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FOR INFORMATION

EBAP/23/69
Correction 1

October 20, 2023

To: Members of the Executive Board

From: The Acting Secretary

Subject: **FY2023—Output Cost Estimates and Budget Outturn**

Board Action:	The attached corrections to EBAP/23/69 (7/27/23) have been provided by the staff:
Factual Errors Not Affecting the Presentation of Staff's Analysis or Views	**Pages 6 and 11**
Questions:	Mr. Alper, OBP (ext. 35907) Mr. Salerno, OBP (ext. 39050)

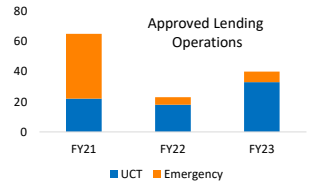
FY23 HIGHLIGHTS

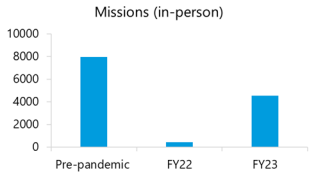
100 percent structural utilization (101 percent excluding OED/IEO). First phase of augmentation ($21.8 million)

$1.293 billion
Total net administrative expenditures

38~~3~~ lending operations, including **5** RSF arrangements

Continued shift to traditional (UCT) lending; increased operations





Strong pick up of in-person engagements

4,528
in-person missions to 196 countries

117 Article IV consultations completed

8 FSAPs completed

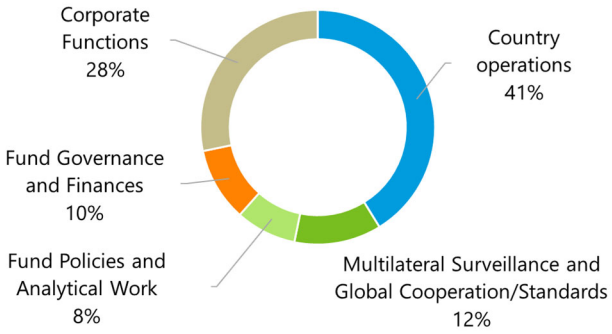
85 percent execution of external resources, **27** percent increase versus FY22

$195 million
Externally financed spending

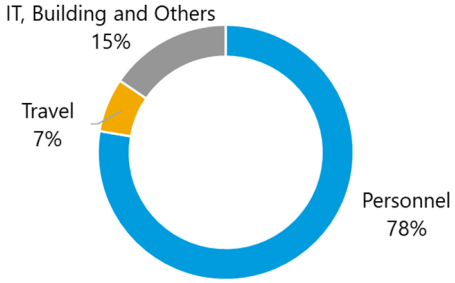
$96 million
Capital spending

60 percent focused on IT-intensive projects and licenses

Spending by Output
(Gross administrative spending)



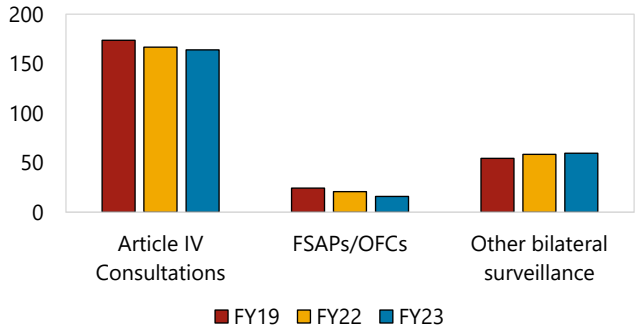
Spending by Input
(Gross administrative spending)



- **Bilateral surveillance** (Figure 3). Spending on country surveillance excluding travel decreased by 3 percent ($6 million) relative to FY22 reflecting lower spending on Article IV Consultations and FSAPs, particularly in advanced economies and with increased lending. In FY23, 117 bilateral consultations and ~~7~~8 FSAPs were completed, compared to 126 and 11, respectively, in FY22. Other bilateral surveillance work, including on AML/CFT and standards and codes were in line with previous years.

Figure 3. Spending on Bilateral Surveillance, FY23

(Direct Cost excluding travel, millions of FY23 U.S. dollars)

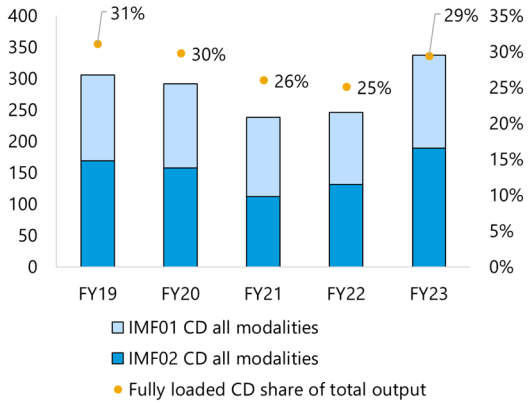


Sources: TRACES, TIMS, iBBIS, staff estimates.

- **Capacity development** (Figure 4, Annex II)**.** Departmental CD spending (including direct spending and departmental overheads but excluding Fund-wide overheads) increased by 31 percent to $337 million.
  - Fund-financed spending reached $148 million, 43 percent of total departmental spending and an increase of 23 percent relative to FY22, albeit still below pre-crisis levels. Growth in FY23 reflects a return to travel and renewed use of short-term experts.
  - Externally funded CD spending increased to $189 million (57 percent of departmental CD spending), an increase of 37 percent compared to FY22, and in line with pre-pandemic levels. This spending represented 85 percent of the $222 million available envelope.
  - Including Fund-wide overheads, CD represents 29 percent of Fund spending. Including Fund-wide overheads, fully loaded Fund-financed CD spending represents 56 percent of total CD spending and externally funded CD, 44 percent.

Figure 4. CD Spending FY19-23

(Millions of FY23 U.S. dollars, in percent (RHS))



Sources: TRACES, TIMS, iBBIS, staff estimates. Note: Blue bars include departmental overheads and travel. Yellow dot includes Fund-wide overheads.

- **Average country spending** (Figure 5). Average direct country spending excluding travel (financed with internal and external resources) increased by 7 percent (to $2.3 million) relative to FY22(17 percent to $2.6 million including travel). Excluding externally funded CD, average direct country spending increased by 4 percent (to $1.8 million). Spending on surveillance countries averaged $1.2 million, an increase of 3 percent relative to FY22. Average spending for countries