



DEVELOPMENT COMMITTEE
(Joint Ministerial Committee
of the
Boards of Governors of the Bank and the Fund
on the
Transfer of Real Resources to Developing Countries)

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**UPDATE TO GOVERNORS ON GENDER DIVERSITY IN THE
EXECUTIVE BOARD OF THE WORLD BANK GROUP**

Attached is the document entitled “Update to Governors on Gender Diversity in the Executive Board of the World Bank Group” prepared by the World Bank Group for the April 21, 2018 Development Committee Meeting.

UPDATE TO GOVERNORS ON GENDER
DIVERSITY IN THE EXECUTIVE BOARDS
OF THE WORLD BANK GROUP

Update to Governors on Gender Diversity in the Executive Boards of the World Bank Group

Overview

1. The April 2017 Spring Meetings Development Committee Communiqué stated: *“We are encouraged by progress on diversity and inclusion in WBG staff and management, and we support similar progress on gender diversity in the Executive Board.”* Executive Directors welcomed Development Committee’s attention to this issue. In response, a Working Group of Executive Directors and Alternate Executive Directors was established in May 2017 to discuss how to improve and promote gender diversity at the Board level. In the 2017 Annual Meetings Development Committee Communiqué Governors welcomed the creation of the Gender Diversity Working Group and requested an update on its progress by the Spring Meetings in 2018. This report responds to the Governors request and reflects discussions that have taken place on the issue of gender diversity at the Board since Spring 2017.
2. Executive Directors invite Governors to take note of progress and to support the continuing work of the Board to enhance and promote gender diversity at the Board level. As World Bank Group Governors are responsible for nominations and/or appointments for the position of Executive Directors, the Executive Board invites Governors to recognize the importance of gender diversity when considering candidates for the position of Executive Director, including as part of the upcoming 2018 election. Governors are also encouraged to work alongside Executive Directors on improving the pipeline of female candidates as it could contribute over the medium and long term to increasing the pool from which to consider candidates for appointment to future Executive Director positions.

Context

3. The World Bank Group takes as its starting point that no country, community, or economy can achieve its potential or meet the challenges of the 21st century without the full participation of women and men¹. In December 2015, the World Bank Group launched its new Gender Strategy, with the aim of closing gender gaps. In parallel to implementing its strategy with client countries, the World Bank Group recognizes the importance of “walking the talk” at the institutional level. The Group was the first international financial institution to receive EDGE gender certification² and has made ambitious commitments with respect to gender diversity at the level of management and technical staff. As part of President Kim’s commitment as the HeForShe Thematic Champion for International Finance Institutions, the World Bank Group has pledged to achieve the second level of EDGE certification by 2020³. Achieving the third level would require the institution having at least 30 per cent women as Executive Directors.
4. Executive Directors strongly support the Bank’s commitment to fostering and strengthening diversity and inclusion, recognizing it enhances the quality of the Bank’s work and engagement with member countries. Executive Directors acknowledge that a diverse, inclusive and more effective World Bank Group also includes gender diversity in the Executive Board. A growing body of research shows that a broad set of business benefits is associated with gender diversity on

¹ <http://www.worldbank.org/en/topic/gender>

² EDGE Certification is the leading global assessment methodology and business certification standard for gender equality.

³ The World Bank Group has also pledged to close the gender gap within senior management by 2020 and achieve gender parity for women and men in technical roles by 2022.

boards⁴. These include improved financial performance and shareholder value, rising investor confidence, reduced risk as well as greater board effectiveness and improved corporate governance. A diverse board allows for different perspectives that enhance the quality of decision making. It also allows for a broad offering of skills and experience to better manage change and risk.

