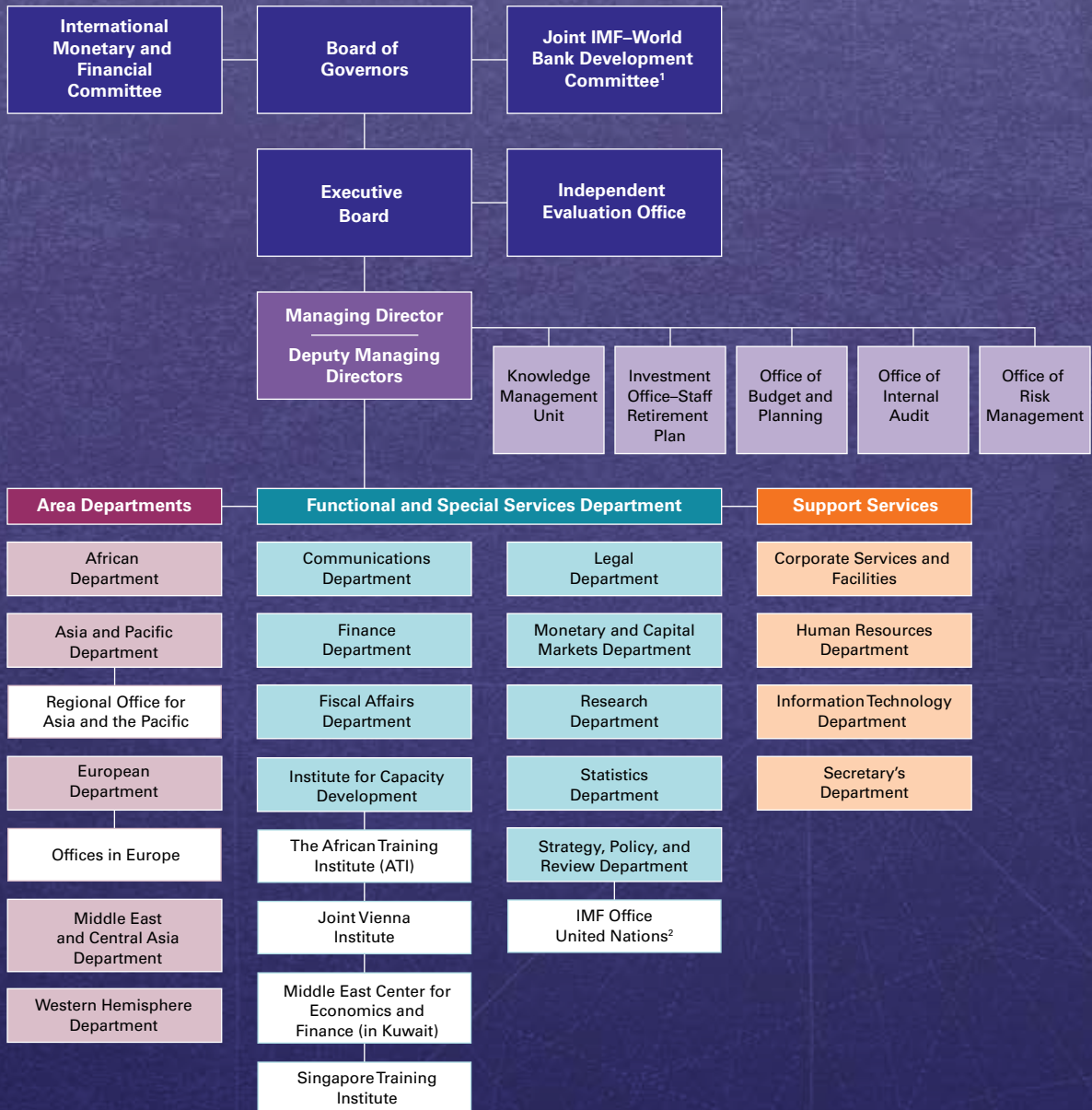


PART 3:

# Who We Are

## IMF Organization Chart

as of April 30, 2019



<sup>1</sup> Known formally as the Joint Ministerial Committee of the Boards of Governors of the Bank and the Fund on the Transfer of Real Resources to Developing Countries.

<sup>2</sup> Attached to the Office of the Managing Director.



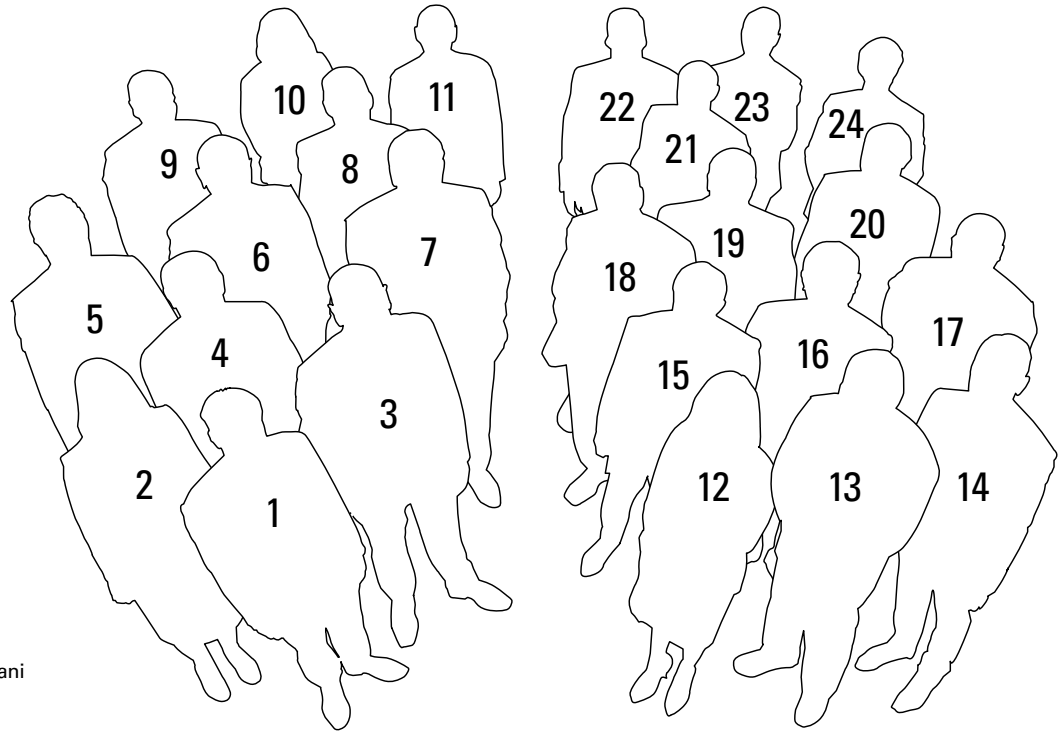
# IMF Executive Directors

as of May 2019



## WHO WE ARE

1. Hervé de Villeroché
2. Shona Riach
3. Thomas Östros
4. Jafar Mojarad
5. Gabriel Lopetegui
6. Raci Kaya
7. Aleksei Mozhin
8. Leonardo Villar
9. Masaaki Kaizuka
10. Louise Levonian
11. Mark Rosen
12. Alisara Mahasandana
13. Subir Gokarn
14. Maher Mouminah
15. Domenico Fanizza
16. Jin Zhongxia
17. Dumisani H. Mahlinza
18. Hazem Beblawi
19. Alexandre Tombini
20. Nigel Ray
21. Anthony De Lannoy
22. Mohamed-Lemine Raghani
23. Paul Inderbinen
24. Steffen Meyer



### 2018 Regular Election of Executive Directors

Newly elected IMF Executive Directors began their two-year terms in November 2018, following an election for the 24 elective seats. As a result, 11 new Executive Directors and 8 new Alternate Executive Directors joined the Board and will serve a two-year term until October 31, 2020.

To guide the election process, the Board established a committee whose task was to develop the formal rules for conducting the election. The rules define the number of

Executive Directors to be elected (24, as has been the case since 1992) and specify the maximum level of voting shares that multicountry groups may hold, so that voting power is distributed across the Board in a reasonable balance. The rules also outline the timeline and process of the election. These rules, submitted by the Executive Board, were approved by the Board of Governors in August 2018.

The next regular election of Executive Directors will be conducted in October 2020.



#### In Memoriam

Executive Director Subir Gokarn, an Indian national, died in July 2019 after a short illness. Mr. Gokarn represented Bangladesh, Bhutan, India, and Sri Lanka on

the Board since December 2015. The Executive Board and the management and staff of the IMF admired his keen intellect, thoughtfulness, and eloquence and expressed a deep appreciation for his many contributions during his tenure at the Fund.

### Executive Directors and Alternates (as of April 30, 2019)

<b>Adam Lerrick</b> <i>Vacant</i>	United States
<b>Masaaki Kaizuka</b> <i>Yoshihito Saito</i>	Japan
<b>Jin Zhongxia</b> <i>Sun Ping</i>	China
<b>Anthony De Lannoy</b> <i>Richard Doornbosch</i> <i>Vladyslav Rashkovan</i>	Armenia, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Georgia, Israel, Luxembourg, Moldova, Montenegro, Netherlands, North Macedonia, Romania, Ukraine

<b>Steffen Meyer</b> <i>Klaus Gebhard Merk</i>	Germany	<b>Subir Gokarn</b> <i>Mahinda K. M. Siriwardana</i>	Bangladesh, Bhutan, India, Sri Lanka
<b>Leonardo Villar</b> <i>Pablo Moreno</i> <i>Alfonso Guerra</i>	Colombia, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Spain, República Bolivariana de Venezuela	<b>Dumisani H. Mahlinza</b> <i>Ita Mannathoko</i> <i>Kingsley I. Obiora</i>	Angola, Botswana, Burundi, Eritrea, Eswatini, Ethiopia, The Gambia, Kenya, Lesotho, Liberia, Malawi, Mozambique, Namibia, Nigeria, Sierra Leone, Somalia South Africa, Republic of South Sudan, Sudan, Tanzania, Uganda, Zambia, Zimbabwe
<b>Juda Agung</b> <i>Keng Heng</i>	Brunei Darussalam, Cambodia, Republic of Fiji, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, Nepal, The Philippines, Singapore, Thailand, Tonga, Vietnam	<b>Paul Inderbinen</b> <i>Piotr Trabinski</i>	Azerbaijan, Kazakhstan, Kyrgyz Republic, Poland, Serbia, Switzerland, Tajikistan, Turkmenistan, Uzbekistan
<b>Domenico Fanizza</b> <i>Michalis Psalidopoulos</i>	Albania, Greece, Italy, Malta, Portugal, San Marino	<b>Aleksei Mozhin</b> <i>Lev Palei</i>	Russian Federation, Syrian Arab Republic
<b>Hervé de Villeroché</b> <i>Armel Castetsi</i>	France	<b>Jafar Mojarrad</b> <i>Mohammed Dairi</i>	Islamic Republic of Afghanistan, Algeria, Ghana, Islamic Republic of Iran, Libya, Morocco, Pakistan, Tunisia
<b>Shona Riach</b> <i>David Paul Ronicle</i>	United Kingdom	<b>Hazem Beblawi</b> <i>Sami Geadah</i>	Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Maldives, Oman, Qatar, United Arab Emirates, Republic of Yemen
<b>Nigel Ray</b> <i>Nam-duk Heo</i> <i>Grant Johnston</i>	Australia, Kiribati, Republic of Korea, Marshall Islands, Federated States of Micronesia, Mongolia, Nauru, New Zealand, Palau, Papua New Guinea, Samoa, Seychelles, Solomon Islands, Tuvalu, Vanuatu	<b>Maher Mouminah</b> <i>Ryadh M. Alkhareif</i>	Saudi Arabia
<b>Louise Levonian</b> <i>Anne Marie McKiernan</i>	Antigua and Barbuda, The Bahamas, Barbados, Belize, Canada, Dominica, Grenada, Ireland, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines	<b>Mohamed-Lemine Raghani</b> <i>Herimandimby A.</i> <i>Razafindramanana</i> <i>Facinet Sylla</i>	Benin, Burkina Faso, Cameroon, Central African Republic, Chad, Comoros, Democratic Republic of the Congo, Republic of Congo, Côte d'Ivoire, Djibouti, Equatorial Guinea, Gabon, Guinea, Guinea-Bissau, Madagascar, Mali, Mauritania, Mauritius, Niger, Rwanda, São Tomé and Príncipe, Senegal, Togo
<b>Thomas Östros</b> <i>Jon Sigurgeirsson</i>	Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway, Sweden	<b>Gabriel Lopetegui</b> <i>Juan Carlos Di Tata</i>	Argentina, Bolivia, Chile, Paraguay, Peru, Uruguay
<b>Raci Kaya</b> <i>Christian Just</i> <i>Szilard Benk</i>	Austria, Belarus, Czech Republic, Hungary, Kosovo, Slovak Republic, Slovenia, Turkey		
<b>Alexandre Tombini</b> <i>Bruno Saraiva</i> <i>Pedro Fachada</i>	Brazil, Cabo Verde, Dominican Republic, Ecuador, Guyana, Haiti, Nicaragua, Panama, Suriname, Timor-Leste, Trinidad and Tobago		

# Management Team



◀ Managing Director Christine Lagarde with students at the Gadjah Mada University in Yogyakarta, Indonesia.

