

Chair's Statement: Fifty-First Meeting of the IMFC - Mr. Mohammed Aljadaan, Minister for Finance of Saudi Arabia

April 25, 2025



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In the context of the Fifty-First Meeting of the IMFC that took place in Washington, D.C. on 24th and 25th April, IMFC members welcomed the ongoing efforts to end wars and conflicts, recognizing that peace is essential to restoring stability and fostering sustainable growth. IMFC members underscored that all states must act in a manner consistent with the Purposes and Principles of the UN Charter in its entirety. They acknowledged, however, that the IMFC is not a forum to resolve geopolitical and security issues which are discussed in other fora.

The world economy is at a pivotal juncture. Following several years of rising concerns over trade, trade tensions have abruptly soared, fueling elevated uncertainty, market volatility, and risks to growth and financial stability. Near-term growth is projected to slow and intensifying downside risks dominate the outlook. We will step up our efforts to strengthen economic resilience and build a more prosperous future. We underline the critical role of the IMF in helping us navigate this challenging environment, as a trusted advisor and champion of strong policy frameworks. We thank our Deputies for discussing the medium-term direction of the IMF during their [meeting in Diriyah, Kingdom of Saudi Arabia on April 6-7, 2025](https://www.imfconnect.org/content/imf/en/pub/IMFC_Deputies_Spring2025_Public.html) (https://www.imfconnect.org/content/imf/en/pub/IMFC_Deputies_Spring2025_Public.html), and we agree on the annexed Diriyah Declaration.

1. The world economy is at a pivotal juncture. Following several years of rising concerns over trade, trade tensions have abruptly soared, fueling elevated uncertainty, market volatility, and risks to growth and financial stability. Near-term growth is projected to slow, while disinflation is expected to continue but at a slower pace. Intensifying downside risks dominate the outlook, in an already challenging context of weak growth and high public debt. Wars and conflicts impose a heavy humanitarian and economic toll. Transformative forces, such as

digitalization/artificial intelligence, demographic shifts, and climate transitions are creating opportunities, but also challenges.

2. We will step up our efforts to strengthen economic resilience and break from the low-growth, high-debt path, while harnessing transformative forces, to build a more prosperous future. Comprehensive and well calibrated, well sequenced, and well communicated reforms and policy actions are needed to boost private sector-led growth, productivity, and job creation. We will pursue sound macroeconomic policies and advance structural reforms to improve the business environment, streamline excessive regulation, fight corruption, and mobilize innovation and technology adoption. We will deepen our pivot toward growth-friendly fiscal adjustments to ensure debt sustainability and rebuild buffers where needed. Fiscal adjustments should be mindful of distributional impacts and underpinned by a credible medium-term consolidation plan, while strengthening the efficiency of public spending, protecting the vulnerable, and supporting growth-enhancing public and private investments, taking into account country circumstances. Central banks remain strongly committed to maintaining price stability, in line with their respective mandates, and will continue to adjust their policies in a data dependent and well-communicated manner. We will continue to closely monitor and, as necessary, tackle financial vulnerabilities and risks to financial stability, while harnessing the benefits of innovation. We will work together to improve the resilience of the world economy and build prosperity and ensure the stability and effective functioning of the international monetary system. We will also work together to address excessive global imbalances, support an open, fair and rules-based international economic order, and reinforce supply chain resilience. We reaffirm our April 2021 exchange rate commitments.
3. We will continue to support countries as they undertake reforms and address debt vulnerabilities and debt service challenges. We acknowledge the specific challenges faced by low-income and vulnerable countries, including fragile and conflict-affected states (FCS) and small developing states (SDS), which are further compounded by recent decrease in official development assistance. We underline the importance of the Poverty Reduction and Growth Trust. We welcome the progress made on debt treatments under the G20 Common Framework (CF) and beyond. We remain committed to addressing global debt vulnerabilities in an effective, comprehensive, and systematic manner, including further stepping up the CF's implementation in a predictable, timely, orderly, and coordinated manner, and enhancing debt transparency. We look forward to further work at the Global Sovereign Debt Roundtable on ways to address debt vulnerabilities and restructuring challenges. We encourage the IMF and the World Bank to help advance the implementation of the 3-pillar approach to address debt service pressures in countries with sustainable debt, including through supporting them to implement growth-enhancing reforms, mobilize domestic resources, and attract private capital. We look forward to the review of the Low-Income Country Debt Sustainability Framework (LIC-DSF).
4. We welcome the Managing Director's Global Policy Agenda.
5. We support further sharpening the focus of surveillance based on analytical rigor, evenhandedness, and tailored policy advice. We welcome a strong focus on helping countries strengthen their economic resilience and achieve macroeconomic and financial stability and sustainable growth by increasing productivity, addressing macro-critical risks, reducing excessive imbalances, achieving debt sustainability, and mitigating disruptive capital flows and exchange rate volatility. We look forward to the Comprehensive Surveillance Review that will set future surveillance priorities and modalities; and the Review of Financial Sector Assessment Programs to keep financial surveillance in step with evolving financial stability risks.
6. We look forward to the Review of Program Design and Conditionality to strengthen further the effectiveness of IMF-supported programs and to the Review of the Short-Term Liquidity Line. We also look forward to the assessment of the Global Financial Safety Net, including the role of Regional Financing Arrangements (RFAs), and its ability to safeguard global financial stability.
7. We support efforts to further strengthen capacity development and to ensure the sustainability of financing. We welcome the IMF's ongoing work with the World Bank on the Joint Domestic Resource Mobilization Initiative. We welcome a more flexible and tailored delivery, better integrated with policy advice and program design, as set out in the 2024 Capacity Development Strategy Review.
8. We reaffirm our commitment to a strong, quota-based, and adequately resourced IMF at the center of the GFSN. We have advanced the domestic approvals for our consent to the quota increase under the 16th General Review of Quotas and we look forward to the finalization of this process as soon as possible. We recognize that realignment in quota shares should aim at better reflecting members' relative positions in the world economy,

