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The International Monetary Fund

The International Monetary Fund (IMF, the Fund) is an international organization that works to ensure the stability of the international monetary system. Founded in 1945, its membership has grown from 30 countries to more than 191. The United States is a founding member of the IMF and the largest financial contributor. Congress shapes U.S. participation in the IMF through funding, oversight, and other legislation.

Key Functions

The IMF has evolved over its 80-year history in response to shifts in the global economy. Today it performs three major functions:

Financial assistance. The IMF extends market rate loans to countries facing economic crises, disbursing funds in phases ("tranches") after verifying that specified economic conditions and reforms have been met ("conditionality"). The IMF also provides lines of credit to economically vulnerable countries with strong economic policies.

Surveillance. The IMF regularly monitors the economic and financial policies of its member countries. Through surveillance at the global level and in individual countries, the IMF highlights possible risks to domestic and external stability and advises member governments on needed policy adjustments.

Capacity development. The IMF provides technical assistance and training to help member countries strengthen their capacity to design and implement effective policies. The IMF provides technical assistance on monetary and financial policies; fiscal policy and management; statistical data compilation; and economic and financial legislation.

Organization and Structure

The IMF is a specialized agency of the United Nations (UN) that has its own staff and budget. The IMF operates according to procedures established by its **Articles of Agreement**. Its highest decision-making authority is the **Board of Governors**. All member countries are represented on the Board of Governors, usually at the finance minister or central bank governor level. The Board of Governors has delegated day-to-day authority over operational policy, lending, and other matters to the **Executive Board**. The Executive Board has 25 Executive Directors. The five members with the largest financial commitment to the Bank (the United States, Japan, China, Germany, and the United Kingdom) appoint their own Executive Directors. The other Executive Directors are elected, usually by groups of member countries.

The Board makes decisions through voting. Each member's voting share is weighted on the basis of its core financial contributions to the Fund, called **quotas**. A member's quota share broadly reflects its weight in the global economy; larger economies have larger quotas. Major policy decisions require 85% of the total voting share. With a voting share of 16.49%—the highest of any Fund member—the United States can unilaterally veto major policy decisions. Most day-to-day decisions at the IMF, such as approving individual programs, require 50% of the voting share.

The **Managing Director** of the IMF is selected by the Board of Directors for a five-year, renewable term. The current Managing Director, Kristalina Georgieva, was re-elected to a second five-year term in October 2024. The IMF has a staff of about 3,100 people and is headquartered in Washington, DC.

IMF Financial Assistance Programs

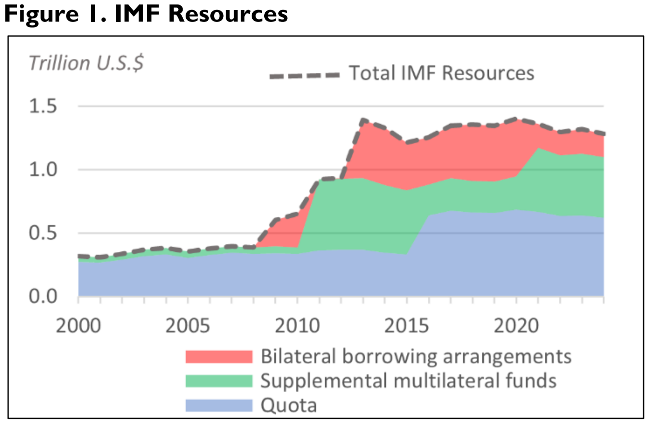
IMF financial assistance programs are arguably its most prominent function. IMF resources total $1.3 trillion, a four-fold increase from $318 billion in 2000 (**Figure 1**). The decisions of IMF members to increase IMF resources were largely tied to a series of major economic crises over the past 15 years, including the global financial crisis (2008-2009), the Eurozone debt crisis (2010-2015), and the COVID-19 pandemic (2020-2023).

IMF Financial Resources

There are three sources of IMF resources: **quotas**, the financial commitments that all members are required to make; **supplemental multilateral funds**, funded by a voluntary subset of IMF members; and **bilateral borrowing arrangements**, which countries voluntarily negotiate directly with the Fund (**Figure 1**). Member financial commitments to the IMF are lines of credit.

The United States' financial commitment to the IMF is currently about $183 billion (about 14% of total IMF resources), including about $109 billion in quota commitments and about $74 billion committed to a supplemental multilateral fund called the **New Arrangements to Borrow (NAB)**.

Figure 1. IMF Resources



Source: Figure created by CRS using IMF International Financial Statistics and IMF Quarterly Financial Reports.

