IEO

Independent Evaluation Office
of the International Monetary Fund

BACKGROUND PAPER

BP/24-02/07

Exceptional Access in the Context of Global, Regional, and Country-Specific Shocks: Latvia, Pakistan, Jordan, Greece, and Ukraine Cases

Chris Lane and Sandra Saveikyte

© 2024 International Monetary Fund BP/24-02/07

IEO Background Paper
Independent Evaluation Office
of the International Monetary Fund

Exceptional Access in the Context of Global, Regional, and Country-Specific Shocks: Latvia, Pakistan, Jordan, Greece, and Ukraine Cases

Prepared by Chris Lane[*] and Sandra Saveikyte[†]

November 5, 2024

The views expressed in this Background Paper are those of the authors and do not necessarily represent those of the IEO, the IMF, or IMF policy. Background Papers report analyses related to the work of the IEO and are published to elicit comments and to further debate.

[*] Consultant, Independent Evaluation Office of the IMF.

[†] Research Officer, Independent Evaluation Office of the IMF.

Contents Page

Abbreviations ______ v

Executive Summary ______ vi

I. Introduction and Methodology ______ 1

II. Country Cases: Program Design ______ 3

III. Application of the Main Exceptional Access Policy Procedures ______ 8

IV. Program Evaluation of Exceptional Access Criteria ______ 10
A. EAC1. Criterion on Exceptional BOP Need ______ 10
B. EAC2. Criterion on Debt Sustainability with High Probability ______ 11
C. EAC3. Regaining Market Access ______ 15
D. EAC4. Prospects for Program Success ______ 17

V. Assessment of Risks to the Fund and the Fund's Liquidity Position Supplement ______ 20

VI. Ex Post Evaluations ______ 23
A. EPE Assessment of EA Criteria ______ 24

VII. Analysis of Program Outcomes for the Member Country and the IMF ______ 27
A. Use of Fund Resources Outcomes ______ 27
B. Macroeconomic Outcomes ______ 29
C. Repeated Use of Fund Resources ______ 31

VIII. Country Case Findings ______ 31

Box
1. Analysis of Exceptional Access Cases in Previous IEO Evaluations ______ 2

Figures
1. Case Study Evaluation: Countries and Programs, 2002–24 ______ 1
2. Country Cases Access: Approved and Drawn ______ 5
3. Access Metrics EA Arrangements, 2002–22 ______ 6
4. Structural Conditionality at Program Request EA Arrangements, 2002–22 ______ 7
5. Phasing. Scheduled Purchases in the First 12 Months of the Program, EA Arrangements ______ 8
6. Liquidity and Prudential Indicators in Risk and Liquidity Assessments, Case Studies ______ 22
7. Country Cases Review Completion ______ 28
8. Case Studies IMF Credit Outstanding, 2007–23 ______ 29
9. Country Cases Cumulative Growth Projection Error ______ 30

Tables

1. Key Metrics of Case Study Arrangements 5
2. Key Elements of Debt Sustainability Assessments 13
3. Key Elements of Market Access Assessment 16
4. Key Elements of Program Implementation Criterion 18
5. Financial Risk Qualifiers in Risk Supplements 22
6. Timing of Ex Post Evaluations 24
7. Ex Post Evaluations and Exceptional Access Policies, Selected Cases 26

Annexes

I. Chronology of Key Events in Case Study Arrangements 35
II. The IMF and the Crises in Greece, Ireland, and Portugal (IEO, 2016) and the EAP 37
III. Program Projections and Outturns Key Macroeconomic Variables 39

References 46

ABBREVIATIONS

BOP	Balance of Payments
DSA	Debt Sustainability Analysis
EA	Exceptional Access
EAC	Exceptional Access Criteria
EAP	Exceptional Access Policy
EC	European Commission
EFF	Extended Fund Facility
EPE	Ex Post Evaluation
ESM	European Stability Mechanism
FIN	Finance Department (IMF)
GDP	Gross Domestic Product
GFC	Global Financial Crisis
HP Tool	High Probability Tool
MAC DSA	Debt Sustainability Framework for Market Access Countries
NA	Normal Access
PSI	Policy Support Instrument
SBA	Stand-By Arrangement
SPR	Strategy, Policy and Review Department (IMF)
UFR	Use of Fund Resources

EXECUTIVE SUMMARY

This paper presents an analysis of six exceptional access (EA) cases, drawing lessons by comparing experience across a range of countries responding to global, regional, and country-specific shocks during 2008–16. It takes into account previous IEO evaluations, including the 2016 evaluation of the Euro Area crisis cases that involved EA to Fund resources. The global financial crisis in 2008 intensified balance of payments pressures in Latvia and Pakistan, with Latvia successfully graduating from Fund support, albeit with a large GDP decline, while Pakistan achieved a tentative stabilization early on. Greece's second program in 2012 took steps towards restoring competitiveness and debt sustainability while remaining in the eurozone, while Jordan and Ukraine adjusted to significant country-specific shocks (Jordan energy prices in 2012 and Ukraine political upheaval amid armed conflict in 2014 and 2015) with mixed outcomes.

Overall, in these cases there was support for the Exceptional Access Policy (EAP). Current and former Executive Directors indicated that the EA framework is warranted and is a helpful safeguard for use of Fund resources through higher scrutiny although consistent implementation of the framework is key. Management interviewees noted that the EAP is a useful constraint provided there is a "safety valve" that can be used in some circumstances, for example, to adjust the policy. Staff noted that the framework had helped provide guardrails, gave room to have discussions, and apply prudent judgment. Country authorities were aware of the criteria as a framework applied internally in the Fund.

Nonetheless, the views of the EAP criteria have been mixed, from a "box ticking exercise" to more positive assessments that the criteria helped achieve greater scrutiny. Our main findings on the EAP criteria are:

- There were gaps in justifying whether all the criteria were met in reviews. Specifically, the gaps were during 2008–11 in Latvia (all criteria in all five reviews) and in Pakistan (all criteria in 1st, 3rd, and 4th reviews), as well as in Greece 2013–14 (justifying the systemic exemption in 3rd, 4th, and 5th reviews). While reassessment of the criteria in program reviews was implicitly required from the outset, the requirement has been systematically assessed only more recently.

- Decisions on exceptional access (EAC1) were generally seen as evenhanded although there were differences amongst staff and country authorities' expectations did not always align with those of staff.

- The rigor and consistency of the assessment of debt sustainability (EAC2) improved over the evaluation period although the credibility of the debt sustainability assessment is reduced if the reference year for sustainable debt is not attained during the program period (Greece, Jordan, Ukraine 2014).

- More attention was focused on the criteria resting largely on staff judgment where the quality of the assessments is uneven and there is a clear risk of a lack of consistency and, perhaps, evenhandedness in the assessments.

- EAC3 is not well tailored to countries that have not had durable past market access (Jordan), even though it was amended in 2009 to include countries without prior market access, or that have access to other less risky (non-debt) sources of foreign exchange (Ukraine), or have a reasonable expectation of long-term official support (Greece). In the latter case the European backstop rather than market access provided a conditional assurance of the capacity to repay the Fund—a commitment that was tested in 2015 when Greece accumulated overdue obligations to the Fund. Assessments of the criterion suffer from the lack of a framework or guidance to gauge the likelihood of regaining market access, including after a debt restructuring.

- Assessments of prospects for program success (EAC4) and its sub-elements are hard to make and internal disagreements are common in the absence of common guidance. Notably, the manner and form in which important political assurances have been obtained and received often lacks clarity: while IMF (2024) now provides some "indicative principles" on political assurances, including that they are preferably made public, this may not be sufficient to ensure greater clarity in EA cases going forward. Also, there is a tension between the requirement of "reasonable prospects for success" and often elevated program risks and difficulties that is not effectively resolved in the prospects assessment.

Risk assessment has been mixed. The notes on Preliminary Assessment of Exceptional Access circulated to the Board before a program request contains significantly less information than the concurrent Policy Note sent to management. Notably, the omission of proposed access levels for Jordan, Latvia, and Pakistan means that there was no substantive basis to assess the members' capacity to repay or the credit or liquidity risks for the Fund, which substantially reduced the utility of these notes for early consultation with the Executive Board. The Risk and Liquidity Supplement was seen as helpful by interviewees although it is presented to the Board at the end of the program approval cycle, lacks a standardized bottom-line assessment, and does not systematically assess strategic and reputational risks to the Fund (however, the 2022 Enterprise Risk Management policy now requires substantive enterprise risk assessments in EA program cases).

The ex post evaluation (EPE) of program outcomes and lessons learnt was generally comprehensive but the impact limited. EPEs in the selected case studies do not appear to have been particularly impactful on EA policy, practice, or subsequent program design. In part this may result from timing issues, with the EPE often conducted too late to inform a successor program, and a lack of systematic follow up of EPE recommendations.

There was systematic growth projection optimism in the baselines across case studies. Growth optimism was also associated with over-optimistic debt projections. Such projection optimism may undermine the higher evidentiary standard that EAP is intended to provide and increase the risk that EA programs fall short of their objectives.

The EAP was complemented by other safeguards that are standard in the Fund's lending, notably program conditionality. The non-completion of reviews in four of the six cases resulted in over one-third of Fund financing not being drawn and, with the notable exception of Greece, largely kept peak exposure below the cumulative normal access limit. However, for Greece, the European Financial Stability Facility (EFSF)/European Stability Mechanism (ESM) acceptance of IMF preferred creditor status and the European backstop for market access constituted important assurances for the capacity to repay the IMF.

For some countries, it may be pragmatic to acknowledge that repeated use of Fund resources has been frequent and will continue to occur (Jordan, Pakistan, Ukraine). Longer-term engagement, or longer programs, may be needed to achieve debt sustainability or to implement deep and often difficult structural or fiscal reforms.

I. INTRODUCTION AND METHODOLOGY

1. **This paper presents an analysis of six exceptional access (EA) cases responding to global, regional, and country-specific shocks during 2008–16 (Figure 1)**. Three-quarters of all EA programs for 2002–22 were approved in this time window. The five selected country case studies, with six EA arrangements, represent a diverse set of circumstances and outcomes that provide a basis for extracting rich lessons. They draw from prominent EA programs that arose during the Global Financial Crisis (GFC) (Latvia and Pakistan, both in 2008), the subsequent euro area crisis (Greece, 2012), and EA users with repeated use of Fund resources (UFR) through either successive EA arrangements (Ukraine, 2014 and 2015) or EA arrangements interspersed with normal access arrangements (Pakistan, 2008; Jordan, 2012). The cases evaluated include both Stand-By Arrangements (SBAs) and Extended Fund Facility (EFF) Arrangements. The cases cover a range of outcomes from uncompleted arrangements (Pakistan, 2008; Greece, 2012; Ukraine, 2014 and 2015) to those that succeeded in drawing all Fund resources committed (Jordan), and one case where significant macroeconomic adjustment and a return of market confidence meant not all program financing was needed or used (Latvia). The paper also summarizes selected cases the IEO has covered before in other contexts through an exceptional access policy (EAP) lens including Greece's 2010 SBA, and Ireland and Portugal (Box 1 and Annex II).

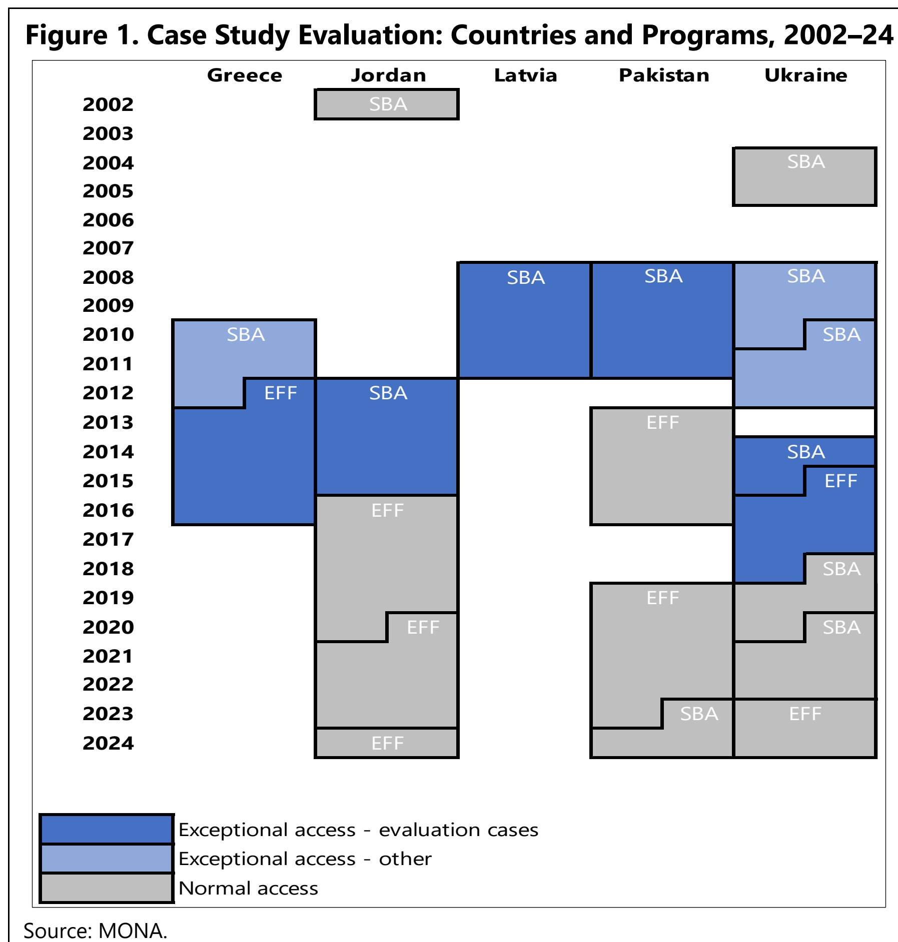


Figure 1. Case Study Evaluation: Countries and Programs, 2002–24

Source: MONA.

Box 1. Analysis of Exceptional Access Cases in Previous IEO Evaluations

While the IEO has not conducted an evaluation dedicated to exceptional access policies (EAPs), its several earlier evaluations cover aspects of exceptional access (EA) arrangements. These evaluations consider projection bias and program outcomes, country case studies notably in the Euro Area, evenhandedness and the role of the Executive Board, and other aspects of EA arrangements.

The IEO evaluation of *The IMF and Recent Capital Account Crises: Indonesia, Korea, and Brazil* (IEO, 2003) was completed shortly after the EA framework was approved in 2002. The evaluation recommended that "the Fund should ensure that the financing package, including all its components, should be sufficient to generate confidence and also be of credible quality," a concern principally that access was too low. It also concluded that conditionality should be limited to core macro-critical issues.

A series of IEO evaluations considered the Fund's involvement in the Global Financial Crisis:

- ***The IMF Response to the Financial and Economic Crisis* evaluation (IEO, 2014b)** noted that lending during 2008–13 reflected lessons learned in earlier crises with larger, more frontloaded financing packages, more gradual fiscal adjustment, and more parsimonious conditionality. It noted that issues arose relating to the novel Troika arrangement of IMF, European Commission, and European Central Bank in European programs (Greece, Ireland, Portugal, and Cyprus), but was unable to answer if it afforded greater traction for the IMF's policy advice, or whether it increased the pressure on the IMF to compromise its positions. It also noted evenhandedness concerns from emerging market countries and other countries that the EA made available for European countries would not be available elsewhere in future crises.
- **The *IMF Forecasts: Process, Quality, and Country Perspectives* evaluation (IEO, 2014a)** found significant optimistic biases for short-term GDP growth and inflation forecasts and pessimistic biases for deficit forecasts for EA programs but not for NA programs. The growth optimism finding was later confirmed for crisis program countries, especially in the Euro Area programs (IMF, 2015b) and again for programs during 2011–18 in the "Review of Conditionality and Program Design" reflecting global projection errors, underestimated fiscal multipliers, and overestimated payoffs from structural reform (IMF, 2019).
- ***The IMF and the Crises in Greece, Ireland, and Portugal* evaluation (IEO, 2016)** of the EA programs in Greece (2010), Ireland (2010), and Portugal (2011) provided important insights for this evaluation (see also Annex II). It concluded that the Executive Board played only "a perfunctory role" in key decisions related to the IMF's engagement in the Euro Area crisis, including the decisions on burden sharing with European institutions.
    - On decision making, the evaluation concluded that the IMF had not followed its "usual deliberative process" in changing the exceptional access criterion for debt sustainability in Greece's 2010 Stand-By Arrangement request. The policy was changed to allow what became known as the "systemic exemption" such that EA could be provided to a member whose public debt in the medium term was assessed as being sustainable but not with high probability as long as "there is a high risk of international systemic spillovers." In this context, the then Managing Director noted that "all rules were followed" while also committing to "handling such circumstances better in the event of a future emergency situation of the kind the Fund faced in May 2010." However, the Management Implementation Plan concluded that no further action was required to strengthen processes given existing checks and balances (IMF, 2017c).
    - The evaluation also led to commitments from IMF staff to strengthen the analytical underpinnings of both surveillance and program design, including growth projections, through tools and training and a protocol on sharing confidential information with the IEO. The recommendation "to develop procedures to minimize the scope for political intervention in IMF technical analysis" did not gain traction as management indicated that the evaluation had failed to establish such intervention.
    - The assessment of the outcomes of the three programs was nuanced: the evaluation assessed that Ireland was an unqualified success and Portugal a qualified one while the SBA-supported program in Greece at the time of writing had failed to restore financial and macroeconomic stability and had not put debt on a declining trend.

- ***Self-Evaluation at the IMF: An IEO Assessment*** **evaluated 22 ex post evaluations (EPEs) of EA arrangements (IEO, 2015; Goldsbrough, 2015).** It found that EPEs were effective in a stock-taking of program outcomes and compliance with IMF policies, such as EA criteria, but less effective in drawing lessons to improve IMF performance or draw lessons for the Fund's future engagement with the member country. Board discussions of EPEs were shallow and there was no structured follow-up mechanism for EPE findings.
- **The *Growth and Adjustment in IMF-Supported Programs* evaluation (IEO, 2021) covered 26 EA arrangements, including case studies of Jordan, Pakistan, Ukraine, and Latvia**. It found further evidence of growth optimism. The evaluation recommended adopting program measures that would support better growth outcomes including public financial management and governance measures, greater use of the exchange rate tool, upfront debt restructurings, and deeper structural reforms.

