

Surcharging democracy: How IMF fees deepen debt and fuel authoritarianism



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Cover image: Mural ‘El Látigo’ (‘the Whip’) by Simón Salamida, visual artist, and Juan Pablo Bohoslavsky, researcher at the National Scientific and Technical Research Council (CONICET) and the National University of Río Negro.

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Executive summary

Surcharges are not fit-for-purpose, they fail to dissuade countries from large and prolonged borrowing. Since 2009, twenty-one countries have paid surcharges, and by mid-2026 twelve continued to do so. They are bad economics: their design is procyclical, regressive for borrowers, financially unnecessary for an institution that faces no real risk of default, and in tension with the IMF's own Articles of Agreement. These cannot be understood in isolation from the overall functioning of the international financial architecture, which currently contributes to multiple drivers of injustice and fails to comply with human rights standards. Surcharges have not proved effective on their own terms, given that countries paying them remain dependent on the IMF, reinforcing its capacity to push for more creditor-centered solutions. Surcharges exacerbate the structural tensions between debt and human rights.

This report examines what that extra burden means for human rights and democracy. It argues that surcharges cannot be separated from a wider financial architecture that gives creditors disproportionate influence over borrowers' economic policy. The report points out that surcharges facilitate and intensify a trend against a backdrop of widespread international backsliding in democracy. Authoritarianism comes in diverse forms, including the undermining of civil and political rights that sustain democracies. The report analyzes evidence for all the countries that are paying surcharges and focuses in particular on five of those most affected, Argentina, Ecuador, Egypt, Jordan and Pakistan.

Surcharges add cost to countries already under severe fiscal pressure, which narrows the space to fund health, education and social protection. The amount paid in 2026 could have been used to cover social investment to fulfill human rights, such as the full vaccination of approximately 23 million children under 24 months of age. These cuts in public spending harms human rights. The report also finds that surcharges continue to be paid even when catastrophe strikes. Countries kept paying through war, severe drought and devastating floods. Despite their negative impact, surcharges are not suspended.

High indebtedness with the IMF adds pressure to apply austerity policies that frequently unleash deep social unrest. The evidence reviewed shows a recurring pattern: austerity measures tied to specific IMF-backed reforms, such as fuel subsidy removal or tax increases, are followed by protest. Several governments have responded with force, detention, emergency powers or restrictions on the press. Examples include the use of states of exception in Ecuador, the repression of pension protests in Argentina, the cybercrime law in Jordan, and the military trial of civilians in Egypt.

Transparency and participation are also affected. In some cases, IMF agreements were signed without the legislative approval that domestic law requires, and civil society had little or no say in their design. Because the IMF presses for these policies through its reviews and conditions, economic choices that deeply affect people's rights are moved out of democratic debate and treated as technical obligations to an external creditor.

This dynamic does not occur in isolation. It takes place amid a global decline in democracy that independent monitors have documented, and the five countries studied here (Argentina, Ecuador, Egypt, Jordan and Pakistan) show deterioration in civil and political rights on several of these indicators. The evidence does not allow the effect of surcharges to be separated from that of the IMF programs as a whole, but it supports the claim that surcharges reinforce the conditions in which democratic space shrinks. They are fuel added to the fire of a larger problem, the incapability to fulfill human rights.

In 2022 an international campaign raised awareness on the problem of surcharges. In reaction, IMF conducted a limited reform in 2024 that rose the thresholds and reduced fees, but left them in place. The report concludes that surcharges should be eliminated,

THE FIVE CASES AT A GLANCE: SURCHARGES, AUSTERITY, UNREST AND COERCION

	Argentina	Ecuador	Egypt	Jordan	Pakistan
Paying surcharges since	2018	2020	2018	2014	2009
Keeps paying until	2031	2031	2027	2029	2028
Total paid to date (US\$ million)¹	≈ 6,852	≈ 733	≈ 1,735	≈ 150	≈ 579
Weight of surcharges in total charges paid	42%	32%	35%	25%	20%
Paid despite catastrophe	Drought, worst in six decades (2023)	- Floods and landslides, Quito (2022) - Landslide, Alausí (2023)	Floods (2020)	Floods (2018, 2022, 2025)	Floods (2022, 2025)
Credit-to-quota ratio	1,335%	1,020%	327%	469%	386%
Human rights affected by austerity	- HIV/STI/TB budget -76% (2024) - Education and science budget -25% - Pensioners' real income -29%	- Health spending -64% (2017-19) - Public wage-bill and pension cuts - Compensation reached only 30% of poorest decile	- Health and education spending below constitutional minimums - Public-employment cuts (Law 18/2015) - Erosion of social transfers amid inflation	- Bread and fuel subsidies removed - VAT and income-tax increases - Social-assistance spending fell (2011-17)	- Petrol prices +80% (2018-21) - Cuts to maternal health and girls' education - Regressive tax shift (direct taxes 38.7% → 32.1%)
Amount paid on surcharges could have financed²	- Full vaccination of 94 million children - Cash transfers to 5.7 million households 20% of education and 15% of health budgets	- Full vaccination of 10 million children - Cash transfers to 611,000 households 16% of education and 13% of health budgets	- Full vaccination of 24 million children - Cash transfers to 1.45 million households 27% of education and 35% of health budgets	- Full vaccination of 2.1 million children - Cash transfers to 125,000 households 8.3% of education and 13.2% of health budgets	- Full vaccination of 7.9 million children - Cash transfers to 482,000 households 17.6% of combined education and health budgets
Caused social unrest	- Weekly pensioners' protests (2023-26) - Protests by people with disabilities, teachers, scientists and health workers - General strikes against labor reform	- National strike over fuel subsidies (2019) - CONAIE national strike (2022) - National strike against austerity (2025)	- Bread and food riots against first SBA (2012) - Protests against austerity and fare rises (2018-19) - Cost-of-living protests (2024-25)	- General strike; prime minister resigned (2018) - Teachers' strike (2019)	- No mass protest tied to an IMF program documented - Business association (PIAF) denounced surcharges (2025)
Government becoming more coercive	- Dec. 2023 resolution authorizing force against road blockades (1,500+ people affected) - Repression of pensioner protests (149 detained, 501 injured in 2025) - Restrictions on press freedom	- Military powers to use force in protests (2019, 11 dead) - States of exception since 2024 2025 strike: 3 dead, 172 detained, 15 missing - Attacks on the press (22+ incidents)	- Law restricting protests; 2019 constitutional reform - NGO Law 149/2019 used to ban defenders - Military courts over civilians (2024) - Arbitrary detention, disappearances, torture of critics	2023 Cybercrime Law: 43+ people prosecuted for online speech - Extensive administrative detention - Arrests of activists intensified (2019); press censorship	- Arrests and long sentences of PTI leaders; Imran Khan disqualified (2024) - Violence against Ahmadis - Vague, overbroad laws used against critics
Rule of law – CIVICUS Monitor (downgrade)	Narrowed → Obstructed (2025)	- Narrowed → Obstructed (2020) - On CIVICUS Watchlist (March 2026)	No downgrade: "Closed" (lowest rating) since at least 2018	No downgrade recorded; rated "Repressed"	No downgrade recorded; rated "Repressed"

Source: own elaboration based on the country factsheets of this report. ¹ Converted from SDR at 1 SDR

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1. Introduction

Surcharges paid to IMF loans increase costs for borrowing countries. But they cannot be understood in isolation from the overall functioning of the international financial architecture, which currently contributes to multiple drivers of injustice and fails to comply with human rights standards. Surcharges have not proved effective on their own terms, given that countries paying them continue to depend on the IMF, reinforcing its capacity to push for more creditor-centered solutions. *Surcharges exacerbate the structural tensions between debt and human rights.* In this sense, they can further reduce fiscal space, contributing to deepening social spending cuts which in turn harms human rights. The lack of transparency and accountability for this specific modality, along with increased austerity measures and cuts in social spending, resulting social unrest and repressive responses can all be reinforced by surcharges as they raise the overall cost of debt with the IMF, thus feeding a vicious cycle that gives more influence to the institution over the country's policies-. This may undermine democracy and foster authoritarian trends in political regimes. Surcharges reinforce fiscal consolidation reforms that contribute to a decline in democratic space and the realization of human rights.

This report examines the relationship between the surcharges imposed by the International Monetary Fund (IMF) on a subset of member countries and the trends towards democratic regression and deterioration in human rights outcomes observed in those same countries. Surcharges cannot be understood in isolation from the overall functioning of the international financial architecture, which contributes to multiple drivers of injustice and fails to comply with current human rights standards. Partial progress in this area –such as the Principles on Promoting Responsible Sovereign Lending and Borrowing,¹ the Basic Principles on Sovereign Debt Restructuring Processes² and the Guiding Principles on Foreign Debt and Human Rights³ – has not been firmly incorporated by creditors, in particular by the IMF, which works as lender of last resort. Surcharges exacerbate the structural tensions between debt and human rights.

The argument here is not that paying surcharges directly causes an increase in authoritarian trends in borrowing countries. Rather, it argues that surcharges facilitate and intensify this trend against a backdrop of widespread international backsliding in democracy. The connection can be presented in four dimensions. First, surcharges add an extra financial cost to the total burden borne by these countries, further squeezing the fiscal space available to fund economic, social and cultural rights (ESCR), which itself constitutes a deterioration in the quality of democracy. Second, fiscal constraints and austerity policies tend to undermine human rights, which often cause social unrest, leading to protests, strikes and various forms of social turmoil. Third, in reaction to the discontent arising from this situation, anti-rights movements tend to foster the politics of grievance, ultimately violating civil and political rights when states respond with coercive actions. The IMF does not consider these aspects as critical. Fourth, in countries paying surcharges due to their high indebtedness to the IMF, the Fund has particular leverage through its conditionalities. It holds particular influence in these countries, which is why its actions – such as endorsing fiscal adjustments and repressive policies – are especially harmful to human rights.

¹ UNCTAD, “Principles on Promoting Responsible Sovereign Lending and Borrowing” (2012), accessed September 30, 2026, https://unctad.org/system/files/official-document/gdsddf2012misc1_en.pdf

² United Nations General Assembly, “Basic Principles on Sovereign Debt Restructuring Processes,” Resolution A/RES/69/319 (2015), accessed October 4, 2026, <https://digitallibrary.un.org/record/804641?ln=es&v=pdf>.

³ Office of the United Nations High Commissioner for Human Rights (OHCHR), “Guiding Principles on Foreign Debt and Human Rights,” accessed October 6, 2026, <https://www.ohchr.org/en/documents/reports/ahrc2023-guiding-principles-foreign-debt-and-human-rights>.

This report is organized as follows. The next section explains what surcharges are, how they are calculated, and presents the main data on countries paying them. The following section reviews the main objections raised against this mechanism by civil society, academics and, more recently, UN human rights bodies, together with the limited reform the IMF adopted at the end of 2024. The report then turns to its central argument, situating surcharges within the broader global trend of backsliding in democracy and outlining four interrelated dimensions through which they facilitate and intensify authoritarian tendencies in debtor countries: fiscal constraint, social unrest, politics of grievance, coercive government responses, and reduced transparency and participation. This section includes an exploratory quantitative exercise illustrating the scale of surcharge payments by comparing them with concrete social investments. The report then justifies the selection of five case-study countries and presents individual factsheets for each — Argentina, Ecuador, Egypt, Jordan and Pakistan — following a common structure covering their debt profile, the sequence of IMF agreements, the fiscal and social impact of conditionality, due process and participation concerns, patterns of protest and repression, the IMF's own position on these effects, and an assessment of rule of law and democracy ratings drawn from multiple independent sources. The report closes with concluding remarks summarizing the main findings.

2. Surcharges: a brief presentation

Created in 1997,⁴ surcharges theoretically aim to reduce credit risk, incentivize countries to pay back loans early, and limit the need for IMF assistance. In other words, *they aim to prevent countries from borrowing too much and remaining indebted to the IMF for too long* (Mohammed, 2003).⁵ They affect middle-income countries in particular, since low-income countries can borrow from other IMF sources – not just the General Resources Account (GRA).⁶

According to the IMF Guide,⁷ all countries borrowing from GRA pay a series of Basic Charges and Commitment Fees. Basic Charges apply to all borrowing of non-concessional GRA resources and consist of a market-determined interest rate plus a margin set by the IMF Executive Board. This margin was 100 basis points from 2012, and was reduced to 60 basis points in the 2024 reform.⁸ Commitment Fees aim to finance the IMF's cost of monitoring arrangements and setting aside resources for potential disbursements. After the reform, the fees are 15 basis points for committed amounts up to 200 percent of the country's quota, 30 basis points for amounts between 200 percent and 600 percent of the country's quota, and 60 basis points for amounts exceeding 600 percent of quota. GRA borrowing also pays for Burden Sharing Charges, which aim to protect the loan against the risk that a country fails to meet its repayment obligations. The IMF splits⁹ this cost by charging a little more to countries that currently owe money and paying a little less in interest to creditor countries. Finally, it charges a service charge of 0.5 percent of the loan.

In addition, the IMF levies surcharges on high and prolonged borrowing of non-concessional GRA resources (except loans through the Poverty Reduction and Growth Trust (PRGT) or the Resilience and Sustainability Trust (RST)). There are two types of surcharges.

⁴ International Monetary Fund (2018), IMF Financial Operations 2018, chapter 5, box 5.2, p. 119. <https://www.elibrary.imf.org/display/book/9781484330876/ch05.xml#ch05bx02>.

⁵ Aziz Ali Mohammed, "Burden Sharing at the IMF," G-24 Discussion Paper No. 24 (Intergovernmental Group of Twenty-Four and UNCTAD, 2003), accessed September 21, 2026, <https://g24.org/wp-content/uploads/2024/06/Burden-Sharing-at-the-IMF.pdf>.

⁶ The IMF's GRA is the primary mechanism for lending ordinary pool funds to member countries. It provides standard financial assistance to help resolve Balance of Payment (BoP) crises. For countries with little access to the international credit market, GRA funds are key to address BoP stress, in contrast to countries with market access, which usually rely more on the latter alternative.

⁷ International Monetary Fund, "Charges and Surcharge Policy: Frequently Asked Questions," accessed October 6, 2026, <https://www.imf.org/en/about/faq/charges-and-surcharge-policy>.

⁸ International Monetary Fund, "IMF Concludes the Review of Charges and Surcharge Policy and Approves Reforms," Press Release No. 24/385, October 21, 2024, accessed September 10, 2026, <https://www.imf.org/en/news/articles/2024/10/21/pr-24385-imf-concludes-the-review-of-charges-and-surcharge-policy-and-approves-reforms>.

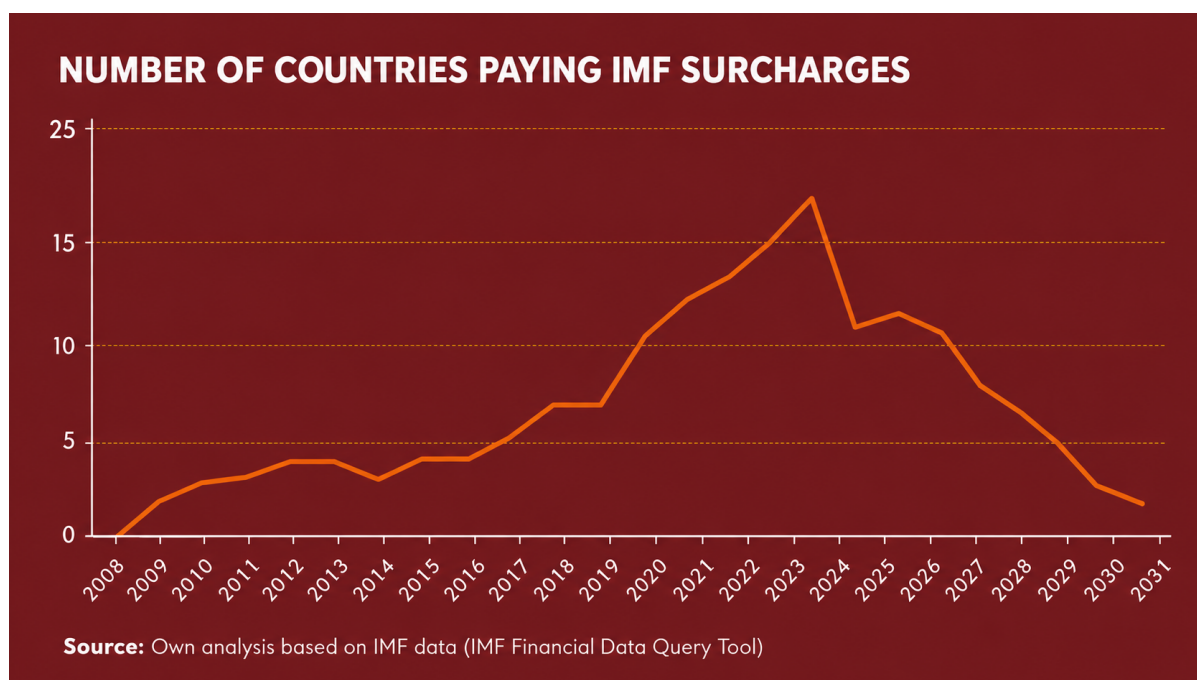
⁹ International Monetary Fund, "Annual Report 2024: Who We Are – Resources," 2024, accessed September 7, 2026, <https://www.imf.org/external/pubs/ft/ar/2024/who-we-are/resources/>.

- *Level-based surcharges* apply to countries borrowing over a fixed threshold, which was 187.5 percent of each country's quota and was raised to 300 percent in the 2024 reform. Arrangements surpassing that threshold are charged with an extra 200 basis points.
- *Time-based surcharges* are applied to the portion of credit exceeding the level-based threshold for more than 36 months (or 51 months in case of borrowing under the Extended Fund Facility). This rate was reduced from 100 basis points to 75 in the 2024 reform.

3. Who pays surcharges?

Since the 2008 crisis, surcharges have affected more and more countries. As the following figure shows, there has been an upward trend since then, which accelerated after 2019. The COVID-19 pandemic has clearly had an impact, as many countries had to turn to different sources of credit to meet growing needs amid a health emergency and an economy in crisis. The IMF participated in a series of initiatives to address the precarious debt situation of lower-income countries (such as the Debt Service Suspension Initiative, DSSI),¹⁰ which rely mainly on concessional sources, but had fewer strategies for countries that, by contrast, draw primarily on GRA sources. This dynamic contributed to a looming debt crisis that created growing problems for developing countries.

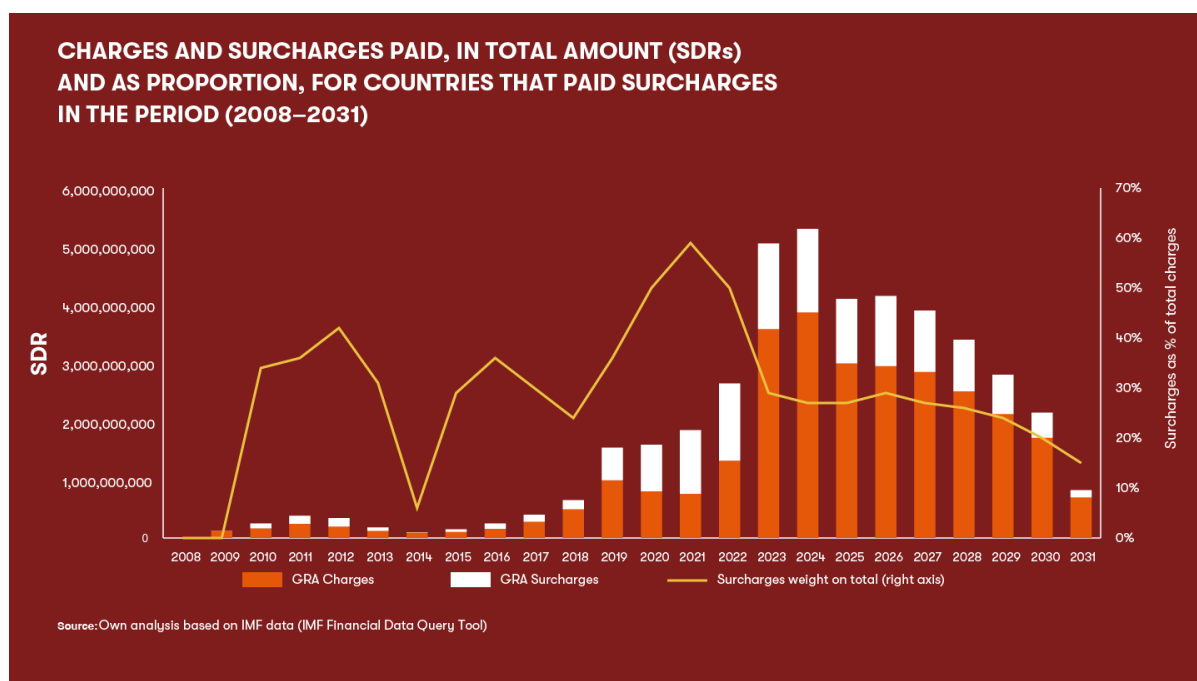
This led to more countries having to pay surcharges, to the extent that by 2024 there were 20 countries in this situation. Under pressure from civil society, the IMF implemented a reform that slightly reduced the surcharge burden by exempting five countries from this cost, which explains the decline in 2025. However, by 2026, another country has already been added to the list. The decline after 2026 is solely a projection based on the current situation, which is not guaranteed, given the trend noted above.



