IEO
Independent Evaluation Office
of the International Monetary Fund

BACKGROUND PAPER

BP/14/06

IMF Leadership and Coordination Roles in the Response to the Global Financial and Economic Crisis

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October 8, 2014

JEL Classification Numbers:

Keywords:

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Abbreviations

BIS	Bank for International Settlements
EBRD	European Bank for Reconstruction and Development
EC	European Commission
ECB	European Central Bank
EU	European Union
EWE	Early Warning Exercise
FSB	Financial Stability Board
FSF	Financial Stability Forum
G-7	Canada, France, Germany, Italy, Japan, United Kingdom, and United States
G20	A grouping composed of major advanced economies and systemically important emerging market and developing countries
GFSR	*Global Financial Stability Report*
IMF	International Monetary Fund
IMFC	International Monetary and Financial Committee
JMAP	Joint Management Action Plan
MAP	Mutual Assessment Program (G-20)
MD	Managing Director
OECD	Organization for Economic Cooperation and Development
QE	quantitative easing
RFA	Regional financing arrangement
UNCTAD	United Nations Conference on Trade and Development
WEO	*World Economic Outlook*

EXECUTIVE SUMMARY

This paper explores the IMF's leadership and coordination roles in the global response to the financial and economic crisis. It is principally based on interviews with country authorities, IMF staff and staff of other international organizations and reflects their perceptions. The paper finds that many authorities perceive that the IMF played an important role in responding to the crisis by calling for a concerted fiscal stimulus in 2008–09, as well as in designing programs and putting together lending packages for affected emerging market economies. The IMF also led the effort to obtain bilateral borrowing agreements to support lending, inter alia, to euro area countries. Beyond this, the IMF was seen by many authorities as having played an effective but secondary role to that of the G20's leadership in crystallizing responses to the crisis. Earlier failures in Fund surveillance and in its "standing" or "legitimacy" with advanced economies and major emerging markets constrained its ability to play a central coordinating role in the response to the crisis.

Authorities believed that it is primarily through its analytical work and related policy advice where the IMF can most contribute in the future. They were positive in their assessment of the IMF staff response to requests from the G20 for analytical assistance and support for the G20 Mutual Assessment Process. Authorities generally viewed cooperation between the IMF and the newly established Financial Stability Board as working well; and the new Early Warning Exercise was seen as an important innovation. They noted, however, that joint products were not integrated, which could lead to inadequate risk assessment. Authorities, particularly in Asia and emerging market economies, also pointed out that they would have appreciated earlier and clearer warning regarding the euro area crisis and the potential impact of quantitative easing and eventual tapering.

Many authorities viewed the institutional arrangements for the Fund's involvement in the response to the euro area crisis through the Troika as a flexible and pragmatic response to the situation and an opportunity to leverage policy advice in a partnership arrangement. They highlighted that lessons from this partnership could provide guidance for how to engage effectively with other Regional Financing Arrangements, and in particular for modalities to protect the IMF's independence. Similarly, they credited the IMF for its leadership in the Vienna Initiative and its collaborative work with other regional and international organizations.

The initiative to boost the IMF's resources came from the G20, while the IMF played a supporting role in this process. The failure to implement negotiated quota and governance reforms and the continuing concerns of emerging markets about their under-representation challenged the Fund's ability to play a more central role in global policy cooperation. Going forward, this challenge remains. Further, the paper finds a need for greater clarity in the roles, responsibilities and accountabilities of the IMF in working with the G20 and international and regional organizations.

I. INTRODUCTION

1. The IMF was involved in numerous aspects of the response to the global financial and economic crisis that began in 2008. It coordinated global and regional responses, channeled its surveillance into the recovery effort, and provided financial support to impacted countries (IEO, 2014). This paper is a background study for an IEO evaluation that assesses the IMF's actions to help contain the crisis and navigate a global recovery, assist individual economies cope with the impact of the crisis, and identify and warn about future risks.

2. This paper explores the IMF's leadership and coordinating roles: What roles did the IMF play within the context of the global response to the crisis? What lessons can be drawn for its longer-term modus operandi? What are members' views on the IMF's post-crisis coordination role? The report is based on interviews with a number of country authorities,[1] IMF staff and staff of other international organizations,[2] as well as a review of relevant IMF documentation.

3. The paper considers the effectiveness of the IMF's actions to facilitate a coordinated response among national authorities, country groupings, and other international agencies. It assesses issues such as: the lessons that can be drawn by comparing "emergency" actions with the ongoing process of coordination; the modalities through which the Fund cooperated with entities such as the G20, Financial Stability Board, European Commission, and European Central Bank; how potential trade-offs between traction and independence were handled; the perceptions among the broader IMF membership of the IMF's engagement with such groups; and the longer-term benefits and drawbacks of these modalities. The paper also assesses the effectiveness of the IMF's role in regional initiatives such as the Vienna Initiative to preserve commercial and other lines of credit following the sudden stop in capital inflows.

4. The IMF has three ways by which to gain traction with its policy advice:

- Offering overwhelming intellectual leadership;
- Working with political groupings such as the G20 (and earlier with the G-7), the EU and others; and
- Provision of financial resources.

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[1] The IEO interviewed current and former authorities in 22 countries, 16 of which are members of the G20.

[2] Bank for International Settlements (BIS), European Bank for Reconstruction and Development, European Central Bank (ECB), European Commission (EC), Financial Stability Board (FSB), Organization for Economic Cooperation and Development (OECD), and the World Bank.

To be successful with the first two also requires "standing"—a perception that the Fund speaks as an authoritative and unbiased source of knowledge and policy advice.

5. To understand fully the Fund's role during this period, it is necessary first to recall the context for the Fund in 2008: the Fund's surveillance did not anticipate the crisis, its standing" or "legitimacy" with advanced economies and major emerging markets was challenged, and it was in the midst of a major organizational downsizing and restructuring.

6. A 2011 evaluation by the IEO assessed the performance of IMF surveillance in the run-up to the global financial and economic crisis and found that the IMF had not adequately provided clear warnings about the risks and vulnerabilities associated with the impending crisis. This outcome resulted from "a complex interaction of factors, many of which had been flagged before but had not been fully addressed. The IMF's ability to correctly identify the mounting risks was hindered by a high degree of groupthink, intellectual capture, a general mindset that a major financial crisis in large advanced economies was unlikely, and inadequate analytical approaches" (IEO, 2011).

7. Shortcomings in surveillance were accompanied by challenges in the Fund's relationship with its members. Long seen as marginal to the economic policies of advanced economies, it was also increasingly viewed as having a limited role with respect to emerging markets. A 2009 IEO evaluation had found that IMF interactions with member countries were least effective with advanced and large emerging economies. "Particularly troubling was the continuing strategic dissonance with large advanced economies, especially about the Fund's role in international policy coordination, policy development" (IEO, 2009). Four years later, another IEO evaluation similarly noted that "[t]he degree to which the Fund is viewed as a trusted advisor is found to differ by region and country type, with authorities in Asia, Latin America, and large emerging markets the most skeptical, and those in large advanced countries the most indifferent" (IEO, 2013).

8. As the financial crisis gathered momentum in 2008, the IMF saw its role increasingly marginalized. It was also facing internal financial challenges. Its main source of income was the interest charged on its non-concessional loans; but due to the "Great Moderation," demand for these loans had shrunk to such a low that the Fund faced shortfalls in its administrative budget. In Fall 2007, a new Managing Director initiated a major downsizing and restructuring of the Fund that ultimately resulted in the departure of 25 percent of its senior staff; and in the Spring 2008, a new income model was also devised to ensure the Fund's income to carry out its non-lending functions. A transformation of this magnitude necessarily consumed a great deal of the time and energy of Management and staff. It was only in July 2008 that the IMF signaled a shift from internal issues to a focus on key global financial and economic concerns, following the Executive Board discussion of the Managing Director's Statement on the work program which noted that the "IMF will focus its activities in the period ahead on key issues of global economic and financial concern, shifting the

emphasis away from internal reforms toward the actions the Fund can take to help its members meet the challenges of the 21st century" (IMF, 2008).

