

Department of the Treasury International Programs

FY 2025 Executive Summary

The President's FY 2025 Budget (the Budget) requests \$2.481 billion for the Department of the Treasury's International Programs. Our programs bolster American leadership in the international financial institutions (IFIs). The resources requested will support developing countries as they tackle myriad challenges from food insecurity to inadequate infrastructure and establish paths to sustainable economic growth and job creation that are resilient to shocks. A thriving global economy increases opportunities for the American people by opening new markets for U.S. exports and investment that will strengthen U.S. economic prosperity, while also supporting stability which enhances our national security.

Eighty years ago, in the midst of World War II, the United States and our allies established the World Bank and the International Monetary Fund (IMF) on the principle that international economic growth and stability, development, and cooperation foster global peace and security. Today, with conflicts raging in multiple regions of the globe, American leadership at the IFIs is more important than ever. We are leveraging our leadership to press the IFIs to be more responsive to economic and development needs at national levels and to challenges that cross borders and reduce growth and increase poverty. The work of the IFIs is especially vital for countries that are affected by crises within their borders or spillovers from crises and conflict in other countries.

The multilateral development banks (MDBs) have become a primary source of policy support, technical assistance, and finance for many emerging markets and developing countries (EMDCs), helping to promote market-based economic growth, job creation, and private capital mobilization. Since assuming the World Bank Presidency in 2023, Ajay Banga has begun to catalyze these tools to deliver on the Bank's core development objectives and evolve the Bank to meet the global challenges the world faces today. The IMF, through its surveillance, macroeconomic policy advice, and high standards of lending that promote sound economic reforms, has helped to prevent and minimize the spread of economic and financial crises that can have negative cross-border effects. In this way, the IMF's work to maintain global economic stability also mitigates significant risks to the U.S. economy.

Our leadership in these multilateral institutions is measurable and effective. Throughout the decades, the United States has maintained its position as the largest shareholder of the IMF, the World Bank, all but one of the regional development banks where the U.S. is a member, and in multilateral funds and facilities. Because of our leadership, the IFIs share core American values of transparency and accountability, anti-corruption, and economic development driven by the private sector and free enterprise. At a time when many developing countries have access to alternative, non-transparent sources of lending, including from China, we must continue to lead the IFIs so that they remain high quality and reliable partners to borrower countries.

Developing countries are facing an increasing number of challenges that have also become more complex in recent years. Some countries are still struggling to recover from the COVID-19 pandemic. Others are racing to rebuild infrastructure damaged by natural disasters or conflict,

while grappling with energy and food shortages driven by factors such as extreme weather events and Russia's war against Ukraine. In many countries, these challenges are intertwined and compound each other.

While each country may confront a unique combination of problems, they all seek the same solution: high-quality, transparent sources of financing to support sustainable economic growth and recovery, grounded in market development and strong job creation. Importantly, they seek financing that will not leave them in debt distress. And they deeply value the policy advice, technical assistance, and extensive knowledge that the institutions provide. The United States is a proactive shareholder, and over the years we have helped shape the IFIs to focus on results and impact, while also requiring strong macroeconomic policies, accountability, and anti-corruption measures. Additionally, the United States exercises its leadership in multilateral debt initiatives to support vulnerable and low-income countries in debt distress—including by bringing China to the table—so that they can find a comprehensive solution with all of their creditors.

Our role in the IFIs is a cost-effective way for us to effectively lead the response to global crises, but not shoulder these burdens alone. The United States is a catalyst, and our investments lead other countries to reciprocate, resulting in more value-for-money for each dollar spent. Together with other donors, we encourage the IFIs to explore more innovative ways to provide support in a leveraged manner, including through loans and loan guarantees that can expand lending capacity at a fraction of the cost to the American taxpayer.