2. **This case study evaluation complements the three "deep dive" case studies that focus on single arrangements in selected countries (Argentina, Ecuador, Egypt)**. While the "deep dive" case studies cover selected arrangements approved since the last (2016) change of the EAP, this analysis covers the earlier period from 2002–16, which includes changes to the EAP made in 2009, 2010, and 2012.

3. **The evaluation of the case studies is based upon a desk study complemented with stakeholder interviews**. The desk study encompasses published and unpublished Fund documents, and internal and external analyses of these programs. The evaluation draws on over 50 interviews held between November 2023 and February 2024 with staff, management, Executive Directors, and representatives of country authorities.

4. **The paper analyses program design, application of the EAP, and program outcomes, concluding with key findings**. Section II presents a comparison of key program design metrics in the case studies compared to the full sample of post–2002 EA arrangements; Section III analyses the application of EAP in the case studies, focusing on the informal consultations with the Executive Board that makes the initial case for EA, the justification and interpretation of the exceptional access criteria (EAC), the assessment of risks to the Fund, and the EPEs; Section IV provides an analysis of some broad program outcomes for the case study countries and the IMF, including potential lessons on repeated UFR; and Section V summarizes key findings.

II. Country Cases: Program Design

5. **There are several important contextual features of the selected EA case study programs, which IEO interviewees drew attention to, as well as differences in key program metrics (Table 1):**

- Pakistan and Jordan faced twin fiscal and current account deficits but were not classic capital account crises which the EAP was initially designed to address. Pakistan's SBA request noted that balance of payments (BOP) pressure is "mainly a current account case"

(IMF, 2008b) and in Jordan the SBA request noted "exceptionally large current account pressures" (IMF, 2012a).[1] Both programs were designed to support the exchange rate.

- Latvia's 2008 SBA was the second country, after Hungary, in which the Fund partnered with the European Commission (IMF, 2009b). However, unlike Hungary where earlier in 2008 the Fund committed 62 percent of the financing package (IMF, 2008a), the Fund in Latvia was a junior partner in terms of financing with a one-quarter share of program financing. Nonetheless, access as a share of quota was the highest ever approved at that time (1200 percent of quota). Ex ante, there was considerable discussion over whether the program should focus on internal devaluation or include an exchange rate adjustment with most Fund staff, Fund management, and academics initially favoring adjusting the Latvian peg to the euro. However, the authorities, supported by the European Commission, were insistent that internal devaluation was a viable program strategy, as subsequently proved to be the case.

- Greece's 2012 EFF was a second stabilization attempt following the 2010 SBA which went off track. In the context of a more severe recession than initially anticipated and an unsustainable debt situation, the EFF was accompanied by a private sector debt restructuring with a net present value reduction of around 50 percent which was a prior action for the arrangement. But even with a debt restructuring, in nominal terms, it was the second largest Fund program at that time after the 2010 Greek program. Nonetheless, the Fund share of program financing was only about one-sixth, with the European institutions financing the remainder. The cumulative peak Fund exposure in the 2012 EFF was designed to be no higher than under the 2010 SBA (2399 percent of quota) (IMF, 2012b).

- Ukraine's 2014 SBA was unusual given the uncertainty due to ongoing conflict in the east of the country, and it was understood that an extended conflict would undermine the program and raise financing needs. This turned out to be the case, with only one review completed. The 2015 EFF relaunched the stabilization effort over a longer time period and envisaged a private debt restructuring sufficient to restore debt sustainability.

- The Fund share of total financing varied considerably across these arrangements, from more than half in Pakistan and Jordan to less than a quarter in Latvia and Greece.

- Jordan, Pakistan, and Ukraine are repeated and regular users of Fund resources (Figure 1).

- The chronology of key events in these arrangements are provided for reference in Annex I.

[1] It was approved under the exceptional circumstances clause, as EAP applied only for capital account crises during 2002–09. That is, an exceptional access case in the context of a non-capital-account crisis was not expected to fulfill all four EA criteria, as noted in the 2012 EPE for Pakistan. In 2009, the EAP was amended also to encompass non-capital account-related crises, so that the criteria also became applicable in such cases.

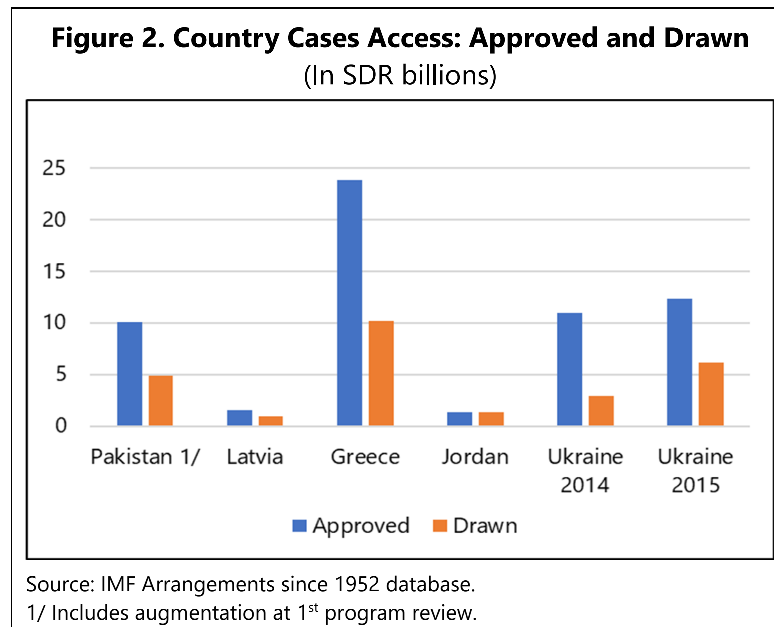
Table 1. Key Metrics of Case Study Arrangements

Country	Pakistan[1]	Latvia	Greece[2]	Jordan[3]	Ukraine 2014	Ukraine 2015
Arrangement	SBA, 23-month	SBA, 27-month	EFF, 4-year	SBA, 3-year	SBA, 2-year	EFF, 4-year
Date of approval	11/24/2008	12/23/2008	3/15/2012	8/3/2012	4/30/2014	3/11/2015
Approved amount in SDR billions	5.169	1.522	23.785	1.364	10.976	12.348
As percent of quota	500	1200	2,159	800	800	900
As percent of GDP	4.2	6.5	15.1	6.6	12.2	18.9
Amount drawn in SDR billions	4.936	0.982	10.225	1.364	2.973	6.178
Percent drawn	68.2	64.5	43.0	100.0	27.1	50.0
Date of last completed review	05/14/2010	12/21/2011	05/30/2014	07/31/2015	08/29/2014	04/03/2017
Date of expiration or cancellation	09/30/2011	12/22/2011	01/15/2016	08/02/2015	03/10/2015	12/17/2018
Memorandum Items:						
IMF amount US$ billion	7.6			2	17.1	17.5
Euro billion		1.7	28			
(Percent of total financing)	88.4	24.3	16.2	51.3	46.1	43.8

Sources: IMF, Strategy, Policy and Review Department, Fund Arrangements since 1952, updated January 19, 2024 and Staff Reports.
[1] Pakistan SBA augmented to 700 percent of quota at 1st/2nd review.
[2] Excludes 2012 PSI in total financing.
[3] Gulf Cooperation Council financing excluded from total financing.

6. **The absolute size of IMF financing agreed and subsequently drawn varies widely across cases** (Figure 2). At approval, access for Latvia and Jordan was below SDR 2 billion, of which all or most of the resources were drawn. Access approved was over SDR 20 billion for Greece, and at or slightly above SDR 10 billion for Ukraine and Pakistan. Disbursements were half or less of commitments in these cases (discussed further in Section VII on program outcomes).

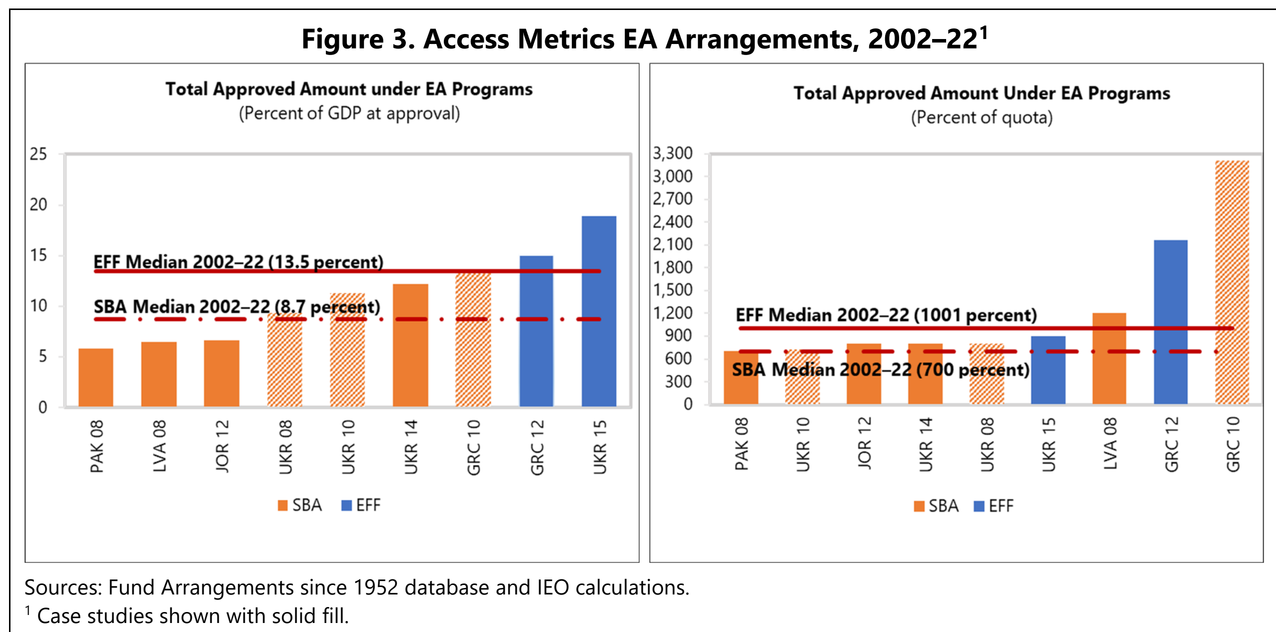
Figure 2. Country Cases Access: Approved and Drawn
(In SDR billions)



Source: IMF Arrangements since 1952 database.
1/ Includes augmentation at 1st program review.

7. **The variation of financing approved in large part reflects the differences in the size of country GDP, with Greece's GDP in 2010 being ten times larger than that of Latvia and Jordan, Pakistan eight times larger, and Ukraine about five times larger**. Nonetheless, relative to GDP access levels were more elevated in the EFF arrangements for Ukraine and Greece (Figure 3) compared to the SBA arrangements. Access relative to quota is also large and well above the median for the Greek EFF, but less so for the Ukrainian arrangements reflecting that Ukraine's quota is relatively large compared to GDP (as past GDP growth has been below average). The size of the Latvian program is larger relative to quota than GDP (this also reflects quota erosion that can occur in fast-growing economies if quotas are not recalculated on a regular basis).

Figure 3. Access Metrics EA Arrangements, 2002–22[1]



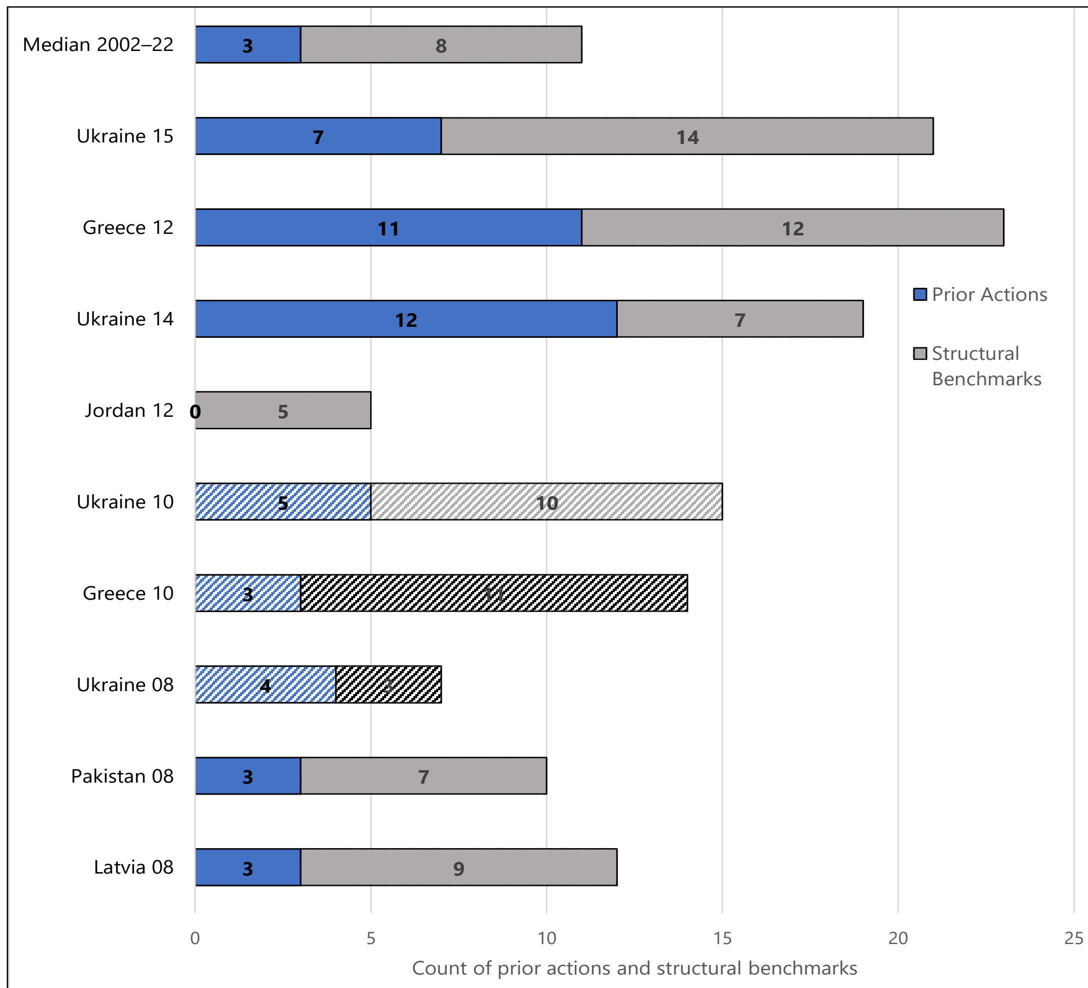
Sources: Fund Arrangements since 1952 database and IEO calculations.
[1] Case studies shown with solid fill.

8. **The extent of conditionality varied significantly across programs (Figure 4).** Some interviewees saw the variation as reflecting a lack of evenhandedness, while others saw it as reflecting country circumstances, including responses to previous experience**.** Where programs had previously gone off track (Greece 2010, Ukraine 2010) the subsequent program had significantly more prior actions and structural conditionality. The Greek authorities viewed this as excessive in relation to implementation capacity, lacking prioritization, and contributing to program interruptions. Ukrainian interviewees, however, welcomed the greater scope and depth of conditionality in the 2015 program seeing a window of opportunity to implement economic reforms. Conditionality was more parsimonious in the other programs, with three prior actions in Pakistan and Latvia (the median for all EA arrangements 2002–22) and none in Jordan (eight other EA arrangements also had no prior actions at program approval).

9. **The phasing of disbursements—"frontloading"—varied significantly across the selected programs (Figure 5).** In Latvia and Ukraine-2014, frontloading of access in the first year of the arrangement was well above the median for EA arrangements approved during 2002–22. In Jordan and Pakistan, it was slightly below the median, in all cases with the intention

of boosting market confidence and closing financing gaps. Conversely, in Greece frontloading was well below the median (for EFFs) reflecting the equal phasing across the request and subsequent reviews as well as large amounts of co-financing from European institutions.

Figure 4. Structural Conditionality at Program Request EA Arrangements, 2002–22[1]



Sources: MONA and IEO calculations.
[1] Case studies shown with solid fill.

10. **Explicit program contingency plans in staff reports were more the exception than the rule**. Greece 2012 provides a good example of contingency planning in the event of shortfalls in program implementation for both fiscal measures and labor market measures. In Pakistan, a contingency plan was drawn up by the central bank for handling problem banks as a structural benchmark for the first program review. Conversely, there were no explicit contingency plans in the Latvia, Jordan, or Ukraine programs. For Ukraine, the 2015 EPE recommended developing realistic adverse scenarios and contingency plans which subsequently were reflected in the internal planning for the 2020 SBA. There were also no side-letters containing contingency plans in these country cases.

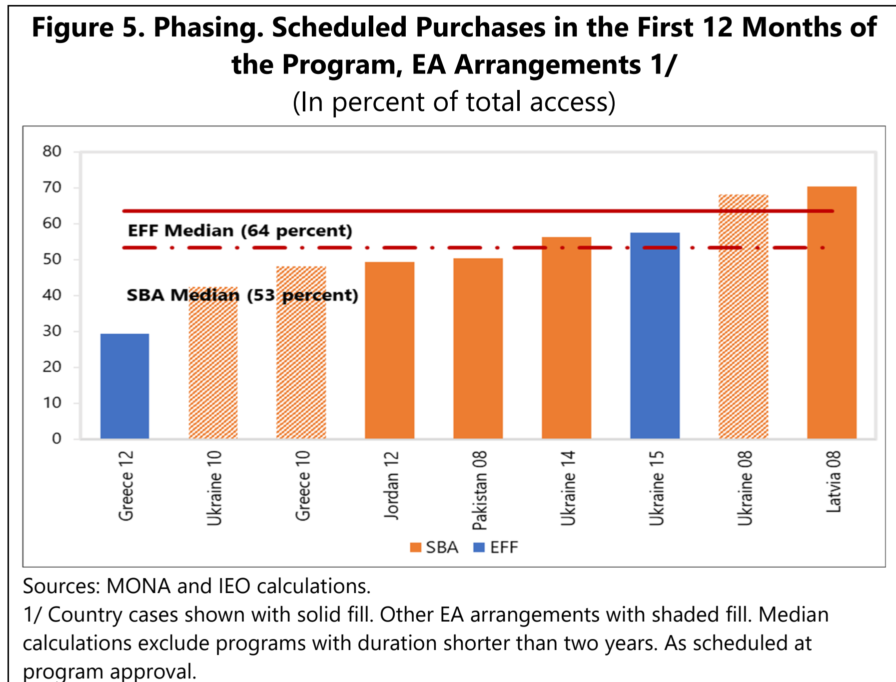


Figure 5. Phasing. Scheduled Purchases in the First 12 Months of the Program, EA Arrangements 1/
(In percent of total access)

Sources: MONA and IEO calculations.
1/ Country cases shown with solid fill. Other EA arrangements with shaded fill. Median calculations exclude programs with duration shorter than two years. As scheduled at program approval.

