



# Glossary of Selected Financial Terms

*This glossary covers basic operational and financial terms used in the IMF Financial Data Query Tool*

## A

### **Adjusted Rate of Remuneration**

Rate used to pay interest (remuneration) to members on their remunerated reserve tranche position with the IMF.

### **Adjusted Rate of Charge**

Rate applied to charge members on their outstanding credit to the IMF.

### **Agreed Amount**

The Agreed Amount represents the maximum amount available for drawing under an arrangement approved by the IMF's Executive Board.

### **Average SDR Interest Rate**

Average of the weekly rates calculated at the end of each financial quarter for that quarter.

## B

### **Basic Rate of Charge**

The basic rate of charge is equal to the SDR interest rate plus a margin.

### **Basic Rate of Remuneration**

The basic (unadjusted) rate of remuneration is equal to the SDR interest rate.

### **Bilateral Borrowing Agreements**

Bilateral Agreements are lending agreements between the IMF and a member country, or an agency of the member country, to supplement IMF lending resources.

### **Buffer Stock Facility**

The Buffer Stock Financing Facility (BSF), established in 1969 and eliminated in 2000, provided financing to members with a balance of payments need to help finance their contributions to approved commodity price stabilization funds.

## **Burden Sharing**

A policy in place since 1986 regarding the sharing, between members paying charges and members receiving remuneration, of the financial consequences to the IMF of overdue obligations. An amount equal to overdue charges (excluding special charges) and an allocation to the Special Contingent Account are generated each quarter by an upward adjustment of the rate of charge and a downward adjustment of the rate of remuneration.

## **C**

### **Compensatory Financing Facility (CFF)**

The Compensatory Financing Facility (CFF) was a special IMF financing facility established in 1963. Until its elimination in 2009, the CFF provided resources to members who encountered balance of payments difficulties, arising out of export shortfalls or excess costs of cereal imports that were temporary and resulted from events that were largely beyond the members' control.

### **Concessional Assistance**

The IMF initiated Concessional Assistance in 1976 through the establishment of the Trust Fund financed from the sale of part of the IMF gold holdings. In 1986, the IMF established the Structural Adjustment Facility (SAF) to provide concessional assistance to low-income countries by recycling resources lent under the Trust Fund. In 1987, the SAF was enlarged to include resources from bilateral contributors and renamed Enlarged SAF (ESAF). In 1999, the ESAF Trust was renamed the Poverty Reduction and Growth Facility Trust (PRGF Trust). In 2006, the Exogenous Shocks Facility (ESF) was added as another facility to provide assistance to low-income members facing sudden and exogenous shocks but do not have a PRGF arrangement. The PRGF Trust was renamed PRGF-ESF Trust and provided assistance through two facilities: the PRGF and the ESF. In 2008, the ESF was modified into two components to address worsening of global conditions: the Rapid Access Component (RAC) which provides emergency assistance in a single disbursement and a High Access Component (HAC) provided in multiple disbursements subject to reviews when more resources are needed. In 2010, the PRG Trust replaced the PRGF-ESF Trust and assistance is now provided through three facilities: the Extended Credit Facility (ECF), the Standby Credit Facility (SCF), and the Rapid Credit Facility (RCF). Concessional loans are provided at a subsidized interest rate.

### **Cumulative Quarterly Burden Sharing Adjustments**

Refundable resources collected on a quarterly basis under the Burden Sharing mechanism which is used by the IMF to compensate for income lost due to unpaid charges and to build up precautionary balances through contributions to the Special Contingent Account (SCA). See *Burden Sharing*.

## **CVA Account**

The Currency Valuation Adjustment (CVA) Account records the amount payable to the IMF or payable by the IMF depending on whether the member's currency has depreciated or appreciated vis-à-vis the SDR since the last revaluation of the balances in the IMF No. 1, IMF No. 2, and IMF Securities Accounts.

## **D**

### **Deferred Charges Adjustments (Charges)**

Refundable resources collected on a quarterly basis from members with credit outstanding by adding an upward adjustment to the rate of charge. The purpose of these resources is to cover unpaid charges of members in arrears. Once members in arrears settle their charges, these resources are refunded to contributors. See *Burden Sharing*.

