

Understanding and Engaging with the IMF: A Toolkit for Arab CSOs

A Guide to Navigating the IMF's Structure, Processes, and Advocacy Opportunities

2025



1. Introduction

Understanding the IMF's Role in Economic Governance

As mentioned in our [first toolkit](#), the IMF is a global financial institution that provides monetary cooperation and financial stability to its member countries. It offers policy advice, financial assistance, and technical expertise to promote economic stability and growth. The IMF's decisions and programs significantly impact national economic policies, making it crucial for CSOs to engage proactively to ensure resistance to the erosion of social-economic rights in the region.

Why Should CSOs Engage with the IMF?

- **Policy Influence**: IMF programs often include policy prescriptions that affect social sectors, public spending, and economic reforms. **CSOs can advocate for policies that prioritize social welfare and equitable growth, ensuring that economic policies align with key social indicators and do not disproportionately harm vulnerable communities.**
- **Accountability and Transparency**: Engagement allows CSOs to hold the IMF and national governments accountable for the implementation of programs and the impacts on local communities. This is particularly crucial in ensuring that fiscal and monetary policies do not exacerbate inequality or undermine essential public services.
- **Amplifying Voices**: CSOs can represent marginalized groups, ensuring that diverse perspectives are considered in economic policymaking. By actively engaging with the IMF, CSOs can highlight the social consequences of macroeconomic decisions and push for inclusive policies that address structural inequalities.

How to Use This Toolkit?

This toolkit is structured to provide:

- **Detailed insights into the IMF's structure and decision-making processes.**
- **Strategic entry points and timelines for effective CSO engagement.**
- **Practical advice on building relationships with IMF staff and influencing policy outcomes.**

2. IMF Structure: Who Does What?

A. Governance & Leadership

- **Board of Governors:** As of October 2024, the IMF comprises 191 member countries. Each member country appoints one governor and one alternate governor to the Board of Governors, typically the nation's finance minister or central bank governor. The Board convenes annually to make major decisions on IMF policies and resource allocation. CSOs should monitor these decisions closely, as they significantly impact global financial governance.
- **Executive Board:** The IMF's Executive Board consists of 25 Directors, each representing either an individual member country or a group of countries (constituencies). The Board is responsible for overseeing the day-to-day operations of the IMF, including reviewing and approving financial arrangements, conducting economic surveillance, and shaping policy decisions. Engaging with Executive Directors can be a strategic way for CSOs to influence national economic policies, as they play a key role in approving IMF-supported programs and country assessments.
- **Managing Director & Deputy Managing Directors:** The Managing Director serves as the head of the IMF staff and the Chair of the Executive Board, overseeing the organization's overall management, strategic direction, and policy implementation. This role involves setting the IMF's vision, building consensus on key policy issues, and representing the institution at the global level.
 - The Managing Director is supported by a team of four Deputy Managing Directors (DMDs), which includes a First Deputy Managing Director and three other deputies. Each DMD plays a distinct role in supervising IMF operations, coordinating with key departments, engaging with member countries, and ensuring the effective implementation of policies. While their responsibilities can vary based on institutional priorities, they generally oversee major functional areas, such as fiscal affairs, monetary and capital markets, and strategy and policy review.
 - The IMF's engagement with the Middle East and North Africa (MENA) region is specifically managed by the Middle East and Central Asia Department (MCD), which is responsible for economic surveillance, policy advice, and technical assistance to countries in the region. The MCD is led by a Director, who ensures that the IMF's strategies are tailored to regional needs. Regular economic assessments, Article IV consultations, and Regional Economic Outlook reports are conducted to provide insights into economic developments and policy recommendations for MENA countries. They work closely with specialized departments, elaborated on later in the following section.
- **Independent Evaluation Office (IEO):** Provides objective assessments of IMF policies and programs to enhance learning and accountability. CSOs can use IEO reports to highlight IMF policy shortcomings and advocate for reforms.

