FOR INFORMATION

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To: Members of the Executive Board

From: The Secretary

Subject: **FY2020—Output Cost Estimates and Budget Outturn**

Board Action:	Executive Directors' **information**
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Questions:	Ms. Ulmschneider, OBP (ext. 34718) Ms. Kongsamut, OBP (ext. 34541) Ms. Khazai, OBP (ext. 39931)

INTERNATIONAL MONETARY FUND

July 30, 2020

FY2020—OUTPUT COST ESTIMATES AND BUDGET OUTTURN

EXECUTIVE SUMMARY

The FY2020 outturn, including the impact of the COVID-19 related crisis late in the year, was in line with expectations reflected in the FY 21-23 Medium-term Budget and Supplement, as discussed by the Executive Board in April 2020. Unused carry forward funds of $55 million are available—$45 million for general use to meet transitional needs (including $8 million in FY 20 structural underspending), and the remainder for the Offices of Executive Directors (OED) and the Independent Evaluation Office (IEO).

This paper provides more detailed information on the final FY 20 outturn, including an analysis of what was delivered (by output) and the associated expenses (by input).

The report also highlights the shift in the use of resources during the last two months of the fiscal year driven by the COVID-19 related crisis. The immediate crisis response included ramping-up Fund financing to members, adapting financial instruments and facilities, assessing the macroeconomic and financial implications of the crisis, and disseminating policy advice that reflected the impact of the crisis on macroeconomic and financial conditions, while incorporating health and social considerations. At the same time, the Fund addressed operational needs related to business continuity in the context of the work-from-home environment and a travel ban. With uncertainties from the COVID-19 crisis remaining high, the Fund's budget is expected to continue to be affected for some time.

Approved By
Michele Shannon

Prepared by the Office of Budget and Planning (OBP) team lead by Sepideh Khazai and Piyabha Kongsamut under the supervision of Gisela Ulmschneider, with contributions from Gillian Adu, Anand Balakrishnan, Rebecca Brofft, Melanie Burke, Raquel Chuayffet, Angeliki Economopoulos, Mercy Alarcon Pinargote, Axel Schimmelpfennig, Anika Shtuni, Justin Tyson, Muriel Vimond, Barrie Williams, and Jiu Hong Zhou.

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FY2020 HIGHLIGHTS

Spending was 99.3 percent of the $1.158 billion total net administrative budget.

$1.150 bn
Total net administrative expenditures

68
countries with IMF facilities and instruments

This includes 41 countries for which emergency financing was approved in the last two months of FY 20.

Average spending per country on bilateral surveillance, lending, and capacity development.

$2.1 mn

$55.2 mn
Carry forward

Available for FY 21 to meet transitional needs; some $45 million for general use and the remainder for the Offices of the Executive Directors (OED) and the Independent Evaluation Office (IEO).

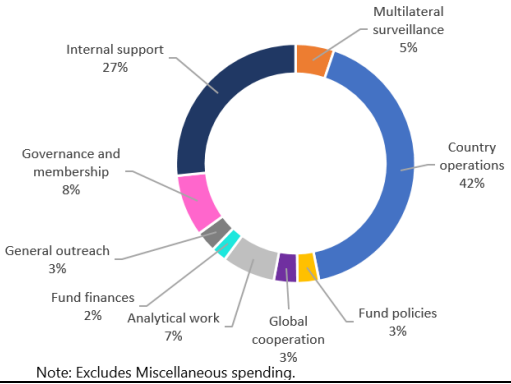
84 percent utilization of available externally financed budget; reflecting in part the immediate crisis impact on travel late in the year.

$168 mn
Externally financed spending

$107 mn
Capital spending

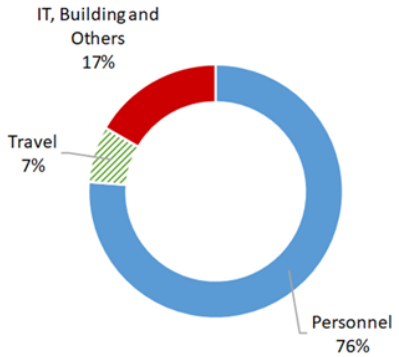
About 20 percent of capital spending went to completion of the HQ1 renewal, with the remainder equally split between facilities and IT-supported projects.

Spending by Fund Thematic Framework



Note: Excludes Miscellaneous spending.

Spending by inputs



OVERVIEW

1. Implementation of the FY2020 budget was affected by the immediate impact of the COVID-19 crisis late in the fiscal year. *Total net administrative expenditures* were $1,150 million, or 99.3 percent of the approved structural budget of $1,158 million (Table 1). The is broadly in line with expectations, as discussed in the FY 21-23 Medium-term Budget and Supplement.[1] Relative to total net available resources (which included $31 million in carry forward for general use and $15 million for OED and IEO from FY 19), the utilization rate was 95.4 percent. Utilization of the *net Fund-financed budget* was 99.3 percent, with the underrun reflecting the impact of the COVID-19 related crisis, including on travel expenditures. Given Board approval in April of an increase in the Fund's general administrative carry forward limit from 3 to 5 percent, $45 million in carry forward resources will be available for general use under the FY 21 budget.[2]

2. The shortfall in externally financed CD spending was in line with projections in the FY2021-FY2023 budget supplement. Gross externally financed expenditures were $168 million, about $32 million (16 percent) below the $200 million budgeted level and $10 million (6 percent) below last year. The underspend reflects a variety of factors; in Q4 specifically, travel restrictions and capacity constraints in recipient countries impeded delivery.

Table 1. Overview of Administrative Budget and Expenditures, FY 19–20

(Millions of U.S. dollars, unless otherwise noted)

	FY 19			FY 20		
	Budget	Outturn	Utilization (percent)	Budget	Outturn	Utilization (percent)
Total gross expenditures	**1,371**	**1,346**	**98.1**	**1,397**	**1,350**	**96.6**
Fund-financed 1/	1,175	1,170	99.6	1,197	1,182	98.7
Externally financed 1/	196	175	89.3	200	168	84.0
Total net expenditures	**1,135**	**1,131**	**99.7**	**1,158**	**1,150**	**99.3**
Of which: Fund-financed	*1,135*	*1,134*	*99.9*	*1,158*	*1,150*	*99.3*
Carry forward from previous year	46			47		
Total net available resources	**1,181**	**1,131**	**95.8**	**1,205**	**1,150**	**95.4**

Source: Office of Budget and Planning.

Note: Figures may not add up due to rounding.

1/ The difference between total net expenditures and Fund-financed net expenditures in FY 19 reflects a $3 million difference between IMF02 spending and receipts (see Table 7). This is due to: i) use of standard cost benefits for externally funded long-term field-based experts and ii) timing differences for take up of benefits and their scale relative to standard costs. Reconciliation of these accounts with actual expenditures is reflected in figures for FY 20.

[1] See in particular Annex III of the main paper (page 44) and Supplement 1.

[2] The total FY 21 carry forward of $55.2 million is made up of $44.5 million for general use (including $4.9 million transferred from the OED carry forward), an additional $10.2 million for OED, and $0.5 million for IEO. The total carry-forward limit is $69.4 million, of which $53.8 million is for general use.

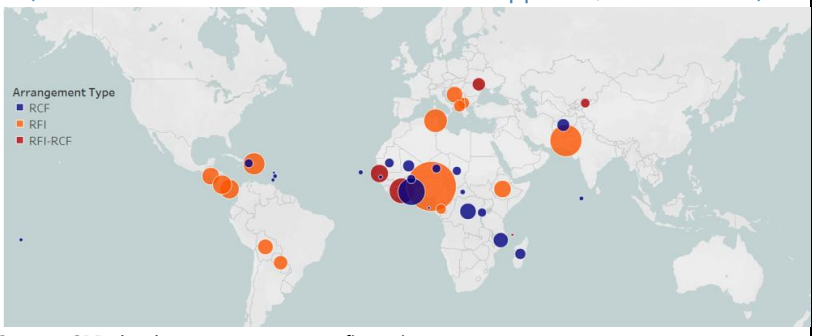
SPENDING BY OUTPUTS

A. Crisis-Impact on Budget Execution

3. Spending execution in the first ten months of FY 20 was on track to end the year at budgeted levels. In country operations, 117 Article IV consultations were held in May 2019 to February 2020, compared to 109 in the same period in FY 19. Lending was increasing, consistent with greater budgetary resources that had been provided. CD spending was addressing priorities as highlighted in the FY2020-2022 Medium-term Budget. The Board Work Program was being implemented, with interim discussions under the Comprehensive Surveillance Review and FSAP review, stepped up engagement on risk management, preliminary discussions on the Integrated Policy Framework, work on topical policy items such as monetary and macrofinancial policies, debt in low income countries, engagement with fragile states, IMF advice on social spending, fintech and digital currencies, and discussion of recurrent items including flagships and regional briefings.

4. The COVID-19 outbreak late in the fiscal year resulted in an unprecedented number of members requesting emergency financing. Within two months at end FY 20, the Board approved 41 emergency financing cases across all regions (Figure 1). These continue in FY 21, with over 100 members having approached the Fund about possible emergency financing.

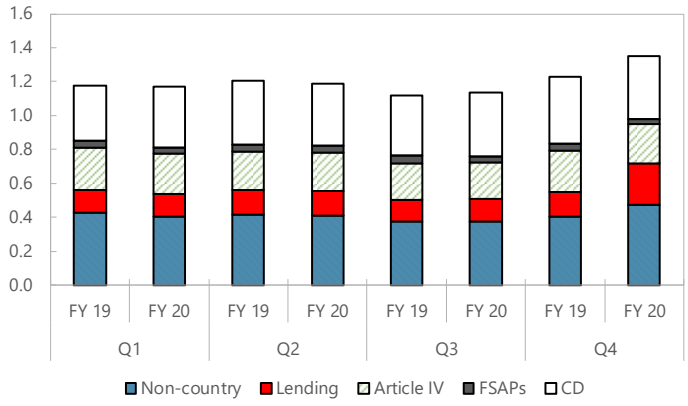
Figure 1. Emergency Financing Cases in FY 20
(Size of bubble indicates total access at approval, SDR millions)



Source: SPR database on emergency financing cases.

5. The rapid response by Fund staff is reflected in stepped up activity in FY 20 Q4. Total recorded staff time on main outputs increased by 10 percent from the same period last year (Figure 2), including a 40 percent increase in recorded overtime hours. These efforts were particularly evident in lending (red segment) and non-country work (blue), which covers supporting analytical and policy work. Together these categories increased by over 30 percent in FY 20 Q4 relative to FY 19 Q4.

Figure 2. Hours Spent, by Output
(Millions of hours, regular and overtime)



Source: TRACES.

6. With unchanged total staff resources, immediate crisis response needs were met in large part through reprioritization, informal reallocations, and staff overtime and untaken leave. For example, the increase in lending was supported through reallocation from Article IVs, FSAPs and CD, which declined a combined 8 percent during this period. Delays in non-crisis related policy reviews and analytical work also contributed, as well as streamlining of operational procedures. Informal and temporary staff reallocations also took place, notably from functional CD departments to provide direct support to teams in area departments, FIN, and SPR. These adjustments were necessary to respond to the crisis but point to limits and increased workload going forward.

B. Spending by Thematic Category, Relative to Budget

7. While time spent on country engagement increased in the context of the COVID-19 crisis, dollar spending was below budget. Overall spending for *country operations* (including bilateral surveillance, lending, and CD) was below the Fund-financed budget by some $19 million, largely reflecting travel. Higher-than-expected spending on *lending* of $4 million was more than fully offset by the lower-than-projected spending on *bilateral surveillance* and *CD*. *Analytical work* was below budget by $4 million, notwithstanding some increase late in the year (see below). Other expenditures (including *multilateral surveillance*, *global cooperation*, *Fund policies*, and *Fund finances*) were broadly as planned. *Governance and membership* related work was below budget, partly due to the virtual Spring Meetings.

Table 2. Gross Administrative Fund-Financed Resources by Thematic Categories, FY 19–20
(Millions of FY 20 U.S. dollars)

		FY 20			
	FY 19 Outturn	Estimated Structural Resources	Transitional Resources	Total	Outturn
Total	**1,201**	**1,197**	**26**	**1,223**	**1,182**
Country operations	417	413	10	423	404
FSAPs	23	20	0	20	19
Lending	83	93	4	97	101
Surveillance	197	192	5	197	181
Non financial arrangements and debt relief	29	25	0	25	25
CD delivery	86	83	2	84	79
Multilateral surveillance	65	68	0	69	69
Global Cooperation 1/	44	42	1	43	42
Analytical work	87	94	2	96	92
Fund policies	38	38	1	39	38
Governance and membership 2/	115	118	1	119	110
Fund finances	21	20	0	21	20
General outreach	40	38	0	38	37
Internal support	352	327	10	336	339
Miscellaneous 3/	21	24	. . .	24	30
Contingency	. . .	15	. . .	15	. . .
Memorandum item:					
Externally financed activities	180	200	0	200	168

Source: OBP estimates, Analytic Costing and Estimation System (ACES).
1/ Global cooperation captures standard setting, and work with other international organizations and the G-groupings.
2/ Governance and membership encompasses work supporting the Board of Governors, the Executive Board, Management, and internal functions such as risk management and internal audit; it also covers work on quota and voice.
3/ Miscellaneous includes payments to some separating staff and reconciliation items. Fund-financed only.

C. Spending on FY 20 Priority Topics

8. Spending in priority areas identified in the FY2020-FY 2022 Medium-term Budget was supported by incremental budgetary resources, in some cases from a low starting base. Table 3 provides partial estimates for non-CD spending by priority topics, with similar information on CD spending provided in Annex I:[3]

Table 3. Estimated Non-CD Spending on Priority Topics, FY 20
(Millions of FY 20 U.S. dollars)

	Country teams	Other 1/	Total
Financial surveillance	38	38	77
Fragile states	64		64
Anti-corruption/governance	37	6	43
Inclusive growth	28		28
Social spending	25		25
Climate change	14	2	16
Gender	8	1	9
Fintech/cyber risk	5	1	6
International taxation	4		4

Source: ACES, survey of country teams, staff estimates.
1/ "Other" captures specific topical work outside of country teams, as highlighted in footnote 3. Blank cells indicate data gaps.

- *Financial surveillance*. Total spending was around $77 million in FY20, or 15 percent of bilateral and multilateral surveillance. These estimates include spending on financial surveillance by country teams, as well as functional departments. Overall, FY 20 saw a decline in estimated functional department spending relative to FY 19, mainly because of lower FSAP spending (¶9). Non-CD spending on fintech and cyber risk reached $6 million in FY 20.

- *Fragile states*. Fragile states received $1.2 million in additional budgetary non-CD resources in FY 20. Aggregate non-CD spending on fragile states reached an estimated $64 million in FY 20 (Table 3), including increases in surveillance and lending. CD delivery in fragile states declined from FY 19 to $36 million, reflecting absorptive capacity issues in the context of the crisis, as well as remote delivery challenges. (Annex I, Table 4).

- *Anti-corruption/governance* represented 13 percent of bilateral surveillance and lending, *inclusive growth*, 10 percent, *social spending*, 9 percent, and *gender*, 3 percent. Separately, despite declining overall CD spending, delivery on anti-corruption issues (a targeted growth area) grew by almost 70 percent from a relatively low base (Annex I, Table 4).

- *Climate*. Spending in FY 20 is estimated at $16 million, broadly consistent with earlier estimates, as the Fund has begun to ramp up work in this area.

