Directors
FCS	Fragile and Conflict-affected States
FDs	Functional Departments
Fund	International Monetary Fund
HR	Human Resources
HRD	Human Resources Department
IEO	Independent Evaluation Office
IMF	International Monetary Fund
KMU	Knowledge Management Unit
LEG	Legal Department
LICs	Low-Income Countries
MCD	Middle East and Central Asia Department
MIP	Management Implementation Plan
OEDs	Offices of the Executive Directors
OIA	Office of Internal Audit and Inspection
PMR	Periodic Monitoring Report
RAG	Research Advisory Group
IDEAS/RePEc	Research Papers in Economics database
RES	Research Department
SDS	Small Developing States
SIPs	Selected Issues Papers
SMART	Specific, Monitorable, Achievable, Relevant and Timebound
SPR	Strategy, Policy and Review Department
STA	Statistics Department
WEO	World Economic Outlook
WPs	Working Papers

## INTRODUCTION

1. **The Executive Board endorsed the framework for addressing the backlog of off-track actions and the categorization of open actions.**<sup>2</sup> The (triage) framework drew on the 2018 Third External Evaluation of the IEO and was approved by the Board in March 2019. It divided open actions into five categories based on the root causes for their off-track (or delayed) implementation and provided guidance on how to tailor the remedial measures. In February 2020, the Executive Board endorsed the Categorization of Open Actions in Management Implementation Plans (MIPs) and placed the 24 actions assessed as being “off-track” in the OIA’s Tenth Periodic Monitoring Report (PMR) into the triage framework, as a one-off exercise to effectively resolve longstanding open actions and mindful of the need to prioritize and avoid duplication, given resource constraints.
2. **The Categorization Paper (CP) proposed to reformulate eight off-track actions through a new MIP.**<sup>3</sup> These eight actions were not directly or fully tackled in other workstreams and the Executive Board considered that they would continue to benefit from follow-up through the PMR. Directors stressed that the reformulation should tackle the root causes of the implementation challenges, while being “SMART” (Specific, Monitorable, Achievable, Relevant, and Timebound) and meet the thrust of the underlying IEO recommendations.
3. **This paper presents an MIP with the reformulated actions to take forward the Board-endorsed recommendations from the CP.** The “SMART” reformulation of the eight actions aims to ensure that the original IEO recommendations are effectively tackled. A careful consideration of various trade-offs and implementation constraints has allowed staff to develop commitments that are comprehensive, realistic, and substantive, while better embedding compliance incentives and/or accountability mechanisms. Several of the reformulated actions are already in train and will be complemented by additional actions proposed in this MIP. The actions presented in this MIP are not expected to give rise to significant new or additional resource requests, as many actions are related to the ongoing work program and/or rely on ongoing modernization projects.

## CATEGORIZATION PAPER, BOARD VIEWS, AND REFORMULATED IMPLEMENTATION PLAN

4. **This section summarizes Executive Directors’ guidance on the eight reformulated off-track actions and proposes specific follow-up measures, timelines, and responsibility for their implementation.** The underlying goal of the reformulated eight actions is to strengthen the relationship between the Fund and its members by addressing a number of complex challenges in

<sup>2</sup> IMF, Kaberuka Report, 2018. IMF, Summing Up, March 2019. IMF, *Categorization of Open Actions in Management Implementation Plans*, December 2019, available at [www.imf.org](http://www.imf.org).

<sup>3</sup> The remaining 16 actions would continue to be addressed through other institutional workstreams that are already subject to Board oversight. In this regard, the CP proposed to retire from the PMR ten actions immediately after the paper’s approval, as well as five actions that had already been monitored through five PMR cycles. One action, originally proposed to be retired from the PMR, was extended for an additional five PMR monitoring cycles.

the management of country assignments, data and confidential information, and analytical work. The proposed new actions are better aligned with the SMART principles and include appropriate incentives and accountability mechanisms, while maintaining the spirit and the underlying objectives of the original actions consistent with the IEO's recommendations (see Annex I). The effectiveness and scope of the reformulated actions will be reviewed and adjusted as warranted.

## 1. The Role of the Fund as a Trusted Advisor (2013): Country Assignment Tenure



### IEO Recommendation

Strengthen the continuity of the relationship between the Fund and member countries.

### Management Implementation Plan

Target three-year average tenure for country assignments, to be monitored by HRD.

### Rationale for Reformulation in Categorization Paper

Despite efforts to slow the turnover of country teams, in particular of mission chiefs, tenure has hovered at around two and a half years, and may have been hindered by structural constraints/tradeoffs.

### Summary of Proposed Reformulation

While continuing to target the three-year average tenure for country assignments, introduce a robust framework for extending tenure beyond the two-year minimum requirement in assignments for different country groups; enhance monitoring and accountability for country team turnover; and assess potential barriers to longer tenure.