¹⁰ International Monetary Fund, "Sovereign Debt: Frequently Asked Questions," accessed October 6, 2026, <https://www.imf.org/en/about/faq/sovereign-debt>.

The following figure shows the total amount of charges paid to the IMF by the countries that have paid surcharges in the period considered (note that not all of them are paying surcharges in 2026). The same trend is evident: a year-by-year increase that peaked in 2024 at 5,285 million Special Drawing Rights (SDR), equivalent to 6,892 million USD. After a decrease in 2025, the following year (2026) shows a mild rise. Values after that year are IMF projections, which do not match previous trends.

Surcharges made loans significantly more expensive: on average, they accounted for 33 percent of the total amount paid through 2026. In 2021, while countries were still dealing with the pandemic's effects, surcharges accounted for 59 percent of countries' payments to the IMF. In 2023, this proportion fell because GRA charges increased. In 2026, the weight in total payments rose again.



The following table provides a more detailed country-level view. Some rankings highlight the impact of surcharges on specific countries.

- Surcharge payment period: Pakistan & Ukraine have paid (almost) every year in the period considered; Jordan paid in two-thirds of the years considered; Armenia, Tunisia, Argentina & Egypt paid surcharges in half of the years or more. On average, countries that paid surcharges did so for 40 percent of the years in 2009-2026.
- Total surcharges paid: Argentina has paid 5,001 million SDRs; Ukraine 1,523 million; Egypt 1,266 million; Ecuador 535 million; & Pakistan 423 million. Altogether, these top five countries account for 95 percent of total surcharges paid in the period. Argentina alone is responsible for 54 percent of total surcharges. *There is a high concentration of debtor countries paying surcharges.* The top five paying countries have been paying for 67 percent of the period, on average. High surcharge payers do so for long periods.
- As a proportion of total cost: Considering the total amount paid to the IMF for its GRA credits, surcharges represented 42 percent of Argentina's cost; 35 percent for Ukraine; 35 percent for Egypt; 32 percent for Ecuador; 25 percent for Jordan; 21 percent for Tunisia; 20 percent for Pakistan. On average, for countries paying surcharges, this extra cost represents 16 percent of the total charges paid. From

another perspective, it adds an extra 22 percent on average. This *extra cost falls on countries that faced critical balance of payment (BoP) situations*. Countries in great need are charged an extra 22 percent.

- As a proportion of a country's quota: Argentina paid surcharges equivalent to 157 percent of its quota; Ecuador paid 77 percent; Ukraine paid 76 percent; Egypt paid 62 percent.

MAIN FEATURES OF COUNTRIES THAT PAID SURCHARGES DURING THE 2009–2026 PERIOD (AMOUNTS IN SDR)

Country	Total years paying	As proportion of total years	Level-based paid surcharges	Time-based paid surcharges	Total surcharges	Charges paid	Surcharges' weight
Albania	7	39%	7,359,290	1,790,003	9,149,293	56,648,073	14%
Angola	7	39%	138,162,434	4,873,465	143,035,899	593,915,828	19%
Argentina	9	50%	3,850,061,428	1,151,188,719	5,001,250,147	6,953,492,938	42%
Armenia	10	56%	14,264,097	1,131,803	15,395,900	80,479,392	16%
Barbados	6	33%	12,575,027	685,571	13,260,598	60,902,863	18%
Benin	2	11%	1,932,247	0	1,932,247	46,363,126	4%
Costa Rica	5	28%	26,704,134	35,837	26,739,971	201,877,263	12%
Cote d'Ivoire	2	11%	980,622	0	980,622	241,456,280	0%
Ecuador	7	39%	467,815,384	67,255,130	535,070,514	1,112,089,600	32%
Egypt	9	50%	977,979,064	288,658,266	1,266,637,330	2,336,660,619	35%
Gabon	5	28%	22,419,554	1,344,078	23,763,632	121,531,478	16%
Georgia	8	44%	10,568,812	0	10,568,812	118,370,305	8%
Jordan	12	67%	99,452,164	10,098,266	109,550,430	334,267,780	25%
Kenya	1	6%	5,073,468	0	5,073,468	190,990,582	3%
Moldova	2	11%	761,039	0	761,039	79,002,792	1%
Mongolia	6	33%	6,796,764	996,801	7,793,565	41,386,802	16%
Pakistan	17	94%	331,881,034	90,829,576	422,710,610	1,731,814,904	20%
Seychelles	6	33%	3,449,184	101,055	3,550,239	19,455,783	15%
Sri Lanka	5	28%	13,013,450	0	13,013,450	339,655,967	4%
Suriname	3	17%	1,430,360	0	1,430,360	43,476,361	3%
Tunisia	10	56%	62,833,195	20,189,652	83,022,847	308,421,965	21%
Ukraine	18	100%	1,217,374,267	305,449,113	1,522,823,380	2,791,650,387	35%

Source: Own analysis based on IMF data (IMF Financial Data Query Tool)

By mid-2026, 12 countries are paying surcharges to the IMF. These countries are (in alphabetical order) Angola, Argentina, Costa Rica, Côte d'Ivoire, Ecuador, Egypt, Jordan, Pakistan, Seychelles, Sri Lanka, Suriname, and Ukraine. These countries account for 98 percent of the total amount of surcharges paid to the IMF since 2009. The seven countries that have paid the most surcharges to the IMF since 2009 are among them (Argentina, Ukraine, Egypt, Ecuador, Pakistan, Angola and Jordan). If we compare the average number of years that this group paid surcharges prior to 2026 (8.3 years), it exceeds the average for those not paying in 2026 (5.7 years). Only three of them (Côte d'Ivoire, Sri Lanka & Suriname) are "recent" surcharge payers (since 2024); of the rest, Angola, Ecuador and Seychelles started to pay during the COVID-19 pandemic, while Jordan (since 2014), Argentina and Egypt (since 2018), and Pakistan and Ukraine (since 2009) started even earlier. In other words, the countries with the longest history of paying surcharges – in terms of both volume and duration of payments – will still be affected by this payment in 2026. It appears to be a hard-to-escape trap.

COUNTRIES PAYING SURCHARGES IN 2026, POSITION AND PROJECTIONS (AMOUNTS IN SDR)

Country	Paying until	Years left to pay	Level-based surcharges	Time-based surcharges	Total surcharges	Charges	Surcharges' weight	Total GRA credit outstanding	Quota	Credit/quota
Angola	2026	1	633,029	237,385	870,414	193,364,496	0%	2,259,116,679	740,100,000	305%
Argentina	2031	6	2,378,812,372	892,054,646	3,270,867,018	5,684,113,649	37%	42,552,000,000	3,187,300,000	1335%
Costa Rica	2027	2	1,834,629	552,090	2,386,719	152,386,311	2%	1,220,295,000	369,400,000	330%
Cote d'Ivoire	2027	2	268,230	0	268,230	284,109,986	0%	1,980,235,844	650,400,000	304%
Ecuador	2031	6	287,713,338	107,892,507	395,605,845	847,028,241	32%	7,118,100,012	697,700,000	1020%
Egypt	2027	2	5,489,517	0	5,489,517	745,925,436	1%	6,661,634,192	2,037,100,000	327%
Jordan	2029	4	22,196,871	8,323,828	30,520,699	200,478,896	13%	1,610,571,086	343,100,000	469%
Pakistan	2028	3	35,939,187	13,477,193	49,416,380	870,839,088	5%	7,840,750,008	2,031,000,000	386%
Seychelles	2029	4	1,040,705	390,263	1,430,968	12,412,645	10%	100,182,500	22,900,000	437%
Sri Lanka	2029	4	16,666,136	855	16,666,991	307,145,353	5%	2,200,541,180	578,800,000	380%
Suriname	2028	3	1,256,435	0	1,256,435	60,313,827	2%	427,416,667	128,900,000	332%
Ukraine	2030	5	215,451,139	80,794,178	296,245,317	1,385,608,218	18%	10,562,265,007	2,011,800,000	525%

Note: Projections tend to underestimate surcharges (CEPR)

Angola is expected to finish paying its surcharges in 2026, while Costa Rica, Côte d'Ivoire and Egypt are expected to do so in 2027. At the other end of the scale are Argentina and Ecuador, which will continue to pay at least until 2031 (the maximum period reported), while Ukraine is expected to do so until 2030.

The IMF expects to raise 4,071 million SDRs over the next five years from these surcharges, a 38 percent increase in revenue compared with the usual charges to these countries. The majority (73 percent) of these funds come from level-based surcharges, which is logical given that all the countries mentioned have outstanding loans exceeding their quotas by 300 percent. On average, these countries owe the equivalent of 513 percent of their quota, with extreme cases such as Argentina (1,335 percent) and Ecuador (1,020 percent). Not all countries pay time-based surcharges: Côte d'Ivoire, Egypt and Suriname do not. Thanks to the 2024 reform, which increased the level threshold, Barbados, Benin, Gabon, Kenya & Moldova are not paying surcharges.

Surcharges represent a high cost for these countries. For Argentina, they account for 37 percent of the total cost of repayments to the IMF in the coming years; for Ecuador, 32 percent; and for Ukraine, 18 percent. On average, surcharges increase financing costs by 14 percent for these 12 countries. All of these countries are actually under Extended Fund Facility (EFF) credits. Pakistan and Ukraine also have a Stand-By Agreement (SBA); the latter and Sri Lanka also have a Rapid Financing Instrument currently active.

Notably, 36 countries currently have outstanding loans from the IMF's GRA, 33 of which have an EFF loan. Thus, one third (12) of the countries with loans from the GRA (36) are currently paying surcharges. In other words, countries that draw on GRA non-concessional credits are highly likely to pay surcharges. Countries that do not pay surcharges have outstanding credits amounting to, on average, 116 percent of their quotas (compared to 513 percent for those paying surcharges). Of the 33 countries with an EFF, eight combine it with another credit from the same source. Of these eight, 3 that combine more than one GRA credit pay surcharges, suggesting that the probability of paying this extra cost increases slightly when sources are combined (from 33 percent to 37.5 percent).

In sum, a short list of countries is deeply affected by surcharges. The IMF applies this extra cost to a significant proportion of middle-income countries that seek its assistance (1/3), and when it does, the impact on the total amount paid is substantial (a 22 percent increase). The countries that pay the most have been doing so for a long time, and do not appear to have any reasonable prospects of ceasing to pay in the foreseeable future. Thus, these surcharges appear to be a penalty for experiencing severe balance-of-payments crises – a trap from which it is not easy to escape.

4. Criticism of surcharges

Countries borrow from the IMF when they face a BoP crisis and cannot secure credit through other channels. The IMF acts as a lender of last resort. However, because these countries have a certain level of development, the IMF does not grant them concessional credit; instead, it charges interest, assuming they can return to the credit market as soon as possible. In this respect, it may even seem counterintuitive that it penalizes them for seeking assistance. “Surcharges are a system of fees on loans from this institution which place an unfair burden on vulnerable countries that are in need of financial support” (Eurodad, 2026).¹¹

IMF loans therefore become a major burden for these countries, given the organization’s status as a preferred creditor. In this regard, it has been pointed out¹² that the IMF’s excessive weight as a creditor may even obstruct a return to the market, due to its priority for repayment in the event of debt restructuring. Highly-indebted countries are penalized but cannot escape the trap. This appears to contradict Article I of the IMF’s Articles of Agreement, which requires the IMF to avoid measures “destructive of national or international prosperity” (BIC).¹³ Surcharges undermine the IMF’s role as steward of financial stability (BU,¹⁴ T20¹⁵).

Growing criticism¹⁶ has pointed out that surcharges do not work for many reasons.

- They are *not effective in limiting access to IMF credit*, since countries paying continue to depend on IMF loans;
- They *inequitably distribute the IMF’s operating costs*, since they charge more to countries that are already paying for those costs. Countries that need more time or resources when facing a balance of payment (BoP) crisis have to contribute more to the IMF’s balance sheet;
- They are *disproportionate*, since over-indebted middle-income countries contributed more to the IMF’s income used to address the pandemic-related needs of poorer countries — in both relative and absolute terms — than rich countries did;
- They are *pro-cyclical*, since the payment of surcharges means the loss of funds available to deal with crisis, thus aggravating the vulnerability of countries that required help because they were in crisis;¹⁷
- They are *especially costly for developing countries in crisis*, as they reduce fiscal space and undermine the right to development, among other rights;¹⁸
- They are *non-transparent*, as many countries are not aware of paying them;
- They are counterproductive because they erode fiscal space and (often scarce) foreign exchange resources, thus deepening public finance and BoP stress;

¹¹ European Network on Debt and Development (Eurodad), “A Guide to IMF Surcharges,” accessed October 6, 2026, https://www.eurodad.org/a_guide_to_imf_surcharges.

¹² Ámbito, “Deuda y la estrategia de Luis Caputo: la mayor exposición a organismos puede sumar 200 puntos al riesgo país,” accessed October 6, 2026, <https://www.ambito.com/finanzas/deuda-y-la-estrategia-luis-caputo-la-mayor-exposicion-organismos-puede-sumar-200-puntos-al-riesgo-pais-n6268657>.

¹³ Bank Information Center, “IMF Surcharges Briefer,” February 2026, accessed September 18, 2026, https://bankinformationcenter.org/wp-content/uploads/2026/02/eab5f303-d084-4d10-8780-11f6b716bf71_surcharge-briefer-final.pdf.

¹⁴ Boston University Global Development Policy Center, “Reforming the IMF Surcharge Rate Policy to Avoid Procyclical Lending,” September 12, 2024, accessed September 14, 2026, <https://www.bu.edu/gdp/2024/09/12/reforming-the-imf-surcharge-rate-policy-to-avoid-procyclical-lending/>.

¹⁵ T20 Brasil (2024), Task Force 03, “Reforming the IMF Surcharge Rate Policy to Avoid Procyclical Lending,” accessed September 29, 2026, https://www.t20brasil.org/media/documentos/arquivos/TF03_ST_01_Reforming_the_IMF_S66e197d09516e.pdf.

¹⁶ “IMF’s Surcharges as a Threat to the Right to Development,” Development 65, no. 2–4 (2022): 194–202 (PMID 36034516), accessed October 3, 2026, <https://pubmed.ncbi.nlm.nih.gov/36034516/>.

¹⁷ In this sense, surcharges increase as the crisis unfolds, making the charge worse. Therefore, they do not serve as a mechanism to accelerate payment, but rather to punish countries for needing debt.

¹⁸ Surcharges were not in the public light until an international campaign shed light on them.

- They are *unfair*; on one side, indebted middle-income countries contribute to IMF resources proportionally more than rich ones; on the other, surcharges require fiscal resources that are withdrawn from alternative uses, such as funding for the compliance with human rights obligations.

An international campaign – promoted by nearly 250 NGOs¹⁹ – drew attention to surcharges, especially during 2022-2024. Surcharges are ineffective on their own terms, since they do not prevent countries from requiring more funding or using it for longer periods. Countries facing a BoP crisis require funds that they cannot acquire from the market; the size and maturity of loans are determined by the magnitude of that crisis, not the cost of its issuance.

Not only that, but they also carry high costs in terms of human rights, mainly because they provoke further shrinking of fiscal space. This can cause retrogression in Sustainable Development Goals (SDG) achievements, disproportionately affecting vulnerable groups. Paying this extra cost to senior creditors, such as the IMF, which faces no real default risk,²⁰ undermines States' capacity to fund social investment. Surcharges are not effective in preventing moral hazard, but only add financial stress to countries already immersed in crisis: Ukraine had to pay surcharges in the midst of a war. Pakistan did so while having a third of its territory flooded. Argentina also paid during the worst drought in six decades, as did Ecuador while facing a security crisis. In fact, according to CEPR,²¹ surcharges could be eliminated without causing a financial problem to the IMF.

The UN Independent Expert on the effects of foreign debt on human rights concluded, in a 2019 report to the General Assembly, that austerity measures “do not contribute to economic recovery” and instead have negative consequences for growth, debt sustainability and equality, and that international financial institutions may be held responsible for complicity in the imposition of economic reforms that violate human rights when they finance programs whose human rights impact was foreseeable and unassessed (UN, 2019).²²

In response to international pressure, the IMF conducted a review²³ of its surcharges policy by the end of 2024. Level thresholds were raised and the charge rate and fees were reduced, leading to fewer countries paying surcharges. Despite the awareness of the problem, the main criticisms of the surcharges policy remain.²⁴ Yet, surcharges do not seem to be in the spotlight anymore.

¹⁹ Arab Watch Coalition, “A Letter to the International Monetary Fund: Stop Surcharges Policy Now,” November 22, 2022, accessed October 4, 2026, <https://arabwatchcoalition.org/2022/11/22/a-letter-to-the-international-monetary-fund-stop-surcharges-policy-now/>.

²⁰ It is particularly strange that the IMF applies these preventive surcharges to hedge against potential impact risk, while at the same time considering itself as a privileged creditor, so that the possibility of default is taken as an ontological impossibility, even in the event of a crisis.

²¹ Center for Economic and Policy Research (CEPR), “IMF Projects No Losses if Surcharges Are Removed,” accessed October 6, 2026, <https://cepr.net/publications/imf-projects-no-losses-if-surcharges-are-removed/>.

²² United Nations, Resolution A/74/178, Report of the Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights (2019), accessed September 17, 2026, <https://digitallibrary.un.org/record/3823559?ln=en>.

²³ International Monetary Fund, “Charges and Surcharge Policy,” *supra* note 7.

²⁴ Center for Economic and Policy Research (CEPR), “Tinkering with a Broken Policy: The IMF’s 2024 Surcharge Reform,” accessed October 6, 2026, <https://cepr.net/publications/tinkering-with-a-broken-policy-the-imfs-2024-surcharge-reform/>.

5. Impacts of surcharges on democracy

Previous NGO campaigns on IMF surcharges have mainly focused on two targets, effectiveness and costs. First, campaigners have questioned their effectiveness. Surcharges have not prevented countries from accumulating large debts or relying on IMF financing, often while facing pressure to repay over relatively short periods²⁵. Second, they have highlighted their cost. Surcharges impose additional financial burdens on debtor countries at precisely the moment when public resources are already constrained. The resulting pressure on public budgets can have serious human rights consequences, particularly for economic and social rights. Higher debt-servicing costs can intensify austerity, reducing public investment in health, education and social protection, as well as limiting resources available for climate action. These pressures can deepen inequality, slow social development and fuel social tensions.

Yet one important consequence has received far less attention: the political impact of surcharges.

Our analysis suggests that surcharges can contribute to democratic backsliding in debtor countries. They cannot be viewed in isolation from the wider international financial architecture, which continues to place disproportionate constraints on countries' policy space and ability to fulfil the Sustainable Development Goals and human rights obligations²⁶.

