CHAPTER 1

1 The IMF’s financial year (FY) begins on May 1 and ends the following April 30. The 2012 Annual Report covers the period May 1, 2011, through April 30, 2012 (FY2012).

2 This amount was subsequently increased, to US$456 billion, during the Group of Twenty Leaders’ Summit in Los Cabos in June 2012.

3 The IMF’s Special Drawing Right (SDR) is an international reserve asset whose value is based on a basket of four key international currencies (see Web Box 3.1). All conversions of SDR amounts to specific currencies are approximate.

CHAPTER 3


5 The Executive Board’s discussion on the setting of the margin (that is, the amount in excess of the SDR interest rate) for FY2012 is covered in Chapter 5.

6 There are exceptions; in FCL and PLL arrangements, for example, the full amount of resources committed is available at any time during the period of the arrangements, subject to review requirements inherent in each type of arrangement.

7 This is a gross amount, netted for cancelled arrangements.

8 The arrangement for Georgia is a blend of an SBA and a Standby Credit Facility.

9 Disbursements under financing arrangements from the General Resources Account are termed “purchases,” and repayments are referred to as “repurchases.”

10 The IMF uses the same per capita income threshold as is used by the World Bank Group to determine eligibility for International Development Association resources, which is revised annually.

11 Specifically, an income that exceeds twice the International Development Association per capita income threshold.


14 “Windfall” profits from the IMF’s gold sales refer to the difference between the profits projected at the time the gold sales were proposed, and the actual profits realized, given that gold prices rose considerably in the interim. See Chapter 5.


16 See PIN No. 12/25, “IMF Executive Board Discusses Amendment to the Extended Fund Facility to Extend the Arrangement Duration at Approval” (www.imf.org/external/np/sec/pr/2012/prn1225.htm).

17 See PIN No. 11/95, “IMF Executive Board Discusses the Macroeconomic and Operational Challenges in Countries in Fragile Situations” (www.imf.org/external/np/sec/pr/2011/prn1195.htm). As defined in the staff paper that formed the basis for the Board’s discussion, fragility has a number of dimensions, with economic conditions being only one. The paper notes that common characteristics of fragile states are institutions that are seen as being weak and governments that are perceived to lack legitimacy, all of which elevate the risk of violence, and that virtually all existing definitions of fragility incorporate a measure of institutional weakness.

18 Credit tranches refer to the size of a member’s purchases (disbursements) in proportion to its quota in the IMF. Disbursements up to 25 percent of a member’s quota are disbursements under the first credit tranche and require members to demonstrate reasonable efforts to overcome their balance of payments problems. Disbursements above 25 percent of quota are referred to as upper-credit-tranche drawings; they are made in installments, as the borrower meets certain established performance targets. Such disbursements are normally associated with Stand-By or Extended Arrangements (and also the Flexible Credit Line). Access to IMF resources outside an arrangement is rare and expected to remain so.

A consolidated spillover report was prepared in early FY2013, covering the same five systemic economies as in the FY2012 pilot exercise.


The IMF has also provided SDR 116 million in debt relief to Liberia beyond that provided through the HIPC Initiative, as well as SDR 178 million in debt relief to Haiti through the Post-Catastrophe Debt Relief Trust.


Chad, Comoros, Côte d’Ivoire, Eritrea, Guinea, Somalia, and Sudan.


As noted previously, in May 2012 the IMF Institute was merged into a new Fund department, the Institute for Capacity Development.

For more information on the SDDS and GDDS, see “Factsheet: IMF Standards for Data Dissemination” (www.imf.org/external/np/fin/standards/standards.htm), as well as Web Box 4.1.


45 This bulletin board is available via the IMF’s website (http://dsbb.imf.org/Applications/web/gdds/gddscountylist/).


51 The website is available at www.principalglobalindicators.org/default.aspx.


CHAPTER 5


56 The current additive quota formula consists of four variables. GDP has the largest weight (50 percent), consisting of a blend of GDP converted at market exchange rates (30 percent) and purchasing-power-parity-based GDP (20 percent). Openness, which measures the sum of current payments and receipts (30 percent); variability of current receipts and net capital flows (15 percent); and official foreign exchange reserves (5 percent) are the remaining variables.

57 A compression factor of 0.95 is applied to the weighted sum of the four variables in the quota formula, which reduces the dispersion in calculated quota shares across members. This has the effect of reducing the share calculated under the formula for the largest members, and raising those for all other countries.

58 Activation requires the consent of NAB participants with an 85 percent majority of total credit arrangements among participants eligible to vote, and the approval of the Executive Board.

59 Individual member countries in the euro area contributed toward this €150 billion pledge in the following amounts: Austria, €6.1 billion; Belgium, €10.0 billion; Cyprus, €0.5 billion; Finland, €3.8 billion; France, €31.4 billion; Germany, €41.5 billion; Italy, €23.5 billion; Luxembourg, €2.1 billion; Malta, €0.3 billion; the Netherlands, €13.6 billion; the Slovak Republic, €1.6 billion; Slovenia, €0.9 billion; and Spain, €14.9 billion.

60 Norway's April 2012 announcement confirmed a pledge made in December 2011; see PR No. 12/138, “Statement by IMF Managing Director Christine Lagarde on Pledges by Denmark, Norway and Sweden to Increase IMF Resources by over US$26 Billion” (www.imf.org/external/pr/2012/pr121238.htm).

61 See PR No. 12/137, “Statement by IMF Managing Director Christine Lagarde on Japan’s $60 Billion Pledge” (www.imf.org/external/pr/2012/pr121237.htm); PR No. 12/138, “Statement by IMF Managing Director Christine Lagarde on Pledges by Denmark, Norway and Sweden to Increase IMF...


63 For an explanation of credit tranches, see note 18.


67 The difference between gross and net expenditures relates to receipts, mostly external donor financing for capacity-building activities carried out by the IMF.


69 Diversity issues are addressed separately in the Diversity Annual Report, including a Discussion Note on Broadening the IMF Diversity Agenda, which is responsive to issues raised by the Executive Board in its May 2011 discussion on the 2010 Diversity Annual Report.

70 The IMF’s Diversity Annual Reports are available at www.imf.org/external/np/div/index.asp.


75 See PR No. 11/275, “IMF Managing Director Christine Lagarde Proposes Appointment of Mr. David Lipton as First Deputy Managing Director and Mr. Min Zhu as Deputy Managing Director” (www.imf.org/external/np/sec/pr/2011/pr11275.htm).


82 The REOs are available via the REO web page on the IMF’s website (www.imf.org/external/pubs/ft/reo/rerepts.aspx). Materials related to the REOs published in FY2012 can also be found on the website.