**5. In line with the Board's guidance, the reformulated actions on tenure take a holistic approach to ensuring country teams' deep and uninterrupted understanding of country circumstances.** While continuing to target the three-year average tenure for country assignments, the focus is on developing a robust framework to lengthen tenure beyond the two-year required minimum across all country groups, with emphasis on fragile and conflict-affected states (FCS) and small developing states (SDS).

- *Board views:* Directors stressed that the tenure of country teams and mission chiefs remains a key issue and asked staff to propose comprehensive and attainable measures that would better balance various trade-offs, including those inherent in HR policies. Many Directors emphasized the need for a holistic approach aimed at ensuring that country teams maintain deep understanding of country circumstances, build strong relationships with country authorities, and foster traction of policy advice. Some Directors noted that the original action formulation, which set the target for the average tenure at three years, was already clear and attainable.

### Implementation Plan

- As a starting point, by end-April 2022, HRD will revise the recruitment guidelines used by Heads of Departments and senior hiring managers in area departments (ADs) with the expectation of limiting the *intradepartmental* hiring of candidates for mission chiefs who have not fulfilled the minimum tenure of 2 years in their current assignments. The reformulation will better align recruitment guidelines with policies that govern mobility *across* departments while supporting

smooth functioning of the internal job market, which is essential for career development of staff. Starting in June 2022, area departments (ADs) will report cases of intradepartmental moves with less than 2 years bi-annually to HRD, with an explanation (for example, if a given move was because of retirement, health issues, or other circumstances). Starting in June 2023, HRD will brief management on such cases once a year.

- As another early step, staff will leverage new HR data systems to integrate the data on mission chief and desk economist tenure in the current HR system. To this end, HRD will fully implement the Country Information System in Workday to better capture data on tenure of both mission chiefs and desk economists, by end-April 2022. Better and more visible data available to HR teams will facilitate the management of competing priorities, including staff burnout and morale, while addressing the need to promote mobility and attract staff to more challenging assignments, including in low-income countries (LICs) and FCS.
- Further steps will be taken to improve transparency and accountability in management of tenure. HRD will monitor granular data on mission chief and desk economist tenure, including its distribution across country groups such as FCS and SDS, and report to management at the summer discussions on the Accountability Framework in end-June 2022.
- By year-end 2022, ADs will start targeting *median* tenure of mission chiefs at 2.7 years, as an intermediate operational target during the transition toward meeting the Fundwide goal of 3-year average tenure. The intermediate median target, while being significantly above the required minimum of 2 years and the current Fundwide median tenure of 2.3 years in departments, strikes the appropriate balance between being attainable and maintaining other HR priorities, such as promotions and staff mobility. The focus on the median tenure, compared to the average, should incentivize lengthening tenure across the entire distribution, including FCS, and SDS, while avoiding any undue influence of outliers resulting from long tenure due to idiosyncratic factors.<sup>4</sup>
- To promote knowledge sharing and learning within the institution on how best to address various trade-offs and considerations while ensuring continuity on country teams, HRD and ADs' Strategic HR Partners will identify best practices on management of tenure and continuity on country teams, also by December 2022.<sup>5</sup>
- To enable the Executive Board monitoring on progress in lengthening tenure in line with the stated goals, reporting, including by analytical country groups with particular focus on FCS and

<sup>4</sup> For example, in FY 2019, median mission chief tenure for FCS hovered around 2.5 years, compared to 2.3 years in other country groups. However, in terms of averages, mission chief tenure for FCS was less than the overall average. A more granular examination of the data reveals a few cases of very long tenure, contributing to a higher overall average compared to that for FCS.

<sup>5</sup> Among other things, the peer-learning exercise will seek to identify lessons from some departments (for example, MCD) where average tenure is already considerably above the two-year minimum and explore if these lessons are transferrable to other departments. The exercise could also help inform whether the issues related to relatively short tenure for mission chiefs and desk economists reflect resource constraints.

SDS, will occur every year through the HRD's Recruitment and Retention Paper and/or Board briefings by HRD, with the first report expected by end-December 2022 (i.e., less than a year since the start of this MIP).

- By end-December 2023, HRD will assess the impact of the above measures, prepare an analysis of mission chief and country team turnover, including recent trends and drivers, and their effect on tenure in country assignments, and present it to the Board. HRD will propose policy options for ensuring adequate tenure on country assignments (including setting the appropriate target, as necessary), aligned with other HR policies (such as Career Framework and Path, and High-Risk Location policy). This analysis will also help shed light on the costs and unintended side effects of longer country assignment tenure (for example, from staff burnout on intensive program assignments or challenges associated with working on FCS).

## 2. IMF Forecasts: Process, Quality and Country Perspectives (2015): Handover of Country Assignments



### IEO Recommendation

Enhance processes and incentives for learning from past forecast performance.<sup>1</sup>

### Management Implementation Plan

Issue guidelines establishing minimum requirements and recommending best practices for the handover of country assignments.

