



November 2020

GENDER DIVERSITY IN THE EXECUTIVE BOARD— PROGRESS REPORT OF THE EXECUTIVE BOARD TO THE BOARD OF GOVERNORS

IMF staff regularly produces papers proposing new IMF policies, exploring options for reform, or reviewing existing IMF policies and operations. The following document has been released and is included in this package:

- The Progress Report prepared by prepared by the Executive Directors of the Working Group on Gender Diversity at the Executive Board, Louise Levonian (Chair), Anthony De Lannoy, Alisara Mahasandana, Dumisani Mahlinza, Maher Mouminah, Shona Riach, and Afonso Bevilaqua, and IMF staff Elena Michaels, Emelie Mannefred, and Erica Anderson.

Informal Session to Brief:

The progress report prepared by the Executive Directors of the Working Group on Gender Diversity at the Executive Board and IMF staff was presented to the Executive Board in an informal session on Tuesday, September 8, 2020 and transmitted to the IMF Board of Governors on September 22, 2020. The progress report was approved for publication on September 29, 2020.

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**International Monetary Fund
Washington, D.C.**



September 14, 2020

GENDER DIVERSITY IN THE EXECUTIVE BOARD—PROGRESS REPORT OF THE EXECUTIVE BOARD TO THE BOARD OF GOVERNORS

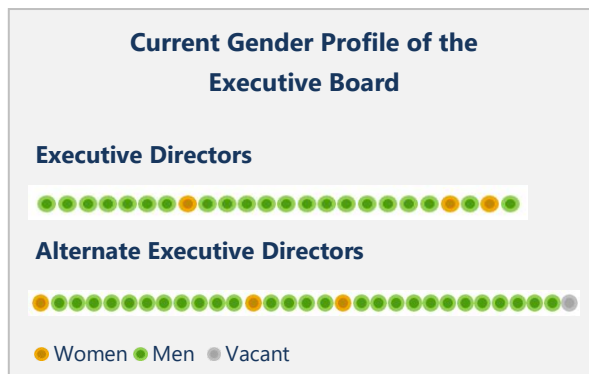
Prepared by the Working Group on Gender Diversity at the Executive Board: Louise Levonian (Chair), Afonso Bevilaqua, Anthony De Lannoy, Alisara Mahasandana, Dumisani Mahlinza, Maher Mouminah, and Shona Riach (OED). Report prepared by Elena Michaels, Emelie Mannefred, and Erica Anderson (SEC).

Since the time of the last report of the Executive Board on its gender diversity, profound changes have taken place globally, exposing wide social and economic disparities. The COVID-19 pandemic is not only a human tragedy, causing an immense loss of life, but also an economic shock like no other. Concurrently, in many countries, issues of racial inequality and discrimination are at the forefront of public discourse within governments, communities, private corporations, and public institutions – including the IMF.

At this current stage of acute social and economic stress, it is timely to reaffirm the importance and value of diversity and inclusion of all kinds, and the benefits that it brings, including broader perspectives, new ideas, enhanced decision-making, and stronger performance. The diversity of the IMF’s Executive Board, representing its 189 member countries, enables it to remain responsive to meet the needs of the membership at all times, including during the current unprecedented crisis. Nonetheless, the Executive Board continues to strive to better reflect its membership, through the inclusion of more women as Executive Directors and Alternate Executive Directors.

As noted in the 2019 [report](#) to the Board of Governors, the low numbers of women in Executive Director and Alternate Executive Director positions are ongoing causes of concern.

Amongst twenty-four Executive Directors and thirty-one Alternate Executive Directors, only six positions are held by women. These numbers can, and should, increase.



The objectives of the Working Group on Gender Diversity (WGGD) in the past year have been to raise awareness of the importance of enhanced gender diversity within the Executive Board and with member country authorities, and to encourage the selection of women to the Executive Board. It has, among other things, conducted outreach to its peers and engaged Executive Directors to work as advocates for gender diversity within their offices and constituencies, and provided information and materials to support discussions on the importance of increased gender diversity. The WGGD has also engaged management to support its efforts and has raised the aspect of gender diversity in the report to the Board of Governors on the Rules for the 2020 Regular Election of Executive Directors.