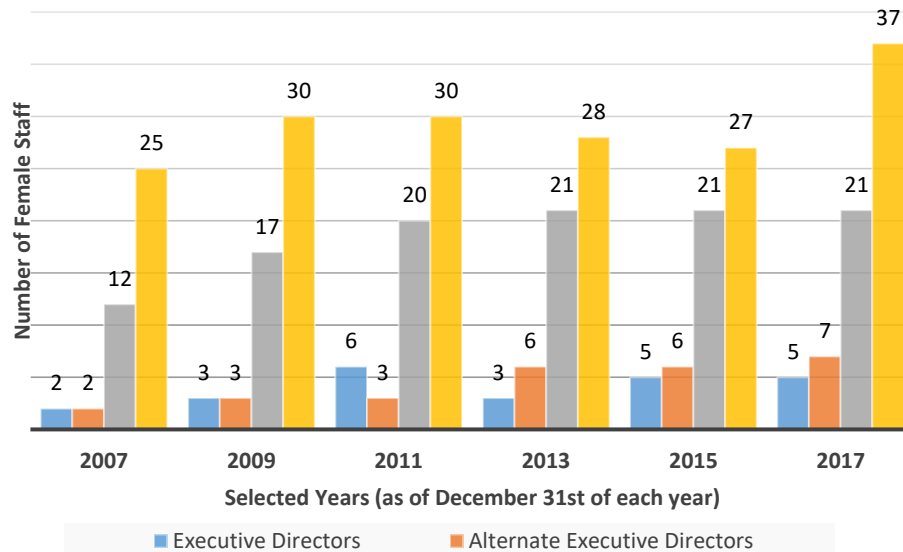
- The World Bank Group Executive Board is by its nature diverse in national and geographic representation. However, women are still under-represented. As of December 31, 2017, there were five female Executive Directors out of 25 and seven female Alternate Executive Directors out of 23. Gender diversity can also be looked at in terms of the Senior Advisors and Advisors who are part of the Offices of Executive Directors. At the end of 2017, 37 percent of Senior Advisors and 39 percent of Advisors were female (see table 1).

Table 1. Gender Diversity of World Bank Group Board of Executive Directors (as of December 31, 2017)			
	Number of Females	Total	% Female
Executive Directors	5	25	20%
Alternate Executive Directors	7	23	30%
Senior Advisors	21	60	37%
Advisors	37	94	39%
TOTAL	70	202	35%

Note: Includes externally funded staff. There are two vacant Alternate Executive Directors positions (total 25 positions). Source: World Bank Group Corporate Secretariat.

- Over the last ten years, there has been on average four female Executive Directors and five Alternate Executive Directors (see Chart 1 and Table 3 in annex).

Chart 1: Gender Diversity of World Bank Group Board of Executive Directors – Selected Years



Source: World Bank Group Corporate Secretariat.

⁴ Christianse, Lin, Pereira, Topalova and Turk, *IMF Working Paper, Gender Diversity in Senior Positions and Firm Performance: Evidence from Europe*, WP/16/50; Lee, Marshall, Rallis, and Moscardi, *Women on Boards: Global Trends in Gender Diversity on Corporate Boards*, MSCI, (November 2015).

7. While the WBG Board is relatively more diverse in terms of gender compared to the Boards of the International Monetary Fund and most multilateral development banks, there is scope for further improvement at all levels (see Table 2).

Table 2. Gender Diversity of Boards of Executive Directors at other Multilateral Development Banks (As of December 31, 2017)									
	World Bank Group (WBG)			International Monetary Fund (IMF)			Asian Development Bank (ADB)		
	Female	Total	%	Female	Total	%	Female	Total	%
Executive Directors	5	25	20%	2	23*	9%	0	10*	0%
Alternate EDs	7	23*	30%	5	31	16%	0	12	0%
	Inter-American Development Bank (IaDB)			European Bank for Reconstruction and Development (EBRD)					
	Female	Total	%	Female	Total	%			
Executive Directors	3	14	21%	2	22*	9%			
Alternate EDs	3	12*	27%	2	23	9%			

Notes: WBG: There are two vacant Alternate Executive Director positions (total of 25 positions). IMF: There is one vacant Executive Director position (total of 24 positions). ADB: There are two vacant Executive Director positions (total of 12 positions). IaDB: There are two vacant Alternate Executive Director positions (total of 14 positions). EBRD: There is one vacant Executive Director position (total of 23 positions).

