

Institutional Insider: Virtual decision-making - the "new normal"?

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During the pandemic, virtual meetings became the new normal. Did the virtual format affect institutional decision-making or the outcomes of meetings? What have been the challenges for those behind the scenes in high-level meetings? ESM's institutional insider, Secretary General Nicola Giammarioli, sheds light on such questions.

This coming Friday, the European Union's leaders will meet to discuss the recovery plan to respond to the Covid-19 crisis and a new long-term EU budget. Indeed a very important and timely discussion, the result of which will affect millions of citizens and the future of Europe.

For the first time after a four-month lockdown, this meeting will be face-to-face. Over this period, all high-level political meetings by leaders and ministers - as well as the preparatory and technical meetings - took place remotely through audio or video calls. The in-person meetings that have been the norm for so many years are now a novelty.

I recall sitting next to the ESM Managing Director, [Klaus Regling](#), on 4 March in a Eurogroup call where the euro area finance ministers' took stock of the latest developments and the impact of the pandemic on financial markets and the broader economy. At that time, the health situation had already deteriorated in Northern Italy and other scattered regions in Europe - but opinions on how the pandemic and its economic

consequences would evolve still differed. Two days later, the deputy ministers held their last in-person meeting in Brussels until now, bringing home to all the gravity of the situation.

The situation deteriorated rapidly and one region after another started to go into lockdown, restricting travel and establishing states of emergency. Consequently, the 16 March Eurogroup, as well as its preparatory meetings, took place through video and audio calls.

As secretary general, I am in charge of organising and managing ESM official meetings at the core of the institution's decision-making, the most important of which is the Annual Meeting of Governors, who are the 19 finance ministers of the euro area.

It was immediately clear that managing the meeting through a video call presented new challenges and difficulties. Participants, unaccustomed to the various IT systems, neglected to mute themselves or forgot their video was streaming, resulting in private conversations heard and personal activities seen - including brushing one's hair.

Now, looking back, we can ask ourselves: has this 'virtual reality' worked? Has it had an impact on the working methods, decision-making, and outcomes? What have been the challenges for those behind the scenes who had to organise and manage those meetings, making sure that everything was working efficiently?

Being virtually connected became the "new normal" for my daily work. Virtual coordination forums and the global network of secretary generals of all international financial institutions allowed constant information sharing and learning from each another. Such contacts were vital for us to successfully manage virtual high-level meetings in the last few months: important decisions were taken, business continuity was ensured and the institution's operations was guaranteed.

Beyond the technical troubles, the impact of the virtual meetings on the interpersonal dynamics was the real challenge. Video calls require participants follow stricter rules, especially for the order of interventions, making it more difficult to take the floor on the spot and engage in lively debates.

When it comes to negotiations - and we had a lot - the virtual environment makes it harder to discuss in subgroups on the sidelines or in the corridors. This might have been the reason why one of the meetings lasted 16 hours. The impossibility for those working behind-the-scenes (advisors, deputies, officials from the various institutions), who are

often the real dealmakers, to do their job as usual was yet another hurdle.

We also faced legal challenges: are video and audio calls secure enough? Are decisions taken by video call valid? Can we share confidential documents safely? Despite all these hurdles, we solved all the issues one by one.

There has been a tremendous amount of work in the background. Europe was able to take bold decisions in a timely and effective manner. In record time, we put in place a EUR540 billion package involving three institutions, the European Commission, the European Investment Bank, and the European Stability Mechanism.

The ESM activated its Pandemic Crisis Support credit line on 15 May, just two months after we first brainstormed its main characteristics. It was not an easy process, and many virtual interactions were needed: official meetings, technical meetings, preparatory meetings, bilateral and multilateral negotiations, working and re-working documents.

At the ESM, we equipped our biggest room for the few involved to work safely. Seated two metres apart, wearing masks, and consuming large quantities of hand sanitiser, those involved operated safely and respected social distancing. This did not prevent us from ordering late night pizzas from the only open take-away in Luxembourg!

What lessons have we learned? In my view, strong political will coupled with hard work by all parties involved and professionalism can overcome most - if not all - difficulties. For the future, I hope for a positive development of the pandemic with its final disappearance, which would allow us to meet again in person, shake hands, and look each other in the eye - a significant human element in decision-making.

However, taking stock from this experience, I believe that going forward we can rely more on technology to accomplish our goals. This would not only reduce our collective carbon footprint, but it would also add more value and prominence to those occasions when we do meet in person to make decisions that affect citizens across Europe and the future of Europe itself.