BUILDING UNDERSTANDING AND ENGAGEMENT

1. **The 2019-2020 WGGD has focused its efforts on building a shared commitment to increasing gender diversity of the Executive Board in three key areas:**

Engagement of the Executive Board

- ✓ *Ensure opportunities for productive and highly engaged discussions on gender diversity with the Board.*

The WGGD has engaged in discussions between Executive Directors on a range of issues related to increasing the gender diversity profile of the Executive Board and has hosted networking opportunities for women working in the Offices of Executive Director (OEDs). In connection to the 2020 International Women's Day, the WGGD drew attention to its work within the Fund through an intranet article, in tandem with external outreach efforts noted below.

- ✓ *Leverage the capacity of Board members to act as active and effective channels of communication to country authorities.*

A set of new communications tools has been developed – an 'Executive Board Gender Diversity Factsheet' and 'Key Messages on Gender Diversity.' These were well-received by the Board and country authorities and provided a concise, focused basis for constituencies to begin discussions of these issues at the time of the 2019 Annual Meetings. An updated Factsheet is attached as Annex I to this report. The WGGD has also developed a useful pamphlet outlining the various ways that the Fund is able to assist incoming personnel, especially with young families, in relocating to Washington D.C. Access to this information may be helpful in encouraging more women to consider applying for employment in the OEDs.

- ✓ *Understand the challenges with and opportunities for increasing recruitment of women to Senior Advisor and Advisor positions in the OEDs.*

The WGGD has considered potential impediments to the recruitment of women, including the timing of the recruitment cycle for OEDs, and the timing of the biennial Executive Director election. It has also considered issues of spousal work authorization processes, including whether scope may exist to request such authorizations before arrival in Washington DC to facilitate relocating spouse careers to Washington D.C. In these discussions, the WGGD has noted that, while both of these issues may influence the decisions of women candidates to apply for positions in OEDs, they have broader implications for the institution, and thus may need to be taken up in other forums.

Engagement of the Membership

- ✓ *Advocate the importance of enhancing gender diversity in the Executive Board and OEDs through outreach and communication to the membership. These will be through formal and informal communications to the Board of Governors, the IMFC, and with other key decision-makers.*

The WGGD is encouraged that the IMFC continues to draw attention to the importance of gender diversity by supporting increasing gender diversity in the Executive Board¹ and that many Governors have noted their commitment to this issue in their statements to the IMFC.

- ✓ *Regularly update the Board of Governors on progress towards voluntary gender targets and the work of the WGGD to support this issue.*

As noted in the 2019 progress report to the Board of Governors and as noted below in this report, the trend is fragile. Given the very low numbers of women holding Executive Director and Alternate Executive Director positions, small changes have significant impacts. The overall level of women employed across all professional economist OED positions generally increased in the period 2006–2017. However, since 2018 the overall numbers have been on a declining trend. Given the high turnover in these positions, a meaningful assessment of the trend may only be possible over a period of several years.

Support and Engagement with Management

- ✓ *Ensure close coordination, and mutual enforcement of gender diversity efforts throughout the institution, with Fund management and staff.*
- ✓ *Leverage the MD's stature and visibility, and access to key decision-makers, to lend weight to this issue, as appropriate.*

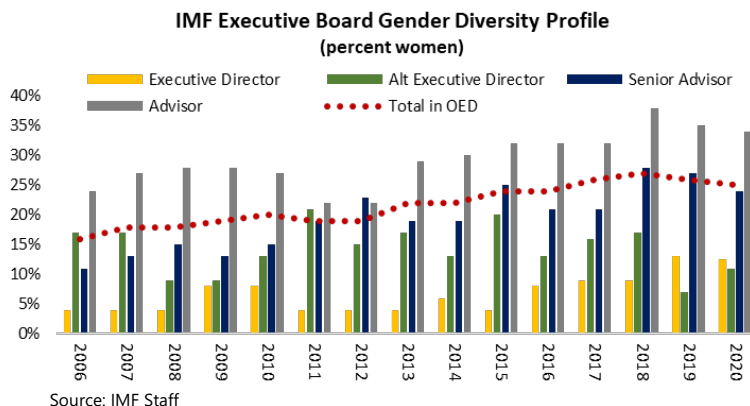
In a [joint blog post](#), published to coincide with the 2020 International Women's Day, the Chair of the WGGD and the Managing Director drew attention to the issue of the lack of women in leadership positions, including in the IMF Executive Board. The low number of women Executive Directors was also raised as an issue in the Fund's [2019 Report on Diversity and Inclusion](#).