11. **The country case programs generally were appropriately focused on bolstering social protection**. Where increases in social spending significantly contributed to fiscal deficits (Greece, Ukraine), the programs aimed to limit the increase in social spending while strengthening well targeted or core social safety net programs: in Ukraine through an enlarged housing and utility subsidy program and in Greece with a means-tested income support scheme (implementation was slow). In Pakistan, the program envisaged an increase in social safety net spending from a small base. A structural benchmark to develop a comprehensive system of targeted social assistance was met. Despite implementation delays, social safety net spending increased during the program (SBA staff report for 5th review). In Latvia, staff concerns over ad hoc cuts in social spending led to the introduction of an adjustor to allow additional social safety net measures of up to 0.6 percent of GDP. The EPE noted this room for higher social spending was not fully used. In Jordan, fuel subsidies elimination was accompanied by cash transfers to about 70 percent of the population. Additionally, at the second review, fiscal targets were revised upward by 1.1 percent of GDP to accommodate the strain on public services delivery related to Syrian refugees.

III. APPLICATION OF THE MAIN EXCEPTIONAL ACCESS POLICY PROCEDURES

12. **Informal Board consultations with a preliminary Staff Statement on Exceptional Access took place in all the case study arrangements**. These Board meetings typically took place two to five weeks before the final Board approval of the arrangement. For Greece there were two Staff Statements, with the second Statement indicating the access level along with a full assessment of EA criteria. Ukraine 2015 also had two staff statements with the second statement providing details of the access level and other financing sources.

13. **The information provided to Executive Directors was broadly in line with the EAP**. As envisaged in the policy the case studies set out: "a diagnosis of the problem, an outline of the needed policy measures, the basis for EA with a preliminary evaluation of the four substantive criteria, including external and sovereign debt sustainability, and a likely timetable for discussions" (IMF, 2003). Most Statements indicated the type of arrangement envisaged and its duration.[2]

14. **There was less consistency in discussion of the envisaged access level.** The level of access proposed was included as a range for Ukraine 2014 (650 percent–850 percent of quota) and initially a floor in Ukraine 2015 (at least 583 percent of quota). The second Greek staff statement indicated access of 2,399 percent of quota, and three other access variants requested by European Executive Directors to illustrate the effect of different burden sharing arrangements. However, the statements for Latvia, Pakistan, and Jordan compared the broad magnitude of overall financing needs with country quota indicating that access would be "multiples" of quota. While consistent with the policy, which does not require that proposed access be included, the lack of information on the proposed level of access in a Staff Statement on Exceptional Access is surprising as in these cases the Briefing Papers/Policy Notes sent to management slightly ahead of the staff statement did detail the proposed access level.

15. **The analysis of capacity to repay and risks to the Fund was somewhat limited in the Staff Statements**. Statements for both of the Ukraine arrangements discussed capacity to repay the Fund alongside the proposed access level (or range). In the Greek second statement, a paragraph discussed tail risks from the Fund's credit exposure to Greece. It noted correlated risks from other Eurozone exposures and their implications for the Fund's finances. However, in the staff statements that did not specify access levels there was no discussion of capacity to repay or credit and liquidity risks to the Fund.

16. **The EA criteria were assessed to be met in all cases, and the assessments were substantively very similar to those in the eventual staff report.** These assessments are discussed in the next section.

17. **Staff statements provided limited information on program conditionality compared to Policy Notes sent to management**. Typically, the staff statements would indicate the areas of policy focus, but without specifics. Similarly, information provided to the Board on prior actions in five cases (all but Jordan which did not have prior actions) was, at best, limited to the broad policy area where prior actions were envisaged.

18. **OED interviewees generally welcomed the Informal Board meetings although short circulation periods limited the extent to which capitals could be involved**. Interviewees noted that the informal consultations were useful to bring all Executive Directors up to speed on

[2] The statement for Jordan left open whether the program would be an SBA or EFF and its duration (24–36 months). Staff interviewees explained that the authorities preferred an SBA while the staff team initially favored an EFF.

developments, although those closely involved in program financing were already well informed on the program parameters from informal discussions with staff and/or management. Due to the relatively short circulation period of the staff statements, Executive Directors would not expect to receive detailed instructions from capitals. Executive Directors frequently asked staff questions but generally did not challenge program design parameters. Interviewees did not raise the absence of specific access levels in staff statements for Jordan, Pakistan, and Latvia perhaps because they were not aware that staff had already proposed access levels to management.

IV. PROGRAM EVALUATION OF EXCEPTIONAL ACCESS CRITERIA

19. **This section evaluates the justification of EA criteria in the country case studies including with staff, Board, and authorities' views**. Staff views on the utility of the criteria overall were mixed. On the positive side, several had a positive assessment that the criteria helped achieve greater scrutiny of EA arrangements, a considered deliberation of relevant issues, and a "shield" for staff against political pressures. Others, however, saw the criteria as a "box-ticking exercise," and "not the main issue.", and many Executive Directors emphasized that the criteria are useful in principle to support evenhandedness while noting problems in implementation. Interviewees highlighted Greece (2010) where policy changes (the systemic exemption, 2010) were introduced to meet specific country needs as an example of a lack of evenhandedness. Conversely, management and staff defended this decision as superior to "tweaking" or "reverse engineering" relevant EA assessments to fit the criteria. In general, country authorities were aware of the criteria as a framework applied internally in the Fund. Financial market participants were interested in the headline amount of Fund financing but not the details of the EAP.

A. EAC1. Criterion on Exceptional BOP Need

The member is experiencing exceptional balance of payments pressures on the capital account resulting in a need for Fund financing that cannot be met within the normal limits.

Amended in 2004 to: … *[Requests involving access in excess of the limits] in cases of members not facing a capital account crisis shall be justified in light of the four substantive criteria.*

Amended in 2009 to include needs arising from current account pressure as well as potential needs allowing for precautionary EA programs.

20. **The country case studies specified multiple sources of exceptional BOP need.** All six country case program requests cited capital account pressures including Pakistan which was primarily a current account case, five also cited current account pressures (all but Latvia), three cited developments in reserves (Latvia, Pakistan, and Ukraine 2015) and one also cited exchange rate pressure (Latvia).

21. **There were gaps in justifying whether EAC1 and the other criteria were met in program reviews during 2008–11**. In Latvia, none of the five reviews reassessed the criteria and in Pakistan there was no reassessment of the criteria in the 1st, 3rd and 4th reviews, as well as in Greece 2013–14 (justifying the systemic exemption in 3rd, 4th, and 5th reviews). Staff noted that in 2008 there was not an explicit requirement to reassess the criteria at the time of each review. Updates to the criteria in 2009 included that they be assessed in the context of the initial request and subsequent reviews (IMF, 2009a). The EAP criteria were only systemically and explicitly assessed in reviews from mid–2010 onwards as advised by LEG to achieve the intention behind the policy although it would appear that a systematic assessment did not occur until at least 2014 given experience in the case studies noted above.

22. **The assessment of exceptional BOP need was not controversial in most cases.** In some cases, however, views differed amongst staff and between staff and country authorities. In Jordan, interviewees concurred that EAC1 was met, given the impact of changes in energy prices and the inflow of Syrian refugees. The EPE for Pakistan questioned the extent of BOP need, especially for an augmentation which was intended as bridge financing. In Latvia, the large size of financing needs identified by staff surprised country authorities and private sector representatives who thought it may overstate, or signal an overstatement of macroeconomic imbalances. In Ukraine, some staff favored a more sequential approach that initially used a Rapid Financing Instrument (RFI) (normal access) followed by an EFF, but the European Department (EUR) prevailed with a two-year SBA in 2014. In Greece, the Fund's share of total financing commitments was kept lower than the 2010 SBA in order to keep potential maximum Fund exposure at or below the SBA peak.

23. **Staff, Executive Directors, and country authority interviewees generally did not express a view that in any of these country cases the Fund could have responded with normal rather than EA**. In Latvia, Pakistan, Jordan, and Ukraine (2014), the size of the Fund commitment was viewed as key for market confidence given significant macroeconomic imbalances. In Greece and Ukraine (2015) significant public debt restructuring with large haircuts (over 50 percent) were key elements in program financing that reduced the financing gap. In Jordan there were issues around securing adequate financing assurances from a bilateral creditor which may have increased Fund exposure. In the event, these financing flows did materialize, and reserve accumulation was significantly stronger than programmed.

B. EAC2. Criterion on Debt Sustainability with High Probability

A rigorous and systematic analysis indicates that there is a high probability that debt will remain sustainable.

Revised in 2009 to: *Rigorous and systemic analysis indicates that there is a high probability that the member's public debt is sustainable in the medium term.*

Added in 2010: *However, in instances where there are significant uncertainties that make it difficult to state categorically that there is a high probability that the debt is sustainable over the period, exceptional access would be justified if there is a high risk of international systemic spillovers.* This provision was replaced in 2016 with some flexibility to lend when debt is sustainable but not with high probability (i.e., the "gray" zone, see the discussion on EAC2 and EAC3 in the companion background paper (Erce, 2024)).

24. **The criterion assessing debt sustainability evolved during the evaluation period**. During 2008–15 the criterion underwent two changes: first, in 2009, to clarify the criterion applies to public debt; then, in 2010, to introduce the systemic exemption to allow EA (initially in the context of the Greece SBA) even if debt was assessed to be sustainable but not with high probability provided there was a high risk of international systemic spillovers. The rigor of the debt assessment framework was strengthened in 2013 with the introduction of the Debt Sustainability Framework for Market Access Countries (MAC DSA). The MAC DSA included debt burden benchmarks and additional risk analysis and risk reporting tools, although it did not incorporate a probabilistic assessment of debt sustainability. A "high probability" (HP) tool was developed for internal use in 2015 to assess the probability that debt is sustainable. While helping to provide probabilistic assessments of debt sustainability, some staff found the interpretation of HP tool results to not always be straightforward. Also, the MAC DSA assessments lacked a standardized bottom-line assessment and involved substantial scope for judgment (IMF, 2021). In 2021, an overall assessment of sustainability risk was established for MAC DSA countries based on updating the HP tool approach, even though the thresholds used in these assessments are not made public.

25. **Reflecting changes to the EAC2 criterion the EAC2 assessments became more detailed during the evaluation period** (Table 2 summarizes the assessments from the program requests). The Latvia and Pakistan debt sustainability assessments in 2008 pre-dated the MAC DSA and comprised only public and external debt tables, with no stress testing and no textual discussion. The justification of debt sustainable with a high probability is based on the low level of debt in Latvia and "declining debt ratios over the medium term" in Pakistan. For Jordan (2012) the external and public debt assessments include some scenario testing and related discussion. The Greece (2012) assessment discussed key macro assumptions including realism checks and significant stress testing to highlight the balance of risks. DSAs for Ukraine (2014 and 2015) were based on the 2013 MAC DSA.

26. **Debt sustainability assessments during the first decade or so of EAP application fell short of the "rigorous and systematic approach" anticipated in the policy.** Some may have been more borderline than presented in staff reports. Several interviewees noted the rigor of those assessments would not be acceptable now. This is in part because there was not a probabilistic debt sustainability assessment available to staff until late-2015. The application of the HP tool in 2015 on past cases confirmed that in 11 out of 14 past EA arrangements debt had in fact been

sustainable with a high probability (IMF, 2015a).[3] Interviewees noted that debt sustainability assessments before 2013, when the MAC DSA was introduced, did not pick up the risks arising from contingent liabilities in Pakistan and thus may have underestimated risks to debt sustainability. For Jordan, staff emphasized that careful judgment is needed as the large share of domestic debt with short maturities resulted in high gross financing needs, although a captive domestic securities market and moral suasion could reduce rollover risk. The HP tool also indicated (retroactively) that debt in Greece 2012 and Ukraine 2015 was not sustainable before restructuring.

Table 2. Key Elements of Debt Sustainability Assessments

	Overall assessment	Supporting information for assessment	Mitigating or exacerbating factors/risks
Latvia 2008 SBA	Public debt is very low and is expected to remain sustainable.	The low public debt level provides room to the government to absorb some (foreign and domestic) private liabilities, should this be unavoidable, without threatening fiscal sustainability.	While stress tests and alternative scenarios show that Latvia's external debt remains vulnerable, policies under the program will mitigate these risks.
Pakistan 2008 SBA	Debt ratios decline over medium term.	Public and publicly guaranteed debt amounted to 58 percent of GDP at end-2007/08.	Provided that the authorities fully implement the appropriate stabilization policies.
Jordan 2012 SBA	Staff projections indicate that Jordan's public debt will remain sustainable in the medium term with high probability.	[Gross public] debt would gradually decline to 78.6 percent of GDP in 2017.	This will require the energy issue to be resolved and National Electric Power Company (NEPCO) brought to a break-even position by mid–2016, as well as further fiscal measures to improve the government's overall balance.
Greece 2012 EFF	It is difficult to categorically affirm that debt is sustainable with a high probability. Notwithstanding such difficulty, EA is justified for Greece, given the continued high risk of international systemic spillover effects.	The reduction in debt is expected to be delivered through private and official sector debt relief, fiscal adjustment, and privatization.	Significant uncertainties including risks to the evolution of growth and economy-wide prices.
Ukraine 2014 SBA	Full implementation of the program, including the fiscal adjustment, and the expected return to growth supported by the exchange rate adjustment and structural reforms would ensure that public debt is sustainable with high probability in the medium term.	The envisaged fiscal adjustment under the program, if fully implemented, would strengthen public finances and reduce public debt to levels well below the standard DSA high-risk benchmark of 70 percent.	Debt could exceed the 70 percent benchmark if growth significantly disappoints, the exchange rate depreciates considerably, or higher than projected contingent liabilities materialize. Ukraine's debt structure indicates significant exposure to exchange rate movements and external market sentiment, not unlike other emerging markets.
Ukraine 2015 EFF	A combination of fiscal adjustment, additional official financing on adequate terms, and a debt operation that would help restore medium-term debt sustainability with high probability.	Public debt-to-GDP ratio is projected to decline steadily to around 70 percent of GDP by 2020, and debt service burden indicators would remain significantly below DSA higher risk benchmark.	The fact that the macro parameters informing the debt operation would be reviewed before finalization provides some robustness of the debt trajectory to shocks related to the conflict.

Source: IMF staff reports.

[3] Jordan and Pakistan were among the cases where the HP tool did not confirm that debt was sustainable with high probability.

27. **The DSA was typically anchored by a medium-term public debt-to-GDP ratio objective, often beyond the program period.** The choice of specific ratio objective seems arbitrary in some of the case studies as discussed further below. Also, the means or incentives to achieve debt consolidation outside the program period are unclear. In Jordan, the assessment of sustainability initially envisaged an increase in the public debt-to-GDP ratio with fiscal adjustment then bringing it back to the 2012 ratio by 2017. The timeline for achieving the debt objective was extended three times to 2020 by the 7th review (5 years post program). The Greek EAC2 assessment was initially anchored on achieving a public debt/GDP ratio of 120 percent by 2020 (4 years post program), which according to one senior interviewee was set with reference to the debt level then prevailing in Italy. At the combined first/second review the objective was amended to 150 percent–160 percent of GDP by 2020. For Ukraine 2014 and 2015, the updated 2013 guidance on MAC DSA provided a debt burden benchmark for public debt-to-GDP of 70 percent, which was used as the basis for assessing debt sustainability (above 70 percent would flag significant macro-fiscal risks). This level was exceeded in the 2014 program 1st review, but debt was still assessed as sustainable with high probability as the MAC DSA allowed for staff judgment.

EAC2 in the Greek 2012 Case

28. **The systemic exemption was used in Greece 2012 to justify EA.** Greece's debt was assessed as being sustainable but not with high probability during the SBA 2010–12 and most of the EFF arrangement. Exceptional access was justified by the systemic exemption, given the high risk of international systemic spillover effects. The risk of spillovers was assessed in the first and second review of the EFF, alongside significant adjustments to the debt outlook, using several tools and reaffirmed that "Notwithstanding falling exposure of the private sector to Greece and the stronger European firewall, models suggest that Greek exit [from the euro] could result in large and persistent output losses in Europe" (IMF, 2013). Interviewees from European institutions (European Stability Mechanism (ESM), European Central Bank (ECB)) noted that the scope for damaging spillovers was reduced after the 2012 debt restructuring, but a risk of Greek exit from the euro remained (and nearly materialized in 2015) which would have had significant systemic spillovers. Management and staff interviewees felt that changing the criterion was better than "tweaking" or "reverse engineering" the assessment to fit the criteria. But others felt the Fund only changed the EA policy because euro area institutions were initially unwilling or unable to change their policies to provide Greece with sufficiently generous financing terms that it would not pose a systemic risk. In this latter view the Fund provided political cover.

29. **Subsequent EFF reviews did not provide further justification for the systemic exemption, as noted in the EPE.** Staff interviewees viewed the reviews' omission of a justification for using the systemic exemption as an oversight.

30. **In June 2015, a standalone IMF DSA concluded that Greek debt dynamics were not sustainable and that not meeting EAC2 justified a halt to IMF financing absent debt restructuring.** The reassessment lowered projections of the primary surplus, GDP growth and privatization receipts due to persistent underperformance. The DSA estimated a need for relief

on official debt and for €50 billion of additional financing during October 2015 to end–2018. A revised DSA in July 2015 raised the financing needs to €85 billion. Interviewees from the authorities and European institutions noted that they did not agree with staff assumptions on the evolution of interest rates, growth, and the primary surplus and that public debt was not sustainable. An ESM evaluation of the Greek programs noted that "divergence among the institutions and key stakeholders on the DSA posed challenges to cooperation and hampered program implementation" (European Stability Mechanism, 2020). As a result of the differing DSAs, and resistance to providing more relief from Euro institutions—in particular from Eurogroup members with lower income levels than Greece (James, 2024)—that would have provided necessary financing assurances to the Fund, Greece and the European institutions agreed on a third program without an IMF financial contribution in July 2015.