9. The collapse of Lehman Brothers in September 2008 was followed by money market runs and a freeze in credit markets, but the IMF—like most others—missed the gravity of the unfolding crisis. It was left quickly needing to understand developments and formulate and recommend appropriate policy responses. At the same time, however, these developments provided a window to tackle some of the earlier perceived shortcomings and strengthen the IMF's role in global economic governance.

10. Against this background, this paper examines the roles which the IMF played in coordinating with other actors and in providing leadership, both in the immediate response to the crisis and in formulating medium-term policy responses to address deficiencies in the global economic and financial system. Section II focuses on the Fund's interactions with the G20; the Financial Stability Board, which was established by the G20 as a successor to the Financial Stability Forum; and the Troika, which emerged as the lead body in responding to the euro area crisis. It will also touch upon interactions with other players, including through the Vienna Initiative and the World Bank. Section III analyzes the Fund's role in resource mobilization in response to the crisis. Section IV concludes.

II. The IMF's Role in Responding to the Crisis: Interactions with Multilateral Entities

A. G20

11. The G20 assumed leadership in directing responses to the crisis as the forum was elevated to the Heads of State ("Leaders") level in November 2008. This was in keeping with past experience, when the leadership of crisis response passed to political bodies (previously the G7), particularly regarding coordination among large advanced economies.[3] The G20 was established in 1999 at the level of Finance Ministers and Central Bank Governors. It was an outgrowth of the East Asian crisis, stemming from the recognition that the G-7 no longer represented a sufficient proportion of the global economy to provide effective leadership.[4] The creation of the G20 also reflected the fact that the International Monetary and Financial Committee (IMFC)[5] was not seen as able to muster the political support needed for global

[3] A February 2009 IMF staff paper examining the initial response to the crisis recognized that it was difficult for the IMF to take the lead in coordinating the global response, because of questions about the legitimacy of its governance framework and because it had not provided adequate warning of the crisis (IMF, 2009a).

[4] Today, G20 members account for around 85 percent of global gross domestic product, more than 75 percent of global trade, and two-thirds of the world's population.

[5] The IMFC, the successor to the Interim Committee, was created in 1999, as a successor to the Interim Committee, to provide political leadership to the IMF.

policy coordination. To facilitate transparency and coordination between the work and political representation of the G20 and the institutional representation and universal membership of the IMF, the IMF Managing Director and the Chair of the IMFC were invited to participate in G20 ministerial meetings.

12. The replacement of the G-7 by the G20 as the dominant outside influence on the IMF and other multilateral organizations represents a significant change from the role played by earlier ad hoc self-appointed groups, particularly the G-7. While G-7 countries provided leadership on many critical issues and G-7 Communiqués often presaged eventual IMF actions, the G-7 countries represented only 46 percent of the IMF's voting power and thus had to convince others to support their positions.[6] The G20, by contrast, currently represents 77 percent of the voting power in the IMF[7] and once an internal consensus is reached by the G20, there is every expectation that the IMF will follow through accordingly. An IMF staff paper examining the institution's initial response to the crisis noted that this shift in the policy debate to a more flexible and nimble forum was to be expected in light of the rigidities facing the Fund, which had not been effective in responding to systemic risks in the global economy (IMF, 2009a).[8] A number of authorities who were interviewed for the present review also noted that the IMF lacked credibility in the early stages of the crisis.

13. Its larger membership than the G7 notwithstanding, questions about the G20's legitimacy also continued to be raised, particularly by those states not represented who were concerned that their views might not be sufficiently heard. Regardless of such concerns, in the unprecedented circumstances facing the global economy, the G20 assumed leadership in coordinating a global response to the crisis when its ministerial-level forum was elevated to the Heads of State ("Leaders") level in November 2008. Subsequently, the G20 declared itself to be "the *premier* forum for *our* economic cooperation" [emphasis added] (G20, 2009).

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[6] Prior to 1982, crisis management was essentially an ad hoc process, organized by whichever countries were most affected. A more central role for the IMF in coordinating a crisis response emerged during the Latin American debt crisis of the 1980s. The IMF became the primary manager of that crisis and of subsequent international financial crises, including notably the Asian crisis of the 1990s (although it should be noted that these crises did not involve major advanced economies). During this time, the G-7 took the lead in proposing responses to the IMF to a host of challenges, including excessive sovereign debts, the collapse of the Soviet Union, and emerging market financial crises.

[7] This is comprised of the voting power of countries with direct membership (63.4 percent) and those countries which, although not members, are represented by virtue of the EU's membership in the G20 (13.6 percent).

[8] Staff noted that "[i]f the Fund is to be at the center of global policy debate and action, it will need to address its underlying deficits in ownership and efficiency by: (i) rebalancing quota shares—and sooner than the gradual process envisaged at the last quota review; (ii) moving to a more representative Board and IMFC; (iii) providing a higher profile forum to the ministers and governors making up the IMFC, so as to enhance policy engagement and political legitimacy on key issues such as early warnings and response; and (iv) advancing other governance reforms, such as accountability and a truly open system for selecting Fund management (IMF, 2009a).

14. The IMF, while not looked to as the leader of the response, was an active participant in this process and its role evolved over time together with that of the G20 itself. Initially, the G20 (which lacks any dedicated Secretariat support) looked to the IMF in particular to provide technical support. This was a natural outcome given the IMF's role and participation in the G20 Finance Ministers and Central Bank Governors process and its recognized technical expertise. The G20 also drew heavily on work of the Financial Stability Forum (FSF). The IMF did assume a lead with respect to impacted emerging markets, particularly in Central and Eastern Europe.

15. In IMF Executive Board discussions, some Directors expressed reluctance for IMF involvement in the G20 and the Mutual Assessment Process (MAP), given concerns that this could require too much work from staff; and they argued that the Board, rather than the Managing Director (MD) and staff, should first decide and agree on any such work to be done. Other Directors, however, thought that the IMF needed to be involved with the G20 in order to get political support and thus greater traction for its policy advice.

16. Looking at IMF interactions with the G20 in response to the global crisis, it is useful to distinguish two periods: that of the immediate response to the crisis (November 2008–mid-2009) and the medium term (September 2009–13). While the G20 assigned many analytical and coordinating tasks to the IMF over both periods (see Annex 1), the task most commented upon by authorities, and that merit particular examination, were the Fund's role in the debate and its call for fiscal expansion in 2008-09, and its support of the G20 surveillance process through provision of technical analysis for the MAP and related sustainability reports. Another aspect, resource mobilization, is discussed in Section III below.

Immediate responses (November 2008–09)

17. The first two G20 Summits (Washington, November 2008; London, April 2009) focused on initial responses to the crisis and on how to avoid a greater disaster. Interviews with G20 members conducted for this paper suggest that leadership came principally from participating country authorities. The FSF was also cited as having played a leadership role, with one authority stating that "43 of the 47 action items from the first G20 Leaders' Statement in 2008" came from a then-recent FSF report (rather than from IMF analysis or input). Subsequently, IMF staff played an important supporting role in response to requests for analytical assistance and at times coordinated the follow-up on meeting decisions. The Managing Director and the Economic Counsellor were cited by a number of interviewees for their strong intellectual contributions during the meetings. Nonetheless, overall, the IMF role was secondary to that of country authority participants. Many authorities interviewed noted that this was perhaps inevitable given the need for political leadership to drive the process, which the IMF, through the IMFC, lacked the capacity to provide.

