

Address: HQ1, the address is 700 19th St NW, Washington, DC 20431.



INTERNATIONAL MONETARY FUND

The International Monetary Fund serves as a global organization that wants to achieve sustainable growth and prosperity for all its 190 member states through economic policies that promote financial stability and monetary cooperation. By monitoring foreign exchange systems and ensuring orderly exchange arrangements it strives to achieve it. Their focus is on job creation, increasing productivity, and economic well-being.

In fact, it fosters financial stability by providing policy advice (economic and political), financial assistance (in the form of loans) and capacity development (technical & training to help governments to implement the aforementioned policies).

Now how do you become a member state? Membership requires a quota. Its size reflects the global importance of a country's economy and political considerations. It determines voting power, serves as part of official reserves, and determines the country's borrowing power. Top 3: US 16.5%, Japan 6.14%, China 6.08% (July 2021).

Ever heard of SDRs? The Special Drawing rights are an international reserve asset that can serve as official reserves for its member states. However: *"The SDR is not a currency. It is a potential claim on the freely usable currencies of IMF members. As such, SDRs can provide a country with liquidity."* The value of an SDR is based on a basket of the world's five leading currencies: the US\$, €, £, ¥ and Chinese Yuan.

Furthermore, major topics are discussed within the IMF such as fintech. It has an article about digital currency: *"The Rise of Digital Money"*. In summary, the publication highlights the rapid evolution of this phenomenon and the challenges that it brings such as consumer protection, financial & economic stability, and an effective international monetary system. A link to the article is in the following page.

Moreover, after the financial crisis, it created something called the fiscal monitor. It serves as a multilateral surveillance to analyze the latest public finance developments, update fiscal implications of the crisis and medium-term fiscal projections, and assess policies to put public finances on a sustainable footing.

Lastly, what does the IMF do to fight against climate change? **Mitigation:** *"including advice on measures to contain and reduce emissions through policies (carbon taxes, reducing fuel subsidies and improving regulation)* **Adaptation:** *'including guidance on building financial and institutional resilience to natural disasters and extreme weather events, infrastructure investments to cope with rising sea levels and other warming-related phenomena.'* **Transition to a low-carbon economy:** *'including updates to financial sector regulation to cover climate risks, as well as measures to help countries diversify economies away from carbon-intensive industries while mitigating the social impact on affected communities.'*

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Annexe:



-IMF. (n.d.-a). *About the IMF*. Retrieved May 31, 2022, from

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-IMF. (n.d.-a). *Fiscal Monitor*. Retrieved May 31, 2022, from

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-Jahan Ara Peerally, (February 4th 2022), *GLOBAL BUSINESS ENVIRONMENT SESSION #5: THE WTO, THE IMF AND THE WORLD BANK IN GLOBAL GOVERNANCE*, HEC Montreal. Retrieved May 31, 2022