



IMF POLICY PAPER

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IMPLEMENTATION PLAN IN RESPONSE TO THE EXECUTIVE BOARD-ENDORSED RECOMMENDATIONS FROM THE IEO EVALUATION ON THE IMF'S PANDEMIC RESPONSE

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- The **Staff Report**, prepared by IMF staff and completed on September 26, 2023 for the Executive Board's consideration on October 4, 2023.

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IMPLEMENTATION PLAN IN RESPONSE TO THE BOARD ENDORSED RECOMMENDATIONS FROM THE IEO EVALUATION ON THE IMF'S PANDEMIC RESPONSE

EXECUTIVE SUMMARY

This Management Implementation Plan (MIP) proposes actions in response to the Board-endorsed recommendations provided by the Independent Evaluation Office (IEO)'s report on the IMF's early response to the COVID pandemic. Staff has already responded to some of the IEO's specific suggestions, such as clarifying the rules for early Board engagement, and the mechanisms to secure additional resources in times of crisis, while others will be addressed as part of ongoing workstreams. The MIP also defines further actions that are slated to be completed by end-FY25. The resource costs of most of the envisaged measures will be absorbed within the current budgetary envelope, though more ambitious actions would require additional resources.

The MIP addresses the two IEO recommendations, which aim for the Fund to (i) Develop special policies and procedures that could be quickly activated to address particular needs and circumstances of global crises and (ii) Take steps to reinforce the Fund's institutional preparedness to deal with global crises and other large shocks.

Since several of the IEO's specific suggestions align well with existing workstreams, the MIP highlights how current workstreams will be exploited to address them:

- Drawing the lessons from the use of precautionary lending instruments during the pandemic and using them in the ongoing review of these facilities.
- Drawing the lessons from the implementation of governance safeguards in the context of covid-related emergency financing and respond to the actions identified in the final stocktaking.
- Reviewing financial implications of covid-related lending on Poverty Reduction and Growth Trust (PRGT) resources in the regular updates on PRGT financing and resources.

The MIP further defines actions that aim to enhance the Fund's preparedness to face future crises and are slated to be implemented by the end of FY25.

- Develop a crisis playbook, which will further codify Management's commitment to an early participatory consultation with the Board in the event of a global crisis and

inform the engagement with the Board on the broad strategy and institutional priorities for responding to the crisis.

- Enhance the process of staff reallocation during a crisis through expanding the staff Talent Inventory to include skills and experience relevant in crises and examining HRD's coordinating role in staff reallocation. Review how, in a crisis, recruitment processes could be made more agile.
- Develop a strategy for surge capacity of the Crisis Management Team.
- Review the experience of pandemic-related lending to low-income countries to consider the adequacy of access norms and the possible need for enhancements of the low-income lending toolkit against the long-term financial sustainability of the PRGT.
- Explore ways to further strengthen the coordination with partners, especially the World Bank.

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CONTENTS

INTRODUCTION _____	4
IEO RECOMMENDATIONS AND BOARD REACTIONS _____	4
MANAGEMENT IMPLEMENTATION PLAN _____	6
A. Special Policies and Procedures During Global Crises (Recommendation 1) _____	6
B. Fund's Institutional Preparedness to Deal with Global Crises (Recommendation 2) _____	8
RESOURCE IMPLICATIONS _____	11
ENTERPRISE RISK ASSESSMENT _____	11
A. Risk Identification _____	11
B. Risk Mitigation _____	12
BOX	
1. IEO Recommendation and Possible Steps _____	5
ANNEX	
I. The IMF's Pandemic Response—Management Implementation Plan _____	13

INTRODUCTION

1. **The Executive Board and management welcomed the IEO evaluation of the IMF's response to the pandemic.** The evaluation was discussed by the Board on March 13, 2023. Directors welcomed the early evaluation's finding that the Fund swiftly and appropriately responded to challenges posed by the COVID pandemic both in terms of preserving health and safety of staff and responding to members' financial and economic needs. Management and the Board fully concurred with the evaluation's overarching message that the Fund needs to be prepared for possible future global crises. The Board endorsed the IEO's two main recommendations, though there was less consensus about several of the IEO's specific suggestions.
2. **This paper presents a Management Implementation Plan (MIP) to take forward the Board-endorsed recommendations from the evaluation, including specific actions, timing, and responsibility for implementation** (see Annex for the matrix). The proposed MIP aims at: (i) using the experience of the pandemic response in the ongoing work of improving the lending toolkit; (ii) enhancing crisis preparedness by developing a crisis playbook and identifying and removing gaps in crisis preparedness.

