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April 26, 2022

**Statement by Ms. Marcussen, Ms. Ekelund, and Mrs. Ogmundsdottir on Review of the Fund's Income Position for FY2022 and FY2023-24  
(Preliminary)  
Executive Board Meeting  
April 28, 2022**

We thank staff for the informative paper on the Review of the Fund's Income Position for FY 2022 and FY 2023-2024. **We support all five proposed decisions concerning FY 2022 and FY 2023-2024** and would like to provide the following comments for emphasis.

**We note with some concern the slightly slower pace of reserve accumulation** than was anticipated in the recent Interim Review of the Adequacy of the Fund's Precautionary Balances. Close continued monitoring of developments in reserve accumulation is of the essence, not least given the high sensitivity to underlying assumptions and the significant credit risks in the Fund's lending portfolio.

**We note the current repurchase schedule is heavily concentrated in the FY2023-2025 window** which constitutes an additional risk. In this respect, we reiterate our view that the current structure of surcharges should remain unchanged as they constitute a crucial part of the Fund's multilayered risk management framework including to ensure an adequate accumulation of precautionary balances. We agree with staff on the rationale to retain the rate of charge on the use of Fund resources for FY 2023–2024 unchanged at 100 basis points over the SDR interest rate, as proposed in decision 5.

**We agree with the proposed income allocation decision that would isolate IAS 19 remeasurement gains and losses in the special reserve**, and the continuation of the even allocation of net positive income to the special and general reserve as proposed in decision 3. We continue to support the principles that have guided the framework for income allocation to the special and general reserves, and the Board's flexibility to decide on future income allocation.

**We see merit in delaying the Endowment Account (EA) payout for an additional year,** as proposed in decision 2, to build an adequate income cushion, in particular as it would reduce the risk of a start-stop decision.