

Topical Trust Funds

Five topical trust funds (TTFs) support IMF technical assistance (TA) on specialized thematic areas across all geographic regions and complement other delivery modes of IMF TA, including regional technical assistance centers. TTFs incorporate international best practices and are closely aligned with recipients' development strategies. Donors are actively engaged in the governance of TTFs.

Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT). Money laundering and terrorist financing activities can undermine the soundness and stability of financial institutions and systems, discourage forging investment, and distort international capital flows. Problems in one country can quickly spread to other countries in the region or elsewhere. TA supported by this trust fund aims to enhance financial sector and macroeconomic stability at both the national and international levels, facilitate countries' integration into the global financial system, and improve fiscal governance, transparency, and effectiveness.

Debt Management Facility Phase II (DMF II), a joint IMF-World Bank trust fund. In the past, international debt relief initiatives have helped restore debt sustainability and created fiscal space in many developing countries. Today, effective risk-based debt management is essential to limiting debt vulnerabilities before they emerge so as to help promote growth and maintain financial stability. Launched in April 2014, DMF II will help debt managers in developing countries to build institutional capacity for assessing, monitoring, and managing the risks associated with public debt portfolios, including subnational debt; receive training to conduct debt sustainability analysis and design sustainable borrowing strategies; build capacity to design and put in place debt portfolio management strategies; deepen domestic debt markets; and improve the durability of a country's access to international capital markets.

Managing Natural Resource Wealth Topical (MNRW). Many resource-rich countries fail to realize the full development potential of their wealth. The trust fund helps build macroeconomic policy capacities so that countries can realize their full potential. It assists countries to get a fair share of their natural resource wealth and invest and spend it wisely. It also helps create a stable macroeconomic environment for exploration and exploitation of natural resources, so that access to those resources becomes more secure, as well as more socially responsible, generating a substantial benefit to the world community.

The Tax Administration Diagnostic Assessment Tool (TADAT). TADAT provides an objective and standardized performance assessment of a country's system of tax administration. It helps identify administrative strengths and weaknesses, facilitates a shared view among all stakeholders (country authorities, international organizations, donors and technical assistance providers) in setting the reform agenda, facilitates the management and coordination of external support for reforms, and provides a basis for monitoring and evaluating progress. Accredited assessors will apply the TADAT methodology. They will be guided by approved and standardized terms of reference and standards set out in the TADAT

Assessor Field Guide. The TADAT Secretariat will review performance assessment reports to ensure quality standards are met and consistency is maintained.

Tax Policy and Administration. An effective tax system is a core function of an effective state. The trust fund assists low- and lower-middle income countries to establish well designed and administered tax systems that generate the revenue to pay for essential public services, help formalize the economy, foster an environment where small- and medium-sized business can flourish, and over time, by raising the tax-to-GDP ratio together with sustainable economic growth, provide a path to eliminate aid dependency.