IEO RECOMMENDATIONS AND BOARD REACTIONS

3. **The IEO made two recommendations to reinforce the preparedness of the Fund to future global crises** (Box 1). This section summarizes Executive Directors' reactions to the recommendations and specific suggestions.
4. **Directors provided broad or qualified support to the first recommendation on developing special policies and procedures that could be quickly activated to address particular needs and circumstances of global crises.** All Directors favored consultation with the Board in the early stages of future crises. Although several Directors supported the consideration of special crisis procedures, others were skeptical of this idea. Overall, Directors warned against having too rigid or automatic processes, and some offered the idea of a menu of options that could be put forward for Board decision in the early stages of crises. There was agreement that further evaluation of the impact of the pandemic-related lending should be completed before deciding on temporary modifications to the lending framework in the event of a global crisis. There was no consensus on the proposal for more proactive temporary budget flexibility, with some Directors noting that the carryforward mechanism already in place functioned well during the pandemic. Directors saw merit in considering reinforcing the crisis management team and adapting the HR response during a global crisis to facilitate the effective redeployment of resources to where they were most needed. At the same time, they recommended also considering reprioritization of tasks in the context of increased work pressures.
5. **Directors broadly supported taking steps to reinforce the Fund's institutional preparedness to deal with global crises and other large shocks.** Directors supported looking at ways to enhance emergency and precautionary lending instrument and integrating the lessons of

the pandemic in forthcoming reviews. Directors acknowledged the scaled-up attention to governance safeguards in Fund lending. They concurred that the review of the Implementation of the 2018 Framework for Enhanced Fund Engagement on Governance would provide an opportunity to strengthen and fine-tune existing initiatives in helping members combat corruption and improve governance through surveillance, lending, and tailored capacity building activities. Directors stressed the importance of strengthening the efficiency and effectiveness of the Fund's collaboration with the World Bank and other multilateral and official institutions. They welcomed that staff would explore the merits and feasibility of developing a "financing tracker" for major official creditors and donors. Directors acknowledged the potential usefulness of a "crisis playbook" based on tabletop exercises, while avoiding duplication of efforts.

Box 1. IEO Recommendation and Possible Steps

1. Develop special policies and procedures that could be quickly activated to address particular needs and circumstances of global crises.

- Participatory consultation with the full Board at an early stage of a global crisis on the strategy and broad set of institutional steps to help member countries deal with very challenging circumstances.
- Activation of temporary modifications to the lending framework to help countries meet the financing needs implied by the crisis while accepting higher levels of risk tolerance for the Fund.
- Activation of a framework for temporary budget flexibility.
- Steps to facilitate the HR response to the global crisis could include temporary recourse to a centralized mechanism for redeployment of staff resources rather than the normal reliance on a free internal market.
- Reinforced Crisis Management Team.

2. Take steps to reinforce the IMF's institutional preparedness to deal with global crises and other large shocks.

- Review of emergency financing policy and practice.
- Further development of the toolkit of precautionary instruments.
- Develop an initiative building on the upcoming review of the 2018 Framework for Enhanced Fund Engagement on Governance to support country efforts to strengthen governance measures.
- Foster a more coherent approach to strategic partnerships with the World Bank and other official institutions.
- Develop table-top exercises and a crisis playbook.

MANAGEMENT IMPLEMENTATION PLAN

6. The MIP leverages the existing and planned workstreams. The MIP reports on the work carried out since the completion of the IEO report and proposes several “SMART” (specific, measurable, attainable, relevant, and timebound) actions to address the two Board-endorsed main recommendations. These actions are expected to be carried out by the end of FY25.

A. Special Policies and Procedures During Global Crises (Recommendation 1)

7. Staff will identify specific additional steps to be taken outside of normal operations. The IEO evaluation highlighted several areas where additional crisis preparedness might be needed. These include ideas concerning crisis-specific lending instruments; staff and budget reallocation, reprioritization of deliverables; and reinforcing the CMT. This section identifies what staff have already been doing (or are planning to do) to set up steps that could be taken in times of crisis. Such crisis options will include items that are not already covered in existing policies and procedures and would need to be considered in the early stages of future crises.