B. Key IMF Departments & CSO Engagement Points

1. Strategy, Policy, and Review (SPR) Department

- **Role:** The SPR Department is pivotal in shaping the IMF's strategic direction and ensuring the consistent application of its policies across all member countries. It oversees the design and implementation of IMF policies, coordinates surveillance activities, and manages lending operations. Additionally, SPR leads the IMF's engagement with international bodies such as the G20, United Nations, and regional development banks, ensuring cohesive collaboration on global economic issues.
- **Engagement Opportunities: CSOs have multiple avenues to engage with the SPR Department.**
 - i. **Policy Consultations:** The IMF's Strategy, Policy, and Review (SPR) Department periodically announces opportunities for public consultation when formulating or reviewing key policies. For example, during the 2024 Review of the Fund's Transparency Policy and Open Archives Policy, the IMF invited input from various stakeholders, including CSOs, to ensure broader engagement in policy development. These consultations are typically announced through the IMF's official website and outreach channels. You can also reach out to us so we can include you in their mailing lists.
 - 1. Engaging early in these processes enables CSOs to advocate for policy considerations that prioritize social welfare, economic equity, and inclusivity.
 - ii. **Civil Society Policy Forum (CSPF):** Held during the IMF and World Bank Spring and Annual Meetings, the CSPF provides a platform for CSOs to engage directly with IMF staff, share perspectives, and discuss policy issues. Participating in these forums enables CSOs to influence the IMF's agenda and foster collaborative relationships.

2. Fiscal Affairs Department (FAD)

- **Role:** The IMF's Fiscal Affairs Department (FAD) provides expert guidance on fiscal policy matters, including taxation, public expenditure, and overall fiscal management. FAD monitors and analyzes global fiscal trends, advises member countries on fiscal issues, and contributes to the design and implementation of IMF-supported programs. Its analysis and research are at the forefront of fiscal policy debates, influencing whether IMF-backed fiscal policies are pro-poor or austerity-driven.
- **Engagement Opportunities: CSOs have multiple avenues to engage with the FAD Department.**
 - i. **Policy Consultations:** The IMF's Fiscal Affairs Department (FAD) does not routinely announce public consultations during the formulation or review of its policies. Instead, FAD engages with stakeholders through targeted channels, such as capacity development initiatives and technical assistance programs. While formal public

consultations are uncommon, CSOs can still provide input by participating in relevant IMF events and maintaining communication with FAD representatives. Engaging through these avenues allows CSOs to advocate for policies that prioritize social welfare and equity..

- ii. **Civil Society Policy Forum (CSPF):** Engage in the CSPF during the IMF and World Bank Spring and Annual Meetings to discuss fiscal policy issues directly with IMF staff, share perspectives, and influence the IMF's agenda toward more inclusive and socially responsive fiscal policies.

3. **Communications Department**

- **Role:** Manages the IMF's external communications, public relations, and dissemination of information. This department influences the IMF's public narratives and messaging.
- **Engagement Opportunities:** Utilize this department to request meetings, access timely reports, and challenge misleading narratives that obscure the negative social impacts of IMF policies.

4. **Resident Representatives**

- **Role:** IMF Resident Representatives act as the Fund's on-the-ground liaisons in member countries, facilitating communication between the IMF and local stakeholders, including government officials, donors, international institutions, and CSOs. They play a crucial role in maintaining close engagement with the host country and ensuring that the IMF's activities are well-coordinated and responsive to the country's specific economic context.
- **Engagement Opportunities:** CSOs are encouraged to establish and maintain regular communication with Resident Representatives to gain early insights into upcoming IMF missions, policy discussions, and potential program negotiations, allowing them to prepare and contribute effectively. To locate the contact information for the IMF Resident Representative in your country, visit the [IMF Resident Representative Offices page](#). This directory provides links to individual country offices, where you can find contact details and information about the IMF's activities in your region.¹
 - i. Proactive dialogue enables CSOs to share on-the-ground perspectives, present research findings, and advocate for policies that prioritize social welfare and equity before decisions are finalized.
 - ii. Resident Representatives often facilitate stakeholder consultations, providing CSOs with opportunities to voice concerns, offer feedback, and ensure that diverse viewpoints are considered in IMF assessments and programs.
 - iii. Building a constructive relationship with Resident Representatives enhances the ability of CSOs to engage meaningfully in economic

¹ If your country does not have a dedicated Resident Representative, the IMF may have a regional office overseeing multiple countries. In such cases, you can reach out to the regional office for assistance. For example, the [IMF Regional Office for Central and Eastern Europe](#) covers several countries in that area.

policy dialogues and influence outcomes that align with community needs and priorities.