### **Deferred Charges Adjustments (Remuneration)**

Refundable resources collected on a quarterly basis from members receiving remuneration by adding a downward adjustment to the rate of remuneration. The purpose of these resources is to cover unpaid charges of members in arrears. Once members in arrears settle their charges, these resources are refunded to contributors. See *Burden Sharing*.

### **Drawn Amount**

The Drawn Amount represents the cumulative amounts disbursed under an arrangement.

## **E**

### **Emergency Natural Disaster Assistance (ENDA)**

Emergency financial assistance to countries with urgent balance of payments financing needs in the wake of natural disasters. Emergency financial assistance was disbursed rapidly and without the need for program-based conditionality. ENDA is subsidized for low-income countries and loans are repayable in 8 quarterly installments 3 1/4 - 5 years after disbursement. In 2010, ENDA was superseded by the Rapid Credit Facility (RCF) for low-income members, and in 2012—by the Rapid Financing Instrument (RFI) for all member countries.

### **Emergency Post Conflict Assistance (EPCA)**

Emergency financial assistance to countries with urgent balance of payments financing needs in the wake of armed conflicts. Emergency financial assistance was disbursed rapidly and without the need for program-based conditionality. EPCA is subsidized for low-income countries and loans are repayable in 8 quarterly installments 3 1/4 - 5 years after disbursement. In 2010, EPCA

was superseded by the Rapid Credit Facility (RCF) for low-income members, and in 2012—by the Rapid Financing Instrument (RFI) for all member countries.

### **Enlarged Access Policy (EA)**

The Enlarged Access Policy (EA) was established as a temporary policy in 1980 as a successor to the Supplementary Financing Facility (SFF) and expired in 1992. The policy enabled the IMF to provide balance of payments assistance to members facing external payment imbalances that were large relative to their quota positions. The policy allowed the IMF to provide resources under stand-by or extended arrangements in amounts larger than would be available under other policies on the use of general resources and for a period longer than under the IMF's regular tranche policies.

### **Exogenous Shocks Facility - High Access Component (ESF-HAC)**

Concessional financing under the High Access Component of the ESF (ESF-HAC)(2008-2010) to low-income member countries facing balance of payments needs caused by sudden and exogenous shocks. Loans are repayable with a grace period of 5½ years and a final maturity of 10 years. In 2010 the ESF-HAC was superseded by the Standby Credit Facility (SCF).

### **Exogenous Shocks Facility - Rapid Access Component (ESF-RAC)**

Quick concessional assistance under the Rapid Access Component of the ESF (2008-10) in the form of outright disbursements to low-income member countries facing balance of payments needs caused by exogenous shocks. Loans are repayable with a grace period of 5½ years and a final maturity of 10 years. In 2010, the ESF-RAC was superseded by the Rapid Credit Facility (RCF).

### **Extended Credit Facility (ECF)**

The Extended Credit Facility (ECF), established in 2010 and formerly known as the Poverty Reduction and Growth Facility (PRGF), provides concessional financial assistance in support of a three-year macroeconomic and structural adjustment program to eligible low-income members facing protracted balance of payment issues. The loans are repayable in 10 equal semiannual installments 5½ - 10 years after disbursement.

### **Extended Fund Facility (EFF)**

The Extended Fund Facility (EFF) provides long-term assistance to support members' structural reforms to address balance of payments difficulties of a long-term character. Drawings under extended arrangements are repayable in 12 semiannual installments 4½ - 10 years after disbursement.

## F

### **FCL Principal**

Principal repayments (repurchase) of Flexible Credit Line (FCL) loans.

### **First Credit Tranche**

Member countries may make use of IMF credit to address balance of payment problems under Credit Tranche Policies or special policies called facilities. Under the Credit Tranche Policies, the IMF makes credit available in four tranches (segments), each equal to 25 percent of a member's quota. The First Credit Tranche represents use of IMF resources up to the limit of the first tranche on fairly liberal terms. Requests for use of IMF resources beyond the first credit tranche (in the upper credit tranches) require substantial justification for the expectation that the member's balance of payments difficulties will be resolved within a reasonable period of time.