8. In the event of an emerging global crisis, Management would consult and engage early with the Board to help strategize the Fund’s response. In regard to this commitment, it is noteworthy that there are no legal obstacles to the Managing Director calling meetings with the Board, whether formal or informal, as the business of the Fund may necessitate. The Managing Director is also required to call a meeting at the request of any Executive Director, and should aim to do so promptly.¹ Based on the authority granted in 2020, the Managing Director can convene fully virtual and hybrid meetings due to “exceptional circumstances” in consultation with the Board; and, in the absence of exceptional circumstances, the Board could take ad hoc decisions to hold “particular meetings” in fully virtual or hybrid format. Such flexibility may be especially important in the context of an unfolding global crisis, as Management would hold early participatory consultations with the Board to discuss possible strategies for responding to the crisis. The crisis playbook, proposed in this MIP, would further codify Management’s commitment to hold early participatory consultations with the Board and would help inform this engagement.

9. SPR will compile a list of lending toolkit crisis options previously considered, which will inform the crisis playbook. SPR will compile a list of measures that were considered in recent crises and that can guide initial considerations of possible reactions to future crises. These measures include but are not limited to the following: increasing access levels, introducing a restricted window within emergency financing, providing IMF debt service relief, and suspending interest surcharges.

10. Internal HR processes for hiring and staff allocation in crisis times will be enhanced. Management has discretion to move staff across departments, while Heads of Departments (HoDs) have discretion to move staff within their departments. In previous crises, HoDs have initiated calls

¹ Rules C-1 and C-2 of the [Rules and Regulations](#).

for staff reallocation, and consultations with Management were held to facilitate the movement of staff in some cases. Such discretion supersedes existing practices and rules such as minimum tenure in a department required for moves across departments (though in practice few such cases are expected since average tenure in departments generally exceeds 2 years by a significant margin). In future crisis times, HRD will play a coordinating role in the reallocation of staff. HRD, in consultation with other Departments, will review how it may best operationalize this coordination role (including drawing on the Talent Inventory) and how it could implement more agile recruitment procedures in times of crisis; this will be done by end-FY25.

11. HRD will expand the Talent Inventory to include crisis-relevant skills. While staff reallocation during crises has been largely market-based and discretionary, additional information about staff could be used in future crises to help ensure better reallocation. In this context, HRD will leverage the talent database (Talent Inventory) that it has been developing. This database can be used to inform the decision on staff reallocation by providing information on staff specific experiences, including tenure in country assignments and missions (including type of mission, mission activity, destination, etc.). So far, the Talent Inventory has been used to check eligibility criteria for managerial promotions in the context of the LIC-FCS tenure policy. But this database could also be used for other purposes, including to inform the reallocation of staff during crises. While the Talent Inventory largely focuses on staff experiences related to departmental tenure, mission, and country assignments, HRD has already been working to include macro-financial skills as a new indicator and would seek to complete this work in the next few months and, in any case, by end-FY24. In addition, HRD will include program experience in the inventory, a skill directly relevant in crisis times. HRD may then form a view on which additional skills could be included and review the feasibility and appropriateness of using self-reported skills on a pilot basis. This would be completed by end-FY25 depending on feedback from client departments and may be accelerated depending on resource availability.

12. In time of crisis, OBP will use existing lines of defense for their budget response. In the first instance, abrupt changes in demand for the Fund's support have been addressed through overtime and a decrease in annual leave. The Fund would seek to reduce such dependence within the existing resources envelope, consistent with the foundational principle of budget discipline, using three main lines of defense, all of which were activated at the onset of the pandemic in 2020:

- Identify savings opportunities or reprioritization within and across departments. Article IV consultations and program negotiations/reviews are typically not in scope for such exercises barring truly exceptional circumstances.
- Temporary reassignment of staff from departments less affected by the crisis to departments where the work pressures are greatest. Limited fungibility of experience and skills may limit the scope of such a redeployment.
- Use and allocation of most or part of the budget contingency for emergencies (0.7 percent of the net administrative budget).