- *International taxation*. Spending on these issues is estimated at $4 million. This excludes policy and analytical work.

[3] Recognizing gaps in available data by topical category, Column 1 in Table 3 is based on a survey of country teams undertaken in June 2020 and time recorded for direct country support by functional departments. Column 2 covers only Board Work Program items, except as noted below, and does not include broader analytic and policy work. For anticorruption/governance, indirect functional department input to countries is also included. For financial surveillance, broader coverage of functional department support is provided based on analysis at the time of the FY 21-23 budget. Figures on climate change reflect broader analytic and policy work as reported in a March 2020 survey, which also highlighted expectations for growth in FY 21, as discussed in Box 5 in the FY 21-23 budget paper.

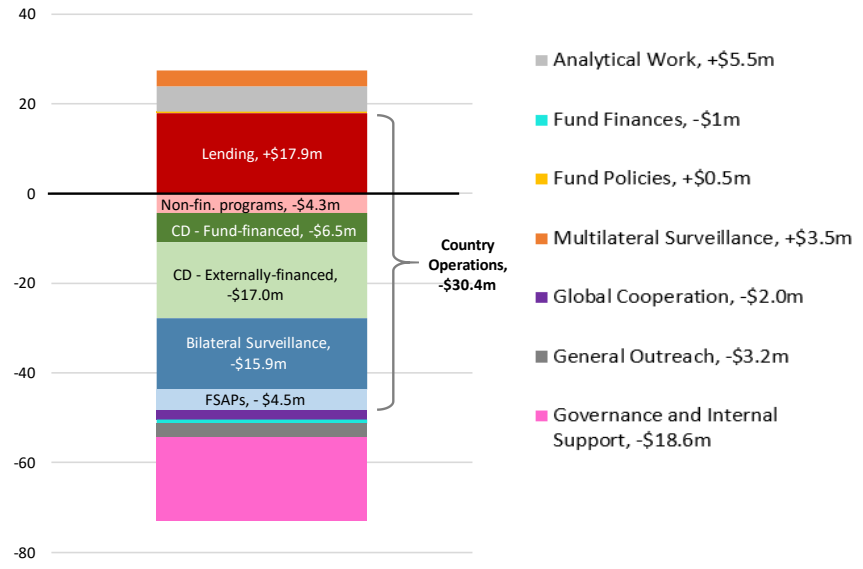
- *Debt*. Policy and analytical work is estimated at $8 million, for debt-related items in the Board's Work Program discussed in FY 20. OBP will begin tracking debt-related work in future surveys.

D. Spending Relative to FY 19

Spending by Thematic Categories

9. Within country operations, lending activity rose by $18 million in FY 20, with declines in bilateral surveillance and CD (Figure 3). Total country operations declined by $30 million, about half of which reflects the change in country status, as countries moved from surveillance to program engagement, as well as the suspension of FSAPs and Article IV consultations late in the year. The decline in spending on non-financial programs of $4 million partly reflects a similar shift into programs (e.g., Haiti, Somalia). In addition, some programs were augmented in the last two months of the financial year (e.g., Madagascar, Pakistan). Fund and externally financed CD also fell by some $23½ million, reflecting travel restrictions, albeit with delivery continuing virtually. Some resources originally planned for CD delivery were also diverted to analytical work (e.g. COVID-19 notes), given CD delivery constraints. Looking ahead, the next Committee on Capacity Building meeting has been delayed to January 2021, to better assess the impact of the crisis on members' CD needs. FSAP spending declined by $4½ million (20 percent), partly from the crisis-linked FSAP suspension, some conversion to virtual missions, but also reflecting the tail end of the cycle of mandatory FSAPs. Overall, 9 FSAPs were completed in FY 20 vs. 12 in FY 19. This decline was partly offset by an increase in MCM spending on other bilateral surveillance of $1 million (15 percent).

Figure 3. Change in Spending by Thematic Category, FY 20 vs. FY 19[1/]
(Millions of FY 20 U.S. dollars)



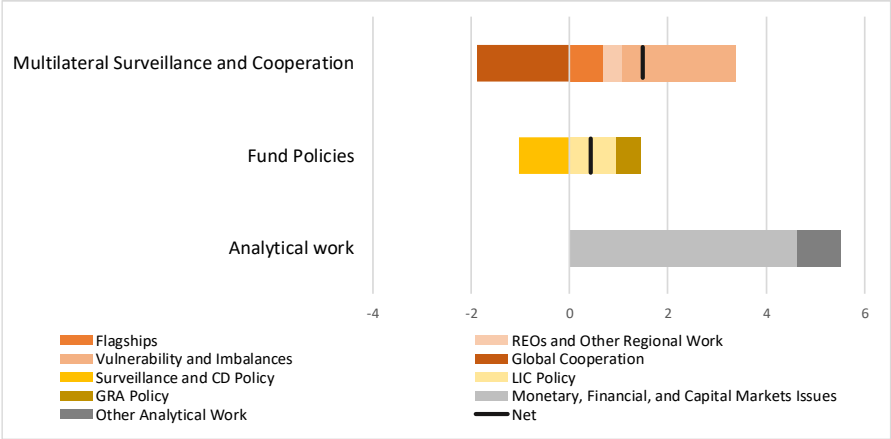
Source: ACES. Mapping to FTF are staff estimates. General outreach shown separately.
1/ Direct spending by departments, with support and governance costs shown separately.

10. The COVID-19 outbreak also contributed to reduced spending on governance and internal support, which declined by close to $19 million relative to FY 19. COVID-19 related reductions totaled $8 million, including reduced spending on the April 2020 Spring Meetings, utilities, and settlement travel. Lower publication costs from moving toward digital products and a one-time reimbursement of legal fees also contributed to this reduction.

11. Spending on analytical and policy work increased, reflecting priority topics and crisis work (Figure 4). A $5½ million (6 percent) increase in Analytical Work reflects a ramp up in modeling and other macro-financial work in MCM, including on the Integrated Policy Framework and other MCM issues (light grey segment). Increases related to Multilateral Surveillance and Cooperation reflect work on analyzing the impact of COVID-19 in FY 20 Q4. In this context, work on vulnerability and imbalances (medium brown right most segment in the multilateral surveillance block), grew by $2.3 million (19 percent). A decline in work on statistical information/data, as seen in a drop in the Global Cooperation category, reflects restructuring of STA's data function, which has entailed temporary vacancies which are being filled gradually during FY 20 and FY 21 as STA builds up its new data analytics capabilities.[4] Spending on Fund policies increased slightly in net terms ($0.5 million), reflecting reduction in policy work related to surveillance and CD (medium orange segment) and increase on work related to lending (LIC and GRA, light and dark orange segments) which were urgently adapted for the COVID-19 situation (e.g. conditions for emergency financing, Catastrophe Containment and Relief Trust (CCRT), new Short-term Liquidity Line). Box 1 shows how these developments played out across departments.

Figure 4. Change in Spending: Non-Country Work, FY 20 vs. FY 19[1/]

(Millions of FY 20 U.S. dollars)



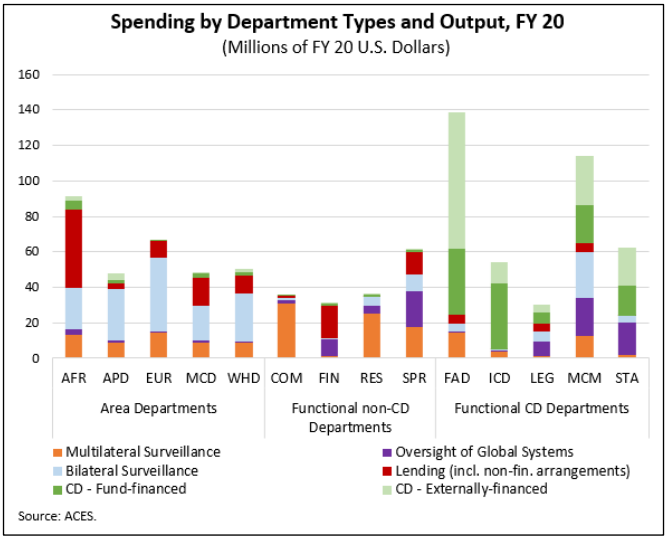
Source: Office of Budget and Planning, ACES.
1/ Department-level spending; does not include support and governance costs. Fund-financed only.

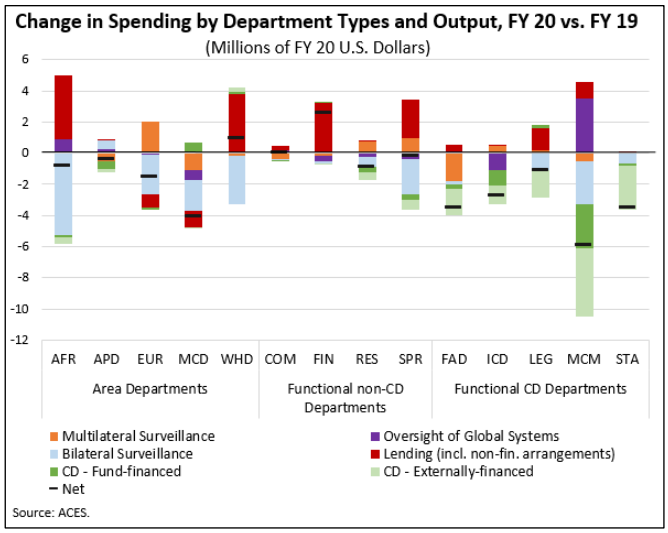
[4] See Overarching Strategy on Data and Statistics at the Fund in the Digital Age, March 2018.

Box 1. Spending Patterns by Department[1/]

Typical spending patterns vary by department groups (text chart). Area departments focus on surveillance (light blue) and lending (red), and regional and other cross-country analytical work, as captured in multilateral surveillance (orange). Functional CD departments deliver CD (dark and light green), while also preparing flagships (FAD, MCM) and supporting area departments in surveillance and lending through direct participation in country teams and review. Non-CD functional departments' outputs are more varied; multilateral surveillance (orange) captures flagship and other analytical work (RES), also on vulnerabilities and imbalances (SPR), and general outreach (COM). The Fund's global oversight role (purple) is carried out by multiple functional departments (SPR, FIN, LEG, MCM, STA).

The departmental spending patterns show how the aggregate trends translated across the Fund, with area departments seeing increases in spending on lending (text chart), with knock-on effects, particularly to SPR and FIN, in reviewing a high volume of cases in a short period of time. CD departments reallocated from CD spending to support other areas (e.g. MCM's work on modeling and the integrated policy framework).





[1/] The text charts here present disaggregated information according to traditional output-based categories, and cover core outputs only (not including support functions and internal governance-related work). Aggregate information throughout Section 1 is based on the draft "Fund Thematic Framework," which updates these categories. Further work is required to make this available at a departmental level. The definition of "multilateral surveillance" has been narrowed in the FTF, with analytical work and global cooperation reported separately. Items captured under "Oversight of Global Systems" are captured in the FTF under Analytical Work, Fund Policies, Global Cooperation, and Fund finances.

Average Spend per Country

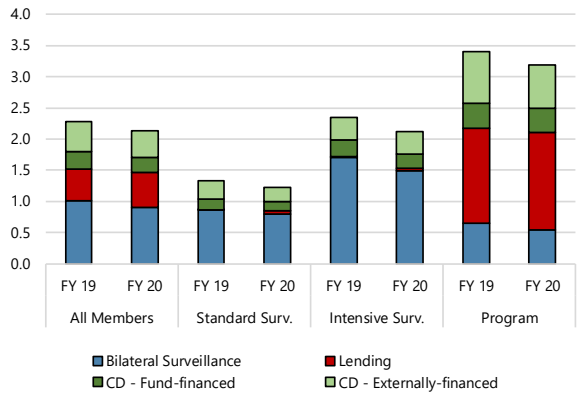
12. Though the average spend per country declined (reflecting the travel suspension), there were variations among country groups (Figure 5). Average country spending across the membership declined 7 percent relative to FY 19, to $2.1 million. The increase in lending activity was more than offset by the declines in bilateral surveillance (including FSAPs) and CD. The increment in average spend between surveillance and program status remains the same, as noted in the Supplement to the FY 21-23 Medium-term Budget, at $1-2 million. Subgroups showed more varied patterns, with a 5 percent increase in average spending in vulnerable countries (Panel 2), particularly

vulnerable program cases, where CD does not appear to have been affected. Spending in small states remained broadly stable at $1.2 million on average (Panel 3), while spending in the African region increased and remained higher than in all other regions because of high lending and CD spending; average spending in all other regions declined (Panel 4).

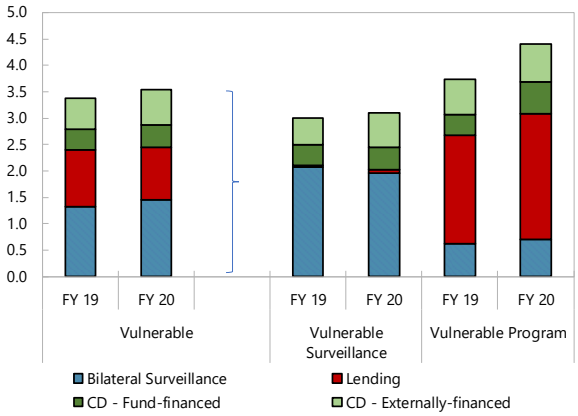
Figure 5. Average Spending per Country, FY 19 vs FY 20

(Direct cost, millions of FY 20 U.S. dollars)

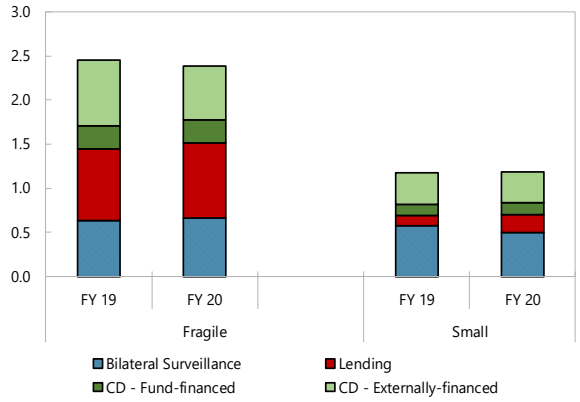
Average country spending declined across country groups in FY 20, mostly due to the travel suspension in Q4.



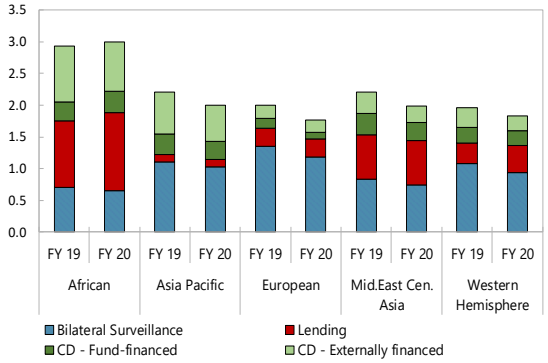
However, average spending on vulnerable countries rose, particularly in vulnerable program cases.



Surveillance and lending increased in fragile states. The travel ban reduced average externally financed CD spending in fragile states, but not in small states.



