

**IMMEDIATE
ATTENTION**

EBAM/10/4

June 8, 2010

To: Members of the Executive Board

From: The Secretary

Subject: **Offices of Executive Directors—Revised Requests for Access to the
FY 2011 OED Restructuring Budget**

Attached for consideration by Executive Directors is a paper on the revised requests for access to the FY 2011 OED restructuring budget. The CAM recommends the approval of the draft decision set out in the paper.

It is not proposed to bring this matter to the agenda of the Executive Board for discussion unless an Executive Director so requests by **noon on Tuesday, June 15, 2010**. In the absence of such a request, the proposed decision that appears on page 3 will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Questions may be referred to Mr. Trines (ext. 35639) and Ms. Amad (ext. 36665) in OBP.

This document will shortly be posted on the extranet, a secure website for Executive Directors and member country authorities.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

**Offices of Executive Directors (OED)
Revised Requests for Access to the FY 11 OED Restructuring Budget**

Prepared by Staff

Approved by Daniel Citrin

June 7, 2010

| | Contents | Page |
|------|---|------|
| I. | Introduction..... | 2 |
| II. | The FY 11 Restructuring Budget by Office..... | 2 |
| III. | Proposed Decision | 3 |

Tables

| | | |
|----|--|---|
| 1. | FY 11 Access to OED Restructuring Budget by Office | 4 |
| 2. | OED Restructuring Budget..... | 4 |

I. INTRODUCTION

1. The purpose of this paper is to seek Executive Board approval of the revised requests of the Offices of Executive Directors (OED) for access to the FY 11 OED Restructuring Budget. These requests were discussed and supported by the Executive Board's Committee on Administrative Matters (CAM) on May 28, 2010.¹ At the time the OED restructuring budget was formulated in 2008, it was anticipated that offices might need to revise their savings plans in the two outer years (FY 10 and FY 11) based on changing circumstances.² Revised requests for FY 10 were approved by the Executive Board on September, 28, 2009.³ The paper contains a draft decision for Executive Board approval of the revised requests for FY 11.

II. THE FY 11 RESTRUCTURING BUDGET BY OFFICE

2. FY 11 is the last year of the three-year (FY 09–11) restructuring budget approved by the Executive Board on April 6, 2008 to assist with the downsizing effort undertaken by the Fund to reduce costs by \$100 million and 380 staff by the end of FY 11.⁴ The total amount of budget resources approved for the OED restructuring was \$7.6 million, \$2.0 of which was used in FY 09. For FY 10, actual access to the restructuring budget amounted to \$1.1 million.⁵

3. Updated requests for access to the restructuring budget in FY 11 are presented in Table 1 below. Five offices (OEDAE, OEDBR, OEDIN, OEDMD, and OEDNO) submitted requests to revise their FY 11 access from the restructuring budget.⁶ OEDAE asked to withdraw its original request for restructuring resources in FY 11. Two offices (OEDBR and OEDIN) each requested financing for a full-time (one FTE) senior advisor position at a

¹ *Request for Access to the FY 2011 OED Restructuring Budget and FY 2010 Carry-Forward* (EB/CAM/10/5, 05/26/10, EB/CAM/10/5 Correction 1, 05/27/10).

² *Executive Directors' Requests for Access to the OED Restructuring Budget* (EBAM/08/75, 08/01/08).

³ *Office of Executive Directors' (OED) Access to OED Restructuring Budget for FY 10 and FY 11* (EBAM/09/49, Revision 1, 9/25/09)

⁴ *The FY 2009–FY 2011 Medium-Term Administrative, Restructuring and Capital Budgets* (EBAP/08/20 Supplement 1, 4/06/2008).

⁵ Access to the restructuring budgets is determined at the end of the financial year by comparing actual spending on personnel in Group I with the budgeted amount for each office. For offices that had requested access to the restructuring budget, expenditures in excess of the personnel budget will be financed from the restructuring budget.

⁶ A sixth office (OEDCE) withdrew its request and asked to reinstate its original request of \$239 thousand from the FY 11 restructuring budget.

standard cost rate of \$292,500, while OEDMD requested financing for an additional full-time (one FTE) advisor level position at a standard cost rate of \$207,800. OEDNO requested financing for 0.4 FTE at an advisor level position. Total requests in FY 11 now total \$2.4 million. The remaining resources in the OED restructuring budget would be \$2.1 million as presented in Table 2.

III. PROPOSED DECISION

The CAM recommends the adoption by the Executive Board of the following decision:

1. The Executive Board hereby approves the requests of Executive Directors for temporary supplemental resources from the OED restructuring budget for FY 11, as set forth in Table 1 of EBAM/10/4 (6/8/10).

Table 1. FY 11 Access to OED Restructuring Budget by Office
(in thousands of U.S. dollars)

| Office | Original Request 1/ | Original Request 2/ | Revised Request 3/ |
|--------------|---------------------|---------------------|--------------------|
| AE | 83 | 83 | -- |
| AF | -- | -- | -- |
| AG | 188 | 187 | 187 |
| AU | -- | -- | -- |
| BE | 208 | 208 | 208 |
| BR | 136 | 135 | 293 |
| CC | 188 | 187 | 187 |
| CE | 240 | 239 | 239 |
| CO | -- | -- | -- |
| FF | 40 | 39 | 39 |
| GR | -- | -- | -- |
| IN | 188 | 187 | 293 |
| IT | 143 | 142 | 142 |
| JA | 10 | 10 | 10 |
| MD | 83 | 83 | 291 |
| MI | -- | -- | -- |
| NE | 208 | 208 | 208 |
| NO | -- | -- | 83 |
| RU | -- | -- | -- |
| SA | 83 | 83 | 83 |
| ST | 112 | 111 | 111 |
| SZ | -- | -- | -- |
| UA | -- | -- | -- |
| UK | -- | -- | -- |
| Total | 1,911 | 1,903 | 2,374 |

1/ Offices of Executive Directors (OED) Access to Restructuring Budget for FY 10 and FY 11, (EBAM/09/49).

2/ Reflects new FY 11 standard cost.

3/ Five offices submitted requests to revise their restructuring plans.

Table 2. OED Restructuring Budget
(in millions of U.S. dollars)

| | FY 09 | FY 10 | FY 11 | Total |
|---|-------|-------|-------|------------|
| Board Approved 1/ | 4.4 | 2.4 | 0.8 | 7.6 |
| Original Plan | 3.8 | 2.5 | 1.5 | 7.8 |
| Revised Plan 2/ | 2.0 | 2.9 | 1.9 | 6.8 |
| Revised Plan 3/ | 2.0 | 1.1 | 2.4 | 5.5 |
| Available for reallocation (from board approved) | | | | 2.1 |

Note: Totals may not add due to rounding.

1/ Indicative distribution per year, as Board approved total three-year envelope.

2/ Reflects new standard cost rates for FY 10 & FY 11 and changes in restructuring plans submitted in FY 10.

3/ Reflects new standard cost rates for FY 11 and changes in restructuring plans submitted in FY 11.