### **Flexible Credit Line (FCL)**

The Flexible Credit Line (FCL) has been established to allow members with very strong track records to access IMF resources based on pre-set qualification criteria to deal with all types of balance of payments problems. The FCL could be used both on a precautionary (crisis prevention) and nonprecautionary (crisis resolution) basis. Members may request either a one-year arrangement with no interim reviews, or a two-year arrangement with an interim review of qualification required after twelve months. Purchases under FCL arrangements are repayable in 8 quarterly installments 3¼ - 5 years after disbursement.

## G

### **GRA Arrangements**

The General Resources Account (GRA) Arrangements comprise a variety of lending programs with different disbursement schedules and maturities depending on the balance of payment needs of the member.

### **GRA Charges**

The General Resources Account (GRA) charges are payable by a member on its GRA outstanding credit. Charges accrue daily on the outstanding balance and are payable on a quarterly basis.

### **GRA Credit Outstanding**

The General Resources Account (GRA) Credit Outstanding represents total GRA loans disbursed to members less repayments.

### **GRA Purchases**

GRA Purchases are loans (purchases) disbursed to members under facilities of the IMF General Resources Account (GRA).

### **GRA Repurchases**

GRA Repurchases are principal repayments (repurchases) by members.

### **GRA Special Charges**

GRA Special Charges are charges in addition to the basic rate of charge levied on financial obligations, including overdue principal (repurchases) and charges that are past due.

## **H**

### **HIPC Assistance**

The Heavily Indebted Poor Countries (HIPC) Assistance represents resources provided eligible member countries to help meet their debt service payments to the IMF. Disbursements are normally dependent on receipt of sufficient financing assurances from other creditors.

## **I**

### **IMF No. 1 Account**

The IMF No. 1 Account represents part of the IMF currency holdings held in member's designated depository agency which is used for the IMF's operations, including, inter alia, quota subscription payments, purchases, and repurchases. The No. 1 Account is a cash account. Members are required to maintain a minimum in No. 1 Account equal to 1/4 of 1 percent of the member's quota at all times.

### **IMF No. 2 Account**

The IMF No. 2 Account represents part of the IMF currency holdings held in member's designated depository agency and it is used for the payment of administrative expenses incurred by the IMF in the member's currency, e.g., expenses of the IMF representative offices.

### **IMF Securities Account**

The IMF Securities Account represents part of the IMF currency holdings held in member's designated depository agency which contain member's nonnegotiable, non-interest bearing notes encashable on demand.

## **IMF's Holdings of Currencies**

IMF's Holdings of Currencies represent members' paid-in quota subscription in local currencies that are held in designated depository agencies (e.g., central banks). Currency holdings are held in three accounts: IMF No. 1, IMF No. 2, and IMF Securities Accounts.

## **N**

### **Net SDR Charges**

The SDR Department pays interest on holdings of SDRs and levies charges on the cumulative allocation of SDRs to participants (all IMF members are participants) at the same interest rate. Participants whose holdings are below their cumulative holdings incur net charges, i.e., the charges net of the interest. Both SDR interest and charges accrue daily and are settled quarterly.

### **New Arrangements to Borrow (NAB)**

The New Arrangements to Borrow (NAB) is a standing set of credit arrangements under which the participants (member countries and institutions) commit to provide supplementary resources to the IMF when these are needed to forestall or cope with an impairment of the international monetary system. The NAB is the facility of first and principal recourse in circumstances in which the IMF needs to supplement its quota resources.

### **Notes Purchase Agreements (NPA)**

To supplement its capacity to provide finance assistance to its members, the IMF issues promissory notes to the official sector under the Notes Purchase Agreements (NPA). The NPA includes a limit on the total amount that can be purchased during the term of the NPA. Notes are issued at the time of a loan disbursement to a borrowing member.

## **O**

### **Oil Facility**

Two Oil Facilities were established in response to the oil price shock in the 1970s. The first Oil Facility was created in June 1974 and lapsed in December 1974. The second Oil Facility was created in April 1975 to provide additional financing, and lapsed in March 1976. Both facilities aimed at providing supplementary financing to member countries facing balance of payments problems and were adversely affected by higher oil prices. Loans under the Oil facilities were repayable in 16 quarterly installments 3–7 years after disbursement.