Source: World Bank Group Corporate Secretariat.

8. The April 2017 Spring Meetings Development Committee Communiqué, stated “We are encouraged by progress on diversity and inclusion in WBG staff and management, and we support similar progress on gender diversity in the Executive Board.” Executive Directors welcomed Development Committee’s attention to this issue. In response, a Working Group of Executive Directors and Alternative Executive Directors was established in May 2017. The Working Group, which comprises 12 members representing 92 member countries, aims to discuss way to improve and promote gender diversity at the Board level.
9. Through the organization of events and training, the Working Group is dedicated to maintaining momentum and creating learning opportunities for Board members and their staff on the issue of gender diversity. The Working Group is also responsible for making recommendations for consideration of Board members on matters such as ensuring Board practices and procedures are reflective of the need to support gender diversity and inclusion.

Progress in Activities

10. Over the course of the last ten months, the Working Group has made progress in deepening its own understanding of issues related to gender diversity and of the need for increasing awareness at the Board level.
11. Specifically, the Working Group has produced a compendium of gender diversity readings on the business case for improved gender balance at corporate boards and on efforts made in other organizations to increase the number of women occupying board seats. In addition, the Working Group has made efforts to identify whether wage gaps exist at the Advisor/Senior Advisor levels. Based on the data received and analyzed, no difference was found to exist.

12. With respect to networking and training opportunities, an informal “meet and greet” for female Board staff was organized in the Fall 2017. The event was well received and provided an opportunity for female Board staff to strengthen relationships with peers and share ideas on potential learning and mentoring activities. Considering the level of interest expressed in the event, another networking and mentoring activity is scheduled for March 2018. In addition, in February 2018, the working group sponsored a course entitled “Confident Communication for Women”. The course was oversubscribed and attended by 30 female staff of Executive Director Offices. Participants found the training useful and engaged in discussions designed to help them communicate more effectively.
13. Since its inception, the Working Group has conducted two surveys to collect evidence on (i) practices related to the hiring processes for Executive Director Office positions; and (ii) experiences of existing female staff in Executive Director Offices. The latter survey revealed details on women’s experiences, motivations and constraints with respect to working at the World Bank Group Board. For example, several respondents noted that family considerations were a key factor in the decision to apply for and/or accept a position at the Board. Respondents also emphasized the importance of professional support (e.g., within team/other colleagues) to facilitate settling into their new role. Recognizing that a more diverse group of Advisors/Senior Advisors could potentially contribute to the future pool from which to appoint Executive Directors, respondents to both surveys offered suggestions to enhance gender diversity amongst the number of applicants for Executive Director Office positions.

Proposed Next Steps

14. Building on its Terms of Reference and the evidence collected so far, the Working Group has developed a menu of actions, with the aim of enhancing and promoting gender diversity at the Board level. Looking ahead, Executive Directors will seek to implement these actions, while continuing to be mindful of the diverse nature of relevant processes in member countries⁵:
 - Developing a fact sheet of information and standard language related to gender diversity at the Board that could be used, on a voluntarily basis, by Executive Director offices when communicating with authorities.
 - Establishing a network of female Board alumni with a view to widening the pool of potential candidates for appointment to Board positions.
 - Working with the Corporate Secretariat and Human Resources Vice-Presidency to design recruitment materials for Board staff to incentivize female applicants. This could include developing a comprehensive package of information on benefits that could be shared with authorities *at the beginning* of the recruitment process (including information on family benefits, childcare, etc.).
 - Creating a mentoring program for new female Advisors/Senior advisors.
 - Participating, together with Executive Directors Offices staff, in gender diversity awareness training and other diversity programs (e.g., unconscious bias training), as appropriate.
 - Continuing to create learning opportunities (e.g., guest speakers, seminars, onboarding, readings and reference documents, etc.) for Board members and their staff to learn about

⁵ The menu of actions is voluntary and not exhaustive. Individual Executive Director offices will engage and use materials developed in ways deemed appropriate to their constituency.

the issue of gender diversity at Boards, including through sharing of best practices of other relevant organizations.