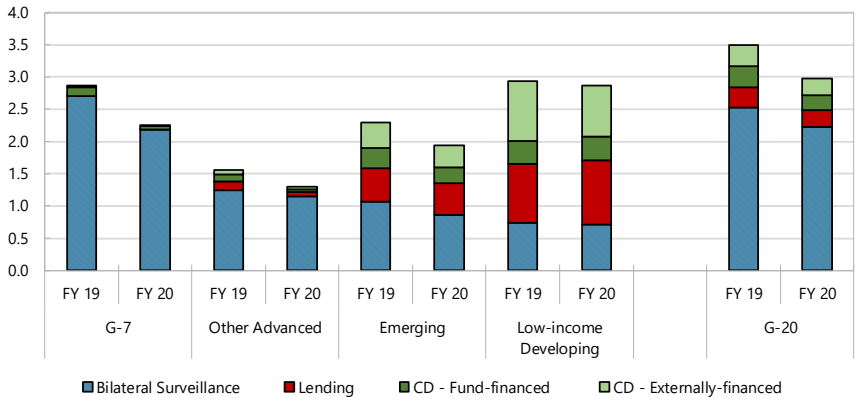
Average spending fell in every region except in African countries.



Source: Office of Budget and Planning, ACES.

13. The decline in spending in FY 20 was smallest for low-income developing countries (Figure 6). This reflects in part the significant work by relevant country teams to prepare emergency financing requests and functional department support to country teams. Reallocation within departments and some informal support from other departments have also buttressed these resources.

Figure 6. Average Country Spend by Income Grouping, FY 19-20[1]
(Millions of FY 20 U.S. dollars, direct cost)

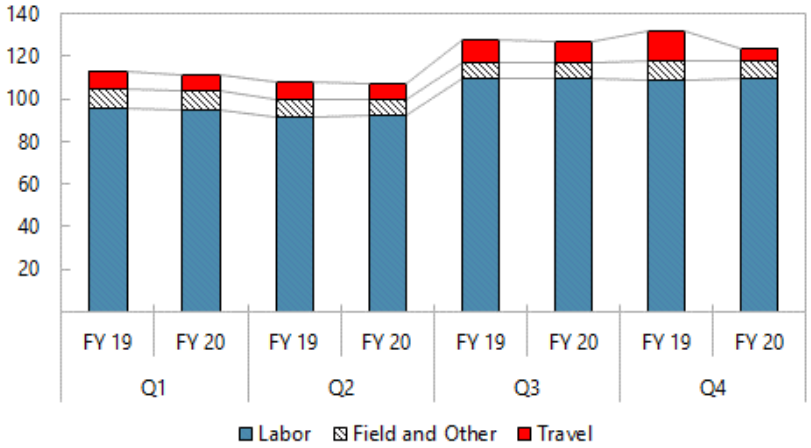


Source: Office of Budget and Planning, ACES.

1/Based on Fall 2019 WEO list.

14. A quarterly breakdown of spending on country operations (surveillance, lending, and CD) shows that labor costs stayed stable in Q4 relative to Q3 and relative to the same period in FY 19, and that travel costs account for most of the decline in spending.

Figure 7. Country Operations by Input, FY 19-20 Q1-Q4
(Millions of FY 20 U.S. dollars)



Source: Office of Budget and Planning, ACES.

SPENDING BY INPUTS

A. Details by Major Budget Category

Table 4. Administrative Budget and Expenditures, Breakdown by Major Expense Category, FY 20
(Millions of U.S. dollars, unless otherwise noted)

	Total Resources				Fund-financed			Externally-financed		
	Budget	Outturn	Gap	Utilization (percent)	Structural Budget	Outturn	Utilization (percent)	Operational Target	Outturn	Utilization (percent)
	A	*B*	*C=A-B*	*D=B/A*	*E*	*F*	*G=F/E*	*H*	*I*	*J=I/H*
Net administrative budget	**1,158**	**1,150**	**8**	**99.3**	**1,158**	**1,150**	**99.3**	**…**	**…**	…
Gross administrative budget	1,397	1,350	48	96.6	1,197	1,182	98.7	200	168	84.0
Personnel 1/	1,025	1,028	-3	100.3	893	911	102.0	132	117	88.5
Travel	134	97	37	72.3	81	60	73.3	52	37	70.7
Buildings and other expenses	224	225	-1	100.5	208	211	101.1	15	14	91.6
Contingency 2/	15	0	15	…	15	0	…	…	…	…
Receipts	-239	-199	-40	83.4	-39	-31	80.2	-200	-168	84.0
Carry forward	47				47	…				
of which: general carry forward	31				31					
Total net available resources	1,205	1,150		95.4	1,205	1,150	95.4	…	…	…

Source: Office of Budget and Planning.
Note: Figures may not add to totals due to rounding.
1/ Outturn reflects reconciliation of accounts with actual expenditures for: (i) some standard cost benefits for externally funded long-term field-based experts and (ii) the timing of take up of benefits and their scale relative to standard costs.
2/ Includes the contingencies for staff, OED, and IEO.

15. Personnel: Total spending (Fund- and externally financed) on personnel was $1,028 million, about $3 million above the total structural budget. Fund-financed personnel spending exceeded the structural budget by about $18 million, mainly reflecting the hiring into approved transitional positions (Annex III, Table 3).[5] This also reflects one-off benefits to separating staff (mostly related to reorganization of HR functions and ITD) and $1.6 million in costs related to lower-than-projected chargebacks due to crisis-related impact on externally funded CD activities. Overall, externally financed personnel cost was about $15 million below budget (see Box 2 and Annex I). Personnel levels in staff and contractual employees mirrored this outcome (Figure 8, Panels 1 and 3).

Box 2. Externally Financed Activities and the Fund-Financed Budget

Underspend in most externally funded categories (including travel; long-term and short-term experts) generally does not affect the Fund-financed budget, as there is neither an expense nor a "chargeback" in the absence of delivery. However, under-delivery can affect the Fund-financed budget in two ways:

- Personnel costs need to be absorbed when chargebacks for regular staff, HQ-based experts, and contractual employees fall below externally funded budget levels. In FY 20, with the crisis hitting late in the financial year, most departments met or exceeded their budgeted chargebacks for regular staff. However, there was an underrun in HQ-based expert chargebacks of about $1.6 million. This will be an important issue to monitor for FY 21.
- Lower-than-planned Trust Fund management (TFM) fees have a negative effect on the net budget; these fees in FY 20 were about $2 million below budget, at $12 million.

[5] See Annex II for additional information on the FY 20 salary pay increase and skills upgrading.

Figure 8. Trends in Personnel Spending

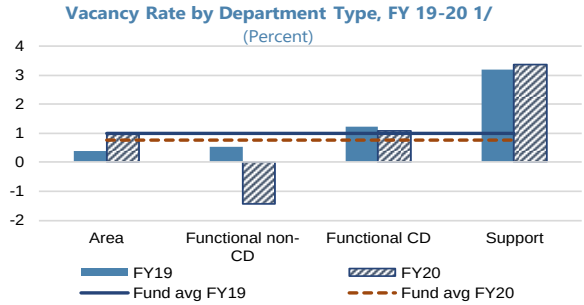
While Fund-financed FTEs increased by 32, externally financed FTEs declined by 19; the net increase was slightly lower than the previous year.

FTE Utilization, FY 18-20

	FY 18	FY 19	FY 20	Difference FY 19-20
Total	3,881	3,899	3,912	13
Fund-financed	3,422	3,453	3,485	32
Regular and term	2,836	2,865	2,886	
Expert and contractual 1/	586	588	599	
Externally financed	459	446	427	(19)
Regular and term	87	93	96	
Expert and contractual 1/	372	353	330	

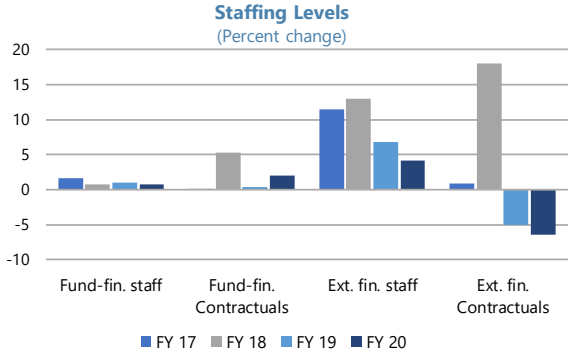
1/ Fund- and externally financed experts (including short-term), contractuals, visiting scholars, secretarial support, and other. Excluding local employees in the field.

The overall vacancy rate was 0.8 percent, just slightly below last year's rate, reflecting lower hiring rates in functional non-CD departments.

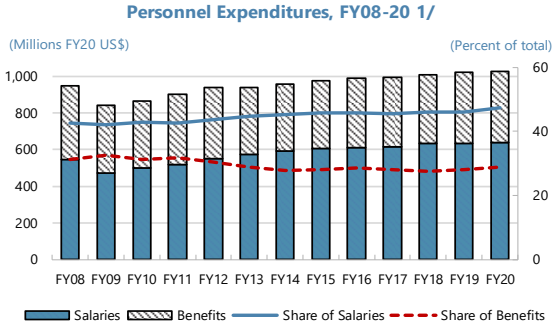


1/ Includes Fund- and externally financed staff.

Contractual staffing (especially externally financed) has been volatile; the decline in FY 20 reflected lower-than-planned CD delivery.

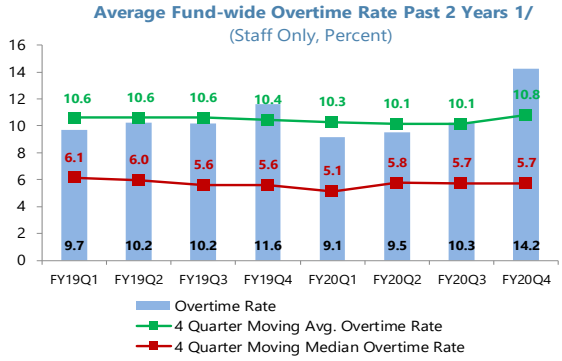


The shares of spending on salary and benefits in total spending have remained broadly constant in recent years.

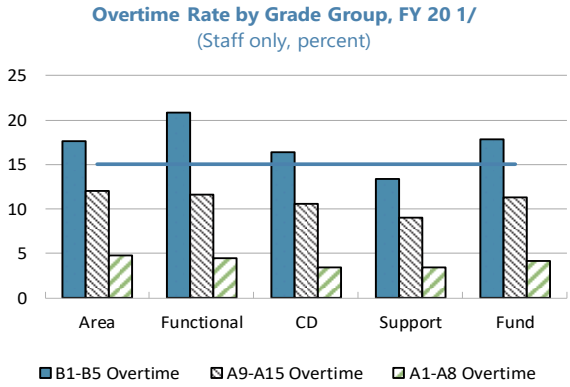


1/ Both Fund- and externally financed.

Average Fund-wide overtime rates increased significantly in the last quarter of FY 20 due to COVID-19 work pressures.



Overtime is particularly high for B-level staff.



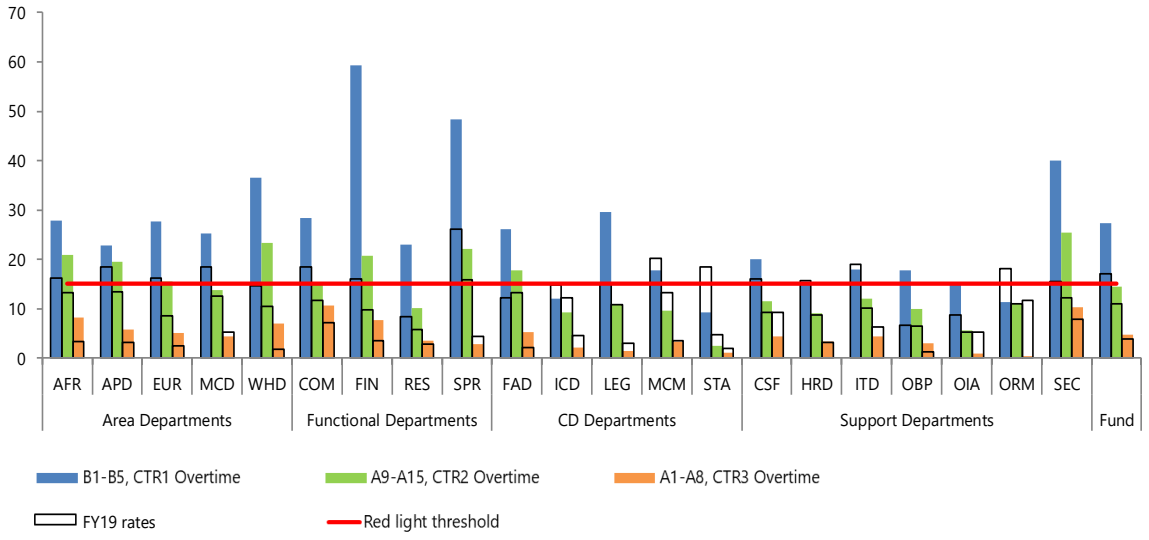
1/ Data excludes regional offices. Expressed as a percentage of actual hours worked (i.e. regular hours minus leave).

Sources: Office of Budget and Planning; TRACES, Peoplesoft Financial and HR.

16. Overtime rates increased sharply late in the financial year, reflecting pressures due to COVID-19 (Figure 8, panels 5 and 6; Figure 9). Overtime was especially high in area departments, FAD, FIN, LEG, SEC, and SPR, with the average rate for B-level staff exceeding the 15 percent red-light threshold in most departments.

Figure 9. Overtime Rate by Grade Group, March and April FY 19-20[1/]

(Staff and Contractual, percent)



Source: TRACES.
1/ APD, EUR and ICD indicators exclude regional offices and training centers. Expressed as a percentage of actual hours worked (i.e. regular hours minus leave).

17. The underspend in Fund-financed travel was $21 million, mainly due to lower than planned business travel ($19 million), which was a combination of already lower travel volume before the crisis and the impact of the travel ban effective mid-March. The travel ban also affected spending on other travel, including seminars, interview, and settlement travel. These declines were partially offset by evacuation expenses for about 150 staff, long-term experts and their dependents. Relative to last year, spending on externally financed missions declined by about 23 percent. In CD departments, externally financed travel expenses in the last two months of FY 20 were 60 percent lower than in the same period in FY 19.

Table 5. Travel, FY 18-20

(Millions of U.S. dollars)

	FY 18	FY 19	FY 20	
			Budget	Outturn
Expenditures	**122**	**126**	**134**	**97**
Fund-financed	**76**	**79**	**81**	**60**
Business travel	59	65 1/	65	46
Seminars	6	5	6	4
Other travel 2/	11	10	11	10
Externally financed	**46**	**47**	**52**	**37**
Business travel	33	34	43	26
Seminars and other travel	13	13	10	11

Source: Office of Budget and Planning.
Note: Figures may not add to totals due to rounding.
1/ Includes an estimated $5.4 million of costs related to travel to the Annual Meetings in Bali.
2/ Includes travel expenditures related to interviews, settlement, and evacuations.

- The number of missions fell by over 1,100 relative to FY19, mainly due to the travel ban. This affected both Fund-financed and externally financed missions.

- Area departments experienced the highest decline, at around 18 percent, followed by functional departments at 16 percent (Annex III, Table 9). The average mission length remained constant at 11.3 person days.[6]

- All regions were affected, with an average of 15 percent fewer and shorter missions than FY 19. Due to an earlier effective date of the travel ban to China and its neighboring countries, the number of missions fell more sharply in the Asia Pacific region.