Surcharges act as an accelerant within an already unequal and fragile system. They add further fiscal pressure to countries already facing debt distress, economic insecurity and limited policy space. In turn, the resulting pressure can intensify social grievances and make it harder for governments to respond to people's demands through rights-respecting and democratic means.

This does not mean that surcharges are the primary cause of authoritarianism. Democratic regression is a global phenomenon driven by multiple political, economic and social factors, and authoritarian trends cannot be reduced to economic policy alone²⁷.

The connection between surcharges as a facilitation and intensification mechanism of authoritarian regression can be presented in four dimensions.

(i) By further fiscal pressure

Surcharges represent an *additional financial cost* that adds to the total burden borne by these countries, further *squeezing the fiscal space* available to fund ESCR, which in itself constitutes a deterioration in the quality of democracy.

Surcharges intensify austerity policies, since they demand more fiscal resources. This link is supported by broader empirical literature on IMF conditionalities. For example, Kentikelenis and Stubbs (2024)²⁸ and Engström (2023)²⁹ document that austerity measures remain a central component of the policies required of IMF borrowers, and

²⁵ Committee for the Abolition of Illegitimate Debt (CADTM), "The Case for the Complete Removal of IMF Surcharges: Historical Precedents and a Growing Burden," 2024, accessed September 21, 2026, <https://www.cadtm.org/The-Case-for-the-Complete-Removal-of-IMF-Surcharges-Historical-Precedents-and-a-growing-burden>.

²⁶ Office of the United Nations High Commissioner for Human Rights (OHCHR), "Right to development will remain a distant dream for billions without a shift," statement, May 2025, accessed September 30, 2026, <https://www.ohchr.org/en/statements-and-speeches/2025/05/right-development-will-remain-distant-dream-billions-without-shift>.

²⁷ International IDEA, The Global State of Democracy 2026: Democracy in an Age of Conflict (Stockholm: International IDEA, 2026), accessed September 22, 2026, <https://www.idea.int/sites/default/files/2026-09/the-global-state-of-democracy-2026-democracy-in-an-age-of-conflict.pdf>.

United Nations Development Programme (UNDP), "Informe sobre Democracia y Desarrollo: Democracias bajo presión – Reimaginar los futuros de la democracia en América Latina," 2026, accessed September 30, 2026, <https://www.undp.org/es/latin-america/publicaciones/informe-sobre-democracia-y-desarrollo-democracias-bajo-presion-reimaginar-los-futuros-de-la-democracia-en-america-latina>.

²⁸ Alexandros Kentikelenis and Thomas Stubbs, "Social Protection and the International Monetary Fund: Promise versus Performance," *Globalization and Health* 20, art. 41 (2024), <https://link.springer.com/article/10.1186/s12992-024-01045-9>.

²⁹ Viljam Engström, "Twenty-First-Century Crises and the Social Turn of International Financial Institutions," *Human Rights Review* 24 (2023): 289–306, <https://research.abo.fi/ws/files/56062771/s12142-023-00688-2.pdf>.

³⁰ Michael Chletsos and Andreas Sintos, "The Effects of IMF Programs on Income Inequality: A Semi-Parametric Treatment Effects Approach," *International Journal of Development Issues* 21, no. 2 (2022): 271–91, <https://doi.org/10.1108/IJDI-12-2021-0265>.

that so-called ‘social spending floors’ — intended to protect spending in sensitive areas — are often not met or end up functioning as ceilings in practice. If surcharges are a factor driving greater fiscal adjustment, this could precisely exacerbate that dynamic. Chletsos & Sintos (2022)³⁰ find that IMF non-concessional agreements increase income inequality at the country level, and that programs with a higher number of conditions have a further detrimental effect.

Since surcharges increase the cost of debt servicing, they further erode available fiscal space and lead to deeper cuts in social, health and education spending (beyond those already required by standard conditionality). Major cuts to social spending in themselves represent a decline in democratic standards, insofar as they hinder access to public services and increase inequality.³¹ This contravenes the principle of allocating the maximum available resources to guarantee human rights, given that a growing proportion is being diverted to cover the additional cost of the debt, with the potential risk of depriving social groups of access to essential goods and services. The IMF refuses to conduct *ex ante* and *ex post* human rights impact assessments of its recommendations, as it should.³²

Despite changes in its rhetoric, the IMF continues to push for austerity policies through its advice. This was the conclusion that 22 organizations (including CESR) made³³ after reviewing 29 IMF documents on 11 countries between 2022 and 2025. This conclusion is not new. Education International, PSI and Action Aid³⁴ found a similar pattern in 2021 after reviewing 69 IMF documents from 15 countries in the previous five years. Cuts in social spending and wage caps damage the capability of States to deliver proper education and health services, ultimately undermining human rights, especially of women who disproportionately take on resulting increases in unpaid care work. A 2023 Human Rights Watch (HRW) report³⁵ analyzed 39 IMF programs approved between March 2020 and March 2023 (affecting over 1,000 million people) and found a systematic pattern:

- 21 out of 33 programs with performance criteria require a hiring freeze or cuts to or a freeze on public sector wages.
- 20 out of 33 programs eliminate or reduce fuel or electricity subsidies.
- 23 out of 33 programs increase VAT or remove exemptions, a regressive tax that disproportionately affects lower-income households.
- 31 of the 38 programs reviewed include at least one measure that HRW classifies as posing a direct risk to human rights.

These reports built evidence on a shared view: austerity is harming human rights, and IMF recommendations have not changed in this matter. Surcharges add extra pressure on already constrained fiscal space. The figure speaks for itself, countries are paying around US \$1,682 million in surcharges in 2026. That amount could have been used to cover social investment to fulfill human rights. For example:

- UNICEF calculated in 2024³⁶ that fully vaccinating a child under 24 months of age against the standard schedule of 11 diseases in low- and middle-income countries

³¹ Valentin Lang, “The Economics of the Democratic Deficit: The Effect of IMF Programs on Inequality,” *Review of International Organizations* (2020), Vol. 16: 599-623; <https://link.springer.com/article/10.1007/s11558-020-09405-x>. Thomas Stubbs, Alexander Kentikelenis, Rebecca Ray and Kevin P. Gallagher, “Poverty, Inequality, and the International Monetary Fund: How Austerity Hurts the Poor and Widens Inequality,” *Journal of Globalization and Development* 13, no. 1 (2021): 61–89, <https://www.degruyterbrill.com/document/doi/10.1515/jgd-2021-0018/html>.

³² Office of the United Nations High Commissioner for Human Rights (OHCHR), “Guiding Principles for Human Rights Impact Assessments of Economic Reform Policies,” accessed October 6, 2026, https://www.ohchr.org/sites/default/files/GuidePrinciples_EN.pdf.

³³ ActionAid, Education International and Tax and Education Alliance, “Still Cooking with a Failed Recipe,” 2026, accessed September 29, 2026, <https://actionaid.org/publications/2026/still-cooking-failed-recipe>.

³⁴ Education International, Public Services International and ActionAid, “The Public vs Austerity,” accessed October 6, 2026, https://pop-umbrella.s3.amazonaws.com/uploads/4c7a26e6-cf7e-4c13-b4e9-4b016e9eea11_The_Public_vs_Austerity_-_final_full_report.pdf.

³⁵ Human Rights Watch, “Bandage on a Bullet Wound: IMF Social Spending Floors and the Covid-19 Pandemic,” September 25, 2023, accessed September 11, 2026, <https://www.hrw.org/report/2023/09/25/bandage-bullet-wound/imf-social-spending-floors-and-covid-19-pandemic>.

³⁶ UNICEF, “The Costs of Fully Vaccinating a Child,” (UNICEF, 2024) accessed September 26, 2026, <https://www.unicef.org/documents/costs-fully-vaccinating-child>

costs an average of US \$73. Surcharges could pay for the full vaccination of approximately 23 million children — a figure that exceeds the combined population of children under the age of two in Egypt, Pakistan and Jordan.

- UNESCO estimated in 2024³⁷ an urgent need for about 13 million primary education teachers to address SDG4 by 2030. Financing the additional teachers needed for universal primary education would cost US \$12.8 billion. Surcharges alone could cover 13 percent of that target, enough to fund the teacher needs of Oceania, Central, Eastern and South-Eastern Asia, and Latin America and the Caribbean.
- The World Bank supports Jordan's Takaful program,³⁸ which is the largest cash transfer program in terms of coverage of the poorest in the Middle East and North Africa Region (MENA). It consisted of an emergency cash transfer to households, averaging US \$141 between 2019 and 2023. Surcharges could fund these transfers for a whole year for about 994,000 households, four and a half times the total reach of Takaful.

(ii) They increase social unrest

The *fiscal pressure and austerity policies* tend to increase social unrest, leading to protests or even more consequential events.

Austerity programs promoted by the IMF tend to deteriorate the quality of public services,³⁹ restricting access to them and causing retrogression in human rights. Poorer public services also mean worse public-sector jobs and wages, and added workload for the people who depend on them, usually those who are more vulnerable. This increases inequality, which might consequently erode the legitimacy of the government in power or even of the democratic system itself.⁴⁰

It has been stressed that the austerity policies' unequal impact is likely to generate social unrest⁴¹ in a moment when governments are constrained to respond by mitigating the adjustment costs.⁴² Austerity-induced societal conflict linked to IMF programs increases the likelihood of major government crises,⁴³ and even coups d'état.⁴⁴

Protests are a legitimate means of expressing opinions,⁴⁵ as guaranteed by Article 19 of the Universal Declaration of Human Rights. Respect for this right is paramount. The link we emphasize here is that IMF programs, particularly those that impose surcharges, tend to generate deep-seated social unrest, expressed through protests. Protests are an indicator that government policies are not aligned with the wellbeing of the population. The table below presents evidence on protests linked to economic problems in countries with active IMF loans that pay surcharges.

³⁷ UNESCO, "Global Report on Teachers: Addressing Teacher Shortages and Transforming the Profession" (Paris, UNESCO, 2024), accessed September 8, 2026, <https://doi.org/10.18356/9789231006555>

³⁸ World Bank, "Jordan National Aid Fund (NAF) Cash Transfer Program Fact Sheet," 2023, accessed September 17, 2026, <https://thedocs.worldbank.org/en/doc/fa60c0d7ec9c896c0f44eb7112b6f005-0280012023/original/Jordan-National-Aid-Fund-NAF-Cash-Transfer-Program-Fact-Sheet.pdf>.

³⁹ Public Services International, "Rejecting austerity, defending public services," accessed October 6, 2026, <https://publicservices.international/resources/news/rejecting-austerity-defending-public-services?id=16323&lang=en>.

⁴⁰ Fadhel Kaboub, "Global South Debt Crises Are Driven by Structural Debt Traps," Global South Perspectives Hub, 2026, accessed September 9, 2026, <https://gsphub.org/publications/global-south-debt-crises-are-driven-by-structural-debt-traps>. Elizabeth Rau and Susan Stokes, "Income Inequality and the Erosion of Democracy in the Twenty-First Century," Proceedings of the National Academy of Sciences (2024), accessed September 25, 2026, <https://www.pnas.org/doi/abs/10.1073/pnas.2422543121>. Margot E. Salomon, "The Trojan Horse of Sovereign Debt," *Transnational Legal Theory* 15, no. 1 (2024): 1–33, accessed September 10, 2026, <https://doi.org/10.1080/20414005.2024.2337524>.

⁴¹ Jeremy Ko, Harry F. Lee and Chun Kai Leung, "How IMF Conditionalities Contribute to Political Destabilization: Evidence from 167 Countries, 1980–2019," *Emerging Markets Finance and Trade* 62, no. 9 (2026): 3350–77, accessed September 14, 2026, <https://www.tandfonline.com/doi/full/10.1080/1540496X.2025.2595066>. Stephen C. Nelson and Geoffrey P. R. Wallace, "Are IMF Lending Programs Good or Bad for Democracy?," *Review of International Organizations* (2016), accessed October 5, 2026, <https://faculty.wcas.northwestern.edu/scn407/documents/NelsonandWallace-IMFandDemocracyRIOFINAL.pdf>.

⁴² Caroline A. Hartzell, Matthew Hoddie and Molly Bauer, "Economic Liberalization via IMF Structural Adjustment: Sowing the Seeds of Civil War?," *International Organization* 64, no. 2 (2010), accessed September 7, 2026, <https://www.jstor.org/stable/40608018>.

⁴³ Axel Dreher and Martin Gassebner, "Do IMF and World Bank Programs Induce Government Crises? An Empirical Analysis," *International Organization* 66, no. 2 (2012), accessed September 7, 2026, <https://doi.org/10.1017/S0020818312000094>.

⁴⁴ Brett A. Casper, "IMF Programs and the Risk of a Coup d'état," *Journal of Conflict Resolution* 61, no. 5 (2017): 964–96, accessed September 29, 2026, <https://doi.org/10.1177/0022002715600759>.

⁴⁵ Amnesty International, "Freedom of expression," accessed October 6, 2026, <https://www.amnesty.org/es/what-we-do/freedom-of-expression/>.

PROTESTS LINKED TO ECONOMIC STRESS IN COUNTRIES PAYING SURCHARGES (SELECTION)

Country	Year	Event	Motive	Repressive reaction
Angola ⁴⁶	October 2023 (Civicus)	Protests for political autonomy	Against a backdrop of economic crisis and fiscal austerity	198 sentences of between 4 and 8 years' imprisonment
Angola ⁴⁷	July 2025 (Civicus, HRW)	Students and taxi drivers' strike escalated into a nationwide strike and riots	Fuel and transport price increases, and tuition fees	Between 22 and 30 dead, 500-1.500 detained
Argentina	Periodical 2023-2026	Pensioners weekly protests	Severe cuts to pensions (23%) as part of the fiscal consolidation	Persistent repression. 149 detained and 501 injured only in 2025 ⁴⁸
Argentina ⁴⁹	2023-2025 (OHCHR)	Restriction/crackdown on demonstrations under new security regulations	A resolution passed in December 2023 authorizing the use of police force against demonstrations that block traffic, which has been applied against more than 1,500 people	More than 1,500 people victim of acts of violence
Argentina ⁵⁰	2025	Environmentalists protests against deregulation and against austerity	New mining and energy projects	People detained.
Argentina ⁵¹	2025	Indigenous peoples against austerity and land deregulation	Land use after wildfires	People detained.
Costa Rica ⁵²	September-November 2018 (Costa Rica Guide)	General strike	Tax reform bill	
Costa Rica ⁵³	September- October 2020 (BWP)	General strike and road blockade	Against IMF loan 1.750 millions	
Costa Rica	July 2023 – March 2026 (Resumen Latinoamericano, Infobae)	Protests and strikes by healthcare staff	Defense of Costa Rican Social Security Fund (CCSS) against privatization and wage cuts in health system	Growing police abuse.
Côte d'Ivoire ⁵⁴	February 2023 (Civicus)	Bakers' organizations strike	Against increases in flour price	31 people arrested, 26 of them sentenced
Côte d'Ivoire ⁵⁵	September 2024 (Civicus)	Public gathering	Against high cost of living	25 arrested
Ecuador ⁵⁶	October 2019 (CESR, HRW)	National strike and massive protests lead by indigenous people	Abolition of fuel subsidies (Decree 883)	11 dead. Military empowered
Ecuador ⁵⁷	June 2022 (Amnesty)	National strike CONAIE	High cost of living, further subsidies reduction	79 people detained, 55 injured.
Ecuador ⁵⁸	2023-2024 (Civicus)	Indigenous people (Cotopaxi, Kichwa, CONFENIAE)	Against repressive measures and VAT increase, around IMF agreement	State of emergency (Decrees 110 & 111). 224 incidents against press, 11 journalist sent into exile
Ecuador ⁵⁹	September-October 2025 (OHCHR)	National strike	Against austerity policies	3 dead, 282 injured, 172 detained, 15 missing.
Egypt ⁶⁰	2018-2019 (CESR, HRW)	Peaceful protests	Against austerity, rise in subway prices	Near-absolute impunity on security forces abuses
Egypt ⁶¹	2024-2025 recurrent (OHCHR, HRW)	Protests about cost of living	Inflation, subsidies on food and fuel eliminated, major electricity blackouts	Government arbitrarily detains, forcibly disappears, and tortures critics and dissidents in official and unofficial places of detention.
Jordan ⁶²	2018 (HRW, Civicus)	General strike, protests against prime minister	Against VAT increase and new income tax	Restrictions on free expression, free assembly, and women's rights
Jordan ⁶³	2019 (HRW)	Teachers' strike	Claim for rising wages.	Restrictions on free expression, free assembly, and women's rights
Kenya ⁶⁴	2024 (HRW, CEPR)	Massive protests	Against Finance Bill, rising taxes on basic goods	Police shot into crowd; killed at least 60 protesters and abducted 66 people.
Kenya ⁶⁵	2025 (Amnesty)	Massive protests, lead by youth	Against Finance Bill, corruption and police violence	Diverse forms of intimidation. Total of at least 128 deaths, 3,000 arrests and over 83 enforced disappearances
Sri Lanka ⁶⁶	2022 (OHCHR, Civicus)	Massive protests, public buildings occupied, strikes, peaceful assemblies	Economic collapse, inflation, shortage of fuel, electricity, medicines and food. Ultimately, president Rajapaksa resignation	140 people arrested, protest leaders among them
Sri Lanka ⁶⁷	2023 (Amnesty, HRW, Civicus)	During the political transition and especially during the term of the interim government, a total of 100 IMF oriented laws were passed without due process, including the overhaul of the previous social protection system.	Against IMF policies that raised electricity tariffs, VAT and elimination of fuel subsidies.	Limits on free speech through Prevention of Terrorism Act
Sri Lanka ⁶⁸	2024-2026 recurrent (HRW, BWP)	Protests by students, teachers, plantation workers, and public servants.	Against austerity, major cuts in education, claim for wage increases	
Surinam ⁶⁹	2023 (Reuters, Civicus)	Riots / looting, with the national Parliament being stormed	Abolition of fuel and electricity subsidies and a new tax on imported goods, with annual inflation exceeding 54 per cent	Over 100 people arrested, restrictions on social networks
Ukraine ⁷⁰	2010 (PIIE, Amnesty)	Protest by small shopkeepers, business closures	New tax code	Extortion and arbitrary detention by authorities
Ukraine ⁷¹	2011 (Amnesty, BWP)	Mass protest outside Parliament, dispute between representatives	Gas price doubled, pension system reform	Torture

Source: own. **Note 1:** Orange cells indicate direct link to IMF conditionalities on current agreements. **Note 2** In Ukraine, we only report on events that took place before the Euromaidán (2013).