31. **The DSA divergence was eventually finessed in 2017 with the "approval in principle" of a precautionary Stand-By Arrangement**. This arrangement did not trigger EA as Fund credit outstanding would be slightly below the cumulative access limit of 435 percent (since February 2016) even if the precautionary access was drawn. The "approval in principle" procedure had been used in the 1980s when some financing assurances could not be obtained prior to program approval but would be forthcoming in the context of a Fund-supported program. For Greece, a 13-month precautionary SBA of 55 percent of quota (€1.6 billion, SDR 1.3 billion) would only become effective if the program was on track and the Fund received "specific and credible assurances from Greece's European partners to ensure debt sustainability" (IMF, 2017b). However, the necessary assurances were not forthcoming, the precautionary SBA was not activated, and expired in July 2018.

C. EAC3. Regaining Market Access

The member has good prospects of regaining access to private capital markets within the time Fund resources would be outstanding, so that the Fund's financing would provide a bridge.

Amended in 2009 to: *The member has prospects of gaining or regaining access to private capital markets within the timeframe when Fund resources are outstanding.*

Amended in 2016 to: …. *within a timeframe and on a scale that would enable the member to meet its obligations falling due to the Fund.*

32. **There was no formal framework at the Fund for assessing the prospects for regaining market access and it was typically a staff judgment based on a few supporting factors**. In the case studies, the overall staff assessment was that market access would be regained during the program period in Latvia, Pakistan, Jordan, and Ukraine's 2015 EFF. A more conservative assessment linking market access to the timeframe when Fund resources are outstanding was applied in Greece 2012 and Ukraine 2014. The supporting factors mentioned are: (i) track record of debt issuance or service (Latvia, Pakistan, Ukraine); (ii) normalization of international capital markets (Jordan, Latvia); (iii) program implementation lowering spreads and raising confidence (Ukraine, Jordan); (iv) official financing (Greece); and (v) other BOP flows (positive in Pakistan and potentially negative in Latvia) (Table 3).

Table 3. Key Elements of Market Access Assessment

	Overall assessment	Supporting information for assessment	Mitigating or exacerbating factors/ risks
Latvia 2008 SBA	The program assumes market access will be restored in 2011.	Latvia's access to private financial markets will likely be restored, particularly if international financial markets normalize, or if it is able to join the Euro area.	Latvia has a strong track record in servicing its external debt. ...domestic banking problems have exacerbated [loss of confidence].
Pakistan 2008 SBA	It is expected that Pakistan can regain access to international capital markets and see a significant pickup in foreign direct investment (FDI) in two to three years, provided the adjustment effort is successfully implemented.	Until recently, Pakistan had access to international financial markets by issuing Eurobonds, GDRs, and exchangeable bonds, as well as through nonresidents' portfolio investment in domestic securities.	FDI, which is the primary source of external inflows, appears to be holding up despite the recent sharp slowdown in other flows.
Jordan 2012 SBA	Staff expects Jordan's access to private capital markets during the program period and beyond to be on a scale and timing so as to make repayments to the Fund.	While access to the Eurobond market is contingent on developments in the euro area, the authorities intend to issue additional bonds, possibly as soon as in late 2012.	Rates at which the access can be obtained in the medium term are expected to have a lower spread as currently prevailing in the secondary market, reflecting the adjustments made under the program.
Greece 2012 EFF	[A] gradual return to market access back stopped by official financing by Euro area member states will ensure Greece has financing in a scale and timing adequate to secure repayment of Fund resources.	Staff would ... expect the authorities to avoid large issuances, and to continue to avail themselves of official financing, which Euro area member states have committed to provide (so long as Greece adheres to program policies), on terms that would enable this financing to play an important catalytic role in securing market re-access.	The scale of Greece's challenges, including its emergence from the largest debt restructuring ever done and the perceived senior status of all debt relative to any new issuance, make it inherently difficult to project the volume and timing of Greece's return to the markets in the immediate post program years.
Ukraine 2014 SBA	Staff anticipates that with a successful implementation of program measures, combined with support from the broader international community, Ukraine has good prospects of regaining greater access to private capital markets within the timeframe when Fund resources are outstanding.	In 2013, two sovereign Eurobonds and several private debt issues were placed on expectations that a Fund-supported program could be agreed.	Debt markets will likely reopen for Ukraine as soon as macroeconomic stabilization is achieved, although the program has conservative assumptions about the size of such financing in 2014–15.
Ukraine 2015 EFF	Staff anticipates that with a successful implementation of the program, combined with support from the broader international community, Ukraine has good prospects for regaining greater access to private capital markets before the end of the program period.	As reconstruction and recovery efforts take hold, and given steps the authorities are taking to ensure manageable gross financing needs, confidence in the system would improve helping to bring Ukraine's certificate of deposits and bond spreads down and ultimately improve the country's prospects of regaining market access.	The policy and financing mix under the proposed program addresses the long-standing domestic and external imbalances needed to stabilize the economy and revive growth in the medium term.

Source: IMF staff reports.

33. **Interviewees noted several drawbacks associated with the criterion in these cases.** They included that: (i) it was not well tailored to a country that was more reliant on official financing and guarantees and had little prior experience of access to international capital markets (Jordan); (ii) similarly it was not necessary, and perhaps unduly risky, for some countries, to rely on international capital markets to repay the Fund, when an expansion of exports would suffice (Pakistan, Ukraine); (iii) long-term official financing would better support debt sustainability than a large-scale return to capital markets (Greece); (iv) if/when market access is regained there is a reduced incentive to complete the program (Ukraine 2015) or the political impetus for continued reform can be undermined (Latvia); (v) the positive signal of regaining

market access can be overstated if underlying problems relating to debt management or fiscal transparency have not been resolved and that program design should try to resolve these underlying problems (Ukraine).

34. **More broadly, some interviewees questioned whether the market access criterion was necessary**. If debt was sustainable with high probability and the program had a reasonable prospect of success, that is if criteria 2 and 4 were met, then market access is likely assured. Nonetheless, some interviewees thought that there would be useful lessons from countries that had restructured debt and regained market access that a tool could exploit to assist in determining when market access could be regained, with market access prospects likely to be boosted by deep debt restructurings perceived by markets to be a "one-off" event.

35. **The case of Greece 2012 EFF underlined that the market access criterion would be met even if such market access was limited and less than needed to repay the Fund.** The justification provided for EAC3 in this case noted that a **"**gradual return to market access back stopped by official financing by Euro area member states will ensure Greece has financing in a scale and timing adequate to secure repayment of Fund resources." In this case the market access criterion became essentially redundant as the availability of European financing, although contingent on program implementation, would ensure the financing for the repayment of IMF credit rather than market access. As European authorities' interviewees noted, the EA criteria could in this case have given more prominence to country specific circumstances. The amendment to EAC3 in 2016 tightened the justification by adding more specificity to the criterion: "*within a timeframe and on a scale that would enable the member to meet its obligations falling due to the Fund*" and would likely not have been met had it been applied retrospectively to the Greek program.

D. EAC4. Prospects for Program Success

The policy program of the member country provides a reasonably strong prospect of success, including not only the member's adjustment plans but also its institutional and political capacity to deliver that adjustment.

36. **There was also no formal framework for assessing the prospects for program success criterion**. The EAC4 criterion comprises of three sub-elements namely: (i) the policy program if implemented has a reasonable prospect of success; ii) the member has the institutional capacity to implement the program; and iii) the political capacity to implement the program. Table 4 attempts to separate these sub-elements for each of the case studies. Some of the common factors used to justify meeting EAC4 in the case studies are: (i) an appropriately ambitious program albeit with manageable implementation risks; (ii) a track record of previous policy implementation, evidenced by prior actions implementation if the track record is poor; and (iii) assurances of various types from various parties in support of program implementation. All but one of the EPEs found that the assessment of EAC4 was lacking in some dimension (see below) suggesting that there is room for improvement in the assessment.

Table 4. Key Elements of Program Implementation Criterion

	Policy program if implemented has reasonably good chance of success given risks	Institutional capacity to implement policy program	Political capacity to implement policy program
Latvia 2008 SBA	An appropriately ambitious program. with implementation risks... given the complex nature of the economic challenges being faced.	Latvia has good institutional capacity to deliver the adjustment proposed under the program.	The program is supported at the highest political level, with cross-party support for maintaining the peg.
Pakistan 2008 SBA	While there are reasonable prospects for success if the authorities' proposed policies are implemented, the risks to the program remain very high, as implementation can be affected by the difficult political, security, and economic conditions.	Staff believes that Pakistan has sufficient institutional capacity to deliver the required adjustment, as evidenced by the successful implementation of Fund-supported programs during 2000/01–2004/05.	The government's recent steps toward reducing the fiscal deficit in 2008/09 and its efforts to prepare a home-grown stabilization program demonstrate the authorities' intent to address the current macroeconomic imbalances.
Jordan 2012 SBA	Staff assesses that Jordan's economic program, based on fiscal consolidation and medium-term solutions to its energy issues, is addressing remaining external and fiscal vulnerabilities and sustaining the exchange rate peg, and thus has reasonably strong prospects of success.	The authorities showed already in 2010 that they have the capacity to implement a large fiscal adjustment. Regarding fiscal consolidation in 2012, they have already implemented a number of difficult fiscal measures, which they expected to result in a fiscal consolidation of more than 3 percent of GDP.	Further adjustment is necessary, but would need to be communicated and managed carefully, given the political risks. This said, reforms to income and mining taxation, which could substantially increase revenue, have already been discussed with parliament and appear to have good prospects of success.
Greece 2012 EFF	Through the completion of the prior actions for the new program, the authorities have demonstrated ownership and policy resolve...The necessary level of ambition embedded in the program will continue to test political and social resolve.	The breadth of the reform agenda may test the authorities' administrative capacity...The authorities remain committed to strengthen program monitoring and internal management mechanisms through significant technical assistance support from the European Commission and the Fund. Even with these assurances and undertakings of the authorities, it should be stressed that program implementation risks are likely to remain very high.	In view of the forthcoming elections, the assurance letters provided by the two main political parties in the coalition government and the broad parliamentary endorsement of the policies contained in the Memorandum of Economic and Financial Policies (MEFP) give further confidence in policy continuity during the program period.
Ukraine 2014 SBA	A well-calibrated set of strong prior actions—more comprehensive than in previous programs—has launched the main components of the macroeconomic adjustment and thereby reduced the risks to achieving program targets.	The government's institutional and technical capacity has been strengthened by extensive and ongoing technical support from the Fund and other partners in recent years, and staff judges it to be sufficiently strong to deliver the core elements of reform.	Leading presidential candidates and representatives of political parties and civil society organizations supported key program objectives and policies. Recent and ongoing geopolitical developments have so far united parliament and may finally galvanize the support needed to overcome the resistance of vested interests to reform. ...Moreover, staff finds that IMF advice appears to have considerably more traction with the authorities.
Ukraine 2015 EFF	The macro framework and the fiscal program have been adjusted to reflect the impact of the recent conflict and the authorities remain committed to adapt policies as necessary. They recognize that a decisive break with the past is needed to achieve program objectives, involving strong ownership and full and sustained implementation of difficult measures. The authorities' reform agenda is ambitious and would be supported by extensive involvement and financial assistance by the international community.	The government's institutional and technical capacity has been, and will continue to be, strengthened by extensive and ongoing technical support from the Fund and other partners, and staff judges it to be sufficient to deliver the core elements of reform with reasonably strong prospect for success.	The authorities have performed reasonably well under the SBA-supported program, notwithstanding the adverse environment. ..In addition, they are committed to implement strong prior actions for this program. The escalation of the conflict in the East is certainly a major concern for the authorities. However, their willingness and capacity to implement the program remains strong.

Source: IMF staff reports.

37. **Interviewees raised issues with the assessment of program success**. In the cases of Jordan and Pakistan, area department staff highlighted the difficulty of assessing the depth of program ownership—and hence prospects for implementation—which in the final event rested with the head of state who would not typically be a signatory to program documentation. Nonetheless, some staff were of the view that EAC4 lent support or motivated seeking the necessary political assurances from the authorities (Jordan, Greece).

38. **Staff views differed on the prospects for success with a more favorable judgment coming from the area department than functional departments except in the cases of Jordan and Pakistan (previously noted)**:

- **In Latvia, the disagreement centered on the viability of the program strategy of internal/fiscal devaluation as compared to an exchange rate adjustment**.[4] The Latvian authorities strongly favored internal devaluation as a high level of euroization reduced the effectiveness of the exchange rate instrument and devaluation would have delayed the overriding goal of euro adoption. However, the internal devaluation option would face political challenges in reducing nominal incomes and had a limited track record of success. Fund Management ultimately supported the internal devaluation option strongly favored by the Latvian authorities and European institutions, although misgivings on the strategy were still evident at the time of the first review with an extensive discussion in the staff report of past episodes of internal devaluation in currency boards and associated risks for Latvia. In the end, internal devaluation worked because Latvian stakeholders were willing to pay the social costs of fiscal adjustment. However, the fact that it worked in Latvia is not a guarantee that it would work elsewhere because of the somewhat unique circumstances of Latvia (IMF, 2015b and 2019).

- **In Ukraine, program implementation prospects centered on the authorities' mixed track record of implementation in previous EA arrangements and on the risk that conflict in the east posed to the program**. The response to the poor track record was to attach a significant number of prior actions for program approval in 2014, and another number for the first review. As regards the conflict in the east, the justification for EAC4 was bolstered at the time of the first review in August 2014 with additional language that: "Management has secured assurances from the European Union, Russia, and the United States that they are committed to working with all relevant parties to help restore peace and security within Ukraine as soon as possible." This assurance was intended to support the program assumption that conflict risks would diminish, and initially appeared to be validated when shortly after program approval an international agreement was reached to end fighting in the Donbas region. However, the form and consistency of the assurances received have not been disclosed.

[4] See Aslund and Dombrovkis (2011) for a discussion of the exchange rate strategy in Latvia, and Purfield and Rosenberg (2010) in all three Baltic countries.

- **Program implementation prospects in Greece**. Risks to EFF implementation in Greece centered on the political and institutional capacity given the difficulties experienced in the 2010 program and in completing successive reviews in the EFF against a backdrop of political turbulence and the resistance of vested interests. Again, assurances were sought through extensive use of prior actions as well as political assurances from across the political spectrum, although the form of these political assurances is not disclosed.

- **Program implementation prospects in Pakistan**. While the justification for EAC4 points to very high risks to the program from unspecified "difficult political security and economic conditions" staff appear quite conflicted in internal correspondence to Management noting that the President has stated publicly his reluctance to enter into a Fund program, echoed by senators in his party. Many departments also expressed concern that the program was too weak to instil confidence and Finance Department comments indicated that the program will carry "excessive risks" for the Fund.

39. **Overall, there was a tension between the requirement of "reasonable prospects for success" and often elevated program risks and difficulties that is not effectively resolved in the prospects assessment**. For example, the Greece EFF request justification notes that "the necessary level of ambition of the program will continue to test the political and social resolve" or in Pakistan the understated "difficult political, security, and economic conditions."

V. ASSESSMENT OF RISKS TO THE FUND AND THE FUND'S LIQUIDITY POSITION SUPPLEMENT

40. **All case study staff reports for a new arrangement included a broadly standardized Supplement that assesses the risks to the Fund and the impact of the new arrangement on the Fund's liquidity position**. The Supplement is required as a part of the EAP with the intent of raising the burden of proof in program documents for EA.[5] It is authored by the Finance (FIN) and Strategy, Policy and Review (SPR) Departments. It is broadly standardized and typically includes a discussion of: (i) the member's previous UFR, track record of implementation, and access and phasing of the new arrangement; (ii) the impact of the new arrangement on the Fund's liquidity and credit risk exposure, and capacity to repay;[6] (iii) program size metrics compared with other recent EA arrangements; and (iv) financial risks to the Fund, including country specific risks and the scope for risk mitigation.

41. **The Supplements duplicated significant segments of the Staff Report and adds significantly to the length of the total program documentation.** They duplicate information on access and phasing, capacity to repay (including a capacity to repay table), and program

---

[5] See IMF (2002b).

[6] Because the Supplement came into being well before the IMF's Enterprise Risk Policy was established (2022), the terminology and concepts used for referring to enterprise risks are older and less formal than those currently used in discussions of enterprise risks.

implementation risks and risk mitigation.[7] The Supplement averages more than two-fifths the length of the Staff Report in the case studies. While the higher evidentiary standard and burden of proof expected in the EAP might reasonably be expected to lengthen program documentation it would normally be expected to result from additional analytical depth rather than from significant repetition or duplication.

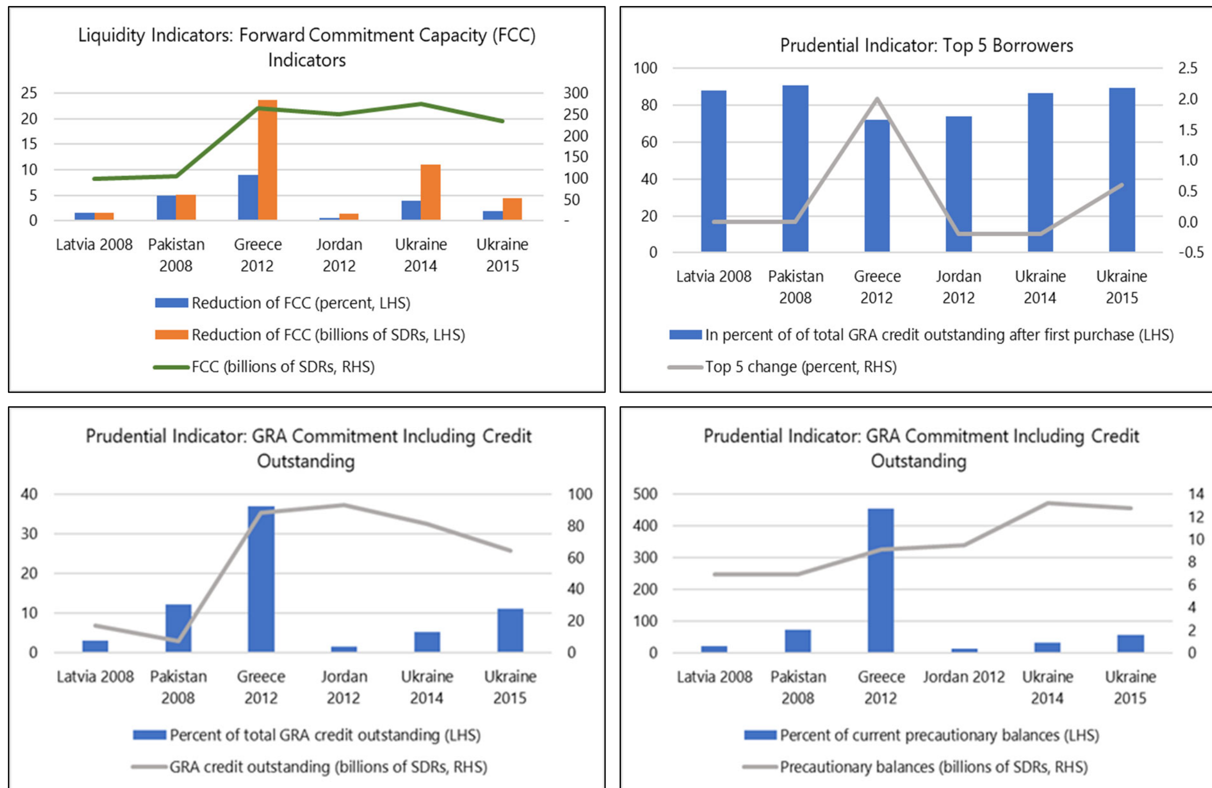
42. **The links between, or weights assigned to, the many program metrics, prudential and liquidity ratios and the overall financial risks to the Fund presented in the assessment were hard to discern**. In part, this is because the liquidity and prudential measures are presented in tables without cross-country comparative analysis while the access metrics are presented in a cross-country format. This lack of cross-country comparison makes it difficult to assess the significance of, say, a particular change in the Fund's forward commitment capacity or a particular increase in the share of General Resources Account (GRA) borrowing by the five largest borrowers.