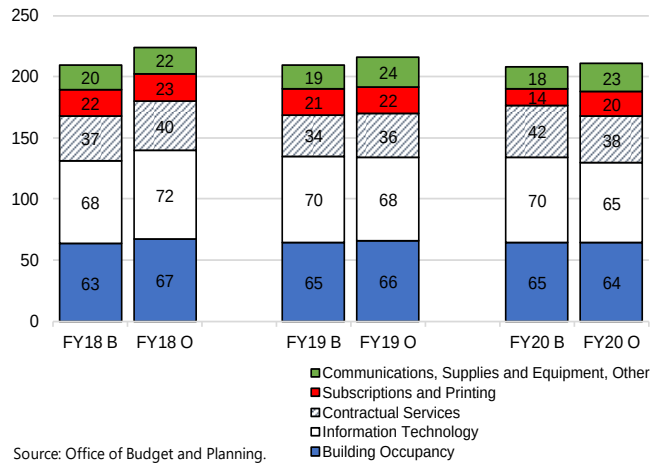
Table 6. Travel Metrics by Region, FY 18–20[1/]

	FY 18	FY 19	FY 20
Number of missions	**8,296**	**7,858**	**6,693**
Africa region	1,991	1,970	1,673
Asia Pacific region	1,495	1,615	1,257
European region	1,805	1,645	1,517
Middle East and Central Asia region	751	675	611
Western Hemisphere region	2,254	1,953	1,635
Mission nights	**91,255**	**88,985**	**75,761**
Africa region	29,172	27,781	24,394
Asia Pacific region	16,264	18,306	16,104
European region	16,332	15,167	12,782
Middle East and Central Asia region	11,127	10,681	8,265
Western Hemisphere region	18,360	17,050	14,216
Mission persons	**13,490**	**12,947**	**11,191**
Africa region	3,279	3,174	2,830
Asia Pacific region	2,418	2,571	2,107
European region	3,133	2,786	2,556
Middle East and Central Asia region	1,375	1,330	1,152
Western Hemisphere region	3,285	3,086	2,546

Source: Office of Budget and Planning.
1/ Excludes Annual Meetings, IEO, OED.

18. Buildings and other services: Spending on building and other services (Fund-financed) exceeded the structural budget by about $2 million (Figure 10). The outturn was higher than forecasted in April largely because of additional spending on remote working capabilities; contractual services, including virtual setups for interpretation; and lower than expected savings in building operations. Savings from the virtual Spring Meetings of $2.3 million were as anticipated. Spending on *contractual services plus subscriptions and printing*, in aggregate, was in line with FY 19, reflecting a structural shift in the accounting treatment of commercial data subscription.

Figure 10. Fund-Financed Spending on IT, Buildings and Other, FY 18–20
(Budget (B) & Outturn (O), millions of FY 20 U.S. dollars)



Source: Office of Budget and Planning.

[6] Person days is measured as mission nights relative to the number of missions.

19. Security-related spending was about $38 million, a slight increase over FY 19 (Figure 11). The increase in *IT security was* mostly attributed to spending on infrastructure vulnerability and privileged access control management systems. The increase in *Business continuity*[7] was due to COVID-19 related demands. Despite higher evacuation costs (~$1.2 million) in *Field security*, spending in this category remained stable.[8] Guard costs in *HQ security* category were only slightly lower than FY 19.

Figure 11. Security-related Spending, FY 18–20
(Millions of FY 20 U.S. dollars)

Sources: Departmental submissions and staff calculations.
1/ Starting FY 19, recalibration of IT security categories.

20. Total receipts were about $40 million below budget, a decrease of $15 million compared to FY 19 (Table 7). Receipts from *externally financed capacity development* ($168 million) were 6 percent lower than FY 19 and also below the budgeted level for reasons explained in ¶15, and Box 2. *General receipts* ($31 million) were also below the FY 19 levels, mainly due to lower income from TFM fees as a result of lower externally financed CD as well as a decline in publication income, reflecting the Fund's digitalization strategy and policy on free data—the FY 21 publication budget was rebased in line with this strategy.

Table 7. Receipts, FY 18-20
(Millions of U.S. dollars)

	FY 18	FY 19	FY 20	
			Budget	Outturn
Total	**211**	**214**	**239**	**199**
Externally financed capacity development (direct cost only) 1/	174	178	200	168
General receipts	37	36	39	31
Of which:				
Administrative and trust fund management fees 2/	12	12	14	12
Publications income	2	1	3	0
Fund-sponsored sharing agreements 3/	3	3	4	3
HQ2 lease 4/	5	2	1	1
Concordia	3	3	4	3

Source: Office of Budget and Planning.
Note: Figures may not add to totals due to rounding.
1/ Externally financed receipts for FY 18 and FY 19 do not match actual outturn expenditures due to use of standard cost benefits for externally funded long-term field-based experts and timing differences for take up of benefits and their scale relative to standard costs. Reconciliation with actual expenditures is reflected in FY 20.
2/ Trust fund management fee of 7 percent under the new financing instrument.
3/ Includes reimbursements principally provided by the World Bank for administrative services provided under sharing agreements.
4/ Includes lease of space to the World Bank, Credit Union and retail tenants.

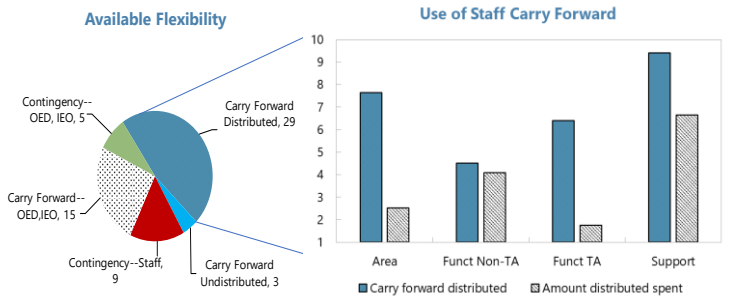
[7] Existing capital funding within the infrastructure lifecycle network equipment budget was utilized to support a required $0.4 million investment to upgrade the firewall at the Business Continuity Center.

[8] Starting FY 20, the capital budget also includes $1.2 million for the regular replacement cost of the Fund's vehicle fleet as approved by the Executive Board as part of the FY2020-FY2022 Medium-Term Budget.

B. Carry Forward

21. The carry forward resources that were made available to finance transitional needs remain intact, as use by some departments was offset by underspending by others (Figures 12 and 13). The FY 20 budget included $31 million in carry forward, available for general use, plus $15 million for OED and IEO. Of the carry forward for general use, $22 million was distributed upfront to departments to meet transitional needs, and an additional $7 million during the year to meet unanticipated demands. However, most departments had a lower-than-expected need, predominately because of mission cancellations. Financing for transitional needs was provided to the following priority areas:

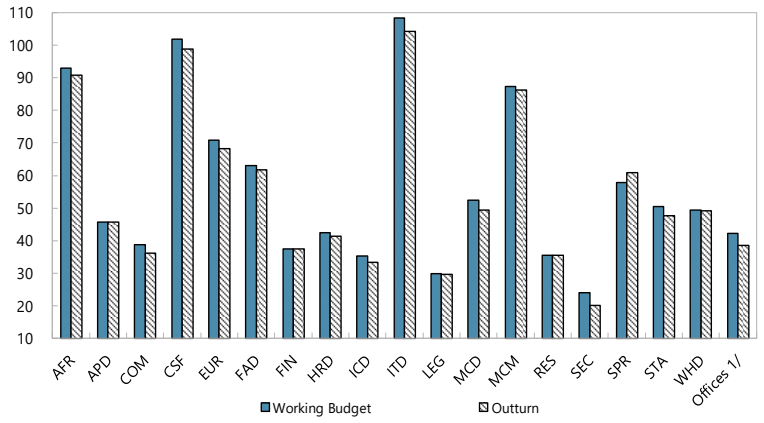
Figure 12. Available Resources and Use of Carry Forward, FY 20
(Millions of FY 20 U.S. dollars)



Note: Figures may not add to totals due to rounding.
Source: Office of Budget and Planning.

- **Modernization initiatives** (support departments): Comprehensive Compensation and Benefit Review (CCBR); 1HR; Digital Workplace; knowledge management; CDMAP and iData; and additional costs related to information security access control and infrastructure vulnerability management on systems for these projects.
- **Fragile states** (most area departments)**:** intensified country engagement.
- **Other priority areas** (mainly functional departments)**:** enhanced governance framework; international taxation; trade; digital economy; Sustainable Developmental Goals (SDG); bilateral financial surveillance; and various policy and analytical initiatives including macro-financial issues and a modeling unit in MCM (e.g. integrated policy framework), and a structural reform unit in RES.

Figure 13. Spending by Main Departments and Offices, FY 20
(Millions of U.S. dollars)



Source: Office of Budget and Planning.
1/ Includes OBP, ORM, OMD, OIA, overseas and other small offices.

CAPITAL SPENDING

22. Spending on capital investments amounted to $107 million in FY 20, a reduction of $34 million from last year (Table 8). Approximately $88 million in remaining appropriated funds will carry over to FY 21.[9] FY 20 saw the substantial completion of the HQ1 renewal project, investments to reoccupy the HQ buildings with updated furnishing and equipment, and progression of the IT modernization program.

Table 8. Capital Expenditures, FY 20
(Millions of U.S. dollars)

	Facilities	IT	Total Facilities and IT	HQ1 Renewal	Total Capital
Unspent FY 18 and FY 19 Funding	48	23	71	39	110
+ FY 20 Budget Appropriations	41	45	86	0	86
= Total funds available in FY 20 1/	89	68	157	39	196
Expenditures FY 20	42	42	84	23	107
Lapsed funds	2	0	2	0	2
Carry over into FY 21 2/	45	26	71	16	88
Memorandum item:					
Expenditures FY 19	29	31	60	82	141

Source: Office of Budget and Planning

1/ Approved capital funding is available for three consecutive years, except for HQ1 Renewal which is available until April 2025.

2/ Represents the unspent amount of the budget appropriation in the period concerned. Those funds can be used for authorized projects in the period covered by the appropriation.

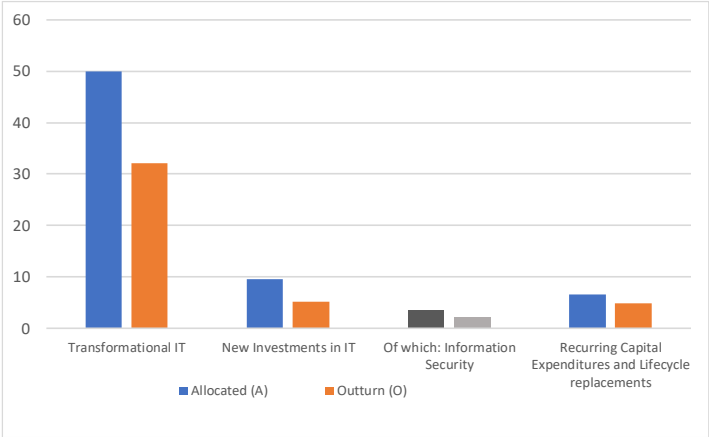
- The utilization of available capital budgets for IT (62 percent) and Facilities (47 percent) were broadly in line with pre-COVID-19 projections. On the IT side, there was some minor repurposing of budget to enhance security for the business continuity center, which supports the heavy remote work environment.

IT Capital Spending

- Within overall IT capital expenditure of $42.2 million, 76 percent ($32.1 million) supported the implementation of the modernization projects (Figure 14).

- **1HR** activities proceeded mostly as planned in FY 20, with expenditures of almost $18 million. The initial release to replace the HR inquiries system was deployed in February and helped HRD manage staff questions related to COVID-19. Coordination of testing activities during the work-from-home exercise contributed to the delay of Release 1, which is now expected to be completed in September 2020 (versus April 2020 originally). Release 2, which will incorporate CCBR reforms, payroll and complex benefits, has shifted from October 2020 to the fourth quarter of FY 21.

Figure 14. IT Capital Expenditures, FY 20
(Millions of U.S. dollars)



Source: Information Technology Department.

[9] The Fund's capital budget guidelines allow funds to be utilized over a three-year period.

- The **CDMAP** project, with spending of $3.3 million, completed product acquisition and multiple design milestones. The project remains on target for implementation of two releases in FY 21 (planned for August and February). The first and second releases will deliver demand, planning and budget, management and project execution capabilities.

- Of the **other transformational projects**, the *iData* initiative spent $0.8 million in the process of scoping and requirements gathering to facilitate product selection and completion of the cost-benefit analysis (CBA), presented to the Board in late July 2020. The *iDW* project spent $2.6 million on product evaluation and initial designs to define the project's scope and To-Be requirements and to develop the associated CBA, which is now expected in mid FY 21. Expenditures of $2.5 million on *Knowledge Management* resulted in selection of the new document management platform and information architecture design with the *i*DW, completion of the initial country pages, implementation of an auto-tagging tool to enhance searching for documents, and the bulk of implementation for Enterprise Search, which was launched in May 2020. Additionally, $5 million was spent during the year for pre-requisite projects. Timelines for these projects are aligned with 1HR and CDMAP, to provide identity and access management, data warehousing and platform integration capabilities.

- In addition to the modernization programs, other **New Investments in IT** totaled $5.2 million. Of this total, a large share ($2.7m) was related to improvements to the IT security posture, including improvements in security events logging and monitoring, progress in migrating the business continuity center (BCC) to the cloud, and continued work to protect the Fund's *Crown Jewels* informational assets. Other spending included work on the replacement of the language services system and upgrading of collaboration platforms that were no longer supported by the vendor.

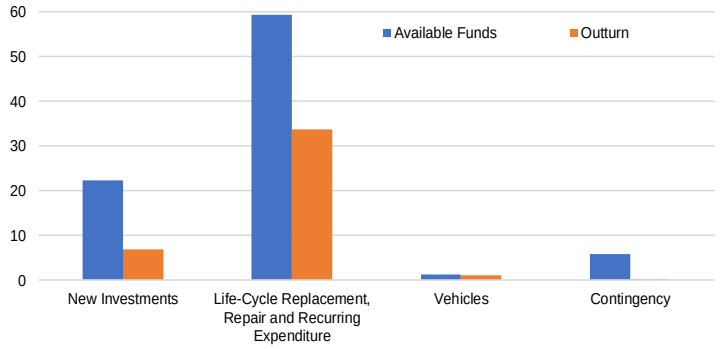
- IT lifecycle replacements totaled $4.9 million in FY 20 which includes purchase of network infrastructure equipment, servers and storage ($3.7 million) as well as a refresh of the Mac computer fleet. Remote office infrastructure upgrades began during the year and the remote access capabilities were also updated, which supported the heavy work from home volume in the fourth quarter.

- The $26 million in appropriated but unspent funds will be carried over to FY 21 (per capital budget rules) and are budgeted primarily for the modernization program and information security projects to finalize the BCC cloud migration and improve privileged access management.

Facilities Capital Spending

- Lifecycle replacements and repairs of $33.7 million comprised the majority of the $41.8 million in facilities capital spending (Figure 15). FY 20 expenditures were approximately $13 million higher, in nominal terms, than the previous year due mainly to the office furniture refresh and the tenant renovations needed to accommodate the move from swing to permanent spaces at the end of the HQ1 renewal.

Figure 15. Facilities Capital Expenditures, FY 20
(Millions of U.S. dollars)



Sources: Corporate Services and Facilities Department and Office of Budget and Planning.

- Projects under the New Investment category provided enhancements to the HQ1 Atrium and audio-visual infrastructure for the boardroom, Executive Directors and management spaces.