**Original Arrangement Date**

Original Arrangement Date is the date when the IMF's Executive Board approves the arrangement.

**Original Disbursement Date**

Original Disbursement Date is the date when the funds were disbursed to the member.

**Overdue Interest**

Overdue Interest on PRGT loans.

**P****Precautionary and Liquidity Line (PLL)**

Established to meet actual or potential balance of payments needs of members with sound economic fundamentals and institutional policy frameworks but with some remaining vulnerabilities that preclude them from using the FCL. Access under a PLL arrangement varies depending on the duration of the arrangement, ranging from six months to two years, and member-specific needs. Under a six-month arrangement, access could be up to 250 percent of a member's quota, with a possibility to be augmented to a maximum of 500 percent in exceptional circumstances. For one to two year arrangements, the maximum access is equal to 500 percent of a member's quota for the first year and up to 1000 percent of quota for the second year. Purchases under the Precautionary and Liquidity Line are repayable in 8 quarterly installments 3 1/4 - 5 years after disbursement.

**Prescribed Holder**

A nonparticipant in the SDR Department that has been prescribed by the IMF as a holder of SDRs, including nonmembers, member countries that are not SDR Department participants, institutions that perform the functions of a central bank for more than one member, and other official entities.

**PRG Trust**

The Poverty Reduction Growth Trust (PRGT) had been originally established as the ESAF Trust in 1987 to provide concessional assistance to low-income members and was subsequently enlarged and renamed. PRGT was previously known as ESAF (1987-1999), PRGF (1999-2006), PRGF-ESF (2006-2010) Trusts. The PRGT provides financial assistance under three facilities: the Extended Credit Facility (ECF) to address protracted balance of payments (BOP) needs, the Standby Credit Facility (SCF) to address short-term and precautionary BOP needs, and the Rapid Credit Facility (RCF) to provide rapid low access with limited conditionality to meet urgent BOP needs.

**PRGT Arrangements**

The Poverty Reduction Growth Trust (PRGT) Arrangements represent lending programs providing concessional financing support to low-income countries.

**PRGT Credit Outstanding**

The Poverty Reduction and Growth Trust (PRGT) Credit Outstanding represents total PRGT resources disbursed, including outstanding Trust Fund and Structural Adjustment Facility (SAF) loans, less repayments.

**PRGT Disbursements**

PRGT Disbursements are concessional loans disbursed to members under the Poverty Reduction and Growth Trust (PRGT).

**PRGT Interest**

The PRGT Interest is payable by a member on its outstanding concessional loans semiannually.

**PRGT Repayments**

Principal repayments of concessional loans disbursed by the Poverty Reduction and Growth Trust (PRGT).

**Q****Quota**

Each member of the IMF is assigned a quota, denominated in SDRs, that is based broadly on the country's economic position relative to other members. The size of a country's quota takes into account its GDP, current account transactions, and official reserves. Quotas determine members' capital subscriptions to the IMF, voting power, and the amount of financial assistance available to them from the IMF. Quotas are normally reviewed, and possibly adjusted, every five years.

**R****Rapid Credit Facility (RCF)**

Established in 2010 to provide low access, rapid, and concessional financial assistance to low-income member countries facing an urgent balance of payments need. It is provided as an outright disbursement without explicit program-based conditionality or reviews. The RCF streamlines the IMF's emergency assistance for low-income members and provides flexible

support in a wide variety of circumstances, including shocks, natural disasters, and emergencies resulting from fragility. RCF loans have a grace period of 5½ years and a maturity of 10 years.

### **Rapid Financing Instrument (RFI)**

Established in 2012 to provide rapid and low-access financial assistance to all member countries facing an urgent balance of payments need in the aftermath of commodity price shocks, natural disasters, post-conflict situations and emergencies resulting from fragility without the need for a full-fledged program. The RFI has replaced the previous emergency assistance policy that covered Emergency Natural Disaster Assistance (ENDA) and Emergency Post-Conflict Assistance (EPCA). Financial assistance is provided in the form of outright purchases and outstanding principal (purchases) are repaid within 3¼ to 5 years.

### **Rate of Charge**

Rate applied to charge members on their outstanding credit to the IMF.