Should this initial response prove insufficient to address crisis needs, staff could seek Board approval for additional resources, either in the form of a temporary increase in the carryforward limit (should underspend be available) or a supplementary budget. In recent discussions, the Board did not see an immediate case for establishment of a pre-approval mechanisms to release additional resources in the event of a crisis, noting the availability of carryforward space. Accordingly, a case-by-case approach was favored.

13. Staff will seek to reinforce the Crisis Management Team (CMT). As part of its current normal operations, the CMT meets regularly with counterparts in other IFIs to discuss appropriate responses and policies. To prepare for future crisis, the CMT will develop a strategy for surge capacity, specifically:

- Identify pre-determined functions in relevant departments that can be drawn upon in a crisis to complement, as relevant, the existing CMT structure and membership.
- Prepare a roster of potential external expert resources to complement pre-existing expertise available to the CMT, such as the joint WBG and IMF Health and Safety Directorate (HSD).
- Calibrate the strategy on the basis of different types of crises and continue to participate in crisis simulation exercises organized by the Resilience Program Team (RPT) as part of its mandate to strengthen the Fund's resilience and business continuity capabilities.

B. Fund's Institutional Preparedness to Deal with Global Crises (Recommendation 2)

14. Staff have sought to embed lessons of the pandemic in the workstream to reinforce the lending toolkit. Staff are continuously seeking to enhance the adequacy of the lending toolkit to ensure it serves the need of the membership while preserving the interests of the Fund. In the context of high work pressures brought about by a multi-crisis environment, and in the spirit of the IEO's recommendations, staff sought to leverage existing workstreams to advance on the recommendations. Within these workstreams, the idea is to ensure the lending toolkit is sufficiently flexible to respond to future crises. Specifically, the following reviews incorporated consideration of IEO's Board-endorsed recommendations:

- The review of precautionary instruments (Informal Board July and September 2023; Formal Board October 2023) draws lessons from the use of precautionary lending instruments since 2017, including during the COVID-19 pandemic, and puts forth reform options that aim to make existing precautionary arrangements more flexible, accessible, and attractive, thus facilitating their usage, including in a crisis context.
- The Board discussed the review of access limits under emergency financing instruments (Formal Board June 2023) and adopted staff's proposal to temporarily further extend the higher cumulative access limits, for a limited period of time, to ensure the capacity of the Fund to

support countries in case they are faced with renewed emergency situations, in the crisis-prone environment.

- The review of the Food Shock Window (FSW, Formal Board June 2023) under the emergency financing instruments underlined its role as part of the broader effort of the Fund to support countries affected by the global food shock. Most countries could be supported through UCT-quality programs; it was proposed, however, to extend the FSW by six months as a contingency instrument in light of the still ongoing food shock and for situations where UCT-quality programs would not be feasible or not be necessary.

15. Looking forward, further enhancements to the lending toolkit will be considered, including in response to IEO's recommendations, as part of forthcoming reviews. The Board will have the opportunity to review facilities and access limits. For the PRGT, a comprehensive review of facilities and financing will be carried out in 2024/25. The review will be informed by the lessons from the pandemic. In addition, an ad hoc interim review of PRGT access limits will be carried out once substantial progress with PRGT fundraising toward the SDR 2.3 billion first stage target for subsidy resources agreed in 2021 has been made—with total pledges of SDR 2 billion or more. In case the progress toward the funding target is delayed, access limits would be reviewed in the context of the 2024/25 PRGT Facilities Review. Following the temporary increase in GRA access limits in March 2023, a comprehensive review of access limits, tentatively planned for 2024, will assess the GRA access limits in the context of the outcome of the 16th General Review of Quotas. If circumstances warrant, staff would re-engage the Executive Board before the end of the 12-month period on a proposal to maintain for longer the higher GRA access limits. The next review of conditionality and design of Fund-supported programs will provide a further opportunity to consider these issues.