- Although the furniture refresh and reconfiguring of HQ office space as staff moved from swing to permanent spaces made up the majority of lifecycle replacement spending, other projects included the HQ1 window blast film replacement for improved physical security and audio-visual replacements and related construction work.

- Starting in FY 20, the Board approved to fund vehicle purchases from the capital budget (previously funded from the administrative budget). The full appropriation of $1.2 million was utilized during the year to purchase 18 new vehicles for Fund offices overseas, including a small number armored for security needs.

- About $1.8 million in FY 18 appropriated funds lapsed at year-end, for delayed projects including lifecycle replacements of equipment in HQ2, event furniture and equipment, and HQ1 red level structural repairs--$0.6 million due to HQ shutdown and supply chain issues driven by COVID-19.

- About $45 million in remaining appropriated funds will be carried over to FY 21 and mainly include projects for audio-visual lifecycle replacements and improvements, HQ1 Atrium enhancements, the final phase of the furniture refresh, and unused contingency and seed fund balances.

HQ1 Renewal

The HQ1 Renewal project was substantially completed, as expected, in September 2019. Total expenditures for the project through the end of FY 20 amounted to $546.8 million. Approximately $2-3 million of the remaining $16 million budget is estimated to be needed for final project closeout activities in FY 21.

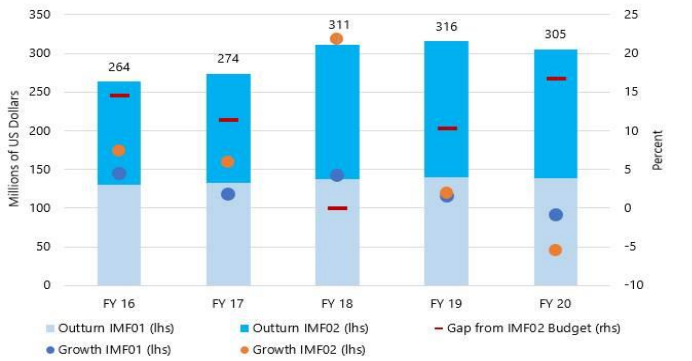
Annex I. Capacity Development[1]

1. This annex provides additional information on capacity development (CD) activities. It reports on overall spending on CD activities, CD distribution, training participation, and sources of external financing.[2]

A. Overall Spending on CD Activities

2. Spending was about $34 million (10 percent) below budget and $11 million (3½ percent) below FY 19 (Figure 1). Fund-financed CD was broadly in line with notional budget levels, with externally financed CD 16 percent below budget (and 6 percent below FY 19). The underspend reflects a range of factors, including importantly COVID-19 related impact on delivery in the final two months of the period. Lower-than-planned externally financed CD resulted in costs to the Fund's budget from lower charge backs for personnel time ($1.6 million in lost HQ-based experts chargebacks, albeit offset by charges for regular staff) as well as a $2 million shortfall in Trust Fund Management Fees (see Box 2 in the main text). In relative terms, CD remains around a third of the Fund's output, but its share saw a decline of 1.5 percent against other Fund outputs.

Figure 1. CD Outturn, FY 16-20



Sources: Office of Budget and Planning (OBP) Analytic Costing and Estimation System (ACES).

3. Despite an intense shock, staff have continued to deliver CD to a wide range of member countries. Engagements have focused on following up on previous recommendations, desk reviews of authorities' documents, HQ data work, and on-demand advice on technical crisis-related issues. This traditional work has been complemented by the production of special series of COVID-19 notes. Training and workshops have pivoted towards online while there has also been a ramping up of the Fund's online learning program, including creating new online products. More generally, the rapid transition to virtual delivery is providing an opportunity to learn what works well and where the Fund can improve its toolkit and operating model to enhance delivery in the future.

[1] Prepared by Jeymi Blandon, Carolina Dyer-Lock, Niall Feerick, Herbert Lui, Mercy Pinargote, Yan Sun, André Vieira de Carvalho, and Biwen Zhou (all ICD).

[2] Data on CD spending are from ACES, consistent with the main paper; data on external financing come from the Capacity Development Information Management System (CDIMS); training participant data are from the Participant and Applicant Tracking System (PATS).

B. CD Distribution

4. The CD prioritization framework, based on country demand and the Fund's overall strategic priorities, guides the allocation of resources across regions and topic areas.[3] The framework aims to provide the flexibility for the Fund to mobilize adequate resources to respond quickly to short-term, crisis-related CD needs. Looking ahead, the next CCB meeting has been delayed to January 2021, to better assess the impact of the crisis on members' CD needs.

5. All regions, with the exception of APD, saw declines in year-on-year nominal CD spending (Table 1, Figure 2). EUR saw the most substantial decline, with a reduction of 14 percent. APD's share of delivery grew, from 23 percent in FY 19 to 25 percent in FY20, as CD was delivered in line with expectations for the first three quarters of the year, in contrast to other regions. For the same reason, outturn relative to the budget observed a similar trend, with APD growing its share of delivery, with all other departments declining, to varying degrees. CD delivered to AFR witnessed the most substantial drop, reflecting the fact that it is the largest recipient of Fund CD and many authorities faced intense absorptive capacity constraints as a result of the COVID-19 crisis. This is also evidenced by analysis per income group, which shows that low-income developing countries, where issues around connectivity and organizational capacity are most acute, saw the largest reduction in CD delivery when delivery shifted to remote in the final months of the year.[4] The fall in CD delivery to multiple regions reflects the decline in multi-regional training courses.

Table 1. Direct Delivery by Region and Income Group, FY 19-20
(Percent, unless otherwise indicated)

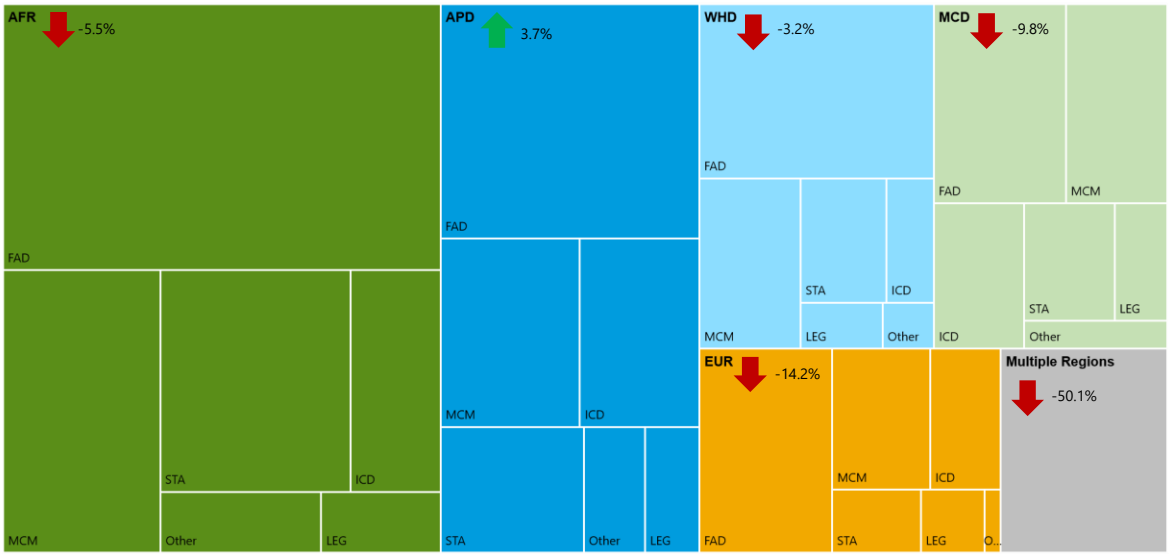
	FY 19 Outturn Share [1]	FY 20 Budget Share [2]	FY 20 Outturn Share [3]	FY 20 change in share (p.p.) To FY19 [3]-[1]	FY 20 change in share (p.p.) To Budget [3]-[2]	Nominal Growth Rate
Total Direct Delivery	**100.0**	**100.0**	**100.0**			**-7.1**
Region 1/						
Sub-saharan Africa	37.5	39.6	38.2	0.7	-1.5	-5.5
Asia and Pacific	22.2	23.4	24.8	2.6	1.4	3.7
Europe	9.6	9.7	8.9	-0.7	-0.8	-14.2
Middle East and Central Asia	12.5	12.3	12.2	-0.4	-0.2	-9.8
Western Hemisphere	12.6	13.5	13.2	0.5	-0.3	-3.2
Multiple regions	5.3	1.5	2.9	-2.5	1.4	-50.1
Income Group						
Advanced economies	3.3	...	3.3	0.0	...	-6.9
Emerging market and middle-income economies	44.3	...	45.1	0.9	...	-5.3
Low-income developing countries	52.4	...	51.8	-0.7	...	-8.3

Source: Staff estimates as of May 2020.
1/ CD spending to regional groups has been distributed evenly among member countries of each group.

[3] IMF Policy and Practices on Capacity Development, October 21, 2019.

[4] The lists of countries in each group follow the Statistical Appendix of the World Economic Outlook, April 2020.

Figure 2. Direct Delivery Spending by Region and Delivery Department, FY 20



Source: Staff estimates as of May 2020.
Note: Numbers denote year-on-year nominal growth rate.

6. CD on fiscal issues continues to account for the largest share of expenditures (Table 2). FAD CD was 37 percent of FY 20 expenditure, with MCM, STA and ICD the other large providers. FAD delivery was broadly stable in nominal terms, while all other departments declined. MCM and LEG both saw year-on-year declines of 11 percent, reflecting competing work pressures and delays in engagement with country authorities.

Table 2. Spending on CD by Department, FY 16-20
(Millions of U.S. dollars)

	FY 16	FY 17	FY 18	FY 19	FY 20	
					Budget	Outturn
Total	**264**	**274**	**311**	**316**	**339**	**305**
Fiscal Affairs Department	89	96	113	113	120	113
Institute for Capacity Development	42	43	43	42	43	40
Legal Department	12	13	14	12	12	11
Monetary and Capital Markets	49	49	56	55	64	49
Statistics Department	28	29	36	40	42	38
Other 1/	30	30	36	35	37	35
ICD-governance/donors	14	13	14	18	14	19
Unallocated	...	...	...	...	6	...

Source: Office of Budget and Planning, ACES.
1/ Including area departments and other functional departments reporting CD-related activities.

7. Spending fell across most workstreams (Table 3), although there was significant heterogeneity on the depth of shortfalls. The core workstreams continue to make up the bulk of CD delivery. In broad terms, there was a more substantial drop in MCM workstreams than others, for reasons noted above. Tax policy, one of the identified growth areas, and macroeconomic frameworks, saw significant increases in both year-on-year and against budget expectations.

Table 3. Direct Delivery on Top Eight Workstreams, FY 19-20
(Percent, unless otherwise indicated)

	FY 19 Outturn Share [1]	FY 20 Budget Share [2]	FY 20 Outturn Share [3]	FY 20 change in share (p.p.) To FY19 [3]-[1]	FY 20 change in share (p.p.) To Budget [3]-[2]	Nominal Growth Rate
Total Direct Delivery	**100.0**	**100.0**	**100.0**			**-7.1**
Total Direct Delivery on Top Eight Workstreams	**93.3**	**94.3**	**94.4**	**1.1**	**0.1**	**-6.0**
Revenue Administration	20.4	19.9	20.3	-0.1	0.4	-7.7
Public Financial Management and Expenditure Policy	18.8	19.0	19.7	0.9	0.7	-2.8
Macroeconomic Frameworks	13.8	14.1	15.6	1.8	1.5	5.3
Macroeconomic Statistics	15.0	14.9	14.8	-0.2	-0.1	-8.1
Financial Sector Stability	11.6	12.5	10.9	-0.6	-1.5	-12.2
Central Bank Operations and Market Development	6.2	6.3	5.2	-1.0	-1.1	-22.3
Tax Policy	3.3	3.7	4.1	0.8	0.5	15.3
Financial Integrity and Financial/Fiscal Law Reform	4.2	3.9	3.7	-0.4	-0.2	-17.1
Other workstreams	6.5	5.7	5.6	-0.9	-0.2	-20.2

Source: Staff estimates as of May 2020.

8. The share of delivery to topical growth areas grew from FY 19 (Table 4). FY 19 was the baseline year for the new prioritization framework, and the fact that delivery grew in spite of the issues caused by COVID-19 is promising.[5] Overall growth was driven primarily by substantially increased share in delivery of anti-corruption and tax policy related CD, which were areas with high unmet demand in previous years. Delivery to Fragile States and Highly-Vulnerable countries, fell 14 percent and 7 percent in nominal terms, respectively, reflecting in part the absorptive capacity issues associated with the crisis and remote delivery. The decline in delivery to CCAM countries is in line with the original plans for FY 20, reflecting the closing of externally-financed projects that have benefitted this region in recent years. The delivery share is expected to pick-up in the near future as the new CCAMTAC starts its operations.

Table 4. Direct Delivery on Growth Areas, FY 19-20
(Percent, unless otherwise indicated)

	FY 19 Outturn Share [1]	FY 20 Budget Share [2]	FY 20 Outturn Share [3]	FY 20 change in share (p.p.) To FY19 [3]-[1]	FY 20 change in share (p.p.) To Budget [3]-[2]	Nominal Growth Rate
Total Direct Delivery	**100.0**	**100.0**	**100.0**			**-7.1**
Total Direct Delivery on Topic Growth Areas	**7.8**	**9.4**	**9.4**			**12.4**
Topic Growth Areas, identified workstreams within:						
Anti-corruption	1.1	1.8	2.0	0.9	0.2	68.1
Debt sustainability and debt statistics	1.1	1.5	0.8	-0.3	-0.7	-34.2
Expenditure policy and public investment management	2.1	2.2	1.8	-0.4	-0.5	-22.8
Tax policy	2.6	3.3	3.9	1.3	0.5	38.1
Fintech and cyber risks	0.8	0.5	0.8	-0.1	0.3	-14.5
Climate change	0.0	0.0	0.2	0.2	0.2	...
Country Group Growth Areas						
Highly-vulnerable countries	50.7	17.6	50.5	-0.1	32.9	-7.4
Fragile states	29.3	23.9	27.1	-2.3	3.2	-14.3
Caucasus, Central Asia, and Mongolia (CCAM)	6.7	4.9	6.5	-0.2	1.6	-10.2

Source: Staff estimates as of May 2020.

[5] The revised prioritization framework is set out in Box 4 of the FY2020–FY2022 Medium-term Budget.

9. Recognizing this unprecedented uncertainty about country level demand and CD delivery stemming from the crisis, the FY21 resource allocation plan exercise was simplified. Rather than adopt a medium-term approach, departments were asked to focus on immediate CD priorities for FY 21, with the November CCB acting as an opportunity to embed some of the early lessons from remote delivery and seek to identify any emerging priorities that could supplement or replace existing 'growth areas.' Looking forward, the Fund also needs to focus on helping countries build sound institutions to boost resilience to shocks, while remaining able to sustain efforts to develop capacity in member countries, in particular low-income countries, fragile, and small states.

C. Training Participation

10. Training fell as a share of overall CD delivery (Table 5) in both year-on-year terms and against budget expectations. This was driven by the crisis-related Q4 suspension of face-to-face training, the vast bulk of which is provided by ICD. The significant increase in online delivery did not result in a material increase in costs due to the low delivery cost of this modality.