In Egypt, Costa Rica and Ukraine protests were explicitly oriented against agreements with the IMF. In fact, in the latter case, the IMF and its policies played a role in the events known as ‘Euromaidán’. Ukraine signed two SBAs with the IMF (2008 and 2010) that pushed the government to take unpopular policies, accelerating the process of deindustrialization and the fall in real wages. Economic crisis and protests

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- ⁴⁶ CIVICUS Monitor, “Angola: protests against fuel price increase – 30 killed, 277 injured and over 1,500 arrested,” 2025, accessed October 3, 2026, <https://monitor.civicus.org/explore/angola-on-protests-against-fuel-price-increase-30-killed-277-injured-and-over-1500-arrested/>.
- ⁴⁷ Id. Human Rights Watch, “Angola: Police Use Excessive Force Against Peaceful Protesters,” July 18, 2025, accessed October 3, 2026, <https://www.hrw.org/news/2025/07/18/angola-police-use-excessive-force-against-peaceful-protesters>.
- ⁴⁸ El Destape, “Hay plata: Milei gastó 2 mil millones para reprimir jubilados,” 2026, accessed September 17, 2026, <https://www.eldestapeweb.com/politica/hay-plata-milei-gasto-2-mil-millones-reprimir-jubilados-20267210532>.
- ⁴⁹ Office of the United Nations High Commissioner for Human Rights (OHCHR), “In dialogue with Argentina, experts of the Committee against Torture praise training...,” meeting summary, November 2025, accessed September 9, 2026, <https://www.ohchr.org/en/meeting-summaries/2025/11/dialogue-argentina-experts-committee-against-torture-praise-training>.
- ⁵⁰ CIVICUS Monitor, “Unprecedented police crackdown on pension protests,” accessed October 6, 2026, <https://monitor.civicus.org/explore/unprecedented-police-crackdown-on-pension-protests/>.
- ⁵¹ CIVICUS Monitor, “Police raids and criminalisation of Mapuche activists and a firefighter amid wildfires in Patagonia,” accessed October 6, 2026, <https://monitor.civicus.org/explore/police-raids-and-criminalisation-of-mapuche-activists-and-a-firefighter-amid-wildfires-in-patagonia/>.
- ⁵² Costa Rica Guide, “National Strike, Protest and Road Block Summary,” accessed October 6, 2026, <https://costa-rica-guide.com/travel/transportation/national-strike-protest-road-block-summary/>.
- ⁵³ Bretton Woods Project, “Costa Rica resoundingly rejects IMF’s austerity recipe,” December 2020, accessed September 15, 2026, <https://www.brettonwoodsproject.org/2020/12/costa-rica-resoundingly-rejects-imfs-austerity-recipe/>.
- ⁵⁴ CIVICUS Monitor, “26 opposition protesters arrested, sentenced to prison” (Côte d’Ivoire), accessed October 6, 2026, <https://monitor.civicus.org/explore/26-opposition-protesters-arrested-sentenced-to-prison/>.
- ⁵⁵ CIVICUS Monitor, “Protesters arrested, sentenced to prison for attempting to demonstrate against high cost of living” (Côte d’Ivoire), accessed October 6, 2026, <https://monitor.civicus.org/explore/protesters-arrested-sentenced-to-prison-for-attempting-to-demonstrate-against-high-cost-of-living/>.
- ⁵⁶ Center for Economic and Social Rights (CESR), “Austerity and the IMF: an appeal to responsibility,” accessed October 6, 2026, <https://www.cesr.org/austerity-and-imf-appeal-responsibility/>. Human Rights Watch, World Report 2021 (New York: Human Rights Watch, 2021), accessed October 2, 2026, <https://www.hrw.org/world-report/2021>.
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- ⁵⁸ Id.
- ⁵⁹ Office of the United Nations High Commissioner for Human Rights (OHCHR), “UN experts alarmed by escalating repression and deteriorating civic space” (Ecuador), press release, October 2025, accessed September 24, 2026, <https://www.ohchr.org/es/press-releases/2025/10/un-experts-alarmed-escalating-repression-and-deteriorating-civic-space>.
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- ⁶² Human Rights Watch, “World Report 2019: Jordan,” 2019, accessed September 23, 2026, <https://www.hrw.org/world-report/2019/country-chapters/jordan>. CIVICUS Monitor, “Jordan: amended laws for labour and cybercrime restrict civic space,” accessed October 6, 2026, <https://monitor.civicus.org/explore/jordan-amended-laws-for-labour-and-cybercrime-restrict-civic-space/>.
- ⁶³ Human Rights Watch, “World Report 2020: Jordan,” 2020, accessed October 2, 2026, <https://www.hrw.org/world-report/2020/country-chapters/jordan>.
- ⁶⁴ Human Rights Watch, “World Report 2025: Kenya,” 2025, accessed September 10, 2026, <https://www.hrw.org/world-report/2025/country-chapters/kenya>. Center for Economic and Policy Research (CEPR), “Kenya Protests: A Wake-Up Call to a Failing International Financial Architecture,” 2024, accessed September 11, 2026, <https://cepr.net/publications/kenya-protests-a-wake-up-call-to-a-failing-international-financial-architecture/>.
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- ⁶⁶ Office of the United Nations High Commissioner for Human Rights (OHCHR), “Sri Lanka: UN experts sound alarm on economic crisis,” press release, July 2022, accessed September 26, 2026, <https://www.ohchr.org/es/press-releases/2022/07/sri-lanka-un-experts-sound-alarm-economic-crisis>. CIVICUS Monitor, “Authorities continue to crack down on protests and detain online critics in Sri Lanka despite UN human rights review,” accessed October 6, 2026, <https://monitor.civicus.org/explore/authorities-continue-crack-down-protests-and-detain-online-critics-sri-lanka-despite-un-human-rights-review/>.
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- ⁶⁸ Human Rights Watch, “World Report 2025: Egypt,” 2025, accessed September 9, 2026, <https://www.hrw.org/world-report/2025/country-chapters/egypt>.
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- ⁷¹ Amnesty International, “Ukraine must act to deal with endemic police criminality,” accessed October 6, 2026, <https://www.amnestyusa.org/reports/ukraine-must-act-to-deal-with-endemic-police-criminality/>. Peterson Institute for International Economics, “Ukraine: Basket Case,” op-ed, accessed October 6, 2026, <https://www.piie.com/commentary/op-eds/ukraine-basket-case>.
- ⁷² Amnesty International, “Annual Report: Ukraine 2011,” 2011, accessed September 6, 2026, <https://www.amnestyusa.org/reports/annual-report-ukraine-2011/>. Bretton Woods Project, “Ukraine: protests against IMF policies,” September 2011, accessed September 7, 2026, <https://www.brettonwoodsproject.org/2011/09/ukraine-protests-against-imf-policies/>.

led to the suspension of its SBA in 2012. President Viktor Yanukóvich reacted in a shift towards Russia, which lent Ukraine 3,000 million dollars in 2013. Geopolitical pressures and domestic political tension ultimately lead to the Euromaidán protests (2013) that removed the president from office and to the separation of the Crimean Peninsula and its annexation to Russia (2014). The IMF closely monitored this process, providing a series of loans to Ukraine throughout the period in question: a SBA in 2014, an EFF in 2015, another SBA in 2018, a further one in 2020, and an EFF in 2023 (after the beginning of the war with Russia in 2022). Despite the increased and systematic presence of the IMF, Ukraine's case cannot be explained alone by this, because of the exceptional geopolitical tensions around it.

Overall, as can be seen in the table, there is a pattern in contexts of crisis in which the imposition of structural reforms and austerity measures leads to various forms of social protest. The IMF has agreements in place with these countries, and in the majority of the cases mentioned, its recommendations are directly linked to what gave rise to social unrest. Naturally, governments in debtor countries bear responsibility for the economic policies they adopt and for how they respond to social protest. The IMF's role seems to be one of support -or even of encouraging- certain courses of action. This trend reveals the population's growing dissatisfaction with the direction the government is taking, with the support of the IMF.

(iii) Governments get more coercive or repressive

To contain the discontent arising from this situation, governments are likely to respond with *coercive actions*, which harm civil and political rights.

The previous table shows how far governments can go in reaction to protests: generalized detentions, leaders' arrests, deaths and injuries resulting from repression, looser oversight of security forces and stricter controls over the press, even enforced disappearances and unofficial places of detention where torture takes place. Those violations of civil and political rights appear to form a widespread pattern, rather than being isolated incidents. The only exception in the cases referred to seems to be Costa Rica, a country that has a long tradition of peace culture which in fact abolished its army in 1948. Anti-rights movements and far right political parties take a great role in the mobilisation of grievances perceived as injustices towards blaming vulnerable groups and people claiming for their rights. When this politics become an essential part of government discourse, it directly affects the capacity of exercising civil and political rights.

High indebtedness with the IMF adds pressure to apply austerity policies that frequently unleash deep social unrest. The impact of debt-oriented policies on political instability tends to be met by different forms of repression and coercive action against people, undermining the full enjoyment of human rights. Democratically-elected governments increase their authoritarian leaning, and the IMF does not seem to consider these aspects as critical. This is just an illustration of a more widespread pattern. Social unrest can lead to democracy being undermined, and this is more likely when governments under IMF programs respond with repression.⁷²

In some cases, such as Côte d'Ivoire, the problem of social tension and repression goes beyond the IMF's presence. Angola, for its part, presents evidence suggesting that austerity policies have fueled a rise in protests, to which the authorities have responded with increased repression. This prompted a series of statements of concern from the OHCHR.⁷³ Civicus monitor evaluates its civic space as repressed.⁷⁴

⁷² M. Rodwan Abouharb and David Cingranelli, *Human Rights and Structural Adjustment* (Cambridge: Cambridge University Press, 2007), accessed September 18, 2026, <https://www.cambridge.org/core/books/human-rights-and-structural-adjustment/8FDF11EE5647374B8F9FD50A18570AD3>. Bumba Mukherjee and Vineeta Yadav, "State Repression, the IMF and Financial Crisis: Empirical Evidence," in *The IMF, Financial Crisis, and Repression of Human Rights* (Cham: Springer, 2024), accessed September 15, 2026, https://doi.org/10.1007/978-3-031-55893-1_5

⁷³ Office of the United Nations High Commissioner for Human Rights (OHCHR), "Angola," country page, accessed October 6, 2026, <https://www.ohchr.org/en/countries/angola>.

⁷⁴ CIVICUS Monitor, "Angola," country profile, accessed October 6, 2026, <https://monitor.civicus.org/country/angola/.964-96>, accessed September 29, 2026, <https://doi.org/10.1177/0022002715600759>

The cases of Jordan (2018), Ecuador (2019, 2022), Suriname (2023) and Kenya (2024) follow an almost identical sequence: a specific fiscal measure demanded by the IMF led to immediate protests that ended with repression or the resignation of officials. The case of Kenya is particularly illustrative because the IMF itself assessed the risk of protest⁷⁵ prior to the measure and recommended going ahead with it anyway. Civicus' Monitor (of civic space) added Kenya to its rights watchlist⁷⁶ as the government killed protesters one year after the riots, lowering the country's status to 'repressed'.⁷⁷ In Sri Lanka, the IMF's persistent insistence⁷⁸ on austerity measures pushed the country into a socio-economic crisis, including a great revolt that ousted President Gotabaya Rajapaksa in 2022 and placed Ranil Wickremesinghe in office, even though he had not been elected by the people. This represents a severe authoritarian backslide (IDEAS).⁷⁹ Sri Lanka was also lowered in its score of civic space by Civicus' Monitor, qualifying as repressed since 2023.⁸⁰

Some countries have a previous track record of repression and authoritarianism. Angola, Egypt, Jordan and Pakistan rank lower than average in any index considered by Varieties of Democracy.⁸¹ Egypt is qualified as a closed civic space in Civicus Monitor,⁸² the lowest score possible, since at least 2018; the rest are qualified as repressed, the second lowest score, for at least the last five years. Ndikumana (2001)⁸³ and Khattry (2003)⁸⁴ pointed out that governments (or States) with political legitimacy problems that carry out austerity policies have incentives to increase their spending on security or the military. Contrary to what common sense might assume, during periods of fiscal consolidation, not all expenditure is cut by the same proportion; indeed, some may not be cut at all. This is the point the authors are making when they refer to the need for governments to contain the discontent caused by the very austerity policies applied to other budget items. Consequently, priorities are reallocated in favour of spending on security, the police and the military. This can be true even as fiscal pressure affects human rights.

Literature is divided on the long-term effects of IMF agreements on democracy.⁸⁵ It has been argued that authoritarian regimes have incentives to share the burden of IMF agreements with other political actors; that austerity policies deprive authoritarian regimes of fiscal resources for repression and military expending; that in case of facing hard economic times, autocratic governments have been more likely to collapse than their democratic counterparts. This does not seem to be the case in the countries listed above. The IMF's presence and the imposition of surcharges have not contributed to a process of democratic opening.

In fact, most of the countries listed above show a downgrade in their civic space while under the surveillance of the IMF and its conditionalities. As Civicus Monitor presents it,⁸⁶ Suriname went from open to narrowed in 2022, Argentina narrowed to obstructed

⁷⁵ Business Daily Africa, "How IMF predicted public rage over Kenya tax hikes," 2024, accessed September 26, 2026, <https://www.businessdailyafrica.com/bd/economy/how-imf-predicted-public-rage-over-kenya-tax-hikes-4671900>.

⁷⁶ CIVICUS Monitor, "Watchlist July 2025: Kenya," July 2025, accessed September 29, 2026, <https://monitor.civicus.org/watchlist-july-2025/kenya/>.

⁷⁷ CIVICUS Monitor, "Kenya," country profile, accessed October 6, 2026, <https://monitor.civicus.org/country/kenya/>.

⁷⁸ Bretton Woods Project, "Sri Lanka and the IMF: another stark example of the need for urgent debt restructure reform," July 2025, accessed September 17, 2026, <https://www.brettonwoodsproject.org/2025/07/sri-lanka-and-the-imf-another-stark-example-of-the-need-for-urgent-debt-restructure-reform/>.

⁷⁹ International Development Economics Associates (IDEAs), "Austerity, Dispossession and Injustice," April 26, 2024, accessed September 21, 2026, <https://www.networkideas.org/2024/04/26/austerity-dispossession-and-injustice/>.

⁸⁰ CIVICUS Monitor, "Sri Lanka," country profile, accessed October 6, 2026, <https://monitor.civicus.org/country/sri-lanka/>.

⁸¹ Varieties of Democracy (V-Dem) Institute, University of Gothenburg, accessed October 6, 2026, <https://v-dem.net/>.

⁸² CIVICUS Monitor, accessed October 6, 2026, <https://monitor.civicus.org/country/egypt/>.

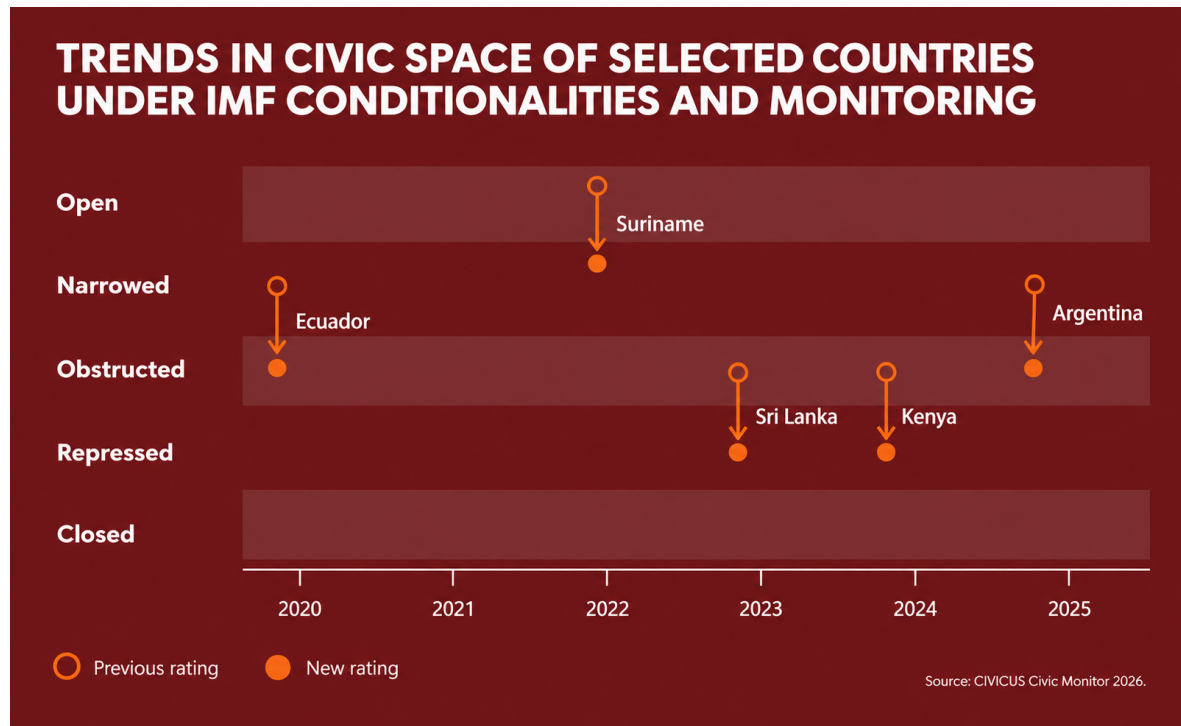
⁸³ Léonce Ndikumana, "Fiscal Policy, Conflict and Reconstruction in Burundi and Rwanda," UNU-WIDER Discussion Paper No. 2001/62 (2001), accessed October 6, 2026, <https://www.wider.unu.edu/sites/default/files/dp2001-62.pdf>.

⁸⁴ Barsha Khattry, "Trade Liberalization and the Fiscal Squeeze: Implications for Public Investment," *Development and Change* 34, no. 3 (2003): 401–24, accessed September 6, 2026, <https://onlinelibrary.wiley.com/doi/abs/10.1111/1467-7660.00312>.

⁸⁵ Tibor Rutar, "What Is Neoliberalism Really? A Global Analysis of Its Real-World Consequences for Development, Inequality, and Democracy," *Social Science Information* 62, no. 3 (2023): 295–322, accessed September 17, 2026, <https://doi.org/10.1177/05390184231202950>. Stephen C. Nelson and Geoffrey P. R. Wallace, "Are IMF Lending Programs Good or Bad for Democracy?," On the effects of military spending and the probability of democratization, Michael Albertus and Victor Menaldo, "Coercive Capacity and the Prospects for Democratization," *Comparative Politics* 44, no. 2 (2012): 151–69, accessed September 15, 2026, <https://faculty.washington.edu/vmenaldo/Articles%20in%20Journals/CP%20Article.pdf>.

⁸⁶ CIVICUS Monitor, accessed October 6, 2026, <https://monitor.civicus.org/data/>.

in 2025 as did Ecuador in 2020, while Sri Lanka passed from obstructed to repressed in 2023 as did Kenya in 2024. The only case that has high scores and has not been downgraded is Costa Rica.



(iv) Less transparency and participation

In countries paying surcharges due to their high level of indebtedness with the IMF, the Fund has particular leverage through its conditionalities.

As previously explained, the surcharges policy itself lacks transparency, since it is usually not approved through parliamentary discussions. In itself, this can undermine democratic participation and accountability.⁸⁷ It is a common feature of the way agreements with the IMF are negotiated.⁸⁸ Governments that make decisions under agreements with the IMF find their scope for action restricted, as their ability to respond to citizens' demands is limited by the conditionalities agreed with the organization, either because responding would conflict with the IMF's conditionalities or because they are, in fact, unwilling to respond and use the agreement as a credible excuse for not doing so. This drives the discussion towards a technocratic framing –the need to comply with the agreement–, which removes economic policy from the realm of political debate. The lack of democratic governance at the global level⁸⁹ generates a challenge for democratic governance at the domestic level.⁹⁰

Recent calls for transparency have met with severe limitations, in the already opaque context of sovereign debt management.⁹¹ This is a significant point, as a lack of transparency and participation undermines the viability of the IMF programs themselves. That is why the IMF itself is keen to find ways of providing legitimacy to its programs, even though these generally come as a pre-defined package. OXFAM

⁸⁷ Luiz Vieira, "Ending Thirty Years of IMF Exceptionalism: A Call for an Accountability Mechanism at the International Monetary Fund," in Perspectives on Accountability at International Financial Institutions: Thirty Years after Creation of the World Bank Inspection Panel (Leiden: Brill | Nijhoff, 2025), accessed September 9, 2026, <https://brill.com/edcollchap-oa/book/9789004729735/BP000038.xml#bht.26782ecf-eb7f-4884-a544-faaf7f9b6407.7>.

⁸⁸ Devesh Kapur and Moisés Naím, "The IMF and Democratic Governance," *Journal of Democracy* 16, no. 1 (2005), <https://www.journalofdemocracy.org/articles/the-imf-and-democratic-governance/>.

⁸⁹ Druschke and Nievas, "The Global Democratic Deficit: Institutional Asymmetries and the Provision of Global Public Goods," World Inequality Lab Working Paper 2026/06 (2026), accessed September 20, 2026, https://prod.wid.world/www-site/uploads/2026/03/WorldInequalityLab_WP2026_06_The-Global-Democratic-Deficit_Institutional-Asymmetries-and-the-Provision-of-Global-Public-Goods_Final-1.pdf.

⁹⁰ Valentin Lang, "The Economics of the Democratic Deficit," <https://link.springer.com/article/10.1007/s11558-020-09405-x>.