18. The exception to the general characterization of the IMF as having played a secondary role was the Managing Director's call throughout 2008 for a significant, concerted global fiscal stimulus. A number of authorities said that the MD's leadership (supported by various staff analyses) played a significant role for G20 countries in their debating the appropriate weighting to be given to fiscal expansion versus fiscal contraction in responding to the crisis. This leadership provided a headline message from the IMF which was seen as differing from its normal prognoses and significantly impacted the debate and eventual agreement by the G20 in late 2008. Some authorities also cited research by the IMF Research Department as helping G20 members to reach a mutual understanding on the economic forces at work.

19. While many interviewees cited this call for fiscal stimulus as a clear example of leadership, some went on to state that the IMF failed to differentiate this advice for countries depending upon fiscal circumstances, and that this may have contributed to some of the build-up in pressures in the euro area. Others faulted the IMF for its subsequent premature 2010 call for fiscal consolidation based on overly optimistic forecasts. These issues, which go beyond the scope of this paper, are analyzed in Dhar (2014).

Interactions over the medium term (September 2009–13)

20. In the belief that their actions had succeeded in arresting the worst of the crisis, the G20 turned to medium-term issues. At the Pittsburgh Summit (September 2009), they adopted the Framework for Strong, Sustainable and Balanced Growth with the objective of reducing macroeconomic imbalances and promoting sustainable growth. The backbone of this framework was a multilateral process through which G20 countries would identify objectives for the global economy, the policies needed to reach them, and the progress toward meeting these shared objectives (G20, 2009b).

21. In the context of the Framework, the MAP was conceived by the members of the G20 and established to analyze national economic policies and their spillover effects on other countries and on global growth, with the goal of formulating individual adjustment commitments. The G20 Leaders set the tone and substance of the initiative, with the goal of ensuring that collective policy action would benefit all.

22. The role of the IMF in the MAP was to provide analytical assistance. IMF staff—in collaboration with other international institutions—was tasked with analyzing whether policies pursued by individual G20 countries were collectively consistent with the G20's growth objectives. IMF staff was also asked to help the G20 by preparing a series of

sustainability reports on major imbalances among members and to develop indicative guidelines that could be used to identify and evaluate these imbalances every two years.[9]

23. In understanding the role that the Fund played in support of the MAP, it is critical to understand that the MAP was conceived as a *country-driven* process. This point was consistently underlined by authorities. In this regard, interviewed authorities indicated appreciation for the support provided by Fund staff, noting that they responded well to what was requested of them. Authorities also expressed positive views regarding sustainability reports, which they considered to have importantly strengthened the surveillance process. Some authorities noted that staff approached the MAP exercise with more enthusiasm in the initial stages of the process, while others commented that any apparent waning in enthusiasm may simply reflect the ambiguities and more general waning of enthusiasm for the MAP over time.

24. Michael Callaghan, a former senior Australian Treasury official who participated in the G20 process, has written of the evolution of the MAP over time, noting that as has been seen in previous crises, Leaders' attention dissipated as the immediacy of the crisis waned. "Since the Pittsburgh summit … the Framework has been relegated, along with the associated Mutual Assessment Process, to a sub-component of the finance stream of the G20's work. The discussion of the Framework is confined to an agenda item on the global economy in the meetings of finance ministers and central bank governors. The preparatory work is undertaken by the Framework Working Group, consisting of mid-level officials. Much of the focus is on macroeconomic issues, although recently there have been efforts to introduce a system to assess members' progress on implementing structural reforms. Little of the working group's activities are made public and not much attention is paid to the material it produces" (Callaghan, 2013).

25. Over time, the MAP involved many more international organizations. This partly reflects the specific expertise that some such as the OECD could bring to particular issues such as structural adjustment. Some authorities suggested that the G20's call to include other organizations (such as UNCTAD) was a response to continuing disagreement on governance issues (principally quotas and Board representation) at the IMF and to a perceived lack of even-handedness in the Fund's analysis and advice.[10] A number of authorities considered IMF governance reform as a *sine qua non* to enabling the IMF to play a more central role in the future in global economic cooperation. According to some authorities, another factor in the move to greater involvement of organizations such as the OECD, FSB, Bank for International

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[9] An IEO review of the analytical work conducted by the IMF in the context of the MAP indicates that it is consistent with the analysis in corresponding Article IV and other surveillance documents.

[10] Some authorities cited a possible example of lack of evenhandedness in the Fund's approach to Swiss exchange rate policy (largely endorsed) versus other emerging market economies that had pursued similar policies (which were subject to much more criticism).

Settlements and others was their differing organizational approaches. These organizations are driven much more by country participants than is the staff-led IMF. Several interviewees commended this as an environment in which more cooperative work can be pursued.

26. Whatever the merits of this argument, having to engage with a range of other international institutions but without clarity on respective roles, responsibilities and accountabilities has complicated the role that the IMF might be expected to play. While the IMF is still seen by many authorities as *primus inter pares* among the international organizations contributing to the G20, its central role within the G20 is no longer as clear as in the early stages of the response to the global crisis.

27. Another continuing challenge is the nexus between the G20 and the IMFC. As previously noted, the G20 Finance Ministers' and Central Bank Governors' Forum was established to provide leadership of which the IMFC was judged incapable of providing. Most authorities considered that information flows between the G20 and IMFC appear to have worked to ensure an adequate amount of transparency and that there had been good coordination. However, they viewed the duplication of discussions as continuing to be problematic. In the words of one Finance Minister who participated in both the G20 and the IMFC, "What is the difference between these discussions?" Others noted the repetitive nature of IMF presentations to the G20 and IMFC.

28. Another issue that authorities raised has to do with the participation of the IMFC Chair in the G20 process. As mentioned earlier, initially upon creation the G20 provided for the IMFC Chair's participation to help facilitate transparency and coordination. However, apparently in order to "streamline" participation, early in 2014 it was decided to limit the Fund's participation to only that of the MD. At the moment this does not present a problem because Singapore, which currently holds the IMFC Chair, has been invited to participate as a regional representative under Australia's G20 Presidency. In the future, however, the exclusion of the IMFC Chair may lead to concerns.

29. More broadly, the establishment of the G20 Leaders level to coordinate macroeconomic policies of its members, supported by the IMF and other multilateral entities and groups, creates a complicated governance structure for policy cooperation. How should these entities (ranging from a self-appointed group to a universal treaty–based organization) work together? What should be their respective roles, responsibilities and accountabilities?

B. Financial Stability Board

30. One of the immediate actions taken by the G20 was to establish the FSB through restructuring and strengthening the FSF which had been established following the Asian financial crisis.[11] At the November 2008 G20 Summit, G20 Leaders agreed that the FSF should be expanded, given a broadened mandate to promote financial stability, and reestablished with a stronger institutional basis and enhanced capacity as the FSB. Much of the action plan agreed at that time was derived from work by the FSF that was set out in an April 2008 Report to G-7 Finance Ministers and became the blueprint for the G20's ambitious financial regulatory reform program. In the days leading up to the November 2008 Summit, the IMF MD and the FSF Chairman issued a joint letter that called for increased collaboration between the two bodies and sought to clarify respective roles and responsibilities.

31. The FSB was established in April 2009.[12] Unlike its precursor the FSF, it had a more formal structure with a more clear and explicit mandate, and its members were seen as having responsibilities. The FSB charter also provided for the IMF to be a member. At the April 2009 Leaders Summit, the G20 called upon the IMF and FSB to intensify their collaboration by complementing each other's role and mandate, providing early warning of macroeconomic and financial risks and the actions needed to address them, and reshaping regulatory systems so that authorities would be able to identify and take account of risks emanating from the financial sector.

32. The IMF became a member of the FSB in September 2010.[13] In considering the IMF's membership in the FSB, a number of IMF Executive Directors were concerned about the impact that membership would have on the IMF's ability to conduct its surveillance mandate and on its independence and accountability to membership as a whole. A number of Executive Directors representing emerging market economies expressed reservations and suggested that perhaps the IMF's role should be limited to that of observer.

