INTERNATIONAL MONETARY FUND
FACTSHEET

IMF Quotas

Quota subscriptions are central to the IMF's financial resources. Each member country of the IMF is assigned a quota, based broadly on its relative position in the world economy. A member country's quota determines its maximum financial commitment to the IMF, its voting power, and has a bearing on its access to IMF financing.

When a country joins the IMF, it is assigned an initial quota in the same range as the quotas of existing members of broadly comparable economic size and characteristics. The IMF uses a quota formula to help assess a member's relative position.

The current quota formula is a weighted average of GDP (weight of 50 percent), openness (30 percent), economic variability (15 percent), and international reserves (5 percent). For this purpose, GDP is measured through a blend of GDP—based on market exchange rates (weight of 60 percent)—and on PPP exchange rates (40 percent). The formula also includes a "compression factor" that reduces the dispersion in calculated quota shares across members.

Quotas are denominated in Special Drawing Rights (SDRs), the IMF's unit of account. The largest member of the IMF is the United States, with a current quota (as of January 25, 2016) of SDR 42.1 billion (about $58 billion), and the smallest member is Tuvalu, with a current quota of SDR 1.8 million (about $2.5 million).

The conditions for implementing the quota increases agreed under the 14th General Quota Review were met on January 26, 2016. As a result, the quotas of each of the IMF's 189 members will increase to a combined SDR 477 billion (about US$659 billion) from about SDR 238.5 billion (about US$329 billion).

Quotas play several key roles in the IMF

A member's quota determines that country's financial and organizational relationship with the IMF, including:

Subscriptions. A member's quota subscription determines the maximum amount of financial resources the member is obliged to provide to the IMF. A member must pay its subscription in full upon joining the Fund: up to 25 percent must be paid in SDRs or widely accepted currencies (such as the U.S. dollar, the euro, the yen, or the pound sterling), while the rest is paid in the member's own currency.

Voting power. The quota largely determines a member's voting power in IMF decisions. Each IMF member's votes are comprised of basic votes plus one additional vote for each SDR 100,000 of quota. The 2008 reform fixed the number of basic votes at 5.502 percent of total votes. The current number of basic votes represents close to a tripling of the number prior to the implementation of the 2008 reforms.

Access to financing. The amount of financing a member can obtain from the IMF (its access limit) is based on its quota. For example, under Stand-By and Extended Arrangements, a member can borrow up to 145 percent of its quota annually and 435 percent cumulatively. However, access may be higher in exceptional circumstances.

Communications Department • Washington, D.C. 20431 • Telephone 202-623-7300 • Fax 202-623-6278

How quota reviews work

The IMF's Board of Governors conducts general quota reviews at regular intervals (usually every five years). Any changes in quotas must be approved by an 85 percent majority of the total voting power, and a member's quota cannot be changed without its consent. There are two main issues addressed in a general quota review: the size of an overall increase and the distribution of the increase among the members.

First, a general quota review allows the IMF to assess the adequacy of quotas both in terms of members' balance of payments financing needs and in terms of its own ability to help meet those needs. Second, a general review allows for increases in members' quotas to reflect changes in their relative positions in the world economy. Ad hoc increases outside general reviews do not occur often, but the increases in quotas for 54 member countries approved under the 2008 Reform are a recent example.

General Quota Reviews

Quota Review	Resolution Adopted	Overall Quota Increase (percent)
First Quinquennial	No increase proposed	---
Second Quinquennial	No increase proposed	---
1958/59[1]	February and April 1959	60.7
Third Quinquennial	No increase proposed	---
Fourth Quinquennial	March 1965	30.7
Fifth General	February 1970	35.4
Sixth General	March 1976	33.6
Seventh General	December 1978	50.9
Eighth General	March 1983	47.5
Ninth General	June 1990	50.0
Tenth General	No increase proposed	---
Eleventh General	January 1998	45.0
Twelfth General	No increase proposed	---
Thirteenth General	No increase proposed	---
Fourteenth General	December 2010	100.0

Doubling of quotas and major realignment of quota shares

On December 15, 2010, the Board of Governors, the Fund's highest decision-making body, completed the 14th General Review of Quotas, which involved a package of far-reaching reforms of the Fund's quotas and governance. This reform package, which became effective on January 26, 2016, delivers an unprecedented 100 percent increase in total quotas and a major realignment of quota shares. This will better reflect the changing relative weights of the IMF's member countries in the global economy.

[1] This review was conducted outside the five-year cycle.

The reform package builds on earlier reforms from 2008, which became effective on March 3, 2011. These strengthened the representation of dynamic economies—many of which are emerging market countries—through ad hoc quota increases for 54 member countries.

They also enhanced the voice and participation of low-income countries through a near tripling of basic votes.

Building on the 2008 reforms, the 14th General Review of Quotas will:

- double quotas from approximately SDR 238.5 billion to approximately SDR 477 billion (about $659 billion at current exchange rates),
- shift more than 6 percent of quota shares from over-represented to under-represented member countries,
- shift more than 6 percent of quota shares to dynamic emerging market and developing countries (EMDCs),
- significantly realign quota shares. China will become the third largest member country in the IMF, and there will be four EMDCs (Brazil, China, India, and Russia) among the 10 largest shareholders in the Fund, and
- preserve the quota and voting share of the poorest member countries. This group of countries is defined as those eligible for the low-income Poverty Reduction and Growth Trust (PRGT) and whose per capita income fell below $1,135 in 2008 (the threshold set by the International Development Association) or twice that amount for small countries.

A comprehensive review of the current quota formula was completed in January 2013, when the Executive Board submitted its report to the Board of Governors. The outcome of this review will form a basis for the Executive Board to reach a broad consensus on a new quota formula as part of the 15th Review. Work on the 15th Review has been delayed, pending implementation of the 2010 Reforms.