### Rationale for Reformulation in Categorization Paper

A 2015 staff survey revealed weak compliance of data management guidelines and handover practices across Area Departments (ADs). High staff dissatisfaction with handover practices prevented the OIA to deem the action as implemented.

### Summary of Proposed Reformulation

Foster knowledge-sharing and identify minimum requirements for successful handover; disseminate best practices; set standard procedures for country-assignment handover; and establish regular monitoring mechanisms.

<sup>1</sup> The action originally sought to attend to an IEO recommendation focused exclusively on forecasting. The focus on handover practices is based on the view that an effective learning and knowledge-sharing process by country teams remains a cornerstone for the development not only of accurate forecasts, but of high-quality risk scenarios and contingency planning.

## 6. Complementing the above actions on tenure and in line with the Board's guidance, the reformulated actions aim to enhance handover processes and structures to facilitate deep and continuous engagement with country authorities.

- *Board views:* Directors agreed with the need to reformulate the action related to the handover of country assignments. Many Directors underscored the importance of promoting knowledge and information sharing between successive mission chiefs and desk economists to ensure smooth functioning of the institution and sustain a productive relationship with authorities. Directors also noted that robust handover and knowledge transfer practices are also important complements to leverage current technology and knowledge management practices. Some



Directors mentioned that the handover of information can be improved by setting internal standards and structures.

### **Implementation Plan**

- Following the Board’s guidance, the reformulation of this action aims at enhancing knowledge and information-sharing practices across successive country teams. In this regard, KMU will conduct a peer-learning event on ADs’ handover practices for country assignments, where ADs can showcase their approaches (especially recent innovations by APD)<sup>6</sup> and identify minimum requirements for successful handover. By April 2022, KMU will disseminate conclusions and background materials from the event to ADs.
- Drawing on conclusions from the peer-learning event, ADs, in collaboration with KMU, will refine and harmonize their standard procedures for country assignment handover, as necessary. The revised procedures will be published on ADs’ websites and accessible Fund-wide, by July 2022.
- To promote accountability and compliance, HRD and ADs will revise the Fund-wide Guidance Note on Objective Setting in the APR to include examples on how to set objectives related to handover practices for mission chiefs and desk economists, by October 2022.
- To monitor progress in improving handover, KMU and ADs will establish a regular monitoring mechanism through a survey of mission chiefs and desk economists to assess the implementation of country assignment handover standards, gauge staff satisfaction, and refine standard procedures as necessary, by October 2023. This process will complement the annual survey of the Office of the Executive Directors (OED), which since 2020 includes questions on handover procedures. Staff will inform management and Executive Directors (EDs) about survey results, describing measures that departments will have already taken to improve handover and any additional steps they intend to take, starting in January 2024. After that, staff will monitor progress using the annual OED and staff surveys, with the expectation that the number of respondents expressing satisfaction with handover procedures will be considerably higher than a majority for at least two successive years, by end-January 2026.

### **3. Behind the Scenes with Data at the IMF (2017): Common Surveillance Database**



#### **IEO Recommendation**

Re-examine the staff’s structure of incentives in data management.

#### **Management Implementation Plan**

Incentivize the use of the Common Surveillance Database (CSD).

<sup>6</sup> APD has developed and rolled out mandatory “handover templates” for mission chiefs, desk economists, research assistants, and coordinators.

### 3. Behind the Scenes with Data at the IMF (2017): Common Surveillance Database Cont.



#### Rationale for Reformulation in Categorization Paper

This action is not aligned with the “SMART” principles, as it does not tackle its intended objective (i.e., improvement in data management) and cannot be monitored in a meaningful way.

#### Summary of Proposed Reformulation

Monitor the CSD use, with periodic reports on usage delivered to the Fund’s Data Governance Group (DGG), which will also assess progress in integration of the CSD with ADs’ workflow.

### 4. Behind the Scenes with Data at the IMF (2017): Catalogue of Time Series



#### IEO Recommendation

Re-examine the staff’s structure of incentives in data management.

#### Management Implementation Plan

Update the Catalogue of Time Series (CTS).

#### Rationale for Reformulation in Categorization Paper

This action is not aligned with the “SMART” principle, which makes progress difficult to monitor while its measure of success is unclear.

#### Summary of Proposed Reformulation

Update the CTS, drawing from the findings from the 2020 review of the CTS.

### 5. Behind the Scenes with Data at the IMF (2017): Metadata Cleanup



#### IEO Recommendation

Re-examine the staff’s structure of incentives in data management.

#### Management Implementation Plan

Undertake a metadata cleanup.

#### Rationale for Reformulation in Categorization Paper

This action does not allow a determination as to when it would be deemed implemented. The ongoing cleanup process is a comprehensive task, involving over 200 databases.