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[11] The FSF was a group of about a dozen nations (which participated through their central banks, finance ministries, and securities regulators) as well as international financial bodies. It was founded in 1999 to promote international financial stability as a result of discussions among G-7 finance ministers and central bank governors. The Forum facilitated discussion and cooperation on supervision and surveillance of financial institutions, transactions, and events. It was managed by a small secretariat housed at the Bank for International Settlements in Basel, Switzerland. The IMF participated in the Forum at the senior staff level.

[12] The FSB became a Swiss association in 2013.

[13] The IMF is represented at the FSB by the Monetary and Capital Markets Department, which participates in the Plenary, the Steering Committee, and in two of the three standing committees (the Assessment of Vulnerabilities Committee and the Standards and Codes Committee). It does not participate in the Regulation and Supervision Committee.

33. The Board ultimately approved IMF membership in the FSB conditional on clarifying that this would have no legal and policy implications for the Fund's rights and obligations and by providing "opt-out" clauses from decisions that may not be consistent with the Fund's legal or policy framework. Directors stressed that the Fund would continue to take the lead in surveillance over the international monetary system and analysis of macro-financial stability issues in its member countries, but that it would collaborate with the FSB to address financial sector vulnerabilities and to develop and implement strong regulatory, supervisory, and other policies in the interest of financial stability.

34. Collaboration between the IMF and FSB has been complicated by the fact that the working methods of these organizations differ substantially. The FSB relies on a pooling approach that builds on its members' own assessments and its proximity to financial sector standard setters and regulatory bodies with insider knowledge about the workings of financial markets. In contrast, the IMF relies on a staff-led approach, whereby the assessment of vulnerabilities is conducted through an aggregation of bilateral and multilateral assessments. The staff of the FSB is small when compared with the Monetary and Capital Markets Department of the IMF, let alone with the whole IMF.

35. The interactions between a treaty-based organization with universal membership and a large professional staff such as at the IMF and a comparatively small informal organization with limited membership as is the case with the FSB might be expected to give rise to tensions and to questions about roles and accountabilities. The above-mentioned joint letter, still in force to date, states that the principal task of the FSF (and now the FSB) is "the elaboration of international financial sector supervisory and regulatory policies and standards, and coordination across various standard-setting bodies" while the IMF's main responsibility is to assess the "authorities' implementation of policies through FSAPs [Financial Sector Assessment Programs], ROSCs [Review of Standards and Codes], and Article IVs."

36. The joint letter also asserts that "surveillance of the global financial system is the responsibility of the IMF." The Fund's 2012 Integrated Surveillance Decision clarified the scope of risk coverage and mainstreamed spillover analysis in Article IVs. However, some of the authorities interviewed for this review said that they believed the nature of the Fund's responsibility for financial stability (including with respect to potential lending in future crises) remains unclear. They also noted that at times it was difficult to ascertain whether certain IMF views were personal or institutional.

37. The G20 assigned the IMF and the FSB joint responsibility for conducting the Early Warning Exercise (EWE), in order to identify and report to the IMFC and the G20 Finance Ministers and Central Bank Governors on the buildup of macroeconomic and financial risks and the actions needed to address them. The Fund and the FSB cooperate closely on the EWE, each bringing to bear its own perspective. The Fund tends to take a leading role on economic, macro financial, and sovereign risk concerns, and the FSB on financial system

regulatory and supervisory issues. There is cooperation through FSAPs (undertaken by the IMF and World Bank) which are inputs for FSB peer reviews; ROSCs; and reports to the IMFC. Perhaps the most visible product coming out of their joint cooperation are the EWE reports (see Robinson, 2014).

38. Authorities expressed strong satisfaction with the EWE initiative. A number of interviewees stated that they were less familiar with other less visible areas of IMF–FSB cooperation but perceived no problems. A few commented that joint reports by the IMF and FSB appear more like "two reports stapled together than a single document." Some authorities and some IMF staff believed that this lack of integration carries the potential for missing important risks. But most expressed the view that the lack of integration did not appear to create problems and would not warrant the expense in time and effort to have a more seamless product.

39. Staff in both institutions considered that the working relationship was satisfactory, and identified no problematic areas of overlap. Nonetheless, some authorities stated that the extent to which IMF participation extends beyond a "listening brief" is not clear. They also expressed the view that the *GFSR* has not paid enough attention to regulatory proposals and measures taken, nor had it taken a position or offered advice on these policy issues. Authorities from both advanced and emerging market economy authorities were of the opinion that there may be some roles for the IMF on financial sector and capital flow issues that are not currently being addressed, such as drawing on a range of FSAPs to identify issues that arise in more than one country and potentially could be systemic, and analyzing the implications of changing regulatory frameworks for capital flows and investment.

40. Some authorities have argued that cross-border capital flows are a major missing item on the current cooperation agenda, given that these are a recognized source of global financial instability on which no international cooperation has been agreed. Some authorities were also positive about more recent IMF research on capital controls that challenges earlier orthodoxy; but concerns were also raised that this research has not always translated into policy advice from the Fund.

C. Troika

41. As the euro area crisis erupted, the IMF was called upon to provide policy and technical support and to assist in providing financing for affected member countries. In the early days of the global crisis, the IMF focused mostly on emerging markets. But after some time, the euro area crisis brought the IMF into a major operational role for advanced member countries for the first time in decades.[14] The institutional arrangement that emerged to

[14] By late 2008, the IMF had supported Iceland with a Stand-By Agreement, even while Iceland was not considered to constitute a systemic risk.

manage this process involved a Troika including the IMF, ECB, and EC. For the IMF this was a novel coordination arrangement. In responding to previous crises, the IMF had always worked closely with others (for example with the G-7 during the Asian crisis). What was different about the IMF's collaboration in the case of the Troika was the degree of institutionalization: each participant was bound by the decisions of the group and the expectation that any concerns or disagreements would not be raised in public.[15] Moreover, this was the first time that the monetary authority of the respective countries in crisis was formally seated on the same side of the table as the IMF.

42. An obvious question arises about whether the Troika arrangement increased the pressure on the IMF to compromise its positions or, alternatively, provided greater traction for the IMF's policy advice. This question can ultimately only be answered by looking at the history of the negotiations of individual programs, which is a task that goes beyond the scope of this paper.[16] But it is possible to identify some of the governance aspects of this arrangement that have implications for the Fund's interactions with regional financing arrangements (RFAs).

43. The majority of authorities interviewed viewed the Troika arrangement as a pragmatic and flexible response to a unique situation at a time of crisis. Those from Europe noted that the EC and ECB lacked experience in putting programs together and that the IMF's role was indispensable. However, some authorities viewed the Troika arrangement strictly from a governance perspective. They believed it was inappropriate for the monetary authority of a country in negotiations with the IMF to be seated with the IMF. In their view, this implicitly took certain policy actions "off the table" and reflected bad governance; it also raised uncomfortable questions about a possible "chilling effect" on surveillance of the euro area, including on macroeconomic and financial sector issues related to the largest euro area countries which were not in need of IMF financial support.

44. Other authorities, however, raised the issue that a "systemic exception" had been developed and used to provide additional resources beyond those that would normally be available. They viewed this as a willingness on the part of the IMF and its major shareholders to bend the rules for certain countries when it suited their interest. They also wondered whether the same exceptional access would be made available for member countries from other regions.

45. More broadly, however, interviewees viewed the institutional arrangement as a possible model for IMF engagement with other regional groupings in the future. RFAs can be expected to play a growing role over time—a development that most authorities believe

[15] No doubt earlier less formal coordination arrangements also saw "give and take" among the parties that was kept confidential.

[16] IMF–supported programs in the euro area will be analyzed in a future IEO evaluation.

should be encouraged and nurtured. Authorities highlighted the opportunity to draw lessons on how to structure IMF engagement with other RFAs, and in particular to develop modalities to protect the IMF's independence. While circumstances and modalities will differ, greater IMF engagement with other regional entities will require elaborating clear roles, responsibilities and accountabilities.