⁹¹ Stephen Kim Park and Tim R. Samples, "Promises and Perils of Sovereign Debt Transparency," *Yale Journal of International Law*, 49, no. 1, (2024) https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4609257.

analyzed IMF dialogue with seven countries' civil society organizations,⁹² including Argentina, Ecuador, Egypt and Pakistan. Its main findings suggest a strong imbalance of power skewed towards the IMF, which exploits the dialogue to its own advantage, to diversify its social and economic understanding of the country, and to gauge public perceptions of and potential adverse reactions to its programs. The report found there was scattered and limited evidence that CSO involvement had any tangible impact — or indeed any impact whatsoever — on the design of IMF programs. The IMF has incentives not to conduct human rights assessments of austerity so as to keep the human price of adjustment hidden.⁹³

As previously said, surcharges were not in the spotlight until an international campaign addressed them. Countries were paying extra costs without even knowing it.⁹⁴ For a long period, the IMF reported little to no public data on members' surcharge payments. Countries paying surcharges are more heavily in debt to the IMF and therefore it holds particular influence in these countries, which is why its actions — such as endorsing fiscal adjustments and regressive policies — are especially harmful to human rights. When getting IMF loans, governments surrender some sovereignty and self-determination of their economic policies (IPD).⁹⁵

In short, debates on IMF lending and democracy can be taken into account to address the issue of surcharges as a threat to civil and political human rights, and democracy in particular. The lack of transparency and accountability, increased austerity measures and cuts in social spending, social unrest and repressive response can be reinforced by this particular mechanism, as it raises the overall cost of debt with the IMF, giving more influence to this institution over the country's policies. This can lead to less democracy, or more authoritarian trends in political regimes.

In the following section, the report presents the cases of the countries paying most surcharges: Argentina, Ecuador, Egypt, Jordan and Pakistan. Despite Ukraine being the second largest payer, the long-lasting conflict with Russia makes it very difficult — if not impossible — to distinguish the effects of the IMF's presence and the imposition of surcharges.

⁹² Alex Ray, Nabil Abdo and Nadia Daa, "From Stunt to Substance. An assessment of IMF engagement with civil Society" Oxfam, accessed October 6, 2026, <https://oxfamlibrary.openrepository.com/server/api/core/bitstreams/63be5f54-ab3c-4bfc-8791-f43aaabdfafb/content>.

⁹³ Center for Economic and Social Rights (CESR), "Assessing Austerity Monitoring the Human Rights Impacts of Fiscal Consolidation" briefing (2018), accessed September 26, 2026, https://cesr.org/sites/default/files/Austerity-Report-Online2018.FINAL_.pdf.

⁹⁴ Center for Economic and Policy Research (CEPR), "IMF Surcharges, Finally Transparent," accessed October 6, 2026, <https://cepr.net/publications/imf-surcharges-finally-transparent/>.

⁹⁵ Initiative for Policy Dialogue (IPD), Columbia University, "Understanding the Consequences of IMF Surcharges: The Need for Reform," accessed October 6, 2026, <https://ipdcolumbia.org/publication/understanding-the-consequences-of-imf-surcharges-the-need-for-reform-2/>.

6. Particularly affected cases

The following pages present facts on the countries most affected by surcharge policies. These are not exhaustive studies of each case, but rather a concise overview of the main ways in which democracy is affected.

Notwithstanding criticisms that can be raised about the oversimplification of democracy, the report presents a brief comparison across a common dimension named “Rule of law and democracy ratings”. It was built consulting World Justice Project,⁹⁶ V-Dem reports,⁹⁷ HRW annual reports⁹⁸ by country, CIVICUS Monitor,⁹⁹ OHCHR,¹⁰⁰ The Global State of Democracy 2026 of International IDEA,¹⁰¹ and World Organisation Against Torture (OMCT),¹⁰² through its Global Torture Index. Multiple sources aim to minimize possible bias in any of the indexes. Despite the limitations of this quantitative analysis, it allows for the presentation of common trends and risks to human rights and democracy.

Argentina

(i) Debt profile and surcharges

Argentina has, among the five countries studied, the highest IMF credit-to-quota ratio (1,335 percent at the data cut-off) and the largest relative weight of surcharges in total charges paid (42 percent of charges paid to date, projected at 37 percent of charges still outstanding). It has been paying surcharges since 2018.

Indicator	Value
Year surcharge payments began	2018
Years paying surcharges (out of the 2008-2026 period)	9 years (50% of the 2008-2026 period)
Surcharges paid to date (SDR)	SDR 5,001,250,147 (level-based: 3,850,061,428; time-based: 1,151,188,719)
Total charges paid to the IMF (SDR)	SDR 6,953,492,938
Weight of surcharges in total charges paid	42%
Credit outstanding with the General Resources Account (SDR)	SDR 42,552,000,000
IMF quota (SDR)	SDR 3,187,300,000
Credit-to-quota ratio	1,335%
Projected to keep paying surcharges until	2031 (6 years remaining)

⁹⁶ World Justice Project, “WJP Rule of Law Index,” accessed October 6, 2026, <https://worldjusticeproject.org/rule-of-law-index/>.

⁹⁷ Varieties of Democracy, *supra* note 81.

⁹⁸ Human Rights Watch, annual World Reports, accessed October 6, 2026, <https://www.hrw.org/>.

⁹⁹ CIVICUS Monitor, “Data,” <https://monitor.civicus.org/data/>

¹⁰⁰ Office of the United Nations High Commissioner for Human Rights (OHCHR), official website, accessed October 6, 2026, https://www.ohchr.org/en/ohchr_homepage.

¹⁰¹ International IDEA, The Global State of Democracy 2026: Democracy in an Age of Conflict, *supra* note 27.

¹⁰² World Organisation Against Torture (OMCT), official website, accessed October 6, 2026, <http://www.omct.org/en>.

(ii) Sequence of IMF agreements

Argentina has maintained a sequence of successive agreements with the IMF: a Stand-By Arrangement in 2018 (for US \$57 billion, the largest in IMF history at the time), replaced in 2022 by an Extended Fund Facility largely intended to refinance the maturities of the previous agreement, and a new program in 2025. This pattern of successive rollovers—rather than debt cancellation—is identified by CESR (2026)¹⁰³ as a mechanism that carries the original 2018 burden forward in time without resolving the country's structural exposure to the IMF.

(iii) Conditionality and fiscal space for economic and social rights

- Health: the budget of the Directorate for HIV, STI, Viral Hepatitis and Tuberculosis Response was cut by 76 percent in 2024, restricting access to essential medicines for people with serious illnesses; the cuts also reached reproductive health services (Página/12, 2024).¹⁰⁴ In 2025 the opposition managed to pass a law declaring an emergency in assistance to people with disabilities because of austerity, but the government refuses to comply.
- Education, science and technology: the 2024 fiscal consolidation plan, aimed at achieving the primary surplus demanded by creditors and international financial institutions, cut more than a quarter (25 percent) of the national education, science and technology budget, particularly affecting public university funding and teachers' salaries (CESR, 2026).¹⁰⁵ In 2025 the opposition managed to pass a law declaring an emergency in education, but the government refuses to comply.
- Social security: during the first year of the government of Milei, that took office in 2023, a third of the total reduction in public spending was achieved through real cuts to pensions, with a 29.2 percent year-on-year fall in the real income of pensioners; social protection programs fell 40.3 percent year-on-year, early-childhood support programs were suspended, and the Emergency Family Income was eliminated (FARN, 2026).¹⁰⁶
- In the 2025 agreement, the IMF's own technical staff requested additional cuts to pensions, subsidies and transfers to the provinces to sustain the 'zero deficit' target, while warning—in a tension that recurs across several IMF programs in different countries—that the adjustment should not fall disproportionately on poor and working households (CESR, 2026).¹⁰⁷
- In close collaboration with the IMF, the president Milei passed a regressive labor reform in 2026.
- When facing the worst drought in six decades, Argentina suffered the loss of around US \$20 billion in agricultural exports, its main export product; yet, it continued to pay surcharges.

Fiscal constraint on social investment. Surcharges paid by Argentina are equivalent to:

- 20 percent of the 2025 Ministry of Education budget and 15 percent of the 2025 Ministry of Health budget.

¹⁰³ Center for Economic and Social Rights (CESR), "Holding International Financial Institutions to Account Using Human Rights," 2026, accessed October 4, 2026, https://cesr.org/sites/default/files/2026/IFI_Human_Rights_Obligations.pdf.

¹⁰⁴ Página/12, "El gobierno de Milei recorta un 76% los fondos para el VIH e...," 2024, accessed October 6, 2026, <https://www.pagina12.com.ar/777019-el-gobierno-de-milei-recorta-un-76-los-fondos-para-el-vih-e-/>.

¹⁰⁵ Center for Economic and Social Rights (CESR), "Holding International Financial Institutions to Account," supra note 103.

¹⁰⁶ Fundación Ambiente y Recursos Naturales (FARN), "Argentina – IMF 2026: Highly Unstable Stabilization," 2026, accessed October 6, 2026, <https://farn.org.ar/documentos/argentina-imf-2026-highly-unstable-stabilization/>.

¹⁰⁷ Center for Economic and Social Rights (CESR), "Holding International Financial Institutions to Account," supra note 103.

- Full vaccination (UNICEF) of 94 million children, more than two times the whole Argentinian population.
- Cash-transfer program for 5.7 million households, more than double of the scope of Asignación Universal por Hijo (AUH) program.

(iv) Due process, participation and transparency

The 2018 Stand-By Arrangement was not only negotiated without congressional authorization, but the funds it disbursed were reportedly used to meet a large and sustained outflow of capitals, a use explicitly prohibited under Article VI of the IMF's own Articles of Agreement.¹⁰⁸ Two independent domestic investigations later confirmed serious irregularities: a Central Bank report on capital flight (BCRA, 2020) and a National General Audit Office review of the IMF agreement's impact on debt sustainability (AGN, 2023), the latter finding a "straightforward deterioration of Argentina's financial position due to this operation". These findings were partially acknowledged by the IMF's own Independent Evaluation Office in 2021, yet resulted in no accountability for the officials involved, and the same debt burden was rolled into the 2022 EFF. In March 2021, Congress enacted Law 27,612, requiring that any new foreign-currency bond issuance and all IMF programs receive prior congressional approval by law. In practice, however, this safeguard has proven largely formal: Congress approved the 2025 EFF negotiation "without any indication of the parameters of such negotiation, and no control over the final content of the agreement", and the agreement's structural benchmarks were only presented to parliament after the fact.¹⁰⁹ Civil society organizations have systematically presented arguments on the 2025 agreement not complying with due legal procedure.¹¹⁰

(v) Social protest and state response

Pensioners, people with disabilities, teachers, scientists and healthcare workers have been at the forefront of social protests over the last three years. The response has been clearly repressive, leading various organizations to point to a decline in the rule of law in the country. Trade unions have organized demonstrations and general strikes in opposition to a regressive labor reform.

(vi) Press freedom, censorship and civic space

In line with what has been noted by CELS and the OHCHR,¹¹¹ IDEA (2026)¹¹² identifies Argentina among the mid-range performing countries that registered a decline in Judicial Independence when comparing 2025 with 2020. The Centro de Estudios Legales y Sociales (CELS)¹¹³ documents that the government—whose economic policy is aligned with IMF recommendations—periodically represses demonstrations by pensioners and journalists, and restricts freedom of the press. This is consistent with what has been documented by the UN Committee against Torture,¹¹⁴ which expressed

¹⁰⁸ Maia Colodenco (ed.), *End the Debt Trap: Options for National Legislative Action – Background Papers Dossier* (Friedrich-Ebert-Stiftung, June 2025), accessed September 19, 2026, <https://collections.fes.de/publikationen/id/1886033>. Juan Bautista Justo, "El acuerdo entre el FMI y Argentina en 2018: Control de Convencionalidad," *Revista de Derecho Administrativo* (ReDeA), no. 18, Universidad Nacional de La Plata (2021), accessed September 11, 2026, <https://revistas.unlp.edu.ar/ReDeA/article/view/12014>.

¹⁰⁹ Juan Pablo Bohoslavsky and Francisco Cantamutto, "Initiatives from Argentina," in Maia Colodenco (ed.), *End the Debt Trap: Options for National Legislative Action – Background Papers Dossier* (Friedrich-Ebert-Stiftung, June 2025), accessed September 7, 2026, <https://collections.fes.de/publikationen/id/1886033>.

¹¹⁰ Asociación Civil por la Igualdad y la Justicia (ACIJ), "Habilitar acuerdos con el FMI por decreto implica un serio avasallamiento del rol del Congreso," 2025, accessed October 1, 2026, <https://acij.org.ar/habilitar-acuerdos-con-el-fmi-por-decreto-implica-un-serio-avasallamiento-del-rol-del-congreso/>. Fundación Ambiente y Recursos Naturales (FARN), "FMI y Argentina: un nuevo acuerdo sin transparencia ni legitimidad," 2025, accessed October 3, 2026, <https://farn.org.ar/fmi-y-argentina-un-nuevo-acuerdo-sin-transparencia-ni-legitimidad/>.

¹¹¹ Office of the United Nations High Commissioner for Human Rights (OHCHR), "Argentina: alarming setbacks in transitional justice on 50th anniversary of coup d'état," press release, March 2026, accessed September 7, 2026, <https://www.ohchr.org/en/press-releases/2026/03/argentina-alarming-setbacks-transitional-justice-50th-anniversary-coup-detat>.

¹¹² International IDEA, *The Global State of Democracy 2026: Democracy in an Age of Conflict*, supra note 27.

¹¹³ Centro de Estudios Legales y Sociales (CELS), "Espacio cívico," *Anuario de la ultraderecha*, accessed October 6, 2026, <https://cels.org.ar/anuarioultraderecha/espacio-civico/>.

¹¹⁴ Office of the United Nations High Commissioner for Human Rights (OHCHR), "UN Committee against Torture publishes findings on Albania, Argentina, Bahrain...", press release, November 2025, accessed September 19, 2026, <https://www.ohchr.org/en/press-releases/2025/11/un-committee-against-torture-publishes-findings-albania-argentina-bahrain>.

concern over a December 2023 security resolution enabling the use of police force against demonstrations blocking traffic, a resolution that—according to the Committee itself—was applied against numerous demonstrations affecting more than 1,500 people, including journalists and victims of police violence. The same Committee expressed concern over prolonged vacancies on the Supreme Court, measures taken against the UN Special Rapporteur on judicial independence,¹¹⁵ and the weakening of the national anti-discrimination body.

(vii) IMF position on the effects noted

No public statement by the IMF was identified in the evidence gathered that explicitly acknowledges a link between its programs in Argentina and the restrictions on social protest or press freedom. The 2025 staff report does include an internal warning about the risk that the adjustment might fall disproportionately on the poorest sectors.¹¹⁶ This constitutes a partial and limited acknowledgment confined to the distributive dimension, without extending to effects on civil and political rights. IMF Director Kristalina Georgieva explicitly voiced support for president Milei's policies in 2026.¹¹⁷

(viii) Rule of law and democracy ratings

Component (WJP Rule of Law Index)	2017-18	2025	Change
Overall score	0.583	0.540	-0.043
F1. Constraints on Government Powers	0.635	0.544	-0.091
F2. Absence of Corruption	0.530	0.450	-0.080
F3. Open Government	0.644	0.612	-0.033
F4. Fundamental Rights	0.721	0.674	-0.047
F5. Order and Security	0.611	0.606	-0.005
F6. Regulatory Enforcement	0.503	0.505	+0.002
F7. Civil Justice	0.588	0.550	-0.038
F8. Criminal Justice	0.434	0.382	-0.052

The deterioration is widespread across 7 of the 8 factors, with the largest declines in Constraints on Government Powers and Absence of Corruption, consistent with the institutional backsliding documented by HRW and OHCHR.

¹¹⁵ Office of the United Nations High Commissioner for Human Rights (OHCHR), "In dialogue with Argentina," supra note 49.

¹¹⁶ Fundación Ambiente y Recursos Naturales (FARN), "Argentina – IMF 2026," supra note 106.

¹¹⁷ International Monetary Fund, "Argentina Looks Forward," IMF blog, July 31, 2026, accessed September 10, 2026, <https://www.imf.org/en/blogs/articles/2026/07/31/argentina-looks-forward>.

These results are convergent with the other five classification sources consulted:

- CIVICUS Monitor downgraded Argentina from 'Narrowed' to 'Obstructed' in its 2025 report.
- V-Dem explicitly names Argentina, in its Democracy Report 2026, among the world's large economies undergoing autocratization, with declines of 0.09 points in electoral democracy, 0.09 in participatory democracy and 0.11 in egalitarian democracy between 2018 and 2025.
- the UNDP Democracy and Development Report 2026¹¹⁸ for Latin America and the Caribbean includes Argentina within its regional diagnosis of shrinking civic space and declining electoral trust.
- International IDEA (2026) names Argentina among mid-range performing countries with a decline in judicial independence between 2020 and 2025.
- OMCT classified Argentina with considerable risk in its Global Torture Index, with very high victims' Rights component and high risk in ending police brutality & institutional violence. The government has increased the disproportionate use of public force since 2023, with criminalization of social protest, arbitrary and illegal arrests and deprivation of liberty without minimum legal guarantees. Between 2019 and 2021, a total of 5,288 cases of torture and other degrading treatment have been reported.

Ecuador

(i) Debt profile and surcharges

Ecuador has been paying surcharges since 2020 and maintains a credit-to-quota ratio of 1,020 percent, the second-highest of the five countries studied after Argentina. Surcharges account for 32 percent of total charges paid.

Indicator	Value
Year surcharge payments began	2020
Years paying surcharges (out of the 2008-2026 period)	7 years (39% of the 2008-2026 period)
Surcharges paid to date (SDR)	SDR 535,070,514 (level-based: 467,815,384; time-based: 67,255,130)
Total charges paid to the IMF (SDR)	SDR 1,112,089,600
Weight of surcharges in total charges paid	32%
Credit outstanding with the General Resources Account (SDR)	SDR 7,118,100,012
IMF quota (SDR)	SDR 697,700,000
Credit-to-quota ratio	1,020%
Projected to keep paying surcharges until	2031 (6 years remaining)

¹¹⁸ United Nations Development Programme (UNDP), "Democracy and Development Report 2026," UNDP Latin America and the Caribbean, 2026, accessed September 13, 2026, <https://www.undp.org/latin-america/democracy-and-development-report-2026>.

(ii) Sequence of IMF agreements

Ecuador signed an EFF in 2019, replaced it in 2020 with a new EFF worth US \$6.5 billion, and later entered into an additional agreement under the government that took office in 2023. A 2023 Human Rights Watch country report explicitly documents that the 2020 program replaced an earlier program that had sparked public protests led by Indigenous peoples, referring directly to the 2019 agreement. The 2020 agreement included privatizing state assets, cutting public-sector workforce spending, and reforming the pension system. In May 2024, Ecuador signed another EFF with the IMF for US \$4,000 million, increased by US \$1,000 million in 2025, giving exceptional access¹¹⁹ to more funds.

(iii) Conditionality and fiscal space for economic and social rights

- Health: public health spending fell 64 percent between 2017 and 2019,¹²⁰ leading to mass layoffs of health workers—60 percent of them women—just before the COVID-19 pandemic.
- The 2020 agreement required a reduction in the public wage bill, pension cuts, privatization of state assets, and interest-rate liberalization, with a total fiscal adjustment demanded equivalent to 6 percent of GDP by 2023.¹²¹
- Social protection: the IMF's own impact analysis (cited in Human Rights Watch, 2023) calculated that Ecuadorians who did not receive additional cash assistance would experience a net income loss of between 2.1 percent and 6.3 percent as a result of the program's reforms; the compensatory transfer program's coverage, however, reached only 30 percent of the poorest decile by October 2021.
- Ecuador suffered landslides and floods in Quito in 2022, caused by the heaviest rainfall in 20 years on the Pichincha volcano (28 deaths reported); and a landslide caused by weeks of heavy rain in Alausí (Chimborazo) in 2023 (between 12 and 65 deaths reported). Yet, it continued to pay surcharges.
- Fiscal constraint on social investment. Surcharges paid by Ecuador are equivalent to:
 - 16 percent of the 2025 Ministry of Education budget and 13 percent of the 2025 Ministry of Health budget.
 - Full vaccination (UNICEF) of 10 million children, more than the whole population under 15 years.
 - Cash-transfer program for 611,000 households, more than double the scope of the Bono de Desarrollo Humano program.