- Engaging Bank management on gender diversity and other issues of diversity and inclusion concerning World Bank Group staff, taking into consideration the possible implications of institutional benefits policies for Executive Director Offices staff.

15. The Working Group of Executive Directors and Alternate Executive Directors will be renewed in the fall of 2018, following the next regular election of Executive Directors. The Board will report again to Governors on progress toward improving gender diversity in advance of the 2019 Spring Meetings.

Conclusions

16. World Bank Group Governors are responsible for nominations and/or appointments for the position of Executive Director. As such, the Executive Board invites Governors to recognize the importance of gender diversity when considering candidates for the position of Executive Director, including as part of the upcoming 2018 election. In parallel, and whenever possible, Executive Directors will continue to seek opportunities to increase the number of female applicants in their offices. Governors are encouraged to work alongside Executive Directors on improving the pipeline of female candidates as it could contribute to increasing the pool from which to consider candidates for appointment to future Executive Directors positions.

Annex - Gender Diversity of World Bank Group Board of Executive Directors

**Table 3. Ten-Year Profile of Gender Diversity of World Bank Group Board of Executive Directors
2007-2017 (as at end-December in each year)**

	2007			2008			2009			2010			2011			2012		
	No. of Females	Total Positions	% Female of Total Positions	No. of Females	Total Positions	% Female of Total Positions	No. of Females	Total Positions	% Female of Total Positions	No. of Females	Total Positions	% Female of Total Positions	No. of Females	Total Positions	% Female of Total Positions	No. of Females	Total Positions	% Female of Total Positions
Executive Directors	2	24	8%	2	24	8%	3	24	13%	6	25	24%	6	25	24%	4	25	16%
Alternate Executive Directors	2	23	9%	3	23	13%	3	23	13%	3	22	14%	3	23	13%	5	24	21%
Senior Advisors	12	56	21%	14	59	24%	17	54	31%	21	60	35%	20	61	33%	19	62	31%
Advisors	25	83	30%	25	82	30%	30	83	36%	32	85	38%	30	96	31%	26	93	28%
TOTAL	41	186	22%	44	188	23%	53	184	29%	62	192	32%	59	205	29%	54	204	26%
	2013			2014			2015			2016			2017					
	No. of Females	Total Positions	% Female of Total Positions	No. of Females	Total Positions	% Female of Total Positions	No. of Females	Total Positions	% Female of Total Positions	No. of Females	Total Positions	% Female of Total Positions	No. of Females	Total Positions	% Female of Total Positions			
Executive Directors	3	22	14%	4	24	17%	4	25	16%	5	25	20%	5	25	20%			
Alternate Executive Directors	6	24	25%	7	23	30%	9	24	38%	6	22	27%	7	23	30%			
Senior Advisors	21	60	35%	18	57	32%	20	61	33%	21	60	35%	22	60	37%			
Advisors	28	94	30%	29	94	31%	27	94	29%	27	95	28%	37	94	39%			
TOTAL	58	200	29%	58	198	29%	60	204	29%	59	202	29%	71	202	35%			

Notes: Numbers for Senior Advisors and Advisors includes externally funded staff. Executive Directors increased from 24 to 25 starting 2010 while Alternate Executive Directors increased from 24 to 25. There are two vacant Alternate Executive Director positions (total of 25 positions).

Source: World Bank Group Corporate Secretariat.