while protecting the voice of the poorest members. We acknowledge, however, that building consensus among members on quota and governance reforms will require progress in stages. In this regard, we agree on the annexed Diriyah Declaration on the way forward.

9. We underline the critical role of the IMF in helping us navigate the current challenging environment, as a trusted advisor and champion of strong policy frameworks. We reaffirm our commitment to the institution and look forward to discussing further ways to ensure the Fund remains agile and focused, working in collaboration with partners and other IFIs. We reiterate our appreciation for staff's high-quality work and dedication to support the membership and continue to encourage further efforts to improve regional and women's representation within staff positions, and women's representation at the Executive Board and in Board leadership positions.
10. Our next meeting is expected to be held in October 2025.

Annexed Diriyah Declaration

Recalling the October 2024 IMFC Chair's Statement, which stated: *"We reiterate our strong commitment to the Fund on its 80th anniversary and look forward to further discussing at our next meeting ways to ensure the Fund remains well-equipped to meet future challenges, in line with its mandate, and in collaboration with partners and other IFIs. We ask our Deputies to prepare for this discussion."*; and

Drawing on the work advanced by our Deputies, who met in the historic town of Diriyah in the Kingdom of Saudi Arabia on April 6-7, 2025, to prepare for this discussion;

We thank our Deputies and agree on the following Diriyah Declaration on the way forward with regard to IMFC processes and IMF quota and governance reforms.

Enhancing IMFC Processes

We agree that the IMFC plays a key role in the IMF's governance structure, offering the IMF Board of Governors trusted advice and providing strategic direction to the work and policies of the Fund through structured, high-level, and consensus-driven policy guidance on all relevant issues.

To enhance its effectiveness as a forum for effective engagement and consensus-building on complex challenges, we agree to further strengthen IMFC processes. To this end, we welcome recent improvements to the format of the Introductory IMFC session and the use of concise, accessible communiqués to effectively convey key IMFC messages to a broader audience. Moreover, we agree that deputy-level meetings focused on strategic rather than routine issues could support the work of IMFC principals.

We appreciate the value of engagement across the international financial architecture, including with Regional Financing Arrangements (RFAs), to enhance cooperation and strengthen the resilience of the international monetary system.

Strengthening IMF Governance

We note that the world economy currently faces significant challenges and agree that the IMF makes a vital contribution to international cooperation, providing a long-established and trusted institution for policy discussions informed by rigorous analysis. We stress that the IMF's mandate to promote macroeconomic and financial stability remains as relevant as ever, and its role to support members in addressing macroeconomic challenges through analysis and policy advice, capacity development, and financing where relevant, is key. We agree on the need to ensure that the institution remains strong, quota-based, adequately resourced, and efficiently managed to fulfil its mandate at the center of the global financial safety net.

We agree that a strong, inclusive, and representative governance framework is fundamental to maintaining the Fund's credibility and legitimacy among its diverse membership. Strengthening IMF governance will support its continued ability to effectively promote consensus among the membership in addressing global challenges. These efforts are also essential to fostering multilateralism and international cooperation.