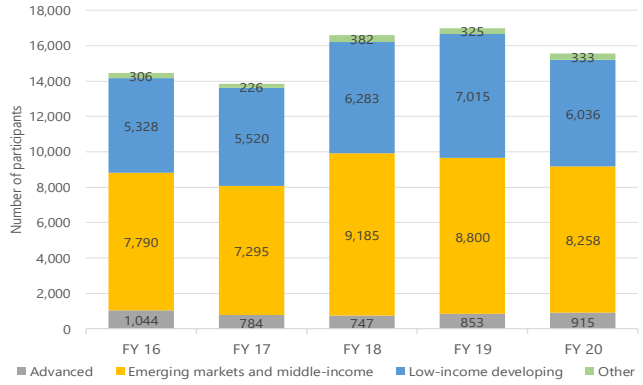
Table 5. Direct Delivery on Training by Department, FY 19-20
(Percent, unless otherwise indicated)

	FY 19 Outturn Share [1]	FY 20 Budget Share [2]	FY 20 Outturn Share [3]	FY 20 change in share (p.p.) To FY19 [3]-[1]	FY 20 change in share (p.p.) To Budget [3]-[2]	Nominal Growth Rate
Total Direct Delivery	**100.0**	**100.0**	**100.0**			**-7.1**
Total Direct Delivery on Training	**14.2**	**13.7**	**13.4**			
Fiscal Affairs Department	1.0	1.0	1.2	0.2	0.2	8.6
Institute for Capacity Development	9.4	8.3	8.6	-0.8	0.3	-15.3
Legal Department	0.3	0.3	0.3	0.0	-0.1	-5.1
Monetary and Capital Markets	0.8	0.8	0.6	-0.2	-0.2	-30.1
Statistics Department	1.6	1.9	1.8	0.2	0.0	4.7
Other CD delivery departments 1/	1.0	1.5	0.9	-0.2	-0.6	-22.3

Source: Staff estimates as of May 2020.
1/ Including area departments and other functional departments reporting CD-related activities.

11. Participation in IMF training fell by around 9 percent in FY 20 notwithstanding a substantial increase in online training. ICD remains the largest provider of training, followed by STA and FAD (Table 5). Training participation fell in all regions, bar Asia Pacific. For the first time, training participants in Asia Pacific represent the largest share, closely followed by Africa, which experienced a significant fall in training participation (17 percent decline) This was driven by a decline in face-to-face training. The increased participation in Asia Pacific was driven by online learning, which grew by 150 percent, much more than other regions. The

Figure 3. Total Training Participation by Income Group, FY 16-20[1]



Sources: PATS; and staff estimates.
1/ Includes regional training delivered to participants from regional institutions.

impact of COVID-19 is clear with a substantial fall in in-person training, at HQ, RTCs and other locations (Table 6). In terms of income groups, participation fell amongst EMEs and LIDCs, likely a reflection of halting in-person delivery and constraints around access to robust digital infrastructure. Nevertheless, EMEs continue to receive the largest share of training at a little over 53 percent, followed by LIDCs at almost 39 percent (Figure 3).

Table 6. Total Training Participation by Department and Region of Origin, FY 16-20
(Number of participants)

	FY 16	FY 17	FY 18	FY 19	FY 20
Total	**14,468**	**13,825**	**16,597**	**16,993**	**15,542**
Department					
Fiscal Affairs Department	2,263	2,410	3,183	3,353	2,933
Ins. for Capacity Development	7,381	7,272	8,852	8,461	6,440
Legal Department	625	546	489	384	501
Monetary and Capital Markets	1,492	1,220	1,369	1,657	1,606
Statistics Department	2,230	2,202	2,465	3,003	3,894
Other including RTACs[1]	477	175	239	135	168
Region					
Sub-saharan Africa	3,996	4,353	4,711	4,948	4,060
Asia and Pacific	2,882	2,504	3,674	4,284	4,440
Europe	2,077	1,809	1,815	1,613	1,548
Middle East and Central Asia	2,552	2,831	3,524	3,402	2,966
Western Hemisphere	2,961	2,328	2,873	2,746	2,528

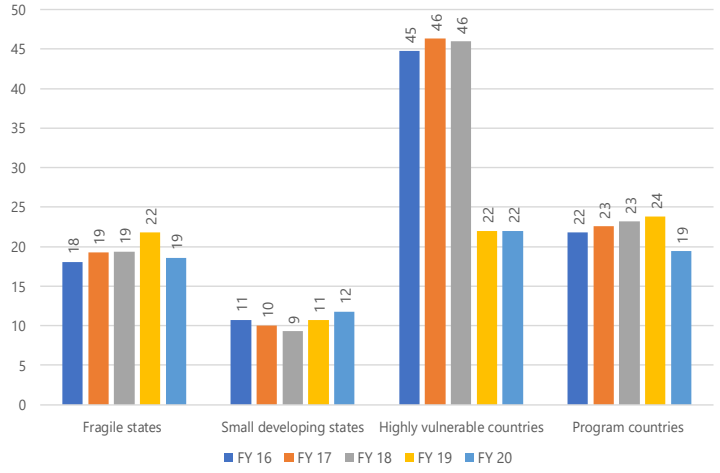
Sources: PATS; and staff estimates.

[1] Includes reported training not attributed to above.

12. Regional training centers saw a large decrease in number of participants (Table 6). Participation in training taking place at Regional Training Centers (RTCs) decreased by 19 percent compared to FY 19. This decrease was observed across nearly all regions and centers. This is the second consecutive year of decline in RTC participation. SARTTAC remains the largest training center with 1,331 participants in FY 20.

13. Total participation in online learning, grew dramatically in FY 20, with a substantial shift in composition toward government official participants. At the same time, however, FY 20 saw a continuing decline in government officials who complete the courses, which now stands at around of a quarter of those who initially enroll. Training for officials under the online learning program stood at 38 percent of total IMF training in FY 20, up from 26 percent in FY 19.

Figure 4. Percent Share of Total Participation by Analytical Group, FY 16-20



Sources: PATS; and staff estimates.

14. Participation from priority country groups changed modestly in FY 20 (Figure 4). The upward trend in participation from fragile states and program countries discontinued in FY 20, with both groups experiencing relatively larger decreases in the respective shares of participation. This was driven by a decline

in in-person classroom training, which fell by nearly 70 and 80 per cent respectively in Q4. Online participation actually rose for fragile states and program countries, albeit from a low base. The share of participation from highly vulnerable countries and small developing states remained broadly flat.[6]

D. Sources of External Funding

15. Over the last three years, the top 25 partners contributed 93 percent of the total external funding for CD (Table 7). Other key characteristics of external funding are as follows:

- Partner contributions are made to multi-partner vehicles—including regional CD centers, thematic and country funds, and bilateral programs. In addition, host countries manage a few regional training programs, where Fund staff provide training (Table 8).
- Contributions to multi-partner vehicles remain relatively concentrated (Table 9). In general, a few large partners for Regional Technical Assistance Centers (RTACs) and thematic funds account for a significant share of the total contribution in each group of vehicles. While the increased share of recipient members' contributions to RTACs to 30 percent has strengthened the financial sustainability of these centers, looking ahead, the impact of the COVID-19 pandemic on member country budgets raises some funding risks.

Table 7. Partner Contributions, FY 18-20[1]

Donor	Contributions (Mil. of U.S. dollars)	Share (Percent of total)
European Commission	132	19
Japan	97	14
China	51	7
Germany	48	7
Switzerland	43	6
United Kingdom	41	6
Kuwait	32	5
The Netherlands	30	4
Canada	28	4
India	18	3
Austria	16	2
Norway	16	2
Australia	15	2
Korea	14	2
Luxembourg	13	2
New Zealand	8	1
Sweden	8	1
Singapore	8	1
Denmark	7	1
France	7	1
Belgium	5	1
Ghana	5	1
Caribbean Development Bank	4	1
European Investment Bank	4	1
Italy	4	1
Other donors and institutions	48	7
of which: private foundations	1	0
Total	**702**	**100**

Source: Capacity Development Information Management System (CDIMS).
Note: Figures adjusted for RTC costs covered directly by the hosts, which are not reflected in IMF accounts. They may not add to totals due to rounding.
[1] Contributions received during FY18–20.

[6] Country group composition is based on current list of countries for fragile states, highly vulnerable countries, small developing states, and program countries.

Table 8. Capacity Development Vehicles Top 10 Partner Contributions, FY 18-20[1]

	Contribution (Millions of U.S. dollars)	Share (Percent of Total)
Multi-partner	**496**	**71**
Thematic (and country) Trust Funds (TTFs)	143	29
Regional Technical Assistance Centers (RTACs)	286	58
Regional Training Centers (RTCs)	67	13
Bilateral	**205**	**29**
Total	**702**	**100**

Source: CDIMS.

Note: Figures adjusted for RTC costs covered directly by the hosts, which are not reflected in IMF accounts. They may not add to totals due to rounding.

1/ Funds received during FY 18–20.

Table 9. RTACs and TTFs: Partner and Member Contributions to Current Phase[1]

	RTACs		TTFs	
	(Millions of U.S. dollars)	(Percent of total)	(Millions of U.S. dollars)	(Percent of total)
Top 3 donors	167	37	105	42
Other (other donors and international institutions)	150	33	145	58
Members (RTAC recipients)	138	30		
Total	**454**	**100**	**249**	**100**

Source: CDIMS.

Note: Figures may not add to totals due to rounding.

1/ Signed contributions and pledges for current cycle as of April 30, 2020.

16. The emergence of the COVID-19 crisis highlighted some risks and challenges associated with external funding, which will continue to be actively managed:

- Diversification. Pursuing broader and more sustained partnerships will reduce dependence on large contributors as shortfalls from one partner can be more easily offset by the others. Longer and more strategic partnerships provide greater funding certainty over the medium term.
- Flexibility. Promoting multi-partner and umbrella agreements will enable the Fund to allocate funding across a range of CD activities and thereby manage funding shortfalls in specific vehicles. For example, in the context of COVID-19, a new multi-partner initiative to raise funds that will be allocated flexibly for IMF CD was launched to address urgent CD needs related to the pandemic. Fund-financed CD can also be reprioritized more flexibly.
- Risks. Reducing operational risks by (a) securing financing upfront before carrying out CD delivery, (b) flexibly adjusting the components of a work program if funding falls short, and (c) mitigating risks associated with high donor dependency. All CD projects or programs have built-in degrees of flexibility to allow adjustments.

Annex II. FY 20 Salary Pay Increase and Skills Upgrading[1]

1. This annex reports on the FY 20 salary erosion and skills upgrading for staff. The single salary increase adopted under the CCBR reforms replaces the separate salary structure increase and merit pay increase, beginning with FY 21. Provision for skills upgrading remains unchanged and is capped at 0.5 percent, measured as the increase in the average midpoint salary.[2,3]

A. Annual Salary Pay Increase

2. An annual salary increase of 3.6 percent was approved by the Board in April 2020 for FY 21. On May 1, 2020, all eligible staff in grades A1-B3 received a single salary increase. It was solely based on staff members' position in the salary grade segment and did not take into account performance during FY 20. The latter exercise was suspended due to COVID-19, as part of the simplification of the Annual Talent Management Exercise.[4,5]

Table 1. FY 21 Salary Increase Distribution
(Percent)

Segment	A1-B3	B4-B5
S1	4.3	3.5
S2	3.4	2.8
S3	2.6	2.1

Source: Human Resources Department (HRD).

3. The salary erosion is calculated based on the difference between the average *midpoint* salary and the average *actual* salary paid, using the grade structure at the end of the financial year. For FY 20, salary erosion amounted to $7.7 million, or the equivalent of 1.8 percent of actual salaries. These resources contribute to funding the single salary increase and help fund costs associated with the CCBR reform, including the new childcare benefit. As agreed by the Board, when the impact of the CCBR becomes positive (expected for FY 23), the part of the salary erosion not required to cover nominal salary increases could help finance targeted measures to bolster the Fund's competitiveness—proposals will be included in budget papers, for discussion at the Board.

[1] Prepared by Marc Klein, and Kris Savani (both HRD); and Jiu Hong Zhou and Gisela Ulmschneider (both OBP).

[2] See "*Comprehensive Compensation and Benefits Review – Revised Proposed Decision*" (EBAP/19/104, Sup.1).

[3] See "*Salary Adjustments and the Budget—A Reform Proposal*" (EBAP/11/12, 02/18/2011) for a description of the system. The 0.5 percent change allowed for skills upgrading is measured as the percentage change in average midpoint salary from one year to the next, budget to budget. The average midpoint salary is calculated as the number of budgeted FTEs at each grade multiplied by their respective grade midpoint, then divided by the total number of budgeted FTEs

[4] FY2020 Annual Performance Review and Multi Source Input—Simplifications due to COVID-19 communication to staff on March 25, 2020.

[5] Eligible B4-B5 staff will receive an increase of 2.7 percent in July/August 2020.

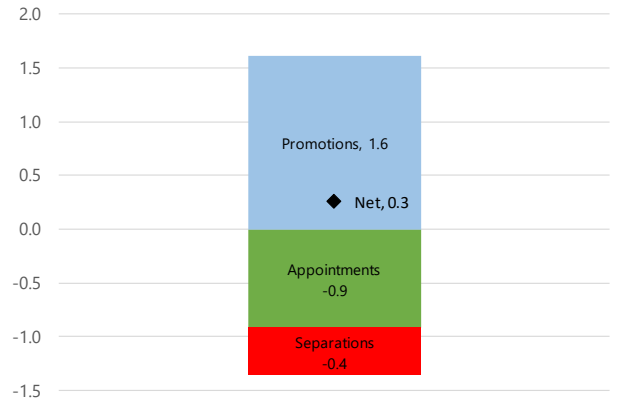
B. Skills Upgrading

4. In FY 20, 0.3 percent of the 0.5 percent cap on skills upgrading was needed (Figure 1). This outcome reflected the shift in staff grades profile measured as the percentage change in the average midpoint salary, on a budget-to-budget basis. Two factors are attributable to this shift: (i) turnover, i.e., staff separations and new appointments; and (ii) promotions. The net effect resulted in an outcome of 0.3 percent increase in the average salary midpoint in FY 20.

- **Turnover reduced the average salary midpoint by 1.3 percent**. Turnover typically lowers the average salary midpoint as long-tenured staff tend to separate at senior grades and are replaced by more junior staff at lower grades. For FY 20, the reduction in the average salary midpoint is lower than last year (1.6 percent), but in line with the historical impact of turnover.

- **Promotions raised the average salary midpoint by 1.6 percent**. The impact of promotions on the average midpoint salary was broadly consistent with last year's outcome.

Figure 1. Promotions and Turnover FY 20
(Percent of average midpoint salary)



Sources: HRD and OBP.