#### Summary of Proposed Reformulation

Embed the metadata cleanup in the relevant milestones of the Data Governance Group (DGG).

### 6. Behind the Scenes with Data at the IMF (2017): Data Management Standards



#### IEO Recommendation

Re-examine the staff’s structure of incentives in data management.

#### Management Implementation Plan

Adopt Fund-wide data management standards.

## 6. Behind the Scenes with Data at the IMF (2017): Data Management Standards Cont.



### Rationale for Reformulation in Categorization Paper

This action involves a long-term plan and is too broadly worded. Adopting Fund-wide data management standards is likely to remain a long-lived effort, particularly as data issues and needs evolve.

### Summary of Proposed Reformulation

Break down the process of “adopting data standards,” provide substantive milestones regarding metadata standards and document them in the Enterprise Business Vocabulary (EBV).

## 7. In line with the IEO’s and Executive Board’s guidance, the reformulated actions aim to mainstream best practices in data management, ensure adequate maintenance and monitoring of key databases and provide substantive milestones for bringing open actions related to data management back on track.<sup>7</sup>

- *Board reactions:* Directors endorsed the reformulation, noting that most of the actions regarding Fund’s data are still open, as several have seen their target date postponed and most have faced implementation challenges. Directors supported focused efforts towards bringing these actions back on track, especially in the light of rapid advances in data management technologies. Some Directors indicated that they would be approaching the forthcoming Review of Data Provision to the Fund with these open actions top of mind.

### Implementation Plan

- The reformulation of the proposed actions to incentivize the use of the CSD puts more emphasis on data management. It seeks to mainstream good practices by ensuring that the CSD use is properly monitored, with periodic reports on usage delivered to the Fund’s Data Governance Group (DGG). STA, in collaboration with RES, will present an annual report on the use of the CSD to the DGG. The report will include statistics on submissions of data and metadata from country teams, which will allow the DGG to monitor the CSD’s central role for flagship publications (for example, WEO) and assess its adequate integration with the workflow in ADs. The first report will be posted on the DGG site by February 2022.
- The update of the Catalogue of Time Series (CTS) was completed in December 2020, concluding a three-year process lead by the CTS Governance team, comprising staff from RES and STA, with inputs from KMU. The new version of the CTS updated concepts for all statistical domains (real, fiscal, external, financial) as well as the list of extension and coding guidelines used in the Fund. The DGG signed off on the review in November 2020, following a presentation of the key results by RES and STA. The updated version of the CTS (“4.0 version”) will be implemented in STA

<sup>7</sup> Data issues are also being actively discussed in other workstreams (for example, in the review of Data Provision to the Fund for Surveillance Purposes). Recommendations from these other workstreams will also be taken up, as needed.

databases by April 2022. A final report on the CTS “clean-up” project will be posted on the DGG site by June 2022. The DGG, as the cross-departmental oversight group, is expected to sign off on the implementation by the end of FY 2022.

- The revision to the originally proposed action to “undertake a metadata cleanup” embeds relevant DGG milestones.<sup>8</sup> One of the key milestones (to be completed by April 2022) is the recoding by ADs of the Common Surveillance Indicators (CSI) included in their macro-economic frameworks, to ensure compliance with the Fund’s coding standards. This process is also overseen by the DGG. Regular updates on the recoding process will be provided in the CSI status report and posted to the CSD Operations portal.
- The last reformulated action, on the adoption of Fund-wide data management standards, breaks down the process in adopting data standards by providing substantive front-loaded milestones. The introduction of a common metadata structure is a critical step in the ongoing efforts of adopting Fund-wide data management standards. Adopting common metadata standards underpinned by an institutional metadata schema is needed to enhance users’ ability to access, search and browse economic and financial data and improve cross-country comparability. Specifically, STA (with inputs from KMU) will finalize the ontology and metadata schema for core metadata fields and document these in the Fund’s Enterprise Business Vocabulary (EBV) by April 2022. The Fund’s new data management and dissemination platform, iData, will leverage the metadata schema for both internal and external dissemination. In parallel, through its capacity development assistance, STA will continue to support countries in their efforts to develop detailed and timebound roadmaps to increase data availability and quality.

## 7. The Role of the Fund as a Trusted Advisor (2013): Confidential Information



### IEO Recommendation

Reduce unnecessary disclosure concerns that may inhibit authorities from using the Fund as a true sounding board for informal advice at an early stage when formulating their policies.

### Management Implementation Plan

Staff will be expected to inform country authorities of the Fund’s policy on the treatment of confidential information. At the same time, staff will be encouraged to have informal/brainstorming discussions with country authorities in the course of policy discussions.