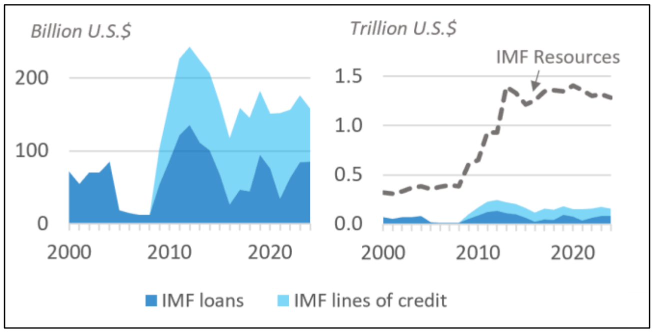
Note: Includes resources in and available to the IMF General Resources Account (GRA).

IMF Programs

Since 2000, IMF financing to countries in crisis has fluctuated from a low of $12 billion in 2008 to a high of nearly $250 billion in 2012 (**Figure 2**). IMF financing has accounted for less than 15% of the IMF's total resources over the past decade (**Figure 2**).

As of February 21, 2025, the IMF had 22 loan programs totaling $50 billion and 5 credit line programs totaling $63 billion. The largest are with Mexico ($35 billion), Ukraine ($15 billion), Colombia ($8 billion), and Egypt ($8 billion).

Figure 2. IMF Financial Assistance Programs



Source: IMF Annual Report Appendixes.

Notes: Data includes IMF programs in effect and financed by the GRA. IMF resources include resources in or available to the GRA.

Debates about Effectiveness

There are debates about the effectiveness of the IMF financing. Some experts argue that the IMF has helped the global economy navigate several crises by providing support to countries and limiting the spillover of crises to the broader global economy. Others have raised questions about whether IMF lending encourages risky financial decisions by governments ("moral hazard"), the soundness of IMF policy reforms, and the level of IMF lending over the past two decades.

U.S. Policy and Congress

U.S. membership in the IMF is authorized in the Bretton Woods Agreements Act (BWAA, 22 U.S.C. §§286 et seq.). The BWAA establishes the Treasury Department as the lead agency managing U.S. participation in the IMF. Congress also shapes U.S. policy at the IMF through a variety of tools (see **text box**). Some specific issues that the 119th Congress might consider are discussed below.

U.S. Participation

On February 4, 2025, President Trump signed Executive Order (EO) 14199 which, among other measures, required the Secretary of State to review within 180 days all international organizations "of which the United States is a member and provides any type of funding or other support." The EO directed the Secretary of State to provide recommendations as to whether the United States should withdraw from any such international organizations. Based on these criteria, U.S. participation at the Fund may be considered in this review.

Under Article XXVI(1) of the Articles of Agreement, an IMF member may withdraw from the Fund "by transmitting a notice in writing to the Fund at its principal office." Although the BWAA requires congressional authorization for the executive branch to request or consent to any change in the U.S. quota pursuant to the Articles of Agreement (22 USC §286c), the statute does not include provisions specifically relating to U.S. withdrawal from the IMF.

> **Congressional Policy Tools and the IMF**
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> **Funding.** Congress has authorized and appropriated U.S. financial commitments to the IMF. Congress has also conditioned funding to the IMF on institutional policy reforms (e.g., Sec 9005(a) of P.L. 114-113).
>
> **Legislation.** Congress has passed legislation that directs U.S. representatives at the IMF to use their "voice and vote" to advocate for specific policies and programs (e.g., 22 U.S.C. §286dd). Congress has also required reports from the Administration on specific IMF issues (e.g., 22 U.S.C. §262r-4).
>
> **Advice and consent.** The Senate confirms U.S. representatives to the IMF, including the Governor, the Executive Director, and their alternates (22 U.S.C. §286a).

Authorizations and Appropriations

In 2023, the IMF Board of Governors approved a doubling of total quotas, and a corresponding reduction in the NAB and bilateral borrowing arrangements. For FY2025, the Biden Administration requested the congressional authorizations and appropriations to enact these reforms. To date, Congress has not passed such legislation, and the reform package cannot be implemented without U.S. approval. It is not clear whether the Trump Administration will include IMF items in its FY2026 budget request.

Broader U.S. Foreign Policy Interests

Members might consider various policy tools to shape and exercise oversight of U.S. policy at the Fund on a range of foreign policy issues. Examples are as follows.

Ukraine. The IMF extended a four-year, $15 billion program to Ukraine in March 2023. The trajectory of the war in Ukraine or a potential future settlement could affect the country's economic situation and, possibly, the terms of the IMF program.

Russia. In the fall of 2024, the IMF indefinitely postponed its first planned official visit to Russia since the start of Russia's full-scale war against Ukraine in 2022. Several European countries reportedly objected to the visit.

Taiwan. Legislation introduced in the House would require U.S. representatives at the IMF to support Taiwan membership at the IMF (H.R. 910). Similar legislation passed the House in the 118th Congress (H.R. 540).

West Bank and Gaza. The IMF does not lend to Palestinian entities in the West Bank and Gaza, because the Palestine Liberation Organization (generally known in international fora as "Palestine" or "State of Palestine") is not an IMF member. The IMF can provide technical services in the West Bank and Gaza, and it has an IMF Resident Representative Office for the West Bank and Gaza in Jerusalem.

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