(iv) Due process, participation and transparency

Ecuador's 1998 and 2008 Constitutions place explicit safeguards on debt-related treaties: Article 419.5 of the current Constitution requires prior National Assembly approval whenever an international instrument "bind[s] the State's economic policy in its National Development Plan to conditions of international financial institutions". Despite this, all three of Ecuador's recent IMF arrangements — the EFFs of 2019, 2020 and 2024 — were launched without the parliamentary approval the Constitution

¹¹⁹ International Monetary Fund, "Ecuador: Extended Fund Facility – FAQs," accessed October 6, 2026, <https://www.imf.org/es/countries/resrep/ecu/ecuador-extended-fund-facility-faqs>.

¹²⁰ Bretton Woods Project, "El papel del FMI en los efectos devastadores del COVID-19: el caso de Ecuador," July 2020, accessed September 26, 2026, <https://www.brettonwoodsproject.org/es/2020/07/el-papel-del-fmi-en-los-efectos-devastadores-del-covid-19-el-caso-de-ecuador/>.

¹²¹ European Network on Debt and Development (Eurodad), "Arrested Development," accessed October 6, 2026, https://www.eurodad.org/arrested_development.

requires, on the government's contested argument that a credit facility does not qualify as a "treaty," an interpretation civil society lawyers describe as inconsistent with the Vienna Convention's own definition of a treaty and with rulings of the International Court of Justice (Chiriboga, 2025).¹²² At the time of writing, with the backing of 86 of 137 Assembly members, the 2024 EFF was being formally audited by the National Assembly's Citizen Participation Commission, and unconstitutionality filings against the program were in preparation.¹²³ This represents an active, ongoing legal challenge that postdates and reinforces the participation concerns already documented in this analysis.

The Committee on the Elimination of Discrimination against Women (CEDAW)¹²⁴ determined in 2021 that the fiscal consolidation measures applied by Ecuador under its IMF programs had regressive and disproportionate impacts on women. In addition, International IDEA (2026) identifies Ecuador among mid-range performing countries that registered a decline in the Effective Parliament factor—which measures the legislature's ability to check the Executive—when comparing 2025 with 2020, putting in the same bracket as Albania, Lesotho, Pakistan and the United States. Human Rights Watch (2023) further notes that the design of the 2020 program—with a social spending floor atypically defined as a coverage target rather than an amount—was a direct response to the 2019 Indigenous-led protests, indicating that civil society influenced the programs' design only after the protest, not during any prior consultation stage.

(v) Social protest and state response

In October 2019, protests led by Indigenous organizations against the elimination of fuel subsidies (Decree 883) forced the government to withdraw the measure. Human Rights Watch (2021) documented the indiscriminate use of force by police in that context, with at least 4 of 11 deaths attributable to security forces, and a Ministry of Defense resolution that expanded military powers to use force on demonstrations. In June 2022, new Indigenous-led protests, also linked to the IMF-driven elimination of subsidies, forced the temporary relocation of the seat of government outside the capital and led to the partial restoration of subsidies.¹²⁵ In September 2025, CONAIE called a new month-long national strike against the Noboa government's austerity program. In particular, the program included cutting the diesel subsidy and expanding oil extraction, required under the US \$5 billion Extended Fund Facility approved by the IMF in May 2024. Amnesty International¹²⁶ documented state repression affecting hundreds of people and causing at least one death, alongside concerns over judicial independence and allegations of enforced disappearances. Ecuador presents a pattern of growing violence and criminality¹²⁷ in the last five years, including attacks on opposition candidates, such as Christian Zurita in 2023 (OAS).¹²⁸ HRW (2024)¹²⁹ directly connects this violence to the structural problems around violated ESC rights. Global Witness (2025)¹³⁰ has pointed out that the Ecuadorian government intended to crack down on environmental defenders since they oppose to the expansion of extractive frontiers, which is the main source of revenue to pay the debt.

¹²² Andrés Chiriboga, "Background Paper on Ecuador," in Maia Colodenco (ed.), *End the Debt Trap: Options for National Legislative Action – Background Papers Dossier* (Friedrich-Ebert-Stiftung, June 2025), accessed September 14, 2026, <https://collections.fes.de/publikationen/id/1886033>.

¹²³ Id.

¹²⁴ Coalición Nacional de Mujeres del Ecuador, "Observaciones del Comité CEDAW al Estado ecuatoriano 2021," February 10, 2022, accessed September 25, 2026, <https://www.coaliciondemujeresec.com/2022/02/10/observaciones-comite-cedaw-al-estado-ecuatoriano2021/>.

¹²⁵ Human Rights Watch, *World Report 2023* (New York: Human Rights Watch, 2023), accessed September 26, 2026, <https://www.hrw.org/world-report/2023>.

¹²⁶ Amnesty International, "Ecuador," country report, accessed October 6, 2026, <https://www.amnesty.org/es/location/americas/south-america/ecuador/report-ecuador/>.

¹²⁷ Human Rights Watch, "World Report 2024: Ecuador," 2024, accessed September 9, 2026, <https://www.hrw.org/world-report/2024/country-chapters/ecuador>.

¹²⁸ Inter-American Commission on Human Rights (IACHR), Press Release No. 188/23, 2023, accessed September 17, 2026, <https://www.oas.org/es/cidh/jsForm/?File=/es/cidh/prensa/comunicados/2023/188.asp>.

¹²⁹ Human Rights Watch, "Informe Mundial 2024: Ecuador," 2024, accessed September 10, 2026, <https://www.hrw.org/es/world-report/2024/country-chapters/ecuador>.

¹³⁰ Global Witness, "Defenders of the Amazon targeted in Ecuador," 2025, accessed September 27, 2026, <https://globalwitness.org/en/campaigns/land-and-environmental-defenders/defenders-of-the-amazon-targeted-in-ecuador/>.

(vi) Press freedom, censorship and civic space

International IDEA (2026) identifies Ecuador, together with Pakistan, among mid-range performing countries that registered a decline in the Effective Parliament factor (the Legislature's capacity to oversee the Executive) when comparing 2025 with 2020, which is consistent with the normalization of states of emergency by executive decision described below. The UN Human Rights Committee¹³¹ described itself as 'deeply alarmed' by Ecuador's frequent and apparently normalized declarations of states of emergency since January 2024, in some cases invoking the notion of 'internal armed conflict' despite rulings to the contrary by the Constitutional Court. In October 2025, a group of UN experts expressed alarm at rising repression and the shrinking of civic space, noting specifically that authorities attempted to link that month's national strike to terrorist acts associated with organized crime without the corresponding evidence (UN experts).¹³² HRW (2026)¹³³ reaffirms this assessment, adding concerns about freedom of speech, as journalists¹³⁴ and civil society organizations have reported¹³⁵ growing stigmatization, harassment, and attacks¹³⁶ by organized crime groups and authorities.

(vii) IMF position on the effects noted

Human Rights Watch (2023)¹³⁷ documents that, in the 2020 program, IMF staff analyzed the measures' impact by income decile—an unusual exercise within the portfolio of programs reviewed by that organization—and explicitly acknowledged that a segment of the population would suffer a net loss of income. However, the same report notes that this analysis had 'significant gaps' and that the effective coverage of mitigation measures arrived later than the IMF's own projections.

(viii) Rule of law and democracy ratings (update)

Component (WJP Rule of Law Index)	2020	2025	Change
Overall score	0.485		-0.030
F1. Constraints on Government Powers	0.480	0.501	+0.021
F2. Absence of Corruption	0.419		-0.059
F3. Open Government	0.501	0.518	+0.017
F4. Fundamental Rights	0.518		-0.003
F5. Order and Security	0.626	0.570	-0.056
F6. Regulatory Enforcement	0.488		-0.036
F7. Civil Justice	0.495	0.434	-0.061
F8. Criminal justice	0.355		-0.060

¹³¹ ACNUDH, "Comité de Derechos Humanos de la ONU publicó sus hallazgos sobre Ecuador," accessed October 6, 2026, <https://acnudh.org/comite-de-derechos-humanos-de-la-onu-publico-sus-hallazgos-sobre-ecuador/>.

¹³² Office of the United Nations High Commissioner for Human Rights (OHCHR), "UN experts alarmed by escalating repression," supra note 59.

¹³³ Human Rights Watch, "World Report 2026: Ecuador," 2026, accessed September 20, 2026, <https://www.hrw.org/world-report/2026/country-chapters/ecuador>.

¹³⁴ Inter-American Commission on Human Rights (IACHR), Office of the Special Rapporteur for Freedom of Expression, Press Release No. 048/25, 2025, accessed September 11, 2026, https://www.oas.org/en/iachr/jsForm/?File=/en/iachr/expression/media_center/preleases/2025/048.asp.

¹³⁵ Inter American Press Association (SIP), "Ecuador," report to the 2025 General Assembly, 2025, accessed September 23, 2026, <https://www.sipiapa.org/2025-asamblea-general/ecuador-n1300799>.

¹³⁶ Fundamedios, "Abril 2025: 64 más de agresiones en la fase final de las elecciones," April 2025, accessed September 14, 2026, <https://www.fundamedios.org.ec/abril-2025-64-mas-de-agresiones-en-la-fase-final-de-las-elecciones/>.

¹³⁷ Human Rights Watch, World Report 2023, supra note 125.

The sharpest deterioration is concentrated in Civil Justice, Criminal Justice and Order and Security, while Constraints on Government Powers and Open Government show slight nominal improvements despite the pattern of repeated states of emergency noted above. This is consistent with five other sources:

- CIVICUS Monitor classifies Ecuador as “Obstructed”, included in its March 2026 Watchlist owing to accelerated deterioration (lethal force against Indigenous protests, more than 200 social leaders prosecuted);
- V-Dem describes a remarkable autocratization between 2019 and 2022, followed by a partial improvement in 2024-2025;
- the UNDP Democracy and Development Report for Latin America and the Caribbean (2026) documents, for the region that includes Ecuador, that fiscal policy increases poverty in some countries and that civic space is contracting in Latin America;
- International IDEA (2026) identifies Ecuador among the countries with the worst decline in the Effective Parliament factor between 2020 and 2025.
- OMCT rated Ecuador with a high risk in its Global Torture Index, with very high risk in two components: freedom from torture while deprived of liberty and victims’ rights. In the context of the state of emergency in place since 2024, international bodies and NGOs documented significant regression, including enforced disappearances, arbitrary detentions, and undue restrictions on judicial guarantees, with disproportionate impacts on Indigenous people and Afro-descendant communities. Some 369 allegations of torture have been recorded between 2024 and 2026.

Egypt

(i) Debt profile and surcharges

Egypt has been paying surcharges since 2018. It is, among the five countries studied, the one with the second-highest historical weight of surcharges in total charges paid (35 percent), although its projected future surcharges are marginal (1 percent of the amount outstanding), since its payment horizon extends only to 2027.

Indicator	Value
Year surcharge payments began	2018
Years paying surcharges (out of the 2008-2026 period)	9 years (50% of the 2008-2026 period)
Surcharges paid to date (SDR)	SDR 1,266,637,330 (level-based: 977,979,064; time-based: 288,658,266)
Total charges paid to the IMF (SDR)	SDR 2,336,660,619
Weight of surcharges in total charges paid	35%
Credit outstanding with the General Resources Account (SDR)	SDR 6,661,634,192
IMF quota (SDR)	SDR 2,037,100,000
Credit-to-quota ratio	327%
Projected to keep paying surcharges until	2027 (2 years remaining)

(ii) Sequence of IMF agreements

Egypt signed an Extended Fund Facility in 2016 for US \$12 billion, followed by a new agreement and successive augmentations between 2022 and 2024. Human Rights Watch (2025) situates this latest cycle of agreements—framed within what it describes as the “second decade” of President Al-Sisi’s government—within a pattern of systematic repression combined with a worsening economic crisis. Egypt’s debt to the Fund alone increased eighteenfold between 2015 and the 2023 arrangement, making the IMF Egypt’s single largest creditor, holding more than 20 per cent of its external debt stock. Egyptian analysts have accordingly characterized the IMF’s role in Egypt not as a “lender of last resort” but as a “lender of first resort”.¹³⁸

(iii) Conditionality and fiscal space for economic and social rights

- Poverty and inflation: the poverty rate rose from 27.8 percent in 2016 to 32.5 percent in 2019 (CESR),¹³⁹ with cumulative inflation exceeding 100 percent between 2014 and 2019.¹⁴⁰
- Health and education: public investment in both sectors remained below the constitutionally mandated minimums (1.34 percent and 1.4 percent of GNP, respectively), restricting access to essential services, with out-of-pocket health costs disproportionately affecting women and rural communities (CESR);¹⁴¹ while the IMF congratulates¹⁴² resilient policies, HRW explains¹⁴³ 2026 had one of the largest budget cuts in recent history,
- Public employment: Law 18 of 2015, on the reduction of state employment, particularly weakened job security for women, who are over-represented in Egypt’s public sector; women have been especially harmed by austerity policies;¹⁴⁴
- Mitigation mechanism: the IMF’s own staff reports for Egypt (2026)¹⁴⁵ state the importance of mitigating the impact of the reforms on the poor, by strengthening social safety nets (through targeted transfer programs Takaful and Karama); ECESR (2025)¹⁴⁶ emphasizes the erosion of these transfers in the context of high inflation rates (also HRW 2026).¹⁴⁷ With 12.7 million Egyptian children suffering from malnutrition, ECESR stresses the urgent need to improve in-kind programs;
- ECESR¹⁴⁸ found a that a hidden labor reform led to low wages with the absence of job security, arbitrary dismissal and precarious contractual arrangements, and the inadequate or absence of occupational safety standards;
- The IMF’s 2023 program conditioned disbursements to a “divestment programme” of state-asset sales, with US \$2.5 billion in privatization.

¹³⁸ Kristina Rehbein, “The IMF Programme in Egypt: Bailout for Egypt or the IMF?” (Friedrich-Ebert-Stiftung MENA, May 2023), accessed September 24, 2026, <https://collections.fes.de/publikationen/id/461166>.

¹³⁹ Center for Economic and Social Rights (CESR), “Holding International Financial Institutions to Account,” supra note 103.

¹⁴⁰ Mada Masr, “MP: New fuel pricing mechanism rushed through to appease IMF on subsidy cuts,” July 9, 2019, accessed September 12, 2026, <https://www.madamasr.com/en/2019/07/09/feature/economy/mp-new-fuel-pricing-mechanism-rushed-through-to-appease-imf-on-subsidy-cuts/>.

¹⁴¹ Center for Economic and Social Rights (CESR), “Holding International Financial Institutions to Account,” supra note 103.

¹⁴² International Monetary Fund, “Resilience Under Pressure: Egypt’s Economy Defied Expectations,” September 21, 2026, accessed September 28, 2026, <https://www.imf.org/en/news/articles/2026/09/21/cf-resilience-under-pressure-egypts-economy-defied-expectations>.

¹⁴³ Human Rights Watch, “Egypt: Declining Funding Undermines Education, Health Care,” January 7, 2026, accessed September 22, 2026, <https://www.hrw.org/news/2026/01/07/egypt-declining-funding-undermines-education-health-care>.

¹⁴⁴ Center for Economic and Social Rights (CESR) and CEWLA, “CEWLA and CESR submit a follow-up report on Egypt to the CEDAW’s 80th session,” accessed October 6, 2026, <https://cesr.org/cewla-and-cesr-submit-a-follow-up-report-on-egypt-to-the-cedaws-80th-session/>.

¹⁴⁵ Center for Economic and Social Rights (CESR), “Holding International Financial Institutions to Account,” supra note 103.

¹⁴⁶ International Monetary Fund, Arab Republic of Egypt, IMF Country Report No. 26/002 (2026), accessed September 27, 2026, <https://www.imf.org/-/media/files/publications/cr/2026/english/1egy26002.pdf>.

¹⁴⁷ Egyptian Center for Economic and Social Rights (ECESR), “The State and Future of Social Protection in Egypt: A Comprehensive Study,” 2025, accessed September 26, 2026, <https://ecesr.org/en/the-state-and-future-of-social-protection-in-egypt-a-comprehensive-study-by-the-egyptian-center-on-support-and-welfare-policies/>.

¹⁴⁸ Human Rights Watch, “World Report 2026: Egypt,” 2026, accessed September 16, 2026, <https://www.hrw.org/world-report/2026/country-chapters/egypt>.

¹⁴⁹ Egyptian Center for Economic and Social Rights (ECESR), “Egypt’s Workers in 2025: From Wages and Arbitrary Dismissal to Occupational Safety,” 2025, accessed September 12, 2026, <https://ecesr.org/en/egypts-workers-in-2025-from-wages-and-arbitrary-dismissal-to-occupational-safety/>.

- Egypt suffered floods in 2020 that gravely affected 100,000 households¹⁴⁹ and caused US \$13 million in losses in the electricity sector,¹⁵⁰ yet it continued to pay surcharges.

Fiscal constraint on social investment. Surcharges paid by Egypt are equivalent to:

- 27 percent of the 2025 Ministry of Education budget and 35 percent of the 2025 Ministry of Health budget.
- Full vaccination (UNICEF) of 24 million children
- Cash-transfer program for 1.45 million households, more than double the scope of the Takaful and Karama programs combined.

(iv) Due process, participation and transparency

Contrary to the IMF's own transparency guidelines, the Staff Report underpinning the 2016 EFF was not publicly released until January 18, 2017 — more than two months after the Executive Board approved the loan — and the formal loan agreement, its conditions, and related documents remained undisclosed even at that point (CESR & Bretton Woods Project, 2017).¹⁵¹ Opposition to IMF involvement in Egypt's economic policy in fact predates the 2016 agreement: social movements, NGOs, political parties and public-interest lawyers mobilized against the prospect of an IMF loan as early as 2012, with the Union of Tax Workers and the Lawyers Syndicate specifically protesting the VAT increase tied to the 2016 program.¹⁵² In its own review of the case, CESR concluded that "a critical first step in opening up the possibility of alternative avenues is addressing the uncertainty and lack of transparency surrounding the IMF deal", and called for "meaningful civil society participation in designing an economic reform plan". Oxfam evaluated the scarce participation of civil society in the Egyptian case.¹⁵³

(v) Social protest and state response

After the 2011 Arab Spring Revolution, Egypt has changed profoundly. Immediately after those protests, the IMF tried to condition the new government, in an SBA that couldn't be implemented until 2016. In between, the government passed a law to restrict social protests.¹⁵⁴ By 2019, government passed a constitutional reform that undermines the Egyptian judiciary's dwindling independence and expand the military's power to intervene in political life, allowing the president to stay in power for longer periods.¹⁵⁵ This was seen as the final stroke in undoing the last democratic win of the 2011 Arab spring revolutions. Human Rights Watch (2025) documents that the Egyptian government systematically employs highly repressive policies against protests linked to food and energy access problems, in the context of the social crisis stemming from subsidy removal and currency devaluation associated with successive IMF programs.

(vi) Press freedom, censorship and civic space

Amnesty International (2024)¹⁵⁶ has pointed out that Law 149/2019 grants the authorities overly broad powers to restrict the registration, activities, funding, and

¹⁴⁹ ACT Alliance, "Alert: Egypt Floods Emergency," March 22, 2020 (ReliefWeb), accessed September 22, 2026, <https://reliefweb.int/report/egypt/act-alliance-alert-egypt-floods-emergency-22-march-2020>.

¹⁵⁰ PreventionWeb, "Infographic deep dive: 5 windows into Egypt's economics of climate adaptation," accessed October 6, 2026, <https://www.preventionweb.net/news/infographic-deep-dive-5-windows-egypts-economics-climate-adaptation>.

