

Possible Topics for Future IEO Evaluations, 2025–26

November 25, 2024

This note identifies possible topics for evaluations by the Independent Evaluation Office (IEO) that could be launched during 2025 and 2026. For each topic, it discusses the preliminary rationale, focus, and timing. The IEO welcomes comments and suggestions from country authorities, Executive Directors, IMF management and staff, and external stakeholders.¹ Following the completion of ongoing evaluations, the IEO will begin work on two selected topics, preparing a comprehensive issues paper for each evaluation that will be published on the IEO’s website. Additionally, the IEO may identify other evaluation topics as circumstances evolve.

1. IMF Engagement on Debt Issues in Low-Income Countries

Context. The IMF has historically been engaged in addressing debt-related issues of low-income countries (LICs) and has provided technical support to facilitate debt restructuring in relevant cases. Notable initiatives include the Heavily Indebted Poor Countries initiative, the Multilateral Debt Relief Initiative, and the Catastrophe Containment and Relief Trust. The Joint IMF-World Bank Debt Sustainability Framework for LICs (LIC-DSF), established in 2005, refined in 2017, and currently under review, has helped guide debt assessments and lending decisions. Since 2018, the IMF and World Bank have pursued a collaborative multi-pronged approach to enhance debt transparency and public debt management. Notwithstanding these efforts, LICs’ debt situations continue to worsen, especially post-COVID-19, leading to challenges in their ability to access Fund resources and against a backdrop of an increasingly complex creditor coordination landscape. To address these challenges, the IMF has supported international initiatives like the G20/Paris Club Debt Service Suspension Initiative, the Common Framework for Debt Treatment, and the Global Sovereign Debt Roundtable, in collaboration with the World Bank and the G20. More recently, the Lending into Official Arrears policy was expanded—strengthening financing assurances reviews during ongoing restructurings—and the Approval in Principle procedures have been modified to facilitate engagement until financing assurances are established.

Evaluation focus. The evaluation would focus on the Fund’s support for LIC members on debt-related issues in surveillance, lending, and capacity development (CD). It would assess the quality, effectiveness, and traction of IMF engagement, including the timely identification of debt vulnerabilities, the provision of advice and institutional support, and the role of the LIC-DSF in

¹ The topic selection process is detailed in Annex I. The IEO can be contacted online via [“Let’s talk” section](#) or by email ieo@imf.org.

evaluating risks to debt sustainability. It would examine the implications of debt sustainability assessments for LICs' access to Fund resources, as well as issues related to debt transparency and public debt management. The evaluation would also review the Fund's effectiveness in supporting recent debt relief and restructuring initiatives for low-income borrowers, its catalytic role, and the success of the Fund's collaboration with the World Bank on debt-related matters.

Format and timing. The breadth of the issues involved warrants a full-scale evaluation. As debt pressures for these countries continue to increase and considering the upcoming review of LIC-DSF envisaged for completion in FY2026, this evaluation could be conducted in the near term.

2. The Repeated Use of Fund Resources

Context. The IEO conducted its first evaluation in 2002 on the prolonged use of Fund resources, identifying critical issues such as risks to the revolving nature of these resources, weaknesses in program design and implementation, undue interference in domestic policy development, and a blurred role of the IMF compared to other development institutions (IEO, 2002). Since that evaluation, the global economic landscape has dramatically changed, marked by shifts in financial markets, changes to the IMF's lending toolkit, and new challenges like climate change, global pandemics, and the economic consequences of conflict. In this crisis-prone context, the repeated use of IMF resources remains a pressing concern for many member countries. Critics continue to argue that such use deviates from the Fund's mandate of providing temporary balance of payments support and can raise evenhandedness concerns, while others believe it is justifiable for countries facing significant adjustment challenges. After two decades, it is pertinent to examine the factors and drivers behind repeated use and derive insights to enhance the effectiveness of IMF financing.

Evaluation focus. The evaluation would focus on a comprehensive analysis of repeated use of IMF resources from 2002 to the present, examining case studies across various regions and income levels. It would assess the effectiveness of IMF-supported programs and identify institutional and socio-economic factors contributing to repeated reliance on IMF assistance. The evaluation could also explore the implications for member countries and the IMF, aiming to offer actionable recommendations for enhancing program design and effectiveness in addressing the unique challenges faced by repeated users.

