



INTERNATIONAL MONETARY FUND FACTSHEET

Where the IMF Gets Its Money

Most resources for IMF loans are provided by member countries, primarily through their payment of quotas. In addition, borrowing provides a temporary supplement to quota resources and has played a critical role in enabling the Fund to provide exceptional financial support to its members during the global economic crisis. Concessional lending and debt relief for low-income countries are financed through separate contribution-based trust funds.

The quota system

Each member of the IMF is assigned a **quota**, based broadly on its relative size in the world economy. This determines its maximum contribution to the IMF's financial resources. On joining the IMF, a country normally pays up to one-quarter of its quota in the form of widely accepted foreign currencies (such as the U.S. dollar, euro, yen, or pound sterling) or **Special Drawing Rights (SDRs)**. The remaining three-quarters are paid in the country's own currency.

Quotas are reviewed at least every five years. In 2010, the 14th General Review of Quotas was completed, and the IMF's members agreed that the Fund's quota resources should be doubled to SDR 477 billion. The quota increases under the 14th Review came into effect in January 2016.

Gold holdings

The IMF's gold holdings amount to about 90.5 million troy ounces (2,814.1 metric tons), making the IMF one of the largest official holders of gold in the world. However, the IMF's Articles of Agreement strictly limit the use of this gold. If approved by an 85 percent majority of total **voting power** of member countries, the IMF **may sell** or accept gold as payment by member countries but it is prohibited from buying gold or engaging in other gold transactions.

In December 2010, the IMF concluded the sale of 403.3 metric tons of gold (about one-eighth of its holdings) as authorized by the Executive Board in September 2009. The limited gold sale was conducted under strong safeguards to avoid market disruption and all gold sales were at market prices, including direct sales to official holders.

SDR 4.4 billion of profits from the sale of its gold were used to establish an endowment as part of the IMF's new income model, designed to put the institution's finances on a sustainable footing. A proportion of the gold sales is used to subsidize concessional financing for low-income countries.

The IMF's lending capacity

The IMF can use its quota-funded holdings of currencies of financially strong economies to finance **lending**. The Executive Board selects these currencies every three months. Most are issued by industrial countries, but the list has also included currencies of emerging market economies. The IMF's holdings of these currencies, together with its own SDR holdings, make up its own usable resources. If needed, the IMF can temporarily supplement these resources by borrowing (see below).

The amount the IMF has readily available for new (non-concessional) lending is indicated by its **forward commitment capacity** (FCC). This is determined by its usable resources—including

amounts available under the IMF's standing multilateral borrowing arrangement (see below)—plus projected loan repayments over the subsequent twelve months, less the resources that have already been committed under existing lending arrangements, less a prudential balance.

Borrowing arrangements

The IMF maintains two standing multilateral [borrowing arrangements](#)—the New Arrangements to Borrow (NAB) and the General Arrangements to Borrow (GAB). If the IMF believes that its quota resources might fall short of the needs of its member countries—for example, in the event of a major financial crisis—it can activate these arrangements.

In 2011, the NAB was expanded from SDR 38 billion to SDR 370 billion, with the addition of 14 new participants, including those from a number of emerging market countries. The expanded NAB was activated ten times for the maximum period of six months and for the full amount, with the last activation starting on October 1, 2016.

In the context of the agreement in December 2010 to double the Fund's quota resources under the 14th General Review of Quotas, it was agreed that there should be a corresponding rollback of the NAB, resulting in a shift in the composition of the Fund's lending resources from NAB to quotas. Following payments of quota increases under the 14th Review in February 2016, the NAB has been rolled back from SDR 370 billion to SDR 182 billion, and the last activation was terminated on February 25, 2016.

Since the onset of the global crisis, the IMF has signed a number of bilateral loan and note purchase agreements to supplement its quota resources. The first round of bilateral borrowing took place in 2009–10. The use of 2009–10 bilateral borrowing has been discontinued since April 1, 2013.

In 2012, as economic and financial conditions worsened in the euro area, a number of countries committed to increase IMF resources further through bilateral borrowing agreements. As of March 10, 2016, 34 agreements are now effective for an amount equivalent to SDR 279 billion. The 2012 bilateral borrowing agreements had initial two-year terms, with the possibility of being extended by two additional one-year terms. The agreements were extended by one year in 2014 and by additional one year in 2015 in light of continued vulnerabilities in the global economy. These resources serve as a second line of defense to the [Fund's quota and NAB resources](#).

