**II. F Addressing Systemic Issues**

53C: New Zealand does not support the proposal to consider increasing the size of the Executive Boards of IFIs. Boards are already too big and that finding has been shared by independent reports like the Zedillo Report. It is unclear that larger Boards would make any difference to institutional performance – indeed the opposite may occur. There is more to be gained by looking at the role of Boards and the split in tasks between Boards and Management.

Creating more balanced representation on the Boards is a goal we support, but this is not the only option to achieve it.

55: We do not support the current paragraph. It makes strong claims about the flaws of credit rating assessments (CRAs). Some of these have been disproven, including that they are pro-cyclical. We also believe that it is out of date e.g. CRA methodologies have quite an extensive focus on ESG. CRAs are now more regulated than they once were.

We do not support the proposed solution, of ECOSOC playing a lead role convening role with member states and regulatory agencies to try and change the approach. The value of CRAs is their perceived independence and objectivity.

56(b): the key point is to emphasise that climate risk work is part of a focus on financial stability.