Given the strategic importance of governance reforms, we recognize that progress toward consensus should be made in stages. In this context, we agree to develop as a first step a set of general principles to guide future discussions and help foster convergence of views. Work on these principles should be completed in a timely manner to help ensure the efficient progression of future General Reviews of Quotas (GRQs), including under the 17th GRQ. Establishing these guiding principles would help ensure that governance changes are gradual, widely acceptable, and reflective of the interests of the entire membership, as well as maintain the Fund's financial soundness.

The Way Forward

We agree that implementation of the 16th GRQ remains a priority. We recognize that realignment in quota shares should aim at better reflecting members' relative positions in the world economy, while protecting the voice of the poorest members. To build consensus on future governance reforms, including under the 17th GRQ, we call on the Executive Board to develop, by the 2026 Spring Meetings, a set of principles to guide future discussions on IMF quotas and governance, drawing from the deliberations by IMFC Deputies during their meeting in Diriyah, Kingdom of Saudi Arabia on April 6-7, 2025. We look forward to a discussion of the status of advancement of this work at our next meeting. We ask our Deputies to prepare for this discussion.

INTERNATIONAL MONETARY AND FINANCIAL COMMITTEE

ATTENDANCE

Chair

Mohammed Aljadaan, Minister of Finance, Saudi Arabia

Managing Director

Kristalina Georgieva

Members or Alternates

Ayman Alsayari, Governor of the Saudi Central Bank, Saudi Arabia (Alternate for Mohammed Aljadaan, Minister of Finance, Saudi Arabia)

Mohammed bin Hadi Al Hussaini, Minister of State for Financial Affairs, United Arab Emirates

Edgar Amador Zamora, Minister of Finance and Public Credit, Mexico

Scott Bessent, Secretary of the Treasury, United States

Edouard Normand Bigendako, Governor, Bank of the Republic of Burundi

Luis Caputo, Minister of Economy, Argentina

Tiff Macklem, Governor of the Bank of Canada (Alternate for Francois-Philippe Champagne, Minister of Finance, Canada)

Sang Mok Choi, Deputy Prime Minister and Minister of Economy and Finance, Republic of Korea

Giancarlo Giorgetti, Minister of Economy and Finance, Italy

Gabriel Galipolo, Governor, Central Bank of Brazil (Alternate for Fernando Haddad, Minister of Finance, Brazil)

Jan Jambon, Deputy Prime Minister and Minister of Finance, Pensions, National Lottery and Federal Culture Institutions, Belgium

Katsunobu Kato, Minister of Finance, Japan

Daniela Stoffel, State Secretary for International Finance, Federal Department of Finance, Switzerland (Alternate for Karin Keller-Sutter, Minister of Finance, Switzerland)

Lesetja Kganyago, Governor, South African Reserve Bank, South Africa

Jörg Kukies, Federal Minister of the Ministry of Finance, Germany

François Villeroy de Galhau, Governor of the Bank of France (Alternate for Eric Lombard, Minister for the Economy, Finance and Industrial and Digital Sovereignty, France)

Adebayo Olawale Edun, Minister of Finance and the Coordinating Minister of the Economy, Nigeria

Gongsheng Pan, Governor of the People's Bank of China

Rachel Reeves, Chancellor of the Exchequer, H.M. Treasury, United Kingdom

Pavel Snisorenko, Director, Department of International Financial Relations (Alternate for Anton Siluanov, Minister of Finance, Russian Federation)

Sanjay Malhotra, Governor, Reserve Bank of India (Alternate for Nirmala Sitharaman, Minister of Finance, India)

Mehmet Simsek, Minister of Treasury and Finance, Republic of Türkiye

Salah-Eddine Taleb, Governor, Bank of Algeria

Perry Warjiyo, Governor, Bank of Indonesia

Ida Wolden Bache, Governor, Bank of Norway

Observers

Agustín Carstens, General Manager, Bank for International Settlements (BIS)

Elisabeth Svantesson, Chair, Development Committee (DC) and Minister for Finance, Sweden

Christine Lagarde, President, European Central Bank (ECB)

Valdis Dombrovskis, Commissioner for Economy and Productivity, European Commission (EC)

Klaas Knot, Chair, Financial Stability Board (FSB) and President of De Nederlandsche Bank

Celeste Drake, Deputy Director-General, International Labour Organization (ILO)

Mathias Cormann, Secretary-General, Organisation for Economic Co-operation and Development (OECD)

Mohannad Alsuwaidan, Economic Analyst, Petroleum Studies Department, Organization of the Petroleum Exporting Countries (OPEC)

Achim Steiner, UNDP Administrator, United Nations (UN)

Rebeca Grynspan, Secretary-General, United Nations Conference on Trade and Development (UNCTAD)

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