▶ First Deputy Managing Director David Lipton delivers opening remarks at the IMF Fiscal Forum.



◀ Deputy Managing Director Mitsuhiro Furusawa and IMF Executive Director Jafar Mojarrad at the 2018 IMF–World Bank Annual Meetings in Bali, Indonesia.

▶ Deputy Managing Director Tao Zhang visits the Centre for Children and Adolescent Development in Dominica.



◀ Deputy Managing Director Carla Grasso with Christiaan Rebergen, of Netherlands' Ministry of Foreign Affairs, marking Netherlands' contribution to the IMF fund on Managing Natural Resource Wealth.



**Tao Zhang**  
Deputy Managing Director

**Christine Lagarde**  
Managing Director

**David Lipton**  
First Deputy Managing Director

**Mitsuhiro Furusawa**  
Deputy Managing Director

**Carla Grasso**  
Deputy Managing Director and  
Chief Administrative Officer

**SENIOR OFFICERS (as of April 30, 2019)**

**AREA DEPARTMENT**

Abebe Selassie	Director, African Department
Chang Yong Rhee	Director, Asia and Pacific Department
Poul Thomsen	Director, European Department
Jihad Azour	Director, Middle East and Central Asia Department
Alejandro Werner	Director, Western Hemisphere Department

**FUNCTIONAL DEPARTMENT**

Gerard Rice	Director, Communications Department
Andrew Tweedie	Director, Finance Department
Vitor Gaspar	Director, Fiscal Affairs Department
Sharmini Coorey	Director, Institute for Capacity Development
Rhoda Weeks-Brown	General Counsel and Director, Legal Department
Tobias Adrian	Financial Counsellor and Director, Monetary and Capital Markets Department
Gita Gopinath	Economic Counsellor and Director, Research Department
Louis Marc Ducharme	Chief Statistician and Data Officer and Director, Statistics Department
Martin Mühleisen	Director, Strategy, Policy, and Review Department



**INFORMATION AND LIAISON**

Chikahisa Sumi	Director, Regional Office for Asia and the Pacific
Christopher Lane	Special Representative to the United Nations
Jeffrey Franks	Director, Offices in Europe/Senior Resident Representative to the European Union

**SUPPORT SERVICES**

Chris Hemus	Director, Corporate Services and Facilities Department
Kalpana Kochhar	Director, Human Resources Department
Edward Anderson	Chief Information Officer and Director, Information Technology Department
Jianhai Lin	Secretary of the Fund, Secretary's Department

**OFFICES**

Daniel Citrin	Director, Office of Budget and Planning
Charles Collyns	Director, Independent Evaluation Office
Nancy Asiko Onyango	Director, Office of Internal Audit
Derek Bills	Head, Investment Office
Vivek Arora	Head, Office of Risk Management

### Box 3.1. Profiles of outgoing and incoming senior staff



**EDWARD ANDERSON** joined the IMF in June 2018 as Chief Information Officer (CIO) and Director of the Information Technology Department. Anderson is an experienced IT leader who most recently served as Global

CIO at World Vision International. Previously, he was a presidential appointee to the US Peace Corps, where he oversaw a total transformation in IT service delivery across 74 countries. He has also led multiple privately held consulting organizations in the IT and business solutions arena.



**PETRA DE BRUXELLES** joined the IMF in October 2018 as the Diversity and Inclusion Advisor. She brings extensive experience in leading diversity and inclusion, employer branding and outreach, and other human

resource initiatives in a number of multilateral development institutions. She holds degrees from Pennsylvania State University and the University of Surrey.



**GITA GOPINATH** joined the IMF in January 2019 as Economic Counsellor and Director of the IMF's Research Department. She is on leave of public service from Harvard University's Economics Department,

where she is the John Zwaanstra Professor of International Studies and of Economics. She has authored numerous research articles on exchange rates, trade and investment, international financial crises, monetary policy, debt, and emerging market crises. She holds a PhD in Economics from Princeton University.



**SEAN HAGAN** retired from the IMF in September 2018 after serving as General Counsel and Director of the Legal Department and in a variety of other roles in the IMF's Legal Department for 14 years. As Director, his achievements included modernizing the IMF's

lending toolkit, integrating its surveillance processes, articulating its policies on sovereign debt, and devising multilateral debt relief for highly indebted low-income countries. He has published extensively on both the law of the IMF and a broad range of legal issues relating to the prevention and resolution of financial crises, with a particular emphasis on insolvency and the restructuring of debt, including sovereign debt. Hagan holds a Juris Doctor from the Georgetown University Law Center and a Master of Science in International Political Economy from the London School of Economics and Political Science.



**MAURICE "MAURY" OBSTFELD** retired from the IMF in December 2018 after serving as Economic Counsellor and Director of the IMF's Research Department for three years. As "Chief Economist," he led research at the IMF, made important contributions to the

*World Economic Outlook*, and coauthored the book *Advancing the Frontiers of Monetary Policy*. He holds a PhD in Economics from the Massachusetts Institute of Technology.



**RHODA WEEKS-BROWN** took over as General Counsel and Director of the IMF's Legal Department in September 2018; she joined the IMF in 1997. Previously, Weeks-Brown served as Deputy Director of the IMF's Communications Department and in a variety of capacities

across the IMF on a wide range of legal, country, and policy issues. She holds a Juris Doctor from Harvard Law School.

## HUMAN RESOURCES AND PRIORITIES

To be effective in the global economy, the IMF must recruit, retain, develop, and recognize a highly qualified and diverse international staff. To support these broad objectives, three mutually reinforcing initiatives are underway to (1) implement a human resources strategy that fosters a culture of continuous learning, innovation and strong management, and leadership; (2) streamline work processes to enhance efficiency and cost-effective delivery of services and benefits; and (3) continue to be the employer of choice to attract and retain high-caliber, diverse talent.

### Workforce Characteristics

As of April 30, 2019, the IMF employed 2,765 staff members. A list of the institution's senior officers can be found on pages 80 and 81, and the organization chart can be found at the beginning of part three.

Recruitment of 150 new staff members in 2018 was lower than the 2017 level of 172. It included seven managerial, 109 professional, and 34 support staff. The IMF requires economists to have advanced analytical and policymaking experience, and in 2018 it recruited 25 graduates through the Economist Program and 50 mid-career economists. Also, during 2018, 477 contractual employees were hired.

Three officials from Japan, Korea, and Sweden were hired into the Externally Financed Appointee (EFA) program in 2018. The EFA is a two-year contractual appointment, fully financed by member country authorities through a multidonor trust fund. The EFA is open to all member countries that wish to provide financing either for their officials or for officials from other countries. A total of nine appointees from five countries are currently participating in the EFA program. (For information on the distribution of IMF staff members by nationality, gender, and country category, see Web Tables 3.1–3.3; view the IMF staff salary structure in Web Table 3.4.)

### Diversity and Inclusion

The IMF aims to have broad representation of its membership in terms of geographic region, gender, educational background, and other diverse characteristics among its staff. Of the IMF's 189 member countries, 147 were represented by the staff as of April 30, 2019. Nationals from underrepresented regions—sub-Saharan Africa, East Asia, and the Middle East and North Africa—accounted for 27 percent of all external hiring at the

professional level in CY2018. In 2019, the IMF reached its benchmark for the representation of staff from sub-Saharan Africa at the combined professional and management levels. The IMF also surpassed its benchmark for women economists at the managerial level and has achieved its objective of 30 percent women in management functions by the end of FY2019.

The IMF also strives to foster an inclusive work environment in which all can thrive and perform at their best. To this end, unconscious bias and anti-harassment training were made mandatory for all staff. In addition, inclusive interviewing skills were introduced for managers participating in selection processes. "As a global international organization, it is incumbent upon us to lead by example and be as demanding of ourselves as we are of our counterparts. We have made great progress in the last 25 years since we first started looking more closely at our internal diversity and inclusion, and fully subscribe to the argument that it is not just a business imperative, but it is simply the right thing to do. We will continue to set challenging goals to ensure that we become an even more diverse, inclusive, and representative workplace," Diversity and Inclusion Advisor Petra de Bruxelles said.

### Office of Internal Investigations

The Office of Internal Investigations (OII), established in July 2016, conducts preliminary inquiries and administrative investigations into alleged misconduct of IMF staff and contracted personnel.

OII forms an integral part of the IMF's administrative discipline system, thoroughly examining possible violations of IMF policies while ensuring due process. The office gathers findings and reaches conclusions independently, without interference from other offices or officials. OII investigations are governed by the principles of integrity, professionalism, fairness, impartiality, and objectivity.

### Management Structure and Salaries

The Executive Board reviews IMF management compensation periodically. The Board of Governors approves the Managing Director's salary. Annual adjustments are made based on the Washington, DC, consumer price index. As of July 1, 2018, the salary structure for management was as follows:

■ Managing Director	\$516,700
■ First Deputy Managing Director	\$449,290
■ Deputy Managing Directors	\$427,910

# Our Resources and Governance

## BUDGET AND INCOME

### Medium-Term Budget

In April 2018 the Executive Board authorized a net administrative budget for FY 2019 of \$1,135 million, along with indicative budgets for FY2020 and FY2021 (the latter two years have been updated in Table 3.1 to reflect latest Board approved FY2020 and indicative FY2021 budgets). Reflecting a prudent approach, this was the seventh year in a row that the IMF's budget remained flat, despite increased demands placed on the institution and a robust medium-term income position. The Board also approved a limit on gross expenditures

of \$1,417 million, which included \$196 million in external reimbursements for capacity development activities and up to \$46 million in carry-forward of unspent FY2018 resources for possible spending in FY2019. The approved capital budget was \$71 million for building facilities and information technology capital projects. The capital budget excluded the renovation of the HQ1 building, which is covered by an earlier, separate appropriation.

