

**The Chairman's Summing Up
Independent Evaluation Office Report on Recurring Issues from a
Decade of Evaluation—Lessons for the IMF
Executive Board Meeting 14/53
June 11, 2014**

Executive Directors welcomed the report by the Independent Evaluation Office (IEO) on “Recurring Issues from a Decade of Evaluation—Lessons for the IMF” and the Managing Director’s statement on the report. Directors were encouraged by the finding that actions have been taken to address major recurring issues from past IEO evaluations. They agreed that the issues identified in the report are likely to pose ongoing challenges as they are to varying degrees intrinsic to the culture, policies, and governance arrangements of the IMF. Directors emphasized, however, that to enhance the Fund’s effectiveness and credibility, efforts to address these issues should continue and looked forward to the 2014 Triennial Surveillance Review as an opportunity for further progress on this front.

Directors acknowledged that in some instances the Board has fallen short of providing clear guidance and robust oversight. In this regard, they saw merit in increasing the Board’s involvement in laying out strategic priorities and monitoring their implementation. Directors recognized recent actions taken to improve the Board’s effectiveness, but saw room for further improving Board practices to sharpen the focus of the discussion. Greater candor in staff reports would also strengthen the ability of the Board to set strategic directions. The forthcoming Board retreat could be an appropriate setting to further reflect on these issues.

Directors welcomed the significant steps taken by management to break down organizational silos and agreed that these have strengthened coordination across departments and synergies across work streams. They noted, however, that further efforts are needed to promote interdepartmental cooperation in support of integrated surveillance. In particular, they saw room for further improving the coherence of different multilateral surveillance products and the complementarities between multilateral and bilateral surveillance, enhancing the consistency of country reports.

Directors welcomed the increased focus on risks and uncertainty in surveillance and program design. They called for further improvements in the analysis of risks, transmission channels, and policy responses, particularly in risk assessment matrices. Effective engagement with country authorities would be important in this regard.

Directors agreed that staff could pay closer attention in its operations to country-specificity and institutional context, building on progress made in recent years. They underscored the benefits of enriching policy advice by considering alternative options and

assessing their feasibility. Directors called for continued efforts to ensure continuity in country teams, particularly for small and fragile states, and greater staff diversity.

Directors noted that the perception of a lack of evenhandedness remains a concern across the membership, especially in emerging and smaller countries. They considered that this concern could be addressed through greater transparency and inclusiveness as well as progress on governance reform.

On the specific issues raised by the IEO for Board consideration, Directors supported the recommendation to prepare a similar report on recurrent issues from IEO evaluations every five years. Most Directors also supported the recommendation that staff prepare a separate high-level report on the status of initiatives that address the recurring issues identified by the IEO. The first staff report could be prepared within two years, followed by similar reports every five years thereafter. A number of Directors saw limited merit in this proposal in view of its resource implications and the mechanisms already in place to keep the Board informed on progress.

In line with established practices, management and staff will give careful consideration to the Board discussion in formulating the implementation plan, including approaches to monitor progress.