### Rationale for Reformulation in Categorization Paper

There is no mechanism to assess staff’s treatment of confidential information, nor whether and how this is discussed with country authorities. Separately, informal/brainstorming discussions are difficult to monitor given the qualitative element to such discussions and may not always be possible or appropriate.

<sup>8</sup> The DGG coordinates the Fund-wide implementation of the data management objectives set forth in the Overarching Strategy on Data and Statistics at the Fund in the Digital Age (<https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/03/20/pp020918imf-executive-board-supports-new-strategy-for-data-and-statistics-in-the-digital-age>) and those approved by the Standing Committee on Data and Statistics. The DGG also promotes the development and monitoring of good data management practices.

## 7. The Role of the Fund as a Trusted Advisor (2013): Confidential Information Cont.



### Summary of Proposed Reformulation

Increase transparency on the Fund's framework and policies on the treatment of confidential information and re-disseminate guidance to staff regarding engagement with country authorities on these matters.

## 8. Following the IEO's and Executive Board's call for reducing unnecessary disclosure concerns that hinder the Fund's role as the trusted advisor, the reformulated actions aim to improve transparency on Fund policies regarding the treatment of confidential information and strengthen country teams' engagement with authorities on these issues.

- *Board reactions:* Directors agreed with the need to reformulate this action. Some Directors suggested that staff should inform country authorities when they share confidential information.

### Implementation Plan

- The reformulated actions aim to strengthen staff's engagement with country authorities on Fund policies surrounding confidential information. To this end, detailed information on these policies will be added to the IMF's external website by June 2022, based on the description of the Fund's existing framework for the treatment of confidential information, as contained, for example, in the guidance note on the Transparency Policy. This framework applies to all activities, including surveillance, programs, and capacity development.
- In tandem, SPR and LEG will re-disseminate guidance to staff on the Fund's framework for the treatment of confidential information and encourage staff to leverage the information in the Fund's website in surveillance, program, and capacity development discussions with authorities. Together with COM, SPR and LEG will prepare a communication plan for the release of the new website.
- In addition, the operational guidance note for Surveillance under Article IV Consultations, which is upcoming in April 2022, will reiterate the existing framework for treatment of confidential information and encourage staff to share the relevant aspects of this framework with country authorities during Article IV Consultations, which take place with both program and non-program countries.
- Progress will be monitored using the annual OED survey, with the expectation that a considerably higher share than the majority of respondents would express satisfaction with country teams' handling of confidential information for at least two successive years, by end-June 2024. These results will be complemented by a survey of mission chiefs and country authorities as part of the next Interim Surveillance Review, which is expected to take place in FY 2024.

## 8. Research and the IMF: Relevance and Utilization (2012): Working Papers



### IEO Recommendation

Management and staff need to allocate adequate time and resources to each research project. The IMF needs clear standards for technical quality of different research projects [...] incentives to improve the quality of research should be strengthened.

### Management Implementation Plan

Adopt new procedures to ensure the quality of working papers (WPs).

### Rationale for Reformulation in Categorization Paper

Guidelines on publication of WPs were introduced in 2012. However, measuring and monitoring the quality of individual WPs beyond these guidelines is neither feasible nor meaningful from a cost-benefit analysis and in light of limited resources.

### Summary of Proposed Reformulation

Identify and disseminate good practices on the departmental review of WPs; update Fund guidelines on publication of WPs and departmental procedures on the review of WPs; increase transparency and accountability for the interdepartmental review of WPs; and improve outlets for disseminating country analytical work.

## 9. In line with the Board's guidance, the MIP creates a more robust and transparent process for the review of WPs, conducive to strengthening the overall quality of Fund research.

- *Board reactions:* Directors supported the reformulation. Some Directors urged that the reformulation of this action should focus on creating a more robust review process which includes clear sign-off across relevant departments, and sufficient time to engage with other departments or Executive Directors' offices if they raise issues with the paper. Other Directors noted that strengthening accountability and compliance with the guidelines could help to ensure a robust revision process and that interdepartmental review could contribute to this end.

### Implementation Plan

- Following the IEO's Evaluation of Research at the IMF in 2012, departments have strengthened their internal procedures for the review of WPs.<sup>9</sup> Most departments' procedures now include a requirement that papers are presented at an analytical seminar,<sup>10</sup> and/or reviewed within the

<sup>9</sup> For instance, AFR created a Research Advisory Group (RAG) to review proposed WPs and provide feedback to the authors. The RAG is headed by a B-level staff, is comprised of volunteer economists interested in research, and is overseen by a B4. Participation in the RAG is mentioned in the economists' APRs. The Terms of Reference for the RAG—including policies for reviewing and clearing WPs—are listed on the AFR internal website.