The budget for FY2019 supported intensified work in priority areas for IMF members and modernization of the organization. Additional resources were reallocated to enhance the IMF's country engagement and strengthen financial sector work,

**Table 3.1**  
**Budget by major expenditure category, FY2018-21**  
(In millions of US dollars)

	FY2018		FY2019		FY2020	FY2021
	Budget	Outturn	Budget	Outturn	Budget	Budget
<b>Administrative expenditures</b>						
Personnel	969	962	1,009	995	1,035	...
Travel <sup>1</sup>	126	121	135	126	129	...
Buildings and other	209	226	215	224	219	...
Contingency reserves	11	...	12	...	14	...
<b>Total gross expenditures</b>	<b>1,315</b>	<b>1,309</b>	<b>1,371</b>	<b>1,346</b>	<b>1,397</b>	<b>1,435</b>
Receipts <sup>2</sup>	-211	-211	-236	-214	-239	-246
<b>Total net budget</b>	<b>1,104</b>	<b>1,099</b>	<b>1,135</b>	<b>1,131</b>	<b>1,158</b>	<b>1,190</b>
Carry-forward <sup>3</sup>	44	...	46	...	47	...
<b>Total net budget including "carry-forward"</b>	<b>1,148</b>	<b>1,099</b>	<b>1,181</b>	<b>1,131</b>	<b>1,205</b>	<b>1,190</b>
<b>Total gross budget including "carry-forward"</b>	<b>1,359</b>	<b>1,309</b>	<b>1,417</b>	<b>1,346</b>	<b>1,444</b>	<b>1,435</b>
<b>Capital<sup>4</sup></b>						
<b>Facilities and information technology</b>	<b>66</b>	<b>116</b>	<b>71</b>	<b>141</b>	<b>86</b>	<b>96</b>
<i>Memorandum item</i>						
<b>Total net budget in FY19 dollars</b>	<b>1,129</b>	<b>1,124</b>	<b>1,135</b>	<b>1,131</b>	<b>1,129</b>	<b>1,129</b>

Source: IMF Office of Budget and Planning.

Note: Figures may not add to totals due to rounding.

<sup>1</sup> FY2019 includes travel to the Annual Meetings held abroad.

<sup>2</sup> Includes donor-financed activities, cost-sharing arrangements with the World Bank, sales of publications, parking, and other miscellaneous revenue.

<sup>3</sup> Resources are carried forward from the previous year under established rules.

<sup>4</sup> Capital budget appropriations can be spent over three years. The budget represents the annual appropriation, whereas the outturn includes spending from appropriations of previous years.

such as the Financial Sector Assessment Program. Work in key economic and financial policy areas, such as on central bank digital currencies and the Fintech Agenda, also received additional funding. Corporate modernization efforts included funding for digital transformation, knowledge management, and human resource services.

Actual administrative expenditures in FY2019 totaled \$1,131 million, \$4 million below the approved net budget. The shortfall in spending was slightly smaller than the previous year.

Capital expenditures in FY2019 totaled \$141 million. Of this, \$82 million was for the renovation of the HQ1 building, which is expected to be completed in fall 2019. The rest covered facilities and IT life cycle replacements and improvements and capital for the modernization agenda.

For financial reporting purposes, the IMF’s administrative expenditures are accounted for on an accrual basis, in accordance with International Financial Reporting Standards (IFRS). These standards require accounting on an accrual basis and the recording and amortization of employee benefit costs based on actuarial valuations. Table 3.2 provides a detailed reconciliation between the FY2019 net administrative budget outturn of \$1,131 million and the IFRS-based administrative expenses of \$1,299 million (SDR 931 million) reported in the IMF’s audited financial statements for 2019.

**INCOME MODEL, CHARGES, REMUNERATION, BURDEN SHARING, AND NET INCOME**

**Income Model**

Since its establishment, the IMF has relied primarily on its lending activities to fund its expenditures. To generate additional income, the IMF established the Investment Account in 2006 and invested its reserves. In 2008, the Executive Board endorsed a new income model that involved the creation of an endowment funded by the profits from the limited sale of the IMF’s gold holdings. Along with the new income model, the Fifth Amendment to the Articles of Agreement, which became effective in February 2011, authorized the broadening of the IMF’s investment mandate to enhance the expected returns on its investments and further strengthen its finances over time. In January 2013, the Executive Board adopted these Rules for a new strategy for investing the IMF’s reserves in August 2015 (for the fixed

Table 3.2

**Administrative expenses**

(In millions of US dollars, unless otherwise indicated)

FY2019 NET ADMINISTRATIVE BUDGET OUTTURN	1,131
<b>TIMING DIFFERENCES</b>	
Pension and postemployment benefits costs	175
Capital expenditure—amortization of current and prior years’ expenditure	54
<b>OTHER AMOUNTS NOT INCLUDED IN THE ADMINISTRATIVE BUDGET</b>	
Capital expenditure—items expensed immediately in accordance with International Financial Reporting Standards	31
Reimbursement to the General Department (from the Poverty Reduction and Growth Trust and Special Drawing Rights Department)	(92)
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>1,299</b>
<b>MEMORANDUM ITEM</b>	
Total administrative expenses reported in the audited financial statements (millions of SDRs)	931

Sources: IMF Finance Department and Office of Budget and Planning.

Note: Components may not sum exactly to totals because of rounding. Conversions are based on the effective weighted average FY2019 US dollar/SDR exchange rate for expenditures of about 1.40.

income subaccount) and again in March 2018 (primarily for the endowment subaccount). The investment strategy continues to aim at both preserving the real value of the endowment and generating income, taking into account the changing market environment, the public nature of IMF resources, and the need to safeguard the IMF’s reputation.

**Charges**

Reflecting the high levels of lending activities and the current low returns on its investments, the IMF’s main source of income continues to be charges levied on the outstanding use of credit. The basic rate of charge (the interest rate) on IMF financing comprises the SDR interest rate plus a fixed margin expressed in basis points. Under the rule adopted by the Executive Board in December 2011, the margin is established for a two-year period, subject to review before the end of the first year, to cover the IMF’s financing-related intermediation costs and allow for a buildup of the IMF’s reserves. The rule also includes a cross-check to ensure that the rate of charge maintains a reasonable alignment against long-term credit market conditions. In April 2018, the Executive Board set the margin for the rate of charge at 100 basis points for the period

**Box 3.2. HQ1 building renovation progress**

Renovation of the older of the two IMF headquarters buildings (HQ1) in Washington, DC, continued in FY2019. Considerable progress was made; although the project is now approximately 98 percent complete, the remaining milestones, such as the boardroom and executive floors, are some of the most challenging.

Three office floors were reoccupied during FY2019. The last two occupied floors are under construction, and staff members have been temporarily relocated to the IMF’s other building (HQ2). The executive boardroom is temporarily

located elsewhere in HQ1. Other items to be completed include the building systems, roof, and demobilization of the construction site.

The primary purpose of the extensive renovation is the essential replacement of aging and failing building systems. The project aspires to LEED (Leadership in Energy and Environmental Design) certification and incorporates green building design and construction practices intended to have a lower impact on the environment. When work is completed in FY2020, the renovated building is expected to substantially cut energy bills and will help the IMF achieve the highest sustainability standards.



through April 2020 and reaffirmed this margin at the mid-period review in April 2019.

The IMF also levies surcharges on the use of large amounts of credit in the credit tranches and under extended arrangements. Surcharges of 200 basis points are levied on the use of credit above 187.5 percent of a member’s quota. This threshold was last revised to mitigate the effect of the doubling of quotas following the entry into effect of the 14th General Review of Quotas. In addition to these so-called level-based surcharges, the IMF also levies time-based surcharges of 100 basis points on credit above the same threshold that is outstanding for more than 36 months in the credit tranches or 51 months under the Extended Fund Facility.

In addition to periodic charges and surcharges, the IMF also levies service charges, commitment fees, and special charges. A service charge of 0.5 percent is levied on each drawing from the General Resources Account (GRA). A refundable commitment fee is charged at the beginning of each 12-month period on amounts available for drawing under GRA arrangements during that period. The commitment fee is 15 basis points, 30 basis points, and 60 basis points on amounts available up to 115 percent, between 115 and 575 percent, and more than 575 percent of a member’s quota, respectively.

Commitment fees are refunded when credit is used during the period covered by the fee, in proportion to the drawings made. The IMF also levies special charges on charges that are past due by less than six months.

**Remuneration and Interest**

On the expenditure side, the IMF pays interest (remuneration) to members on their creditor positions in the GRA (known as remunerated reserve tranche positions). The Articles of Agreement stipulate that the rate of remuneration may not be more than the SDR interest rate or less than 80 percent of that rate. The basic rate of remuneration is currently set at the SDR interest rate, which is based on a weighted average of representative interest rates on short-term financial debt instruments in the money markets of the SDR basket currencies, subject to a floor of 5 basis points. The IMF also pays interest at the SDR interest rate on outstanding borrowing under the New Arrangements to Borrow.

**Burden Sharing**

The rates of charge and remuneration are adjusted under a burden-sharing mechanism that distributes the cost of overdue financial obligations equally between debtor and creditor

Table 3.3

**Arrears to the IMF of countries with obligations overdue by six months or more and by type, as of April 30, 2019** (Millions of SDRs)

	Total	By Type	
		General Department (including Structural Adjustment Facility)	Trust Fund
Somalia	241.5	233.1	8.4
Sudan	969.3	885.9	83.3
<b>Total</b>	<b>1,210.7</b>	<b>1,119.0</b>	<b>91.7</b>

Source: IMF Finance Department.

members. Income loss due to unpaid interest charges that are overdue for six months or more is recovered via burden sharing by increasing the rate of charge and reducing the rate of remuneration. The amounts thus collected are refunded when the unpaid charges are settled.

In FY2019, the adjusted rates of charge and remuneration averaged 2.041 percent and 1.031 percent, respectively.

**Net Income**

The IMF's net income in FY2019 was SDR 0.6 billion (\$0.9 billion), reflecting primarily income from the high levels of lending activity and income from the IMF's investments held in the Investment Account, partly offset by losses stemming mainly from the remeasurement of the IMF's defined benefit

liability. The loss of SDR 0.4 billion (\$0.5 billion) is attributable mainly to the immediate recognition of the effects of changes in key actuarial assumptions for the financial year used in determining the defined benefit assets and liabilities of the IMF's postemployment employee benefit plans, in accordance with the IFRS (International Accounting Standard 19, Employee Benefits).

**Arrears to the IMF**

Overdue financial obligations to the IMF amounted to SDR 1,210.7 million at the end of April 2019 (Table 3.3). At that time, two members—Somalia and Sudan—remained in protracted arrears (outstanding for more than six months) to the IMF. The two countries have accumulated arrears dating back to the mid-1980s, accounting for about 20 and 80 percent of the total arrears, respectively.

**Box 3.3. Big 5 projects**

To continue to strengthen the IMF's service to its member countries, several projects are underway internally to improve business processes and upgrade technological platforms related to the way the staff works. In FY2018, the IMF started to develop these "Big 5" projects to make the IMF a more efficient and effective institution.

**1HR** will modernize, simplify, and automate human resource business processes. It will provide a modern, industry-standard integrated system and agile, mobile-friendly platform to more easily adapt to changes in the future.

**CAPACITY DEVELOPMENT MANAGEMENT AND ADMINISTRATION PROGRAM** will support efficient capacity development management and harmonize and address gaps in processes for operations across the IMF, while updating supporting systems.

**CORE KNOWLEDGE MANAGEMENT SYSTEMS** will deliver modern platforms to help improve the availability and accessibility of IMF knowledge. It consists of four interrelated projects designed to deliver strong content management, more consistent and clearer tags and filters, and robust findability.