IMF concessional lending and debt relief

The IMF currently provides two primary types of financial assistance to low-income countries: low-interest loans under the [Poverty Reduction and Growth Trust \(PRGT\)](#), and debt relief under the [Heavily Indebted Poor Countries \(HIPC\) Initiative](#), and the [Catastrophe Containment and Relief \(CCR\) Trust](#). These resources come from member contributions and the IMF itself, rather than from the quota subscriptions.

In July 2009, the Executive Board approved far-reaching [reforms of the concessional facilities](#), including temporarily providing zero interest payments on concessional loans to all low-income countries (subsequently extended through end-2016), to help them cope with the crisis. Along with these reforms, the Fund also sought to boost its concessional lending capacity over 2009–14 by mobilizing an additional SDR 10.8 billion (about \$14.8 billion) in new financing commitments and SDR 1.5 billion (about \$2.3 billion, in end-2008 present value terms) in new subsidy resources.

In September 2012, the Fund [adopted a strategy](#) to make the PRGT self-sustaining and to support concessional lending of about SDR 1¼ billion (about \$2.0 billion) a year, on average,

over the longer term. To provide the PRGT with the financial resources needed to sustain this strategy, the Executive Board also approved a second partial distribution of the Fund's general reserve of SDR 1.75 billion (about \$2.4 billion) attributed to windfall profits from gold sales. The proviso for this distribution was that it would become effective only once satisfactory assurances were received that members would contribute at least SDR 1.575 billion (equivalent to at least 90 percent of the distribution) in subsidy resources to the PRGT, either from their share in the distribution of reserves or from other, new contributions. Such assurances were achieved on October 10, 2013. To date, a total of 156 countries have pledged 95 percent of the distribution and 136 members had paid their shares (86½ percent of the total distribution).

The PRGT-HIPC Trust was established to provide debt relief under the [HIPC Initiative](#) and to subsidize PRGT lending. The resources available to the Trust consist of grants and deposits pledged from 93 member countries and contributions from the IMF itself. The bulk of the IMF's contribution comes from off-market gold transactions made during 1999–2000.

The Multilateral Debt Relief Initiative (MDRI) was launched in 2006, financed from two trusts (MDRI-I and MDRI-II) using the IMF's own resources of SDR 1.5 billion in the Special Disbursement Account (SDA) and SDR 1.12 billion in bilateral resources transferred from the PRGT, respectively. The MDRI-I Trust provided debt relief to countries (both HIPCs and non-HIPCs) with per capita incomes at, or below \$380 a year (on the basis of 2004 gross national income). The MDRI-II Trust provided debt relief to HIPCs with per capita incomes above \$380 a year. Since no debt remained that was eligible for MDRI relief, the two MDRI trusts were liquidated in 2015 and the bulk of the resources remaining in those trusts were transferred to the CCRT (see below).

The [Post-Catastrophe Debt Relief \(PCDR\) Trust](#) was established in June 2010 to provide post-catastrophe debt relief. The Trust was initially financed by SDR 280 million (equivalent to around \$384 million) of the IMF's own resources. In 2015, the IMF expanded the PCDR Trust, transforming it into the [Catastrophe Containment and Relief \(CCR\) Trust](#), to enable it to provide exceptional debt relief to countries that are confronting a major international public health disaster that constitutes a threat to lives, economic activity, and international commerce across several countries. The reformed Trust has, to date, financed debt relief amounting to about \$100 million to countries hard-hit by the Ebola epidemic. In addition to using resources remaining in the PCDR Trust (SDR 102 million), and from the liquidation of the MDRI-I Trust (SDR 13 million), the Fund is seeking bilateral contributions to support adequate financing for the CCR Trust. In this context, the bulk of the remaining balance (SDR 39 million) in the MDRI-II Trust (which represents bilateral resources) has been transferred to the CCRT. The Fund has also been seeking additional bilateral contributions of \$150 million, of which nearly \$89 million have been pledged so far and \$53 million received.

Quick Links on IMF Resources

[IMF Financial Activities](#)

[IMF Finances](#)

[Member Financial Data](#)

[IMF's Financial Resources and Liquidity](#)