

**FOR
INFORMATION**

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July 26, 2022

FY2022—OUTPUT COST ESTIMATES AND BUDGET OUTTURN

EXECUTIVE SUMMARY

FY22 was marked by significant ongoing change and uncertainty in the external environment. The Fund's work focused on supporting members in addressing the near-term impact of uneven recovery from the Covid-related crisis, while laying the groundwork to address the economic and financial challenges from climate change, digitalization, fragility, and inequality. Towards the end of FY22, the Fund responded to new challenges for members arising from the War in Ukraine and rising inflation. Continued reprioritization of activities and reallocation of resources supported this agenda within a real flat budget envelope.

Higher utilization of the net administrative budget (97 percent in FY22 versus 95 percent in FY21) reflected stepped-up hiring of temporary crisis-related resources, a modest resumption of business travel, investments in the hybrid work model, and a phased return to office.

Overall direct country engagement increased by 7 percent year-on-year, driven by the continued resumption of FSAP and Article IV consultations and a rise in upper credit tranche lending. CD delivery increased slightly, driven by a partial recovery in externally financed execution, offset by a drop in Fund financed CD. Capital spending rose, driven by direct IT-intense capital expenditures and cloud capital equivalent spending. Outturn figures do not reflect sustained levels of uncompensated work from staff overtime and unused leave.

Spending on analytical and policy work points to Fund-wide efforts to support a transformational economic recovery. The Executive Board approved enhanced strategies on climate change, digitalization, and fragility.

In the coming period, the Fund will need to remain nimble in the context of persistent high economic uncertainty. The Fund's resources will therefore continue to focus on the emergency needs of the membership (pandemic, war, inflation, etc.), while addressing longer-term global challenges. Work to support member's structural transformation will also be supported by a targeted augmentation of budget resources over the next three years. Future budgets will also support the Fund's modernization efforts and the pivot to the hybrid work model.

Approved By
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Abbreviation and Acronyms

ACES	Analytic Costing and Estimation System
AD	Area Departments
AFR	African Department
APD	Asia & Pacific Department
BSL	Bilateral Surveillance and Lending
CCBR	Comprehensive Compensation and Benefits Review
CD	Capacity Development
CDEF	Externally Financed Capacity Development
CDFF	Fund-Financed Capacity Development
CDMAP	Capacity Development Management and Administration Program
CFX	Corporate Functions
COM	Communications Department
CSR	Comprehensive Surveillance Review
ECF	Extended Credit Facility
EFF	Extended Fund Facility
FAD	Fiscal Affairs Department
FCS	Fragile and Conflict-Affected States
FGF	Fund Governance and Fund Finances
FIN	Finance Department
FSAP	Financial Sector Assessment Program
FTE	Full-Time Equivalent
GPA	Global Policy Agenda
GRA	General Resource Account
HRD	Human Resources Department
ICD	Institute for Capacity Development
iDW	Integrated Digital Workplace
IEO	Independent Evaluation Office
LEG	Legal Department
LOE	Lending including other engagement
MCD	Middle East & Central Asia Department
MCM	Monetary and Capital Markets Department
MSGs	Multilateral Surveillance and Global Standards
MTB	Medium-Term Budget
OBP	Office of Budget and Planning
OED	Office of Executive Directors
PA	Policy and Analytics
PRGT	Poverty Reduction and Growth Trust
RCF	Rapid Credit Facility
RES	Research Department
RFI	Rapid Financing Instrument

RST	Resilience and Sustainability Trust
SBA	Stand-By Arrangement
SCF	Stand-By Credit Facility
SEC	Secretary's Department
SPR	Strategy, Policy, and Review Department
STA	Statistics Department
TFMF	Trust Fund Management Fee
TIMS	Travel Information Management System
TRM	Office of Transformation Management
TRACES	Time Reporting for Analytic Costing and Estimation System
WHD	Western Hemisphere Department

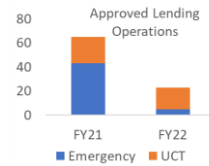
FY22 HIGHLIGHTS

97 percent utilization of the \$1.214 billion net administrative budget

\$1.180 billion
Total net administrative expenditures

23
Lending Operations

Continued shift to traditional (UCT) lending



Initial resumption of in-person engagement with loosening of Covid-related travel restrictions



1,021
in-person missions to **170** countries

126
Article IV consultations

11 FSAPs completed/underway

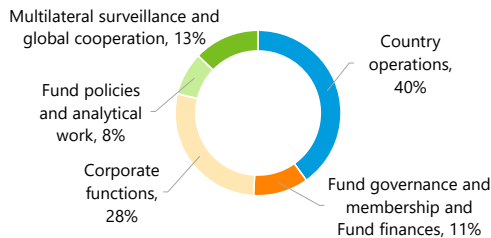
67 percent utilization of externally financed budget, up from 58 percent in FY21, but with continued impact from travel restrictions.

\$141 million
Externally financed spending

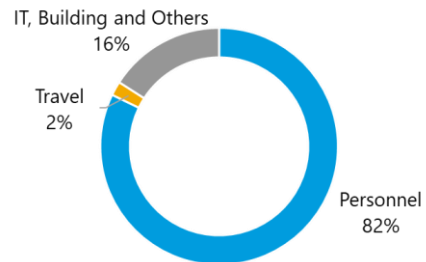
\$90 million
Capital spending

2/3 of spending focused on IT-intensive projects

Spending by Output (Gross Administrative spending)



Spending by Input (Gross administrative spending)



SECTION I. OVERVIEW

- Challenges and uncertainty.** FY22 was marked by significant ongoing change and uncertainty in the external environment. The Fund's work focused on supporting members in addressing the near-term impact of uneven recovery from the Covid-related crisis, while laying the groundwork to address the economic and financial challenges from climate change, digitalization, fragility, and inequality ([April 2021](#) and [October 2021](#) Global Policy Agenda). These priorities were reflected in the FY22 [budget](#). Spillovers from the war in Ukraine and rising inflation added pressure and contributed to higher uncertainty toward year-end.
- Budget utilization.** The execution of the net administrative budget rose to 97.2 percent (\$1,180 million) in FY22, from 94.9 percent in FY21 and from a high of 99.7 percent in FY19, prior to the pandemic (Table 1). The change in utilization was driven by a ramp-up in staffing, early resumption of business travel after an extended Covid-related interruption, a progressive increase of building occupancy, and IT-related investments to support the transition to the hybrid work model. No general carryforward resources were used in FY22, allowing the transfer of available funds for potential use in FY23, up to the exceptional limit of 7 percent of the net administrative general budget limit, approved by the Board in April 2022 in recognition of ongoing crisis needs.
- Focus on priorities.** The Fund continued to operate within a real flat budget during FY22, with travel budgets and other non-urgent spending repurposed to address crisis-related needs (Box 1). The Fund also clarified its role in supporting a greener, digital, and more inclusive global economy through the approval of multi-year strategies for [climate change](#), [digital money](#), and engagement with fragile and conflict affected states ([FCS](#)). Discussion of the Fund's work on macrofinancial surveillance and inclusion/gender also took place, with a formal strategy on gender approved in July 2023. The Board approved an augmentation as part of the [FY23-25 Medium-Term Budget](#) to support Fund work to support members' structural transformation. While work pressures on staff did not abate, annual leave use improved, and average overtime fell slightly (Box 2).

Table 1. Overview of Administrative Budget and Expenditures, FY21-23
(Millions of US dollars, unless otherwise noted)

	FY21			FY22			FY23
	Budget	Outturn	Utilization (percent)	Budget	Outturn	Utilization (percent)	Budget
Total gross expenditures	1,429	1,268	88.7	1,460	1,346	92.2	1,562
Fund-financed	1,223	1,149	94.0	1,249	1,205	96.5	1,333
Externally-financed 1/	206	118	57.5	210	141	66.9	230
Total net expenditures	1,186	1,126	94.9	1,214	1,180	97.2	1,295
of which: Fund-financed	1,186	1,126	94.9	1,214	1,180	97.2	1,295
Carryforward from previous year	55		-	102		-	93
Other transitional transfers 2/	...			8			9
Total net available resources	1,241	1,126	90.7	1,323	1,180	89.2	1,396

Source: OBP.

^{1/} Donor receipts. For FY21, a \$5.3 million adjustment reflects reconciliation between actual and standard costs for some donor-funded personnel spending and the impact of Covid-19 related measures on benefits.

^{2/} OED/IEO excess underspend above their carryforward limits.

Box 1. Continued Reprioritization to Meet Changing Needs

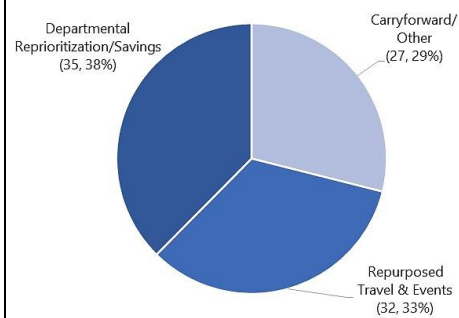
Sustained crisis response. Crisis demands were anticipated in the annual budget formulation process through savings and reprioritization, including deferral of non-crisis work. Funding of \$59.3 million, mainly for temporary, crisis-linked staffing (135 positions, up from 128 in FY21) was made possible within a flat budget through:

- **Repurposing of travel and events budget.** 50 percent of business and seminar travel resources and 70 percent of event resources were repurposed. Actual travel spending was at end-year well below these levels at 14 percent, given sustained travel restrictions until late in the FY.
- **Broader reprioritization/savings.** Under a well-established annual process, departments identified less urgent deliverables that could be deferred or modified to provide space to focus on crisis response. Examples included postponement of non-crisis specific policy and analytical work, reduced support for events, lower building operations costs, reduction in mail services, and streamlined IT services.
- **Carryforward/Other.** The exceptional increase in general carryforward limit to 8 percent approved in April 2021, provided additional space for crisis needs. Underspend by the Offices of the Executive Board and Independent Evaluation Office also provided additional space.

Distribution of Crisis Positions

- 74 providing direct country support in Area Departments, FAD, LEG, MCM, SPR.
- 49 for review and policy/analytical work on crisis issues (SPR, LEG, FIN, COM, RES).
- 12 for SEC/Risk/Small offices

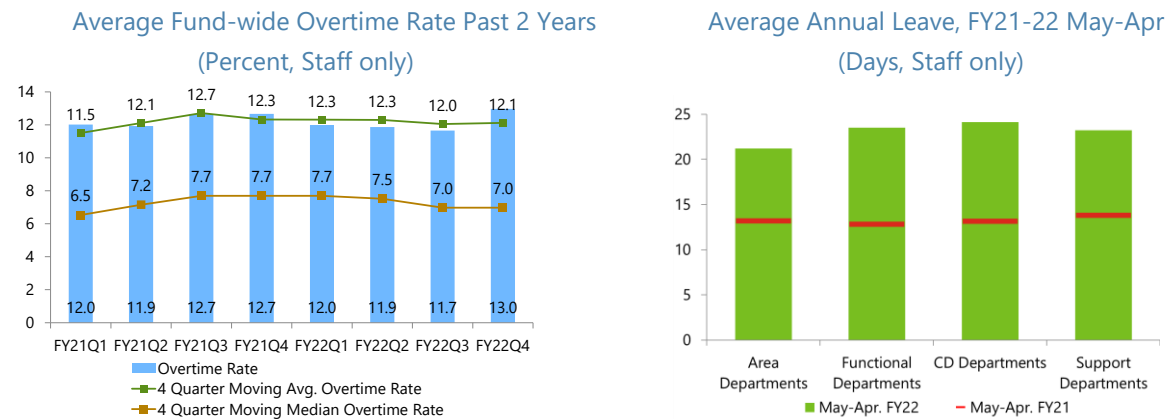
FY22 Crisis Needs, Initial Source of Funding
(Millions of US dollars, in percent)



Box 2. Sustained Work Pressures on Staff

Work pressures did not substantially subside during FY22. The average staff overtime rate fell marginally while the average usage of annual leave improved relative to FY21, reflecting resumption of travel and annual leave policy. Average leave in FY22 rose to about 23 days from about 13 days in FY21, reaching pre-pandemic levels. Average overtime, however, fell only marginally from 12.3 percent to about 12.0 percent, reflecting continued crisis needs. About 86 percent of the average Fund-wide overtime was uncompensated.

Fund-wide Overtime and Annual Leave



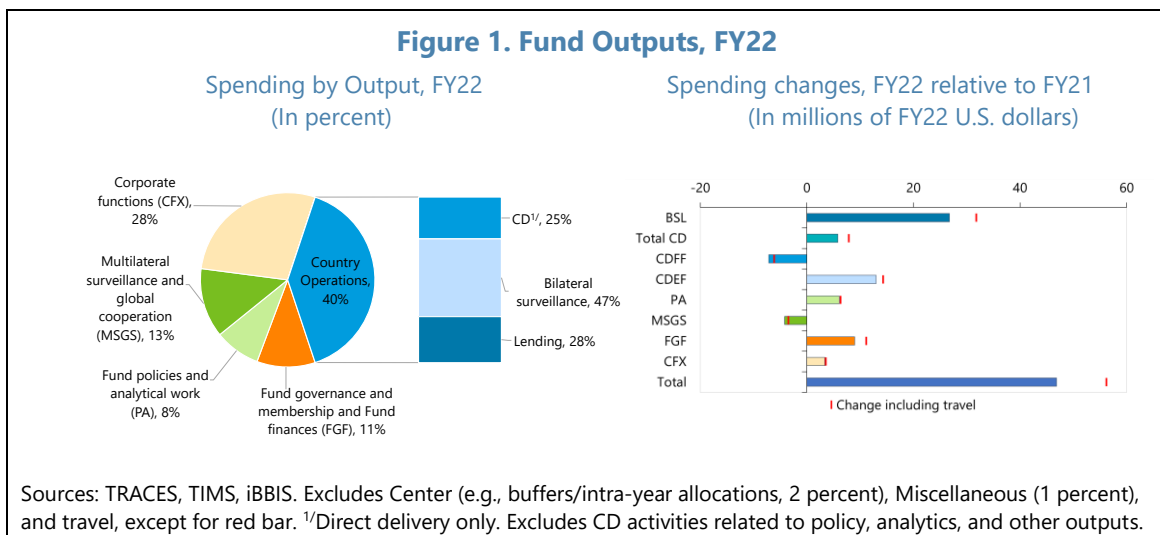
4. **Paper structure.** Section II provides an overview of FY22 administrative spending by main output areas and priority topics, as well as spending by department. Section III details the FY22 outturn by key input category. Section IV examines execution of the capital budget.

SECTION II. SPENDING BY OUTPUT AREA

A. Spending by Output Area

5. **Broad-based increase.** FY22 utilization was 97 percent of the net administrative budget, versus 95 percent in FY21. Estimates of spending on a real basis by output area exclude travel to support comparability unless otherwise indicated. Other methodological updates are noted in Box 3.