<sup>10</sup> These seminars could be internal or external (the latter subject to COM clearance).

department before being sent out for review by other relevant departments and/or interdepartmental groups. In all departments, WPs are required to be cleared by a senior staff member. Some departments require that authors explain how they have incorporated comments received during the review process and at seminars. Before publishing WPs, COM may also request additional review by departments and/or interdepartmental groups.<sup>11</sup>

- Building on past progress, the reformulated actions envision a peer-learning event on departments' various practices for the WP review, expected to take place by May 2022. Such an event will offer an opportunity to identify good practices and appropriate standards, while recognizing implementation challenges and resource requirements.
- Next, drawing on lessons from the above peer-learning event, COM will update Fund guidelines on publication of WPs and disseminate them by June 2022. Revisions will strengthen requirements for publication of WPs and will improve transparency and accountability of the WP review process, including by migrating the interdepartmental review of WPs to the e-Review platform and requiring authors to post their response to comments in e-Review prior to clearance by the authoring department. Revisions will also clarify requirements for information-sharing with EDs, including flexibility to share papers with OED at the same time as sending them for the interdepartmental review.
- Departments will update their internal procedures for the review and approval of WPs, as necessary, to reflect revisions in Fund guidelines on publication of WPs and relevant lessons from the peer-learning event. Departments will post their internal procedures on their websites, by December 2022. Departments' internal procedures for the review and approval of WPs will likely continue to vary somewhat, depending on departmental circumstances. Such flexibility will help alleviate resource costs and leave room for experimentation and innovation at the departmental level.
- In tandem with the above measures aimed at making the review process for WPs more robust, COM will assign identification numbers for published Selected Issues Papers (SIPs) and create a page on the IMF's external website for published SIPs, by October 2022. These measures are expected to improve the visibility of staff's analytical papers other than WPs and enable their indexing and searching in external research bibliographic databases, for example, IDEAS/RePEc. Consideration will be given to extending the indexing of published SIPs retroactively, subject to resource availability.

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<sup>11</sup> Review procedures for WPs reflect COM guidelines establishing that (i) if the paper deals with a country or topic within the competence of another department, the authorizing department should send the paper to that department for "courtesy review"; and (ii) the concerned Executive Director(s) should be notified if the paper deals with a specific country or group of countries.

## RESOURCE IMPLICATIONS

**10. Resource implications of the above reformulated actions are expected to be manageable.** Many of the proposed actions are already part of departments' work programs, and as such are being absorbed by current administrative budgets. Actions under this MIP are not expected to give rise to significant new or additional costs.



## Annex I. Categorization of Open Actions in MIPs: Recommendations, Board Views, and Reformulated Implementation Plan

IEO Recommendation	Original MIP Action and categorization paper	Executive Directors' Response	Reformulated Implementation Plan and Timeline	Accountability
1. Strengthen the continuity of the relationship between the Fund and member countries.	<p><b>MIP Action:</b> Target three years average tenure for country assignments to be monitored by HRD.</p> <p><b>Categorization paper:</b> Design a relevant, yet attainable reformulation will require further diagnosis, and a comprehensive solution that better balances tradeoffs. Leverage on new initiatives under the HR Strategy—for instance, through the forthcoming Career Playbook and Mobility Framework and Career Paths for Economists expected in FY2020. Benefit from lessons learned from MCD's staffing model and those departments where rotation pressures have eased over time.</p>	Directors broadly endorsed the reformulation of the MIP action, with several Directors stressing that the tenure of the country team as well as the mission chief remains a key issue. A number of directors noted that the reformulation should take a realistic and nuanced approach. Many Directors expected to see concrete proposals on the role of country team turnover in the CSR, and HR strategy. Some Directors noted that the original formulation was clear and attainable.	1. Revise the recruitment guidelines used by Heads of Departments and senior hiring managers in Area Departments (ADs) with the expectation of limiting intradepartmental hiring of candidates for mission chiefs who have not met the minimum tenure of 2 years in their current assignments by end- <b>April 2022</b> . This will better align recruitment guidelines with policies that govern mobility across departments, which already restrict movements of staff with less than 2 years in their current assignments. Starting in <b>June 2022</b> , ADs will report cases of intradepartmental moves with less than 2 years bi-annually to HRD, with an explanation. Starting in <b>June 2023</b> , HRD will brief management once a year on such cases.	HRD, ADs
			2. Complete the implementation of the Country Information System in Workday to better capture data on tenure of country team members, in addition to that of mission chiefs by end- <b>April 2022</b> .	HRD