¹⁵¹ Center for Economic and Social Rights (CESR) and Bretton Woods Project, "Egypt's new IMF deal comes with a huge price tag for human rights," 2017, accessed September 16, 2026, <https://www.cesr.org/egypt-new-imf-deal-comes-huge-price-tag-human-rights/>.

¹⁵² *Id.*

¹⁵³ Ray, Abdo and Daa, *supra* note 92.

¹⁵⁴ The Tahrir Institute for Middle East Policy, "Protest Law", accessed October 2, 2026, <https://timep.org/wp-content/uploads/2018/11/Protest-Law-Brief-layout-Egypt-11-7-18updated3.pdf>

¹⁵⁵ ICJ, "Egypt Constitutional Amendments: Unaccountable Military, Unchecked President and a Subordinated Judiciary", 2019, accessed October 7, 2026, <https://www.icj.org/resource/egypt-constitutional-amendments-entrench-repression/>

¹⁵⁶ Amnesty International, report on Egypt (index MDE 12/8552/2024), October 2024, accessed September 22, 2026, <https://www.amnesty.org/en/wp-content/uploads/2024/10/MDE1285522024ENGLISH.pdf>.

dissolution of NGOs. The government is using that law to arbitrarily ban human rights defenders. HRW (2025) expresses concern over the judicial confirmation of a conviction against former presidential candidate Ahmed Al-Tantawi and 22 of his supporters, characterizing the ruling as part of the ongoing repression of dissent and opposition figures in Egypt; UN Human Rights Office spokesperson Marta Hurtado echoed this concern (OHCHR).¹⁵⁷ A Universal Periodic Review document on Egypt documents that authorities expanded military court jurisdiction over civilians in 2024. HRW (2025)¹⁵⁸ sums up the pattern as the Al-Sisi government entering its second decade in power, combining systematic repression with a worsening economic crisis, and goes so far as to describe Egypt's system of government as unaccountable and backed by military power, which has blocked any possibility of a peaceful transfer of power.

Concrete episodes of repression tied directly to criticism of the reform program date back to the program's early months. As a matter of fact, Egypt and the IMF reached an agreement in 2012, after the Arab Spring. This SBA included many austerity measures that raised an intense social unrest, as protesters rioted in several Egyptian cities to call for their "right for food and bread". This made the agreement impossible to implement, and lead the government to change the law to restrict protests.¹⁵⁹ The same agreement came into reality three years later, with a huge price tag for human rights.¹⁶⁰ In December 2016, Mona Mina, Secretary General of the Doctors' Syndicate, was accused of "spreading false news" after commenting publicly on shortages of medical supplies; the same month, two women were reportedly arrested at a subway station for discussing price increases (CESR & Bretton Woods Project, 2017).¹⁶¹ Around the same time, Egypt's Parliament passed a new law regulating civil society organizations that the UN Special Rapporteur on the rights to freedom of peaceful assembly and association warned "threatens to devastate" independent civil society in the country — a direct precursor to the NGO restrictions documented elsewhere in this report for the 2022-2024 period. Egypt ranked 169 (out of 180 countries) in 2026 Reporters Without Borders' World Press Freedom Index.¹⁶²

(vii) IMF position on the effects noted

Unlike the general absence of an IMF response noted above, the IMF did engage directly with this specific critique: its Mission Chief for Egypt, Chris Jarvis, submitted a formal reply to CESR and the Bretton Woods Project. According to CESR, that reply "confirm[ed] certain concerns expressed in the article — namely that the reform agenda reflects a narrow view of macro-economic stability and that the social costs of the reforms have not been adequately assessed or addressed" (CESR & Bretton Woods Project, 2017). This constitutes a rare instance of a partial, direct IMF acknowledgment that the social costs of one of its programs had not been properly evaluated, though the exchange did not extend to the civic-space restrictions documented above.

¹⁵⁷ Office of the United Nations High Commissioner for Human Rights (OHCHR), "Comment on Egypt," supra note 61.

¹⁵⁸ Human Rights Watch, "World Report 2025".

¹⁵⁹ Karim Malak, "The IMF loan to Egypt, and why we reject it", September 08, 2012, accessed October 7, 2026, <https://www.opendemocracy.net/en/imf-loan-to-egypt-and-why-we-reject-it/>; Emad Mekay, "Egypt's IMF programme draws ire of the poor and hungry", International Bar Association, accessed October 7, 2026, <https://www.ibanet.org/article/F663EAE1-B53A-42CE-97F5-D700CA029BC7>

¹⁶⁰ CESR & BWP, supra note 151.

¹⁶¹ Center for Economic and Social Rights (CESR) and Bretton Woods Project, "Egypt's new IMF deal," supra note 151.

¹⁶² Reporters Without Borders (RSF), "World Press Freedom Index," accessed October 6, 2026, <https://rsf.org/en/index>.

(viii) Rule of law and democracy ratings (update)

Component (WJP Rule of Law Index)	2017-18	2025	Change
Overall score	0.364	0.346	-0.018
F1. Constraints on Government Powers	0.327	0.231	-0.097
F2. Absence of Corruption	0.399	0.375	-0.023
F3. Open Government	0.250	0.227	-0.023
F4. Fundamental Rights	0.302	0.229	-0.072
F5. Order and Security	0.510	0.651	+0.141
F6. Regulatory Enforcement	0.324	0.349	+0.025
F7. Civil Justice	0.385	0.371	-0.014
F8. Criminal Justice	0.417	0.337	-0.080

Egypt's pattern is the clearest of the five cases in terms of authoritarian consolidation: the sharp increase in Order and Security occurs simultaneously with the largest declines in Constraints on Government Powers, Fundamental Rights and Criminal Justice—that is, more state control at the cost of fewer freedoms and guarantees.

Four other sources concur in placing Egypt as the most severe case in the sample:

- CIVICUS Monitor classifies it as 'Closed' (the worst possible category) uninterrupted throughout the 2018-2025 period;
- V-Dem describes it as an already-consolidated electoral autocracy, located in the region rated as the most autocratic in the world (Middle East and North Africa), with marginal changes on an already very low baseline;
- International IDEA (2026) mentions Egypt in the lower fifth of its rankings of representation, participation, rule of law and rights indexes;
- OMCT rates Egypt as high risk in its Global Torture Index, like Ecuador, with a very high risk in the Victims' Rights component. The report says that torture is systematic and widespread in Egypt, with the routine use of torture to extract confessions, punish dissidents and silence critics, making impunity structural, with no independent oversight bodies.

Pakistan

(i) Debt profile and surcharges

Pakistan is the country with the longest history of surcharge payments among the five studied (since 2009) and the one with the highest proportion of years paying surcharges relative to the total period observed (94 percent), although its relative weight in total charges paid (20 percent) is lower than that of Argentina or Egypt.

Indicator	Value
Year surcharge payments began	2009
Years paying surcharges (out of the 2008-2026 period)	17 years (94% of the 2008-2026 period)
Surcharges paid to date (SDR)	SDR 422,710,610 (level-based: 331,881,034; time-based: 90,829,576)
Total charges paid to the IMF (SDR)	SDR 1,731,814,904
Weight of surcharges in total charges paid	20%
Credit outstanding with the General Resources Account (SDR)	SDR 7,840,750,008
IMF quota (SDR)	SDR 2,031,000,000
Credit-to-quota ratio	386%
Projected to keep paying surcharges until	2028 (3 years remaining)

(ii) Sequence of IMF agreements

Pakistan maintains the most extensive and recurrent relationship with the IMF of the five countries studied: 23 financing arrangements since 1958,¹⁶³ with a recent sequence that includes an EFF in 2019, successive short-term programs in 2023 and 2024, a new EFF in 2025, and another short-term arrangement (RSF) in 2025.

(iii) Conditionality and fiscal space for economic and social rights

- Fuel and food: between 2018 and 2021, petrol prices rose by almost 80 percent as a result of successive IMF programs, driving up food prices that severely affected household budgets.¹⁶⁴
- Health and education: social spending cuts reduced access to maternal health services and to girls' education, amplifying cycles of gender inequality (CESR, 2026).¹⁶⁵
- Despite the critical social situation, IMF (2025)¹⁶⁶ approved Pakistan's government policies that have raised fuel and electricity costs and the price of other necessities

¹⁶³ Muchhala, Daza Castillo and Guillem, *Gendered Austerity* (Penang: Third World Network, 2022), accessed September 7, 2026, <https://www.twn.my/title2/books/pdf/GenderedAusterity.pdf>.

¹⁶⁴ Id.

¹⁶⁵ Center for Economic and Social Rights (CESR), "Holding International Financial Institutions to Account," supra note 103.

¹⁶⁶ International Monetary Fund, "Pakistan: IMF Completes the First Review of the EFF Arrangement and Approves Request for an Arrangement under the RSF," Press Release No. 25/137, May 9, 2025, accessed September 13, 2026, <https://www.imf.org/en/news/articles/2025/05/09/pr-25137-pakistan-imf-completes-1st-rev-of-eff-arrang-and-approves-req-for-arrang-under-rsf>.

without adequate measures to protect rights, while debt services account for 48 percent of fiscal revenue;¹⁶⁷

- Benazir Income Support Program (BISP)¹⁶⁸ is the main cash-transfer program, with an approximate reach of 9.6 million households, which has to compensate for the limited budget of other social programs.
- Debt servicing has systematically crowded out development spending: in fiscal year 2020, Pakistan allocated almost twice the amount spent on development to principal and interest to foreign creditors. Between 2011 and 2020, the government spent an average of 60 per cent of annual federal net revenue on interest payments alone; in 2019, interest payments alone consumed 103 per cent of net revenue receipts.¹⁶⁹
- The tax measures accompanying IMF conditionalities have been regressive: the share of direct taxation in total revenue fell from 38.7 percent in 2010/11 to 32.1 percent in 2019/20, shifting the relative burden onto indirect consumption taxes paid disproportionately by low- and middle-income households.¹⁷⁰
- Pakistan suffered massive floods in 2022 and again in 2025, with a combined death toll of around 2,800 people, the destruction of houses, loss of livestock and damage to crops, and total economic losses estimated at US \$30 billion¹⁷¹ in 2022 and US \$3 billion in 2025;¹⁷² yet it continued to pay surcharges.

Fiscal constraint on social investment. Surcharges paid by Pakistan are equivalent to:

- 17.6 percent of the country's combined annual education and health allocations, which together amount to just 1.6 percent of GDP
- Full vaccination (UNICEF) of 7.9 million children
- Cash-transfer program for 482,000 households, equal to a 30 percent increase in the reach of the Benazir Income Support Program (BISP), one of the largest cash transfer programs in the developing world.

(iv) Due process, participation and transparency

Women's organizations raised the impact of IMF programs before the UN CEDAW Committee in 2020; the Committee took up the concern during its constructive dialogue with the State but did not issue a specific recommendation on the matter in its concluding observations (Bretton Woods Project, 2020),¹⁷³ illustrating the difficulties existing human rights mechanisms face in translating such concerns into concrete remedy.

¹⁶⁷ Human Rights Watch, "World Report 2026: Pakistan," 2026, accessed October 5, 2026, <https://www.hrw.org/world-report/2026/country-chapters/pakistan#f52885>.

¹⁶⁸ Benazir Income Support Programme (BISP), official website, accessed October 6, 2026, <https://www.bisp.gov.pk/>.

¹⁶⁹ Zulfiqar Shah and Muhammad Rafique, "Impact of Foreign Debt on Labour Rights in Pakistan" (Friedrich-Ebert-Stiftung Pakistan / Public Services International, July 2023), accessed September 21, 2026, <https://collections.fes.de/publikationen/content/titleinfo/451230/full.pdf>.

¹⁷⁰ Id.

¹⁷¹ World Bank, "Pakistan: Flood Damages and Economic Losses Over USD 30 Billion and Reconstruction Needs Over USD 16 Billion – New Assessment," press release, October 28, 2022, accessed September 22, 2026, <https://www.worldbank.org/en/news/press-release/2022/10/28/pakistan-flood-damages-and-economic-losses-over-usd-30-billion-and-reconstruction-needs-over-usd-16-billion-new-assessment>.

¹⁷² ReliefWeb, "Pakistan: Floods – 2025" (FL-2025-000100-PAK), 2025, accessed September 23, 2026, <https://reliefweb.int/disaster/fl-2025-000100-pak>.

¹⁷³ Bretton Woods Project, "UN holds Pakistan to account for IMF programme impacts on women," April 2020, accessed October 3, 2026, <https://www.brettonwoodsproject.org/2020/04/un-holds-pakistan-to-account-for-imf-programme-impacts-on-women/>.

(v) Social protest and state response

The pattern of political tension documented in Pakistan goes beyond austerity policies, being more closely associated with military control over national politics. Notably, domestic business associations in Pakistan have flagged the surcharge mechanism specifically. In November 2025, the Pakistan Industrial and Traders Association Front (PIAF) stated¹⁷⁴ that Pakistan had paid the equivalent of US \$2.69 billion in interest under various IMF programmes since 2008, including US \$401.24 million in SDR “additional charges” (i.e., surcharges). PIAF’s chairman, Syed Mehmood Ghaznavi, called for Pakistan’s parliament to “draw up a parliamentary-level policy to gradually free Pakistan from this debt trap”, framing the issue explicitly in terms of lost fiscal space for “education, healthcare and infrastructure”.

(vi) Press freedom, censorship and civic space

International IDEA (2026) identifies Pakistan among mid-range performing countries that registered a decline in the Effective Parliament factor when comparing 2025 with 2020, in the same bracket as Ecuador. Human Rights Watch documented, as early as the first year of the surcharge-payment period (2009-2010), that the army was actively undermining the civilian government’s human rights agenda. By 2011, HRW described a “disastrous year”, with the army assuming almost total control over foreign and security policy, operating with impunity. In the most recent period, the Office of the UN High Commissioner expressed concern, ahead of the February 2024 elections, over a pattern of harassment, arrests and prolonged detentions of leaders and members of the Pakistan Tehreek-e-Insaf party, led by Imran Khan, noting that multiple court cases had disqualified him as a candidate and resulted in long prison sentences (OHCHR).¹⁷⁵ A group of UN special rapporteurs also expressed grave concern in 2024 over a resurgence of violence and discrimination against the Ahmadi community, including extrajudicial killings, arbitrary detentions and attacks on places of worship (OHCHR).¹⁷⁶ Pakistan ranked 153 (out of 180 countries) in 2026 Reporters Without Borders’ World Press Freedom Index.¹⁷⁷ HRW (2026)¹⁷⁸ concludes that Pakistani authorities have suppressed dissenting voices using vague and overbroad laws to stifle criticism.

(vii) IMF position on the effects noted

No IMF statement was identified in the evidence gathered regarding the effects of its programs in Pakistan on civil and political rights. Unlike Ecuador and Jordan, no specific IMF response to the concern raised before the CEDAW Committee in 2020 was identified either.

¹⁷⁴ The Express Tribune, “Pakistan paid \$2.7b in interest to IMF alone. Can it ever break free?,” November 13, 2025, accessed September 10, 2026, <https://tribune.com.pk/story/2577223/foreign-debt-pile-devouring-wealth>.

¹⁷⁵ Office of the United Nations High Commissioner for Human Rights (OHCHR), “Concerns over violence against political parties and candidates ahead of [elections in Pakistan],” press briefing notes, February 2024, accessed September 12, 2026, <https://www.ohchr.org/en/press-briefing-notes/2024/02/concerns-over-violence-against-political-parties-and-candidates-ahead>.

¹⁷⁶ Office of the United Nations High Commissioner for Human Rights (OHCHR), “Pakistan: Experts urge immediate end to discrimination and violence against [the Ahmadi community],” press release, July 2024, accessed September 16, 2026, <https://www.ohchr.org/en/press-releases/2024/07/pakistan-experts-urge-immediate-end-discrimination-and-violence-against>.

¹⁷⁷ Reporters Without Borders (RSF), “World Press Freedom Index,” supra note 162.

¹⁷⁸ Human Rights Watch, “World Report 2026,” supra note 167.

(viii) Rule of law and democracy ratings

The WJP Rule of Law Index does not cover the exact year Pakistan began paying surcharges (2009); the available series begins in 2015, so the comparison below understates the deterioration accumulated since the actual start of the period.

Component (WJP Rule of Law Index)	2015	2025	Change
Overall score	0.385	0.371	-0.014
F1. Constraints on Government Powers	0.491	0.433	-0.057
F2. Absence of Corruption	0.353	0.312	-0.041
F3. Open Government	0.451	0.394	-0.057
F4. Fundamental Rights	0.394	0.348	-0.045
F5. Order and Security	0.282	0.358	+0.076
F6. Regulatory Enforcement	0.372	0.386	+0.015
F7. Civil Justice	0.393	0.383	-0.010
F8. Criminal Justice	0.343	0.350	+0.007

The deterioration is concentrated in Constraints on Government Powers and Open Government, consistent with the pattern of *de facto* military control documented in section 6, while order and security improves, possibly associated with a decline in sectarian violence in some provinces in recent years.

Four other sources are convergent:

- CIVICUS Monitor classifies Pakistan as “Repressed”;
- V-Dem explicitly names it in its Democracy Report 2026 among the world’s large economies undergoing autocratization;
- International IDEA (2026) identifies Pakistan, together with Ecuador, among the countries with a decline in the Effective Parliament factor between 2020 and 2025. Separately, International IDEA (2025)¹⁷⁹ documents the centralization of power in the executive and the military through legal and constitutional amendments, alongside weakening checks on the judiciary and broader restrictions on opposition parties.
- OMCT rates Pakistan as high risk in its Global Torture Index, with a very high risk in its Victims’ Rights component. Torture and ill-treatment are embedded in law enforcement

¹⁷⁹ International IDEA, “Democracy Tracker: Pakistan – November 2025,” November 2025, accessed September 24, 2026, <https://www.idea.int/democracytracker/report/pakistan/november-2025>.

Jordan

(i) Debt profile and surcharges

Jordan has been paying surcharges since 2014. Among the five countries studied, it has the second-highest proportion of years paying surcharges relative to its time in the mechanism (67 percent), after Pakistan.

Indicator	Value
Year surcharge payments began	2014
Years paying surcharges (out of the 2008-2026 period)	12 years (67% of the 2008-2026 period)
Surcharges paid to date (SDR)	SDR 109,550,430 (level-based: 99,452,164; time-based: 10,098,266)
Total charges paid to the IMF (SDR)	SDR 334,267,780
Weight of surcharges in total charges paid	25%
Credit outstanding with the General Resources Account (SDR)	SDR 1,610,571,086
IMF quota (SDR)	SDR 343,100,000
Credit-to-quota ratio	469%
Projected to keep paying surcharges until	2029 (4 years remaining)

(ii) Sequence of IMF agreements

Jordan has maintained a continuous series of agreements with the IMF since 2012, including programs in 2012, 2016 and 2020, with additional reforms in 2018 under the program then in force (HRW, 2023).¹⁸⁰ HRW's report characterizes this sequence as "a series of IMF programs that imposed radical economic reforms over the past decade, without the intended mitigation measures managing to halt the deterioration of rights". A new EFF was signed in 2023 for US \$1.2 billion.

(iii) Conditionality and fiscal space for economic and social rights

- 2012: the first program eliminated fuel subsidies with little compensatory support, generating 5 percent inflation; that program did not include a social spending floor (HRW, 2023).¹⁸¹
- 2018: a second milestone eliminated bread subsidies and implemented tax reforms that raised income tax for the middle class and increased VAT, with inflation reaching 5.7 percent in July 2018. A government report acknowledged that investment in social assistance fell between 2011 and 2017 even though the elimination of subsidies generated 788 million Jordanian dinars (US \$1.1 billion) in fiscal savings over that same period (HRW, 2023).¹⁸²
- Food security: following the 2018 reforms, food insecurity rose steadily, from 12.7 percent in 2017 to 17 percent in 2020 (HRW, 2023).¹⁸³

¹⁸⁰ Human Rights Watch, World Report 2023, supra note 125.

¹⁸¹ Id.