- **Country operations.** Spending increased year-on-year, driven by continued resumption of FSAP and Article IV work (in most cases in virtual format), initial pick up in travel, and a rise in capacity development (CD), albeit with a shift from Fund- to externally financed CD. This shift derives in large part from higher IMF02 activity by staff and likely transitional time-reporting issues with introduction of new CDMAP-linked codes that detail IMF01-funded activities for the first time.
- **Multilateral surveillance.** Spending decreased with the suspension of the pandemic response policy tracker and the reduction of special Covid-19-related policy notes.
- **Other workstreams.** Work on policy and analytics, as well as Fund governance and Fund finances also increased, reflecting work on multi-year strategies in structural transformation areas, the general SDR allocation of \$650 billion to members, the establishment of the Resilience and Sustainability Trust (RST), and initial work on spillovers from the War in Ukraine.
- **Corporate Functions:** Spending on corporate functions (support departments and corporate activities, such as budget and security functions, within other departments) is slightly higher.



Box 3. Estimating Fund Outputs

Several updates were made to the methodology for estimating outputs in FY22:

Travel: As in FY21, travel expenditures were excluded to support comparability on the volume of activities.

Corporate functions: To clarify the distinction between support departments (i.e., HRD, CSF, ITD, and small offices) and corporate functions, some of which also sit with other departments, this output category has been relabeled from the earlier “Support” nomenclature.

Central account: This account largely holds buffers/contingencies and resourcing for intra-year personnel costs (i.e., promotions) distributed during the year. These expenses were included as part of support (now corporate functions) in recent reports, overstating the scale of support. These figures are not included as part of this presentation, with their use during the year, where relevant, distributed across output areas.

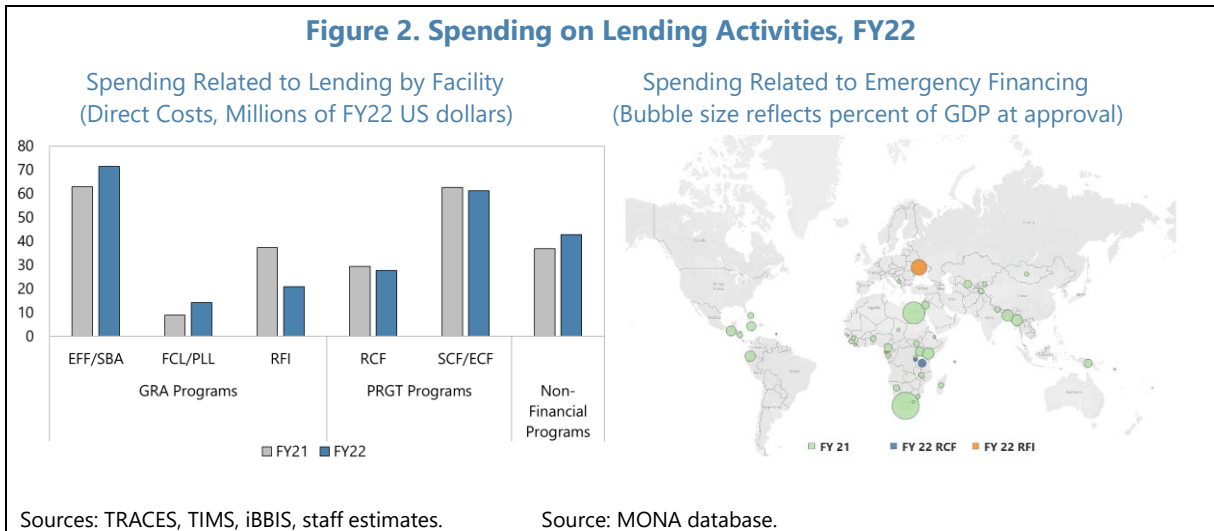
Supporting processes and systems: Updates to priorities and outputs over time require related process and systems updates. Current systems are increasingly ill-suited to meet these changing needs, with significant manual intervention required. As a precursor to broader budget modernization, OBP is working with HRD, FIN, ICD, ITD and the budget community on targeted process and systems updates.

Allocation algorithm: The methodology for allocating various Fund-wide activities and overheads, as well as CD chargebacks, has been updated. The CD-related changes reflect a general effort to strengthen data on CD expenditures; these changes will also facilitate alignment between overall and CDMAP-related data on direct project costs. They are reflected mainly in increased spending allocated to bilateral surveillance and lending, with a decline in Fund-financed CD equivalent to just over 1 percentage point of the overall budget. These changes do not affect budget aggregates that underlie Board decisions, spending controls, or IMF02-related expenditures. All data in this report are based on the updated methodology and aligns with more detailed data on project-specific direct costs. Output estimates in past reports are not directly comparable.

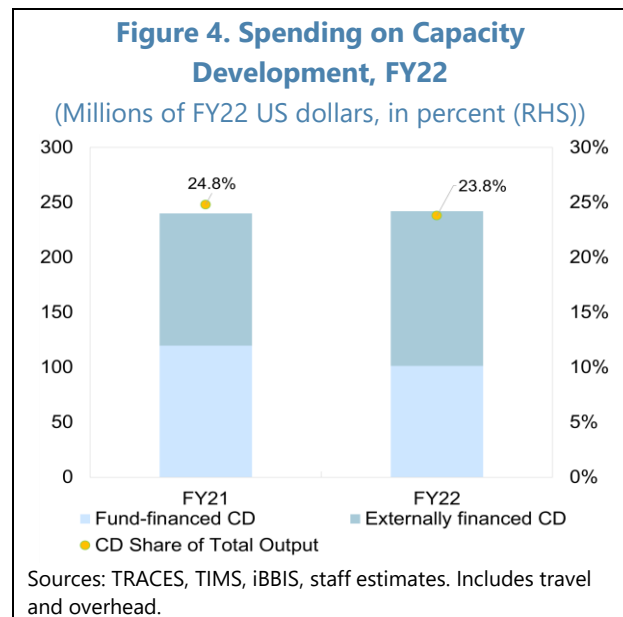
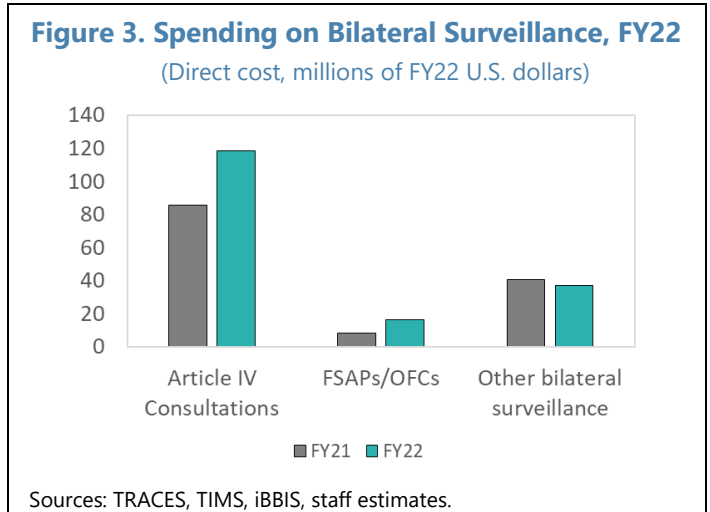
CD Presentation: Overall Fund-financed CD data is split across all Fund output categories for the first time, aligning it with presentation of bilateral surveillance and lending.

6. **Country operations.** This remains the largest output area, rising 7 percent (\$33 million):

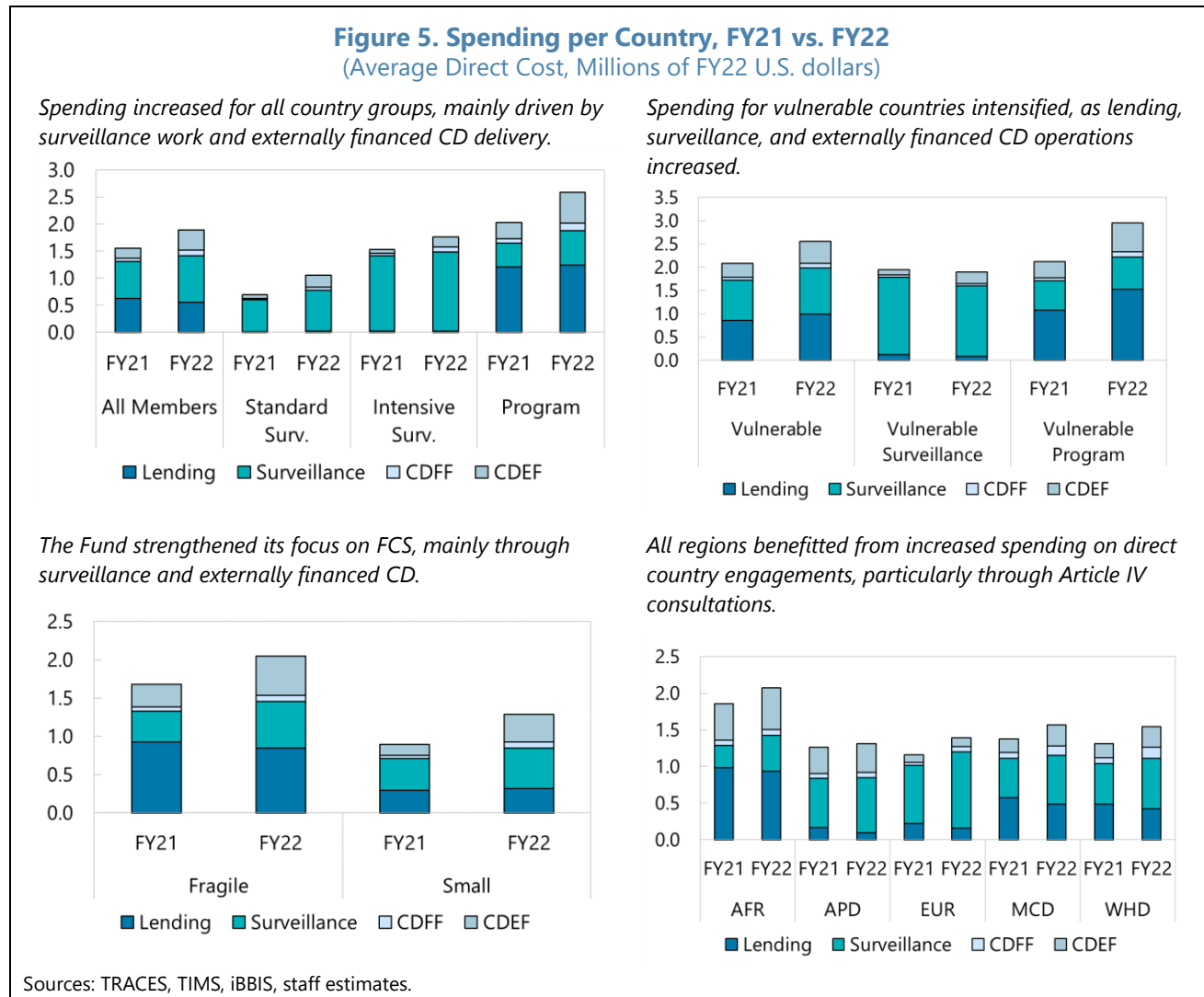
- **Financial support** (Figure 2). Following two years of extraordinary emergency operations, FY22 was characterized by a continued reduction in emergency lending in favor of traditional, upper credit tranche (UCT) arrangements. The Board approved 18 UCT and 5 emergency operations in FY22, relative to 22 UCT and 43 emergency operations in FY21. A total of 132 operations (84 emergency and 48 UCT) have been approved since the beginning of the pandemic. Spending on UCT operations rose by 9 percent relative to FY21 (\$13 million), while spending on emergency financial assistance declined by 27 percent (\$18 million). Expenditures associated to non-financial programs increased by 16 percent (\$6 million).
- **Bilateral surveillance** (Figure 3). Spending on bilateral surveillance increased by 28 percent (\$37 million) relative to FY21, mainly due to a pick-up in Article IV consultations and FSAPs, many of which were virtual or hybrid. In FY22, 126 Article IV consultations were completed compared to 36 in FY21. Four FSAPs were completed, compared to two in FY21 (and 9 in FY19). Other bilateral surveillance activities, including work on AML/CFT and standards and codes, declined by 9 percent to \$37 million (Figure 3).



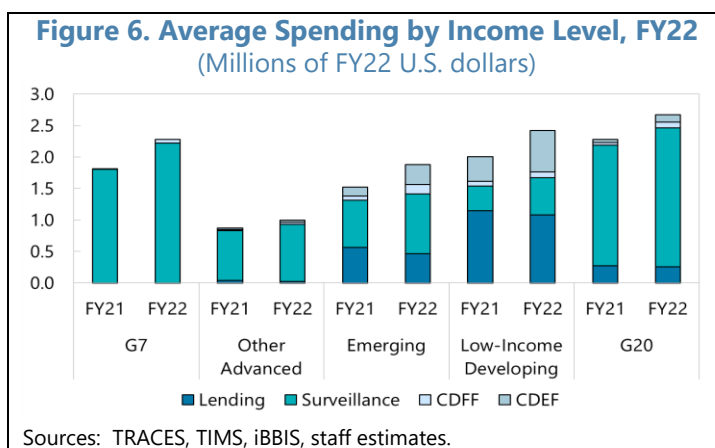
- **Capacity development** (Figure 4, Annex II). CD spending increased by 1 percent to \$242 million.
 - Fund-financed CD spending was \$101 million (42 percent of total), a decrease of 15 percent compared to FY21. Changes reflect the higher-than-expected staff time on externally funded CD (with chargebacks \$5.5 million or 13 percent higher than projected) and the likely impact of transitional time-reporting changes.
 - Externally funded CD spending increased to \$141 million (58 percent of total), a 17 percent increase compared to FY21. This represents 67 percent of the \$210 million approved envelope and 85 percent of the budget planning assumption (\$165 million). The underspend had knock on effects to receipts from the Trust Fund Management Fees, as described below.
- **Average country spending.** Average country spending increased by 21 percent (to \$1.9 million) compared to FY21, or



11 percent (to \$1.5 million) excluding externally funded CD (Figure 5). Spending on surveillance countries averaged \$1.1 million, an increase of 51 percent relative to FY21. For countries with intensive surveillance (near program) average spending increased by 15 percent, while for countries with Fund arrangements the increase was 27 percent.



- Spending by income level.**
 Average spending increased across country income groups, mainly driven by the resumption of bilateral surveillance (Figure 6). Average spending for the G7 countries increased by 26 percent to \$2.3 million, emerging economies (24 percent increase), and low-income developing countries (21 percent increase).



Spending on lending showed minor declines. G20 economies reported the smallest growth (17 percent) in average spending, benefitting nonetheless from a restored focus on direct country operations, following the pandemic-driven disruptions of FY21.