¹ [IMFC Communiqué, October 19, 2019](#)

EVOLUTION OF EXECUTIVE BOARD GENDER PROFILE

2. As previously reported to the Board of Governors, in 2016, the Executive Board adopted a gender diversity strategy which included setting voluntary targets for the number of women employed as Senior Advisors and Advisors in the Offices of Executive Directors. These targets envisaged that by 2020, 35-45 percent of Senior Advisors and 40-50 percent of

Advisors should be women. As of end-August 2020, while some progress has been made in the four years since these targets were established, the targets have not been met.



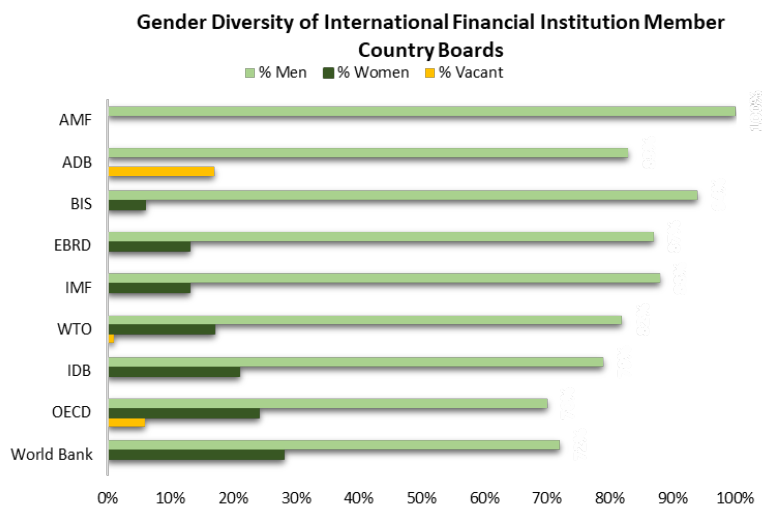
3. For now, the WGGD considers that the current targets remain appropriate, but urges continued efforts toward increasing the number of women employed in the OEDs. As steady progress is made, the Working Group hopes it will be possible to increase these voluntary targets to 50 percent for both positions.

Table 1: OED Senior Advisors and Advisors and Non-Binding Target 2016-2020 ^{1/}

	2016	2018	2020	Targets
Senior Advisor	21%	28%	23%	35%-45%
Advisor	32%	38%	33%	40%-50%

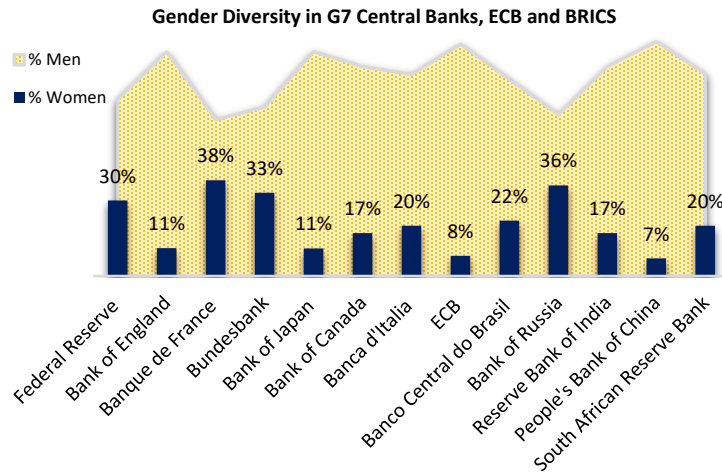
Source: IMF Staff
^{1/} Data includes only those staff appointed by member country authorities.

4. At the time of the last report to the Board of Governors on Executive Board gender diversity, it was noted that the Fund is lagging behind other comparator organizations. This remains the case. The number of women directors on the boards of the World Bank, the European Bank for Reconstruction and Development, and the Bank for International Settlements has



Sources: Data was provided by the WTO. All other data taken from publicly available data published on the websites of each organization. Note: Data as of August 2020.