43. **The comparison of prudential and liquidity measures are presented below for the six case studies (Figure 6).** They illustrate: (i) the magnitude of the impact of the Greece 2012 program on prudential and liquidity ratios compared with other case studies; (ii) the increases in the forward commitment capacity and precautionary balances during 2008–14 reduced the prudential and liquidity ratios for the historically large commitments in the Ukraine SBA and EFF in 2014 and 2015; and (iii) a direct comparison of risks to the Fund from different arrangements, for example comparing the 2014 and 2015 Ukraine programs.

44. **The Supplements did not have clear "bottom-line" assessments nor any actionable implications**. The overall assessment of financial risks to the Fund in post–2016 EA cases are summarized in an executive summary, referring to different categories and degrees of financial risk. But these were not as clearly presented in the Greece 2012 and Ukraine 2015 supplements (see Table 5). For example, overall assessments of "significant," "considerable" and "substantial" financial risks to the Fund in the Latvia, Pakistan, and Greece arrangements respectively might be broadly understood as being equivalent despite having significantly different implications from each other on the Fund's liquidity and credit risk. Even in the case of Ukraine 2014 SBA where the financial risks to the Fund are assessed as "exceptionally high" there does not appear to be a requirement for—or indication of—any particular action or response from the Fund. It is unclear from the documents whether the identified risks are residual risks for the Fund to accept (for example, concentration risk) or whether they should in fact require a response (for example, problems with capacity to repay).

[7] However, the tone of the risk assessment may differ as the principal author of the staff report is the area department while the risk supplement is principally authored by FIN. SPR sign off on both documents helps to align them somewhat.

Figure 6. Liquidity and Prudential Indicators in Risk and Liquidity Assessments, Case Studies



Source: IMF staff reports, Country Assessments of Risks to the Fund supplements.

Table 5. Financial Risk Qualifiers in Risk Supplements

Arrangements	Financial risk assessment (*italics added*)
Latvia 2008	The proposed arrangement with Latvia entails *significant* financial risks to the Fund.
Pakistan 2008	The proposed arrangement for Pakistan entails *considerable* financial risks for the Fund.
Jordan 2012	The financial risks under the proposed arrangement for Jordan appear *manageable*.
Greece 2012	No explicit overall financial risk assessment. "There are, however, *substantial* risks to the program, which, if they materialize, could adversely affect Greece's capacity to repay the Fund."
Ukraine 2014	Financial risks associated with the proposed arrangement for Ukraine are *exceptionally high*.
Ukraine 2015	The program faces *exceptionally high* risks.

Source: Staff supplements to program requests assessing risk to the Fund and impact on Fund's liquidity.

45. **The Supplements did not focus on strategic and reputational risks from not committing to EA**. Strategic or reputational risks could arise if: (i) an inadequate response to financing needs of a member willing to take corrective measures more broadly triggers consideration of other financing sources leading to a more fragmented global financial safety net; (ii) an absence of EA would force excessive adjustment on the member; and (iii) reputational risks from being perceived as misaligned from a members' financing needs leading to a

diminished effectiveness of the Fund not fulfilling its mandate to help members in need. These considerations are, for example, seen as relevant in the 2023 Modification of Access Limits, i.e., risks that arose if the access limits were not increased (IMF, 2023).[8]

46. **Some interviewees highlighted the importance of the strategic risk of contagion or spillovers**. For example, if Latvia's program were "underfinanced" that could affect confidence in the economic outlook for other Baltic and Eastern European countries and in turn have broader repercussions for the Fund's finances. As noted, the introduction and removal of the systemic exemption in EAC2 considered and then discarded this point. Also, a criterion on systemic spillovers was considered in the formulation of the EAP but it was rejected out of concerns it could bias EA in favor of larger members and go against uniformity of treatment (see also Abrams and Arora, 2024).

47. **Interviewees and EPEs expressed mixed views on the effectiveness of the Supplements** (see also Kincaid, 2024). OED interviewees generally welcomed the Supplement as a part of program documentation. The EPE for Greece noted the candid staff discussion of major risks in the Supplement and that the Executive Board approved the arrangement "fully cognizant" of the risks (IMF, 2017a). In contrast, the EPEs for the Ukraine 2014 SBA and 2015 EFF were of the view that more could have been done to assess the "exceptional" financial risks by quantifying the impact of a downside scenario on capacity to repay.

VI. EX POST EVALUATIONS

48. **EPEs were intended to enhance accountability of EA arrangements.** The aim of the EPE is to determine whether justifications presented at the outset of the individual program were consistent with Fund policies and to review performance under the program (IMF, 2002a; Chopra and Li, 2024). EPEs typically aim to draw lessons about the effectiveness of Fund's involvement. EPEs are required for all EA programs within one year of the end of the arrangement. The EPE guidance note (IMF, 2010a) additionally states while the EPE was conceived as a mechanism to learn lessons after an EA arrangement is completed, for countries where follow-on arrangements are contemplated, it would be desirable to complete the EPE prior to discussions on a new arrangement. For irretrievably off-track programs, EPEs could be prepared before the formal expiration of the arrangement. EPEs would not normally be expected to review the decision-making process that led to the approval of the arrangement, as this involves an assessment of roles of staff, management, and the Board. Staff guidance also recommends that EPEs should preferably be combined with an Article IV consultation or Post-Program Monitoring discussions.

---

[8] Risk management has evolved at the Fund with the creation of a risk management unit in 2014, the Office of Risk Management in 2018 and a policy on enterprise risk management was approved in 2022. In 2024, beyond the evaluation period, more substantive enterprise risks supplements have accompanied EA program requests that relate risks more closely to the concepts in the enterprise risk management policy.

49. **EPE timing in the case studies fell short of what was envisaged in the EAP and guidance**. In only one of six cases was the EPE produced within one year from expiration of the program (Jordan) as, in line with the guidance, the intention was to align the EPE with a follow-on program request, which in the event arrived later than initially expected (Table 6). Opportunities were missed to complete EPEs before the expiration of off-track arrangements in Pakistan, Greece, Jordan, and Ukraine 2014 and thereby inform the design of potential follow-on arrangements. Some EPE team leaders noted that delays in discussing EPEs related to area departments' sign-off and, in some cases, to the timetable for the Article IV.

Table 6. Timing of Ex Post Evaluations

Country	Pakistan	Latvia	Greece	Jordan	Ukraine 2014	Ukraine 2015
Date of last completed review	May-10	Dec-11	May-14	Jul-15	Aug-14	Apr-17
Date of expiration or cancellation	Sep-11	Dec-11	Jan-16	Aug-15	Mar-15	Dec-18
Date of EPE Board meeting	Oct-12	May-13	Feb-17	Sep-15	Sep-16	May-20
Accompanying Board paper	Article IV	Article IV	Article IV	Standalone	EFF review	SBA request
Memorandum items:						
Months between end of arrangement and EPE Board meeting	13	17	13	1	18	17
Months between last completed review and EPE Board meeting	29	17	34	2	25	38

Sources: IMF, SPR Department, Fund Arrangements since 1952; updated January 19, 2024; and EPE Reports.

50. **EPEs were typically discussed at the Board alongside an Article IV or program document reducing their traction**. While conducting the EPEs in combination with other items was consistent with the guidance, it has led to a relative under-utilization of EPEs. Interviewees noted that a standalone EPE discussion risked attracting fewer Executive Directors (rather than Assistant ED's or Advisors), as demonstrated in the low ED turnout for Jordan's standalone EPE discussion. However, the discussion of EPEs in Board meetings that discussed Article IVs or program documents resulted in EPE discussions that staff said was "minimal," or "a sideshow," with, for example, no questions to EPE team leaders, and only a cursory description of EPE views in the Summing Up, and as a result no traction for EPE recommendations.

A. EPE Assessment of EA Criteria

51. **All six EPEs assessed the rationale for meeting EA criteria, generally skeptically**. Most EPEs questioned the rationale or rigor of assessment for one or more criteria (Table 7):

- EAC1. While five EPEs did not contest the assessment of exceptional BOP needs, one EPE questioned whether the exceptional BOP needs criterion was met at program approval and at a subsequent augmentation (Pakistan) while noting the precedent in the 2004 Review of Exceptional Access that early EA cases had not met all four criteria (Argentina 2002 and Brazil 2003).[9]

[9] Until 2009 EAP criteria were not required to be met in current account cases including Pakistan.

- EAC2. Three EPEs questioned the debt sustainability criterion: that there was not a compelling case that it was met (Ukraine 2014); it was not assessed with rigor (Jordan); or that the systemic exemption waiver for debt not sustainable with high probability was not consistently justified in reviews of the Greek EFF.

- EAC3. None of the EPEs raised issues with regard to the assessment of regaining market access, except that with the benefit of hindsight the assessment was over-optimistic (Pakistan, Ukraine 2014).

- EAC4. Five EPEs drew attention to the reasonable prospects for program success criterion noting that there was not a compelling case for it being met due to high risks (Ukraine 2014 and 2015), the assessment was not balanced (Jordan), merited more elaboration (Pakistan), or that the bar for meeting the criterion was set too low (Greece 2012).

52. **The EPEs made recommendations to strengthen the application of the EAP**:

- Three EPEs recommended better guidance and/or analytical tools for assessing debt sustainability with high probability (Jordan and Ukraine) and the waiver for systemic spillovers (Greece).

- Two EPEs sought more granular guidance for assessing the prospects for program success (Ukraine 2014 and 2015), a third suggested to review the requirements for "reasonably good prospects" (Greece). It was also suggested that metrics on the depth and breadth of structural conditionality could help staff assess the prospects for program success (Ukraine 2015).

- Both EPEs for Ukraine suggested that the inclusion of an adverse scenario would be good practice, which has since become more standard practice although is not a requirement.

- One EPE (from 2013) recommended that the justification for meeting EA criteria be discussed in reviews, which is a requirement of the EAP but. has only become systematically followed post-2013, despite LEG guidance dating back to 2010.

- Ukraine's 2015 EPE also recommended that a rules-based approach for long delays in reviews be adopted (in light of the frequent delays) to improve signaling, which has not been adopted either for normal access or EA GRA programs. Nonetheless, Poverty Reduction and Growth Trust (PRGT) programs do have an automatic termination if delays in reviews exceed 12 months which was introduced in 2015.

53. **The quality of the EPE assessment of program outcomes was generally comprehensive and thorough**. The assessments drew attention to areas where outturns fell short of program objectives along with possible mitigating actions assessed with the benefit of hindsight, for example, a more parsimonious approach to structural conditionality (Ukraine 2015), curbing flexibility as regards meeting program targets when faced with policy reversals (Jordan), and the benefits of the EFF (duration and repayment terms) over the SBA (Jordan, Pakistan, Ukraine 2014).

Table 7. Ex Post Evaluations and Exceptional Access Policies, Selected Cases

	Latvia 2008	Pakistan 2008	Greece 2012	Jordan 2012	Ukraine 2014	Ukraine 2015
Date of EPE	May 13	October 12	February 17	September 15	September 16	May 20
Board agenda	Article IV and EPE	Article IV and EPE	Article IV and EPE	Standalone	SBA 2nd Review and EPE	SBA request and EPE
Published	Yes	No	Yes	No	Yes	Yes
Achievement of program objectives	Restored confidence in the financial sector and contained the impact of the crisis.	Crisis risks abated relatively quickly, mixed progress on structural reforms and improving the policy framework. The long-standing and critical objective of securing a sizable and sustainable increase in tax revenues was not achieved.	Significant external and fiscal adjustment, some structural reforms implemented. Political instability derailed program and growth, competitiveness, and debt sustainability not restored.	On balance, and given the starting position and subsequent shocks, the program has been a success.	Good strides early on. However, as conflict in the East intensified, and combined with uneven policy implementation, it became increasingly clear that program goals could not be achieved. Debt became unsustainable and financing needs escalated.	The program helped restore macroeconomic stability and growth but did not fully address Ukraine's underlying balance of payments vulnerabilities.
EAC Assessment	Assessment at program request "broadly appropriate" but should also have been done at time of 1st review.	Questions whether EAC1 met at program approval and at time of 2nd review augmentation. EAC4 assessment should have detailed "difficult circumstances."	Questions whether the circumstances for international systemic risk exemption for EAC2 consistently held. Bar for meeting EAC4 set too low.	EAC2 assessment lacked rigor. EAC4 assessment lacked balance.	Not a compelling case that all EAC met especially for EAC2 and EAC4.	Growing inconsistency between rising program risks and "reasonably good prospects" for EAC4.
Recommendations relevant to EAP	Assess EA criteria in reviews.	None	i) Provide justification for invoking systemic risk; ii) Review requirements for meeting EAC4; iii) In light of very high risks review risk acceptance guidelines.	i) Analytical tools and guidance to strengthen assessment of EAC2.	i) Guidance on risks for EAC2; ii) Guidance for EAC4 assessment; iii) Require downside scenario.	i) Guidance for EAC4 assessment; ii) Require downside scenario; iii) Present information on depth and implementation record for structural conditions; iv) Rules-based approach for long delays of reviews. iv) Rules-based approach for long delays of reviews.

Source: Ex Post Evaluations.

54. **EPEs in the selected programs did not appear particularly impactful on EA policy, practice, or subsequent program design**. EPE team leaders were generally not aware of the impact of their findings, in part because there is no systematic follow-up on EPE recommendations that are supported by Executive Directors and/or Management. As noted, some opportunities to inform future program design were missed due to EPE delays. In addition, in some cases country authorities noted that while they agreed with the analysis in the EPE, they did not find the conclusions particularly insightful. Another factor that may reduce traction is non-publication of the EPE which occurred in two cases at the authorities' request (Jordan and Pakistan).

VII. ANALYSIS OF PROGRAM OUTCOMES FOR THE MEMBER COUNTRY AND THE IMF

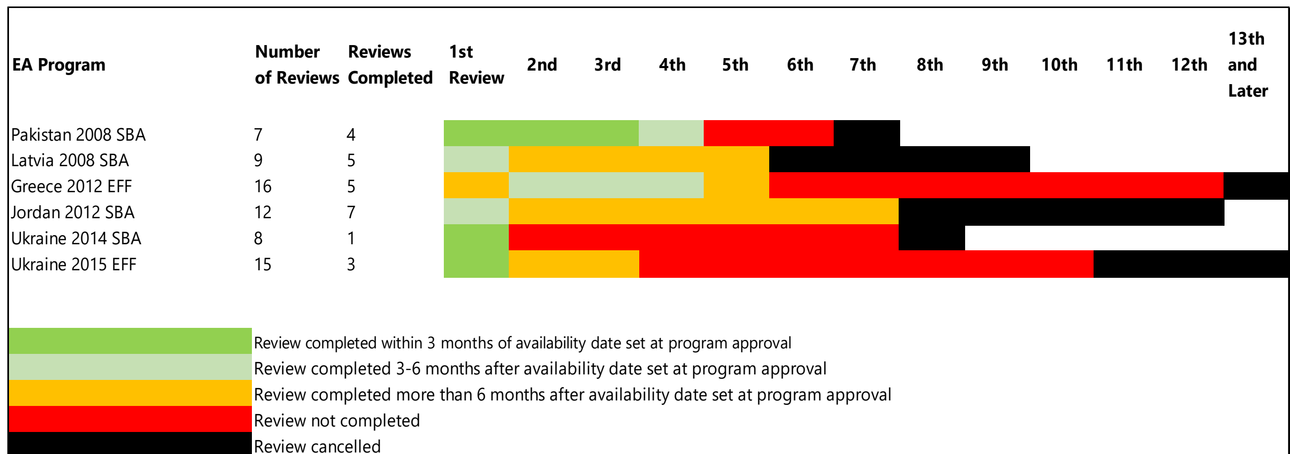
55. **This section examines cross-cutting outcomes from the country cases** focusing on three areas: (i) outcomes in terms of UFR; (ii) commonalities and lessons around macroeconomic outcomes; and (iii) analysis of subsequent repeated UFR.

A. Use of Fund Resources Outcomes

56. **The conclusions of the EPEs, largely undertaken 12–18 months after the end of the program, are useful for assessing program outcomes against program objectives in these selected cases**. The EPEs point to varying achievements in all six programs, while noting that macroeconomic and debt sustainability sometimes remained elusive (Greece 2012 and Ukraine 2014) and there were some disappointments and unfinished business in several of the cases.