### **Rate of Charge Adjustment for Deferred Charges**

A refundable adjustment to the rate of charge that is made under the burden sharing mechanism.

### **Rate of Charge Adjustment for SCA-1**

A refundable adjustment to the rate of remuneration that was made under the burden sharing mechanism and allocated to the first Special Contingent Account (SCA-1).

### **Rate of Remuneration**

Rate used to pay interest (remuneration) to members on their remunerated reserve tranche position with the IMF.

### **Rate of Remuneration Adjustment for Deferred Charges**

A refundable adjustment to the rate of remuneration that is made under the burden sharing mechanism.

### **Rate of Remuneration Adjustment for SCA-1**

A refundable adjustment to the rate of remuneration that was made under the burden sharing mechanism and allocated to the first Special Contingent Account (SCA-1).

### **RCF Principal**

Principal repayments (repurchase) of Rapid Credit Facility (RCF) loans.

**Reserve Tranche Position (RTP)**

The Reserve Tranche Position (RTP) is equal to the member's quota less the IMF's holdings of the member's currency in the GRA. It is part of the member's external reserves.

**RFI Principal**

Principal repayments (repurchase) of Rapid Financing Instrument (RFI) loans.

**Resilience and Sustainability Trust (RST)**

The RST was established in 2022 to help low-income and vulnerable middle-income countries build resilience to external shocks and ensure sustainable growth, contributing to their longer-term balance of payments stability. It complements the IMF's existing lending toolkit by providing longer-term, affordable financing to address longer-term challenges, including climate change and pandemic preparedness.

**RSF Arrangement**

The Resilience and Sustainability Facility (RSF) Arrangement represents the lending program under which eligible members can access financing under the Resilience and Sustainability Trust (RST). A concurrent IMF-supported program with upper credit tranche quality policies (UCT program) is required.

**RST Credit Outstanding**

The Resilience and Sustainability Trust (RST) Credit Outstanding represents total RST loans disbursed to members less repayments.

**RST Disbursements**

RST disbursements are long-term loans disbursed to members under the Resilience and Sustainability Trust (RST). RST loans under the Resilience and Sustainability Facility (RSF) have a 20-year maturity and a 10½ -year grace period during which no principal is repaid.

**RST Interest**

Interest under the Resilience and Sustainability Facility (RSF) is payable quarterly by a member on its outstanding RSF loans. A tiered interest structure differentiates financing terms across country groups, with low-income members benefiting from more concessional terms.

**RST Repayments**

Principal repayments of long-term loans disbursed by the Resilience and Sustainability Trust (RST).

## S

### **SAF Interest**

The SAF Interest is payable semiannually by a member on outstanding credit under the Structural Adjustment Facility (SAF), excluding additional interest levied on overdue SAF interest.

### **SCA-1 Adjustments (Charges)**

Refundable resources collected on a quarterly basis from members with credit outstanding by adding an upward adjustment to the rate of charge and allocated to the first Special Contingent Account (SCA-1). These resources build up precautionary balances to protect the IMF against potential losses from members' ultimate failure to settle overdue repurchase obligations. SCA-1 adjustments are refunded to the contributors when there are no outstanding overdue obligations, or at such earlier time as the IMF may decide. See *Burden Sharing*.

### **SCA-1 Adjustments (Remuneration)**

Refundable resources collected on a quarterly basis from members receiving remuneration by adding a downward adjustment to the rate of remuneration and allocated to the first Special Contingent Account (SCA-1). These resources build up precautionary balances to protect the IMF against potential losses from members' ultimate failure to settle overdue repurchase obligations. SCA-1 adjustments are refunded to the contributors when there are no outstanding overdue obligations, or at such earlier time as the IMF may decide. See *Burden Sharing*.

### **Schedule Date**

The Schedule Date is the actual date when a member is scheduled to repay its obligation.

### **SDR Allocations**

SDR Allocations are a distribution of SDRs to members by decision of the IMF. A general allocation requires a finding by the IMF that there is a global need for additional liquidity. Allocations of SDRs are made to participants in the SDR department (currently, all IMF members are participants) in proportion to their quotas in the IMF.