7. Multilateral surveillance.

Flagship publications in FY22 mainly focused on pandemic response policy tools, crypto assets, public finances, and global imbalances. The Fund also played a leading role in the Multilateral Leaders Task Force, and in setting up the Covid-19 Vaccine Supply Tracker. Spending on multilateral surveillance decreased by 1 percent vis-à-vis FY21 (to \$90 million), mainly driven by the suspension of the COVID-19 policy response tracker (as of July 2021) and the sharp decline in COVID-19 special policy notes.

Figure 7. Multilateral Surveillance and Global Standards, Analytical and Policy Work
(Direct cost, millions of FY 22 U.S. dollars)



Sources: TRACES, TIMS, iBBIS, and staff estimates.

8. Global cooperation and standards. This workstream encompasses Fund's contribution to multilateral fora and groups, as well as work on global standard setting, methodologies, and manuals. Fund's spending on this work showed a minor decrease of 4 percent in FY22.

9. Policy focus. Early in FY22, the Board approved the Comprehensive Surveillance Review, as well as the FSAP Review, which are expected to strengthen Fund's bilateral surveillance in the next decade. To support member's longer-term needs, the Fund also approved strategies regarding the Fund's work on climate change, digital money, and engagement with fragile and conflict affected states. Based on these efforts, spending on policy work rose by 4 percent (Figure 7).

10. Analytical work. The Fund's analytical work rose by 8 percent (\$4 million), focused on the impact of the pandemic, including on debt vulnerabilities and governance, and on priority areas assisting member work toward more inclusive, digital, and greener growth.

11. Governance and finances. FY22 saw the approval of a \$650 billion SDR allocation and further work on the 16th General Review of Quotas. The ensuing approval of the RST will help operationalize this allocation, offering a new window to members to access Fund's finances. As a result, spending on Fund's governance and finances rose by \$9 million (7 percent increase).

12. Corporate functions. The Fund continued to address pandemic-related health and safety needs, while pivoting to a post-crisis, hybrid work environment. In this context, control and risk mitigations measures were reinforced, and work continued to update the HR service delivery model. HQ buildings were fitted to ensure staff health and support the hybrid work model, with IT services enabling seamless remote work. Overall, spending on corporate functions remained broadly in line with FY21. Work on modernization projects continued with relevant lessons for similar future

projects. Resources held in a separate central account and previously accounted as part of corporate functions (or internal support) were excluded for FY22 reporting purposes.

13. Center. Total central account spending (\$28 million) includes overseas personnel expenses (including allowances for staff and experts assigned to overseas offices, settlement travel, and installation of new Resident Representative posts), other travel-related costs, as well as promotion and other personnel-related spending. Receipts of \$3 million included Fund-sponsored sharing agreements, publication sales, and other.

B. Spending by Department

14. Focus (Figures 8-10). Fund resources continued to focus on core delivery of member services (Figure 8). AFR, FAD and MCM saw the largest increase in spending, linked to crisis needs, increased focus on fragile and conflict-affected states (AFR), continued efforts on priority topics, e.g., digital money (MCM), and a gradual pick up of CD delivery (FAD), while spending by support departments remained roughly at FY21 levels (Figure 9-10).

- **Area Department** spending rose with continued emergency support through surveillance and lending activities in response to the pandemic and spillovers of the war in Ukraine.
- **Functional non-CD Departments** saw an increase in spending related to Fund’s governance and finance, as well policy and analytical work.
- **CD Departments.** Higher spending was broad-based, reflecting the increase in externally funded CD, increased analytical products (including practice notes), tool development (including to support virtual CD delivery), and support to bilateral surveillance.

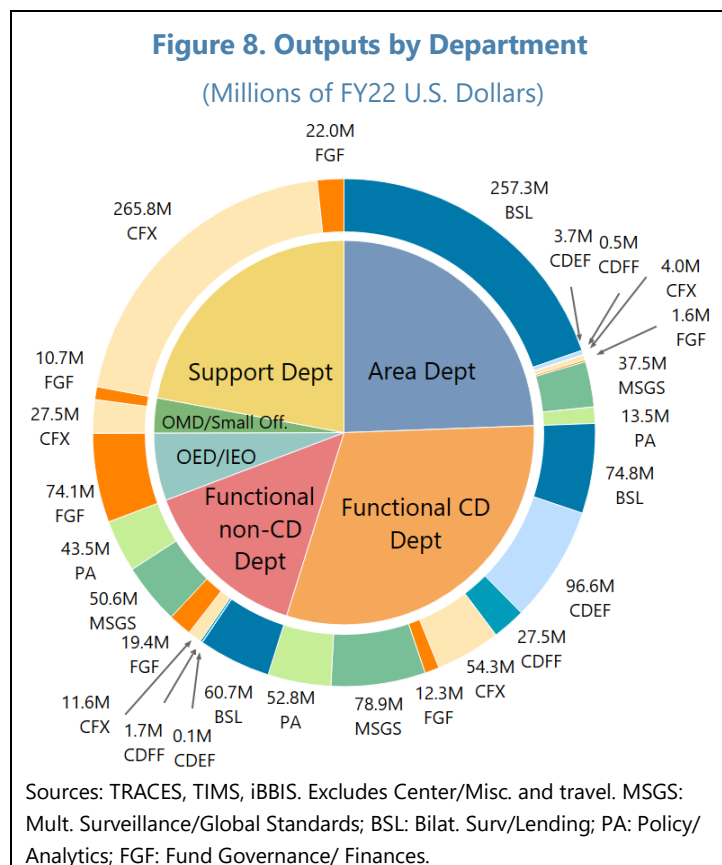


Figure 9. Change in Outputs by Department, FY22 vs FY21
(Millions of FY22 U.S. Dollars)

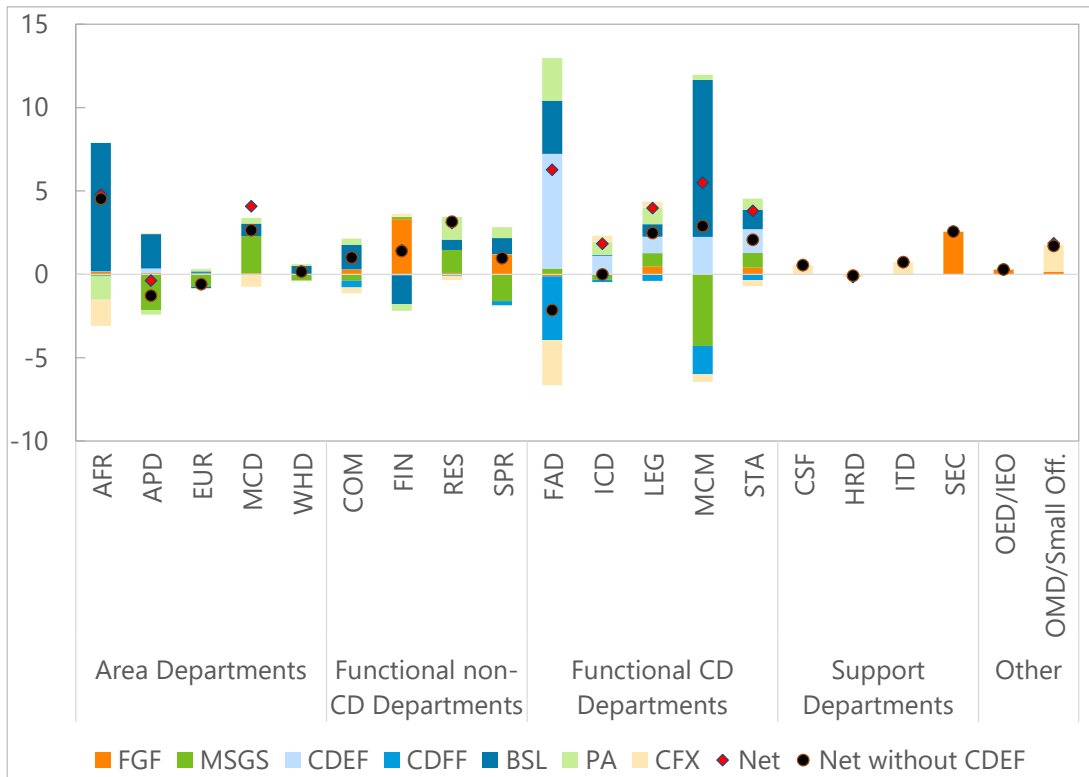
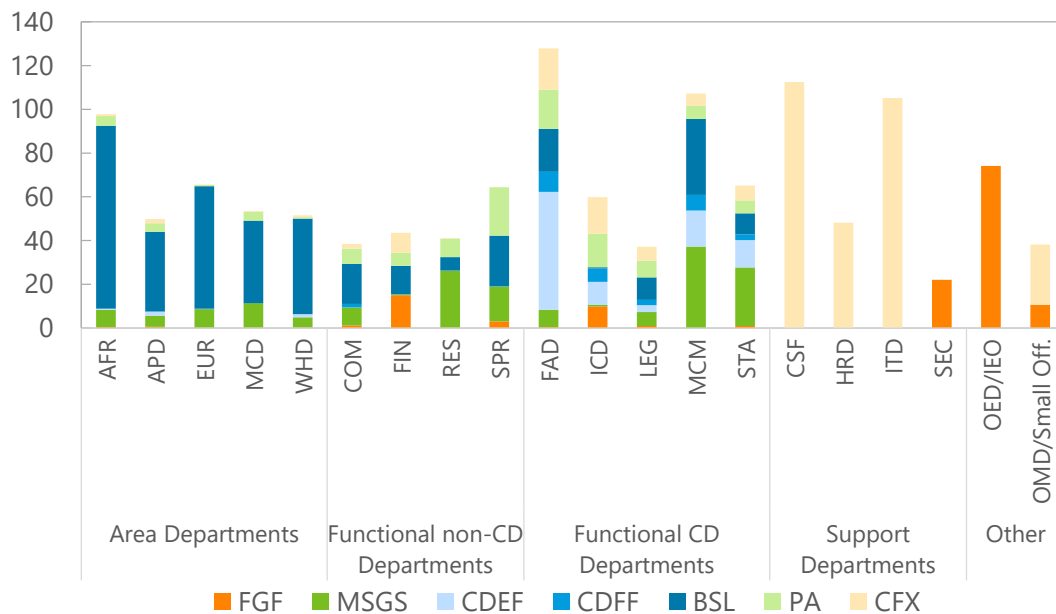


Figure 10. FY22 Spending by Department
(Millions of FY22 U.S. Dollars)



Sources: TRACES, TIMS, iBBIS. Excludes Center/Misc. and travel. CFX: Corporate functions; MSGS: Mult. Surveillance/Global Standards; BSL: Bilateral Surveillance/Lending; PA: Policy/Analytics; FGF: Fund Governance/ Finances.

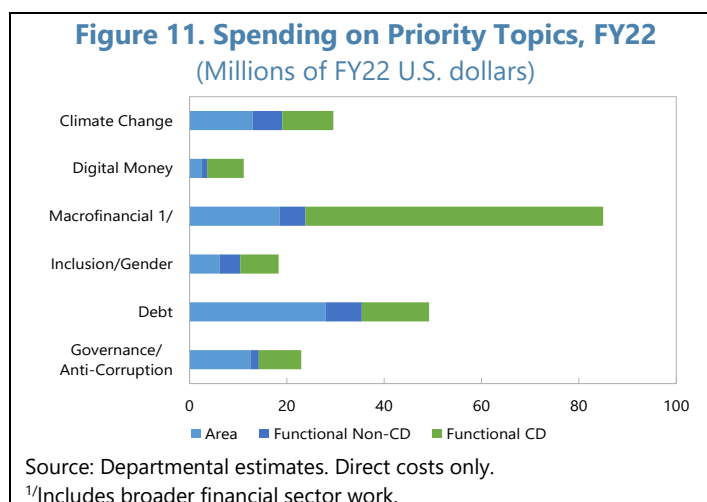
- **Support Departments** Including HRD, ITD and CSF comprised bulk of the spend on Corporate Functions referenced in Paragraph 12. Spending remained broadly stable, compared to FY21.
- **Other:**
 - **OMD/Small Offices.** Spending by small offices remained broadly stable.
 - **OED/IEO.** Spending by the ED’s offices and IEO was in line with last year. The Executive Board steered the institution through a year of ongoing change, while the IEO focused, among other priorities, on the Fund’s response to the pandemic

C. Spending by Priority Topics

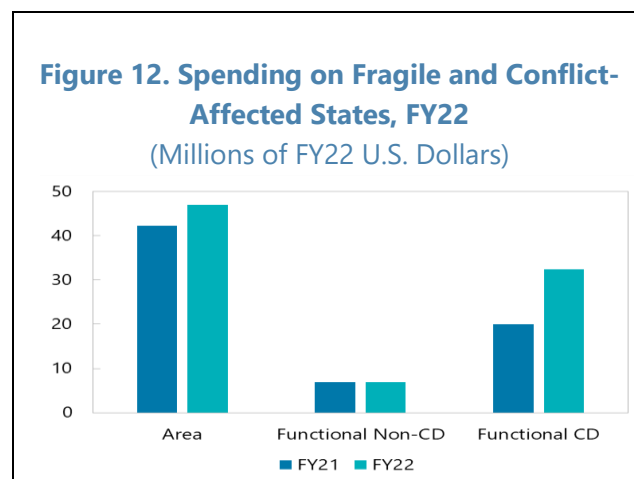
15. Priority topics: Reprioritization and savings also supported incremental work on priority topics (Figure 11). As noted, the Fund set out multi-year strategies in key areas that will receive additional resources through a budget augmentation in the period FY23-25.

Augmentation-Supported Priority Topics

- **Climate Change.** Estimated direct spending on climate change totaled \$30 million, in FY22, a \$2 million increase from FY21. Work mainly focused on developing the climate strategy, international policy coordination, strengthen analytics and expanded coverage of climate change related issues in FSAPs and Article IVs—on mitigation, adaptation, and transitions risks, a new Climate-Macro Assessment Program (CMAP), expanding climate-related CD, including through a climate module in the public investment management assessment, and a framework for green public financial management.
- **Digital Money.** Estimated spending totaled \$11 million, up from \$4 million in FY21. Efforts focused on CD on central bank digital currencies (CBDC), including bilateral and multilateral CD, tailored to country and regional needs. In addition, policy and analytical work on digital money ramped up across several functional departments.
- **Financial Surveillance.** FY22 spending on financial surveillance is estimated at \$85 million, up by \$2 million. Staff focused on monitoring rising financial vulnerabilities as a result of the pandemic, including in the corporate sector, and the immediate spillover effects from the war in Ukraine, as well as the associated advice on the policy response through its bilateral surveillance activities.



- Fragile and Conflict-affected States** (FCS). The Fund has played a central role in the international response to the COVID-19 pandemic in FCS, including to address debt vulnerabilities. Overall spending on the 42 FCS countries increased to \$86 million in FY22 (excluding resources covered in topical priority areas covered above) from \$71 million in FY21. Non-CD spending reached \$61 million, almost 60 percent of which was associated with Fund lending. Overall, Area Departments channeled more than half of the resources to fragile states—mostly in AFR, APD, and MCD—in support of country operations, particularly engagement related to program work (Figure 12). CD spending, mostly externally financed, increased to \$25 million, nearly double spending last year. The Board approved the [IMF's Strategy for Fragile and Conflict-Affected States](#) in March 2022 to strengthen further the Fund's engagement in FCS.