**INTEGRATED DIGITAL WORKPLACE** will provide the staff with a modern, personalized digital experience when conducting daily work. The project will identify common structures across IMF work streams to provide consistent and automated workflow solutions to increase efficiency and boost productivity.

**iDATA** will replace the IMF's current data management and dissemination system. The project will implement a modern economic data life cycle management platform, facilitating seamless access and sharing of high-quality data, aligning the IMF economic data environment with industry standards.

Under the IMF’s strengthened cooperative strategy on arrears, remedial measures have been taken to address the protracted arrears. At the end of the financial year, Somalia and Sudan remained ineligible to use IMF resources.

**QUOTAS: WHERE THE IMF GETS ITS MONEY**

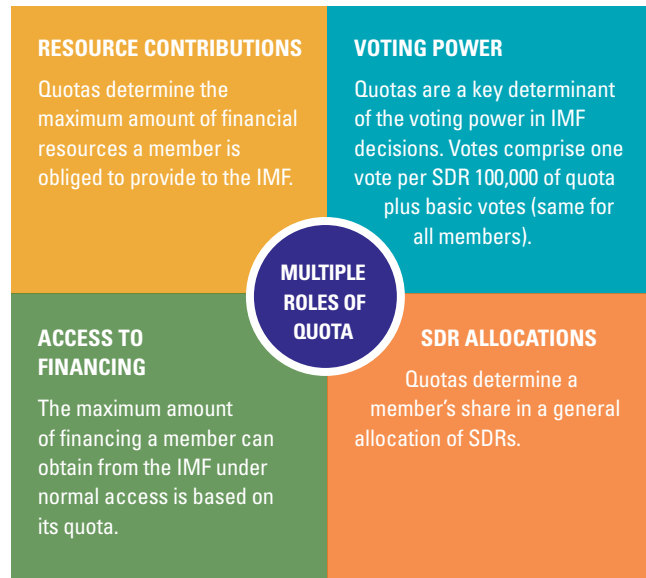
The IMF’s 189 member countries provide resources for loans primarily through their payment of quotas, which also set voting rights. Multilateral borrowing and bilateral borrowing serve as a second and third line of defense in times of crisis. These resources give the IMF access to about \$1 trillion in nonconcessional lending firepower to support members. Concessional lending and debt relief for low-income countries is financed through separate contribution-based trust funds.

Each member is assigned a quota based on its position in the world economy. Quotas total SDR 477 billion (about \$661 billion), the IMF’s unit of account, whose value is a peg to a basket of currencies. The IMF also has access to multilateral resources worth about SDR 182 billion, while the bilateral borrowing arrangements provide access to SDR 317 billion. Borrowing channels come up for renewal at different times. The 2016 bilateral borrowing agreements are due to expire at the end of 2019 and can be extended by one year through the end of 2020.

Quotas are also reviewed regularly. The 15th General Review of Quotas, which is underway, is an opportunity to match the size and composition of the IMF’s resources to members’ needs. It will build on governance reforms of the 2010 review, including efforts to protect quota and voting shares of the poorest members. The 10-year-old formula that is used as a guide for determining quotas is also under review.

**Quota Payments Made in FY2019**

The conditions for implementing the quota increases agreed under the 14th General Quota Review were met on January 26, 2016. This resulted in a doubling of quota resources to



SDR 477 billion (about \$661 billion) from about SDR 238.5 billion (about \$330.5 billion). As of April 30, 2019, 181 of the 189 members had made their quota payments, accounting for more than 99 percent of the total quota increases, and total quotas stood at SDR 475 billion (about \$658 billion).

**SPECIAL DRAWING RIGHT**

The Special Drawing Right (SDR) is an international reserve asset created by the IMF in 1969 to supplement its member countries’ official reserves. IMF members who are participants in the SDR Department (currently all members) may exchange SDRs for freely usable currencies. A total of SDR 204.2 billion (equivalent to about \$283 billion) has been allocated to members so far, including SDR 182.6 billion allocated in 2009 in the wake of the global financial crisis. The value of the SDR is based on a basket of five currencies—the US dollar, the euro, the Chinese renminbi, the Japanese yen, and the British pound sterling. The SDR serves as the unit of account of the IMF and some other international organizations. The SDR is neither a currency nor a claim on the IMF. Rather, it is a potential claim on the freely usable currencies of IMF members. SDRs can be exchanged for these currencies.



# Accountability

## RISK MANAGEMENT AT THE IMF

By virtue of its role as established in the Articles of Agreement, the IMF faces a range of risks. In 2016, the Executive Board approved the levels of risk the IMF is willing to accept—and able to manage successfully—across its activities over an extended period of time. Risk acceptance is reviewed periodically by the Executive Board.

The IMF uses three lines of defense to actively manage risks. The first line of defense is the departments that conduct day-to-day operations and that establish and maintain systems of internal controls for identifying and managing the risks inherent in those operations. In specific areas, cross-departmental committees provide additional risk oversight.

The Office of Risk Management (ORM) serves as the second line of defense and is responsible for developing and maintaining the risk management framework, assessing risk, and reporting to management and the Executive Board on the IMF's overall risk profile, highlighting areas where risk mitigation efforts are required. In addition to the two formal Executive Board discussions on risk management, the past 12 months saw increased engagement with Executive Directors through more frequent informal interactions. The ORM risk assessment provides input to the IMF's strategic and budget planning cycle. The Fund Risk Committee, chaired by the First Deputy Managing Director, assesses and prioritizes risk mitigation efforts and ensures integration of the risk function across the institution.

The Office of Internal Audit—the third line of defense—provides assurance on the effectiveness of governance, risk management, and internal controls. Ultimate responsibility for managing and mitigating risks lies with management and the Executive Board.

The IMF monitors and actively manages risks across four broad and interrelated areas:

- **Strategic direction** is guided by the Managing Director's Global Policy Agenda, which is supported by the medium-term budget and responds to the evolving external environment.
- Risks in the **core functions** relate to aligning surveillance, lending, and capacity development activities with the IMF's strategic direction and objectives while ensuring that its

financing model remains safeguarded. In managing lending risks, the IMF employs a multilayered framework with the primary tools focused on access, program design, and conditionality. An adequate level of precautionary balances and the IMF's de facto preferred creditor status are integral parts of this framework.

- Risks in **cross-functional assets** refer to the capacity of the IMF's human capital, information security, technology, physical assets, and other supporting elements to enable implementation of the strategic direction and performance of the core functions.
- **Reputational risk** refers to the possibility that stakeholders might take a negative view of the IMF, resulting in damage to its credibility and traction.

In November 2018, the IMF discovered evidence that certain employees of a technology service provider had accessed IMF procurement information without authorization. A thorough investigation by an external firm concluded that no confidential personnel information or information related to the IMF's operational work or member countries had been accessed. The IMF has taken remedial action, including the implementation of strengthened information security controls to reduce operational risk going forward.

## AUDIT MECHANISMS

The IMF's audit mechanisms comprise an external audit firm, an internal audit function, and an independent External Audit Committee (EAC), which, under the IMF's bylaws, exercises general oversight of the annual audit.

### EXTERNAL AUDIT COMMITTEE

The three members of the EAC are selected by the Executive Board and appointed by the Managing Director. Members serve three-year terms on a staggered basis and are independent of the IMF. EAC members are nationals of different member countries and must possess the expertise and qualifications required to carry out the oversight of the annual audit. Typically, EAC members have significant experience in international public accounting firms, the public sector, or academia.

The EAC selects one of its members as chair, determines its own procedures, and is independent of the IMF's management in overseeing the annual audit. It meets in Washington, DC, each year, normally in January or February, to oversee the planning for the annual audit; in June, after the completion of the audit; and in July, to brief the Executive Board. The IMF staff and the external auditors consult with EAC members throughout the year. The 2019 EAC members were Kathy David (Chair), a chartered accountant and partner in an international accounting firm in Antigua and Barbuda; Kathryn Cearns, an independent consultant in the United Kingdom, providing advice on corporate reporting, auditing, and corporate governance; and Judith Lopez, a certified public accountant and former senior partner in an international accounting firm

in the Philippines and audit committee chair of a commercial bank in the Philippines.

### EXTERNAL AUDIT FIRM

The external audit firm, which is selected by the Executive Board in consultation with the EAC and appointed by the Managing Director, is responsible for conducting the IMF's annual external audit and expressing an opinion on the IMF's financial statements, including the accounts administered under Article V, Section 2(b), of the Articles of Agreement, and the Staff Retirement Plan. At the conclusion of the annual audit, the EAC briefs the Executive Board on the results of the audit and transmits the report issued by the external audit firm through the Managing Director and the Executive Board for consideration by the Board of Governors.

### Box 3.4. Managing risks with safeguards assessments

When the IMF provides financing to a member country, a safeguards assessment is carried out to obtain reasonable assurance that its central bank can manage the IMF resources and provide reliable program monetary data on the IMF-supported program. Safeguards assessments are diagnostic reviews of central banks' governance and control frameworks and complement the IMF's other safeguards. They include limits on access, conditionality, program design, measures to address misreporting, and post-program monitoring. The assessments involve an evaluation of central bank operations in five areas: (1) the external audit mechanism; (2) the legal structure and autonomy; (3) the financial reporting framework; (4) the internal audit mechanism; and (5) the system of internal controls. (See factsheet on "Protecting IMF Resources—Safeguards Assessments of Central Banks.")

At the end of April 2019, 311 assessments had been conducted, covering 97 central banks; six of these assessments were completed in FY2019. The IMF monitors central bank progress as the banks work to improve their safeguards frameworks and address IMF recommendations. The monitoring continues for as long as IMF credit remains outstanding. About 62 central banks are currently subject to monitoring.

In 2015, a new requirement for fiscal safeguards reviews of state treasuries was established. According to the amended safeguards policy, the reviews follow a risk-based approach and apply to arrangements in which a member requests exceptional access to IMF resources and for which a substantial portion of the funds—at least 25 percent—is directed toward financing the state budget. During FY2019, one fiscal safeguards review was completed.

As part of the safeguards activity, regional seminars were conducted during FY2019 at the Singapore Training Institute, in Singapore, and the IMF Middle East Center for Economics and Finance, in Kuwait. The seminars highlighted international best practice and standards in safeguards areas at central banks and provided a forum for central bank officials to share experiences. In addition, a high-level central bank governance forum was held in Dubai in January 2019 for bank officials and their external auditors. The forum covered the legal underpinnings of board oversight, a broadened role for financial risk management, and implications for central banks for developments in fintech, data analytics, and artificial intelligence.

The external audit firm is appointed for a term of five years, which may be renewed for up to an additional five years. PricewaterhouseCoopers was appointed as the IMF's external audit firm in November 2014. The external audit firm may perform certain consulting services, except for prohibited services, subject to robust safeguards to protect the audit firm's independence. These safeguards involve the IMF's External Audit Committee and, for consulting fees above a certain threshold, the Executive Board's approval.

#### OFFICE OF INTERNAL AUDIT

The Office of Internal Audit (OIA) is an independent assurance and advisory function designed to protect and strengthen the IMF. The OIA's mandate is twofold: (1) assessing the effectiveness of the IMF's governance, risk management, and internal controls; and (2) acting as a consultant and catalyst for improvement of the IMF's business processes by advising on best practice and development of cost-effective control solutions. To provide for its independence, the OIA reports to management and maintains a functional reporting relationship with the EAC.

The OIA's FY2019 work program coverage included the processes for decentralized field-based short-term expert appointments, the IMF's compliance activities, IT infrastructure managed services, the IMF's overseas presence, and quality control practices for capacity development outputs. The OIA's FY2019 coverage also included advisory support for the IHR program—which aims to deliver institutional value by modernizing the HR experience of staff, managers, and administrators—to provide ongoing input on the program's implementation progress. In addition, the OIA's coverage included work on an "Insight Note" covering the IMF's change management practices. The OIA also issued its inaugural annual report, during FY2019, with the objective of distilling broader qualitative themes anchored in the OIA's body of work.