16. An important aspect of the IEO evaluation concerned governance safeguards in the context of emergency financing. The Review of the 2018 Framework for Enhanced Fund Engagement on Governance (Formal Board, April 2023) finds these safeguards to be a concrete example of effective Fund engagement, and a final stocktaking of the implementation of governance measures in pandemic-related spending in July 2023 illustrates that all measures, including those that may require regulatory reforms, achieved significant implementation rates. Identified action to strengthen governance safeguards going forward include (i) considering corruption risks arising in other emergencies beyond COVID-19, (ii) further tailoring governance safeguards to country circumstances, (iii) providing specific CD to facilitate implementation, (iv) fostering country ownership and enhancing engagement with external stakeholders, such as civil society organizations, and (v) building on and bringing forward countries' preparedness of their anti-corruption and governance frameworks for exogenous shocks.

17. Staff continuously seek to reinforce collaboration with external partners. In the context of crises, the Fund has sought to coordinate its response with external partners with a view to avoiding unnecessary duplication, leveraging the comparative advantage of various institutions, and improving effectiveness through concerted action. Existing crisis protocols include steps for engaging with the World Bank (and other International Financial Institutions) as necessary to help

member countries manage crisis situations. Most recently, the Fund has stepped up its engagement to help tackle the global food crisis working closely with international partners, including the World Bank Group, FAO, WFP, and WTO. As part of the 2024/25 review of PRGT facilities and funding, staff will explore ways to further strengthen the coordination with partners, especially the World Bank. Meanwhile, staff have been engaging with the Board on broad principles for Bank-Fund-WHO coordination in RSF arrangements on pandemic preparedness as committed in a previous MIP.²

18. Staff suggest developing a crisis playbook by end-FY25. The playbook would further codify Management's commitment to early participatory consultation with the Board in the event of a global crisis and would be structured around such early participatory consultation.³ It would also serve as a compendium of issues and options that may need to be addressed during a global crisis, drawing on experience in previous crises as well as scenarios from table-top and other exercises.⁴

- The playbook would be a succinct, internal document, and applicable in various types of financial, economic, and non-economic global crises. It could help inform Management's early engagement with the Board on the broad strategy and institutional priorities for responding to the crisis. In this regard, the playbook would not be a pre-determined set of policies and procedures but rather an inventory of issues that may need to be addressed in an effective Fund response to a crisis.
- The playbook would lay out general principles of crisis response (for example, the need for addressing membership needs in case of large and unexpected shocks, while balancing it with available resources and financial safeguards).
- The crisis playbook would also provide examples for how these principles could be applied in a flexible manner in different types of crises (including through the use of temporary modifications to the lending toolkit and the conduct of surveillance, as well as work reprioritization and changes in resource and budget allocations).
- The playbook may benefit from a comparative analysis, to better understand crisis preparedness approaches employed by peer institutions (other IFIs, central banks, etc.) and membership needs.
- SPR would take the lead in developing the playbook and its dissemination to staff as appropriate, in collaboration with other relevant departments and offices.

² See [Implementation Plan in Response to the Board-endorsed Recommendations from the IEO Evaluation Report on Growth and Adjustment in IMF-supported Programs](#) (IMF, 2022).

³ Management's commitment to such consultation is formalized in 18 of this Management Implementation Plan.

⁴ Staff already carries out regular country-specific risk assessments, through Vulnerability Exercises, and ad hoc table-top, scenario-based exercises using the Strategic Foresight methodology (see Guidance Note on [How to Implement Strategic Foresight \(and Why\)](#) Alberto Behar and Sandile Hlatshwayo), and will continue to pursue those as appropriate in the future. The crisis playbook would not duplicate these efforts.

- On a longer timeframe, larger-scale exercises, possibly involving the Board and other financial institutions (notably the World Bank) could be considered, including to further inform the crisis playbook, provided the necessary resources become available. Conducting well planned and executed exercises would entail acquiring the appropriate expertise and require substantial additional resources that are not covered under existing workstreams; these are estimated to be in the order of 1.0-3.0 FTEs, depending on the scale and scope of the exercises.

RESOURCE IMPLICATIONS

19. The MIP explicitly proposes to use the existing workstream to embed most of the necessary actions to respond to the IEO recommendation. Mindful of the tight budgetary situation, this MIP has strived to leverage existing workstreams to the extent possible. As a result, many of the policy-related deliverables (such as the review of precautionary lending) and new tools are already in the Board's Work Program and incorporated into current departmental work plans and budgets.