D. Vienna Initiative

46. The European Bank Coordination "Vienna" Initiative was launched at the height of the financial crisis in January 2009 to provide a framework for coordinating the crisis management and crisis resolution of financial sector issues that were highlighted by the economic downturn. This public-private forum, initiated by the European Bank for Reconstruction and Development (EBRD), also included large systemically important cross-border bank groups in the emerging Europe region (EBRD, 2011). Clearly its success would depend on collaboration among a number of organizations with mandates to support European economies.

47. The IMF generally is seen as having come on board relatively quickly in support of the initiative (having resolved internal staff differences of views as to the appropriate policy approach) and ahead of other organizations including the World Bank and European Investment Bank. Together with the EC, the Fund co-chaired the initial (and subsequent) meetings; and authorities and other interviewees credited the IMF with having played a key role in the efforts to convince banks to maintain exposures in emerging Europe, thereby avoiding a financial meltdown.

48. EBRD staff members who were interviewed welcomed the "extremely good collaboration" with the IMF, noting that this has greatly enhanced relations compared with the pre-crisis period. A number of new channels of communication had been opened, with contacts increasing in frequency from quarterly to weekly; and joint products such as the credit and deleveraging monitor had been created. One interviewee noted a new "humility" on the part of IMF staff that has facilitated this marked improvement in collaboration. Similarly, authorities from both creditor and debtor countries indicated that the IMF had played a very constructive role, using analytical approaches to help bridge differences, particularly in the early years of the crisis.

E. World Bank

49. The IMF and the World Bank interact extensively and the G20 looked to the two institutions to collaborate on a number of policy issues in the wake of the crisis, as well as at the country level. The scope of this paper does not provide for extensive assessment, but it is possible to identify some broad trends in collaboration between the IMF and World Bank during this period.

50. A 2007 external review (Malan and others, 2007) identified a number of barriers to improved Bank-Fund collaboration, most noteworthy of which were attitudinal. Its findings led to the adoption of the Joint Management Action Plan on IMF-Bank Collaboration (JMAP) (IMF and World Bank, 2007) to improve the way the two institutions work together. The JMAP was launched at the time the IMF was going through its extensive downsizing and restructuring, which included the elimination of a number of Resident Representative offices abroad. An unintended consequence of the Fund's downsizing was that some IMF staff members accepted positions at the World Bank. Anecdotal accounts suggest this had a beneficial effect on the interactions between the two institutions—which was reinforced when some World Bank staff members were hired at the IMF after the crisis hit.

51. This movement across the two institutions opened up new lines of communication and enabled more effective communication than existed previously. Reflecting a new-found appreciation of relationships and trust (rather than formal agreements and processes) as a means for improving the quality of Bank-Fund collaboration, the JMAP was refocused and streamlined. The focal point became a requirement that Fund and Bank country teams meet at least once a year to discuss their country-level work programs, identify macro-critical sectoral issues, identify areas of cross support, and agree on the work needed from each institution in the coming year.

52. With respect to policy work in support of the G20, a review of papers prepared for the G20 reveals few IMF papers prepared jointly with the World Bank and other international organizations, despite requests contained in the G20 Communiqués as outlined in Annex 1. Interviews suggest that this is partly attributable to an IMF preference for its own products, but partly also organizational structural issues may be a factor. The internal review process within the IMF presents challenges for collaboration with other organizations. Joint work needs to conform with Fund policy and be approved by senior management. This potentially leaves little room to accommodate differing views and perspectives.

53. An interesting example of collaboration between the IMF and other international institutions was the "Umbrella Paper on Long-Term Financing for Investment" that was presented as a consensus document prepared by the World Bank, OECD, IMF, UNCTAD, FSB, and the UN (G20, 2013). Largely written by the World Bank, it was based on a series of Issues Notes prepared by individual international organizations in collaboration with the others. It identified several crisis-related developments that had negatively impacted the availability of long-term financing. The IMF contributions downplayed these issues, but once the paper was endorsed by G20 Finance Ministers and Central Bank Governors, the IMF began to engage more fully on questions such as the medium-term implications of regulatory changes to the global financial system.

54. In sum, interviews suggest that Bank-Fund collaboration in the context of the multilateral response to the crisis, and in particular in support of the G20 process, was stronger than it had been on other occasions. Beyond the sense of urgency, the fact that the

G20 process was imposing the rules of engagement clearly played a role in encouraging staff in both institutions to work together.

III. Resource Mobilization

55. At the outset of the crisis, the IMF was in a strong financial position relative to the immediate demands on its resources; but at the same time its potential lending relative to global GDP, capital flows, trade, and other metrics was at a historic low.

56. As Brau and Stedman (2014) note "[p]erspectives on IMF finances shifted rapidly as the crisis took hold. In a periodic assessment of the IMF's liquidity position on October 8, 2008, IMF staff took note of uncertainties in the global economy and underscored the need to monitor the [but concluded that] the IMF's liquidity position was 'satisfactory' with its capacity to make new lending commitments, the [Forward Commitment Capacity], at an all-time high and the institution 'well-placed to meet the near-term external financing needs of its members.'" But the crisis changed this situation, and Fund resources were quickly seen as limited given the magnitude of the crisis.

57. Decisions were reached to boost IMF lending resources, including for concessional lending, to be able to respond to the anticipated increase in requests for financial support. A tripling of IMF lending capacity, announced at the April 2009 G20 Leaders' Summit in London, was facilitated through ad hoc bilateral borrowing agreements and the expanded and enhanced New Arrangements to Borrow (NAB). After this announcement, the IMFC called on members to take prompt action to make the resources available (IMF, 2009b).[17] The G20 also announced an allocation of $250 billion in new SDRs to boost global reserves and the U.S. decided to ensure entry into force of the Fourth Amendment to the IMF Articles of Agreement, which had languished for years. This must be seen as part of the general confidence-building measures that the Leaders announced in London and as a contribution to the more-than one trillion dollar commitment announced at that time. As part of the overall package, no doubt it contributed to the confidence building that ensued. In 2010, a doubling of quotas was agreed, incorporating adjustments to quota shares. But, as discussed further below, these changes have yet to take effect. Finally, a second round of bilateral borrowing in 2012 quadrupled the IMF's lending capacity (see Brau and Stedman, 2014).

58. Two points in particular need to be underlined. First, as confirmed by a number of authorities, the impetus for these increases came from within the G20 (with the exception of the 2012 initiative for bilateral borrowing agreements).[18] Second, the additional resources

[17] The Committee also noted: "While an expanded NAB is an important backstop for Fund resources, we recognize that it is not a substitute for a quota increase. We also stress the need to ensure that the Fund has adequate financing capacity to meet the needs of low-income countries."

[18] In this case, differences among the G20 necessitated the IMF MD's taking the lead together with the IMFC Chairman.

were principally intended to backstop non-G20 countries. As the G20 stated in their London Communiqué and again underscored at the Pittsburgh Summit: "Emerging markets and developing countries, which have been the engine of recent world growth, are also now facing challenges which are adding to the current downturn in the global economy. It is imperative for global confidence and economic recovery that capital continues to flow to them. This will require a substantial strengthening of the international financial institutions, particularly the IMF" (G20, 2009a). The magnitude of resources that could have been required by major G20 countries far exceeded the resources of the IMF and was principally met through swap lines between major central banks, a number of which have subsequently become institutionalized. Further agreement on IMF quota and governance reform was announced by G20 Finance Ministers at their October 23, 2010 meeting in Seoul, Korea,[19] which was again subsequently followed by IMFC endorsement.

59. The details of the deliberations regarding an increase in quotas are set out in Brau and Stedman (2014). A major concern in these deliberations was the relative merits of a quota increase versus temporary availability of resources through the NAB and/or bilateral borrowings. Authorities interviewed confirmed that there were differences of views amongst major actors on this issue. Also surfacing through this debate was the underlying problem of governance of the IMF and the concerns of emerging markets with their under-representation in quotas and the voting structure of the Fund. These disagreements led to priority being given to an increase in the resources of the NAB, rather than a quota increase, as it was also expected that negotiations on a new quota increase would require a great deal of time and it would need in some cases to be ratified by national legislatures.