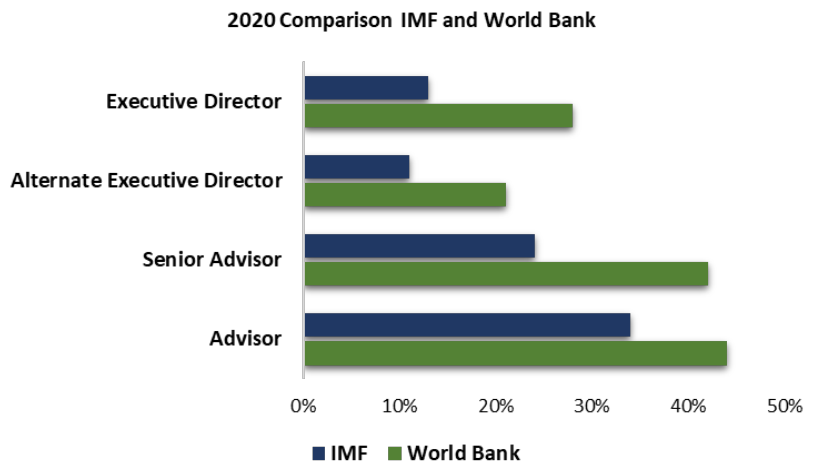
increased over the past year.² Across central banks, most have remained stable with the European Central Bank recording a slight improvement in the number of women.



Sources: All information taken from publicly available data published on websites of each central bank, as of August 2020. The data was validated by the Offices of Executive Directors. Note: The information refers to the central banks' monetary policy decision-making bodies, except for the Bundesbank (Executive Board), Banca d'Italia (Directorate), and Banque de France (General Council).

5. Over the past year, the percentage of women in Alternate Executive Director and Advisor positions has increased slightly, while the number of women Executive Directors has remained unchanged.

However, the Fund has seen a decrease in the total number of women in OEDs since 2018, including a lower number of women employed as Senior Advisors in 2020. This trend is not moving in the right direction, and is particularly concerning as the Fund's closest comparator, the World Bank, has seen an increase in the number of women across all four categories of OED positions in the past year.



Source: IMF and World Bank Staff. Data as of August 2020. There is one vacancy at the Alternate Executive Director position at the IMF and World Bank.

² The number of women directors increased by eight percent for the World Bank, by eight percent for the European Bank for Reconstruction and Development, by six percent for the Bank for International Settlements, and by four percent for the European Central Bank.

6. **Efforts to improve the gender diversity of the IMF Executive Board will require sustained focus over time, and broad recognition that attention to this issue is the collective responsibility of the membership.** Every effort should be made to ensure that the trend moves upwards in future years. The WGGD's outreach efforts seek to improve the trend over the long run, through continued engagement with authorities and by working to engage potential future women candidates by providing accessible, informative documentation on the benefits available at the Fund for OED personnel.

PREPARING FOR THE 2020 REGULAR ELECTION OF EXECUTIVE DIRECTORS

The next regular election of Executive Directors will be conducted later this year, and the next term of the Executive Board shall commence on November 1, 2020 and conclude on October 31, 2022. The nomination of four women candidates represents a positive step forward.

7. **The 2020 Regular Election of Executive Directors is expected to see the number of women Executive Director positions increase slightly. The nomination of four women raises the percentage of women holding Chairs to 16 percent.** While the number remains low, this represents real progress since 2016, when only one woman held the position of Executive Director. In terms of women Alternate Executive Directors (currently three out of thirty-one such positions, or 10 percent³), a positive development would be to at least see these numbers increase to match the level attained in 2016, when six out of 30 Alternate Executive Directors were women.