Annex III. Statistical Tables

Table 1. Gross Fund- and Externally Financed Spending Estimates by Output, FY 16–20[1]

(Millions of FY 20 U.S. dollars, support and governance costs allocated across outputs)

	Millions of FY 20 U.S. dollars					Percent of total				
	FY 16	FY 17	FY 18	FY19	FY20	FY 16	FY 17	FY 18	FY19	FY20
Total	**1,337**	**1,355**	**1,374**	**1,381**	**1,350**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Multilateral surveillance	**265**	**262**	**274**	**261**	**259**	**19.8**	**19.3**	**19.9**	**18.9**	**19.2**
Global economic analysis	**130**	**129**	**130**	**124**	**122**	**9.7**	**9.5**	**9.5**	**9.0**	**9.0**
WEO	19	18	17	16	19	1.4	1.3	1.3	1.1	1.4
GFSR	16	16	17	13	14	1.2	1.2	1.2	1.0	1.0
General research	43	39	38	39	38	3.2	2.9	2.8	2.9	2.8
General outreach	52	57	57	55	51	3.9	4.2	4.2	4.0	3.8
Support and Inputs to Multilateral Forums and Consultations	**24**	**24**	**23**	**24**	**22**	**1.8**	**1.7**	**1.7**	**1.7**	**1.7**
Multilateral consultations	7	6	5	4	4	0.5	0.5	0.4	0.3	0.3
Support and Inputs to multilateral forums	18	17	18	20	18	1.3	1.3	1.3	1.4	1.3
Tools to prevent and resolve systemic crises	**64**	**68**	**77**	**70**	**72**	**4.8**	**5.0**	**5.6**	**5.1**	**5.3**
Analysis of vulnerabilities and imbalances	17	18	21	20	23	1.3	1.3	1.5	1.4	1.7
Other cross cutting analysis	42	45	49	45	43	3.2	3.3	3.6	3.2	3.2
Fiscal Monitor	4	5	7	5	5	0.3	0.4	0.5	0.4	0.4
Regional approaches to economic stability	**47**	**41**	**43**	**43**	**43**	**3.5**	**3.0**	**3.2**	**3.1**	**3.2**
REOs	22	19	20	20	20	1.6	1.4	1.4	1.4	1.5
Surveillance of regional bodies	11	9	8	8	7	0.8	0.7	0.6	0.6	0.5
Other regional projects	14	13	16	15	16	1.1	1.0	1.1	1.1	1.2
Oversight of global systems	**134**	**139**	**143**	**150**	**147**	**10.0**	**10.2**	**10.4**	**10.9**	**10.9**
Development of international financial architecture	**39**	**43**	**41**	**47**	**53**	**2.9**	**3.2**	**3.0**	**3.4**	**4.0**
Work with FSB and other international bodies	7	8	7	7	7	0.5	0.6	0.5	0.5	0.5
Other work on monetary, financial, and capital markets issues	32	36	34	41	47	2.4	2.6	2.5	2.9	3.5
Data transparency	**38**	**39**	**42**	**43**	**36**	**2.8**	**2.9**	**3.0**	**3.1**	**2.7**
Statistical information/data	30	31	33	33	27	2.2	2.3	2.4	2.4	2.0
Statistical manuals	3	2	2	2	2	0.2	0.2	0.2	0.2	0.2
Statistical methodologies	5	6	6	7	7	0.4	0.4	0.4	0.5	0.5
The role of the Fund	**57**	**56**	**60**	**60**	**58**	**4.3**	**4.1**	**4.3**	**4.3**	**4.3**
Development and review of Fund policies and facilities excl. PRGT and GRA	20	20	27	27	24	1.5	1.5	2.0	2.0	1.8
Development and review of Fund policies and facilities - PRGT	11	13	12	14	15	0.8	0.9	0.8	1.0	1.1
Development and review of Fund policies and facilities - GRA	9	9	9	8	9	0.6	0.7	0.7	0.6	0.6
Quota and voice	7	6	7	7	6	0.6	0.4	0.5	0.5	0.4
SDR issues	10	8	5	4	4	0.7	0.6	0.4	0.3	0.3
Bilateral surveillance	**320**	**333**	**336**	**349**	**313**	**23.9**	**24.6**	**24.4**	**25.3**	**23.2**
Assessment of economic policies and risks	**282**	**283**	**293**	**302**	**277**	**21.1**	**20.9**	**21.3**	**21.9**	**20.5**
Article IV consultations	209	210	221	230	205	15.6	15.5	16.1	16.7	15.2
Other bilateral surveillance	73	74	72	72	72	5.4	5.4	5.2	5.2	5.3
Financial soundness evaluations - FSAPs/OFCs	**28**	**40**	**33**	**38**	**30**	**2.1**	**2.9**	**2.4**	**2.7**	**2.2**
Standards and Codes evaluations	**10**	**10**	**9**	**9**	**6**	**0.8**	**0.7**	**0.7**	**0.7**	**0.5**
ROSCs	2	2	1	1	0	0.1	0.2	0.1	0.1	0.0
AML/CFT	2	2	2	2	2	0.1	0.1	0.2	0.2	0.1
GDDS/SDDS	7	6	5	6	4	0.5	0.5	0.4	0.4	0.3
Lending (incl. non-financial instruments)	**194**	**179**	**172**	**182**	**202**	**14.5**	**13.2**	**12.5**	**13.2**	**14.9**
Arrangements supported by Fund resources	**148**	**146**	**149**	**137**	**164**	**11.1**	**10.8**	**10.8**	**9.9**	**12.2**
Programs and precautionary arrangements supported by general resources	84	77	72	71	92	6.3	5.7	5.3	5.1	6.8
Programs supported by PRGT resources	64	70	76	66	72	4.8	5.1	5.6	4.8	5.4
Non-financial instruments and debt relief 2/	**46**	**33**	**23**	**44**	**38**	**3.4**	**2.4**	**1.7**	**3.2**	**2.8**
Capacity development	**365**	**372**	**419**	**412**	**392**	**27.3**	**27.5**	**30.5**	**29.8**	**29.0**
Technical assistance	305	311	352	344	329	22.8	23.0	25.6	24.9	24.4
Training	60	61	67	68	63	4.5	4.5	4.9	4.9	4.7
Miscellaneous 3/	**45**	**49**	**29**	**27**	**37**	**3.4**	**3.6**	**2.1**	**2.0**	**2.7**
Reconciliation item 4/	**14**	**21**	**2**	**0**	**0**	**1.1**	**1.5**	**0.1**	**-**	**-**

Source: Office of Budget and Planning, Analytic Costing and Estimation System (ACES).
1/ Unlike in Table 2 in the main text, this table shows support and governance costs as allocated across outputs.
2/ Includes Post Program Monitoring, Policy Support Instruments, Staff Monitored Programs, Near Programs, Ex-Post Assessments, Multilateral Debt Relief Initiatives (MDRI-I and II), Heavily Indebted Poor Countries, Joint Staff Advisory Notes, Post Catastrophe Debt Relief, and Catastrophe Containment Relief Trust.
3/ Miscellaneous includes payments to some separating staff and reconciliation items. Compared to Table 2 in the main text, this table also includes direct Support and Governance expenses.
4/ Reconciliation to gross administrative expenditures as per the Fund's financial system.

Table 2. Total Administrative Expenditures: Budgets and Outturn, FY 11–20
(Millions of U.S. dollars, except where indicated otherwise)

Financial Year	Budget 1/	Outturn 2/ 3/	Outturn to Budget Difference		Budget to Budget Difference		Outturn to Outturn Difference	
			Amount	Percent	Amount	Percent	Amount	Percent
				A. Net Budget				
2011	953	917	-36	-3.8	22	2.3	54	6.2
2012	985	947	-38	-3.9	32	3.3	30	3.2
2013	997	948	-50	-5.0	13	1.3	1	0.1
2014	1,007	988	-19	-1.8	9	0.9	40	4.3
2015	1,027	1,010	-17	-1.7	20	2.0	21	2.2
2016	1,052	1,038	-13	-1.3	25	2.4	29	2.8
2017	1,072	1,066	-6	-0.6	21	2.0	28	2.7
2018	1,104	1,099	-5	-0.5	31	2.9	32	3.0
2019	1,135	1,131	-4	-0.3	32	2.9	33	3.0
2020	1,158	1,150	-8	-0.7	23	2.1	19	1.7
				B. Gross Budget				
2011	1,075	1,021	-54	-5.0	43	4.2	71	7.4
2012	1,123	1,082	-41	-3.7	48	4.5	61	6.0
2013	1,159	1,102	-57	-4.9	35	3.2	20	1.8
2014	1,186	1,149	-37	-3.2	27	2.3	47	4.3
2015	1,224	1,177	-46	-3.8	38	3.2	29	2.5
2016	1,247	1,215	-33	-2.6	24	1.9	38	3.2
2017	1,273	1,255	-18	-1.4	25	2.0	40	3.3
2018	1,315	1,309	-6	-0.4	42	3.3	54	4.3
2019	1,371	1,346	-26	-1.9	56	4.3	37	2.8
2020	1,397	1,350	-48	-3.4	26	1.9	4	0.3

Source: Office of Budget and Planning.

Note: Figures may not add to total due to rounding.

1/ Excludes carry forward funds from previous year of $34.4 million (FY 12), $40.6 million (FY 13), $41.9 million (FY 14), $41.7 million (FY 15), $42.5 million (FY 16), $43.2 million (FY 17), $44.3 million (FY 18), $45.6 million (FY 19), and $46.9 million (FY 20).

2/ Includes contributions to the Staff Retirement Plan (SRP) service credit buy back program of $8 million in FY 05, $10 million in FY 06, $20.5 million in FY 07, and $2.1 million in FY 08 and a one off voluntary contribution of $12 million in FY 09.

3/ Includes one-off supplementary contributions to the Retired Staff Benefit Investment Account (RSBIA) of $27 million in FY 09, $30 million in FY 10; $45 million in FY 11; $30 million in FY 12; $12 million in FY 13; $8 million in FY 16; and $2 million in FY 17.

Table 3. Net Administrative Expenditures by Department/Office, FY 19-20[1/]

(Millions of U.S. dollars, except where indicated otherwise)

Departments/Offices	FY19	FY20			Working Budget minus Outturn 2/	
	Outturn	Approved Budget	Working Budget 3/	Outturn	Dollars	Percent
Area	**300**	**303**	**311**	**303**	**9**	**2.8**
African	89	91	93	91	2	2.4
Asia and Pacific	44	44	46	46	0	0.3
European	68	68	71	68	3	3.8
Middle East and Central Asia	52	52	53	49	3	6.2
Western Hemisphere	47	48	49	49	0	0.6
Functional non-technical assistance	**165**	**163**	**170**	**170**	**0**	**-0.3**
Communications	36	38	39	36	3	6.8
Finance	35	36	37	38	0	-0.4
Research	35	35	36	36	0	-0.1
Strategy, Policy and Review	59	54	58	61	-3	-5.1
Functional technical assistance	**256**	**260**	**266**	**259**	**7**	**2.8**
Fiscal Affairs	62	62	63	62	1	2.0
Institute for Capacity Development	34	34	35	33	2	5.7
Legal	28	29	30	30	0	0.5
Monetary and Capital Markets	85	85	87	86	1	1.3
Statistics	46	50	50	48	3	5.7
Support/offices	**274**	**280**	**290**	**278**	**13**	**4.4**
Corporate Services and Facilities	99	101	102	99	3	2.9
Human Resources	38	35	42	41	1	2.7
Information Technology	104	107	108	104	4	3.7
Office of Budget and Planning	5	5	5	5	0	8.3
Office of Internal Audit	5	5	5	5	0	1.6
Office of Risk Management	3	3	3	3	0	6.9
Secretary's	21	24	24	20	4	16.4
Office of the Managing Director	11	11	11	11	0	1.9
Other small offices 4/	15	16	18	15	3	15.0
Total departments/offices	**1,022**	**1,033**	**1,066** 5/	**1,035**	**31**	**2.9**
Central accounts 6/	**37**	**43**	**42**	**41**	**2**	**3.8**
Others	**75**	**82**	**97**	**75**	**22**	**23.0**
Independent Evaluation Office	6	6	7	7	1	7.2
Office of Executive Directors	69	75	90	68	22	24.3
Total	**1,134**	**1,158**	**1,205**	**1,150**	**55**	**4.6**
Of which: Carry forward from FY 19			47			

Source: Office of Budget and Planning.
Note: Numbers may not add to totals due to rounding.

1/ Excludes activities funded by donors.
2/ Underspend (+), overspend (-).
3/ Working budget refers to approved budget plus any in-year adjustments, e.g. transitional resources, carry forward, etc.
4/ Includes training institutes overseas, Office for Asia and the Pacific, Office in Europe, Administrative Tribunal, Change Management Unit, Economic Data Team, Ethics, Grievance, HQ1 Task Force, Innovation Lab, Investment Office, Knowledge Management Unit, Mediator, Internal Investigation, Ombudsman, and Secretarial Support.
5/ Departments received $33 million in additional resources: $29 million in carry forward funds and $4 million from other centrally earmarked pools (e.g. HR centrally administered programs).
6/ Includes contingencies and resources in centrally-administered accounts, e.g., for the resident representative program, HR-related programs, standard cost adjustments. FY20 outrun reflects reconciliation of accounts with actual expenditures for: (i) some standard cost benefits for externally funded long-term field-based experts and (ii) the timing of take up of benefits and their scale relative to standard costs.

Table 4. Administrative Expenditures: Total Personnel Expenses, FY 10-20[1/ 2/]

(Millions of U.S. dollars)

Expenditure category	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Personnel expenses	**694**	**757**	**799**	**802**	**829**	**862**	**896**	**922**	**962**	**995**	**1,028**
Salaries	402	434	471	488	513	534	552	569	603	619	641
Staff, OED, and IEO	329	351	370	378	394	410	427	444	465	482	504
Other personnel 3/	73	82	101	110	119	124	125	126	138	137	137
Other personnel expenditures	**288**	**320**	**325**	**310**	**312**	**323**	**339**	**348**	**354**	**371**	**383**
Retirement benefits 4/ 5/	146	168	159	143	136	142	155	157	162	168	178
Health benefits	33	36	38	39	41	44	44	45	44	47	49
Tax allowances	28	31	35	32	36	35	38	39	39	41	41
Home leave	22	22	25	26	26	28	28	29	29	31	31
Children's education allowances	17	19	21	22	24	26	27	28	29	32	32
Overseas allowances	17	19	22	22	21	19	19	19	20	21	22
Training and study allowances	9	9	9	10	10	10	10	10	11	11	10
Spouse and child allowances	6	7	7	7	7	7	7	7	7	7	7
Other benefits 6/	10	10	10	11	11	12	11	14	13	13	14
Other misc. personnel expenditures 7/	**4**	**4**	**4**	**4**	**4**	**5**	**5**	**5**	**5**	**5**	**5**
Memorandum items:											
Total gross expenditures	950	1,021	1,082	1,102	1,149	1,177	1,215	1,255	1,309	1,346	1,350
Personnel expenses (percent of total)	73	74	74	73	72	73	74	74	73	74	76
Salaries (share of total personnel expenses)	58	57	59	61	62	62	62	62	63	62	62
Other personnel expenditures (share of pers. exp.)	42	43	41	39	38	38	38	38	37	38	38
Total personnel expenses (in FY20 dollars)	867	902	938	941	958	976	991	997	1,010	1,022	1,028
Salaries	502	517	552	572	593	604	610	616	633	636	641
Other personnel and misc. personnel expenditures	365	385	386	369	365	371	380	382	377	387	388

Source: Office of Budget and Planning.

Note: Figures may not add to totals due to rounding.

1/ Reflects current expense categories in the chart of accounts, adjusted retrospectively as appropriate.

2/ Includes external financing.

3/ Includes salaries of contractuals, experts, local staff, as well as overtime for all personnel.

4/ Includes the Staff Retirement Plan (SRP), 401K retirement accounts, and contributions under the SRP service credit buy-back program and RSBIA.

5/ FY 10-13 and FY 16-17 reflect additional contributions to the RSBIA.

6/ Includes spouse point and emergency travel, life insurance benefits, settlement allowances, and SBF separation incentives.