Format and timing. The breadth of the issues involved warrants a full-scale evaluation. The timing of this evaluation should consider the Review of Program Design and Conditionality, currently envisaged to be completed in FY2025.

3. The Fund's Precautionary and Liquidity Support

Context. Following the Global Financial Crisis (GFC) the IMF developed the precautionary financial arrangements to provide financial support to members with very strong policies in the context of heightened risks: the current Flexible Credit Line (FCL) and the Precautionary and

Liquidity Line (PLL). At first, the uptake of these facilities was limited; however, usage grew after subsequent reforms, although it remained concentrated in certain regions, especially in the Western Hemisphere. Since the GFC, the Fund has also tried to develop facilities to respond to members' short-term liquidity needs, with less success. For instance, the Short-term Liquidity Facility (SLF), introduced in 2008 and discontinued in 2009, was never utilized, and the staff proposal in 2017 to establish the Short-Term Liquidity Swap (SLS) did not come to fruition. Following the COVID-19 pandemic, the Fund approved a historical record allocation of US\$650 billion SDR providing non-conditional liquidity to its members, and it revamped its liquidity support by approving the Short-Term Liquidity Line (SLL), although its usage remains limited.

Evaluation focus. The evaluation would examine several key dimensions of the IMF's precautionary arrangements including: their effectiveness in providing timely support to member countries during crises, the qualification criteria, and the impact on market confidence and economic recovery. It would also analyze the Fund's experience with short-term liquidity facilities, including issues related to its design and the authorities' perception of its rationale and usefulness. Second, the evaluation would analyze the role of SDRs in enhancing liquidity, particularly during times of global economic stress, and their distribution among member countries and rechanneling options, with particular focus on the allocation during the COVID-19 pandemic. Finally, the evaluation would consider the broader implications of these mechanisms for the Fund's role at the center of the Global Financial Safety Net (GFSN).

Format and timing. Given the focused scope of this topic, this evaluation could be suited as a short evaluation. The timing of this evaluation would be more appropriate in the medium term, as it would allow us to assess the implementation of the 2023 Review of the FCL, PLL and SLL.

4. The IMF's Integrated Policy Framework

Context. The IMF's advice on capital flows and capital account liberalization has evolved significantly with the adoption of the Institutional View on the Liberalization and Management of Capital Flows (IV) in 2012, and its 2022 Review. In 2020, the launch of the Integrated Policy Framework (IPF) complemented the IV by providing country-specific advice on the appropriate mix of policies needed to preserve growth and financial stability. The new framework assesses the costs and benefits of four tools—monetary policy, macroprudential policy, foreign exchange intervention (FXI), and capital flow management measures. The IPF advances the Fund's thinking on how to determine the most effective policy mix to respond to shocks and rapidly changing conditions in the global economy. It recognizes that the optimal path of the IPF tools depends on structural characteristics and fiscal policies. The Board was last updated in July 2023 about the progress of the IPF operationalization and next steps.

Evaluation focus. The evaluation would assess the benefits of the new framework in understanding difficult tradeoffs faced by policymakers in pursuing domestic and external stabilization objectives. It would examine whether the IPF has provided a sound basis for policy

advice, including incorporating important characteristics of emerging markets, and it would identify implementation issues and challenges. It would also evaluate the multilateral dimensions of the framework, including its relevance for limiting disruptive spillovers and unintended consequences. Country cases would provide a comprehensive overview of the framework's implementation in different regions and income groups.

Format and timing. Given its narrow focus, the topic would be well suited for a short evaluation. It would be useful to schedule this evaluation being mindful of the next review of the IV, yet to be scheduled.

