



# INTERNATIONAL MONETARY FUND FACTSHEET

## IMF Rapid Credit Facility (RCF)

*The Rapid Credit Facility (RCF) provides rapid concessional financial assistance with limited conditionality to low-income countries (LICs) facing an urgent balance of payments need. The RCF was created under the Poverty Reduction and Growth Trust (PRGT) as part of a broader reform to make the Fund's financial support more flexible and better tailored to the diverse needs of LICs, including in times of crisis. The RCF unifies the Fund's concessional emergency assistance in one facility and can be used flexibly in a wide range of circumstances, and places greater emphasis on the country's poverty reduction and growth objectives.*

### Financial assistance tailored to country needs

**Purpose.** The RCF provides low-access, rapid, and concessional financial assistance to LICs facing an urgent balance of payments need, without the need for program-based conditionality. It can provide flexible support in a wide variety of circumstances, including shocks, natural disasters, and emergencies resulting from fragility. The RCF also provides policy support and can help catalyze foreign aid.

**Eligibility.** Outright disbursements under the RCF are available to PRGT-eligible members that face an urgent balance of payments need, and where a full-fledged economic program is either not necessary (for instance because of the transitory and limited nature of the shock) or not feasible (for instance because of capacity constraints or domestic fragilities).

**Duration and repeated use.** Financial assistance under the RCF is provided as an outright loan disbursement. While these disbursements are often one-off in the case of an urgent balance of payments need of limited duration (in particular under the shocks window), there is scope for repeat use. A repeat use of the RCF within any three-year period is possible if the balance of payments need is caused primarily by an exogenous shock or the country has established a track record of adequate macroeconomic policies. However, no more than two disbursements may be made in any twelve-month period. Repeat use of the RCF may facilitate eventual transition to an ECF arrangement.

**Access.** Access to RCF financing is determined on a case-by-case basis, taking into account the country's balance of payments need, the strength of its macroeconomic policies, capacity to repay the Fund, the amount of outstanding Fund credit, and the member's record of past use of Fund credit. Under the RCF, access is normally limited to 18.75 percent of [quota](#) per year and 75 percent of quota on a cumulative basis, although augmented access limits apply under the RCF's shocks window (37.5 percent of quota per year and 75 percent on a cumulative basis).

### Limited conditionality

Fund support under the RCF is provided as an outright disbursement without *ex post* program-based conditionality or reviews. Economic policies supported under the RCF

should aim at addressing the underlying balance of payments difficulties in support of the country's poverty reduction and growth objectives.

**Concessional lending terms**

Financing under the RCF carries a zero interest rate, has a grace period of 5½ years, and a final maturity of 10 years.