As a complement to our work in the multilateral system, Treasury engages directly with EMDCs through the results-driven Office of Technical Assistance (OTA). For over 30 years, OTA has helped finance ministries and central banks of developing and transitional countries effectively manage public finances and safeguard their financial sectors. Treasury's technical assistance promotes anti-corruption, good governance in public financial management, sound approaches to financing infrastructure, and strong financial sector oversight and regulation.

We seek Congress's support as we continue to lead, and indeed have nurtured a broad coalition, to make sure the IFIs remain cutting-edge and able to respond with agility and effectiveness to the most pressing development challenges that can affect our own national security. We are calling on the IFIs to redouble efforts to spur economic growth, reduce poverty, improve food security, expand quality infrastructure investment, and address global and regional challenges that spill over borders, including to the United States. We also request resources so that we can continue to support multilateral debt restructuring initiatives and promote good governance in developing countries through high-quality technical assistance.

Ultimately, Treasury's international work, both multilateral and bilateral, is in the national interest of the United States. By addressing fragility (i.e., weak capacity to maintain peace and foster development), promoting good governance and transparent and effective social service delivery, and creating private sector-led economic opportunities, Treasury's International Programs lower conflict risks and migration pressures, diminish the need for emergency humanitarian assistance, and reduce the potential influence of malign actors in developing countries and emerging markets.

In sum, the resources we seek will strengthen our leadership abroad, making us more secure at home while helping to lay a solid foundation overseas that will attract U.S. exports and investment and bring economic opportunities back to the American people.

Multilateral Development Banks

The Budget requests \$2.168 billion for the multilateral development banks (MDBs) to support their continuing efforts to help developing countries reduce poverty, increase economic growth and job creation, develop their private sectors, invest in human capital, and promote good governance. These resources would also bolster the MDBs' financing to support developing countries in addressing increasingly complex and severe global challenges through efforts to increase pandemic preparedness, build infrastructure that is resilient to shocks, respond to shocks in food and energy supplies, and manage economic spillovers from conflict, including Russia's war against Ukraine. Financing from the MDBs is the best option for developing countries because it is transparent and comes with strong accountability through robust risk mitigation and anti-corruption measures.

U.S. contributions to the MDBs provide excellent value-for-money. Our contributions help to catalyze additional resources from other shareholders and the private sector. With this capital, the MDBs leverage funding from capital markets, which significantly increases overall MDB financing and enables the use of a wide range of innovative instruments, including loans, guarantees, equity, insurance, and knowledge products. We are working with these banks to find innovative solutions to responsibly stretch their balance sheets and provide critical financing even more efficiently and effectively.

As an additional multiplier of U.S. contributions, MDB work to de-risk and incentivize private sector investments supports U.S. priorities in developing countries. Many of these institutions frequently partner with American companies in their programs, whether through consulting or project design and execution, due to the technical expertise that U.S. firms can bring to the table. Our work with the MDBs to address global challenges more quickly and at greater scale will generate even more of these opportunities.

A key theme of this Budget request is the paramount importance of our participation in capital increases and replenishments and delivering on commitments to U.S. leadership in these institutions. The credibility of the United States as a global leader compels steadfast partners to meet our commitments. Doing otherwise could irreversibly erode our influence and ability to chart the course of these institutions and lead in implementing key reforms. Additionally, not participating in capital increases could result in diminishing U.S. shareholding and voting power—an outcome that could be exploited by China, among others, to grow their influence in these institutions and the regions in which they operate.

Treasury's requests for the MDBs include:

International Bank for Reconstruction and Development (IBRD): \$233.3 million, including \$206.5 million for the last of six installments to subscribe to the U.S. share of the paid-in portion of the IBRD 2018 general and selective capital increases. It also includes \$26.8 million to

support loan guarantees that could enable \$2 billion in IBRD financing for partner countries' clean energy transitions while also reducing their reliance on China. The Budget includes a request for a program limitation that would allow the United States to subscribe to up to \$1.421 billion in callable capital. The Administration also requests authorization to vote in favor of amending the IBRD Articles of Agreement to remove an outdated statutory limit on IBRD lending. This removal will not affect prudent IBRD risk management or U.S. oversight of the same. This request is included in the General Provisions found in the Department of State and Other International Programs chapter of the FY 2025 President's Budget Appendix.