Following the issuance of its *Ninth Periodic Monitoring Report* in FY2018, the OIA—in response to a recommendation from an external evaluation of the Independent Evaluation Office—proposed a framework to triage and follow up on open management actions, which was approved by the Executive Board.

The OIA also hosted the annual 2019 conference of the Chief Audit Executives of Multilateral Financial Institutions.

The Executive Board is informed of OIA activities twice a year in an activity report that includes information on audit results and the status of overdue audit issues. The latest informal Board briefing on these matters in FY2019 took place in January 2019.

#### INDEPENDENT EVALUATION OFFICE

The Independent Evaluation Office (IEO) was established in 2001 to conduct independent and objective evaluations of IMF policies and activities. Under its terms of reference, the IEO is fully independent of IMF management and staff and operates at arm's length from the IMF's Executive Board. Its mission is to enhance the learning culture within the IMF, strengthen the IMF's external credibility, and support the institutional governance and oversight functions of the Executive Board.

#### The 2018 External Evaluation of the IEO and Follow-up

In July 2018, the Executive Board discussed the third External Evaluation of the IEO, prepared by a panel of experts composed of Donald Kaberuka (Chair), Chia Der Jiun, and Pernilla Meyersson. The purpose of the evaluation was to reassess the effectiveness of the IEO and to consider possible improvements to its structure, mandate, operational modalities, and terms of reference.

Executive Directors shared the panel's view that the IEO has played a critical role in promoting the IMF's accountability, external credibility, and, to a certain extent, learning culture. They welcomed the assessment that the IEO's independence is firmly established and that the IEO enjoys a high degree of freedom in evaluating issues relevant to the IMF. At the same time, Executive Directors broadly supported the recommendations of the panel. Since the Board discussion, good progress has been made following up on the recommendations.

The IEO has refined the process for selecting topics for future evaluations, in particular, to enhance transparency and inclusiveness. In this context, the Executive Board endorsed an IEO proposal to introduce a new, shorter evaluation product on a pilot basis to allow the IEO to respond more nimbly to Board concerns.

The Board approved a framework to address the significant number of actions from management implementation plans for past evaluations that have remained outstanding for a long time. The framework establishes five broad categories and corresponding interventions that are required to strengthen the progress of management actions. This “triage” process will be applied in the context of the *10th Periodic Monitoring Report* (PMR).

The Board also endorsed steps to increase IEO involvement in the preparation of summings-up for Board discussions of IEO reports; strengthen the process for follow-up on IEO recommendations by making management implementation plan actions more specific, measurable, actionable, and relevant and by discussing PMRs in formal Board meetings; and further enhance collaboration between the IEO, management, and staff.

### Executive Board Reviews of IEO Reports and Recommendations

#### THE IMF AND FINANCIAL SURVEILLANCE

In January 2019, the Executive Board discussed the IEO evaluation of *The IMF and Financial Surveillance*. Executive Directors welcomed the IEO report, which found that the IMF has substantially upgraded its financial surveillance since the global financial crisis. At the same time, they shared the view that there is scope to further enhance the quality and impact of the IMF’s financial surveillance. In this regard, they welcomed the Managing Director’s broad support for the IEO findings and recommendations.

Executive Directors supported the recommendation on strengthening financial and macro-financial analysis in Article IV surveillance, including by further integrating analysis from the Financial Sector Assessment Program (FSAP) in Article IV consultations and increasing the financial skills and expertise of country teams. Further progress in this area will require finding a right balance in the allocation of financial surveillance resources between FSAPs and Article IV surveillance.

Executive Directors broadly concurred with the recommendation to revisit the current approach to allocating FSAP resources to achieve a more flexible, dynamic, and risk-based allocation across countries and issues, and most Directors agreed with the proposal to review the number of

mandatory financial stability assessments. Executive Directors also agreed that a review of the scope and focus across FSAPs could better tailor assessments to country circumstances, including risks and regulatory gaps, while also avoiding overreliance on off-the-shelf international best practice. This will help increase value added and make better use of staff and authorities’ time and resources.

Executive Directors agreed or were open to the suggestion that in jurisdictions that conduct sophisticated stress tests, FSAPs should focus on designing risk scenarios and reviewing authorities’ models to limit the resource burden on the IMF and the authorities. Other Executive Directors felt, however, that the IMF should not cut back on stress testing in advanced economies to ensure a consistent quality of such tests. Executive Directors looked forward to discussing the above issues in the context of the FSAP review.

Executive Directors welcomed the finding that the IMF’s multilateral financial surveillance is well regarded and influential. At the same time, they noted room to enhance its traction by increasing rigor and transparency and by deepening collaboration with international partners. Along these lines, they broadly supported the recommendation to make more *Global Financial Stability Report* (GFSR) data and analysis available online, subject to copyright constraints, and adapting the GFSR presentation to make it an easier read for busy country officials, who are its main audience. Executive Directors also supported continuing to deepen cooperation with international partners, such as on the Early Warning Exercise with the Financial Stability Board, without compromising the IMF’s capacity to raise out-of-the-box issues. Executive Directors stressed the need for the IMF to continue its work with international regulatory agencies to assess the impact of reforms, drawing on its areas of comparative advantage and subject to resource availability.

Executive Directors supported the recommendation that the IMF continue to enhance its analytical tools to improve the understanding of macro-financial linkages. They considered the exchange of views between the IMF and major central banks, as well as the development of simplified tools and increased internal outreach, helpful for this purpose.

Executive Directors welcomed the recognition of the IMF's significant efforts to upgrade the macro-financial skills of its economists but agreed that this area remains a work in progress. They underscored that it is critical to ensure that country teams have the knowledge and support to integrate financial and macro-financial analysis into Article IV consultations.

Executive Directors agreed that to fully meet its responsibilities and objectives, the IMF should devote adequate resources to strengthening financial surveillance and concurred with the recommendation on the need for additional resources for this work.

In line with established practice, management and staff gave careful consideration to the Board discussion in formulating the implementation plan, including approaches to monitoring progress.

#### IMF GOVERNANCE

In September 2018, the IEO issued an update of the 2008 report *IEO Evaluation of the Governance of the IMF*. The update concluded that, notwithstanding considerable advances since the publication of the IEO's 2008 evaluation of *Governance of the IMF*, the balance of the IMF's governance structure remained weighted in favor of effectiveness and efficiency; accountability and voice continued to raise concern that could affect IMF legitimacy and effectiveness. IMF governance had proved effective in supporting the IMF's capacity to fulfill its mandate, but the quota and voice reforms were not considered sufficient by much of the membership, and the alignment of "shares and chairs" remained a work in progress. The update also identified concerns regarding constraints on the Executive Board's capacity for strategic oversight, management's dominant role in the decision-making process, and the management accountability framework's limited practical impact. The selection process for top IMF management positions was considered by many stakeholders to be insufficiently transparent and merit-based and too limited by nationality considerations. The International Monetary and Financial Committee's provision of strategic direction to the IMF was seen by some members to be, at times, overshadowed by the less-representative Group of Twenty.

#### IMF STRUCTURAL CONDITIONALITY IN IMF-SUPPORTED PROGRAMS

In May 2018, the IEO issued an update of the 2007 report *IEO Evaluation of Structural Conditionality in IMF-Supported Programs*. The update found that there have been a number of important changes to the IMF's structural conditionality framework, notably the elimination of structural performance criteria, and that there has been progress in streamlining the use of structural conditionality and modest improvement in compliance. Nonetheless, the update concluded that many of the issues raised in the 2007 evaluation remained salient and merited renewed attention. Although the shift toward review-based conditionality was broadly welcome, there was still concern about lack of country ownership and possible stigma effects. The volume of structural conditions has shown some signs of rising in recent years; however, the impact remained in question. The report also identified challenges regarding cooperation with the World Bank and other partners in designing and monitoring IMF structural conditionality in areas outside the IMF's core expertise; the adequacy of IMF documentation justifying structural conditions; and the quality and usability of MONA, the IMF's database on IMF-supported programs.

#### The IEO Work Program

In addition to completing the projects discussed earlier, during FY2019, the IEO continued work on its evaluation of *IMF Advice on Unconventional Monetary Policies* and launched (1) an evaluation of *IMF Policy Advice on Capital Flows*; (2) an evaluation of *Adjustment, Debt, and Growth in IMF-Supported Programs*; (3) a shorter evaluation of *IMF Collaboration with the World Bank on Macro-Structural Issues*; and (4) an evaluation update of the 2009 report on *IMF Involvement in International Trade Policy Issues*.

The evaluation of *IMF Advice on Unconventional Monetary Policies* takes a detailed look at IMF advice to the major advanced economies that have carried out such policies and to a selection of advanced and emerging market economies that dealt with spillovers from these policies. It assessed whether the IMF provided useful advice on the range of instruments available to central banks, the likely efficacy of monetary policy relative to other policy options and the best policy mix,

and broader repercussions associated with these choices for both the originating countries and the countries affected by spillovers. It also assessed how well the IMF carried out its core mandate of promoting international monetary cooperation and was attuned to considerations of evenhandedness and multilateral consistency.

The evaluation of *IMF Policy Advice on Capital Flows* is in its early stages. With increasing international integration of financial markets, advice on how to garner the benefits of capital flows while containing potential risks—and dealing with stresses when such risks materialize—has become an important part of IMF surveillance. The evaluation will assess whether the IMF is providing added value to its membership in its advice on capital flows. Key issues include (1) whether advice is rooted in analysis and empirical support that has adapted to shifts in the environment and evolving experience, (2) whether advice is coherent and evenhanded, and (3) whether it strikes a balance between countries' individual circumstances and the broad interest of the membership.

The evaluation of *Adjustment, Debt, and Growth in IMF-Supported Programs* will focus on assessing the balance between adjustment and growth in program design and outcomes. Concerns about getting this balance right have intensified in recent years with increasing awareness that programs that do not deliver tangible growth benefits are likely to lose political support and fall short of debt sustainability objectives. Regarding program design, the evaluation will assess how programs sought to ensure adequate growth while reaching adjustment objectives and whether design choices were well substantiated by available economic evidence and judgment on political economy factors. For program implementation and outcomes, the evaluation will assess how and why program outcomes deviated from program projections and, to the extent possible, whether programs ultimately helped the country achieve higher growth.

The evaluation of *IMF Collaboration with the World Bank on Macro-Structural Issues* will be the first under the new shorter evaluation format adopted by the IEO on a pilot basis. Over the past decade, the IMF has paid increased attention to a range of macro-structural issues judged to be potentially critical

to macroeconomic outcomes—including jobs and growth, inequality, gender, and climate change—and has recognized the importance of collaborating with the World Bank and other institutions on these issues, given that they do not lie within the IMF's core areas of expertise. The evaluation will assess how effective this collaboration has been and will draw lessons on how to improve it.

The evaluation update of *IMF Involvement in International Trade Policy Issues* will revisit the IEO's 2009 evaluation of this topic in light of the considerable changes in the trade landscape over the past decade. It will take stock of progress in addressing issues raised in the 2009 evaluation, assess the response of the IMF to new issues that have emerged, and study potential challenges and opportunities. The update will look into the coverage and quality of the IMF's trade-related work, its relationship with other international institutions, external communications on trade issues, and the internal management of trade work.

Information and documentation on the IEO's completed, ongoing, and future evaluations are available at [ieo.imf.org](http://ieo.imf.org).

