

The Managing Director's Update on the FY 2023 Work Program of the Executive Board
Executive Board Meeting
December 2, 2022

Following multiple shocks, including the prolonged pandemic and Russia's war in Ukraine, the global recovery has slowed. The membership is facing significant challenges, including high inflation, rising food and energy insecurity, elevated debt levels, tightening financial conditions, volatile capital flows and exchange rates, and intensifying geopolitical fragmentation. To this end, the Executive Board Work Program focuses on policy responses and bilateral and multilateral advice to stabilize the global economy and build resilience, critical financial assistance to those countries most affected by these shocks, and capacity development support to help implement policy advice. More than ever, the Fund has a key role to play in promoting international cooperation and collaborative solutions to shared challenges, including those related to climate, digitalization, and inclusion.

The Board Work Program (BWP) for the remainder of FY 2023 (through April 2023) has been updated, and preliminary priority areas for FY 2024 (May 2023 to April 2024) have been identified. Given continued high uncertainty, and mindful of staff capacity constraints, the BWP will need to remain flexible and adaptable to prioritize the membership's evolving needs.¹

The already unsustainable strain from a heavy policy and administrative agenda in the period ahead will be compounded by an expected increase in country items. To partially relieve these pressures, greater flexibility will be needed with the format of some items, delaying a few items, and identifying contingent items for potential delays. If work pressures continue to escalate, this will require more concerted efforts to reprioritize the agenda. The Board's ownership and partnership is critical to identify possible avenues for further streamlining and ensure a sustainable plan—for instance, suggestions to add a new item should be offset by suggestions to drop an item from the agenda.

Updates for the Remainder of FY 2023

The FY 2023 BWP remains ambitious in addressing both conjunctural and structural challenges. New items will fine-tune the agenda in specific areas, in response to new developments and needs:

- **Policy advice.** In addition to coverage through bilateral surveillance and programs, the key policy issues and priorities will continue to be emphasized in flagships and regional reports. Analytical work on [Geo-Economic Fragmentation and the Future of Multilateralism](#) will be shared

¹ The BWP builds on guidance from the Managing Director's Global Policy Agenda ([Fall 2021](#), [Spring 2022](#), and [Fall 2022](#)) and the International Monetary and Financial Committee ([Fall 2021](#) Communiqué, and [Spring 2022](#) and [Fall 2022](#) Chair's Statements). The scope of this document is policy and administrative work and the Board is also expected to be heavily engaged in country work in the period ahead.

with the Board, and briefings on other crisis-related issues will continue to be scheduled as needed.

- **Fund policies.** The main remaining items in the FY 2023 surveillance policy agenda are the reviews of Data Provision and Framework for Engagement on Governance. On lending policy, in addition to the planned review of precautionary instruments, the Board will be engaged on *IMF Lending: Update on Crisis Response and Possible Ways Forward*. The Board will consider a concept note on the review of the Capacity Development Strategy. The Board will also review the role of trade in the work of the Fund. The debt agenda continues with an update on the Contractual Approach, a discussion on *Debt Restructuring Challenges and the Fund's Capacity to Support LICs and EMs: Stocktaking and Potential Ways Forward*, and a formal discussion on Making Public Debt Public.
- **Transformational/resilience agenda.** On climate, the Board will review the Climate Macroeconomic Assessment Program. Analytical work on *Energy Security and Climate Mitigation Policies*, including on equivalence of carbon pricing versus other measures and reducing methane emissions, will also be shared with the Board. The digitalization workstream will now include a discussion on the *CBDC Handbook for Capacity Development*.
- **Institutional work.** The ongoing risk agenda, centered on the Enterprise Risk Management (ERM) Policy, Framework, and Roadmap, will be complemented by the discussion of *Risk Tolerance Statements*. The Sixteenth General Review of Quotas remains a core item. The Board will consider the one-year extension of 2020 Bilateral Borrowing Agreements. Additional Fund finances items include *Prescribed Holders of SDRs, Investment Account and Trust Investment Assets*, and *Adequacy of PRGT and RST Resources*. On internal support, the Board will also consider the *Implementation Plan in Response to IMF Executive Board and Management Endorsed Recommendations of the 2022 Institutional Safeguards Review* and be updated on *Early Experience with the Hybrid Work Model*.

Priorities for FY 2024

While the next financial year's agenda is still being developed, staff has identified preliminary priorities that will inform the next BWP, to be discussed in more detail in Spring 2023:

- **Policy advice.** The Board is expected to receive analytical work on *GovTech, Geoeconomic Fragmentation, Policy Responses to Commodity Price Shocks, Monetary-Fiscal Interactions in Inflation Booms*, and *Capital Outflow CFMs*.
- **Fund policies.** The surveillance agenda will proceed with the reviews of the *Transparency Policy*, the *Communications Strategy*, and the *Excessive Delays in Article IV Consultations*. On lending, work on the *2024/25 Review of the Fund's Concessional Facilities and Financing* and the 18-month *Interim Review of the Resilience and Sustainability Trust* will begin, and the Board will review *Access Limits on the RFI and RCF*, the *Food Shock Window*, *Program Monitoring with Board Involvement (PMB) in Staff Monitored Programs*, and the *Policy Coordination Instrument*.

Depending on the outcome of the Management Implementation Plan in response to the IEO Evaluation on the Early Response to COVID-19, the Board will discuss *IMF Lending Toolkit: Considerations for Addressing Future Global Shocks*. The review of the *Capacity Development Strategy* is expected to be concluded. On debt, the Board will be updated on the *Guidance to G20 on Collateral in Debt Financing* and will discuss the review of the *Debt Sustainability Framework for Low-Income Countries*.

- **Transformational/resilience agenda.** Staff is exploring Board briefings on climate transition for fossil fuel exporters; and green innovation and the impact of the green transition on innovation and productivity more broadly. Work on digitalization will cover *Digital Money and the International Monetary System*, and *Global Digital Cross-Border Payments Platforms*. Efforts to support fragile and conflict-affected states (FCS) will continue, including with *Building Statistical Capacity in FCS*.
- **Institutional work.** The *Sixteenth General Review of Quotas* is expected to be concluded by mid-December 2023. The Board will also consider the *Ex-Post Report on the Use of SDRs Following the 2021 General SDR Allocation*. On human resources, a highlight is the *2022-2023 Diversity & Inclusion Report*.