20. Additional resources will be needed in several areas that were not adequately covered in existing workstreams. Additional resources are expected in the following cases:

- **Compiling the existing crisis protocols into a crisis playbook could be largely accommodated within regular annual budget cycles.** However, more ambitious crisis simulation exercises would require correspondingly greater additional resources. These are estimated to be in the order of 1.0-3.0 FTEs, depending on the scale and scope of the exercises.
- **HRD.** Including macro-financial skills in the Talent Inventory is part of HRD's Accountability Framework for FY24. These resources will need to be maintained in FY25 to complete inclusion of additional criteria such as program/surveillance experience (or a proxy for such experience). Carrying out the operationalization review may require some additional resources.
- **CMT.** The current, non-crisis time, resources will be leveraged to carry out the preparatory work. During a crisis, additional resources will be drawn upon. Specifically, the pre-determined functions in relevant departments that are identified during the preparatory phase will mean calling upon these resources to contribute to the CMT as needed depending on the crisis.

ENTERPRISE RISK ASSESSMENT

21. This section reviews the risks that the Fund seeks to mitigate through the actions set out in this MIP.

A. Risk Identification

22. Financial risks. An environment of uncertainty and more frequent global shocks increases the risks that available resources will be insufficient to meet the financing needs of members and the IMF's own financial obligations. The Fund has a limited ability to diversify its portfolio, which has

led to high credit concentration in the GRA, where about two-thirds of credit outstanding is due from five members. At the same time, as the Fund has significantly increased both its General Resources and its concessional (PRGT) lending in the past few years, and debt vulnerabilities have risen in many member countries, the risks that a borrower fails to meet its financial obligations to the Fund have also risen. The demand for concessional lending remains elevated, PRGT resources have been stretched and the Fund faces the challenge to place the PRGT on a sustainable footing.

23. Reputational risks. A lack of adequate response of the Fund to future crises could lead members to lose faith in the IMF or multilateralism, including member(s) withdrawing from the Fund and de-globalization. This risk is remote at this point given the general ability of the Fund to respond to the major crises that have occurred so far. Maintaining this level of response is however important. The IEO reported some examples of perception of lack of evenhandedness in the way the lending policies were implemented. Such perceptions should be taken seriously as they can lead to reputational risks whereby sustained criticism from policymakers or policy influencers regarding Fund action or advice could eventually result in damage to Fund credibility, integrity, or objectivity and adversely impacts Fund's overall effectiveness.

24. Risk to staff well-being and safety. As exemplified by the experience of the pandemic, global crises may put well-being of staff at risk due to extraordinary work pressures and/or health risks from the work environment.

B. Risk Mitigation

25. Financial risks. The reviews of access levels and lending facilities are accompanied by strong assessments of resources so that reforms to the lending toolkit are fully financed. The higher exposure currently achieved is a key factor in considering future changes to the toolkit, in a context where additional fundraising efforts are carried out for the PRGT and RST. In addition, the regular updates on PRGT financing and resources—an informal Board is scheduled for September 2023—offer the Board the opportunity to review the financial situation of the PRGT and RST, and consider financing options. The items mentioned in this MIP—reviews of the toolkit, review of conditionality, final stocktaking of implementation of governance safeguards in emergency financing—aim to enhance the strength of programs, thereby decreasing the risk of members failing to meet their financial obligations.

26. Reputational risks. Staff will continue strong engagement with different stakeholders and international partners in developing the reforms and actions mentioned in this MIP. In addition, appropriate governance safeguards will help maintain evenhandedness. In this context, the updated guidance on governance measures and safeguards, informed by the lessons from the measures implemented as part of covid-related spending, will help reduce these risks.

27. Risks to staff well-being and safety. IMF will continue regular staff health and well-being surveys to help gauge the pressures that staff are under. In addition, more consistent use of TRACES and recording of overtime can help identify pressure points. The reinforcement of the CMT with pre-identified expert resources will help further reduce these risks.