- Inclusion and Gender.** Spending in this area, excluding resources in other priority areas, totaled \$18 million. Work mainly centered on country analysis—with a focus on the impact of the pandemic, labor market and inequality, and social spending. Preparation of the Fund's gender mainstreaming strategy and related implementation tools was also relevant, done in close coordination with partner institutions, notably the World Bank Group, UN Women, and multilateral development banks.

Other Priority Topics

- Debt.** Spending on debt-related work is estimated at \$50 million, versus \$43 last year. Work in this area focused on rising pressures on the membership. The Arrears Policy was reviewed and guidance developed on debt limits and the Sovereign Risk and Debt Sustainability Framework. Focus remained on supporting members to reduce debt vulnerabilities, increase debt transparency and strengthen debt management capacity. Some efforts in this area took place in the context of the implementation of the G-20 Common Framework, as well.
- Governance/Corruption.** Spending in this area is estimated at \$23 million in FY22, down \$1 million from last year. Work concentrated on addressing vulnerabilities in member countries, and supporting appropriate transparency and accountability in lending operations, and continued work on [Implementation of Governance Measures in Pandemic-Related Spending](#). This work was conducted through Article IV and program engagement, mainly in area departments, with support from functional departments (notably FAD, LEG and SPR) through direct CD and review work.

SECTION III. SPENDING BY INPUTS

A. Spending By Major Budget Categories

Table 2. Administrative Budget and Expenditures, FY21-22
(Millions of FY22 U.S. dollars, unless otherwise noted)

	FY21							FY22						
	Budget			Outturn			Utilization (percent)	Budget			Outturn			Utilization (percent)
	Fund-financed	Donor-financed	Total	Fund-financed	Donor-financed 1/	Total		Fund-financed	Donor-financed	Total	Fund-financed	Donor-financed	Total	
Gross expenditures	1,251	211	1,462	1,176	121	1,297	88.7	1,249	210	1,460	1,205	141	1,346	92.2
Personnel	941	139	1,079	965	108	1,073	99.4	938	137	1,074	982	124	1,106	102.9
Travel	82	53	136	16	1	16	12.0	81	53	134	24	2	26	19.5
Buildings and other expenses	216	18	235	195	12	208	88.4	218	21	239	200	15	214	89.8
Contingency 2/	12	0	12	0	0	0	-	12	0	12	0	0	0	-
Receipts	-38	-211	-248	-24	-121	-145	58.3	-36	-210	-246	-25	-141	-166	67.6
Net expenditures	1,214	0	1,214	1,152	0	1,152	94.9	1,214	0	1,214	1,180	0	1,180	97.2
<i>Memorandum items:</i>														
Carryforward from previous year	55		55					102		102				
Other transitional transfers 3/	...							8		8				
Total net available resources	1,269		1,269	1,152		1,152	90.8	1,323		1,323	1,180		1,180	89.1

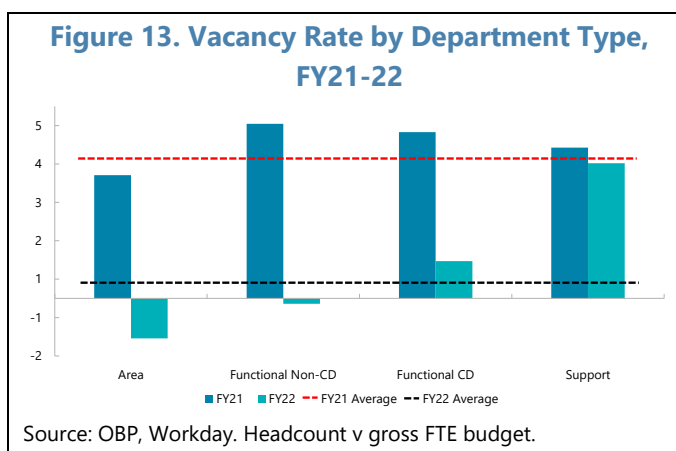
Source: OBP and FIN.

^{1/} Based on donor receipts. For FY21, a \$5.3 million adjustment reflects reconciliation between actual and standard costs for some donor-funded personnel expenditures and the impact of Covid-19 related measures on benefits.

^{2/} General, OED and IEO contingencies.

^{3/} OED/IEO underspend above their carryforward limits.

16. Personnel (Figures 13-14). Total personnel spending was \$1,106 million, about \$31 million above the overall structural budget (\$44 million excluding externally funded positions), reflecting the provision of transitional and crisis-related positions. The overall year-end vacancy rate (based on both structural and temporary positions) fell to about 0.9 percent (27 vacancies) compared to 4.1 percent (120 vacancies) in FY21 and roughly zero percent pre-crisis. Across economics departments, the vacancy rate fell to zero from 4.0 percent in FY21, broadly at the pre-crisis level. Spending on externally financed personnel increased by \$16 million in real terms relative to FY21, with a 22 percent increase in reimbursement for staff time and a 41 percent increase in externally funded contractual support.



17. Deflator and Personnel Dynamics (Annex III). The FY22 budget deflator (2.3 percent), set based on projected inflation in January of the prior fiscal year compared to actual inflation of 6.2 percent in FY22, reflected the emergence of increasing inflation over the course of the year. Uncertainty on price movements continues in FY23, presenting challenges for budgetary management that are being closely monitored.

Figure 14. Trends in Personnel Spending

Staff increased across all employment categories in FY22.

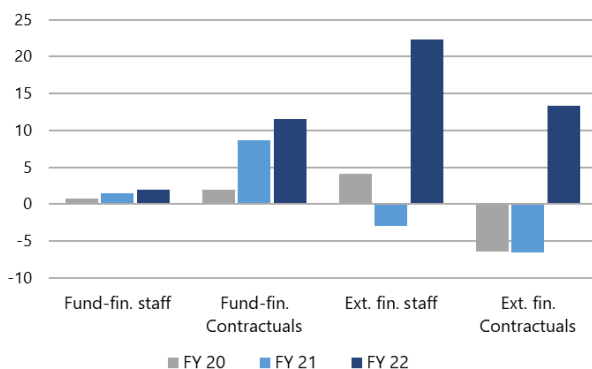
FTE Utilization, FY20-22^{1/}

	FY20	FY21	FY22	Difference FY21-22
Total	3,912	3,981	4,174	193
Fund-financed	3,485	3,578	3,710	131
Regular and term	2,886	2,928	2,984	56
Expert and contractual	599	651	726	75
Externally financed	427	402	465	62
Regular and term	96	94	114	21
Expert and contractual	330	309	350	41

^{1/} Fund- and externally financed experts (including short-term), contractuels, visiting scholars, secretarial support, and other. Excluding local employees in the field.

Externally financed staff and contractuels increased significantly, reflecting a ramp up in CD delivery.

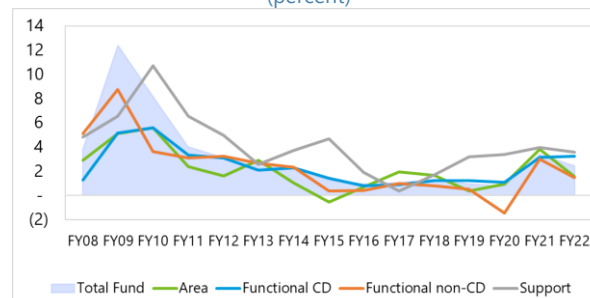
Staffing Levels, FY20-22
(percent change)



Source: OBP, PeopleSoft.

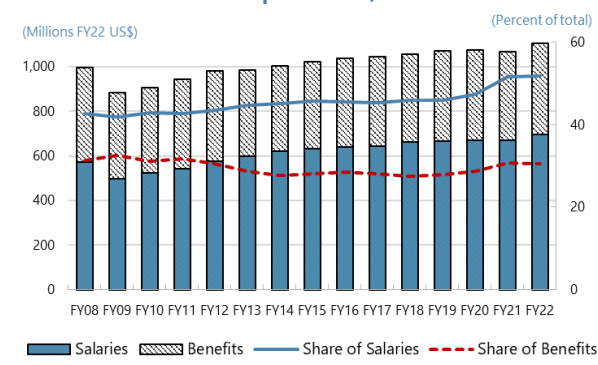
On an FTE basis (average over the full year), vacancy rates decreased to 2.5 percent in FY22.

FTE Underutilization by Department Type, FY08-22
(percent)



Total personnel spending increased by about 3.5 percent, while the share of salaries and benefits relative to total outturn remained stable.

Personnel Expenditures, FY08-22^{1/}



^{1/} Both Fund- and externally financed.

18. Travel. Business travel began to pick up in FY22 but remained well below pre-crisis levels at about \$11 million. The number of in-person missions rose to 1,021 in FY22 (Table 3), with a marked increase in CD departments, particularly experts-led missions. Settlement travel increased by 72 percent while evacuation travel declined by 62 percent year-on-year, albeit with continued need for evacuations from Afghanistan and Ukraine.

19. Buildings and other services. Spending on building operations and other services remained 9 percent below budget (Figure 15). The underspend was driven by reduced spending on building maintenance and goods

Table 3. Travel FY19-22
Number of in-person missions

	FY 19	FY 20	FY 21	FY 22
By region	7,858	6,693	16	1,021
AFR	1,970	1,673	0	299
APD	1,615	1,257	9	104
EUR	1,645	1,517	2	238
MCD	675	611	1	93
WHD	1,953	1,635	4	287
By department type	7,858	6,693	16	1,021
Area	1,445	1,180	13	224
CD Functional	4,979	4,207	0	602
Non-CD Functional	788	719	3	86
Support and Governance	646	587	0	109
Funding source	7,858	6,693	16	1,021
Fund-financed	4062	3513	10	507
Externally financed	3861	3180	6	515

Source: TIMS.

and services with lower building occupancy, slower phasing in of the facilities management vendor, as well as lower Annual/Spring Meeting spending. IT spending below budget reflected a one-off accounting change related to the implementation of the cloud-capital equivalent mechanism.

20. Security-related spending. Fund-wide security spending decreased by \$4 million relative to FY21 to \$38.8 million, reaching pre-pandemic levels (Figure 16). Reduced field security needs and evacuation costs were offset by higher HQ security spending. The latter was largely a result of expenditures related to Covid-19 health and safety protocols, such as testing and contact tracing. Business Continuity saw a marginal decrease reflecting a reduction in surge support. IT security costs decreases largely reflected CCE-related accounting changes.

21. Receipts (Table 4). FY22 receipts were \$166 million, about 17 percent higher than FY21, and 32 percent below budget. Changes mainly reflects externally financed CD receipts, which in turn reflect a modest resumption of travel and the related impact on hiring short-term experts. Trust fund management fees were about \$1.5 million below expectations, based on a projected \$165 million in spending on externally funded CD versus the \$141 million outturn. Concordia revenues increased by about \$2 million, reflecting higher occupancy and partial resumption of travel but have not recovered to pre-pandemic levels. Parking receipts also remained below budget given the delayed return to office.

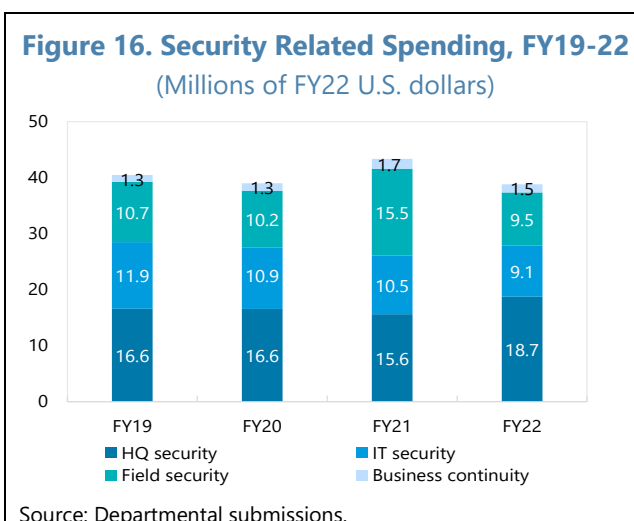
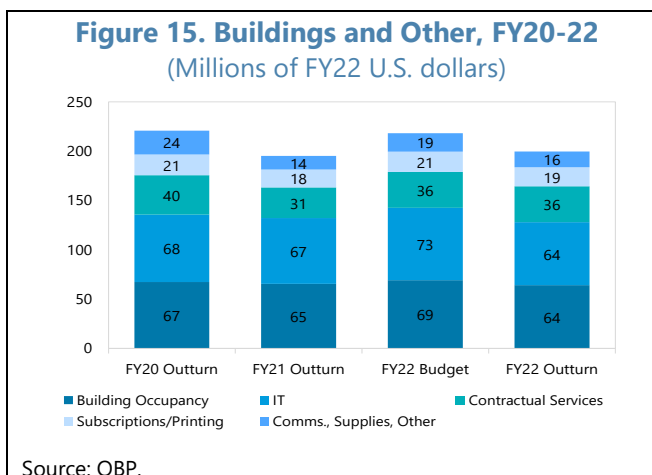


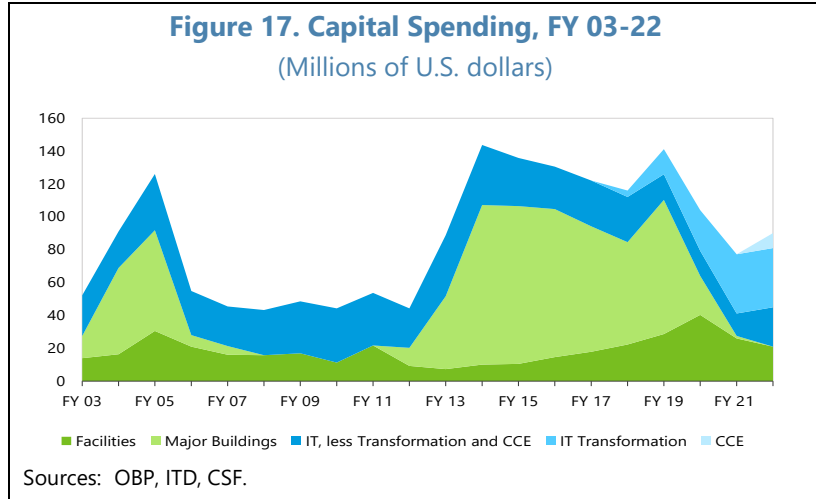
Table 4. Receipts, FY19-22
(Millions of U.S. dollars)

	FY 19	FY 20	FY 21	FY 22	
				Budget	Outturn
Total	214	199	142	246	166
Externally financed capacity development (direct cost only)	178	168	118	210	141
General receipts	36	31	23	36	25
<i>Of which:</i>					
Administrative and trust fund management fees 1/	12	12	8	15	10
Publications income	1	0	0	3	0
Fund-sponsored sharing agreements 2/	3	3	3	4	3
HQ2 lease 3/	2	1	1	1	1
Concordia	3	3	0	4	2
Parking	2	2	0	3	0
<i>Memorandum item:</i>					
CD Outturn assumed for planning					165

Source: OBP.
^{1/}CD-related TFMF = 7 percent.
^{2/}Reimbursements principally by the World Bank under sharing agreements.
^{3/}Lease of space to World Bank, BFSCU, retail.