### Implementation of Board-Endorsed Recommendations

In October 2018, the Executive Board approved the management implementation plan for the report *The IMF and Fragile States*. The package of actions is aimed at further strengthening the effectiveness of IMF engagement with countries in fragile and conflict-affected situations. The plan includes development of country engagement strategies for IMF member countries, consideration of options to provide more sustained financial support to these countries, practical steps to increase the impact of IMF capacity development, and consideration of human resource policies to ensure that the IMF has appropriate staff expertise and experience to work effectively in fragile and conflict situations.

In September 2018, the Executive Board discussed the *Ninth Periodic Monitoring Report (PMR) on the Status of Implementation Plans in Response to Board-Endorsed IEO Recommendations*. The report recognized that improvements in the follow-up process approved by the Board in 2015 have contributed to more consistent implementation of recent actions. At the same time, however, the PMR emphasized the growing stock of outstanding actions

and introduced new indicators to help highlight actions that may require management or Board intervention to advance implementation. The Executive Board supported the conclusion that progress on implementing the actions envisaged in management implementation plans continued to be uneven. As indicated above, the Board has subsequently approved a new framework to address the significant number of outstanding actions in the context of the 10th PMR.

### TRANSPARENCY

For authorities to make sound, informed decisions and for an economy to function smoothly, transparent economic policies and reliable data on economic and financial developments are vital. Current IMF policies, which aim to ensure meaningful and accurate information on the IMF's role in the global economy and in the economies of its member countries, are publicly available in real time.

With transparency, economies function more efficiently and reduce their vulnerability to crises. When member countries are more open about their policies, authorities are amenable to public discussion and examination of these policies; policymakers are more accountable; the credibility of policies is enhanced; and financial markets are more efficient and orderly. Greater IMF openness and clarity about its own policies and advice to member countries contribute to a better understanding of its role and operations, building traction for IMF policy advice and making it easier to hold the institution accountable. Outside scrutiny should also support the quality of surveillance and IMF-supported programs.

The IMF's approach to transparency is based on the overarching principle that it will strive to disclose documents and information on a timely basis unless strong and specific reasons argue against such disclosure. The principle respects the voluntary nature of the publication of documents that pertain to member countries. Documents are posted on the IMF's website, [www.imf.org](http://www.imf.org).

The IMF deems that publishing country documents prepared for its Executive Board's consideration ("Board documents") is typically "voluntary but presumed," meaning that the IMF strongly encourages publishing these documents. The publication of policy papers is presumed but subject to Board

approval. A Board document is published after receiving the relevant member's consent to publishing on a nonobjection basis. Multicountry documents are published after receiving consent from either the Board or the members involved, depending on the type of document.

The IMF engages the public and improves how it regards the institution by maintaining (1) transparency of surveillance and IMF-supported programs; (2) transparency of its financial operations; (3) external and internal review and evaluation; and (4) external communications. The IMF Transparency Policy is expected to be reviewed every five years; the most recent review was in 2013 (see the "Accountability" and "Outreach and Engagement with External Stakeholders" sections).

### OUTREACH AND ENGAGEMENT WITH EXTERNAL STAKEHOLDERS

IMF outreach involves two objectives: (1) to listen to external stakeholders to better understand their concerns and perspectives and to improve the relevance and quality of IMF policy advice; and (2) to strengthen the outside world's understanding of the IMF's objectives and operations. The IMF Communications Department is primarily responsible for conducting outreach activities and engagement with external stakeholders.

The communication strategy has developed over time. Over the past decade, the IMF's approach has evolved from increased transparency to more proactive engagement with the media and other stakeholders in order to explain the IMF's policies and operations, enable the IMF to participate in and contribute to intellectual debate on important economic issues, and better facilitate two-way learning and dialogue with the IMF's global membership.

The IMF uses communications as a strategic tool to help strengthen its effectiveness. Strategic engagement through available technologies, such as social media, videos, blogs, and podcasts, has formed an increasing part of the IMF's communication strategy. At the same time, in today's rapidly changing world, the IMF continues to reach out to a broader set of communication channels, including civil society organizations and private sector networks.

The IMF routinely engages with a wide range of nongovernment stakeholders, including parliamentarians, civil society organizations, labor unions, and youth leaders. Opportunities for such two-way dialogue enable the IMF to both explain its approaches and learn from others in order to improve its policy advice. Topics of particular interest and relevance in FY2019 included corruption, inequality, gender, social protection, fintech, and inclusive growth.

### Parliamentarians

The IMF values its interactions with parliamentarians, who shape legislation and represent their constituents. About 50 Members of Parliament (MPs) from over 20 countries attended the 2018 Annual Meetings parliamentary workshop in Bali to discuss transparency, job creation, women's economic empowerment, and developing human capital. In March 2019, 19 MPs from Bangladesh, Bhutan, India, Nepal, and Sri Lanka participated in a workshop organized at the IMF's South Asia Regional Training and Technical Assistance Center in New Delhi, where they discussed public financial management, taxation, and trade, among other relevant topics. A similar workshop at the Joint Vienna Institute brought together about 20 parliamentarians from Central and Southeastern Europe to discuss the IMF's new governance framework and economic prosperity. Nearly 170 MPs from more than 60 countries attended the 2019 Spring Meetings Global Parliamentary Conference, where topics included partnerships to use private sector data for policymaking, climate change, fiscal transparency, and income inequality. The conference included a townhall-style discussion with Managing Director Christine Lagarde.

### Civil Society Organizations

The IMF continued to engage closely with civil society organizations (CSOs). About 620 CSO representatives attended the 2018 Annual Meetings; one of the highlights was a video conversation with Winnie Byanyima, executive director of Oxfam International, on inequality, taxation, and gender. The IMF also sponsored 21 CSO fellows, and close to 50 CSO policy forum sessions took place on topics including gender, corruption, inequality, debt, the IMF review of conditionality,

and international taxation. Managing Director Lagarde spoke at a townhall-style meeting attended by more than 400 CSO representatives.

More than 1,000 CSO representatives attended the 2019 Spring Meetings. The IMF sponsored 15 CSO fellows, and 46 CSO policy forum sessions covered topics including corruption, debt, gender, taxation, and social protection.

The IMF held several consultations with CSO representatives, including on the IMF 2019 analysis of international corporate taxation, designing an IMF framework on social spending, the review of conditionality and design of IMF-supported programs, and inclusive growth in the Middle East and Central Asia. Regional CSO workshops were held in countries including Indonesia, Jordan, Morocco, and the Philippines.

### Labor Unions

Dialogue with labor unions continued through a variety of interactions. In March 2019, 65 labor union leaders and representatives from 35 countries participated in the High-Level Meetings of the IMF, World Bank, and International Trade Union Confederation in Washington, DC, where they interacted with IMF management and senior staff on topics including the global economic outlook, inequality, and social spending. During the year, staff members conducted consultations with unions on a variety of policy issues, including the IMF framework on social spending. Many country teams exchanged views with national unions as part of their economic surveillance and program missions.

### Corporate Social Responsibility

IMF Giving Together is the IMF's corporate giving program. It supports employees' and retirees' giving back to the community, both locally and internationally. It encompasses staff giving, disaster relief appeals, management donations, grants to local and international charities, and staff volunteering activities.



This year, the annual Giving Together campaign broke two records. A new record of 62 percent of staff participation surpassed the 2017 rate of 43 percent. Donations and pledges from staff and retirees for this fiscal year amounted to \$3 million, directed to 1,352 different charities around the world—also exceeding last year’s figure of \$2.6 million. The Giving Together program organized disaster relief appeals matched at 100 percent for the victims of both the volcano eruption in Guatemala and the earthquake and tsunami in Sulawesi, Indonesia.

The IMF provides monetary grants to local and international charities that foster economic independence through the promotion of education and economic opportunities. In FY2019, \$115,000 was distributed to 12 charities in the Washington, DC, area, and \$100,000 was distributed to 10 international nonprofit organizations. Donations from IMF management helped support grassroots charities that are focused on helping lift people out of poverty and provide education to the underprivileged. Donations totaling \$165,000 were made during management visits to various countries, including Angola, Dominica, Fiji, Ghana, Honduras, Indonesia, South Africa, and Tonga.

There were several volunteering events during the fiscal year. In July 2018, 150 staff members assembled 750 backpacks for school-age children affected by refugee crises. In October 2018, the IMF, partnering with the Indonesian authorities, organized a volunteering event to rehabilitate coral reefs in Bali as a contribution to the local community that hosted the 2018 Annual Meetings. Other volunteering activities included teaching financial literacy and English tutoring to local high school students, writing encouragement cards to children with cleft palates, and packing meals for local families in need.

As part of the IMF’s commitment to building a sustainable future, it has taken actions to reduce its environmental footprint and climate impact. In January 2019, the IMF eliminated single-use plastics throughout its food service operations and the Concordia Hotel, thereby eliminating the use of over 1 million plastic items each year.

In addition, the IMF mailroom receives an estimated 5–7 tons of catalogs and other marketing materials annually. In January 2019, the IMF embarked on an initiative to reduce unwanted mail by unsubscribing recipients and stopping distribution of third-class marketing mail. As of the end of FY2019, the IMF had prevented 2 tons of unwanted paper mail from being sent and distributed. In addition, the IMF is moving toward obtaining all newspaper subscriptions through applications available on mobile devices and computers.

The IMF’s recycling and composting efforts have diverted 63 percent of our produced waste (FY2019), equivalent to 1,062 tons of diverted waste. During FY2019, 37.5 percent of the IMF’s energy came from renewable sources.

### Regional Offices

A key post in the Asia-Pacific region, the IMF Regional Office for Asia and the Pacific (OAP) plays an important role in economic surveillance, capacity building for Asian policymakers, and outreach in Japan and beyond to help advance international economic cooperation and the IMF’s strategic goals. The office and its operations are generously cofinanced by the government of Japan.

OAP helps monitor economic and financial developments in the Asia-Pacific region, and its economists work with IMF country teams engaged in bilateral surveillance with Japan, Cambodia, and Vietnam. In addition, OAP staff actively participate in forums in Asia for policy dialogue, including the Association of Southeast Asian Nations plus China, Japan, and Korea (ASEAN+3); Asia-Pacific Economic Cooperation (APEC); and the Executives’ Meeting of East Asia Pacific Central Banks (EMEAP).

OAP plays a critical role in the IMF’s efforts to build the capacity of economic policymakers in the region to help support sustainable economic development through strong macroeconomic management. The office administers the Japan-IMF Scholarship Program for Asia (JISPA), which supports young officials from Asia in the pursuit of graduate degrees in Japan. The program was launched in 1993 and has more than 700 alumni from 23 countries, many of whom now hold senior positions at central banks, ministries, and other government agencies. Since 2018, the office has offered a two-

week continuing education course for alumni to brush up on their skills to help further advance their careers and contribute to policymaking in their own countries. In addition, the office collaborates with internal and external partners to run the Japan-IMF Macroeconomic Seminar for Asia, an executive training course for Asian officials, and various regional capacity building seminars. OAP held three such regional seminars during FY2019: in Samoa on financial inclusion, in Vietnam on infrastructure governance and financing options, and in Cambodia on financial stability.

The regional office promotes outreach and external communication activities in Japan and throughout Asia to increase the IMF's visibility and enhance public understanding of the IMF's operations and policy recommendations. This fiscal year, OAP organized a high-level policy conference on trade-related issues against the backdrop of US-China trade tensions and held 10 public Economic Issues Seminars on the global economic outlook and other key thematic issues. To reach out to youth, in 2017 OAP started a series of macroeconomist training courses for university students in Japan. In FY2019, four of these training courses were held in Tokyo and other cities.