Annex I. The IMF's Pandemic Response—Management Implementation Plan

IEO Recommendations	Summing Up Guidance	Follow Up Plan (Actions)	Accountability and Timeline
<p>Recommendation 1. Develop special policies and procedures that could be quickly activated to address particular needs and circumstances of global crises</p>	<p>Broad or qualified support. Some Directors suggested developing a menu of possible crisis responses that could be considered by the Board in a future crisis situation. Some Directors, however, questioned the need to develop special policies and procedures. More broadly, Directors shared the MD's view that given the uncertain nature of future crises, and the challenges of establishing meaningful triggers for declaring a "global" crisis, the feasibility and usefulness of having pre-determined procedures need to be carefully considered and overly prescriptive or rigid processes should be avoided.</p>		

IEO Recommendations	Summing Up Guidance	Follow Up Plan (Actions)	Accountability and Timeline
Participatory consultation with the full Board at an early stage of a global crisis on the strategy and broad set of institutional steps to help member countries deal with very challenging circumstances.	All EDs stressed that participatory consultation with the full Board at an early stage of a global crisis should be an important part of any framework for responding to future crises	Management commits to call early participatory Board meetings to discuss response strategy in early stages of global crises.	Management completed by virtue of issuing the MIP Commitment to be further codified in the "crisis playbook" (see below)
Activation of temporary modifications to the lending framework to help countries meet the financing needs implied by the crisis while accepting higher levels of risk tolerance for the Fund.	Directors concurred that any temporary modifications to the lending framework when faced with a global crisis should take into account, in particular, the implications for the Fund's lending capacity and resources and should not be promised until the full ramification of the pandemic-related lending have been examined comprehensively	Review impact of pandemic-related lending and its implication on the Fund's lending capacity	FIN/SPR Regular updates on PRGT Financing and Resources next informal Board in September 2023
		Review of temporary increase of GRA access limits.	FIN/LEG/SPR Before March 2024 if circumstances warrant. If not, the temporary increase of GRA access limits will automatically expire in March 2024, as already agreed by the Board.
		Comprehensive review of GRA access limits.	FIN/LEG/SPR Following 16th quota review
Activation of a framework for temporary budget flexibility.	While a few Directors saw merit in establishing a framework for providing a short-term temporary	Mechanism to secure needed additional resources in crisis time have already been identified and	OBP completed

IEO Recommendations	Summing Up Guidance	Follow Up Plan (Actions)	Accountability and Timeline
	budget increase in exceptional circumstances, a number of other Directors considered that this is not warranted, noting that the carryforward mechanism already in place worked well during the pandemic	updated following experience during pandemic. No further action planned at this stage.	
Steps to facilitate the HR response to the global crisis could include temporary recourse to a centralized mechanism for redeployment of staff resources rather than the normal reliance on a free internal market.	Directors generally saw merit in considering reinforcing the crisis management team and adapting the HR response during a global crisis to facilitate the effective redeployment of resources to where they were most needed. At the same time, Directors agreed that ensuring flexibility and adaptability to various crisis scenarios needs to consider, in tandem, potential additional staffing needs and prioritization of work in the context of the	In addition to including macro-financial skills to the Talent Inventory (no later than end-FY24), HRD will include program experience in the inventory and review additional crisis-related relevant skills.	HRD, in consultation with other departments by end-FY25
Reinforced Crisis Management Team.	At the same time, Directors agreed that ensuring flexibility and adaptability to various crisis scenarios needs to consider, in tandem, potential additional staffing needs and prioritization of work in the context of the	HRD will review how it could best operationalize a coordinating role in the reallocation of staff and implement more agile recruitment procedures in times of crisis.	HRD, in consultation with other departments by end-FY25

IEO Recommendations	Summing Up Guidance	Follow Up Plan (Actions)	Accountability and Timeline
	high pressures under the current work program	Reinforce the CMT through developing a strategy for surge capacity and calibrating the crisis response strategy. CMT will notably prepare a roster of potential external expert resource.	CSF, in consultation with HRD by end-FY24
Recommendation 2. Take steps to reinforce the IMF's institutional preparedness to deal with global crises and other large shocks.	Broad support. EDs saw merit in continuing to explore whether and how the lending toolkit may need to be enhanced to better serve the membership in a flexible manner.	In addition to the specific proposals by the IEO, lessons from the pandemic will inform the upcoming review of conditionality and design of Fund-supported programs.	SPR by end-FY25
Review of emergency financing policy and practice.	Directors looked forward to the forthcoming review of access limits for emergency financing (EF), with a number of Directors noting the need for greater tailoring of EF access to country circumstances, including for small developing states, and a few others seeing merit in increasing the use of prior actions. More broadly, Directors	The lessons from the pandemic will be (have been) embedded in planned reviews:	
		The review of implementation of the 2018 framework for enhanced fund engagement on governance was completed (Formal Board in April 2023). Steps to strengthen the implementation of the 2018 framework were identified.	FAD/LEG/SPR completed