5. The IMF's Role in the Multilateral Order

Context. Amid rising economic nationalism and geopolitical tensions, the IMF's legitimacy, perceived evenhandedness, and credibility are under scrutiny. Shifts in the multilateral order challenge governance, resource adequacy, and the role of Regional Financial Arrangements (RFAs). Notwithstanding the advancements made through the 2008 and 2010 quota and governance reforms—and more recently, the enhanced voice and representation with the establishment of the 25th Sub-Saharan African Chair—emerging economies contend that further efforts are needed to better align voting power with economic weight (IEO, 2018b). Geopolitical fragmentation further complicates the IMF's role, creating divisions among major shareholders and eroding multilateralism, which needs a delicate balance in cooperation to address members' needs. The rise of RFAs and bilateral lending practices can also challenge the IMF's relevance in the GFSN, and concerns about the Fund resources persist in a context of a shock-prone global economy.

Evaluation focus. The evaluation would examine how the Fund's governance has evolved since the last update in 2018, particularly regarding the distribution of voting power, voice, and representation, and how these factors impact its legitimacy, effectiveness, and evenhandedness in the context of geopolitical and economic shifts. Additionally, it would assess the adequacy of the Fund's resources and associated safeguards necessary to fulfill its mandate in a dynamic environment characterized by increasing demand, declining multilateralism, and the rise of regional and bilateral lending practices.

Format and timing. The wide-ranging nature of the issues involved warrants a full-scale evaluation. With ongoing efforts to propose guidance for a quota realignment, and other high-level initiatives such as the Bretton Woods at 80, it would be opportune to conduct this evaluation at a later stage.

6. Political Economy in the Fund's Work

Context. External critics argue that the IMF's traditionally narrow focus limits its ability to assess the impact of its interventions on the political economy of member countries, including issues like inequality, social sustainability, political stability, and governance quality. While the Fund's

approach has evolved, recent developments highlight the importance of these issues for macroeconomic stability, program success (including via ownership), and the Fund's legitimacy. Concerns persist regarding the integration of these factors into the Fund's analyses and the engagement with domestic stakeholders beyond governments. Similar issues have been noted in previous IEO work on social protection (IEO, 2017) and fragile states (IEO, 2018a). The Fund has acknowledged this need, with the 2018 Review of Conditionality emphasizing political economy risks (IMF, 2019) and the 2021 Comprehensive Surveillance Review (CSR) (IMF, 2021) identifying economic sustainability as a key priority.

Evaluation focus. This evaluation would aim to assess the integration of political economy considerations in the IMF's policy advice. The assessment would encompass several key aspects, including the Fund's approach to inequality and inclusion, and its recognition of political economy constraints, and the quality of governance and institutions in member countries. Additionally, it would evaluate country-level initiatives and the Fund's collaboration with other international organizations to address these issues effectively. The evaluation would also examine the effectiveness of the Fund's involvement in promoting equitable outcomes and gather insights into the perceptions of country authorities regarding the Fund's role in these areas.

Format and timing. Since this evaluation would cover a broad range of issues, it would be suited for a full-scale evaluation. This evaluation could be well-suited to be conducted in the medium-term and its timing should consider the future CSR, currently scheduled for FY2027.

7. IMF's Engagement with Midsize Middle-Income Countries

Context. In the aftermath of the COVID-19 pandemic, many middle-income countries (MICs) continue to grapple with rising debt levels, inflationary pressures, and the urgent need for structural reforms to foster sustainable growth. With a significant portion of the world's poor residing in MICs, their economic recovery is vital for achieving an equitable and sustainable future and achieving the sustainable development goals (SDGs). However, there is a perception among MICs that global financial support has largely favored LICs, and that the IMF prioritizes other groupings. Concerns have been raised regarding the need for more tailored financial support, given the heterogeneous political landscapes and economic conditions across MICs. Additionally, some countries are deterred from seeking assistance given the lending conditions associated with traditional IMF programs. MICs also emphasize the need for better access to liquidity insurance mechanisms, as precautionary credit lines could mitigate capital flow volatility.

Evaluation focus. The evaluation would assess the effectiveness of the surveillance, lending, and CD provided to MICs, particularly in the context of post-COVID recovery. It would analyze aspects such as the adequacy of the lending framework for the specific needs of MICs, including evenhandedness concerns, the tailoring of advice to country-specific aspects, and the adequacy of CD. Overall, the evaluation would aim to provide insights on how to better tailor Fund support to enhance the growth and economic resilience of MICs.