7/ Includes ICD participants' allowances, and social and welfare expenses.

Table 5. Total Fund Employment Outturn, FY 17–20
(Full-time Equivalents, FTEs)

	FY 17	FY 18	FY 19	FY 20
Total Fund employment	**3,762**	**3,881**	**3,899**	**3,912**
Regular and term staff	**2,890**	**2,923**	**2,958**	**2,982**
Fund-financed	2,813	2,836	2,865	2,886
Of which:				
Independent Evaluation Office (IEO)	14	15	15	15
Office of Executive Directors (OED)	250	247	247	247
Externally financed	77	87	93	96
Expert and Contractual Staff 1/	**872**	**958**	**941**	**930**
Fund-financed	556	586	588	599
Externally financed	316	372	353	330

Source: Office of Budget and Planning.
1/ Includes experts (including short-term), contractuals, visiting scholars, secretarial support, and other. Excludes local employees in the field.

Table 6. FTEs by Department/Office, FY 17-20
(Fund-financed staff)

Department/office	FY 17	FY 18	FY 19	FY 20	
				Working Budget	Outturn
Area	**785**	**788**	**799**	**805**	**799**
African	210	221	226	230	229
Asia and Pacific	114	114	114	117	116
European	188	186	189	187	187
Middle Eastern and Central Asia	137	134	137	135	129
Western Hemisphere	135	133	133	136	138
Functional non-TA	**507**	**505**	**511**	**514**	**522**
Communications	95	91	87	92	88
Finance	126	128	129	130	132
Strategy, Policy, and Review	176	174	183	180	188
Research	110	112	112	113	113
Functional TA	**693**	**707**	**710**	**732**	**718**
Fiscal Affairs	150	161	160	164	160
Institute for Capacity Development	122	123	124	125	128
Legal	73	77	80	82	80
Monetary and Capital Markets	219	220	221	224	228
Statistics	129	127	126	137	122
Support/others	**553**	**563**	**565**	**591**	**566**
Corporate Services and Facilities	160	159	160	163	158
Information Technology	148	153	145	149	144
Human Resources	90	88	96	100	99
Office of Budget and Planning	16	16	17	16	16
Office of Internal Audit	11	12	13	13	13
Office of Risk Management	7	8	9	10	10
Secretary's	57	59	59	68	60
Office of the Managing Director	26	25	25	25	25
Other small offices 1/	39	43	40	46	40
Central allocation	12	11	17	18	17
Total departments/offices	**2,549**	**2,574**	**2,603**	**2,661**	**2,622**
Others					
Independent Evaluation Office	14	15	15	15	15
Office of Executive Directors	250	247	247	238	249
Grand total	**2,813**	**2,836**	**2,865**	**2,914**	**2,886**

Source: Office of Budget and Planning.

1/ Includes training institutes overseas, Administrative Tribunal Office, Ethics Office, Diversity Office, Secretarial Support, Office for Asia and the Pacific, Office in Europe, the Ombudsman, the Mediator, the Grievance Committee, Economic Data Team, HQ1 Task Force, Investment Office, iLab, Knowledge Management Unit, and Change Management Unit.

Table 7. FTEs by Department/Office, FY 17-20

(Externally financed staff)

Department/office	FY 17	FY 18	FY 19	FY 20	
				Budget	Outturn
Area	**1.2**	**1.8**	**1.3**	**2.3**	**1.4**
African	0.5	0.5	0.1	0.6	0.1
Asia and Pacific	0.7	1.1	1.0	1.7	1.0
Western Hemisphere	0.0	0.2	0.1	0.0	0.2
Functional non-TA	**3.0**	**3.2**	**2.9**	**2.7**	**2.7**
Finance	0.6	0.7	0.8	0.9	0.8
Strategy, Policy, and Review	1.1	2.0	1.7	1.2	1.6
Research	1.3	0.5	0.4	0.6	0.3
Functional TA	**72.4**	**81.6**	**88.1**	**86.0**	**91.9**
Fiscal Affairs	29.4	31.1	31.0	23.5	32.3
Institute for Capacity Development	13.4	18.6	19.8	23.4	22.4
Of which:					
African Training Center	0.0	0.0	0.0	0.0	0.8
Center for Economics and Finance	1.9	2.1	2.2	2.0	2.1
Singapore Training Institute	0.3	0.6	0.4	0.4	0.1
Legal	8.8	8.8	7.6	9.0	7.8
Monetary and Capital Markets	9.4	11.3	13.9	14.8	14.1
Statistics	11.3	11.7	15.8	15.3	15.3
Support	**0.1**	**0.1**	**0.2**	**0.1**	**0.4**
Human Resources	0.1	0.1	0.2	0.1	0.4
Total	**76.6**	**86.6**	**92.6**	**91.2**	**96.4**

Source: Office of Budget and Planning.

Table 8. Departmental Business and Seminar Travel Expenditures, FY 18–20

(Millions of U.S. dollars)

	FY 18	FY 19 1/	FY 20
By type of cost	**110**	**116**	**86**
Transportation	65	68	51
Per diem	45	48	35
By type of financing	**110**	**116**	**86**
Fund-financed	65	70	50
Externally financed	45	46	36
By department	**110**	**116**	**86**
Area	30	29	22
Functional CD	63	65	50
Functional non-CD	6	6	4
Support and Governance	5	9	5
OED and IEO	5	7	5
Memorandum item:			
In percent of total gross expenditures	8.4	8.6	6.4

Source: Office of Budget and Planning.

1/ Includes Annual Meetings overall travel of approximately $5.4 million.

Table 9. Travel Metrics by Department Type, FY 18–20[1]

(Number of missions, unless otherwise indicated)

	FY 18	FY 19	FY 20	Percent change FY 20 vs FY 19
Number of missions	**8,296**	**7,858**	**6,693**	**-15**
Area	1,366	1,445	1,180	-18
Functional CD	5,121	4,979	4,207	-16
Functional non-CD	989	788	719	-9
Support and Governance	820	646	587	-9
Mission nights	**91,255**	**88,985**	**75,761**	**-15**
Area	24,115	24,778	19,679	-21
Functional CD	59,762	57,497	50,417	-12
Functional non-CD	3,781	3,714	3,046	-18
Support and Governance	3,597	2,996	2,619	-13
Mission persons	**13,490**	**12,947**	**11,191**	**-14**
Area	3,605	3,806	3,182	-16
Functional CD	7,584	7,259	6,246	-14
Functional non-CD	1,169	938	918	-2
Support and Governance	1,132	944	845	-10

Source: Office of Budget and Planning.

1/ Excludes Annual Meetings, IEO, OED.

Table 10. Capital Expenditures, FY 13–20

(Millions of U.S. dollars)

	Formula Key	Facilities	Information Technology	HQ2	HQ1 Renewal	Concordia Renovation		Total Capital
FY 13								
New appropriations	(1)	7.4	34.3	0.0	347.0	0.0		388.7
Total funds available	(2)	21.1	63.2	0.1	427.3	31.6		543.3
Expenditures	(3)	7.4	37.1	0.0	22.0	22.3		88.8
Lapsed funds 1/	(4)	1.4	0.5	0.0	0.0	0.0		1.8
Remaining funds 2/	(5) = (2)-(3)-(4)	12.4	25.6	0.0	405.3	9.3		452.6
FY 14								
New appropriations	(6)	17.4	23.8	0.0	0.0	0.0		41.2
Total funds available	(7) = (5)+(6)	29.8	49.4	0.0	405.3	9.3		493.8
Expenditures	(8)	10.1	36.6	0.0	92.2	4.8		143.8
Lapsed funds 1/	(9)	0.5	0.0	0.0	0.0	3.9		4.4
Remaining funds 2/	(10) = (7)-(8)-(9)	19.2	12.8	0.0	313.1	0.6		345.7
FY 15								
New appropriations	(11)	22.0	29.8		0.0	0.6	3/	52.4
Total funds available	(12) = (10)+(11)	41.2	42.6		313.1	0.6		397.4
Expenditures	(13)	10.5	29.3		95.7	0.3		135.8
Lapsed funds 1/	(14)	0.6	0.3		0.0	0.3		1.2
Remaining funds 2/	(15) = (12)-(13)-(14)	30.1	12.9		217.4	0.0		260.4
FY 16								
New appropriations	(16)	14.4	27.7		132.0 4/			174.1
Total funds available	(17)= (15)+(16)	44.5	40.6		349.4			434.5
Expenditures	(18)	14.6	25.8		90.1			130.5
Lapsed funds 1/	(19)	0.4	0.1		0.0			0.6
Remaining funds 2/	(20) = (17)-(18)-(19)	29.4	14.7		259.2			303.4
FY 17								
New appropriations	(21)	32.5	28.0		0.0			60.5
Total funds available	(22)= (20)+(21)	62.0	42.7		259.2			363.9
Expenditures	(23)	17.9	27.9		76.3			122.1
Lapsed funds 1/	(24)	5.4	0.2		0.0			5.6
Remaining funds 2/	(25) = (22)-(23)-(24)	38.7	14.6		182.9			236.2
FY 18								
New appropriations	(26)	31.4	35.0		0.0			66.4
Total funds available	(27)= (25)+(26)	70.1	49.6		182.9			302.6
Expenditures	(28)	22.3	31.4		62.3			116.0
Lapsed funds 1/	(29)	0.3	0.0		0.0			0.3
Remaining funds	(30) = (27)-(28)-(29)	47.4	18.2		120.6			186.3
FY 19								
New appropriations	(31)	35.5	35.9		0.0			71.4
Total funds available	(32)= (30)+(31)	82.8	54.1		120.6			257.5
Expenditures	(33)	28.7	30.9		81.6			141.2
Lapsed funds 1/	(34)	5.9	0.0		0.0			5.9
Remaining funds	(35) = (27)-(28)-(29)	48.1	23.2		39.0			110.4
FY 20								
New appropriations	(36)	40.8	45.0		0.0			85.8
Total funds available	(37)= (35)+(36)	88.9	68.2		39.0			196.2
Expenditures	(38)	41.8	42.2		22.8			106.8
Lapsed funds 1/	(34)	1.8	0.0		0.0			1.8
Remaining funds 2/	(39) = (37)-(38)	45.4	26.0		16.2			87.6

Sources: Office of Budget and Planning and Corporate Services and Facilities Department and Information Technology Department.

1/ Figures reflect funds that were not spent within the three-year appropriation period; e.g., FY 18 appropriated funds lapsed at the end of FY 20.

2/ Figures reflect the unspent amount of the budget appropriation in the period concerned. Those funds can be used for authorized projects in the period covered by the appropriation.

3/ Unspent Concordia funds appropriated in FY 12 expired at the end of FY 14 with the exception of $0.6 million that was specifically reappropriated for FY 15 to complete the remaining work under the project.

4/ Additional appropriations were approved for the HQ1 Renewal Program during FY 16.

Table 11. Capital Expenditures on Facilities Projects, FY 20

(Millions of U.S. dollars)

Project	FY 20 Available Funds Allocated 1/	FY 20 Outturn	Lapsed Funds 2/	Remaining Funds
Total	**88.9**	**41.8**	**1.8**	**45.4**
New Investments	**22.4**	**6.8**	**0.5**	**15.1**
Audio-Visual Program Proper	5.8	2.5	-	3.3
Security	0.7	0.0	-	0.7
HQ1 Atrium Enhancements	7.9	2.6	0.3	5.0
HQ1 Atrium (Digital Wall)	4.2	2.2	-	2.0
HQ1 Atrium and Gallery Furniture	0.1	0.1	0.0	0.0
HQ1 Bistro Relocation and Enhancement	3.6	0.3	0.3	3.0
Other HQ investments	8.0	1.7	0.2	6.1
Life-Cycle Replacement, Repair and Recurring Expenditure	**59.4**	**33.7**	**0.9**	**24.7**
Audio-Visual Program Lifecycle	8.4	1.8	-	6.6
Concordia	0.9	0.7	0.1	0.1
Furniture Refresh	24.5	17.2	-	7.3
HQ1 Furniture Replacement	14.2	8.9	-	5.3
HQ2 Furniture Replacement	10.2	8.3	-	1.9
HQ Tenant Renovations	8.9	6.6	-	2.3
Security	4.0	2.5	-	1.5
Other HQ lifecycle	12.7	4.9	0.8	7.0
Vehicles	**1.2**	**1.2**	**-**	**0.0**
Contingency and seed funds	**5.9**	**0.1**	**0.3**	**5.5**

Sources: Corporate Services and Facilities Department and Office of Budget and Planning.

Note: Figures may not add to totals due to rounding.

1/ Available funds include FY 18-20 appropriations that were unspent at the beginning of FY 20.

2/ Includes FY 18 funds that expire at the end of the three-year appropriation period.

Table 12. Capital Expenditures on Technology Projects, FY 20

(Millions of U.S. dollars)

Project	FY 20 Available Funds Allocated 1/	FY 20 Outturn	Carryover
Totals	**68.2**	**42.2**	**26.0**
Transformational IT	**49.9**	**32.1**	**17.8**
1HR	28.0	17.9	10.1
CDMAP	4.3	3.3	1.0
Integrated Digital Workplace	2.9	2.6	0.3
iDATA	1.1	0.8	0.3
Knowledge Management	3.3	2.5	0.8
Pre-requisite/foundational projects	10.4	5.1	5.3
New Investments in IT	**9.6**	**5.2**	**4.4**
Integrated Language Services System	0.7	0.6	0.1
SharePoint 2013 Upgrade	0.6	0.5	0.1
Space Management System Replacement	0.4	0.1	0.4
Innovation Fund	0.4	0.1	0.3
Optimizing CD Partner Engagement with the Fund	0.4	-	0.4
Modernize Secure Digital Engagement (Extranets)	0.4	0.3	0.0
Big Data Lab	0.4	0.1	0.2
iFin Core Banking System Fit-gap Analysis	0.4	0.1	0.3
Change Management for the Transformational Projects	0.3	-	0.3
Use of Robotic Automation Process for FIN Manual Processes	0.3	0.3	0.0
SDLC Tools Upgrade	0.2	0.1	0.1
SPR Advanced Analytics Computational Platform	0.1	0.1	0.0
Corporate Solution for Field Office Payments	0.1	0.0	0.0
TransformIT - Email in the Cloud	0.1	0.1	0.0
of which: Information Security			
SIEM (Arcsight) Replacement	1.8	1.6	0.1
Business Continuity Center (BCC) Relocation/Cloud Migration	1.3	0.6	0.7
Privileged Account Management (PAM) Tool Replacement	1.0	-	1.0
Crown Jewels	0.9	0.5	0.4
Recurring Capital Expenditures and Lifecycle replacements	**6.5**	**4.9**	**1.6**
Network Infrastructure	2.9	2.4	0.5
Server Capital EOL	1.1	0.9	0.2
Lifecycle Refresh of Remote Office Infrastructure	1.1	0.4	0.7
Mac Refresh FY20	0.6	0.6	0.1
Storage Capital EOL	0.6	0.5	0.1
Lifecycle Refresh of Remote Access SSL VPN Infrastructure	0.1	0.1	0.0
Network Infrastructure Capital	0.1	0.0	0.1
IT End-User Equipment for Special Requests and Growth	0.1	0.1	0.0
Overallocated, pending project returns	**2.2**		

Sources: Office of Budget and Planning and Information Technology Department.

Note: Numbers may not add to totals due to rounding.

1/ Available funds include FY 18 - 20 appropriations that were unspent at the beginning of FY 20.