SECTION IV. CAPITAL SPENDING

22. Overview (Figure 17). A total of \$186 million in capital funds appropriated between FY20-22 were available in FY22, split between facilities (\$98 million) and IT-intensive (\$88 million) capital funding, with the latter including Cloud Capital Equivalent (\$9.5 million) investment (Table 5). FY22 spending totaled \$90 million with approximately \$21 million in facilities and \$69 million in IT-intensive capital spending, including \$60 million in direct spending and \$9 million in cloud-related licenses. About \$88 million in remaining funds will carry over to FY23.



23. Facilities Capital. Spending was \$7 million (about 25 percent) below FY21, with utilization of 21 percent of available funds (vs 26 percent in FY21). Expenditures were focused on building-lifecycle updates, hybrid work needs (including equipping conference and meeting rooms with enhanced hybrid-enabled audio-visual capabilities), office

Table 5. Capital Expenditures, FY21-22^{1/}
(Millions of U.S. dollars)

	FY 21 Spending	FY 22 Approved	FY 22 Total Available	FY 22 Outturn	FY 22 Utilization (%)	FY 23 Carry Over
Total	78	79	186	90	48	88
Facilities	28	24	98	21	21	69
Building	26	24	83	22	26	54
HQ1 Renewal	2	0	15	-1	-5	16
IT-Intensive	50	56	88	69	78	19
Capital Investments	50	46	79	60	76	19
Cloud Capital Equivalent	0	10	10	9	96	0

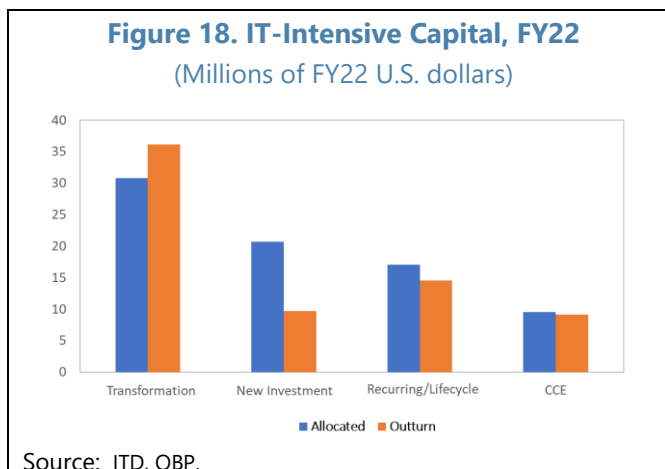
Sources: OBP, CSF, ITD.
^{1/}Approved funds available for three years, except for HQ1 Renewal now expected to close in early FY23.

reconfiguration to accommodate staff growth, and piloting of collaboration workspaces. Delays in office furniture replacement and other HQ1 lifecycle projects (e.g., chillers, generators, sidewalks) account for the largest gap between available funds and actual spending.

- Closeout activities on the HQ1 Renewal project were completed, with the remaining \$16 million budget (including \$13 million in reserves) to be returned in early FY23.
- About \$54 million in unspent funding is available in FY23, largely allocated to lifecycle replacement projects including furniture and other HQ1 building systems projects that experienced pandemic-related delays.
- Approximately \$8 million in funding expired under the three-year appropriation rules, about half of which was due to a pause in office furniture replacements, which will resume when hybrid work needs are better understood.

24. IT-intensive Capital Expenditures

Spending was \$19 million higher (38 percent) relative to FY21, with utilization of 78 percent versus 60 percent in FY21. The increase is driven by direct IT-intensive capital spending (\$10 million higher than FY21) and the introduction of the cloud capital equivalent (\$9 million). The increase reflects spending on modernization and pre-requisite projects, which made up 60 percent (\$36 million) of total FY22 spending.



- **Modernization.** Within overall IT capital expenditure of \$60 million, 60 percent (\$36 million) supported the implementation of the transformational modernization projects.

- **1HR.** (\$13 million in FY22). The formal 1HR project, which replaces the Fund’s Human Capital Management System, will close later this year. A foundational HR system and processes have been completed, recognizing some important objectives will require follow-up work to complete, along with concurrent work to

Table 6. IT-Intensive Capital Spending by Category, FY22
(Millions of FY22 U.S. dollars)

	Total Approved	Total Spent in Previous Years (thru FY22)	FY 22 Outturn
Total IT-Intensive Capital Spending	265.1	162.5	60.4
Key Modernization Projects (and pre-reqs)	167.19	113.96	36.14
1HR	69.60	54.39	13.00
CDMAP	19.10	18.85	5.12
iDATA	23.50	7.83	7.37
Integrated Digital Workplace	12.78	5.46	1.10
New Document Management	23.98	14.81	6.24
Pre-requisite/foundational projects	18.23	12.62	3.32
New Investments	43.29	20.69	9.67
Infrastructure end-of-life	54.7	27.8	14.5

Sources: ITD, OBP.

reinforce the HR service delivery model. An overview of plans for project close-out and follow-up plans and governance arrangements, were discussed by the Board in mid-July, along with a concurrent OIA-led Independent Assessment. Reforms related to the 5-year review of the SRP were deployed in May 2022 in Peoplesoft. A first follow-up capital project, related to implementation of CCBP pension reforms, is expected shortly.

- **CDMAP.** (\$5.1 million in FY22). The project, focused on a harmonized CD management and administration, closed out in early June 2022, largely on budget, following stabilization activities linked to program close-out criteria agreed with the Steering Committee in November 2021. All releases are now live, and a long-term support model is operational. Further enhancement work will continue over the next year, addressing departmental feedback on user interfaces and integrations. In steady state, the project will deliver \$3.4 million in capturable budget savings annually.

- **iData.** (\$7.4 million in FY22). The project, focused on mitigating operational risks and modernizing foundational platforms in the Fund’s aging economic data management platform, is expected to complete in Q3 FY24. The project continues largely on time and on budget, which was updated last year to reflect early implementation challenges. Work in FY22 focused on migration and testing for the Consumer Price Index (CPI) and the World Economic Outlook (WEO), which have been completed. Current work is focused on the Common Surveillance Database (CSD) and other data products. The program faces risks of schedule disruption as some implementation partner developers are located in Ukraine. A business continuity plan has been put in place and the project team is working with the Third-party Risk Management team to mitigate this risk. No disruptions are anticipated at this point.
- **Nexus.** (\$6.2 million in FY22). The project, focused on replacement of the Fund’s document management system, is expected to be completed in FY23. A modest first release, focused on a small set of user departments, was deployed in November 2021. A second small release, covering training courses and translation libraries, is expected to be deployed in summer 2022. The third and final release, which covers most document management needs, is expected to be deployed in Q3 FY23.
- **iDW-related projects** (\$1 million in FY22).
 - The **Collaboration** module was completed with Fund-wide rollout of Teams in May 2021 and the Microsoft One Drive to replace Box in April 2022, the project delivered \$0.4 million in capturable budget savings annually.
 - Replacement of the Fund’s **Intranet** platform was relaunched in February 2022 following a three-month pause to allow additional time for planning and to put in place key personnel. The foundational phase to validate user requirements and develop the functional design and technical architecture is due to close in the first half of FY23.
 - Work on scoping an update of **document workflow** tools has continued, while two other projects related to **client relationship management** and **document analytics** have been paused, recognizing the benefits of a slower pace of implementation of the overall modernization portfolio.
- **Other IT investments.** Other new investment spending was \$9.7 million (\$8.5 million in FY21). A large share (\$4 million) related to upgrading the Core Banking system (iFin) and the Fund’s integrated training solution. Spending on lifecycle replacements was \$14 million. The largest projects within this category were to refresh PCs and mobile devices and to provide home office equipment for hybrid work (\$6.8 million) and to upgrade remote office networks (\$2.3 million).
- **Cloud Capital Equivalent (CCE).** Cloud license spending in FY22 was \$9.1 million, on par with estimates. In FY22, OBP, FIN, and ITD have updated systems to enable the use of, and reporting on, CCE budget and expenses. Procedures were established for the CCE, specifying eligible expenses, roles and responsibilities, and the detailed steps for CCE budget formulation, execution, and monitoring, consistent with recommendations by the OIA.

Annex I. Technical Annex—Concept and Methodologies

Financial year (t): May 1(t-1) to April 30(t)

E.g., FY22 = May 1, 2021 to April 30, 2022

Administrative budget

Gross (total spending envelope)

- (minus)

Receipts (donor funding + revenue)

= (equals)

Net (spending that needs funding)

Total Available Resources = Net + Carryforward

1. **Carryforward.** The right to spend budget allocations beyond the period for which budgetary authority is normally granted (12 months). Carryforward (CF) limits are set for the IEO, OED, and at the general level for other administrative expenses. The general CF limit has varied over time, rising to 6 percent following the GFC and reverting to 3 percent in FY12. The Board approved an increase in the general CF limit from 3 to 5 percent in 2020 and to 8 percent in 2021 and IEO's CF limit from 5 to 8 percent for the following three years in response to COVID-related travel restrictions and emerging crisis needs. The CF limits was reduced to 7 percent for the general budget and 5 percent for IEO in 2022.

The OED CF limit for each office is set at a maximum of 20 percent of the approved budget or the dollar equivalent of two Advisor FTE positions. The OED central carryforward was discontinued effective FY21 in line with the streamlining of OED central budget accounts.

The CF is the minimum of the underspend in the current year or CF limit of the current year's approved net administrative budget. Specifically:

$CF_t = \min(U_t, x B_t)$

Where:

U_t = underspend in current FY ($B_t + CF_{t-1} - E_t$)

B_t = net administrative budget in current FY

CF_{t-1} = carryforward from previous FY

E_t = net expenditures in current FY

x = ratio limit of CF

2. **Fund deflator.** Starting in FY21, the Fund deflator is based on U.S. CPI data underlying the published January WEO update.

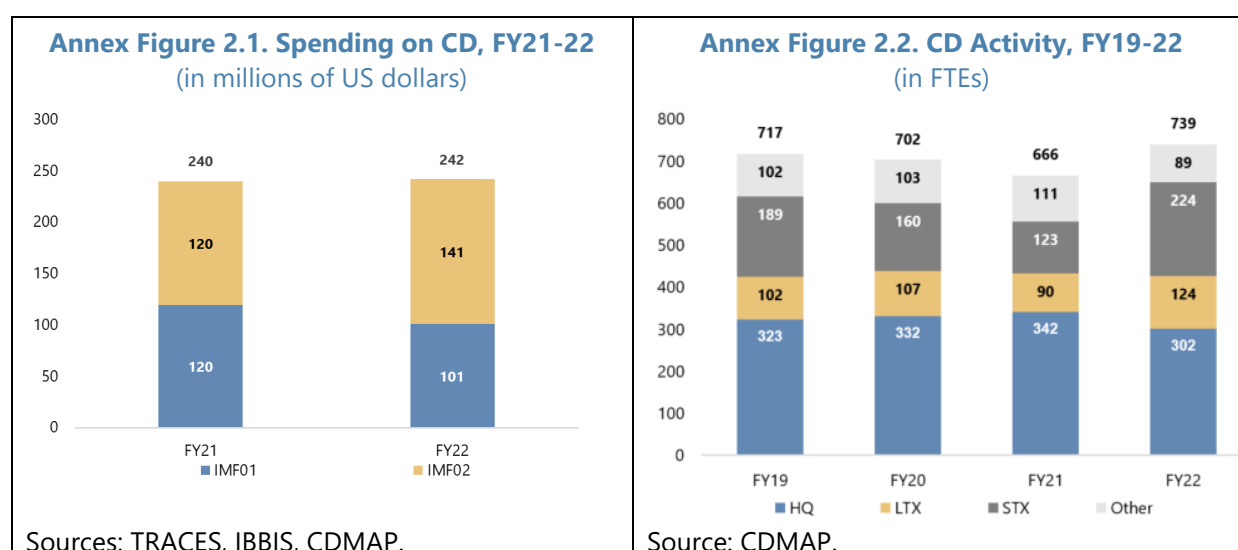
- 3. Capital budget.** Used to finance IT-intensive capital investments and building improvements and repairs. Given the long-term nature of these projects, capital budgets are available for a period of three years, after which time unspent appropriations lapse. Project in the capital budget cover acquisition of building or IT equipment; construction, major renovation or repairs; major IT software development or infrastructure projects.
- 4. Cloud Capital Equivalent (CCE).** A sub-category within the capital budget for cloud subscription costs, as per the budgetary treatment approved by the Board in [April 2021](#). The CCE was introduced in response to the Fund’s migration from a “purchase/build and maintain” software model to a model based on cloud-hosted platforms with subscription costs, which would have, all else equal, reduced capital spending and increased administrative spending.
- 5. Budget process.** The starting point for the annual budget exercise is the priorities as expressed in the Managing Director’s Global Policy Agenda, the IMFC Communiqué, and the Board Work Program, recognizing the importance of financial sustainability and the linkage to Fund income. The budget translates these priorities into reallocations across departments and outputs. The Board also reviews the income and expenditure position, staff compensation, and the capital budget. The Committee on Capacity Building (CCB) and a Board briefing on CD priorities enable strong links between CD and the budget process.

Annex II. Capacity Development¹

This annex provides additional information on CD activities. It reports on overall spending on CD activities, CD delivery distribution, and external financing for CD.

A. Overall Spending on CD Activities

1. CD activities measured in FTEs recovered to above pre-pandemic levels despite the challenging environment, with spending broadly unchanged from last year (Annex Figures 2.1 and 2.2). Total CD spending was around \$242 million, about the same level as in FY21 (Annex Figure 2.1), albeit with a shift from Fund-financed to externally financed CD. Overall, CD represents about a quarter of Fund outputs.



2. CD spending remained below budget. The outturn was below that projected mainly as a result of slower resumption of travel and related impact on hiring of field experts. Externally financed spending grew to \$141 million, some \$70 million below the budgeted envelope, leading to a \$4.9 million underrun in related management fees. Higher-than-expected delivery led to personnel chargebacks \$5.5 million above projection. Fund-financed spending declined to \$101 million partly as a result of higher than projected chargebacks, as well as the likely transitional impact of time-reporting changes.

