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November 29, 2022

**Statement by Mr. Nakunyada, Ms. Nainda, Ms. Basutli, Mr. Cham, and Mr. Essuvi on
The Managing Director's Update on the FY 2023 Work Program of the Executive Board
(Preliminary)
Executive Board Meeting
December 2, 2022**

1. We welcome the Managing Director's updated Statement on the Board Work Program (BWP) which is aligned with priorities articulated in the Fall 2022 Global Policy Agenda (GPA, as well as the IMFC Chair Statement. We, therefore, support the key priorities of the BWP geared to help countries navigate through the overlapping shocks. Nonetheless, we underscore the need for prioritization of Board items, and flexibility to decongest the ambitious work program which is expected to be strained by a heavy agenda on policy, administrative, and country items.
2. We are encouraged by efforts aimed at maintaining the key policy issues and priorities in flagships and regional reports but stress the need for flexibility in finetuning the focus as needed. That said, we look forward to the planned analytical work on *Geo-Economic Fragmentation (GEF) and the Future of Multilateralism*, which we view as extremely important, considering the disruption of supply chains and financial markets, owing to the successive shocks. We also look forward to deeper insights on the repercussions of GEF on the stability of the international monetary system.
3. On surveillance, we view the forthcoming discussion on *Data Provision to the Fund*, as critical to inform evidence-based policies. Given the limitations imposed by multiple shocks, building capacity in this area is critical to support the membership in improving data transparency and integrity. Meanwhile, we welcome the Review of the *Framework for Engagement on Governance* as an opportunity for a comprehensive stock-take of the 2018 Framework. At the same time, we support work aimed to advance the application of the Integrated Policy Framework (IPF) including to LICs. Further, we consider the informal discussion on *IMF Lending: Update on Crisis Response and Possible Way Forward* as vital to lay the groundwork for the Fund's continued efforts to adapt its lending toolkit to the evolving needs of the diverse membership. Additionally, we welcome the planned *Review of Precautionary Instruments* to draw from country

experiences and assess how to better cement their role in providing insurance against external risks.

4. Considering the criticality of integrating CD with surveillance and lending, we appreciate work to initiate the 2023 CD Strategy review. We positively note that the concept note designed to inform the potential themes of the 2023 CD Strategy review would benefit from findings and recommendations of the *IEO Evaluation of IMF and Capacity Development*. We also appreciate that the strategy would build on progress in the implementation of the 2018 CD Strategy review as well as the Board's strategic guidance. Considering emerging challenges stemming from the dislocation of global trade and changes to the trade policy landscape, we view the planned review of *the role of Trade in the work of the Fund*, as timely.
5. We welcome the continued prioritization of the debt agenda given rising debt vulnerabilities in many of our countries. We, therefore, look forward to the forthcoming discussion on *Contractual Approach* and the *Common Framework*, and the formal discussion on *Making Public Debt Public*. More specifically, we look forward to additional impetus on efforts to promote a more efficient and timely debt restructuring under the *G-20 Common Framework* to pave the way for deeper Fund engagement through UCT-quality programs in our countries.
6. We positively note the Fund's ongoing *transformational/resilience agenda* and continue to urge staff to further explore potential risks and help member countries device adequate regulatory frameworks to safeguard financial stability. Specifically, we welcome upcoming discussions on climate, including the review of *the Climate Macroeconomic Assessment Program, Analytical work on Energy Security and Climate Mitigation Policies*, as important to support RST lending operations. Furthermore, we support the proposed analytical work on cross-border digital payments and macroeconomic policies for crypto assets, and the discussion on the Capacity Development Approach to CBDC and the CBDC Handbook.
7. We look forward to continued progress on the risk agenda, aimed to benchmark the Fund's risk sophistication with comparator IFIs. We particularly welcome progress on the Enterprise Risk Management (ERM) Policy, Framework, and Roadmap, alongside the discussion of *Risk Tolerance Statements*. We view this workstream as critically important as the successive crises have seen the Fund taking additional risk in performing its lender of last resort and crisis management functions. Further, we reiterate our support for the work agenda on the 16th General Review of Quotas as critical to ensure timely conclusion of the review. Relatedly, we appreciate the inclusion of items on the *Adequacy of PRGT and RST Resources* planned for the remainder of FY2023 as important considering the pressing financing needs facing LICs.
8. Finally, we appreciate the early insights provided on potential focal areas for FY2024, which we believe offers an opportunity to lay the foundation for the next financial year's agenda. We, therefore, welcome the planned topics on *GovTech, Policy Responses to Commodity Price Shocks, Monetary-Fiscal Interactions in Inflation Booms*, and *Capital*

Outflow CFMs. We also view the planned priorities on lending during FY2024 as critical. At the same time, we look forward to the *2024/25 Review of the Fund's Concessional Facilities and Financing* and the 18-month *Interim Review of the Resilience and Sustainability Trust*, and the review of *Access Limits on the RFI and RCF, Including Under the Respective Food Shock Windows, Program Monitoring with Board Involvement (PMB) in Staff Monitored Programs*, and the *Policy Coordination Instrument*. Concurrently, we welcome the plans to sustain workstreams on *Building Statistical Capacity* in fragile and conflict-affected states (FCS) as important to support effective policymaking.