International Development Association (IDA): \$1.43 billion in support of IDA programs in the world's low-income countries over the twentieth replenishment period (IDA-20, covering the period July 1, 2022–June 30, 2025), including support for a second U.S. pledge payment to IDA-20. The Administration also proposes legislative language to exempt securities issued by IDA from regulation by the Securities and Exchange Commission. This request is included in the General Provisions found in the Department of State and Other International Programs chapter of the FY 2025 President's Budget Appendix.

African Development Bank (AfDB): \$54.6 million for the fifth of eight installments to subscribe to the U.S. share of the paid-in portion of the seventh general capital increase. The Administration also requests authorization to participate in a general callable capital increase. The Budget includes a request for a program limitation that would allow the United States to subscribe to up to \$8.656 billion in callable capital issued for the seventh general capital increase and general callable capital increase.

African Development Fund (AfDF): \$197 million in support of AfDF programs in the poorest countries in Africa over the sixteenth replenishment period (AfDF-16, covering the period 2023–2025). The Administration requests authorization to subscribe to the AfDF-16 replenishment in the amount of \$591 million.

Asian Development Fund (AsDF): \$43.6 million in support of AsDF programs in the poorest countries in Asia over the twelfth replenishment period (AsDF-13, covering the period 2021–2024).

Asian Development Bank (AsDB): \$84.4 million for the subsidy cost of \$1 billion of loan guarantees to support the Innovative Finance Facility for Climate in Asia and the Pacific (IF-CAP), which will unlock an additional \$4-5 billion in additional AsDB lending for mitigation and adaptation investments.

European Bank for Reconstruction and Development (EBRD): \$50 million for an initial payment to subscribe to the U.S. share of the EBRD general capital increase. The Administration requests authorization to subscribe to shares issued as part of the EBRD general capital increase in the amount of \$439.1 million.

Inter-American Investment Corporation (IIC, also referred to as IDB Invest): \$75 million for an initial subscription to a capital increase for IDB Invest. The Administration also requests

authorization to subscribe to up to 58,942 additional shares issued as part of the IDB Invest capital increase.

International Monetary Fund (IMF) Facilities and Trust Funds

The Budget seeks authorization and appropriations for an increase in the U.S. quota subscription to the International Monetary Fund (IMF) as well as a reduction in the amount of the U.S. commitment under the New Arrangements to Borrow (NAB). The Budget also seeks two authorization requests, both without a request for appropriations: an extension of the existing authorization for U.S. participation in the IMF's NAB, and authorization to lend to two IMF facilities – the Poverty Reduction and Growth Trust (PRGT) and the Resilience and Sustainability Trust (RST).

Quality Infrastructure

Global Infrastructure Facility (GIF): The Budget requests \$5 million for a first-time contribution to the GIF, a World Bank financial intermediary fund that provides funding and technical assistance to design and structure high-quality infrastructure projects that attract and enable MDB and private sector co-financing (i.e., financing alongside MDBs), in line with the Administration's goals under the Partnership for Global Infrastructure and Investment.

Energy and Environment

Clean Technology Fund (CTF): The Budget requests \$150 million for a contribution to the CTF to support developing countries' adoption of clean technologies in energy and transportation. The CTF complements the United States' bilateral efforts to promote a just energy transition and deployment of clean technology in targeted countries. Using \$150 million for subsidy costs would enable a concessional loan to the CTF with an estimated value of \$414.2 million.