Format and timing. The breadth of the issues warrants a full-scale evaluation. It could be conducted in the medium-term, following the Review of Program Design and Conditionality (scheduled for FY2025), and considering the timing of the next CSR, scheduled for FY2027.

8. IMF and Digitalization

Context. The integration of new technologies into economic, financial, and governmental activities has accelerated in recent years, particularly following the COVID-19 pandemic. The digital transition became progressively relevant for the Fund with the 2018 Bali Fintech Agenda, which framed the benefits of technology in finance while addressing stability risks. This led to an examination of the macro-financial effects of Central Bank Digital Currencies (CBDCs) and privately issued digital assets. In 2021, a Digital Money Strategy was approved to understand the benefits and risks of financial system digitalization. As digitalization expands beyond finance, the Fund has also developed expertise in GovTech solutions and digital tax administration tools. Recent analyses have focused on cybersecurity, the challenges presented by the digital divide, the future of work and automation, and the implications of artificial intelligence in the economy. In internal operations, digitalization has been leveraged to enhance knowledge and data management.

Evaluation focus. The evaluation would assess the IMF's approach to digital trends and how these have been integrated into the Fund's work. It would examine whether the IMF has established a solid foundation for policy advice related to digitalization while identifying specific implementation challenges. The evaluation would also consider the IMF's approach to emerging topics, such as cybersecurity threats and the implications of technological advancements like artificial intelligence. Case studies from specific initiatives would provide a comprehensive overview of the IMF's role in navigating the complexities of the digital landscape across different regions and income levels. It would also analyze how digitalization is leveraged internally to enhance knowledge and data management, which impacts work efficiency and quality.

Format and timing. This evaluation would be well-suited for a full-scale evaluation. As Fund work on digital trends continues to evolve, and some of the initiatives are still in an initial phase, this evaluation would benefit from being scheduled in the medium-term.

9. The Role of Communication in the IMF

Context. Effective communication is a strategic tool that helps policymakers, financial markets, and the public understand and support the Fund's objectives and operations, enhancing its reputation. The IEO evaluation of *The Role of the IMF as Trusted Advisor* (IEO, 2013) noted that while the Fund is increasingly seen as open and responsive, challenges related to historical perceptions persist. Further, the changing global economic and geopolitical landscape since 2013 has deep implications for how the Fund should best undertake its communications. Recent changes in the communication strategies have adapted to shifts in the global economy and technology. By leveraging digital platforms and social media, the Fund improves engagement

and transparency, allowing for quicker outreach to new audiences, the Transparency Policy and the Open Archives Policy plays a crucial role in enhancing communication by ensuring that information is transparent and easily accessible to the public.

Evaluation focus. An evaluation of the Fund’s communications could assess the effectiveness of the IMF in conveying its messages to both external stakeholders—such as member countries, the media, and civil society—and its own staff. Key aspects to be examined include the efficiency, credibility, and trustworthiness of the Fund as perceived by its membership and other relevant stakeholders. The evaluation would consider the consistency of communications and their tailoring to diverse audiences, as well as the evolution of these strategies over time to reflect technological advancements, institutional coordination, and other emerging trends. Additionally, the evaluation would analyze the implementation of the Transparency Policy review.

Format and timing. Given the focused scope of the topic, this could be a short evaluation. As the Fund’s Communication Strategy Review and the Transparency Policy and Open Archives Policy are forthcoming (IMF, 2024a and 2024b), this evaluation could be conducted at a later stage to allow time for implementation of these current reviews.

10. Issues from Previous IEO Evaluations: Lessons for the IMF (2nd edition)

Context. In 2014, following the recommendation of the second external review, the IEO produced an evaluation on Recurring Issues from a Decade of Evaluation: Lessons for the IMF (IEO, 2014), highlighting major recurring issues from the IEO’s first 20 evaluations—including, shortcomings of Executive Board guidance and oversight, organizational silos, insufficient attention to risks and uncertainty, shortcomings in country and institutional context, and perceived lack of evenhandedness. While the review did not provide recommendations, it underscored the need for establishing a framework for reviewing and monitoring recurring topics. The follow-up process to IEO evaluations has a well-developed system for formulating and tracking the implementation of actions that respond to Board-endorsed IEO recommendations. However, it does not assess how persistent issues identified across IEO evaluations are addressed in substance. After a decade since the evaluation on recurring issues, it would be timely to conduct a stocktaking exercise to explore remaining and novel challenges.