57. **Delays in program implementation led to all the case study EA programs rephasing access with one or more reviews cancelled while four programs went off track leaving additional reviews uncompleted** (Figure 7). In Pakistan, program delays led to a rephasing of access and the cancellation of one review in mid–2010, and then new fiscal slippages and a missed revenue reform to implement a value-added tax (VAT) pushed the program off track. Despite a nine-month program extension, the corrective actions to put the program back on track were not implemented and two reviews were not completed. Delays in completing reviews in Latvia led to rephasing of access at four reviews reducing the number of reviews from nine to five which were all completed. Similarly, in Jordan, program delays and rephasing of access in three reviews reduced the number of reviews from 12 to 7 which were all completed. In Greece and both Ukraine programs implementation delays and rephasing of access also reduced the number of reviews to be completed. However, most of these reviews were not completed in Greece 2012 and Ukraine 2014 SBA as fiscal pressures intensified and additional relief was needed to restore debt sustainability. In Ukraine 2015 EFF the 4th through 10th reviews were not completed as the program went off track in mid-2017. The program was cancelled at end-2018 and replaced with a 12-month SBA.

Figure 7. Country Cases Review Completion



Sources: MONA; IEO calculations.

58. **The non-completion of reviews in four of the six cases resulted in over one-third of access not being drawn and, with the notable exception of Greece, largely kept peak exposure below the cumulative normal access limit** (Figure 8). Disbursements for the case studies were on average 58 percent of commitments, below the 73 percent average for all non-precautionary EA arrangements 2002–22. Only Jordan drew the full amount of its Fund arrangement. Latvia's program moved to a precautionary status in the 4th review. In cases with uncompleted reviews, risks that materialized were effectively mitigated through program conditionality as part of the credit risk framework. Apart from Greece, peak exposure only rarely exceeded the cumulative normal access limit during the case study programs: in 2010–11 in Latvia and in 2015 in Jordan. Nonetheless, due to frontloading of access the annual access limit was exceeded in the first year of all the case study arrangements.

59. **Although Greek access was several multiples of the normal access limit during 2010–14, in contrast to the other case studies, several factors mitigated the risks to the IMF's financial position**. The European backstop that was previously cited in support of market access was an important assurance,[10] although as noted in the EPE it was not clear what assurances would remain if Greece did not implement the EU-supported program. In addition, European interviewees noted that both the European Financial Stability Facility (EFSF) and its successor ESM which financed the bulk of Greece's program accepted the preferred creditor status of the IMF.[11] This provision was tested when Greece accumulated overdue financial

[10] The Euro Summit statement of October 26, 2011 stated, "We reiterate our determination to continue providing support to all countries under programmes until they have regained market access, provided they fully implement those programmes." Available at https://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/ec/125644.pdf.

[11] The ESM Treaty states: "Like the IMF, the ESM will provide stability support to an ESM Member when its regular access to market financing is impaired or is at risk of being impaired. Reflecting this, Heads of State or Government have stated that the ESM loans will enjoy preferred creditor status in a similar fashion to those of the IMF, while accepting preferred creditor status of the IMF over the ESM" (European Stability Mechanism, 2012).

obligations to the Fund of SDR 1.6 billion on July 13, 2015. However, the subsequent withdrawal of ESM and ECB financing led to Greek agreement to a new ESM adjustment program which helped secure bridge financing to repay the Fund a week later.

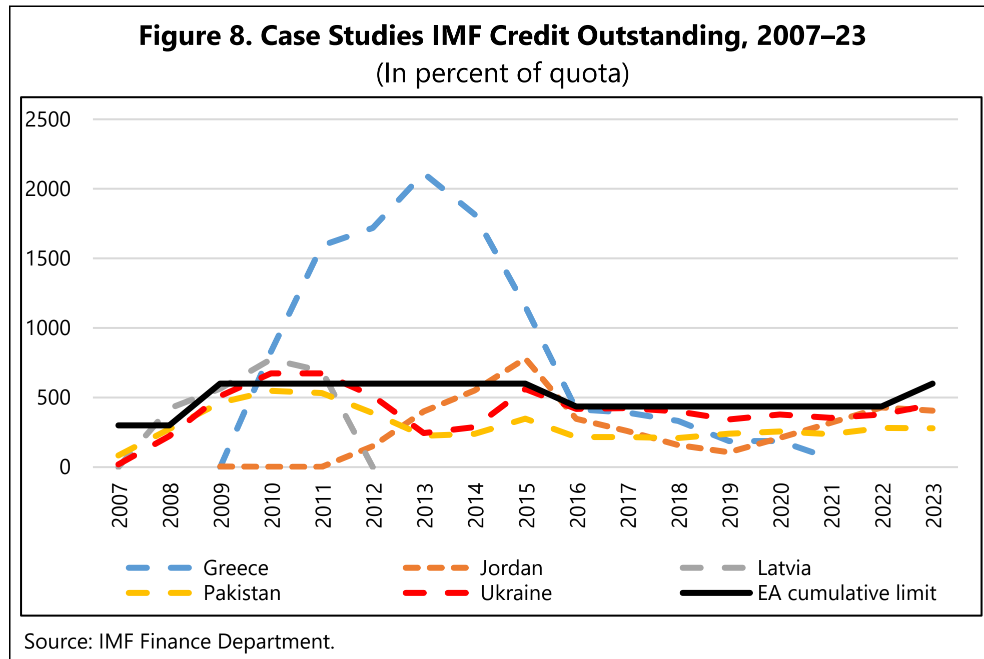


Figure 8. Case Studies IMF Credit Outstanding, 2007–23
(In percent of quota)

Source: IMF Finance Department.

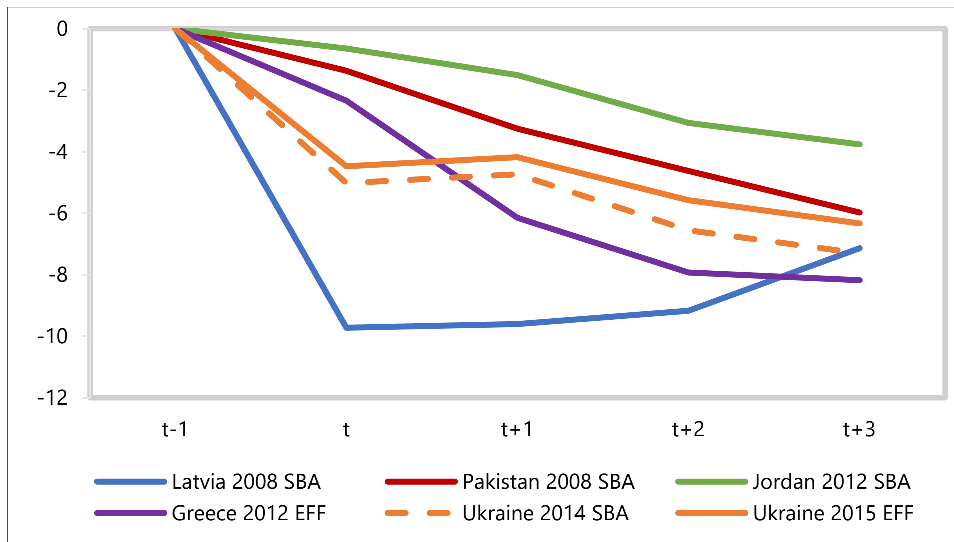
B. Macroeconomic Outcomes[12]

60. **All six programs overestimated growth significantly during the program period** (Figures 9 and AIII.1). This confirms the GDP growth bias hypothesis identified in previous reviews and evaluations (see Box 1 on the IEO (2016) evaluation of the Euro Area crisis programs). While many factors play into projection errors, key underlying factors include global projection errors, underestimated fiscal multipliers (Greece), underestimated macro-financial linkages (Latvia), elevated uncertainty (Greece) and overestimated expectations from planned structural reforms (Greece, Jordan, Ukraine).

61. **Projections of public debt-to-GDP were also underestimated in all but one of the case studies (Figure AIII.2)**. A significant part of the error is attributable to errors in GDP projections, as there was no systematic bias in government deficit projections. The one case where debt-to-GDP was lower than expected was in the 2015 Ukraine program where in the first program year growth was correctly projected and there was significantly more fiscal tightening than projected (see BP4 for a broader discussion of debt projection errors in exceptional and normal access programs).

[12] Annex III compares program projections and outturns for key macroeconomic indicators, specifically for GDP growth, public debt-to-GDP, general government deficit to GDP, inflation, current account balance to GDP and gross reserves as well as the outturns for the real effective exchange rate.

Figure 9. Country Cases Cumulative Growth Projection Error
(Actual minus projected; in percent, t = program approval year)



Sources: MONA and staff reports.

62. **The overestimation of GDP growth also contributed to an overestimation of the current account deficit (Figure AIII.4)**. In all but one of the case studies the current account balance narrowed faster than projected and as a result reducing financing needs. The current account deficit was underestimated in Jordan at least in part on account of an appreciating real effective exchange rate (REER) during the program period. Conversely, the REER depreciated significantly in Latvia, Greece and Ukraine (Figure AIII.7).

63. **The evolution of fiscal balances relative to program projections was country specific (Figure AIII.3)**. There was significant overperformance in Latvia in the first full program year (2009) due to lower-than-expected bank recapitalization costs. Ukraine (2015) also significantly overperformed (by 5 percent of GDP) due to more rapid consolidation of energy company finances, one-off revenues, and capitalization of interest as part of the debt restructuring. Greece's fiscal consolidation was also better than expected in 2012 and 2013 driven by revenue increases in 2012 and underspending in 2013. However, slippages in Pakistan and Jordan led to fiscal underperformance and missed performance criteria.

64. **Several factors led to foreign reserve accumulation exceeding program projections in three of the country cases (Jordan, Latvia, and Pakistan).** Firstly, slower than expected growth led to a stronger current account than projected and bolstered reserve accumulation, particularly in Latvia (2009 current account surplus of 8 percent of GDP compared to a projected deficit of 7 percent of GDP). In Jordan, regional donor support was significantly higher than projected boosting reserve accumulation, while in Pakistan falling oil prices and strong remittances supported overperformance of reserve accumulation. Conversely, in Ukraine reserve accumulation fell short of projections in both the 2014 and 2015 programs reflecting persistent weakness in capital account flows.

C. Repeated Use of Fund Resources

65. **In interviews several reasons were put forward for repeated UFR and the implicit lack of an exit strategy in some of the case study EA programs.** As noted, Jordan, Pakistan, and Ukraine had repeated recourse to Fund programs after their EA arrangements. The subsequent programs were all within the normal access limits and all three countries had also used Fund financing extensively in earlier periods. Interviewees emphasized several reasons for repeated use:

- Both high exposure to shocks and vulnerability to shocks resulting from generally thin buffers (exports, revenues) and built in rigidities which make it more difficult to adjust to shocks (fixed exchange rate, administered rather than market-determined energy prices). As a result, the nature of BOP need is more protracted than episodic.

- Some interviewees noted that vulnerabilities tackled in the 2008 Pakistan program (revenue mobilization) and 2012 Jordan program (energy sector losses) remain to this day. One conclusion is that underlying reforms can take significantly longer than the duration of one program—or that the political will to enact reform is lacking absent communication strategies or other compensating actions to increase the public acceptability of reforms.

- The adjustment path to achieving debt sustainability may also be longer than a typical Fund supported program.

- Where countries remain quite dependent on official financing, the terms of that financing may encourage successive Fund-supported programs. For Jordan and Ukraine, European Union Macro-Financial Assistance, which are in the form of highly concessional loans or grants, require a Fund-supported program.

- IMF supported programs can provide a positive signal to markets, lowering the cost of market financing.

VIII. Country Case Findings

66. **Overall, there was support for the EAP based on the experience with these country cases.** In general, Executive Directors indicated that the framework was a helpful line of defense in "keeping exceptional access exceptional," although consistent implementation was key. Management interviewees noted that the EAP is a useful constraint provided there is a "safety valve" that can be used in some circumstances, for example, to adjust the policy. Staff noted that the framework had helped provide guardrails, gave room to have discussions, and apply prudent judgment. Country authorities were aware of the criteria as a framework applied internally in the Fund.

67. **Nonetheless, the country cases analysis, the EPE findings, and many Executive Directors indicate that there remains considerable scope to improve the quality and depth of enhanced scrutiny for EA cases**. The key findings are:

Program Assessment of Exceptional Access Criteria

- The views of the EA criteria have been mixed, from a "box ticking exercise" to more positive assessments that the criteria helped achieve greater scrutiny.

- A reassessment of the justification for meeting EA criteria would have been useful at the time of program reviews for Latvia (all reviews), Pakistan (3 of 4 reviews), and Greece (justification of the systemic exemption in 3 of 4 reviews) especially when there were significant changes to the macroeconomic outlook compared to the previous Board discussion. Reassessment in reviews has since become standard practice.

- Decisions on EA (EAC1) were generally seen as evenhanded. The rigor and consistency of the assessment of debt sustainability (EAC2) improved over the evaluation period with the introduction of the revised MAC DSA in 2013 and the internal use by staff of the high probability tool from 2015, although the extent of the use of judgment was not always clear. The non-observance of EAC2 enabled an exit from the Greek program in 2015.

- In high debt cases, where public debt is above the 70 percent of GDP threshold at program approval, (Greece, Jordan, and Ukraine) the reference year for sustainable debt is not attained during the program period because of the magnitude of adjustment required which reduces the credibility of the debt sustainability assessment. Although the DSA has since evolved into the Sovereign Risk Debt Sustainability Framework (SRDSF) with less emphasis on the debt-to-GDP threshold ratio (and more on gross financing needs) some more recent programs still do not achieve debt anchor objectives within the program period. In all of these cases, a longer program duration would raise the credibility of achieving debt sustainability.

- The market access criterion is not well tailored to countries that have not had durable past market access (Jordan), have not yet implemented improvements in debt management procedures (Ukraine), or have a reasonable expectation of long-term official support (Greece). in the latter case the European backstop rather than market access provided a conditional assurance of the capacity to repay the Fund—a commitment that was tested in 2015 when Greece accumulated overdue obligations to the Fund. Assessments of the criterion suffer from the lack of a framework or guidance to gauge the likelihood of regaining market access, including after a debt restructuring.

- Assessments of prospects for program success and its sub-elements are hard to make and internal disagreements are common in the absence of common guidance for this exceptional access criterion. Notably, the manner and form in which important political

assurances have been obtained and received often lacks clarity: while IMF (2024) now provides some "indicative principles" on political assurances, including that they are preferably made public, this may not be sufficient to ensure greater clarity. Also, there is a tension between the requirement of "reasonable prospects for success" and often elevated program risks and difficulties that is not effectively resolved in the prospects assessment.

Assessment of Risks to the Fund and the Fund's Liquidity Position and Preliminary Assessment of Exceptional Access

- Risk assessment procedures could be improved. The Preliminary Assessment of Exceptional Access circulated to the Board before a program request contains significantly less information than the concurrent Policy Note sent to management. Notably, the omission of proposed access levels for Latvia, Pakistan, and Jordan means that there was no substantive basis to assess the members' capacity to repay, credit or liquidity risks to the Fund and this substantially reduces the utility of early consultation with the Executive Board. The Risk and Liquidity Supplement was seen as helpful by interviewees although it is presented to the Board at the end of the program approval cycle, lacks a standardized bottom-line assessment, and does not systematically assess strategic and reputational risks to the Fund (however, the 2022 Enterprise Risk Management policy now requires substantive enterprise risk assessments in EA program cases).

Ex Post Evaluations

- The quality of the EPE assessment of program outcomes and lessons learned was generally comprehensive and thorough but their impact is limited**.** EPEs in the selected case studies do not appear particularly impactful on EA policy, practice, or subsequent program design. In part this may result from timing issues, by conducting the EPE too late to inform a successor program or too early before the program has finished, and a lack of systematic follow up of EPE recommendations.

Outcomes

- The EAP is complemented by other safeguards notably program conditionality**.** The non-completion of reviews in four of the six cases has resulted in over one-third of EA not being drawn and, with the notable exception of Greece, largely kept peak exposure below the cumulative normal access limit**,** buttressing safeguards in the EAP. Only in the Greece case study was credit outstanding multiples of the normal access limit for an extended period. However, the EFSF/ESM acceptance of IMF preferred creditor status and the European backstop for market access constituted important assurances that mitigated risk in the Greek program.

- Systematic growth projection optimism in the baseline feeds through to debt sustainability optimism, which may undermine the higher evidentiary standard that EAP is intended to provide and increase the risk that EA programs fall short of their objectives. While beyond the scope of this paper, the focus on flow of funds frameworks for program projections, which ensures consistency across sectors, may not provide a sufficient basis for growth projections.

- For some countries, it may be pragmatic to acknowledge that repeated use has been frequent and will continue to occur. Longer-term engagement may be needed to achieve debt sustainability or to implement deep and often difficult structural or fiscal reforms. At the same time, longer-term engagement may reduce the incentives for undertaking reforms and addressing underlying balance of payments problems.