To bolster its outreach efforts, the office maintains two websites (OAP and JISPA) to share information and contribute to the IMF social media feeds in both Japanese and English, in addition to engaging with the media, businesses, and think tanks in Japan and elsewhere in Asia.

The IMF's Office in Europe, located in Paris and Brussels, serves as a liaison to EU institutions and member states, as well as to many international organizations and civil society in Europe. The office engages with institutions such as the European Commission, the European Central Bank, the European Stability Mechanism, and the European Parliament, as well as the Economic and Financial Committee and the Eurogroup Working Group on euro area and EU policies and country programs, financed jointly by the European Union and the IMF.

The IMF's Office in Europe represents the IMF at the Organisation for Economic Co-operation and Development. The office also supports the IMF's operations in Europe, including economic surveillance, IMF-supported programs, and technical assistance, and helps to coordinate communication and outreach activities across the region. More broadly, it fosters dialogue on global economic issues with EU institutions, international organizations, governments, and civil society in Europe and meets frequently with representatives from industry associations, trade unions, think tanks, financial markets, and the media.

The office organizes several joint workshops and events and convenes high-level policy lunches and media briefings in European capitals to discuss the IMF's views on key challenges facing the region. The office publishes a newsletter and maintains an external website as well as an active Twitter feed (@IMF\_inEU). Finally, the office supports IMF recruiting efforts by interviewing candidates at universities in several European countries.

### Outreach by Resident Representatives

In 77 countries across the globe, the IMF has Resident Representatives who conduct a variety of outreach activities designed to improve understanding of the IMF's work and of macroeconomic issues, often in collaboration with local universities, governments, and nongovernmental organizations. Below are some examples from different regions.

In March 2019, Director of the IMF Office in Europe and Senior Resident Representative to the European Union Jeffrey Franks delivered a TEDx Talk on "Acting Globally in an Interconnected World" at the University of St. Gallen, Switzerland. For this year's event, the speakers, coming from all walks of life, had to deliver a "note to self." Franks' main message was to "act globally for a better world. Be the generation that renews international cooperation to confront our common problems."

Ukraine Resident Representative Gösta Ljungman held events in the cities of Ternopil, Vinnytsia, and Kyiv, explaining the work of the IMF and its engagement with Ukraine to university students and economic journalists. He also presented the European *Regional Economic Outlook* to academics and media in Kyiv.

On Yemen, in a series of outreach meetings, Resident Representative Kareem Ismail discussed with donors the government's capacity-building needs, delivery of technical assistance, and how to avert further deterioration in humanitarian conditions through improved macroeconomic policies and management. Discussions focused on ways to restore the integrity and effectiveness of public institutions and resume public services throughout Yemen. As part of this effort, Ismail also presented—at a donor meeting in January 2019 hosted by the Quad advisory group (Saudi Arabia, United Arab Emirates, United Kingdom, United States)—the findings of the IMF diagnostic mission on the capacity-building needs of the central banking system, as well as the conclusions of the IMF staff visit in December 2018.

Since arriving in March 2018, the IMF's Resident Representative to Pakistan Teresa Daban Sanchez has conducted intensive outreach aimed at strengthening relations between the IMF and Pakistani society following the lifting of the five-year mission suspension. These efforts intensified after the elections in July 2018 and were critical to facilitating the request by the new Pakistani authorities for an IMF program in late 2018. In addition, Sanchez's efforts were instrumental in fostering the new government's interest in resuming technical assistance missions and highlighting to the public the value of a working relationship with the IMF.

As in previous years, IMF outreach in Jamaica was extensive in FY2019. This included (1) a presentation by Resident Representative Constant Lonkeng Ngouan to high school students from across the country on the role of the IMF and its strong partnership with Jamaica; (2) engaging a wide cross-section of stakeholders on the need to shift focus away from the exchange rate as the central bank transitions to inflation targeting; (3) a luncheon series between the IMF mission team and members of the Economic Program Oversight Committee to explore how the private sector can play a leadership role in identifying investment opportunities as macroeconomic stability becomes entrenched; and (4) explaining to the wider public the nature of the relationship between Jamaica and the IMF after the precautionary Stand-By Arrangement (preceded by the Extended Fund Facility) expires later in 2019.

At the invitation of the Department of Economics of Rafael Landívar University, Regional Resident Representative to Guatemala Gerardo Peraza presented the Western Hemisphere Department's *Regional Economic Outlook*. In June 2018, Peraza participated as a special guest at the Bank of Guatemala's XXVII Ciclo de Jornadas Económicas, presenting the key takeaways at the conclusion of the conference, which included Era Dabla-Norris, from the Fiscal Affairs Department, as one of the main speakers.

Resident Representatives to Africa have been reaching out to new audiences, including through digital media. Resident Representative to Côte d'Ivoire Jose Gijon supported IMF Communications staff in delivering a course to 20 journalists from the West African Economic and Monetary Union countries and presenting on the role of the IMF in the region. Resident Representative to Guinea Jose Sulemane delivered four training sessions to the representatives of civil society organizations on public financial management and budget issues. Resident Representative to Malawi Jack Ree has been active on LinkedIn, posting short analytical notes on selected macroeconomic issues.

# Further Reading

## PART 1—OVERVIEW

### INTRODUCTION

#### The IMF's Key Roles

International Monetary Fund: <https://www.imf.org/external/index.htm>

### SPOTLIGHTS

#### 1. Making the Case for Trade

October 2018 *World Economic Outlook: Challenges to Steady Growth*: <https://www.imf.org/en/Publications/WEO/Issues/2018/09/24/world-economic-outlook-october-2018>

April 2019 *World Economic Outlook: Growth Slowdown, Precarious Recovery*: <https://www.imf.org/en/Publications/WEO/Issues/2019/03/28/world-economic-outlook-april-2019>

2018 *External Sector Report: Tackling Global Imbalances amid Rising Trade Tensions*: <https://www.imf.org/en/Publications/ESR/Issues/2018/07/19/2018-external-sector-report>

Policy Papers—Reinvigorating Trade and Inclusive Growth: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/09/28/093018-reinvigorating-trade-and-inclusive-growth>

Policy Papers—Economic Integration in the Maghreb: An Untapped Source of Growth: <https://www.imf.org/en/Publications/Departmental-Papers-Policy-Papers/Issues/2019/02/08/Economic-Integration-in-the-Maghreb-An-Untapped-Source-of-Growth-46273>

#### 2. Deepening Financial Stability Analysis

April 2019 *Global Financial Stability Report: Vulnerabilities in a Maturing Credit Cycle*: <https://www.imf.org/en/Publications/GFSR/Issues/2019/03/27/Global-Financial-Stability-Report-April-2019>

October 2018 *Global Financial Stability Report: A Decade after the Global Financial Crisis: Are We Safer?*: <https://www.imf.org/en/Publications/GFSR/Issues/2018/09/25/Global-Financial-Stability-Report-October-2018>

#### 3. Dealing with Debt

Policy Papers—Assessing Fiscal Space: An Update and Stocktaking: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/06/15/pp041118assessing-fiscal-space>

#### 4. Harnessing Digital Dividends

Departmental Papers—FinTech in Sub-Saharan African Countries: A Game Changer?: <https://www.imf.org/en/Publications/Departmental-Papers-Policy-Papers/Issues/2019/02/13/FinTech-in-Sub-Saharan-African-Countries-A-Game-Changer-46376>

Staff Discussion Notes—Casting Light on Central Bank Digital Currencies: <https://www.imf.org/en/Publications/Staff-Discussion-Notes/Issues/2018/11/13/Casting-Light-on-Central-Bank-Digital-Currencies-46233>

Treatment of Crypto Assets in Macroeconomic Statistics: <https://www.imf.org/external/pubs/ft/bop/2019/pdf/Clarification0422.pdf>

Policy Papers—The Bali Fintech Agenda: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/10/11/pp101118-bali-fintech-agenda>

Staff Discussion Notes—Gender, Technology, and the Future of Work: <https://www.imf.org/en/Publications/Staff-Discussion-Notes/Issues/2018/10/09/Gender-Technology-and-the-Future-of-Work-46236>

Working Papers—Technology and the Future of Work: <https://www.imf.org/en/Publications/WP/Issues/2018/09/28/Technology-and-the-Future-of-Work-46203>

Joint Responsibility Shared Rewards: The Managing Director's Global Policy Agenda: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2019/04/11/managing-director-global-policy-agenda-spring-2019>

IMF Blog—Chart of the Week: Invest in Robots and People in Asia: <https://blogs.imf.org/2018/08/29/chart-of-the-week-invest-in-robots-and-people-in-asia/>

#### 5. Promoting Global Opportunities

Staff Discussion Notes—Work in Progress: Improving Youth Labor Market Outcomes in Emerging Market and Developing Economies: <https://www.imf.org/en/Publications/Staff-Discussion-Notes/Issues/2019/01/18/Work-In-Progress-Improving-Youth-Labor-Market-Outcomes-in-Emerging-Market-and-Developing-45130>

April 2019 *Fiscal Monitor: Curbing Corruption*: <https://www.imf.org/en/Publications/FM/Issues/2019/03/18/fiscal-monitor-april-2019>

Policy Papers—How to Operationalize Inequality Issues in Country Work: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/06/13/pp060118howto-note-on-inequality>

Policy Papers—How to Operationalize Gender Issues in Country Work: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/06/13/pp060118howto-note-on-gender>

Staff Discussion Notes—Fiscal Policy and Development: Human, Social, and Physical Investments for the SDGs: <https://www.imf.org/en/Publications/Staff-Discussion-Notes/Issues/2019/01/18/Fiscal-Policy-and-Development-Human-Social-and-Physical-Investments-for-the-SDGs-46444>

Staff Discussion Notes—Women in Finance: A Case for Closing Gaps: <https://www.imf.org/en/Publications/Staff-Discussion-Notes/Issues/2018/09/17/women-in-finance-a-case-for-closing-gaps-45136>

## REGIONAL HIGHLIGHTS

Speech—'Steer, Don't Drift': Managing Rising Risks to Keep the Global Economy on Course: <https://www.imf.org/en/News/Articles/2018/09/27/sp100118-steer-dont-drift>

Book—*Realizing Indonesia's Economic Potential*: <https://www.elibrary.imf.org/idnbook>

Book—*The ASEAN Way: Sustaining Growth and Stability*: <https://www.elibrary.imf.org/aseanbook>

Conference—Opening Up and Competitive Neutrality: The International Experience and Insights for China: <https://www.imf.org/en/News/Seminars/Conferences/2019/04/19/7th-pbc-imf>

Departmental Papers—The Future of Work in Sub-Saharan Africa: <https://www.imf.org/en/Publications/Departmental-Papers-Policy-Papers/Issues/2018/12/14/The-Future-of-Work-in-Sub-Saharan-Africa-46333>

Country Reports—Central African Economic and Monetary Community: Common Policies of Member Countries, and Common Policies in Support of Member Countries Reform Programs: <https://www.imf.org/en/Publications/CR/Issues/2019/01/03/Central-African-Economic-and-Monetary-Community-CEMAC-Common-Policies-of-Member-Countries-46501>

Press Release—IMF Executive Board Approves US\$3.7 Billion Extended Arrangement Under the Extended Fund Facility for Angola: <https://www.imf.org/en/News/Articles/2018/12/07/pr18463imf-executive-board-approves-extended-arrangement-under-the-extended-fund-facility-for-angola>

Country Reports—Rwanda: Tenth Review Under the Policy Support Instrument <https://www.imf.org/en/Publications/CR/Issues/2018/11/30/Rwanda-Tenth-Review-Under-the-Policy-Support-Instrument-Press-Release-Staff-Report-and-46407>