IEO Recommendations	Summing Up Guidance	Follow Up Plan (Actions)	Accountability and Timeline
	<p>avored exploring modalities to better support members' transition from EF to Upper Credit Tranche programs.</p>	<p>A final stocktaking of implementation of governance safeguards in emergency financing during the pandemic has been carried out in July 2023 and identified actions to strengthen governance safeguards going forward, including inter alia considering corruption risks arising in other emergencies beyond COVID-19.</p>	<p>FAD/LEG/SPR completed</p>
		<p>Review of access limits under emergency financing instruments (Formal Board in June 2023). This extends the temporary increase in cumulative access limits for EF, based on "forward-looking" assessment of borrowing space.</p>	<p>FIN/LEG/SPR completed</p>

IEO Recommendations	Summing Up Guidance	Follow Up Plan (Actions)	Accountability and Timeline
		Taking stock of the pandemic-related Fund financing, and the subsequent multi-crisis environment, the review of PRGT facilities and funding (FY25) will review the facilities, including the RCF, and financing options to ensure the PRGT's self-sustainability.	FIN/LEG/SPR by end-FY25
		Before that an ad hoc interim review of PRGT access limits may be carried out depending on progress of Stage 1 fundraising.	FIN/LEG/SPR by December 2023 contingent on Stage 1 fundraising
Further development of the toolkit of precautionary instruments.	Directors also saw merit in exploring, during the forthcoming Review of Precautionary Facilities, whether there is scope to further enhance these facilities and fill any gaps.	Review of precautionary instruments puts forth reform options that aim to make existing precautionary arrangements more flexible, and attractive, thus facilitating their usage, including in a crisis context (Informal Board July and September 2023 Formal Board October 2023)	FIN/LEG/SPR by October 2023

IEO Recommendations	Summing Up Guidance	Follow Up Plan (Actions)	Accountability and Timeline
Develop an initiative building on the upcoming review of the 2018 Framework for Enhanced Fund Engagement on Governance to support country efforts to strengthen governance measures.	Directors noted that the rapid response to the pandemic required scaled up attention to governance safeguards for use of Fund resources. Directors agreed that this further highlights the importance of maintaining the Fund's extensive support to help members combat corruption and improve governance through its surveillance, lending, and tailored capacity building activities. In this context, Directors concurred that the forthcoming review of the Implementation of the 2018 Framework for Enhanced Fund Engagement on Governance will provide an opportunity to strengthen and fine-tune existing initiatives in this area.	Final stocktaking of implementation of governance safeguards in emergency financing during the pandemic has been carried out in July 2023	FAD/LEG/SPR completed
		Implement steps identified in the review of implementation of the 2018 framework for enhanced fund engagement on governance.	FAD/LEG/SPR and Area departments starting FY24; next review in 2028, with a possible interim update prior to the formal review

IEO Recommendations	Summing Up Guidance	Follow Up Plan (Actions)	Accountability and Timeline
Foster a more coherent approach to strategic partnerships with the World Bank and other official institutions.	Directors stressed the importance of strengthening the efficiency and effectiveness of the Fund's collaboration with the World Bank and other multilateral and official institutions. Directors welcomed that staff will explore the merits and feasibility of developing a "financing tracker" for major official creditors and donors.	As part of the 2024/25 review of PRGT facilities and funding, staff will explore ways to further strengthen the coordination with partners, especially the World Bank.	SPR with relevant departments by end-FY25
Develop table-top exercises and a crisis playbook	Directors acknowledged the potential usefulness of a "crisis playbook" based on tabletop exercises, while emphasizing that duplication of efforts should be avoided since the Fund already has an established framework for assessing risks in the global economy.	Compile existing crisis protocols into a crisis playbook, which would further codify Management's commitment to early participatory consultation with the Board in the event of a global crisis, and would serve as a compendium of issues and options that may need to be addressed during a global crisis.	SPR with relevant departments by end-FY25