### **SDR Assessments**

SDR Assessments are levied on participants in the SDR Department annually to reimburse the IMF for expenses incurred in operating the SDR Department.

### **SDR Holdings**

The Special Drawing Right (SDR) is an interest-bearing reserve asset created by the IMF to supplement members' reserve assets. It is a purely official asset and can only be held and used

by members in the SDR department, the IMF, and certain designated official entities. SDR holdings can be exchanged with other members for freely usable currency.

### **SDR Interest Rate**

The SDR Interest Rate is a weighted average of interest rates on short-term financial instruments in the markets of the currencies included in the SDR valuation basket. The SDR Interest Rate is determined on a weekly basis and is subject to a 0.050 percent floor. It also serves as basis for calculating interest paid and charged to members.

### **SFF Charges**

SFF Charges are charges under the Supplementary Financing Facility.

### **Short-Term Liquidity Line (SLL)**

The Short-term Liquidity Line (SLL) has been established to allow members with very strong track records to access IMF resources based on pre-set qualification criteria to deal with potential moderate short-term balance of payment needs arising due to capital account pressures. Individual SLL arrangements will be approved for a period of 12 months with access capped at the normal annual access limit, and successor arrangements could be approved for as long as the member continues to qualify and have the special BoP need. Purchases under SLL arrangements are expected to be repurchased in 1 bullet installment 12 months after the disbursement. As the SLL is a swap-like facility with revolving access, it enables repeated (partial or full) purchases and repurchases within and across SLL arrangements. Repurchases would reconstitute the member's right to purchase up to the maximum access approved.

### **Stand-By Arrangement (SBA)**

The Stand-By Arrangement (SBA) is the most common type of credit arrangement designed to provide short-term financial assistance. Purchases under Stand-By Arrangements are repayable in 8 quarterly installments 3 1/4 - 5 years after disbursement.

### **Standby Credit Facility (SCF)**

Established in 2010 to provide concessional financial assistance to low-income countries that are experiencing short-term but not protracted balance of payments needs. SCF arrangements range from one to two years. Loans are repayable in 9 equal semiannual installments 4–8 years after disbursement.

### **Structural Adjustment Facility (SAF)**

The Structural Adjustment Facility (SAF) was created in 1986 to provide concessional financing to assist low-income countries in addressing balance of payments financing needs arising from

structural weaknesses. The SAF was financed by reflows of Trust Fund repayments, and its loans were extended on the same terms with a 5½ years grace period and repayable in 10 years and at the interest rate of ½ percent per annum.

### **Supplemental Financing Facility (SFF)**

During 1979-1981, the SFF allowed countries with a Stand-By or Extended Arrangements to obtain supplementary and parallel credits financed by the borrowed resources.

### **Supplemental Reserve Facility (SRF)**

During 1997-2009, the SRF provided financial assistance to member countries experiencing exceptional balance of payments difficulties due to a large short-term financing need related to a sudden and disruptive loss of market confidence. Financial resources under this facility were provided under an associated stand-by or extended arrangement and generally available in two or more drawings which were expected to be repaid by the member within 1 to 1 ½ years of the date of each purchase, subject to extension of up to one year.

### **Systemic Transformation Facility (STF)**

During 1993-1995, the STF provided temporary assistance to countries in transition from centrally planned to market economies facing balance of payments difficulties. Assistance was provided in small amounts with low conditionality.

## **T**

### **TF Special Charges**

TF Special Charges are charges levied on overdue Trust Fund loans.

### **Transaction Value Date**

The Transaction Value Date is the date of the financial transaction.

### **Trust Fund**

The Trust Fund (1976-1981) was set up to provide special balance of payments assistance on concessional terms to developing members. These loans offered a 5½ years grace period and were repayable in 10 years, at an interest rate of ½ percent per annum.

### **Trust Fund Interest**

The Trust Fund Interest is payable semiannually by a member on outstanding TF credit.

## U

### **Undrawn Amount**

Amount undrawn represents an amount that currently remains to be drawn under the arrangement. For SLL arrangements, it is equal to the Agreed Amount less the balance of current credit outstanding under the current or any previous SLL arrangements. For all other arrangements, it is equal to the Agreed Amount less Drawn Amount.