60. Prior to the 2010 Seoul Summit, agreement was reached to double IMF quotas, based on the existing formula (incorporating some ad hoc adjustments) but with the resources essentially to be transferred from the NAB commitments. While most countries have ratified this decision, failure by the United States to do so means that this agreement (which was expected to have taken effect by January 2013) has not yet come into force; in turn this has also delayed the consideration of the 15th General Review of Quotas (which was to have been completed by January 2014). Some of the authorities interviewed also expressed

[19] "We have reached agreement on an ambitious set of proposals to reform the IMF's quota and governance that will help deliver a more effective, credible and legitimate IMF and enable the IMF to play its role in supporting the operation of the international monetary and financial system. These proposals will deliver on the objectives agreed in Pittsburgh and go even further in a number of areas. Key elements include: shifts in quota shares to dynamic [Emerging Market and Developing Countries (EMDCs)] and to underrepresented countries of over 6 percent, while protecting the voting share of the poorest, which we commit to work to complete by the Annual Meetings in 2012. A doubling of quotas, with a corresponding roll-back of the NAB preserving relative shares, when the quota increase becomes effective. continuing the dynamic process aimed at enhancing the voice and representation of EMDCs, including the poorest, through a comprehensive review of the formula by January 2013 to better reflect the economic weights; and through completion of the next regular review of quotas by January 2014 ..." (G20, 2010).

concern that because some countries must renew their NAB commitment regularly, the lack of ratification has complicated the process for continuing their NAB commitment.

61. Two features characterize the IMF's experience with resource mobilization. The failure to implement the 2010 quota and governance reforms and the continuing concerns of emerging markets about their under-representation suggest that further changes to increase IMF quotas may be some time away. Absent a future crisis to precipitate action, as occurred in response to the global financial and economic crisis, it is difficult to envisage a catalytic event. Certainly in the most recent case, the resource mobilization initiative largely came from the G20 who saw this as integral part of their confidence-enhancing actions. Again the role of the Fund was supportive but primarily responsive.

IV. Conclusions

62. Many authorities perceive the IMF as having played an important leadership role in calling for fiscal stimulus in 2008–09, as well as in designing programs and putting together lending packages for affected emerging market economies. The Fund also led the effort to obtain bilateral borrowing agreements to support lending, inter alia, to euro area countries. Beyond this, the IMF was seen by authorities as having played an effective but secondary role to that of the G20's leadership in crystallizing responses to the crisis.

63. Thus the roles that the Fund played were both similar and different from those it had played in the crises of the 1980s and 1990s. In those earlier crises the IMF was seen as exercising a central and leading role in putting together the financial support packages and designing the programs for the countries at the center of the crisis, all of which were emerging market economies. In the global financial and economic crisis, the IMF was seen as having a similar role in regard to emerging markets in this crisis but a supporting, more secondary role with regard to advanced economies that were at the center of the crisis. In its supporting role, the Fund is perceived as having responded well. Many authorities positively noted the IMF's responsiveness to G20 requests for analyses, its support for the G20 Mutual Assessment Process. Some authorities, particularly in Asia and emerging market economies, said they would have appreciated earlier and clearer warnings regarding the euro area crisis and the potential impact of QE and eventual tapering. The establishment of the Financial Stability Board by the G20 to focus on regulatory matters was a major institutional response to the crisis and created an institution with a clear mandate to lead on financial regulation and cooperation. In agreeing that the IMF would become an FSB member, many Executive Directors warned that they did not want this to detract from the IMF's independence. While authorities were generally positive in their comments on the cooperation between the IMF and the FSB, some observed that joint products tended to be complementary rather than integrated, and that this could lead to inadequate risk assessments. Concerns were expressed that the IMF lagged in exploring medium-term impacts of regulatory changes. Accordingly, there may be a need to clarify expectations of the IMF with respect with respect to financial stability and capital flows.

64. The leadership for ensuring that additional resources were available to the IMF in responding to the financial crisis rested with the G20, with IMF staff playing a supporting role. Although details were finalized through the IMF structure once broad agreement had been reached, negotiations largely occurred in a G20 context. This is not surprising in as much as the level of resources in question was ultimately a political decision. The exception to this pattern was with respect to the 2012 round of bilateral borrowing agreements secured as the euro area crisis escalated. In this case, differences in views between G20 countries left a void, which was filled by the IMF. The increase in resources that was eventually agreed was primarily based on confidence-building and on the perceived potential financial requirements of non-G20 countries, rather than on a careful examination of the IMF's role in the global system and the resources it should have available to execute that role.

65. The institutional arrangements for the Fund's involvement in the response to the euro area crisis were seen by most authorities interviewed as a flexible and pragmatic response to the situation and an opportunity to leverage policy advice in a partnership arrangement. Many highlighted that lessons from the Troika arrangement with the euro area could provide guidance for the Fund's effective engagement with other regional financing arrangements, and in particular for modalities to protect the IMF's independence.

66. Similarly, the IMF was credited for its leadership in the Vienna Initiative and its collaborative work with other regional and international organizations. Moving forward, it will be important that the Fund clarify its relationship with such organizations, including those in currency unions, with the aim of clarifying respective roles, accountabilities, and responsibilities.

67. The establishment of the G20 at the Leaders level has importantly changed the environment in which the IMF functions. To the extent the G20 can agree on policy recommendations, these recommendations are generally assured of acceptance by the IMF, because the G20 encompasses 77 percent of the voting power of the IMF. Given the complexity of the global economic environment, many groups and institutions other than the IMF have been called upon to support the work of the G20 in response to the crisis. In the future, the IMF may no longer play as singularly a central role in global economic cooperation as it has in the past. Rather, the IMF's principal contribution is likely to come from its analytical work and related policy advice. As many authorities explained, the strength of the IMF's analysis and ideas will determine its relevance and impact.

68. The strength of the G20's performance in the immediate response to the crisis as compared to the IMFC was the political will/leadership that it was able to bring to bear. The inability to make progress on the issues of quota reform and Executive Board representation continues to deny legitimacy to the IMF in the eyes of a number of emerging market countries and will continue to frustrate efforts to give a more central role to the IMFC in global policy cooperation.

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Annex 1. G20 Requests for IMF Support and Deliverables, November 2008–February 2014

Forum	Date	Requests	Deliverables
G20 Leaders' Summit, Washington	Nov. 2008	-We stress the International Monetary Fund's (IMF) important role in crisis response, welcome its new short-term liquidity facility, and urge the ongoing review of its instruments and facilities to ensure flexibility. -We will … ensure that the IMF, World Bank and other MDBs have sufficient resources to continue playing their role in overcoming the crisis. -The Financial Stability Forum (FSF) must expand urgently to a broader membership of emerging economies, and other major standard setting bodies should promptly review their membership. -The IMF, in collaboration with the expanded FSF and other bodies, should work to better identify vulnerabilities, anticipate potential stresses, and act swiftly to play a key role in crisis response. -Our finance ministers will work to ensure that the taskings set forth in [the agreed] Action Plan are fully and vigorously implemented. They are responsible for the development and implementation of these recommendations drawing on the ongoing work of relevant bodies, including the IMF, an expanded FSF, and standard setting bodies: **Regulatory Regimes* *Immediate Actions by March 31, 2009* The IMF, expanded FSF, and other regulators and bodies should develop recommendations to mitigate pro-cyclicality, including the review of how valuation and leverage, bank capital, executive compensation, and provisioning practices may exacerbate cyclical trends. *Medium-term actions* All G-20 members commit to undertake a Financial Sector Assessment Program (FSAP) report and support the transparent assessments of countries' national regulatory systems. **Reforming International Financial Institutions* *Immediate Actions by March 31, 2009* The FSF should expand to a broader membership of emerging economies. The IMF, with its focus on surveillance, and the expanded FSF, with its focus on standard setting, should strengthen their collaboration, enhancing efforts to better integrate regulatory and supervisory responses into the macro-prudential policy framework	