Global Environment Facility (GEF): The Budget requests \$150.2 million to cover the third installment of our pledge to the GEF's eighth replenishment (GEF-8). The GEF is a multilateral trust fund that provides mainly grant-based funding to assist developing and transitional countries in addressing global environmental challenges in five focal areas: (1) biodiversity; (2) chemicals and waste; (3) climate change; (4) land degradation (primarily deforestation and desertification); and (5) international waters. The GEF is a global leader in promoting the conservation of terrestrial and marine habitats.

Food Security

International Fund for Agricultural Development (IFAD): The Budget requests \$54 million for the first of three installment payments to support IFAD programming during its thirteenth replenishment period (IFAD-13, covering the period 2025–2027). IFAD is dedicated to alleviating rural poverty, hunger, and malnutrition, and to supporting rural people to increase their incomes, productivity, and resilience.

Technical Assistance – Office of Technical Assistance

The Budget requests \$40 million for Treasury’s Office of Technical Assistance (OTA). Funding will enable OTA to respond to growing demand for technical assistance from EMDCs in key priority areas for the United States. Such areas include supporting our national security agenda by combating terrorist financing and financial crimes, helping countries fund and sustain their own development through improved domestic resource mobilization and debt management, promoting financial stability, and creating the conditions for private sector-led economic growth, including through increased investment in critical infrastructure.

Debt Restructuring and Relief

G20 Common Framework for Debt Treatments beyond the Debt Service Suspension Initiative (the Common Framework), and Paris Club debt restructuring: The Budget requests \$10 million for the United States’ participation in debt restructuring and relief programs through multilateral initiatives including the Paris Club and G20. Since the COVID-19 pandemic, the United States has been participating in a G20 initiative—the Common Framework, which helps low-income countries restructure their debts through a multilateral framework, and where non-Paris Club creditors – including China – must provide comparable treatment. Given the rising debt burdens of many low-income countries, U.S. participation in the Common Framework and the Paris Club is critical, as these programs proactively work toward longer-term sustainability for low-income countries and aim to avoid prolonged and costly debt crises overseas which can have ramifications on the U.S. economy.

The Budget for this section also includes a rescission of \$111 million, obligated in FY 2021, for Sudan. These funds were to allow U.S. participation in debt relief under the Heavily Indebted Poor Country (HIPC) Initiative for Sudan in 2024, but the country’s ongoing civil war has put an indefinite pause on this relief for the near term.

Treasury International Assistance Programs (TIAP)

The Budget requests \$15 million in additional resources to establish a new account that would enable Treasury to meet new and emergent needs that can occur outside of the U.S. budget cycle through international financial institutions (IFIs), financial intermediary funds and trust funds administered by IFIs, and other international organizations, as well as debt restructuring and technical assistance. Requested resources will be used to support global macroeconomic and financial stability and international development, and to advance U.S. strategic priorities and leadership, including countering the influence of malign actors. Funding under TIAP will support Treasury in advancing U.S. leadership in galvanizing action and mobilizing resources from global partners, including key international organizations and stakeholders from both the public and private sector, and providing contingency resources in the event of an urgent call for debt restructuring and increased demand for technical assistance due to unexpected events and economic disruptions.

Summary Tables

Table 1: Treasury International Programs – Summary of Previous Appropriations and FY 2025 Request