¹⁸² Id.

¹⁸³ Id.

- Social protection: the targeted transfer program Takaful, created in 2019 with World Bank and UNICEF support, reached—even in its expanded pandemic-era version—only around 1 in 5 Jordanian households below the poverty line, explicitly excluding the country’s large refugee population despite its higher poverty rates than the Jordanian population (HRW, 2023).¹⁸⁴ Since the start of the pandemic, poverty has risen from 15 percent to 24 percent.
- The IMF supported¹⁸⁵ for the flexibilization of the Labor Law and the Social Security Law in 2023
- Jordan suffered floods in 2018, 2022 and 2025, causing particular impact in tourism activities; yet it continued to pay surcharges.

Fiscal constraint on social investment. Surcharges paid by Jordan are equivalent to:

- 8.3 percent of the 2025 Ministry of Education budget and 13.2 percent of the 2025 Ministry of Health budget.
- Full vaccination (UNICEF) of 2.1 million children, more than the entire under-15 population of Jordan
- Cash-transfer program for 125,000 households, more than half of current scope of the Takaful program

(iv) Due process, participation and transparency

HRW (2023)¹⁸⁶ documents that Jordan’s program defines the social spending floor as non-wage current spending on health and education, a category that is not specifically tracked in the public budget, making it practically impossible for the public to independently verify whether the floor is actually met—a concrete example of how a lack of technical transparency limits informed citizen participation. The same program that creates the social protection floor also included measures exempting certain employers from social security contributions for certain employees, weakening the contributory pillar of the social protection system while partially strengthening the targeted assistance pillar.

(v) Social protest and state response

The elimination of bread subsidies and the tax reforms in 2018 sparked mass protests that forced the resignation of Prime Minister Hani al-Mulki (HRW, 2023).¹⁸⁷ Austerity protests continued through 2019, including a prolonged teachers’ strike, while authorities simultaneously intensified arrests of political and anti-corruption activists.

(vi) Press freedom, censorship and civic space

The UN Committee against Torture noted that, under the 2023 Cybercrime Law—which contains vaguely defined offences such as “promoting, instigating, aiding or abetting immorality” or “inciting sedition or undermining national unity”—authorities investigated or prosecuted at least 43 people for online expression, including activists and journalists (UN Committee against Torture)¹⁸⁸. During his visit to Jordan, the UN High Commissioner Volker Türk urged¹⁸⁹ the strengthening of judicial independence,

¹⁸⁴ Id.

¹⁸⁵ International Monetary Fund, Hashemite Kingdom of Jordan, IMF Country Report No. 23/003 (2023), accessed September 26, 2026, <https://www.imf.org/-/media/files/publications/cr/2023/english/tjorea2023003.pdf>.

¹⁸⁶ Human Rights Watch, World Report 2023, supra note 125.

¹⁸⁷ Id.

¹⁸⁸ Office of the United Nations High Commissioner for Human Rights (OHCHR), “Experts of the Committee against Torture welcome Jordan’s efforts to prevent [torture],” meeting summary, November 2024, accessed September 16, 2026, <https://www.ohchr.org/en/meeting-summaries/2024/11/experts-committee-against-torture-welcome-jordans-efforts-prevent>.

¹⁸⁹ Office of the United Nations High Commissioner for Human Rights (OHCHR), “Türk visits Jordan and encourages strengthening judicial independence,” press release, August 2026, accessed September 8, 2026, <https://www.ohchr.org/en/press-releases/2026/08/turk-visits-jordan-and-encourages-strengthening-judicial-independence>.

called for an end to the extensive use of administrative detention, and expressed concern over the resumption of executions in the country. Jordan ranked 142 (out of 180 countries) in 2026 Reporters Without Borders' World Press Freedom Index.¹⁹⁰

(vii) IMF's position on the effects noted

HRW (2023)¹⁹¹ formally wrote to the IMF regarding its report's findings. In its response, dated 22 September 2023, the IMF stated that "prioritizing social spending, with a focus on supporting the most vulnerable, is an important aspect of the IMF's work and a guiding principle of its 2019 Strategy for IMF Engagement on Social Spending" (quoted in HRW 2023,¹⁹² 22-23). The World Bank, consulted in the same process, reaffirmed its commitment to universal social protection but defended the use of targeting mechanisms in contexts of budget constraints. Neither institution addressed, in its response, the documented effects on social protest or on the 2018 prime ministerial resignation.

(viii) Rule of law and democracy ratings

The WJP Rule of Law Index does not cover the exact year Jordan began paying surcharges (2014); the available series begins in 2015, one year later.

Component (WJP Rule of Law Index)	2015	2025	Change
Overall score	0.568	0.552	-0.017
F1. Constraints on Government Powers	0.490	0.476	-0.014
F2. Absence of Corruption	0.595	0.591	-0.004
F3. Open Government	0.481	0.386	-0.095
F4. Fundamental Rights	0.520	0.456	-0.064
F5. Order and Security	0.772	0.761	-0.010
F6. Regulatory Enforcement	0.524	0.571	+0.046
F7. Civil Justice	0.618	0.612	-0.006
F8. Criminal Justice	0.548	0.559	+0.012

¹⁹⁰ Reporters Without Borders (RSF), "World Press Freedom Index," supra note 162.

¹⁹¹ Human Rights Watch, World Report 2023, supra note 125.

¹⁹² Human Rights Watch, "Bandage on a Bullet Wound: IMF Social Spending Floors and the Covid-19 Pandemic," September 2023, accessed September 10, 2026, https://www.hrw.org/sites/default/files/media_2023/09/ejr_imf0923web_1.pdf

The largest decline is concentrated in Open Government (-0.095, which includes civic participation and access to information) and Fundamental Rights (-0.064), consistent with the 2023 Cybercrime Law and the detentions of journalists and activists. WJP shows deterioration particularly in participation and freedom of expression.

Two other sources add nuance to this picture:

- CIVICUS Monitor classifies Jordan as “Obstructed” (2017-2023 baseline, with no confirmed subsequent update);
- V-Dem shows no net deterioration, with mild changes in electoral democracy, in participatory democracy and in egalitarian democracy between 2014 and 2025; in all cases, it shows low net values (first two mentioned indexes have a value of around half of the average of countries considered).

7. Concluding remarks

This report set out to examine a narrow but consequential feature of IMF lending — the surcharges applied to the largest and most protracted borrowers — and to ask what role, if any, this mechanism plays in the wider erosion of democracy and human rights observed across many of the countries that pay it. The evidence assembled here does not establish that surcharges cause authoritarian regression. It does, however, support a more modest and better-founded claim: that surcharges add a further, quantifiable layer of fiscal pressure onto countries that are, by construction, already among the most indebted and most closely supervised by the Fund, and that this additional pressure operates alongside — and plausibly reinforces — the fiscal, social and governance dynamics through which IMF conditionality more broadly has been shown to affect civic space, social protest and state repression. Surcharges, in short, facilitate conditions favorable to democratic backsliding.

Surcharges are levied on top of ordinary IMF charges whenever a country’s credit with the GRA exceeds a threshold relative to its quota (level-based surcharges) or remains outstanding beyond a set number of years (time-based surcharges). Unlike ordinary charges, they are not tied to the Fund’s own cost of funds; they function instead as a penalty intended to discourage large and prolonged borrowing. Since 2009, twenty-one countries have paid surcharges, and by mid-2026 twelve continued to do so, together accounting for 98 per cent of all surcharge payments made since the mechanism became a recurring feature of Fund lending. For the most exposed borrowers, surcharges represent a very substantial share of what they pay the IMF in total — reaching 42 per cent of all charges paid by Argentina and 35 per cent of those paid by Egypt — precisely because these are the same countries whose credit outstanding runs to several multiples of their quota. Civil society, academics and UN human rights experts argued that this design is procyclical, regressive for borrowers, financially unnecessary for an institution that faces no real risk of default, and in tension with the IMF’s own Articles of Agreement. The reform the IMF adopted at the end of 2024 raised the thresholds that trigger surcharges and reduced the projected burden going forward, but it left the mechanism in place; the countries examined in this report remain above the revised thresholds and continue to pay.

The evidence also shows that the payment of surcharges does not stop when catastrophe strikes. Ukraine paid surcharges in the midst of a war, and Ecuador did so while facing a security crisis. Pakistan kept paying through the floods of 2022 and 2025, which left a third of its territory under water. Argentina paid during the worst drought in six decades in 2023. Ecuador also paid after the landslides and floods of 2022 and 2023, and the same goes for Egypt after the 2020 floods, and Jordan after the floods of 2018, 2022 and 2025. In none of these cases did the obligation pause. This contrasts with the

logic of pause clauses, which can be written into debt contracts to allow a government to temporarily suspend payments to its creditors when a natural disaster strikes.¹⁹³ Such clauses recognize that debtors do not control these events and that servicing debt at the expense of emergency response and recovery compounds harm over time. Surcharges, however, operate in the opposite direction. They are an extra cost that is neither deferred nor reduced when a country faces extraordinary circumstances. They are paid to a senior creditor that bears no real default risk, and they further shrink the fiscal space available to protect the rights of the people most affected. If the IMF's own lending were to embed the principle behind pause clauses, surcharges would be among the first charges to be suspended.

The report's central argument rests on four interrelated dimensions through which the accumulated conditionality of IMF programs — of which surcharges are, for the largest debtors, an additional component — can facilitate authoritarian tendencies.

First, fiscal constraint: Debt service that grows heavier at the same time that a country's balance of payments (BoP) crisis is already straining its budget leaves less room to sustain spending on health, education, food security and social protection, with cuts that in several of the cases examined went well beyond what ordinary macroeconomic adjustment would require.

Second, social unrest: Austerity measures tied to specific, identifiable IMF conditions — the removal of a fuel subsidy, a change to the pension formula, a new tax — have repeatedly triggered protests, strikes and, in some cases, the resignation of governments, across contexts as varied as Jordan in 2018, Ecuador in 2019 and 2022, and Argentina since 2023.

Third, coercive government responses: Several of the governments implementing these programs have met the resulting unrest with force, arbitrary detention, expanded emergency powers or restrictions on the press, sometimes accompanied by an expansion of security and military spending precisely when social spending is being cut.

Fourth, reduced transparency and participation: Agreements have in more than one case been negotiated and signed without legislative approval, public disclosure or judicial process that domestic law would otherwise require, while the technical, highly specialized character of IMF conditionality tends to remove core economic-policy choices from ordinary democratic debate.

None of these four dynamics is exclusive to surcharge-paying countries, nor does any of them, on its own, prove that a given episode of repression or backsliding would not have occurred without the IMF's involvement. Taken together across five carefully documented cases, however, they describe a recurring and internally consistent pattern.

This pattern is not occurring in isolation. It sits within a global trend of democratic regression that independent monitors have documented with increasing alarm and that is, by its nature, driven by many factors well beyond IMF policy. V-Dem's Democracy Report 2026 counts 44 countries currently undergoing autocratization, and names Argentina and Pakistan explicitly among the large economies experiencing this trend. International IDEA's Global State of Democracy 2026 finds that, for the eleventh consecutive year, more countries declined than advanced on at least one measure of democratic performance, with the rule of law the weakest and most rapidly deteriorating category worldwide, and it identifies Argentina among countries with a marked decline in judicial independence and Ecuador and Pakistan among those with a marked decline in the effectiveness of parliamentary oversight. CIVICUS Monitor rates civic space as repressed or closed in 83 of 198 countries and territories it tracks,

¹⁹³ Park and Samples, 2024 supra 91.

covering 73 per cent of the world's population, and during the period covered by this report downgraded Argentina and Ecuador, while continuing to rate Egypt as closed and Pakistan as repressed. Within this broader picture, surcharge-paying countries do not stand out as exceptional; what this report contributes is evidence that a specific, quantifiable and reformable feature of the international financial architecture is bound up with the same countries and the same period in which this deterioration has been most visible.

The five country case studies — Argentina, Ecuador, Egypt, Jordan and Pakistan — were selected because they are among the countries that have paid the most in surcharges since 2009, and because, unlike Ukraine, their trajectories are not dominated by an active armed conflict that would make any attribution to IMF policy analytically unworkable. Read together, they display a common structure rather than a single storyline.

In Argentina, successive SBA and EFF arrangements since 2018 have coincided with a documented, real-terms contraction in health, education and pension spending and with a downgrade in CIVICUS Monitor's civic-space rating, alongside a decline in judicial independence corroborated independently by International IDEA.

In Ecuador, the elimination of fuel subsidies tied to Fund programs triggered mass Indigenous-led protests in 2019, 2022 and again in 2025, each met with documented use of force, even as the country's overall democracy indicators show a more complex, partially reversed trajectory.

In Egypt, the combination of a fiscal-reform program, poverty and inflation that rose sharply after 2016, and public spending on health and education that remains below constitutional minimums coincides with the most severe and most consistently rated civic-space closure of the five cases, alongside an expansion of military court jurisdiction over civilians.

In Jordan, a decade of sequential IMF programs produced the most granular and directly attributable record of the group — HRW traced specific tax and subsidy measures to specific protests and to the resignation of a prime minister — while its rule-of-law and V-Dem indicators, unlike the other cases, show little net deterioration, a divergence that itself illustrates how differently these methodologies weight participation, corruption and repression.

In Pakistan, the longest-running relationship with the Fund of the five cases coincides less with a reaction to any single program than with a chronic pattern of military control over foreign and security policy that predates, and appears to operate largely independently of, the country's surcharge payments.

An exploratory quantitative exercise, included to give a tangible sense of scale rather than to propose a literal reallocation of funds, illustrates what surcharge payments represent in comparison to concrete social investments. Across the five case-study countries, surcharges paid to date are equivalent to between roughly 8 and 35 per cent of a full year's national education or health budget, and, valued against international reference costs, to the full vaccination of tens of millions of children or to a year of Takaful-style cash transfers for hundreds of thousands, and in Argentina's case millions, of households. For a global system of surcharge-paying countries as a whole, the roughly US \$1.7 billion paid in 2026 alone would be sufficient to cover a meaningful share of the entire estimated global financing gap for primary-school teachers, or to fully vaccinate tens of millions of children. These figures cannot be read as evidence that any government would in fact have redirected an equivalent sum to social investment in the absence of surcharges; they are offered to make the scale of the sums involved legible in human terms.

Two methodological caveats deserve to be restated plainly, because they define the limits of what this report can claim. First, correlation is not causation: countries turn to the IMF, and accumulate the kind of prolonged, above-quota debt that triggers surcharges, precisely because they are already in crisis, so that fragile institutions, weak fiscal space and social unrest may in some cases be the cause of a country's exposure to surcharges rather than, or as well as, its consequence. Second, no source used in this report isolates the specific marginal effect of the surcharge component from the much larger effect of the IMF program of which it is a part; the country summaries are explicit, case by case, about where the available evidence discusses surcharges directly and where it discusses IMF conditionality more broadly. The claim this report defends is accordingly a claim about facilitation within a documented, multi-causal process, corroborated across five independent sources of evidence — the WJP Rule of Law Index, CIVICUS Monitor, V-Dem, International IDEA and, where applicable, UNDP and OMCT — rather than a claim of direct causation resting on any single one of them.

That said, the convergence of five independently produced sources of evidence across five very different countries, combined with documented instances in which specific IMF-mandated measures preceded specific protests, specific acts of repression and specific breakdowns in due process, is more than a coincidence to be noted in passing. It is evidence that the design of IMF lending — and surcharges as one concrete, reformable feature of that design — belongs on the agenda of anyone concerned with the international human rights obligations of international financial institutions, alongside their more familiar economic and financial obligations. The IMF has itself acknowledged, in its own social-spending strategy and in correspondence cited in this report, that protecting the most vulnerable is meant to be a guiding principle of its work; the evidence gathered here indicates that, in the specific case of surcharges, that principle has yet to be reflected in a change to the mechanism itself. A reform that eliminated surcharges altogether — a step the IMF's own financial position could readily absorb — would not, on the evidence presented here, resolve the deeper political-economy dynamics that link fiscal adjustment to democratic backsliding. It would, however, remove one avoidable and quantifiable source of pressure from exactly the group of countries this report identifies as most exposed, at a moment when the space for democratic contestation in all of them, and in much of the world, is narrowing.

8. Recommendations

Suspend and eliminate IMF surcharges

This report shows that IMF surcharges are unfair, counterproductive and disproportionate. They extract additional payments from countries already facing severe debt and economic pressures, leaving fewer resources for public services, climate action and social protection.

More than 250 civil society organisations and experts called on the IMF to eliminate surcharges in 2022. Yet the Fund's 2024 reform only reduced the burden at the margins: it lowered some fees and raised the thresholds at which they apply, while leaving the surcharge system itself mostly intact. By late 2026, countries continue to pay billions in surcharges, while the IMF has yet to address their wider economic, social and human rights consequences.

The evidence presented in this report points to an additional concern: surcharges intensify the social and political pressures that accompany economic crises, including conditions in which authoritarian responses and restrictions on civic space often take hold.

The IMF should therefore:

1. Immediately suspend surcharges and review their impacts

The IMF should immediately suspend the collection of surcharges and undertake a comprehensive, independent review with a view to eliminating them altogether.

The review should assess the economic, fiscal, social, human rights and democratic consequences of surcharges, including their interaction with IMF conditionality and fiscal consolidation. It should examine who bears the cost of these payments and whether they undermine countries' capacity to protect essential public services, address inequality and respond to crises.

There is no justification for continuing to punish countries for borrowing when they are already struggling to service their debts.

2. Stop making people pay the price of fiscal adjustment

The IMF should move away from fiscal consolidation policies that place disproportionate burdens on people and communities already facing economic hardship.

Economic stability cannot come at the expense of human rights. IMF programmes should prioritize human dignity, equality, redistribution and sustainable development, rather than narrow fiscal targets or creditor interests.

IMF programmes and policy advice should not contribute to retrogression in economic and social rights. The Fund should conduct meaningful human rights impact assessment and due diligence to identify, prevent and mitigate adverse impacts arising from its lending and policy advice.

3. Listen to people affected by IMF programmes

Economic adjustment can fuel social unrest when people experience cuts to essential services, rising inequality and declining living standards without having a meaningful say in the policies imposed on them.

People have a right to protest and to have their voices heard. Economic policy cannot be sustainable if it is built against the people it affects.

The IMF should meaningfully engage with communities, workers, civil society and other potentially affected groups when designing and implementing programmes, and ensure that their concerns inform risk assessments and mitigation measures.

4. Not enable repression in the name of economic stability

The IMF must not turn a blind eye when governments respond to economic grievances with repression.

The Fund should assess how its programmes may interact with restrictions on civic space, freedom of expression and peaceful protest. It should ensure that its lending and policy advice do not enable, legitimise or reinforce coercive responses to legitimate demands for economic and social rights.

Where serious human rights risks arise, the IMF should take steps to prevent and mitigate them rather than treating them as outside its mandate.

5. Make IMF decision-making transparent and accountable

The IMF's growing influence over domestic economic policy makes transparency and public accountability even more important.

IMF programmes should not be negotiated behind closed doors and presented to people as a *fait accompli*.

Governments and the IMF should ensure meaningful parliamentary and public participation in the design and implementation of programmes. Human rights impact assessments should be conducted both before programmes are approved and after they are implemented, with their findings made publicly available.

The presumption should be transparency: public access to information must be the rule, and secrecy the exception.

6. Put human rights at the centre of IMF decision-making

Surcharges are part of a broader question about how the IMF understands its mandate and its responsibility when its decisions shape the economic and social conditions in countries around the world.

The IMF cannot claim economic stability as its goal while ignoring the human rights and democratic consequences of the policies it promotes.

The Fund should fully integrate human rights into its lending, surveillance and policy advice, ensuring that its actions contribute to the respect, protection and fulfilment of human rights.

Ultimately, addressing the debt crises that drive countries into repeated IMF programmes requires more than reforming individual IMF instruments. Governments should advance a comprehensive international framework for sovereign debt, including through negotiations towards a UN framework convention on sovereign debt, to create fairer, more predictable and rights-compatible solutions to debt crises.