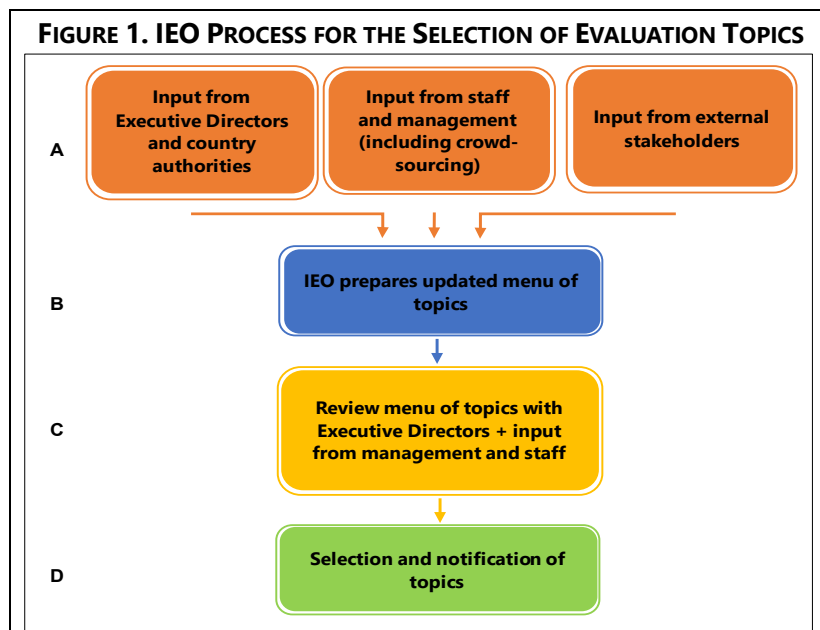
Evaluation focus. The evaluation would focus on issues identified in previous IEO evaluations that impact IMF’s performance. It would reexamine, with a fresh perspective, issues and recommendations that remain from previous evaluations; how and in what context these have surfaced; what has been done to address them; the extent to which the objectives have been achieved; and whether challenges remain. In contrast to the previous review, the evaluation will offer recommendations on how to effectively address these issues.

Format and timing. Given the well-defined focus of the assessment, this evaluation is well suited to be a short evaluation. It could be conducted with flexible timing to increase the stock of evaluations to be assessed.

ANNEX I. TOPIC SELECTION PROCESS

The IEO is developing an Evaluation Policy to be presented in 2025 in response to the recommendations from the Fourth External Evaluation of the IEO (García-Silva, Sembene, and Jin, 2024), which will encompass the topic selection process. This annex summarizes the current topic selection process, aligning with external evaluators' recommendations for enhanced transparency. The current practice for topic selection involves four stages (Figure 1):

- (A) Early-stage consultations. In this process, the IEO seeks inputs for future evaluation topics through regular consultations with Executive Directors, Fund management and staff, and external stakeholders, including country officials, academics, civil society, and the public via the IEO website.
- (B) Possible Topics for Future IEO Evaluations. Based on the above consultations, the IEO elaborates a menu of between 8 to 12 possible topics for future evaluations, which is normally reviewed annually. The topics are selected based on the following main selection criteria: strategic importance to the Fund's membership and mandate, institutional priorities, concerns about the IMF's current approach, balanced coverage across Fund activities and country groups, and timing to align evaluations with the IMF work agenda and scheduled policy reviews.
- (C) Consultation of the list of topics. The list of topics is consulted in an ad hoc Executive Board meeting where the IEO gauges the views and preferences of Directors. Management also provides inputs on the list of topics and the list is published at the IEO website to receive inputs from any interested party.
- (D) Selection of topics. The IEO selects topics based on the consultations and the selection criteria and notifies the selected topics to the Executive Board, Management, and to the public through its website. The IEO Director is ultimately responsible for topic selection.