KEY TRENDS—GENDER DIVERSITY AT THE EXECUTIVE BOARD*

2 of 24 Executive Directors

4 of 31 Alternate Executive Directors

23% Share of women Senior Advisors

33% Share of women Advisors

*Average Figures 2014–2020

8. **The Executive Board appreciates and continues to encourage efforts by the membership to nominate women to these important roles.** As stated in the Executive Board's Report to the Board of Governors on the Rules for the 2020 Regular Election:

“Executive Directors underscore the importance of promoting gender diversity at the IMF's Executive Board and the Offices of Executive Directors (OEDs). The Executive Board recognizes that a diversity of views contributes to stronger decision-making and is committed to ongoing efforts to improve the gender profile of the Board and Offices of the Executive Directors. The Fund's membership has also indicated that it places importance on this issue; the International Monetary and Financial Committee (IMFC) has consistently drawn attention in its communiqués to the importance of enhancing the gender diversity of the Executive Board. Therefore, the Executive Board encourages consideration of gender diversity in the nomination and selection of Executive Director candidates, and in striving to achieve a more balanced

³ There is currently one vacancy in the Alternate Executive Director position.

representation going forward. However, the Executive Board acknowledges that Governors retain, at all times, freedom to nominate and vote for the candidates they consider best to represent them.”

THE PATH FORWARD

9. **The Executive Board continues to actively consider whether institutional barriers exist that may discourage women from serving as Executive Directors and Alternate Executive Directors.** The benefits of considering how the institution can better support women in the workplace may, indeed, yield broader positive impacts – a better work environment for all employees. For example, the recent Comprehensive Compensation and Benefits Review exercise, concluded in December 2019, included a new childcare allowance for all staff members with children under the age of five, irrespective of visa status, and enhanced, gender neutral parental leave benefits for all staff. The Board of Governors has approved the extension of these new measures to Executive Directors and their Alternates. Such measures are significant concrete steps that recognize the importance of supporting a good work-life balance as the Fund responds both to internal demographic change and the evolving needs of the membership.
10. **The WGGD is also examining possible barriers impacting the recruitment of women as Executive Directors and Alternate Executive Directors, and in the OEDs.** As a first step, the Working Group has considered the impacts of the timing of the regular election of Executive Directors in November of each even-numbered year. This issue was referred to the 2020 Executive Board Committee on the Rules for the Regular Election, which notes that beginning a new Board term on November 1 may complicate the relocation of those incoming Executive Directors with children for whom the school year in the duty station begins two months earlier. The Board has agreed to consider these issues at an early opportunity, with a view to ascertaining whether there is support for a change in timing, ahead of consideration of the rules for the 2022 Regular Election of Executive Directors.
11. **The WGGD notes that the employment and budget frameworks for the OEDs permit flexibility to individual constituencies to support early onboarding of incoming Executive Directors and Alternates.** The administrative frameworks governing the OEDs generally offer scope for incoming Executive Directors and Alternates to join their offices ahead of the November 1 transition date under initial assignments as Senior Advisors or Advisors. Some constituencies are already making use of these arrangements to facilitate the early arrival of incoming Executive Directors and Alternates. Looking ahead, the Executive Board may also wish to consider how these mechanisms, or other administrative solutions, could be deployed to meet the needs of incoming personnel.
12. **The WGGD has also considered how to better support the recruitment of women by providing information to potential candidates about the resources that the Fund provides to its incoming personnel to help with family transitions.** As part of its Communication Plan, the WGGD has requested development of a concise information sheet that could be shared with

member country authorities, and in turn be made available to candidates for selection to OED roles, briefly outlining how the IMF is able to support family relocation to Washington D.C.

NEXT STEPS

13. **The ongoing efforts of the WGGD will focus on continuing to improve gender diversity at the Executive Board through stakeholder engagement and outreach, monitor progress against the objectives set, as well as review, determine, and address barriers to gender diversification for the Board and OED personnel. The WGGD will regularly report progress towards implementation of the strategy to the Executive Board, for referral to the Board of Governors.**

Annex I. Factsheet



GENDER DIVERSITY AT THE IMF EXECUTIVE BOARD—AUGUST 2020

SHIFTING THE NEEDLE—The International Monetary and Financial Committee (IMFC) has consistently drawn attention in its communiqués to the importance of enhancing the gender diversity of the Executive Board.