<i>In \$ thousands</i>	FY 2023 Enacted	FY 2024 Annualized CR	FY 2025 Request	FY 2024 Annualized CR to FY 2025	
				\$ Change	% Change
Multilateral Development Banks	1,906,315	1,906,315	2,168,215	261,900	13.7%
International Bank for Reconstruction and Development (IBRD)	206,500	206,500	233,322	26,822	13.0%
International Development Association (IDA)	1,430,256	1,430,256	1,430,256	0	0.0%
African Development Bank (AfDB)	54,649	54,649	54,649	0	0.0%
African Development Fund (AfDF)	171,300	171,300	197,000	25,700	15.0%
Asian Development Fund (AsDF)	43,610	43,610	43,610	0	0.0%
Asian Development Bank (AsDB) Programs	0	0	84,378	84,378	-
European Bank for Reconstruction and Development (EBRD)	0	0	50,000	50,000	-
Inter-American Investment Corporation (IIC, or IDB Invest)	0	0	75,000	75,000	-
IMF Facilities and Trust Funds	20,000	20,000	0	-20,000	-100.0%
Quality Infrastructure	0	0	5,000	5,000	-
Global Infrastructure Facility (GIF)	0	0	5,000	5,000	-
Energy and Environment	275,200	275,200	300,200	25,000	9.1%
Clean Technology Fund (CTF)	125,000	125,000	150,000	25,000	20.0%
Global Environment Facility (GEF)	150,200	150,200	150,200	0	0.0%
Food Security	53,000	53,000	54,000	1,000	1.9%
International Fund for Agricultural Development (IFAD)	43,000	43,000	54,000	11,000	25.6%
Global Agriculture and Food Security Program (GAFSP)	10,000	10,000	0	-10,000	-100.0%
Office of Technical Assistance (OTA)	38,000	38,000	40,000	2,000	5.3%
Debt Restructuring	72,000	72,000	-101,000	-173,000	-240.3%
G-20 Common Framework for Debt Treatments, and Paris Club	52,000	52,000	10,000	-42,000	-80.8%
Offsets, rescissions	0	0	-111,000	-111,000	-
Tropical Forest and Coral Reef Conservation Act (TFCCA)	20,000	20,000	0	-20,000	-100.0%
Treasury International Assistance Programs	0	0	15,000	15,000	-
TOTAL	2,364,515	2,364,515	2,481,415	116,900	4.9%

Table 2: Unmet Commitments at International Financial Institutions
FY 2019 – FY 2025
(in \$ thousands)

Institution	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Enacted	FY 2022 Enacted	FY 2023 Enacted	FY 2024 Annualized CR	FY 2025 Projected¹
IDA Pledges	485,264	485,264	426,574	337,318	209,508	209,508	160,508
IDA MDRI	1,006,855	1,236,345	1,503,865	1,801,195	2,115,145	2,438,695	2,765,115
AfDF Pledges	154,191	154,191	154,191	114,191	114,191	139,893	87,193
AfDF MDRI	157,904	172,014	196,711	225,879	262,343	292,963	323,853
AsDF²	283,943	283,904	283,904	274,191	202,692	202,692	253,546
GEF	131,951	110,843	102,391	88,006	88,006	88,006	69,506
IFAD	3,833	3,833	3,833	3,833	3,833	3,833	0
MIF/ IDB Lab	25,710	25,710	25,710	25,710	25,710	25,710	25,710
MIGA	6,867	6,867	6,867	6,867	6,867	6,867	6,867
TOTAL	2,256,517	2,478,970	2,704,045	2,877,189	3,028,295	3,408,167	3,692,299
Total MDRI³	1,164,759	1,408,359	1,700,576	2,027,074	2,377,488	2,731,658	3,088,968
Total ex-MDRI	1,091,758	1,070,611	1,003,469	850,115	650,807	676,509	603,330

¹ This column lists the projected levels of unmet commitments if the FY 2024 and FY 2025 President's Budget requests are enacted.

² Due to the delay in securing authorization to subscribe to AsDF-13, Treasury submitted a modified encashment schedule to AsDB in March 2023 with a backloaded payment structure. As a result, unmet AsDF commitments in "FY 2023 Enacted," "FY 2024 Annualized CR," and "FY 2024 Projected" appear substantially lower than projections in previous Congressional Budget Justifications. The variations are a technical issue that have no bearing on the overall U.S. pledge to AsDF-13, which remains \$174.44 million, or Treasury's intent to fulfill that pledge.

³ Unmet Multilateral Debt Relief Initiative (MDRI) commitments to IDA and AfDF will continue to increase unless Congress appropriates resources to cover amounts that come due annually.