B. CD Distribution

3. The regional and topical compositions were largely in line with those of previous years, with AFR region and fiscal topics dominating delivery (Annex Table 2.1 and Annex Figure 2.3). Departments have also begun to accommodate delivery in the transformational strategies. Fragile and Conflict-affected States (FCS) represented 22 percent of total CD delivery

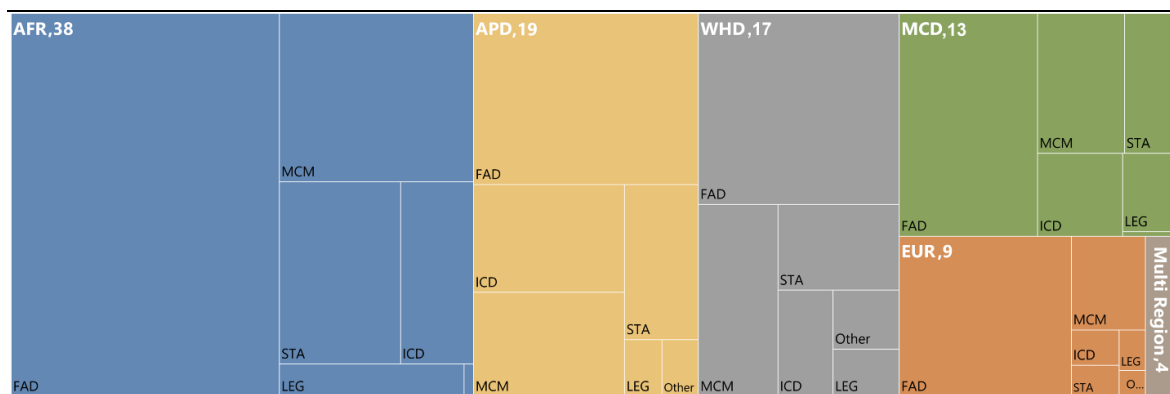
¹ Prepared by an ICD team, led by Miguel Alves.

(Annex Figure 2.4; the share increases to 27 percent when considering only single-country delivery). There were 27 active digital money projects and 30 active climate projects by the end of FY22.

Annex Table 2.1. CD Spending on Direct Delivery by Core Workstreams, FY22
(Share of total delivery spending, in percent)

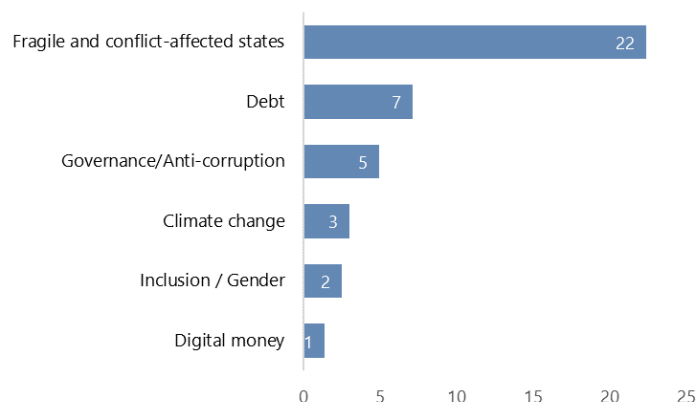
Workstream Group	Single Country	Multi-country	Total
Public finances	48.3	4.5	52.9
Domestic Revenue Mobilization	25.2	2.3	27.5
Macro-Fiscal Policies	2.8	0.6	3.4
Public Financial Management and Expenditure Policy	20.3	1.7	22.0
Monetary and financial systems	15.3	3.1	18.4
Central Bank Operations and Market Development	5.8	1.5	7.3
Financial Sector Stability	9.4	1.7	11.1
Macroeconomic Frameworks	5.3	6.5	11.9
Macroeconomic Statistics	9.8	2.2	12.0
Legal frameworks	2.9	0.8	3.6
Financial Integrity and Financial/Fiscal Law Reform	2.9	0.8	3.6
Other	0.2	0.8	0.9

Annex Figure 2.3. Direct Delivery by Region and CD Department, FY22
(Share of total delivery spending, in percent)



Source: CDMAP

Annex Figure 2.4. CD Delivery Spending by Priority Topic and Country Group, FY22¹
(Share of total delivery spending, in percent)



Source: CDMAP.

¹Based on FCS list approved in 2019; doesn't yet reflect changes introduced by the new FCS strategy

4. CD modalities. There were over 2,500 engagements with CD recipients (virtual, field visit, or hybrid). Although pandemic-induced travel restrictions continued to curtail field-based work, some 84 percent of CD spending consisted of delivery conducted by staff or experts (including resident advisors) in the field or from their duty station in the form of traditional single-country technical assistance (Annex Table 2.2). The remaining direct delivery spending covered the delivery of training activities, most of which in a multi-country context (this excludes costs associated with the development of new classroom or online training courses, which is classified as analytical and development work).

Annex Table 2.2. CD Spending by Modality, FY22
(Share of total CD spending, in percent)

CD Modality	Share of total CD spending (in percent)
Duty station-based Work	72.5
Interactive learning and workshops	14.2
Resident advisor	6.4
Field-based work	5.0
Peer-to-peer engagement	1.2
Online learning	0.6
Total	100.0

Source: CDMAP.

5. Training activities and workshops. Interactive synchronous learning and workshops, self-paced online learning, and peer-to-peer engagements represented around 16 percent of total CD Delivery. ICD is the largest provider for training in terms of spending, followed by FAD. AFR region has the highest share of participants, followed closely by APD and MCD (Annex Figure 2.5). A lion's share of training participants came from emerging and middle-income economies (Annex Figure 2.6), while the share of FCS participants was about 13 percent. Over 60 percent of training is delivered through

Annex Table 2.3. Training Participation by Training Mode, FY18–22

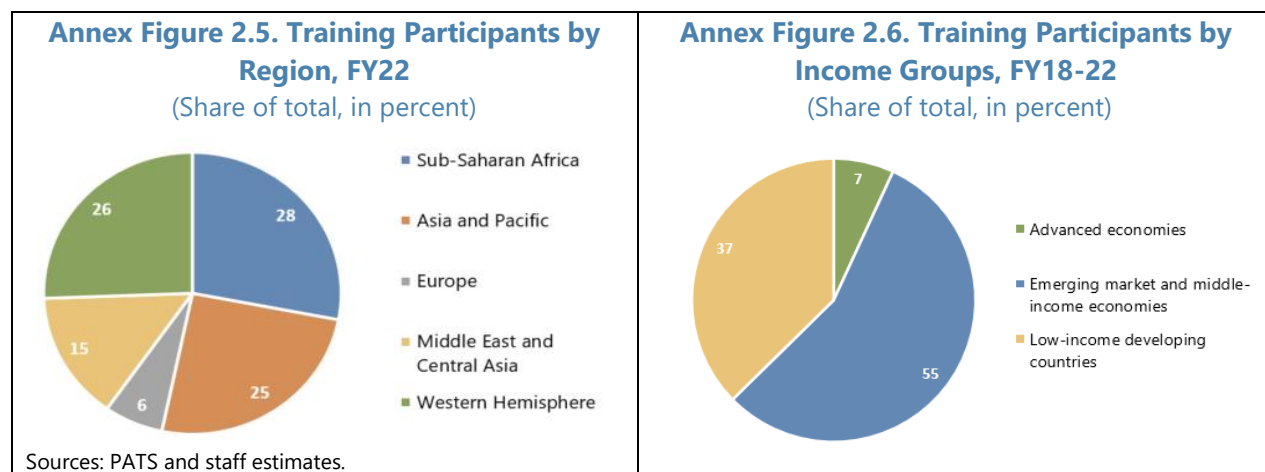
	FY18	FY19	FY20	FY21	FY22
	(number of participants)				
Total	16,595	16,991	17,726	14,684	23,109
Asynchronous ^{1/}	4,856	4,414	7,930	5,069	8,474
Synchronous ^{2/}	11,739	12,577	9,796	9,615	14,635
	(in percent share of total)				
Asynchronous ^{1/}	29	26	45	35	37
Synchronous ^{2/}	71	74	55	65	63

Sources: PATS and staff estimates.

^{1/}Asynchronous: Pre-recorded and self-paced.

^{2/}Synchronous: Real-time, in-person or virtual.

RTCs and RTACs. The self-paced asynchronous online learning has grown rapidly since the onset of the pandemic (Annex Table 2.3). In FY22, asynchronous learning using IMF’s public online platforms accounted for 37 percent of training, and close to 8,500 government officials successfully completed an online course. Since its launch, the program has reached around 140,000 participants from the general public.



C. Source of External Financing

6. Overview. External partners have continued their substantial support to IMF CD (Annex Table 2.4). In FY21-22, fundraising for IMF CD recovered from the pandemic-related low of FY20 but remains below medium-term targets. With CD spending only picking up slowly, liquidity balances remain adequate in most CD vehicles. The main pattern of support is consistent with previous years.

Annex Table 2.4. Partner Contributions, FY20-22

Donor	Contributions (In mil of US dollars)	Share (Percent of total)	Donor	Contributions (In mil of US dollars)	Share (Percent of total)
Japan	138	24	<i>(continued from left)</i>		
European Commission	66	12	Luxembourg	8	1
Switzerland	40	7	Canada	7	1
Germany	32	6	Sweden	7	1
China	29	5	Australia	7	1
Netherlands	25	4	Mauritius	6	1
Kuwait	23	4	Ghana	5	1
United Kingdom	22	4	New Zealand	4	1
Norway	21	4	Belgium	4	1
France	17	3	United States	3	1
Korea	16	3	Spain	3	1
Kazakhstan	15	3	Sri Lanka	3	1
Austria	13	2	Other donors and institution of which: private foundation	48 2	8 0
Singapore	8	1			
<i>(continued on right)</i>			Total	571	100

Source: Capacity Development Information Management System (CDIMS).
Note: Including regional training center costs covered directly by host countries (which are not included in IMF accounts).

- External support is channeled through multi-partner vehicles—regional CD centers, thematic and country funds—and bilateral programs (Annex Table 2.5). In addition, a few countries manage regional training programs, where Fund staff provide training.

- Leading partners for Regional Technical Assistance Centers (RTACs) and thematic funds account for a significant share of total contributions for respective vehicles, with high concentration in both RTACs and TTFs (Annex Table 2.6). At the same time, the share of recipient members’ contributions to RTACs has been steady at close to 30 percent, reflecting strong ownership which helps ensure their financial sustainability. Some RTACs, nevertheless, still face funding gaps in the period ahead.

Annex Table 2.5. Capacity Development Vehicles: Top 10 Partner Contributions, FY 20-22					Annex Table 2.6. RTACs and TTFs: Partner and Member Contributions to Current Phases				
	(Millions of U.S. dollars)			Share (Percent)	RTACs		TTFs		
	Direct	In-Kind	Total		(In mil of US dollars)	(Percent)	(In mil of US dollars)	(Percent)	
Multi-partner	222	8	230	56					
Thematic (and country) Trust Funds	90	-	90	39	155	32	112	40	
Regional Technical Assistance Centers	108	-	108	47	190	39	167	60	
Regional Training Centers	24	8	32	14	137	28			
Bilateral	183	-	183	44					
Total	406	8	413	100	482	100	280	100	

Source: CDIMS. Includes regional training centers covered directly by host countries (not included in IMF accounts).

Source: CDIMS. Signed contributions and pledges for current cycles as of April 30, 2022.

7. Implementation of the Covid-19 Crisis CD Initiative (CCCDI) is underway, with commitments to date amounting to about \$39 million and more than 40 CCCDI-financed CD activities ongoing. The CCCDI governance structure has proven to be agile and effective, allowing for funds to be allocated flexibly to address urgent CD needs related to the pandemic. Staff also continues to promote flexibility within existing vehicles.

8. Additional resources from external partners will be required to deliver new CD envisaged by the Fund’s transformational strategies. External funding will need to increase by a cumulative \$43 million over the next three years to accommodate the phased implementation of these strategies in FY23–25, which will thereafter require about \$19 million annually in a steady state.

9. During the pandemic, staff continued to manage funding risks related to externally financed CD. Broad and sustained **partnerships** remain a key fundraising risk mitigating factor. The diversified partnership base reduces dependence on large contributors, as shortfalls from one partner can be offset by others. The signing of longer and more strategic partnerships has also provided greater funding certainty over the medium term. The potential to broaden engagement with existing partners beyond the traditional agencies will be explored. This may be of particular relevance in the areas of FCS, climate, digital money, and gender.

10. Operational risks continue to be reduced by securing financing upfront before CD delivery. Moreover, all CD projects or **programs** have built-in degrees of flexibility to allow adjustments; work programs can be adjusted in case of funding shortfalls.

Annex III. IMF Deflator and Personnel Dynamics

This annex sets out developments related to the IMF deflator and personnel cost dynamics, including ongoing implementation of the 2019 [Comprehensive Compensation and Benefits Review \(CCBR\)](#).

1. FY22 Deflator. The implementation of a new methodology for calculating the Fund’s deflator (Annex Box 3.1), as well as the period of rapidly increasing inflation, present challenges to budget management.

- **Projection vs Actual CPI** (Annex Box 3.2). Actual U.S. CPI inflation in FY22, at 6.2 percent, was significantly above the deflator, at 2.3 percent. The budget impact of this gap was about \$46 million. While differences over the last decade have been modest, extraordinary inflation dynamics are expected to continue in FY23, with similar effect.
- **Old vs. New Methodology.** The difference between the deflator that would have been calculated under the old system and that under the new system are modest, given the increase the salary structure of 1.8 percent in FY22. Indeed, the new methodology implied a slightly higher deflator than would have been calculated under the old methodology. Importantly, however, a lagged upward adjustment in the salary structure in line with actual inflation dynamics can be expected in future years, which would have been absorbed under the old methodology but will not be under the new rules.

Annex Box 3.1. Deflator— Methodology Change

The methodology for setting the Fund’s budget deflator was changed during [FY21](#), as agreed at the time of the CCBR.

- Previously, the deflator was based on the weighted average of the structural salary change for the personnel component of spending (70 percent) and CPI (30 percent), mitigating the impact of salary changes on the Fund’s budget.
- Under the new system, the deflator is set equivalent to U.S. CPI, as projected in the January WEO.

In any scenario, decoupling of the deflator from the salary structure adjustment creates budget management challenges, including in light of lags in salary increases. With the current extraordinary inflation dynamics, the scale of the gaps between the deflator and actual price dynamics lead to greater challenges—and can be expected to reduce real budgetary space materially over time. As such, OBP will explore mechanisms to safeguard real budget space from such unanticipated inflation moves in the FY24 budget cycle (Annex Box 3.2).