ANNEX I. CHRONOLOGY OF KEY EVENTS IN CASE STUDY ARRANGEMENTS

Date	Event
Latvia	
May 1 2004	Latvia joins EU
September 15, 2008	Lehman Brothers files for bankruptcy
November 17, 2008	SBA discussions begin, Board Informal Briefing
December 5, 2008	Program presented to Parliament, Board Informal Briefing
December 10, 2008	Preliminary evaluation of EA needs discussed at Board
December 23, 2008	SBA approved €2.35 billion €586 million disbursement
January 30, 2009	EC approves €3.1 billion loan
February 20, 2009	PM Godmanis resigns
February 26, 2009	EC 1st disbursement €1 billion
March 12, 2009	New Coalition formed, PM Dombrovskis
July 27, 2009	EC 1st review disbursement completed €1.2 billion
July 27, 2009	Staff level agreement on SBA 1st review
August 27, 2009	SBA 1st review Completed €195 million (SDR 178 million)
February 2010	SBA 2nd review completed
March 2010	EC 2nd review completed €500 million
July 2010	SBA 3rd review completed
May 2011	SBA 4th review completed. Program becomes precautionary
December 2011	SBA 5th review completed
December 2012	Early repayment of SBA completed
May 2013	EPE discussed.
January 2014	Latvia joins the euro area
Pakistan	
December 2007	Article IV consultation
September 2008	Political transition completed with President Zardari taking office
October 20, 2008	Executive Board briefing on preliminary evaluation of EA
November 20, 2008	SBA staff report completed
November 24, 2008	SBA Request 23-month SBA, 500 percent of quota
April 2009	SBA 1st review completed
August 2009	SBA 2nd review completed with augmentation to 700 percent of quota
December 2009	SBA 3rd review completed
May 2010	SBA 4th review completed
December 2010	SBA extended for 9 months (5th review was not completed due to offtrack fiscal program)
September 2011	Expiration of program
October 2012	EPE
September 2013	EFF Request (normal access)
July 2019	EFF Request (normal access)
July 2023	SBA Request (normal access)
Jordan	
June 29, 2012	Board briefing on need for EA and clearance of Policy Note for SBA
August 3, 2012	SBA Request
April 2013	1st Review and rephasing
November 2013	2nd review
April 2014	3rd and 4th reviews
November 2014	5th review and rephasing
April 2015	6th review and rephasing
August 2015	7th review
September 2015	EPE discussion
August 2016	EFF Request (normal access)
March 2020	EFF Request (normal access)
January 2024	EFF Request (normal access)

Date	Event
Greece	
May 2010	SBA Request (€110 bn o/w €30 bn IMF)
November 2011	PM Papandreou replaced by Papademos-led caretaker government.
February 2012	2nd bailout agreement ratified by Greek parliament.
February 24, 2012	PSI debt exchange offer launched (ending March 24)
February 29, 2012	Informal Board Discussion of Exceptional Access Needs
March 15, 2012	EFF Request (IMF €28 bn Europeans €144.7 bn plus PSI)
May 2012	Parliamentary election
June 2012	2nd Parliamentary election
December 2012	Debt buyback
January 2013	EFF 1st and 2nd Reviews
May 2013	EFF 3rd Review
July 2013	EFF 4th Review
May 2014	EFF 5th Review
August 2014	Staff visit for 6th review
January 2015	Syriza elected largest party in parliament.
June 26 2015	New bailout terms (Standalone IMF DSA and Reforms for Completion of Current Program issued)
June 28 2015	Capital controls imposed
June 30 2015	Temporary overdue financial obligations to the IMF
July 5 2015	Referendum rejects bailout terms
July 10 2015	Revised standalone DSA circulated.
July 13 2015	Eurozone 3rd Bailout agreed
July 15 2015	IMF overdue obligations cleared
August 2015	ESM Program approved (€86 bn)
September 2015	Tsipras Re-elected
February 2017	EPE and 2016 Article IV
July 2017	Approval in principle of SBA
2018	Exited Eurozone bailouts, European Partners Debt Relief Package
2019	10-year bond issued, removal of last capital controls
2021	30-year bond issued
Ukraine	
December 2013	2013 Article IV and EPE 2010 SBA
February 2014	President Yanukovych impeached and interim government formed.
March 2014	Annexation of Crimea
March 2014	Preliminary evaluation of EA for SBA
April 2014	SBA Request (EA)
May 2014	President Poroshenko elected
August 2014	SBA 1st Review
September 2014	Minsk I Agreement
February 2015	Minsk II Agreement
February 6, 2015	Preliminary evaluation of EA for EFF
March 2015	EFF Request (EA)
July 2015	EFF 1st Review
September 2015	Launch of debt exchange (Eurobonds)
April 2016	New government appointed
September 2016	EFF 2nd Review and EPE 2014 SBA
December 2016	Nationalization of Privat Bank
April 2017	EFF 3rd Review and Article IV
December 2018	Cancellation of EFF and request for 14-month SBA (normal access)
May 2020	EPE of 2015 EFF and request for 18-month SBA (normal access)
May 2023	Request for EFF with financing assurances to lend in circumstance of exceptionally high uncertainty (normal access)

Source: IMF documents.

ANNEX II. THE IMF AND THE CRISES IN GREECE, IRELAND, AND PORTUGAL (IEO, 2016) AND THE EAP

The 2016 evaluation report by the IEO focused on the IMF's programs in Greece, Ireland and Portugal in 2010–14. Given all the three programs were EA programs, the report also provided some analysis on the EAP itself. Below are the key findings.

1. EAP Criteria

- Greece's 2010 SBA. In 2010, during the approval of Greece's 2010 SBA program, the EAC2 was adjusted, exempting the judgment on debt sustainability when there is a "high risk of international systemic spillover effects" (IMF, 2010). The adjustment to the policy was made at the time of the program approval. The IEO evaluation found that this exemption did not receive appropriate consideration at the Board level neither ex ante, nor ex post. Additionally, the assessment of the four criteria was not convincing, especially the conclusions on debt sustainability and market access. Macroeconomic projections lacked detailed analytical underpinnings and did not substantially improve throughout the program. In turn, this negatively affected the Fund's credibility.

- Ireland's 2010 EFF and Portugal's 2011 EFF. The systemic exemption clause was again used at program approval of Ireland's and Portugal's programs as criterion 2 was judged not met. At least in Ireland's case, the IEO evaluation found that detailed explanations for using the clause were only provided at program approval.

2. Executive Board Procedures

Overall, the IEO evaluation found significant shortcomings in the Executive Board's procedures during the Euro Area crisis. Particularly, during the Greece's program approval, the report concluded that while the "letter of the law" was followed, the objectives of the EAP were not fulfilled. Several reasons for such an outcome were highlighted:

- Transparency and Timeliness. The decision-making process in approving the EA for Greece's 2010 program raised questions about the transparency and level of involvement of the Executive Board. The accelerated procedures and the use of ad-hoc amendment to the policy to include the systemic exemption clause "departed seriously from normal procedures" (Schadler, 2016). The evaluation found that the Executive Board was not aware of the forthcoming policy change and therefore, the objective for higher Executive Board involvement in EA program cases was significantly undermined. Additionally, the informal consultations were judged to be inadequate, both in their timeliness and substance, especially during the Greek and Irish programs.

- Information Asymmetry. As already noted, there was an information asymmetry between the Fund's management, its staff, and the Executive Board and this asymmetry affected the Board's ability to exercise its oversight role effectively during the crisis. Additionally, the information asymmetry also existed between the European Directors and the Directors of the rest of the membership. The report noted that certain asymmetry in program negotiations is standard as the borrowing country Director will inherently have

a wider access to information. However, these programs were unique in that countries possessing over 30 percent of the Board's voting power potentially had access to information regarding program negotiations through their involvement in European institutions (de Las Casas, 2016).

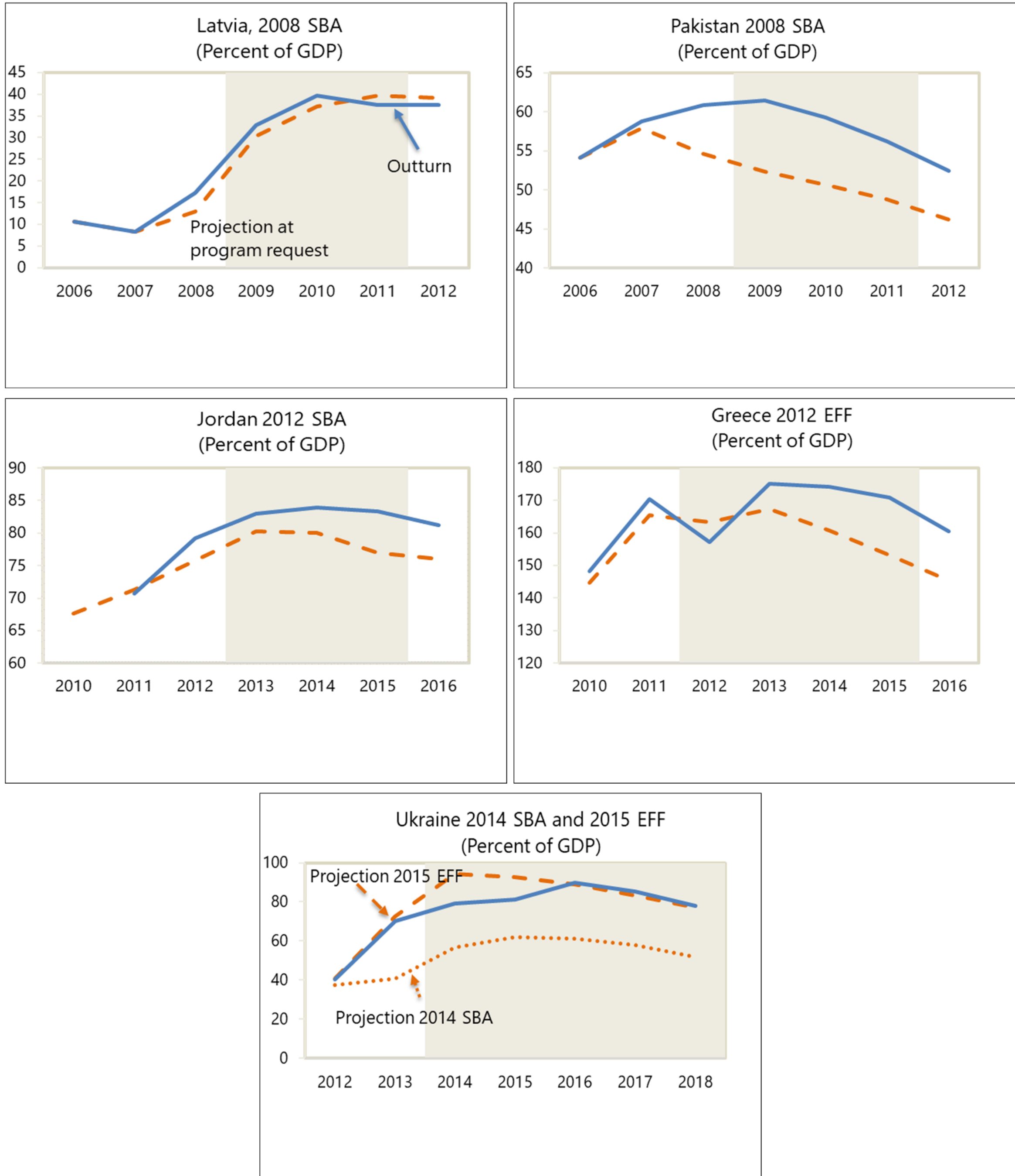
3. Ex Post Evaluations

The evaluation noted that the EPEs of the Euro Area crisis programs, with a focus on Greece, Ireland, and Portugal, provided some important insights into the effectiveness and impact of these interventions. However, the report underlined that the EPEs under the Fund's EAP should continue to be prepared in accordance with the guidelines and on time. Key points made:

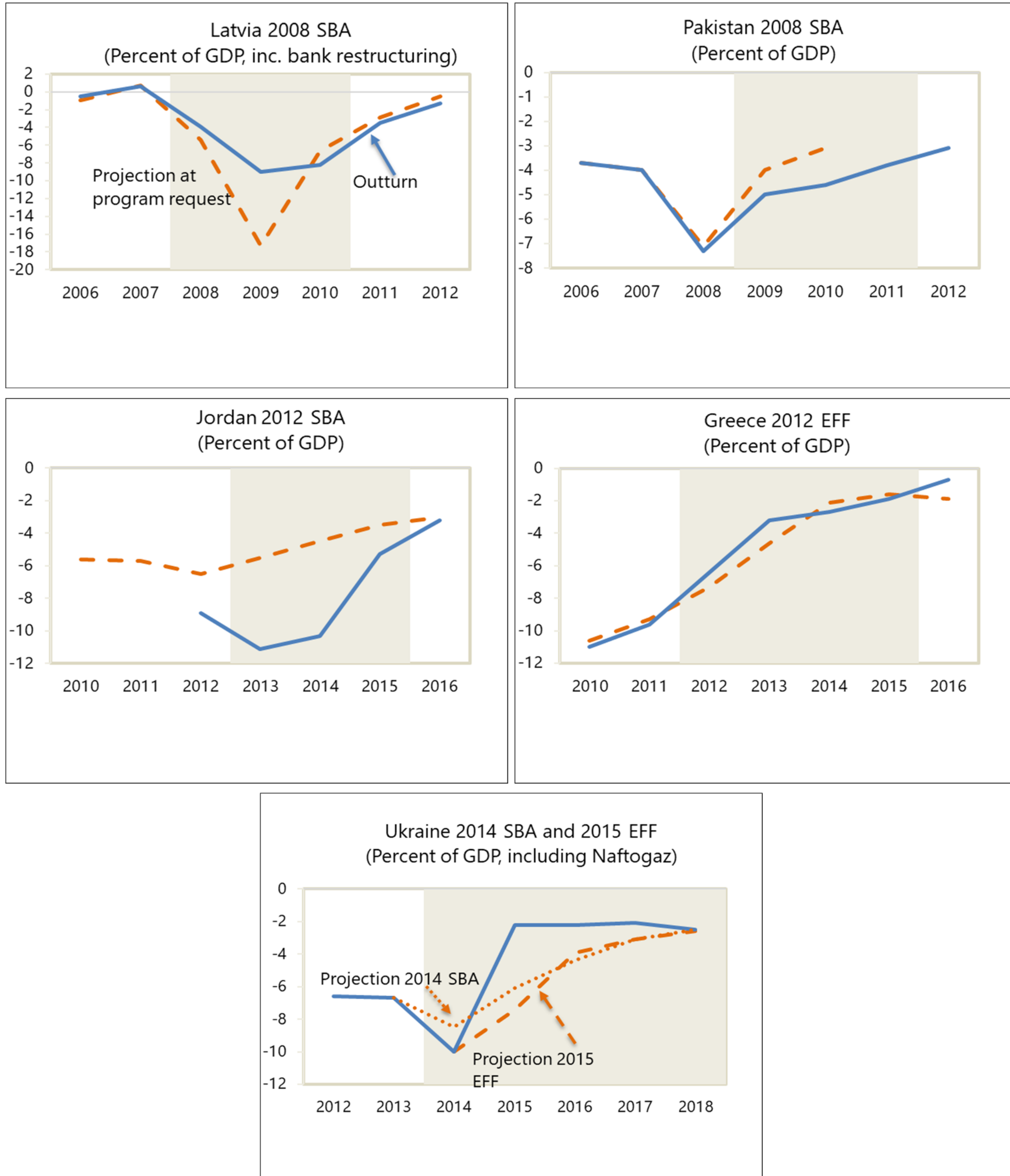
- Greece's 2010 SBA EPE.
    - The EPE highlighted the achieved fiscal consolidation. However, market confidence, debt sustainability, and important structural reforms were not achieved at the time. Issues in the design of the program were also noted, including overly optimistic economic forecasts and insufficient flexibility to adjust to evolving economic conditions. These issues affected the effectiveness of the interventions and the achievements of program objectives.
    - The evaluation report noted that the EPE was sent to the Executive Board with a delay – 14 months after the Greek SBA program was canceled.
- Ireland's 2010 EFF EPE. Overall, the EPE judged Ireland's program as largely successful, achieving almost all program targets. However, the remaining fiscal and banking sector vulnerabilities, adverse growth impact were acknowledged.
- Portugal's 2011 EFF EPE. At the time of the evaluation, two years after the end of the program, the EPE was not yet available. Such delay was criticized by the IEO.

ANNEX III. PROGRAM PROJECTIONS AND OUTTURNS KEY MACROECONOMIC VARIABLES

Figure AIII.2. General Government Debt to GDP Projection and Outturn, Selected EA Cases

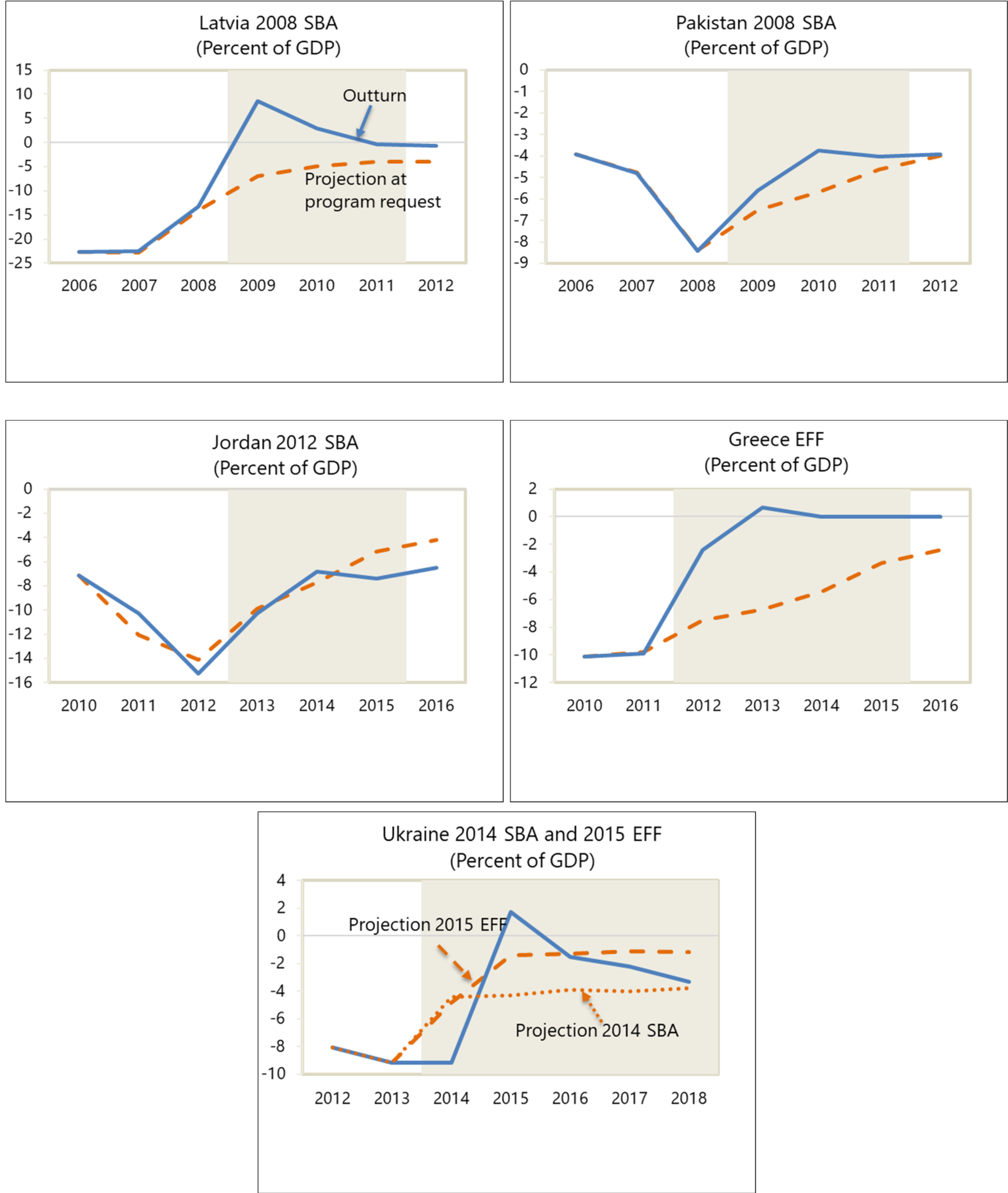


Sources: MONA; Staff Reports.