Forum	Date	Requests	Deliverables
		and conduct early warning exercises. The IMF, given its universal membership and core macro-financial expertise, should, in close coordination with the FSF and others, take a leading role in drawing lessons from the current crisis, consistent with its mandate. The IFIs should also continue to review and adapt their lending instruments to adequately meet their members' needs and revise their lending role in the light of the ongoing financial crisis. *Medium-term actions* We underscored that the Bretton Woods Institutions must be comprehensively reformed so that they can more adequately reflect changing economic weights in the world economy and be more responsive to future challenges. Emerging and developing economies should have greater voice and representation in these institutions. The IMF should conduct vigorous and even-handed surveillance reviews of all countries, as well as giving greater attention to their financial sectors and better integrating the reviews with the joint IMF/World Bank financial sector assessment programs. On this basis, the role of the IMF in providing macro-financial policy advice would be strengthened. Advanced economies, the IMF, and other international organizations should provide capacity-building programs for emerging market economies and developing countries on the formulation and the implementation of new major regulations, consistent with international standards.	
G20 Deputies' Meeting, London	Jan. 31 – Feb. 1, 2009		-"Review of the Adequacy of and Options for Supplementing Fund Resources," (Board paper in response to G20 request; Board discussion Feb. 9, 2009, See PIN No. 09/24)
G20 Finance Ministers and Central Bank Governors' Meeting, Horsham, UK	Mar. 2009	-We are committed to deliver the scale of sustained effort necessary to restore growth, and call on IMF to assess the actions taken and the actions required. -We remain focused on the medium term actions, and make recommendations to the London Summit to ensure … the launch of an IMF/FSF Early Warning Exercise.	-"Global Economic Policies and Prospects," IMF Staff Note -"Stocktaking of the G20 Responses to the Global Banking Crisis," IMF Staff Note
G20 Leaders' Summit, London	Apr. 2009	-We agree: (1) to establish a new Financial Stability Board (FSB) with a strengthened mandate, as a successor to the Financial Stability Forum (FSF), including all G20 countries, FSF members, Spain, and the European Commission; (2) that the FSB should collaborate with the IMF and to provide early warning of macroeconomic and	

Forum	Date	Requests	Deliverables
		financial risks and the actions needed to address them; [(3) to reshape our regulatory systems; (4) to extend regulation and oversight to all systemically important financial institutions, instruments and markets; 5) to endorse and implement pay and compensation principles; (6) to take action, once recovery is assured, to improve the quality, quantity, and international consistency of capital in the banking system; (7) to take action against non-cooperative jurisdictions, including tax havens; (8) to call on the accounting standard setters to work urgently with supervisors and regulators to achieve a single set of high-quality global accounting standards; and (9) to extend regulatory oversight and registration to credit rating agencies.] We instruct our Finance Ministers to complete the implementation of these decisions in line with the timetable set out in the Action Plan. We have asked the FSB and the IMF to monitor progress, working with the Financial Action Taskforce and other relevant bodies, and to provide a report to the next meeting of our Finance Ministers in Scotland in November…. Members of the FSB … agree to undergo periodic peer reviews, using among other evidence IMF/World Bank public Financial Sector Assessment Program reports. We welcome the FSB's and IMF's commitment to intensify their collaboration, each complementing the other's role and mandate. -We have agreed … to support continued efforts by the IMF, FSB, World Bank, and BCBS to develop an international framework for cross-border bank resolution arrangements; … that the IMF and FSB should together launch an Early Warning Exercise at the 2009 Spring Meetings. -We have agreed that … in order to prevent regulatory arbitrage, the IMF and the FSB will produce guidelines for national authorities to assess whether a financial institution, market, or an instrument is systemically important by the next meeting of our Finance Ministers and Central Bank Governors. These guidelines should focus on what institutions do rather than their legal form. -We are also committed to strengthened adherence to international prudential regulatory and supervisory standards. The IMF and the FSB in cooperation with international standard-setters will provide an assessment of implementation by relevant jurisdictions, building on existing FSAPs where they exist.	

Forum	Date	Requests	Deliverables
		[Again] We have asked the FSB and the IMF to monitor progress [on all of these items], working with the Financial Action Taskforce and other relevant bodies, and to provide a report to the next meeting of our Finance Ministers in Scotland in November.	
G20 Deputies' Meeting, Basel	June 2009		-"Global Economic Prospects and Effectiveness of Policy Response," IMF Staff Note -Oral Report: Progress with the Early Warning Exercise -Oral Report: IMF-FSB-BIS Proposed International Guidance To Assess The Systemic Importance Of Financial Institutions, Markets And Instruments -Oral Report: Review of Debt Limits And Flexibility of Debt Sustainability Framework -Oral Report: Bilateral Borrowing -Oral Report: Expansion of the New Arrangements To Borrow (NAB) -Oral Report: SDR Allocations -Oral Report: LIC Financing -Oral Report: The 14^{th} General Quota Review -Oral Report: Implementation of the Fourth Amendment
G-20 Ministers and Deputies Meeting, London	Sept. 2009	-We call on the IMF, working with other international institutions, to continue assessing our actions to secure a sustainable recovery.	-"Global Economic Prospects and Policy Challenges," IMF Staff Note -"Global Economy Beyond the Crisis—Challenges Over the Medium Term," IMF Staff Note -"Updated Stocktaking of the G-20 Responses to the Global Crisis: A Review of Publicly Announced Programs for the Banking System," IMF Staff Note -[G20] Progress Report on the Actions of The London and Washington G20 Summits, 5 September 2009 notes: *The IMF assesses regularly actions taken and required by countries under the current surveillance framework. *IMF work to strengthen bilateral and multilateral surveillance, including macro-financial linkages is ongoing. The IMF Executive Board is to begin a review of IMF-supported programs in the crisis in late September 2009. *Assessment of risks facing the global economy is being strengthened through the IMF-FSB early warning exercise and the discussion of cross-cutting themes in major Article IV consultations. *The IMF and World Bank Executive Boards are reviewing

Forum	Date	Requests	Deliverables
			aspects of the Debt Sustainability Framework and considering new guidelines for debt limits in Fund- and Bank-supported programs. Both will allow the Fund and the Bank to respond more flexibly to the needs of its membership. *[Notes 7 elements of] reforms to IMF lending and conditionality framework *The IMF [and FSB] have provided G20 Finance Ministers and Central Bank Governors with a progress report describing the measures that have been taken and other progress made … to implement the London Summit and relevant recommendations: [transformed FSF into FSB, expanded membership, held inaugural meeting, created internal structures needed to fulfill mandate, including committees, Cross-Border Crisis Management Group and other groups, which all have begun work.] *Progress is being made in the two major international initiatives now underway on bank resolution frameworks, namely … the initiative by the IMF and the World Bank on the legal, institutional, and regulatory framework for national bank insolvency regimes. The IMF-World Bank report will be finalised in Spring 2010 and will review the principal impediments to effective resolution of a cross-border institution. *The IMF is producing papers on a Framework for the Cross-Border Resolution of Insolvent Financial Institutions; there will be a paper in the WEO on exit strategies; and a paper on unconventional monetary policy and exit strategies for central banks. *[Data Gaps Initiative] *[Joint work by the IMF/BIS/FSB on SIFI, Markets and Instruments Guidelines, Oversight and Regulation]
G20 Leaders Summit, Pittsburgh	Sept. 2009	-We task our Finance Ministers, working with input from the IMF and FSB, at their November meeting to continue developing cooperative and coordinated exit strategies recognizing that the scale, timing, and sequencing of this process will vary across countries or regions and across the type of policy measures. -Today we are launching a Framework for	-"Global Economy Beyond the Crisis—Framework for Sustainable Growth," IMF Staff Note

