



FOREWORD

This evaluation examines the Exceptional Access Policy (EAP) that the IMF adopted in September 2002 to guide its decisions to support members facing needs for exceptional access to the Fund’s general resources. In recent decades, global financial and economic integration has outpaced the changes in IMF quotas, and members’ balance of payments needs have sometimes required exceeding the Fund’s normal access limits, which are set as a percent of members’ quotas. The EAP was initially applicable to capital account crises and was extended in 2009 to all types of IMF exceptional access lending. The policy was designed to address the concerns associated with the Fund’s previous ad hoc approach to exceptional access by clarifying expectations about Fund support, enhancing safeguards for Fund resources, ensuring uniformity of treatment of members, and providing a more inclusive decision-making process. The EAP was built on the Fund’s longstanding principle that higher access must be accompanied by stronger safeguards by adding three elements: a set of criteria that members seeking exceptional access must meet, enhanced decision-making procedures, and the requirement of ex post evaluations for all exceptional access programs.

The evaluation finds that the EAP is an improvement relative to the previous ad hoc approach by compelling staff, management, and the Executive Board to consider key aspects of exceptional access programs in a structured manner. It represents a further step in the Fund’s effort to better balance rules with flexibility in assisting members with their financing needs. At the same time, the evaluation finds gaps in the design and implementation of the policy. Some of the criteria need clearer guidance on their implementation and how they can provide enhanced safeguards for exceptional access relative to normal access programs. There is also room for improvement in the implementation of the enhanced EAP decision-making procedures, the content and use of ex post evaluations, and the alignment between the EAP and the IMF’s enterprise risk management policy. The application of the EAP has been subject to tensions when strategic considerations or unforeseen circumstances called for the approval of a program or a review in situations where the fulfillment of all the criteria was hard to ascertain. Further, the evaluation finds that EAP program forecasts have an optimistic bias, and the programs have not fully succeeded in resolving members’ balance of payments problems, addressing debt vulnerabilities, and catalyzing private capital inflows.

The report makes five recommendations: (i) conducting regular EAP reviews that take due account of overarching factors, such as the adequacy of access limits, including attention to the erosion of quotas, and the need to balance rules and flexibility; (ii) clarifying the fundamental role of sound program design in providing higher safeguards in exceptional access cases, with clear justification for policy choices and trade-offs, and disclosure of related risks to the Executive Board;

(iii) addressing technical gaps in the criteria to facilitate better alignment with the EAP's objectives and enhance evenhandedness; (iv) strengthening the application of the EAP's enhanced procedures and better leveraging ex post evaluations; and (v) establishing greater coherence between the EAP and the IMF's enterprise risk management policy.

I am encouraged by the positive response of the Managing Director and by Executive Directors'

appreciation of the analysis and broad endorsement of the recommendations when the Executive Board met to discuss the evaluation in December 2024. I look forward to the management implementation plan to address the recommendations endorsed by the Board.

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