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fighting corruption, promoting democracy

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IMF Launches New Anticorruption Fund; Watchdogs Urge Stronger and Sustained Engagement on Governance

The IMF continues to signal their commitment to addressing corruption and governance vulnerabilities in engagement with member countries, while experts and stakeholders call on the Fund to ensure pledges are translated into practice

A statement from Transparency International U.S.
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Last week, the International Monetary Fund (IMF) and World Bank met for their 2026 Annual Meetings in Bangkok, Thailand. The convening occurred amidst a landscape of rising debt levels, with global economic shocks over the past year leaving a growing number of economies in or at high risk of debt distress.

The economic performance of a country is intrinsically linked with the transparency and accountability of its governance and institutions, and since 2018, the Fund has taken steps to address governance and corruption concerns when deemed "macrocritical" to a country's economic success. During this year's Annual Meetings, the IMF announced the launch of the new Anti-Money Laundering and Anti-Corruption Thematic Fund (AMLAC) to support reform efforts of member countries as part of its capacity development program. AMLAC is unique from the IMF's previous Anti-Money Laundering/Combating the Financing of Terrorism Thematic Fund in that it now integrates anticorruption as a key area of focus.

Annalise Burkhart, U.S. Global Programs Lead for Transparency International U.S., issued the following statement:

> The IMF has made demonstrable progress in elevating anticorruption and governance across its operations, but the Fund must ensure that its engagement is sustained rather than episodic—a criticism noted in a townhall meeting with Managing Director Kristalina Georgieva.
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> As the IMF negotiates future programs with countries such as Lebanon and Kenya, it must prioritize country-tailored financial transparency and accountable governance requirements to guarantee the proper use of borrowed funds. In countries with

active financing agreements such as Pakistan and Sri Lanka, the Fund must also track and hold governments accountable to full implementation of committed reforms.

During the Annual Meetings, IMF representatives repeatedly cited their engagement with the Sri Lankan government in the country's implementation of a suite of governance reforms as a success. But in the country, experts are sounding the alarm over the radical increase in law enforcement authorities' power in the name of fighting organized crime. This is in addition to the proposed new law that will have a crippling effect on civic activity and the ability of watchdog organizations to exercise accountability. It is important that the right balance is maintained between fighting organized crime and safeguarding civic freedoms.

The IMF recognizes the effects of illicit financial flows, weak governance, and opaque financial managements on institutions and markets, and it continues to signal its commitment to assisting governments in adopting relevant reforms with meaningful consultation from outside stakeholders. But the IMF must ensure that its pledges are translated into practice—for AMLAC to succeed, the Fund must ensure that country commitments are effectively implemented and enforced.