3. How the IMF Shapes Economic Policy in Your Country

A. Surveillance and Article IV Consultations

- **Purpose:** The IMF conducts regular (usually annual) assessments of member countries' economic health, known as Article IV consultations. These consultations are primarily managed by the IMF's area (regional) departments, which focus on specific geographic regions. For example, the Middle East and Central Asia Department (MCD) oversees consultations for countries within the Middle East and Central Asia. These area departments lead the engagement with member countries, analyzing economic developments, and providing policy advice tailored to the regional context. In addition to the area departments, several functional departments, detailed above, play crucial roles in the Article IV consultation process. The Strategy, Policy, and Review (SPR) Department ensures consistency with IMF policies and provides strategic oversight during consultations. The Fiscal Affairs Department (FAD) offers expertise on fiscal policy issues, such as taxation and public expenditure, contributing to the analysis and recommendations. Additionally, the Monetary and Capital Markets (MCM) Department could provide insights on monetary policy and financial sector stability.
- **Process:**
 1. **Preparation:** IMF staff analyze economic data and identify key issues based on global economic conditions.
 2. **Mission:** A team visits the country to hold discussions with officials, CSOs, and the private sector.
 3. **Report:** Findings are compiled into a report reviewed by the Executive Board.
 4. **Publication:** The final report is published, outlining the IMF's assessment and recommendations.

B. Financial Assistance and Program Design

1. **Request for Assistance:** When a member country faces economic difficulties, it may formally request financial support from the IMF to stabilize its economy and implement necessary reforms.
2. **Program Negotiation:**
 - **Assessment:** IMF staff conduct an in-depth evaluation of the country's economic situation, identifying key challenges and necessary policy measures. This is foreshadowed through Article IV reports.
 - **Staff-Level Agreement (SLA):** Once consensus is reached between the IMF staff and the country's authorities on the proposed policies, a staff-level agreement (SLA) is established. This agreement outlines the economic measures the country commits to implementing.

- **Memorandum of Economic and Financial Policies (MEFP):** The country's authorities prepare a MEFP, detailing the agreed-upon policies and structural reforms, often with input from IMF staff. This document formalizes the commitments made in the SLA.
- **Approval:** The proposed program, including the MEFP, is submitted to the IMF Executive Board for approval. Once approved, financial assistance is disbursed in phases, subject to compliance with the program conditions.

Implementation and Monitoring: The IMF conducts regular reviews to assess the country's adherence to the agreed-upon policies and reforms. Continued disbursements of funds are contingent on meeting program targets and conditions. These reviews ensure that the country remains on track with its commitments and allow for necessary adjustments to the program.

4. How and When CSOs Should Engage with the IMF

A. Strategic Entry Points and Timelines

1. Pre-Article IV Consultation (6-8 Months Before Report Publication)

- To know if an Article IV consultation is upcoming for your country, monitor IMF press releases, country pages, and the IMF News section for announcements. Engaging with IMF Resident Representatives can provide early insights, as they often have information on scheduled missions.
- **Actions:**
 - Research previous Article IV reports to understand key areas of IMF recommendations.
 - Submit formal input through local IMF offices or direct communication with your regional IMF department (MCD) and/or other functional departments detailed earlier (such as FAD, SPR, etc.)
 - Coordinate with other CSOs to strengthen collective advocacy.

2. During Article IV Consultation Mission (3-4 Months Before Report Publication)

- **Actions:**
 - Request meetings with IMF country teams to present research and policy recommendations.
 - Publicly communicate concerns through op-eds and policy briefs to shape public discourse.
 - Engage with local policymakers to align CSO recommendations with national priorities.

3. IMF Loan Negotiation Phase (Before a staff-level agreement is reached)

- **Actions:**
 - Engage directly with the IMF's SPR and FAD departments, which are often represented in mission teams, to discuss alternative policies.
 - Mobilize media and public campaigns to challenge harmful conditionalities.

4. Spring & Annual Meetings (April & October each year)

- **Actions:**
 - Use these meetings to engage with Executive Directors and senior IMF officials.
 - Coordinate with international CSO networks to push for broader structural reforms.

5. Post-Loan Approval (Implementation & Program Reviews)

- **Actions:**
 - Monitor program implementation and highlight negative socio-economic impacts.
 - Submit independent reports to the IMF's IEO to challenge official assessments.

By strategically engaging with the IMF across these phases, CSOs can enhance their influence over macroeconomic policies and ensure more accountable and equitable financial governance.