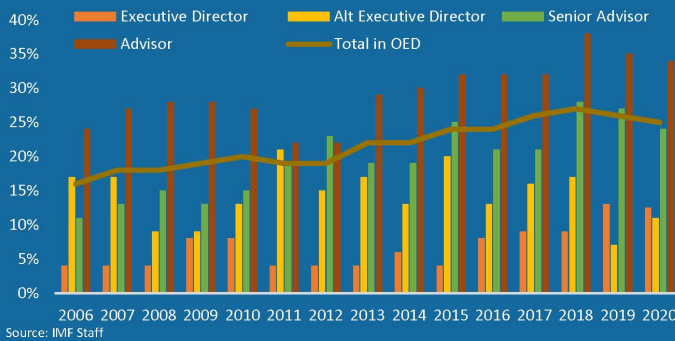
The IMF Executive Board is, by its membership and structure, diverse in national and geographic representation. However, women continue to be under-represented at the Executive Director and Alternate Executive Director level.

KEY TRENDS—GENDER DIVERSITY AT THE EXECUTIVE BOARD*

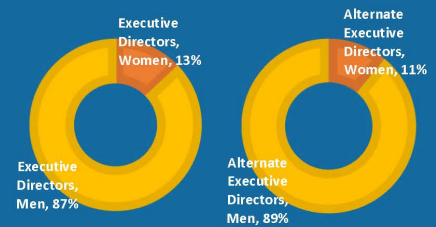
- 2 of 24 Executive Directors
- 4 of 31 Alternate Executive Directors
- 23% Share of women Senior Advisors
- 33% Share of women Advisors

* Average Figures 2014–2020

IMF Executive Board Gender Diversity Profile
(percent women)



CURRENT GENDER PROFILE



There are 24 Offices of Executive Directors. Data as of July 2020. One Alternate Executive Director position is vacant.

LOOKING AHEAD:

The Executive Board encourages Governors to recognize the importance of gender diversity during the selection process for the position of Executive Director and Alternate Executive Director.

WHY GENDER DIVERSITY MATTERS

Our goal is to get to fifty-fifty women and men in senior roles at the IMF. What matters always in an organization is the top... We make better decisions when we have diverse perspectives... the professional, the analytical contributions of women and the analytical contributions of men—when they come together, we are so much better off.
Kristalina Georgieva, IMF Managing Director, August 2020.

THE CASE FOR WOMEN ON BOARDS

Increasing gender diversity results in gains from:

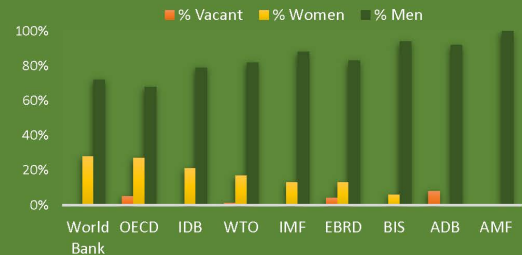
Better Performance

- Broadening the range of perspectives and improving the quality of decision making and discussion leads to better outcomes
- A higher proportion of women directors is linked to board effectiveness as it can decrease the level of conflict and increase the quality of board development activities (Catalyst, 2013)
- Banks with a higher share of female board members are associated with higher capital buffers, a lower proportion of non-performing loans and greater resilience to stress. (Sahay, Cihak and others, 2018)

Diversified Skills

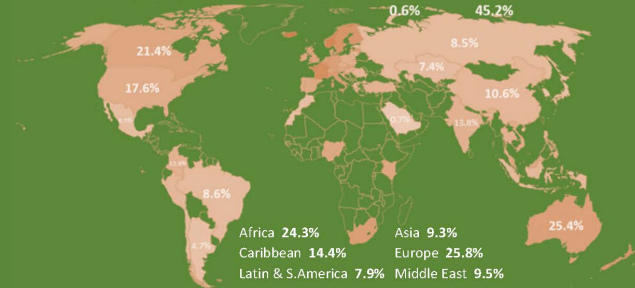
- New, complementary skills and ideas to the workplace to the benefit of both men and women (Ostry and others, 2018)

Gender Diversity of IFI Member Country Boards



Sources: Data was provided by the WTO. All other data taken from publicly available data published on the websites of each organization. Note: Data as of August 2020. Data reflects position equivalent of an IMF Executive Director.

Corporate Board Seats Held by Women



Source: Deloitte Women in the boardroom—6th Edition.