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		<p>Many Directors expected to see concrete proposals on the role of country team turnover in the CSR, and HR strategy. Some Directors noted that the original formulation was clear and attainable</p>	<p>3. Enhance monitoring of the respective metrics, including by analytical country groups, with emphasis on FCS and SDS, at the summer Accountability Framework (AF) discussions in end-<b>June 2022</b>. While maintaining the expectation that departments should aim for the three-year average tenure, start targeting <i>median</i> tenure for mission chiefs at 2.7 years, as an intermediate operational target. Compile best practices of ADs on ensuring that staff median tenure in country assignments is above the minimum of 2 years and disseminate them among ADs, by end-<b>December 2022</b>.</p> <p>4. Start annual reporting to the Board of data on mission chief and desk-economist tenure, including by analytical country groups, with emphasis on FCS and SDS, through HRD's Recruitment and Retention Paper and/or Board briefings, by end-<b>December 2022</b>.</p> <p>5. Prepare an analysis of issues surrounding mission chief and country team turnover, including recent trends and drivers and their effect on tenure in country assignments. Propose policy options and targets, if</p>	<p>HRD, ADs</p> <p>HRD, ADs</p> <p>HRD</p>

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			necessary, for ensuring adequate tenure on country assignments, aligned with other HR policies (including Career Framework and Path and HRL policy) and present it to the Board by end- <b>December 2023</b> .	
2. <i>Enhance processes and incentives for learning from past forecast performance</i>	<p><b>MIP Action:</b> Issue guidelines establishing minimum requirements and recommending best practices for the handover of country assignments.</p> <p><b>Categorization paper:</b> Enhance knowledge and information-sharing practices across successive country teams. Leverage ongoing KMU efforts to boost Fund-wide knowledge management practices.</p>	Directors supported the reformulated MIP action. Some Directors noted that the handover of information can be improved by setting internal standards and structures.	<p>1. Conduct a peer-learning event on area departments' handover practices for country assignments, where departments can showcase their approaches (especially recent innovations by APD) and identify minimum requirements for handover. Disseminate key conclusions and background materials from the event among area departments by <b>April 2022</b>.</p> <p>2. Drawing on lessons from the peer-learning event (see #2.1 above), set area departments' standard procedures for country assignment handover. Disseminate handover procedures on area departments' websites by <b>July 2022</b>.</p> <p>3. Revise the Fund-wide Guidance Note on Objective Setting in the APR to include examples on how to set objectives related to handover practices in the case of mission chiefs and desk economists by <b>October 2022</b>.</p>	<p>KMU, ADs</p> <p>KMU, ADs</p> <p>HRD, ADs</p>

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			<p>4. Complementing annual OED surveys, establish a regular monitoring mechanism through a survey mission chiefs and desk economists to assess progress with implementation of country assignment handover standards and gauge staff satisfaction and refine standard procedures, as necessary, by <b>October 2023</b>. Inform management about survey results and describe measures that departments have already taken to improve handover and any additional intended steps, starting in <b>January 2024</b>. Monitor progress using the annual surveys, with the expectation that the number of respondents expressing satisfaction with handover procedures will be considerably higher than a majority for at least two successive years, by end-<b>January 2026</b>.</p>	KMU, ADs
<p>3. <i>Reexamine the staff's structure of incentives in the area of data management</i></p>	<p><b>MIP Action 1:</b> Incentivize the use of the Common Surveillance Database (CSD). <b>Categorization paper:</b> Mainstream good practices by ensuring that the use of the CSD is properly monitored, with periodic reports on usage to be</p>	<p>Directors supported the reformulation of these actions. Some Directors noted that most of the actions regarding Fund's data are still open, with several of these actions characterized with implementation challenges.</p>	<p>1. Present an annual report on the use of the Common Surveillance Database to the Data Governance Group (DGG). The report will include statistics on submissions of data and metadata from country teams, which will allow to monitor the CSD's central role for flagship publications (for example, WEO) and</p>	RES, STA, DGG

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	<p>delivered to the Fund's Data Governance Group (DGG)</p> <p><b>MIP Action 2:</b> Update the Catalogue of Time Series.</p> <p><b>Categorization paper:</b> Leverage on an ongoing update of the Catalogue of Time Series (CTS). The revised action would draw from milestones under this review to ensure strong data management at the Fund.</p> <p><b>MIP Action 3:</b> Undertake a meta-data cleanup.</p> <p><b>Categorization paper:</b> The revised action would embed relevant near-term DGG milestones. The metadata cleanup is in the "absolute priority list" of the DGG, given that the Fund's Strategy on Data and Statistics considers as critical the further strengthening of data management.</p>		<p>assess its integration with the workflow in ADs. The first report will be posted on the DGG site by <b>February 2022</b>.</p> <p>2. Implement the updated version of the Catalogue of Time Series ("4.0 version") in STA databases by <b>April 2022</b>. A final report on the CTS clean-up project will be posted on the DGG site by <b>June 2022</b>. The DGG, as the cross-departmental oversight group, is expected to sign off on the implementation by the end of FY 2022.</p> <p>3. Complete the recoding of the current Common Surveillance Indicators (CSI), to be documented in the <u>CSI Status Report</u> by <b>April 2022</b>. The DGG will oversee this process and CSI status report will be posted to the CSD Operations portal.</p>	<p>RES, STA, ITD</p> <p>STA</p>