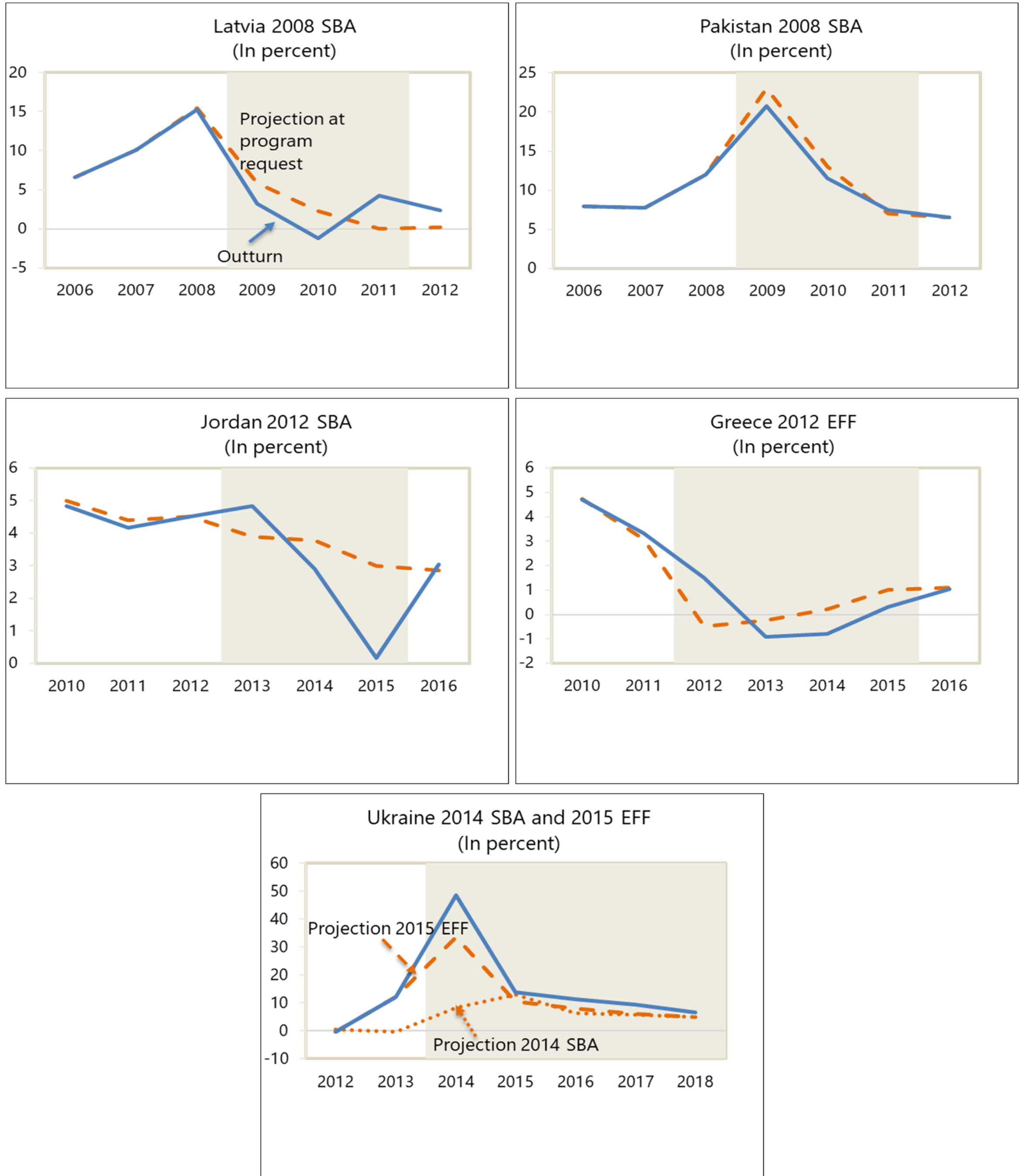
Sources: MONA; Staff Reports.

Figure AIII.4. Current Account Balance to GDP Projection and Outturn, Selected EA Cases



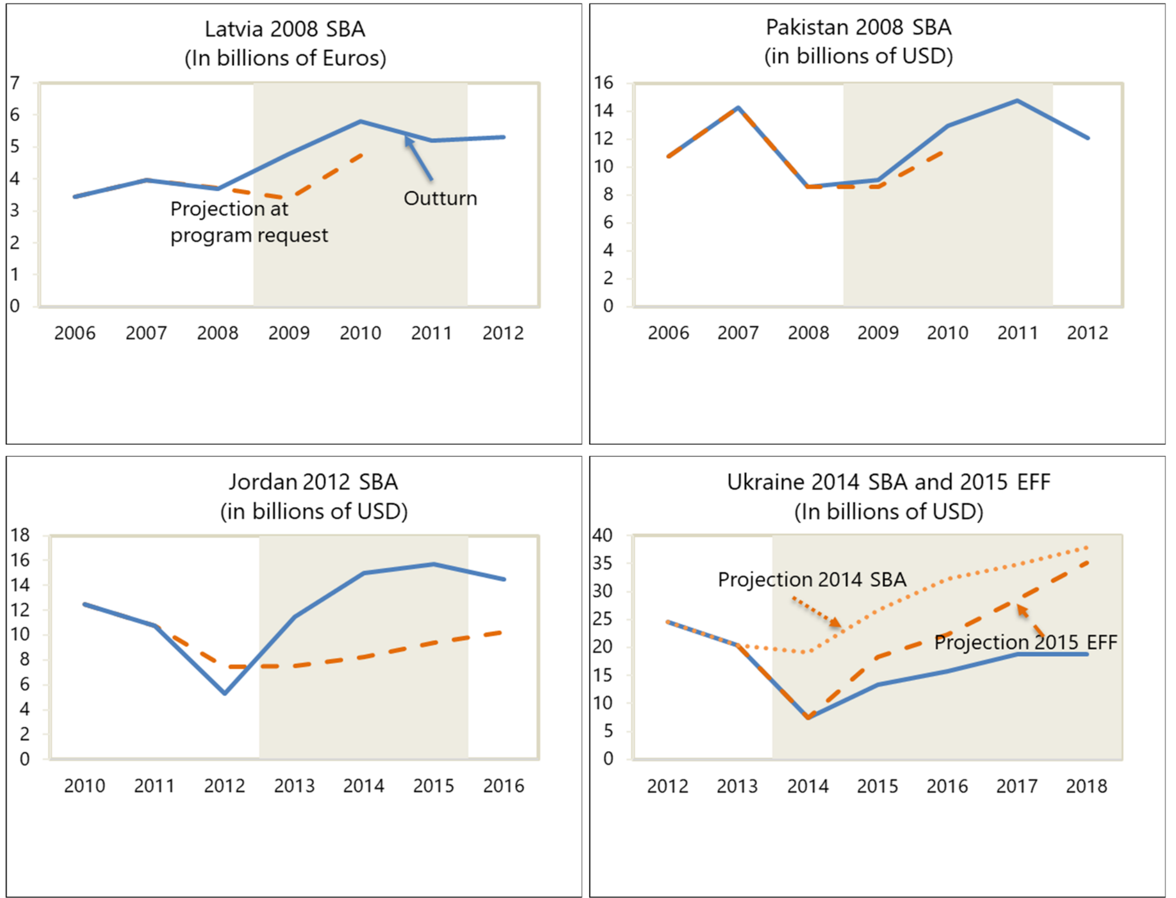
Sources: MONA; Staff Reports.

Figure AIII.5. Inflation Projection and Outturn, Selected EA Cases



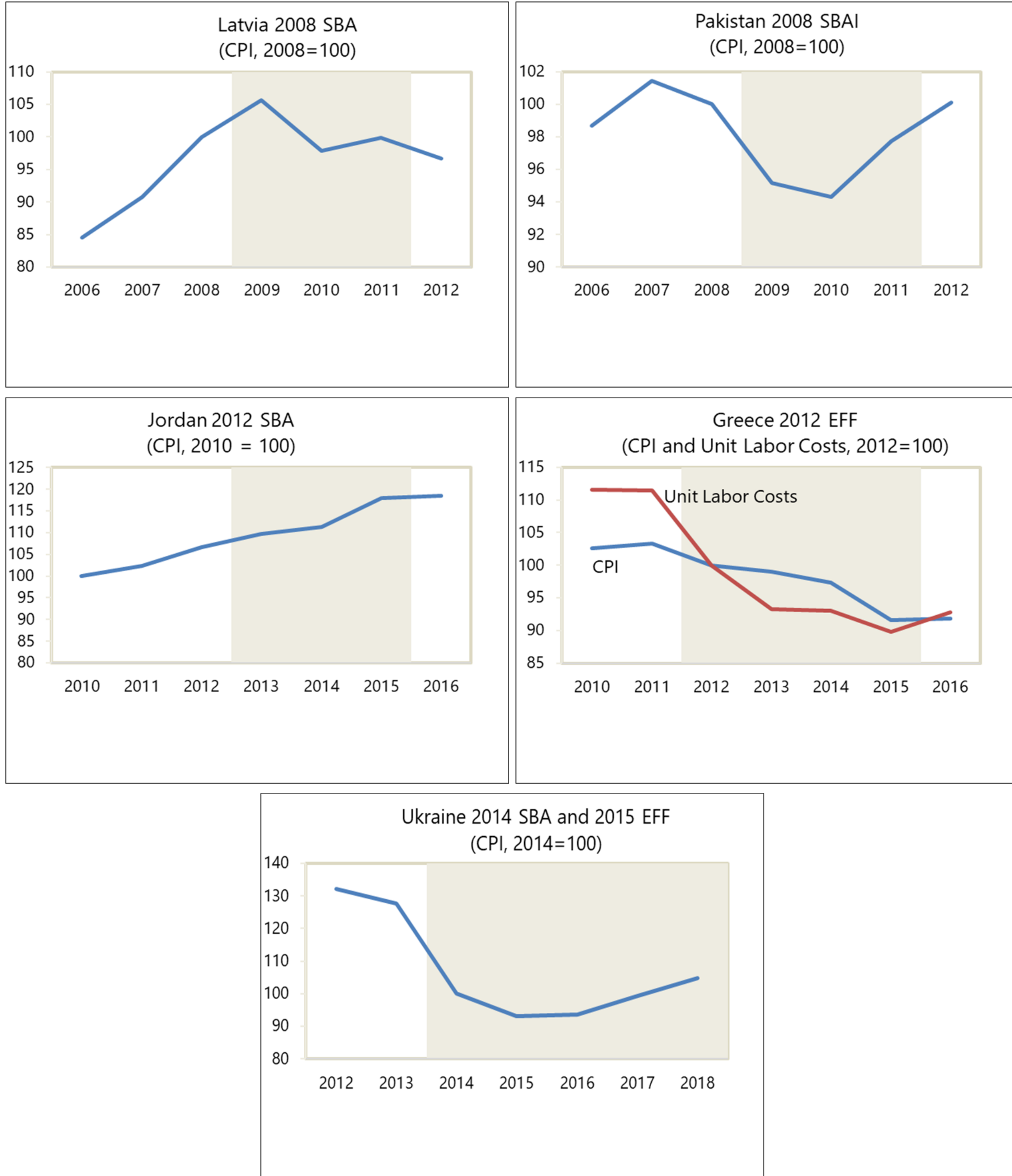
Sources: MONA; Staff Reports.

Figure AIII.6. Gross Foreign Reserves Projection and Outturn, Selected EA Cases



Sources: MONA; Staff Reports.

Figure AIII.7. Real Effective Exchange Rate Projection and Outturn, Selected EA Cases



Sources: MONA; Staff Reports.

REFERENCES

Abrams, Alisa, and Vivek Arora, 2024, "The IMF's Exceptional Access Policy: Rationale and Evolution," IEO Background Paper No. BP/24-02/01 (Washington: International Monetary Fund).

Aslund, Anders, and Valdis Dombrovkis, 2011, "How Latvia Came through the Financial Crisis," Petersen Institute for International Economics.

Chopra, Ajai, and Li. 2024, "Ex Post Evaluations and Institutional Learning," IEO Background Paper No. BP/24-02/06 (Washington: International Monetary Fund).

de Las Casas, Miguel, 2016, "The IMF Executive Board and the Euro Area Crisis—Accountability, Legitimacy, and Governance," IEO Background Paper No. BP/16-02/02 (Washington: International Monetary Fund).

Erce, Aitor, 2024, "Exceptional Access Criteria Part II: EAC2 and EAC3," IEO Background Paper No. BP/24-02/04 (Washington: International Monetary Fund).

European Stability Mechanism, 2012, "Treaty Establishing the European Stability Mechanism," https://www.esm.europa.eu/legal-documents/esm-treaty.

European Stability Mechanism, 2020, "Lessons from Financial Assistance to Greece," https://www.esm.europa.eu/publications/lessons-financial-assistance-greece.

Goldsbrough, David, 2015, "Review of Ex Post Assessments of Countries with Longer-Term Program Engagement and of Ex Post Evaluations of Exceptional Access Arrangements," IEO Background Paper No. BP/15/01 (Washington: International Monetary Fund).

Independent Evaluation Office of the International Monetary Fund (IEO), 2003, *The IMF and Recent Capital Account Crises: Indonesia, Korea, Brazil* (Washington: International Monetary Fund).

Independent Evaluation Office of the International Monetary Fund (IEO), 2014a, *IMF Forecasts: Process, Quality, and Country Perspectives* (Washington: International Monetary Fund).

Independent Evaluation Office of the International Monetary Fund (IEO), 2014b, *IMF Response to the Financial and Economic Crisis* (Washington: International Monetary Fund).

Independent Evaluation Office of the International Monetary Fund (IEO), 2015, *Self-Evaluation at the IMF: An IEO Assessment* (Washington: International Monetary Fund).

Independent Evaluation Office of the International Monetary Fund (IEO), 2016, *The IMF and the Crises in Greece, Ireland, and Portugal* (Washington: International Monetary Fund).

Independent Evaluation Office of the International Monetary Fund (IEO), 2021, *Growth and Adjustment in IMF Programs* (Washington: International Monetary Fund).

International Monetary Fund, 2002a, "Access Policy in Capital Account Crises" (Washington).

International Monetary Fund, 2002b, "Summing Up by the Acting Chair—Access Policy in Capital Account Crises, BUFF/02/59 (Washington).

International Monetary Fund, 2003, "The Acting Chair's Summing Up Review of Access Policy Under the Credit Tranches and the Extended Fund Facility, and Access Policy in Capital Account Crises-Modifications to the Supplemental Reserve Facility and Follow-Up Issues Related to Exceptional Access Policy, Executive Board Meeting 03/16" (Washington).

International Monetary Fund, 2008a, "Hungary: Request for Stand-By Arrangement—Staff Report," Country Report 08/361 (Washington).

International Monetary Fund, 2008b, "Pakistan: Request for Stand-By Arrangement—Staff Report," Country Report No. 08/364 (Washington).

International Monetary Fund, 2009a, "GRA Lending Toolkit and Conditionality: Reform Proposals" (Washington).

International Monetary Fund, 2009b, "Republic of Latvia: Request for Stand-By Arrangement—Staff Report," Country Report 09/3 (Washington).

International Monetary Fund, 2010a, "Ex Post Evaluations of Exceptional Access Arrangements—Revised Guidance Note" (Washington).

International Monetary Fund, 2010b, Greece; Request for Stand-By Arrangement, May 5 (Washington).

International Monetary Fund, 2012a, "Jordan: Request for a Stand-By Arrangement—Staff Report; Staff Supplement; Request for Modification of Performance Criteria; Press Release on the Executive Board Discussion; and Statement by the Executive Director for Jordan" (Washington).

International Monetary Fund, 2012b, "Greece—Update to the Statement by the Staff Representative on a Preliminary Evaluation of Exceptional Access Under an Extended Arrangement" (Washington).

International Monetary Fund, 2013, "Greece: First and Second Reviews Under the Extended Arrangement Under the Extended Fund Facility, Request for Waiver of Applicability, Modification of Performance Criteria, and Rephasing of Access—Staff Report," Country Report 13/20 (Washington).

International Monetary Fund, 2015a, “Assessing Probability of Sustainable Debt,” Internal Discussion Paper.

International Monetary Fund, 2015b, “Crisis Program Review” (Washington)

International Monetary Fund, 2017a, “Greece: Ex Post Evaluation of Exceptional Access under the 2015 Extended Arrangement” (Washington).

International Monetary Fund, 2017b, “Greece Request for a Stand-By Arrangement,” Country Report 17/229 (Washington).

International Monetary Fund, 2017c, “Implementation Plan in Response to the Executive Board-Endorsed Recommendations for the IEO Evaluation Report—The IMF and Crises in Greece, Ireland, and Portugal” (Washington).

International Monetary Fund, 2019, “2018 Review of Program Design and Conditionality.” IMF Policy Paper (Washington).

International Monetary Fund, 2021, “Review of the Debt Sustainability Framework for Market Access Countries” (Washington).

International Monetary Fund, 2023, “Temporary Modifications to the Fund’s Annual and Cumulative Access Limits” (Washington).

International Monetary Fund, 2024, ”Jordan: Request for an Extended Arrangement Under the Extended Fund Facility and Cancellation of the Current Arrangement Under the Extended Fund Facility,” Country Report No. 24/10 (Washington).

International Monetary Fund, 2024, "Operational Guidance on Program Design and Conditionality" (Washington).

James, Harold, 2024, *The IMF and the European Debt Crisis,* January (Washington: International Monetary Fund).

Kincaid, G. Russell, 2024, " Strengthened Decision-Making Procedures Under Exceptional Access Policies," IEO Background Paper No. BP/24-02/05 (Washington: International Monetary Fund).

Purfield, Catriona, and Christoph Rosenberg, 2010, “Adjustment under a Currency Peg: Estonia, Latvia and Lithuania during the Global Financial Crisis 2008-09,” IMF Working Paper 10/213 (Washington: International Monetary Fund).

Schadler, Susan, 2016, “Living with Rules: The IMF’s Exceptional Access Framework and the 2010 Stand-By Arrangement with Greece,” IEO Background Paper No. BP/16-02/08 (Washington: International Monetary Fund).