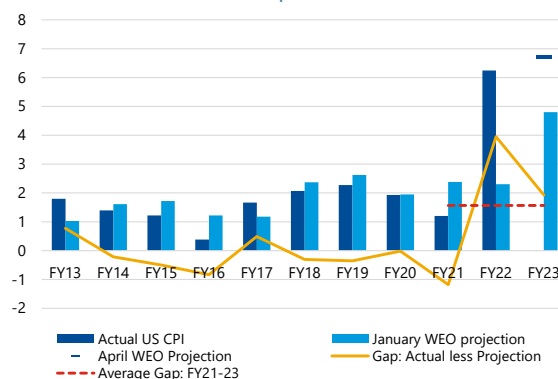
2. Personnel Dynamics (Annex Box 3.3). Personnel currently makes up about 75 percent of the Fund’s budget. In addition to salary-deflator dynamics, salary dynamics affect the budget through a number of channels including a) the potential for wage erosion (i.e., relatively higher salaried employees leaving and replaced by lower salaried employees), and b) the impact of promotions and skills upgrading. The salary structure adjustment (before merit) is an explicit ex-ante cost item in the budget that is expected to be covered by the nominal space created by the deflator (on average). Potential wage erosion and grade erosion, on the other hand, are workforce dynamics that create space in the personnel budget during the year and which provide funding for wage increases above the salary structure (implied merit and skills upgrading). Under the CCBR, it was also agreed that a portion of the space from wage erosion, if available, be used to fund competitiveness measures, with a methodology for calculating space for this purpose outlined in the [FY23-25 Medium-term Budget](#).

Annex Box 3.2. Budget Deflator and CPI Outcome

Forecast error and budget implication. The deviation of the FY22 deflator from actual US CPI outturn in FY22, at 3.9 percentage points, deviates from the modest deviations over the past decade. Similar dynamics are expected in FY23, with a 1.4 percentage point gap already evident between the January and April 2022 WEO projections. This implies an average gap of about 1.6 percent per year in nominal budget space during FY21-23 (about \$19 million per year or \$57 million cumulatively).

Going forward. While structural salaries are expected to adjust over time based on market trends, there is no mechanism in place currently to correct for the extraordinary loss in nominal budget space in FY22 and likely in FY23. Staff will continue to monitor inflation developments and any budgetary impact in the lead up to the FY24 budget formulation process and consider options to address this issue, taking into account average deviation since the deflator methodology was adjusted.

U.S. CPI Inflation Forecast vs Actual, FY13-21
(In percent)



Sources: WEO published data. Staff calculations. Average gap for FY13-20 is -0.12 percent.

- FY22 salary increase.** The single salary increase was 2.8 percent, which included a 1.8 percent structure adjustment in the pay scale and a 1.0 percent implied merit component. The difference between the deflator and the structure adjustment—0.5 percent of salaries—represents additional budget space in FY22, recognizing that over time this structural space would be expected to deteriorate with a catch up in salaries with the Fund’s labor-market comparators. The deflator implied by actual inflation would have been 4.4 percent, a gap of some 3.9 percentage points relative to the projection used to set the deflator.
- Wage erosion** totaled \$9.5 million, or 1.8 percent of actual salaries in FY22 (relative to 1.6 percent estimated at the time of the FY2023-25 Medium-term Budget). This is broadly in line with the original budget estimate and compares to \$9.3 million (1.9 percent) in FY21. This ex-post wage erosion more than covered the implied merit increase of 1 percent. As noted, part of wage

Annex Table 3.1. FY22 Salary Dynamics
(Percent)

	Budget	Outturn
Salary Increase	2.8	2.8
Structural	1.8	1.8
Merit	1.0	1.0
Impact on Budget		
Deflator less structure	0.5	4.4
Erosion less merit	0.8	0.8
Memorandum:		
Deflator	2.3	6.2
Wage erosion	1.8	1.8

Source: HRD and OBP estimates.

Annex Box 3.3. Definitions

Wage erosion. Salary structure increases are applied to the mid-point of the salary grade bands. However, the bands are wide. During the year, staff who “leave” a band tend to be higher in the bracket than staff taking up that position, who “join” the band. Hence, the turnover dynamic drives down the average salary (not individual salaries) within each band during the year. It is the downward dynamic in average salaries that creates space for the performance-based merit increase. Actual salary erosion is calculated as the change in ratio of average weighted salaries to average weighted midpoints over the full period. This represents an update to the methodology used in previous reports that looked at this difference at year end.

Grade Erosion and Skills Upgrading. Just as turnover drives down the average salaries, similarly turnover on its own drives down the average “grade’ within a grade band e.g. A12-A14. Staff entering the bracket are typically at a lower grade than those leaving. Skills upgrading (mainly growth promotions) works in the opposite direction, driving up the average grade structure. The net effect is calculated as the percentage change in the average salary midpoint over the financial year. The average salary midpoint is calculated as the number of staff at each grade multiplied by their respective grade midpoint, then divided by the total number of staff, at the beginning and end of the FY, with a target net change of no more than 0.5 percent.

erosion not required to cover nominal salary increases will help finance targeted measures to bolster Fund competitiveness. HR proposals will be brought to the Board for discussion.

- **Grade erosion and skills upgrading.** In FY22, grade erosion and skills upgrading drove the average grade structure (mid-point) up by 0.2 percent, below the indicative limit of 0.5 percent. This compares to 0.8 percent in FY21. The underlying contributing factors are detailed below and in Annex Table 3.1.
 - **Staff turnover.** In FY22, turnover (appointment and separations) reduced the average salary midpoint by about 1.5 percent versus about 1.0 percent in FY21.
 - **Promotions or skills upgrading** raised the average salary midpoint by just over 1.6 percent compared to an impact of 1.8 percent in FY21.

	Target	Outturn	
		FY21	FY22
Grade erosion/skills upgrading	0.5	0.8	0.2
Turnover	-	-1.0	-1.5
Promotions	-	1.8	1.6

Source: HRD estimates.

3. CCBR Impact (Annex Table 3.3). The 2019 CCBR reform began to come into effect in FY21. At the time of the reform, HRD estimated net positive savings from a set of specified measures beginning in FY23 (excluding competitiveness measures) and in FY24 (including these measures), albeit with significant projection uncertainty, as recognized at that time. This section looks at estimates of actual experience for these specific CCBR-linked measures relative to initial projections.

Benefit	Projections (CCBR)					Estimates	
	Steady State	FY21	FY22	FY23	FY24	FY21	FY22
Savings	14.6	0.9	2.1	5.2	8.8	0.8	2.1
Home leave: Eliminate 18-month option and reduce the incidental expense allowance	4.4	0.0	0.0	2.6	4.4	0.2	0.4
Tertiary education allowance: Eliminate eligibility for new staff	6.5	0.5	1.1	1.6	2.2	0.0	0.0
Medical benefits for pensioners	1.8	0.0	0.1	0.2	0.4	0.0	0.0
Spouse points: End program starting May 1, 2020.	0.7	(0.3)	(0.3)	(0.3)	0.7	0.7	0.7
Appointment benefits	1.2	0.7	1.2	1.2	1.2	(0.0)	1.1
New Benefits	(8.3)	(5.5)	(8.3)	(8.3)	(8.3)	(5.4)	(6.9)
Merit pay for contractual employees	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(0.5)	(0.7)
Medical benefits: ST disability insurance for contractual employees	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	0.0	0.0
Childcare allowance	(7.0)	(4.2)	(7.0)	(7.0)	(7.0)	(4.9)	(6.2)
Net Savings, before merit/competitiveness	6.2	(4.6)	(6.3)	(3.1)	0.5	(4.6)	(4.8)
Wage erosion less implicit merit	4.5	4.5	4.5	4.5	4.5	6.0	7.0
Net Savings, excluding competitiveness	10.7	(0.1)	(1.8)	1.4	5.0	1.4	2.3
Notional competitiveness measures 1/	(4.5)	(4.5)	(4.5)	(4.5)	(4.5)	..	..
Change	6.2	(4.6)	(6.3)	(3.1)	0.5	1.4	2.3

Source: HRD estimates.
^{1/}Budgeting of these measures is scheduled to begin in FY23, when the net overall impact of CCBR reforms was initially projected to be positive. A mechanism to determine budget for such measures was set out in the FY23-25 budget report.

- **Net savings.** HRD estimates that actual savings relative to those projected from the specified CCBR-linked measures are generally within a reasonable range of original projections, albeit with overall changes implying a slightly longer period to achieve net savings.
 - **Net costs** of these measures were \$4.6 million and \$4.8 million in FY21 and FY22, respectively, versus estimates of \$4.6 million and \$6.3 million.
 - FY22 **savings** were greater-than-projected for spouse points (with deferred winddown of remaining points given the pandemic) and home leave (with staff transitioning more quickly to the expatriate allowance than projected). Savings were slightly lower-than-projected for medical premiums and materially lower for tertiary education benefits, suggesting that the realization of steady state savings will occur more slowly than originally projected.

- FY22 changes in **benefit costs** were lower-than-projected, mainly driven by slower-than-expected take up in child-care benefits.
- **Merit Pay.** The scale of merit-linked savings was higher-than-expected at \$6 million in FY21 and \$7 million in FY22. Under the new methodology, these savings are to be used to fund HR competitiveness measures in future years, as soon as the broader CCBR changes lead to net savings, which was expected to occur in FY23. The FY23-25 Medium-term Budget set out a methodology for calculating competitiveness measures, based on the gap between wage erosion and the implicit merit increase under the new methodology.

Annex IV. Statistical Tables

Annex Table 4.1. Gross Administrative Budget and Expenditures, FY17-23													
(Millions of U.S. dollars)													
	FY17		FY18		FY19		FY20		FY21		FY22		FY23
	Budget	Outturn	Budget	Outturn	Budget	Outturn	Budget	Outturn	Budget	Outturn	Budget	Outturn	Budget
Personnel	934	922	969	962	1,009	995	1,025	1,028	1,055	1,049	1,074	1,106	1,166
Travel	123	115	126	121	135	126	134	97	133	16	134	26	123
Buildings and other expenditures	205	218	209	226	215	224	224	225	230	203	239	214	260
Contingency 1/	11	0	11	0	12	0	14	0	11	0	12	0	14
Total Gross Expenditures	1,273	1,255	1,315	1,309	1,371	1,346	1,397	1,350	1,429	1,268	1,460	1,346	1,562
Less: Receipts	200	189	211	211	236	214	239	199	243	142	246	166	268
Total Net Expenditures	1,072	1,066	1,104	1,099	1,135	1,131	1,158	1,150	1,186	1,126	1,214	1,180	1,295

Source: OBP, PeopleSoft. May not add due to rounding. Includes donor financing.
^{1/}General, OED and IEO contingencies.

Annex Table 4.2. Gross Administrative Expenditures: Budgets and Outturn, FY11–23
(Millions of U.S. dollars, except where indicated otherwise)

Financial Year	Budget 1/	Outturn 2/	Outturn to Budget Difference		Budget to Budget Difference		Outturn to Outturn Difference	
			Amount	Percent	Amount	Percent	Amount	Percent
A. Net Budget								
2011	953	917	-36	-3.8	22	2.3	54	6.2
2012	985	947	-38	-3.9	32	3.3	30	3.2
2013	997	948	-50	-5.0	13	1.3	1	0.1
2014	1,007	988	-19	-1.8	9	0.9	40	4.3
2015	1,027	1,010	-17	-1.7	20	2.0	21	2.2
2016	1,052	1,038	-13	-1.3	25	2.4	29	2.8
2017	1,072	1,066	-6	-0.6	21	2.0	28	2.7
2018	1,104	1,099	-5	-0.5	31	2.9	32	3.0
2019	1,135	1,131	-4	-0.3	32	2.9	33	3.0
2020	1,158	1,150	-8	-0.7	23	2.1	19	1.7
2021	1,186	1,126	-60	-5.1	28	2.4	-24	-2.1
2022	1,214	1,180	-34	-2.8	27	2.3	54	4.8
2023	1,295	...	...	...	...	...	...	...
B. Gross Budget								
2011	1,075	1,021	-54	-5.0	43	4.2	71	7.4
2012	1,123	1,082	-41	-3.7	48	4.5	61	6.0
2013	1,159	1,102	-57	-4.9	35	3.2	20	1.8
2014	1,186	1,149	-37	-3.2	27	2.3	47	4.3
2015	1,224	1,177	-46	-3.8	38	3.2	29	2.5
2016	1,247	1,215	-33	-2.6	24	1.9	38	3.2
2017	1,273	1,255	-18	-1.4	25	2.0	40	3.3
2018	1,315	1,309	-6	-0.4	42	3.3	54	4.3
2019	1,371	1,346	-26	-1.9	56	4.3	37	2.8
2020	1,397	1,350	-48	-3.4	26	1.9	4	0.3
2021	1,429	1,268	-161	-11.3	32	2.3	-82	-6.1
2022	1,460	1,346	-113	-7.8	30	2.1	78	6.2
2023	1,562	...	...	...	...	...	...	...

Source: OBP. Figures may not add to total due to rounding

¹Excludes carryforward funds. ²Includes one-off supplementary contributions to the Retired Staff Benefit Investment Account (RSBIA) until FY17.

Annex Table 4.3. Gross Administrative Spending by Output Area, FY21-22

	Millions of FY22 U.S. Dollars		Percent of Total	
	FY21	FY22	FY21	FY22
Country Operations	451.9	504.6	35.6	37.5
Bilateral Surveillance	176.3	229.9	13.9	17.1
<i>Of which:</i>				
Article IV Consulations	110.5	154.9	8.7	11.5
FSAPs/OFCs	10.0	20.4	0.8	1.5
Lending and Other Engagement	157.9	143.0	12.5	10.6
<i>Of which:</i>				
Programs and Facilities Supported by General Resources	81.3	70.7	6.4	5.3
Programs and Facilities Supported by PRGT Resources	60.3	56.8	4.8	4.2
Capacity Development	117.8	131.7	9.3	9.8
Fund Financed	35.6	30.1	2.8	2.2
Externally Financed	82.1	101.7	6.5	7.6
Fund Policies and Analytical Work	130.2	142.2	10.3	10.6
Fund Policies	49.1	50.8	3.9	3.8
Analytical Work	81.1	91.5	6.4	6.8
Multilateral Surveillance and Global Cooperation/Standards	155.5	152.5	12.3	11.3
Multilateral Surveillance	77.9	76.0	6.1	5.6
<i>Of which:</i>				
WEO	10.6	11.3	0.8	0.8
GFSR	11.8	11.0	0.9	0.8
Fiscal Monitor	4.9	5.2	0.4	0.4
REOs	12.3	12.3	1.0	0.9
Global Cooperation/Standards	77.5	76.5	6.1	5.7
Fund Governance and Fund Finances	127.2	140.8	10.0	10.5
Internal Support	353.7	359.4	27.9	26.7
Miscellaneous	15.4	14.7	1.2	1.1
Center	34.0	31.3	2.7	2.3
Total	1,267.8	1,345.6	100.0	100.0

Source: TRACES, TIMS, iBBIS, staff estimates.