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	<p><b>MIP Action 4:</b> Adopt Fund-wide <i>data management standards</i>.</p> <p><b>Categorization paper:</b> The revised action would break down the process in adopting data standards, and provide substantive, front-loaded milestones.</p>		4. Finalize the ontology and metadata schema and document these in the Fund's EBV by <b>April 2022</b> . The Fund's new data management and dissemination platform, iData, will leverage the metadata schema for both internal and external dissemination.	STA, KMU
<p>4. Reduce unnecessary disclosure concerns that may inhibit authorities from using the Fund as a true sounding Board for informal advice at an early stage when formulating their policies.</p>	<p><b>MIP Action:</b> Staff will be expected to inform the authorities of the Fund's policy on the treatment of confidential information. At the same time, staff will be encouraged to have informal/brainstorming discussions with country authorities in the course of policy discussions.</p> <p><b>Categorization paper:</b> Ensure that staff appropriately keeps the authorities informed about Fund policies surrounding confidential information, possibly aided by written communication on the topic that could be shared with the</p>	Directors endorsed the reformulation. Some directors suggested staff to inform the authorities when they share confidential information.	<p>1. Create a page on the IMF's external website with information on the Fund's policy on the treatment of confidential information, including the description of a standardized comfort letter on the Fund's framework in the surveillance, program and capacity development context for the treatment of confidential information by <b>June 2022</b>.</p> <p>2. Re-disseminate guidance to staff on the Fund's framework for the treatment of confidential information, encouraging staff</p>	<p>LEG, SPR, COM</p> <p>LEG, SPR, [COM]</p>

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	<p>authorities from time to time as a reminder.</p> <p>The annual OED Survey could be extended to monitor the members' degree of satisfaction with the handling of confidential information. It could also seek their views on whether informal/brainstorming discussions have taken place and whether they have been useful.</p>		<p>to leverage the new website in surveillance, program and capacity development discussions with the authorities on the treatment of confidential information by <b>June 2022</b>. Prepare a communication plan for the release of the new web page by <b>June 2022</b>.</p> <p>3. In the revised guidance note for Surveillance under Article IV Consultations, encourage staff to share the relevant aspects of the Fund's framework for treatment of confidential information with country authorities (for example, as outlined in the Transparency Policy) during Article IV consultations conducted with program and non-program member countries, by <b>April 2022</b>.</p> <p>4. Monitor progress using the annual OED survey, with the expectation that the number of respondents expressing satisfaction with country teams' handling of confidential data will be considerably higher than a majority for at least two successive years, by <b>June 2024</b>. Progress in strengthening engagement with country authorities on the treatment of confidential information will be assessed in the next review of next Interim Surveillance Review, by <b>end-FY24</b>.</p>	<p>SPR</p> <p>SPR</p>

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<p>5. <i>Management and staff need to allocate adequate time and resources to each research project. The IMF needs clear standards for technical quality of different research projects [...] incentives to improve the quality of research should be strengthened</i></p>	<p><b>MIP Action:</b> Adopt new procedures to ensure the quality of working papers.</p> <p><b>Categorization paper:</b> The revised action would propose a measurable deliverable—carefully balance the nature of the WPs and resource constraints with the need for quality control. Issues for consideration include enhancing dissemination of the guidelines, with departments transparently posting on their websites their procedures for approving WPs</p>	<p>Directors broadly endorsed the revised action. Many Directors emphasized that the reformulation should focus on creating a more robust review process and sufficient time to engage with ED offices.</p>	<ol style="list-style-type: none"> <li>1. Conduct a peer-learning event on departments' practices for WP review, by <b>May 2022</b>.</li> <li>2. Update COM guidelines on publication of WPs, including to strengthen review requirements (see #5 below), clarify procedures for information-sharing with EDs and reduce publication delays. Disseminate the revised guidelines to staff by <b>June 2022</b>.</li> <li>3. Create identification numbers to allow indexing of published Selected Issues Papers (SIPs) and create a page on the IMF's external website for published SIPs, to improve visibility of staff's analytical work other than WPs and enable searching in external research bibliographic databases (IDEAS/RePEc), by <b>October 2022</b>.</li> <li>4. Review and revise departments' procedures for the review and approval of WPs, as necessary, in light of the peer-learning exercise and post the procedures on departments' websites, by <b>December 2022</b>.</li> <li>5. Migrate the interdepartmental review of WPs to e-Review, including the posting of authors' responses to comments prior to final approval by authoring department, to improve transparency and accountability, as part of Module 4 under the Integrated Digital Workplace (iDW) program, by <b>May 2023</b>.</li> </ol>	<p>COM, RES, SPR, with ADs and FDs</p> <p>COM with ADs and FDs</p> <p>COM</p> <p>ADs, FDs</p> <p>ITD, SPR</p>