

**EXECUTIVE  
BOARD  
MEETING**

EBAP/22/14  
Supplement 1

April 5, 2022

To: Members of the Executive Board

From: The Secretary

Subject: **FY2023–FY2025 Medium-Term Budget—Draft Press Release**

Board Action: Executive Directors' **consideration** (Formal)

Tentative Board Date: **Thursday, April 28, 2022**

Publication: Proposed, with main paper

Questions: Mr. Tyson, OBP (ext. 37895)  
Ms. Albino, OBP (ext. 39708)





## IMF Executive Board Approves FY2023–FY2025 Medium-Term Budget

FOR IMMEDIATE RELEASE

**Washington, DC**—On April 28, 2022, the Executive Board of the International Monetary Fund (IMF) considered the 2023-25 financial years (FY23-25) Medium-Term Budget in the context of significant economic uncertainty, driven by the fallout of the pandemic, the war in Ukraine, as well as shifting monetary conditions in major markets. At the same time, the membership is tackling the profound macroeconomic and financial implications of longer-term global challenges. The Board recognized the need for the Fund to remain agile in its response, working in close cooperation with partners.

The Board emphasized the need to continue exercising strict budget discipline through robust savings and reprioritization. At the same time, after a decade of flat real budgets, Executive Directors approved a targeted budget augmentation framework to step up the Fund's work on longer-term global challenges. The real net administrative budget will increase on average by 2 percent each year during FY23 to FY25 relative to FY22, returning to a flat real budget trajectory thereafter. The new resources are linked to specific deliverables identified in strategies endorsed by the Board to tackle the macro-critical challenges of climate change and the rise of digital money, while reinforcing the Fund's work on macrofinancial surveillance, fragility, and inequality. The approved budget is consistent with projected income.

The approved net administrative budget for FY23 (May 1, 2022–April 30, 2023), which covers all administrative expenses less receipts (primarily from external sources to help support capacity building activities and excluding lending income), has been set at US\$1,295 million, a 1.8 percent (\$21.8 million) real increase relative to FY22. The maximum amount of unused budget resources that can be carried forward from previous years will be reduced from 8 to 7 percent of the underlying budget, representing an initial unwinding of exceptional temporary space for immediate Covid-related crisis needs that was introduced in FY21.

The FY23 capital budget is set at US\$78 million, a reduction of 1.3 percent from FY22, allowing critical investments but also time to take on board lessons from the remote environment and recent modernization experience.

The Board also approved an increase in the limit and a carryforward mechanism for externally funded spending, linked to a ramp up in capacity development activities to support the Fund's structural transformation agenda.

Additional information can be found in the staff paper on the FY23-25 Medium-Term Budget ([link to the MTB paper](#)) and the Augmentation Framework Paper ([link to the Augmentation paper](#)).