Annex Table 4.4. Gross Administrative Expenditures: Personnel Expenses, FY17-22^{1/ 2/}

(Millions of U.S. dollars)

Expenditure category	FY17	FY18	FY19	FY20	FY21	FY22
Personnel expenses	922	962	995	1,028	1,049	1,106
Salaries	569	603	619	641	657	696
Staff, OED, and IEO	444	465	482	504	520	537
Other personnel 3/	126	138	137	137	137	158
Other personnel expenditures	348	354	371	383	391	409
Retirement benefits 4/ 5/	157	162	168	178	180	186
Health benefits	45	44	47	49	51	54
Tax allowances	39	39	41	41	41	41
Home leave	29	29	31	31	41	43
Children's education allowances	28	29	32	32	34	36
Overseas allowances	19	20	21	22	15	18
Training and study allowances	10	11	11	10	9	10
Spouse and child allowances	7	7	7	7	7	6
Childcare benefit	-	-	-	-	5	6
Other benefits 6/	14	13	13	14	9	8
Other misc. personnel expenditures 7/	5	5	5	5	1	1
<i>Memorandum items:</i>						
Total gross expenditures	1,255	1,309	1,346	1,350	1,268	1,346
Personnel expenses (percent of total)	74	73	74	76	83	82
Salaries (share of total personnel expenses)	62	63	62	62	63	63
Other personnel expenditures (share of pers. exp.)	38	37	38	37	37	37
Total personnel expenses (in FY22 dollars)	1,043	1,056	1,069	1,075	1,068	1,106
Salaries	644	661	665	670	669	696
Other personnel and misc. personnel expenditures	399	394	404	405	399	410

Source: OBP, PeopleSoft. Figures may not add to totals due to rounding.

^{1/}Reflects current expense categories in the chart of accounts, adjusted retrospectively as appropriate.^{2/}Includes external financing.^{3/}Includes salaries of contractuales, experts, local staff, as well as overtime for all personnel.^{4/}Includes the Staff Retirement Plan (SRP), 401K retirement accounts, and contributions under the SRP service credit buy-back program and RSBIA.^{5/}FY17 reflect additional contributions to the RSBIA.^{6/}Includes spouse point and emergency travel, life insurance benefits, settlement allowances, and SBF separation incentives.^{7/}Includes ICD participants' allowances, and social and welfare expenses.

Annex Table 4.5. Total Fund Employment, FY17-22

(Full-time Equivalents (FTEs))

	FY17	FY18	FY19	FY20	FY21	FY22
Total Fund employment	3,762	3,881	3,899	3,912	3,981	4,174
Regular and term staff	2,890	2,923	2,958	2,982	3,021	3,098
Fund-financed	2,813	2,836	2,865	2,886	2,928	2,984
<i>Of which:</i>						
Independent Evaluation Office (IEO)	14	15	15	15	15	16
Office of Executive Directors (OED)	250	247	247	249	247	248
Externally financed	77	87	93	96	94	114
Expert and Contractual Staff 1/	872	958	941	930	959	1,076
Fund-financed	556	586	588	599	651	726
Externally financed	316	372	353	330	309	350

Source: OBP, PeopleSoft.

^{1/}Includes visiting scholars, secretarial support, and other. Excludes local employees in the field.

Annex Table 4.6. Fund-Financed FTEs by Department/Office, FY17-22

Department/office	FY17	FY18	FY19	FY20	FY21	FY22	
						Working Budget 1/	Outturn
Area	785	788	799	799	804	838	825
African	210	221	226	229	232	245	246
Asia and Pacific	114	114	114	116	123	123	121
European	188	186	189	187	177	180	176
Middle Eastern and Central Asia	137	134	137	129	134	143	144
Western Hemisphere	135	133	133	138	138	146	139
Functional non-CD	507	505	511	522	526	558	550
Communications	95	91	87	88	90	91	91
Finance	126	128	129	132	136	143	142
Strategy, Policy, and Review	176	174	183	188	188	199	193
Research	110	112	112	113	112	125	124
Functional CD	693	707	710	718	730	785	741
Fiscal Affairs	150	161	160	160	161	182	158
Institute for Capacity Development 2/	122	123	124	128	126	131	128
Legal	73	77	80	80	86	90	90
Monetary and Capital Markets	219	220	221	228	234	245	241
Statistics	129	127	126	122	123	136	126
Support	489	494	500	501	531	552	529
Corporate Services and Facilities	160	159	160	158	162	163	161
Information Technology	148	153	145	144	139	153	144
Human Resources	90	88	96	99	130	123	119
Office of Budget and Planning	16	16	17	16	17	18	17
Office of Internal Audit	11	12	13	13	12	14	13
Office of Risk Management	7	8	9	10	9	12	8
Secretary	57	59	59	60	63	69	66
Small offices	64	69	65	65	68	68	67
Other	264	262	263	264	262	255	264
Independent Evaluation Office	14	15	15	15	15	15	16
Office of Executive Directors	250	247	247	249	247	240	248
Grand total	2,801	2,825	2,848	2,869	2,920	3,056	2,976

Source: OBP.

^{1/}Adjusted for agreed temporary resourcing and in-year adjustments.^{2/}FY22 reflects shift of regional training centers to ICD from Small Offices.

Annex Table 4.7. Externally Financed FTEs by Department/Office, FY17-22

Department/office	FY17	FY18	FY19	FY20	FY21	FY22	
						Budget	Outturn
Area	1	2	1	1	2	3	3
African	1	1	0	0	0	0	0
Asia and Pacific	1	1	1	1	1	2	1
Western Hemisphere	0	0	0	0	1	2	1
Functional non-CD	3	3	3	3	3	3	3
Finance	1	1	1	1	1	1	1
Strategy, Policy, and Review	1	2	2	2	2	2	2
Research	1	0	0	0	0	0	0
Functional CD	72	82	88	92	87	93	108
Fiscal Affairs	29	31	31	32	34	31	43
Institute for Capacity Development	13	19	20	22	22	26	25
<i>Of which:</i>							
African Training Center	0	0	0	1	1	1	1
Center for Economics and Finance	2	2	2	2	2	3	2
Singapore Training Institute	0	1	0	0	0	0	0
Legal	9	9	8	8	6	10	9
Monetary and Capital Markets	9	11	14	14	10	11	15
Statistics	11	12	16	15	15	14	16
Support	0	0	0	0	1	0	1
Human Resources	0	0	0	0	1	0	1
Innovation and Change						0	1
Total	77	87	93	96	94	100	114

Source: OBP.

Annex Table 4.8. Departmental Business Travel and Seminar Expenditures, FY17-22

	FY17	FY18	FY19 1/	FY20	FY21	FY22
By type of cost	68	110	116	86	2	12
Transportation	40	65	68	51	1	8
Per diem	27	45	48	35	0	4
By type of financing	68	110	116	86	2	12
Fund-financed	47	65	70	50	2	11
Externally financed	20	45	46	36	0	2
By department	68	110	116	86	2	12
Area	27	30	29	22	1	6
CD functional	25	63	65	50	0	2
Other functional	5	6	6	4	0	1
Support and Governance	5	5	9	5	0	2
OED and IEO	5	5	7	5	0	2
<i>Memorandum item:</i>						
In percent of total gross expenditures	5	8	9	6	0	1

Source: OBP.

^{1/}Includes Annual Meetings overall travel.

Annex Table 4.9. Capital Expenditures, FY 16–22
(Millions of U.S. dollars)

	Formula Key	Facilities	Information Technology	IT Cloud Capital Equivalent	HQ1 Renewal	Total Capital
FY16						
New appropriations	(16)	14.4	27.7		132.0 3/	174.1
Total funds available	(17)= (15)+(16)	44.5	40.6		349.4	434.5
Expenditures	(18)	14.6	25.8		90.1	130.5
Lapsed funds 1/	(19)	0.4	0.1		0.0	0.6
Remaining funds 2/	(20) = (17)-(18)-(19)	29.4	14.7		259.2	303.4
FY17						
New appropriations	(21)	32.5	28.0		0.0	60.5
Total funds available	(22)= (20)+(21)	62.0	42.7		259.2	363.9
Expenditures	(23)	17.9	27.9		76.3	122.1
Lapsed funds 1/	(24)	5.4	0.2		0.0	5.6
Remaining funds 2/	(25) = (22)-(23)-(24)	38.7	14.6		182.9	236.2
FY18						
New appropriations	(26)	31.4	35.0		0.0	66.4
Total funds available	(27)= (25)+(26)	70.1	49.6		182.9	302.6
Expenditures	(28)	22.3	31.4		62.3	116.0
Lapsed funds 1/	(29)	0.3	0.0		0.0	0.3
Remaining funds	(30) = (27)-(28)-(29)	47.4	18.2		120.6	186.3
FY19						
New appropriations	(31)	35.5	35.9		0.0	71.4
Total funds available	(32)= (30)+(31)	82.8	54.1		120.6	257.5
Expenditures	(33)	28.7	30.9		81.6	141.2
Lapsed funds 1/	(34)	5.9	0.0		0.0	5.9
Remaining funds	(35) = (32)-(33)-(34)	48.1	23.2		39.0	110.4
FY20						
New appropriations	(36)	40.8	45.0		0.0	85.8
Total funds available	(37)= (35)+(36)	88.9	68.2		39.0	196.2
Expenditures	(38)	41.8	42.2		22.8	106.8
Lapsed funds 1/	(39)	1.8	0.0		0.0	1.8
Remaining funds	(40) = (38)-(39)	45.4	26.0		16.2	87.6
FY21						
New appropriations	(41)	42.4	56.3		0.0	98.7
Total funds available	(42)= (40)+(41)	87.8	82.3		16.2	186.3
Expenditures	(43)	25.7	49.7		1.5	76.9
Lapsed funds 1/	(44)	2.5	0.0		0.0	2.5
Remaining funds	(45) = (42)-(43)-(44)	59.6	32.6		14.7	106.9
FY22						
New appropriations	(46)	23.5	46.0	9.5	0.0	79.0
Total funds available	(47)= (45)+(46)	83.1	78.6	9.5	14.7	185.9
Expenditures	(48)	21.5	60.0	9.1	-0.8 4/	89.8
Lapsed funds 1/	(49)	7.9	0.0		0.0	7.9
Remaining funds 2/	(50) = (47)-(48)-(49)	53.7	18.6	0.0	15.6	87.9

Source: OBP, CSF and ITD.

^{1/}Figures reflect funds that were not spent within the three-year appropriation period, e.g., FY 16 appropriated funds lapsed at the end of FY 18.

^{2/}Figures reflect the unspent amount of the budget appropriation in the period concerned. Those funds can be used for authorized projects in the remaining period(s).

^{3/}Additional appropriations were approved for the HQ1 Renewal Program during FY 16.

^{4/}Reflects project closeout accounting adjustments, mainly the return of contractor retainage that was not utilized.

Annex Table 4.10. Capital Expenditures on Facilities Projects, FY22^{1/}

Project	FY22 Total Available Funds	FY22 Outturn	Lapsed Funds 2/	Remaining Funds
Total	83.1	21.5	7.9	53.7
New Investments	14.5	7.8	2.3	4.4
Audio-Visual (new)	2.8	2.6	-	0.2
Other HQ investments	11.6	5.2	2.3	4.2
HQ1	2.6	1.5	0.8	0.3
Other miscellaneous	9.0	3.7	1.4	3.9
Life-Cycle, Repair, Recurring	51.1	13.0	5.4	32.7
Audio-Visual Replacements	8.4	1.5	0.0	6.9
Furniture Refresh	14.0	0.8	3.4	9.8
HQ Tenant Renovations	5.9	3.1	-	2.8
Other HQ lifecycle	19.8	6.3	1.9	11.6
HQ1	15.3	4.2	1.2	9.8
HQ2	1.4	1.2	0.1	0.1
Other miscellaneous	3.1	0.9	0.6	1.7
Vehicles	2.9	1.3		1.6
Contingency and Planning Reserves	10.4	0.7	0.2	9.5
Unallocated Pool 3/	7.1	-	-	7.1

Source: CSF.

^{1/}Figures may not add to totals due to rounding. Available funds include FY 20-21 appropriations that were unspent at the beginning of FY22.

^{2/}Includes FY20 unspent funds that expired at the end of the three-year appropriation period.

^{3/}Unallocated pool includes funds earmarked for lifecycle projects that have not been released yet.

Annex Table 4.11. Information Technology Capital Spending by Project, FY22

	Total Approved	Total Spent in Previous Years (thru FY22)	FY 22 Outturn
Total	265.1	162.5	60.4
Key Modernization Projects (and pre-reqs)	167.19	113.96	36.14
1HR	69.60	54.39	13.00
CDMAP	19.10	18.85	5.12
iDATA	23.50	7.83	7.37
Integrated Digital Workplace	12.78	5.46	1.10
New Document Management	23.98	14.81	6.24
Pre-requisite/foundational projects	18.23	12.62	3.32
New Investments	43.29	20.69	9.67
Big Data Lab	0.44	0.41	0.04
Change Management for the Big5 Projects	0.30	0.50	0.27
FACTS Financial Gateway	0.35	0.24	0.04
Fund Integrated Training Solution (FITS)	1.47	1.32	1.31
iFin Mandatory Core Banking System Upgrade	13.54	2.78	2.45
IMF.org Operational Optimization	1.34	0.67	0.54
Innovation Fund	0.56	0.36	0.24
Innovation Fund - FY19	0.25	0.25	0.00
Integrated Language Services Solutions 2.0	1.83	1.68	0.41
MIS Replacement - Creative workflow management system	0.73	0.70	0.60
Modernize Secure Digital Engagement (Extranets)	0.98	0.96	0.03
MSPs Ecosystem	4.09	1.49	0.68
OMD Mailbox Review Cognitive Insights Platform	0.21	0.11	0.02
Optimizing CD Partner Engagement with the Fund	0.52	0.43	0.06
Robotic Process Automation (RPA) Second Phase	1.47	0.73	0.48
SDLC Tools Upgrade	0.23	0.20	0.01
Search Improvements for IMF.org	0.86	0.84	0.24
Service Hub	0.69	0.57	0.30
Space Management System Replacement	0.52	0.44	0.13
Strengthening DevSecOps Automation	1.20	0.41	0.48
of which: Information Security			
Application Controls	0.14	0.14	0.04
Crown Jewels (CJ) Proactive Protection	6.38	1.31	1.20
Crown Jewels Phase 2	0.96	0.96	0.03
Enhancing the Fund's Privileged Access Controls	1.18	0.21	0.06
SIEM Replacement	3.07	2.96	0.02
Infrastructure end-of-life	54.7	27.8	14.5
BCC Relocation and Cloud Migration	5.0	3.3	1.8
CMDB Technology Management Operations Automation	2.9	0.9	0.9
IT22274 IT End User Equipment for Special Requests and Growth	0.3	0.2	0.1
Lifecycle Refresh for Remote Office Network Infrastructure	4.5	3.4	2.4
Mobile (iPhone and iPad) Refresh FY21	3.4	2.5	2.5
Network Infrastructure Capital	11.4	4.9	1.3
PC Refresh	15.6	6.1	4.3
Server Capital	2.0	2.0	0.0
Server Capital 2019-2022	5.8	2.7	0.4
Storage Infrastructure Renewal 2019-2022	3.8	1.9	0.9

Source: ITD, OBP.