Country Reports—Euro Area Policies: Selected Issues: <https://www.imf.org/en/Publications/CR/Issues/2018/07/18/Euro-Area-Policies-Selected-Issues-46097>

Working Papers—Global Value Chains: What are the Benefits and Why Do Countries Participate?: <https://www.imf.org/en/Publications/WP/Issues/2019/01/18/Global-Value-Chains-What-are-the-Benefits-and-Why-Do-Countries-Participate-46505>

Conference—Opportunity for All: Promoting Growth, Jobs, and Inclusiveness in the Arab World: <https://www.imf.org/en/News/Seminars/Conferences/2017/08/08/morocco-opportunities-for-all>

Departmental Papers—Opportunity for All: Promoting Growth and Inclusiveness in the Middle East and North Africa: <https://www.imf.org/en/Publications/Departmental-Papers-Policy-Papers/Issues/2018/07/10/Opportunity-for-All-Promoting-Growth-and-Inclusiveness-in-the-Middle-East-and-North-Africa-45981>

Departmental Papers—Financial Inclusion of Small and Medium-Sized Enterprises in the Middle East and Central Asia: <https://www.imf.org/en/Publications/Departmental-Papers-Policy-Papers/Issues/2019/02/11/Financial-Inclusion-of-Small-and-Medium-Sized-Enterprises-in-the-Middle-East-and-Central-Asia-46335>

Press Release—World Bank Group and IMF to Hold 2021 Annual Meetings in Marrakech, Morocco: <https://www.imf.org/en/News/Articles/2018/04/25/pr18147-world-bank-group-and-imf-to-hold-2021-annual-meetings-in-marrakech-morocco>

Press Release: IMF Executive Board Approves US\$4.2 Billion Extended Fund Facility for Ecuador: <https://www.imf.org/en/News/Articles/2019/03/11/ecuador-pr1972-imf-executive-board-approves-eff-for-ecuador>

Book—*Brazil: Boom, Bust, and Road to Recovery*: [r.imf.org/24306](https://www.imf.org/en/Publications/Books/Issues/2018/04/19/brazil-boom-bust-and-road-to-recovery)

Conference—High-Level Conference on Building Resilience to Disasters and Climate Change in the Caribbean: <http://www.worldbank.org/en/events/2018/11/09/high-level-conference-on-building-resilience-to-disasters-and-climate-change-in-the-caribbean>

## PART 2—WHAT WE DO

### ECONOMIC SURVEILLANCE

Policy Papers—Review of the Fund's Strategy on Anti-Money Laundering and Combating the Financing of Terrorism: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2019/02/04/pp101718-2018-review-of-the-funds-aml-strategy>

Press Release—IMF Executive Board Adopts Decisions to Formally Recognize the Core Principles for Islamic Finance Regulation (CPIFR) for Banking: <https://www.imf.org/en/News/Articles/2018/05/24/pr18193imf-adopts-decisions-to-the-cpifr-for-banking>

Policy Papers—Fiscal Transparency Initiative: Integration of Natural Resource Management Issues: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2019/01/29/pp122818fiscal-transparency-initiative-integration-of-natural-resource-management-issues>

Press Release—IMF Board Takes Stock of Work on Fiscal Space: <https://www.imf.org/en/News/Articles/2018/06/26/pr18260imf-board-takes-stock-of-work-on-fiscal-space>

Policy Papers—Public Investment Management Assessment—Review and Update: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/05/10/pp042518public-investment-management-assessment-review-and-update>

Press Release—IMF Managing Director Christine Lagarde Names External Advisory Groups for the 2020 Comprehensive Surveillance Review: <https://www.imf.org/en/News/Articles/2018/10/30/pr18399-christine-lagarde-names-external-advisory-groups-for-2020-comprehensive-surveillance-review>

Policy Papers—Guidance Note for the Use of Third-Party Indicators in Fund Reports: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/09/13/pp071718guidance-note-for-the-use-of-third-party-indicators-in-fund-reports>

Policy Papers—Overarching Strategy on Data and Statistics at the Fund in the Digital Age: <https://www.imf.org/en/publications/policy-papers/issues/2018/03/20/pp020918imf-executive-board-supports-new-strategy-for-data-and-statistics-in-the-digital-age>

National Summary Data Pages: <https://dsbb.imf.org/nsdp>

Press Release—FSB and IMF publish the 2018 Progress Report on G20 Data Gaps Initiative: <https://www.imf.org/en/News/Articles/2018/09/25/pr18358-fsb-and-imf-publish-the-2018-progress-report-on-g20-data-gaps-initiative>

Press Release—IMF Releases the 2018 Financial Access Survey: <https://www.imf.org/en/News/Articles/2018/09/28/pr18366-imf-releases-the-2018-financial-access-survey>

## LENDING

Policy Papers—2018 Review of Facilities for Low-Income Countries: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/08/01/pp080118-2018-review-of-facilities-for-low-income-countries>

Press Release—IMF Executive Board Completes Second Review under the Policy Coordination Instrument for Seychelles: <https://www.imf.org/en/News/Articles/2018/12/07/pr18462-seychelles-imf-executive-board-completes-second-review-under-pci>

Press Release—IMF Executive Board Approves 30-Month Policy Coordination Instrument for Serbia: <https://www.imf.org/en/News/Articles/2018/07/18/pr18299-serbia-imf-executive-board-approves-30-month-policy-coordination-instrument>

Press Release—Albania: IMF Executive Board Concludes First Post-Program Monitoring: <https://www.imf.org/en/News/Articles/2018/05/21/pr18188-albania-imf-executive-board-concludes-first-post-program-monitoring>

Press Release—IMF Executive Board Concludes First Post-Program Monitoring Discussions with Greece: <https://www.imf.org/en/News/Articles/2019/03/08/pr1974-greece-imf-executive-board-concludes-first-post-program-monitoring-discussions>

## CAPACITY DEVELOPMENT

Factsheet—Regional Capacity Development Centers: <https://www.imf.org/en/About/Factsheets/Sheets/2017/06/14/imf-regional-capacity-development-initiatives>

Speech—Stress-Testing for the Transition to a Low-Carbon Economy: <https://www.imf.org/en/News/Articles/2019/04/10/sp04102019-stress-testing-for-the-transition-to-a-low-carbon-economy>

Policy Papers—2018 Review of the Fund's Capacity Development Strategy: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2018/11/20/2018-review-of-the-funds-capacity-development-strategy>

Factsheet—How Does the IMF Encourage Greater Fiscal Transparency? <https://www.imf.org/en/About/Factsheets/Sheets/2016/07/27/15/46/Encouraging-Greater-Fiscal-Transparency>

The IMF 2019 Financial Soundness Indicators Compilation Guide: <https://www.imf.org/en/Data/Statistics/FSI-guide>

Policy Papers—Corporate Taxation in the Global Economy: <https://www.imf.org/en/Publications/Policy-Papers/Issues/2019/03/08/Corporate-Taxation-in-the-Global-Economy-46650>

Video—Pacific Islands Technical Assistance Center 25th Anniversary: <https://www.imf.org/external/mmedia/view.aspx?vid=598222772001>

Revenue Mobilization Thematic Fund: <https://www.imf.org/external/np/ins/english/rmtf.htm>

TADAT—Tax Administration Diagnostic Assessment Tool: <http://www.tadat.org/home>

Managing Natural Resource Wealth Thematic Fund: <https://www.imf.org/en/Capacity%20Development/trust-fund/MNRW-TTF>

Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT): <https://www.imf.org/external/np/leg/amlcft/eng/>

Debt Management Facility: <http://www.worldbank.org/en/topic/debt/brief/debt-management-facility>

Data for Decisions (D4D) Fund: <https://www.imf.org/en/Capacity-Development/d4d-fund>

## PART 3—WHO WE ARE

Press Release—International Monetary Fund Appoints Edward C. Anderson as Chief Information Officer: <https://www.imf.org/en/News/Articles/2018/04/25/pr18148-international-monetary-fund-appoints-edward-c-anderson-as-chief-information-officer>

Press Release—Christine Lagarde Appoints Gita Gopinath as IMF Chief Economist: <https://www.imf.org/en/News/Articles/2018/10/01/pr18386-christine-lagarde-appoints-gita-gopinath-as-imf-chief-economist>

Press Release—IMF General Counsel Sean Hagan to Retire: <https://www.imf.org/en/News/Articles/2018/06/18/pr18242-imf-general-counsel-sean-hagan-to-retire>

Press Release—IMF Chief Economist Maurice Obstfeld to Retire: <https://www.imf.org/en/News/Articles/2018/07/25/pr18307-imf-chief-economist-maurice-obstfeld-to-retire>

Press Release—IMF Managing Director Christine Lagarde Appoints Rhoda Weeks-Brown as General Counsel of the IMF and Director of the Legal Department: <https://www.imf.org/en/News/Articles/2018/07/30/pr18321-imf-lagarde-appoints-rhoda-weeks-brown-as-general-counsel-of-the-imf>

Independent Evaluation Office: <https://ieo.imf.org/>

## Acronyms and Abbreviations

AML/CFT	anti-money laundering and combating the financing of terrorism	GRA	General Resources Account
CCRT	Catastrophe Containment and Relief Trust	HIPC	heavily indebted poor country
CEMAC	Central African Economic and Monetary Community	IEO	Independent Evaluation Office
D4D	Data for Decisions	IFRS	International Financial Reporting Standards
EAC	External Audit Committee	IMFC	International Monetary and Financial Committee
ECCU	Eastern Caribbean Currency Union	LIDC	low-income developing country
ECF	Extended Credit Facility	OIA	Office of Internal Audit
EFF	Extended Fund Facility	PLL	Precautionary and Liquidity Line
e-GDDS	Enhanced General Data Dissemination System	PRGT	Poverty Reduction and Growth Trust
EWE	Early Warning Exercise	PRS	Poverty Reduction Strategy
FAS	Financial Access Survey	RCF	Rapid Credit Facility
FCL	Flexible Credit Line	RFI	Rapid Financing Instrument
FSAP	Financial Sector Assessment Program	SBA	Stand-By Arrangement
FSSR	Financial Sector Stability Review	SCF	Stand-By Credit Facility
FY	financial year	SDGs	Sustainable Development Goals
G20	Group of Twenty industrialized economies	SDR	Special Drawing Right
GDP	gross domestic product	WAEMU	West African Economic and Monetary Union
GFSR	Global Financial Stability Report	WEO	<i>World Economic Outlook</i>
		WTO	World Trade Organization

# Letter of Transmittal to the Board of Governors

August 1, 2019

Dear Mr. Chairman:

I have the honor to present to the Board of Governors the *Annual Report of the Executive Board* for the financial year ended April 30, 2019, in accordance with Article XII, Section 7(a) of the Articles of Agreement of the International Monetary Fund and Section 10 of the IMF's By-Laws. In accordance with Section 20 of the By-Laws, the administrative and capital budgets of the IMF approved by the Executive Board for the financial year ending April 30, 2020, are presented in Part 3. The audited financial statements for the year ended April 30, 2019, of the General Department, the SDR Department, and the accounts administered by the IMF, together with reports of the external audit firm thereon, are presented in Appendix VI, as well as at [www.imf.org/external/pubs/ft/ar/2019/eng](http://www.imf.org/external/pubs/ft/ar/2019/eng). The external audit and financial reporting processes were overseen by the External Audit Committee comprising Ms. David (Chair), Ms. Cearns, and Ms. Lopez, as required under Section 20(c) of the Fund's By-Laws.

Yours truly,



David Lipton  
Acting Managing Director and Chair of the Executive Board