ANNEX II. LIST OF PREVIOUS IEO EVALUATIONS AND UPDATES

Evaluation	Status
The IMF and Climate Change	Scheduled for 2 nd half of 2025
IMF Advice on Fiscal Policy	Scheduled for 2 nd half of 2025
The IMF's Exceptional Access Policy	Scheduled for Dec. 2024
The Evolving Application of the IMF's Mandate	Completed 06/24
The IMF's Emergency Response to the COVID-19 Pandemic	Completed 03/23
The IMF and Capacity Development	Completed 09/22
IMF Engagement with Small Developing States	Completed 05/22
Growth and Adjustment in IMF-Supported Programs	Completed 09/21
IMF Collaboration with the World Bank on Macro-Structural Issues	Completed 11/20
IMF Advice on Capital Flows	Completed 09/20
IMF Advice on Unconventional Monetary Policies	Completed 06/19
IMF Financial Surveillance	Completed 01/19
The IMF and Fragile States	Completed 03/18
The IMF and Social Protection	Completed 07/17
The IMF and the Crises in Greece, Ireland, and Portugal	Completed 07/16
Behind the Scenes with Data at the IMF: An IEO Evaluation	Completed 03/16
Self-Evaluation at the IMF: An IEO Assessment	Completed 09/15
IMF Response to the Financial and Economic Crisis	Completed 10/14
Recurring Issues from a Decade of Evaluation: Lessons for the IMF	Completed 06/14
IMF Forecasts: Process, Quality, and Country Perspectives	Completed 02/14
The Role of the IMF as Trusted Advisor	Completed 02/13
International Reserves: IMF Concerns and Country Perspectives	Completed 12/12
Research at the IMF: Relevance and Utilization	Completed 06/11
IMF Performance in the Run-Up to the Financial and Economic Crisis: IMF Surveillance in 2004–07	Completed 01/11
IMF Interactions with Member Countries	Completed 12/09
IMF Involvement in International Trade Policy Issues	Completed 06/09
Governance of the IMF: An Evaluation	Completed 05/08
Structural Conditionality in IMF-Supported Programs	Completed 12/07
IMF Exchange Rate Policy Advice	Completed 05/07
The IMF and Aid to Sub-Saharan Africa	Completed 03/07
Multilateral Surveillance	Completed 03/06
Financial Sector Assessment Program	Completed 01/06
IMF Support to Jordan, 1989–2004	Completed 11/05
The IMF's Approach to Capital Account Liberalization	Completed 05/05
IMF Technical Assistance	Completed 02/05
The IMF and Argentina, 1991–2001	Completed 07/04
Evaluation of the IMF's Role in Poverty Reduction Strategy Papers and the Poverty Reduction and Growth Facility	Completed 07/04
Fiscal Adjustment in IMF-Supported Programs	Completed 08/03
The IMF and Recent Capital Account Crises: Indonesia, Korea, Brazil	Completed 05/03
Evaluation of Prolonged Use of IMF Resources	Completed 08/02

Evaluation Updates	Status
IMF Involvement in International Trade Policy Issues: Evaluation Update	Completed 12/19
Governance of the IMF: Evaluation Update	Completed 11/18
Structural Conditionality in IMF-Supported Programs: Evaluation Update	Completed 5/18
IMF Exchange Rate Policy Advice, 1999–2005: Evaluation Update	Completed 10/17
Multilateral Surveillance: Revisiting the 2006 IEO Evaluation	Completed 02/17
The IMF's Approach to Capital Account Liberalization: Revisiting the 2005 IEO Evaluation	Completed 02/15
Revisiting the IEO Evaluations of The IMF's Role in PRSPs and the PRGF (2004) and The IMF and Aid to Sub-Saharan Africa (2007)	Completed 08/14
IMF Technical Assistance: Revisiting the 2005 IEO Evaluation	Completed 03/14
Fiscal Adjustment in IMF-Supported Programs: Revisiting the 2003 IEO Evaluation	Completed 07/13
Prolonged Use of IMF Resources: Revisiting the 2002 IEO Evaluation	Completed 07/13

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