Forum	Date	Requests	Deliverables
		Strong, Sustainable, and Balanced Growth…. We will ask the IMF to help us with its analysis of how our respective national or regional policy frameworks fit together. -[G20/MAP]We call on our Finance Ministers and Central Bank Governors to launch the new Framework by November by initiating a cooperative process of mutual assessment of our policy frameworks and the implications of those frameworks for the pattern and sustainability of global growth. We ask the IMF to assist our Finance Ministers and Central Bank Governors in this process of mutual assessment by developing a forward-looking analysis of whether policies pursued by individual G-20 countries are collectively consistent with more sustainable and balanced trajectories for the global economy, and to report regularly to both the G-20 and the International Monetary and Financial Committee (IMFC), building on the IMF's existing bilateral and multilateral surveillance analysis, on global economic developments, patterns of growth and suggested policy adjustments. Our Finance Ministers and Central Bank Governors will elaborate this process at their November meeting and we will review the results of the first mutual assessment at our next summit. [Annex: We call on our Finance Ministers to develop our process of mutual assessment to evaluate the collective implications of national policies for the world economy. To accomplish this, our Finance Ministers should, with the assistance of the IMF: *Develop a forward looking assessment of G-20 economic developments to help analyze whether patterns of demand and supply, credit, debt and reserves growth are supportive of strong, sustainable and balanced growth. *Assess the implications and consistency of fiscal and monetary policies, credit growth and asset markets, foreign exchange developments, commodity and energy prices, and current account imbalances. *Report regularly to both the G-20 and the IMFC on global economic developments, key risks, and concerns with respect to patterns of growth and suggested G-20 policy adjustments, individually and collectively.] -We ask the IMF to support our effort under the Framework for Strong, Sustainable and Balanced Growth through its surveillance of our countries' policy frameworks and their collective implications for financial stability and the level and pattern of global growth. -We task the IMF to prepare a report for our	

Forum	Date	Requests	Deliverables
		next meeting with regard to the range of options countries have adopted or are considering as to how the financial sector could make a fair and substantial contribution toward paying for any burdens associated with government interventions to repair the banking system. -Our collective response to the crisis has highlighted both the benefits of international cooperation and the need for a more legitimate and effective IMF. The Fund must play a critical role in promoting global financial stability and rebalancing growth. We welcome the reform of IMF's lending facilities, including the creation of the innovative Flexible Credit Line. The IMF should continue to strengthen its capacity to help its members cope with financial volatility, reducing the economic disruption from sudden swings in capital flows and the perceived need for excessive reserve accumulation. -We will keep markets open and free and reaffirm the commitments made in Washington and London: to refrain from raising barriers or imposing new barriers to investment or to trade in goods and services, imposing new export restrictions or implementing WTO inconsistent measures to stimulate exports and commit to rectify such measures as they arise…. We welcome the latest joint report from the WTO, OECD, IMF, and UNCTAD and ask them to continue to monitor the situation within their respective mandates, reporting publicly on these commitments on a quarterly basis.	
G-20 Finance Ministers and Central Bank Governors Meeting, St. Andrews	Nov. 2009	-We agreed … to conduct the initial phase of our cooperative mutual assessment process, supported by IMF and World Bank analyses … in April 2010. -The IMF and FSB will continue to assist us in reviewing strategies and implementation [to transition from crisis response to growth], identifying areas where coordination is particularly important and providing assessments of their collective impact on the global economy and the financial system. -We look forward to discussing at our next meeting the IMF's w the financial sector could contribute to paying for burdens associated with government interventions to repair the banking system.	-"Global Economic Prospects and Principles for Policy Exit," IMF Staff Note -"The Financial Crisis and Information Gaps," Joint Report by IMF Staff and the FSB Secretariat -IMF/BIS/FSB report on assessing the systemic importance of financial institutions, markets and instruments
			Board paper/decision on "The G-20 Mutual Assessment Process and the Role of the Fund"; (Board discussion, Dec. 16, 2009; See PIN No. 10/06).
G-20 Deputies' Meeting,	Feb. 2010		-"Global Economic Prospects and Policy Challenges," IMF Staff Note -Progress Report on the Fund's

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Seoul			Quota Review and Other Reforms (Sent to G20)
G20 Finance Ministers and Central Bank Governors Meeting, Washington	Apr. 2010	-We look forward to receiving the IMF's final report on the range of options that countries have adopted or are considering as to how the financial sector could make a fair and substantial contribution towards paying for any burdens associated with government interventions to repair the banking system. We call on the IMF for further work on options to ensure domestic financial institutions bear the burden of any extraordinary government interventions where they occur, address their excessive risk taking and help promote a level playing field, taking into consideration individual country's circumstances. -*The G-20 Framework for Strong, Sustainable and Balanced Growth:* In providing this support to the G-20, the Fund should be informed by the general principles to which G-20 Leaders agreed last year in Pittsburgh (http://www.pittsburghsummit.gov/mediacenter/129639.htm). In addition to this context, the Fund should be guided by the following principles in developing the alternative policy scenarios: 1. The Fund should present a limited number of alternative policy scenarios to Deputies (i.e., no more than 3-4); 2. All scenarios must include policies aimed at ensuring a collective outcome that brings the G-20 closer to its shared objectives as laid out above; 3. All scenarios must demonstrate a shared contribution to adjustment and reform across the G-20 and that the mutual benefits of strong, sustainable and balanced growth should be broadly shared, taking into account the different stages of development for countries as well as the spillover effects across G-20 and non G-20 countries; 4. The Fund should consider the specific and feasible fiscal, monetary, structural and financial sector policy actions necessary to achieve our overarching objectives of strong, sustainable and balanced growth over the medium term; 5. The broad social, environmental and development impacts of the proposed policy recommendations in the scenarios should be considered; 6. The policy scenarios should consider the choices between the pace of implementing policy actions and their feasibility, credibility and effectiveness. As well, consideration should be given to the choices of raising global growth and of achieving more sustainable and	-"Global Economic Prospects and Policy Challenges," IMF Staff Note -We welcomed the FSB, IMF and BCBS's joint report on the inter-linkages between these issues [financial sector contribution to repair the banking system].

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		balanced growth; 7. Given that it may take several years to realise the benefits of many policy reforms, the scenarios should consider the actions that can be taken now to attain stronger, and more balanced and sustainable growth over the medium term; 8. Policy actions for June should be expressed as actions for groups of countries facing similar circumstances, and regional economic institutions where appropriate, taking into account different national and regional economic structures and policy frameworks; and 9. The Fund should closely consult with G-20 countries throughout the process when assessing the sustainability and stability of an individual country's macroeconomic policy. In adopting these principles, the Fund's report on alternative policy scenarios should clearly describe the global effects of adjustment, as well as the implications for member countries across a spectrum of indicators.	
G20 Finance Ministers and Central Bank Governors Meeting, Busan	June 2010	-We agreed the financial sector should make a fair and substantial contribution towards paying for any burdens associated with government interventions…. The IMF will deliver their final report at the Toronto Summit. -We called on the IMF to make rapid progress in reviewing its lending instruments, with a view to developing and upgrading them, as appropriate.	-"Global Economic Prospects and Policy Challenges," IMF Staff Note -"The Financial Crisis and Information Gaps: Progress Report/ Action Plans and Timetables," Prepared by IMF Staff and the FSB Secretariat
G20 Leaders' Summit, Toronto	June 2010	-We tasked the FSB, in consultation with the IMF, to report to our Finance Ministers and Central Bank Governors in October 2010 on recommendations to strengthen oversight and supervision, specifically relating to the mandate, capacity and resourcing of supervisors and specific powers which should be adopted to proactively identify and address risks, including early intervention. -We also call on the IMF to make rapid progress in reviewing its lending instruments, with a view to further reforming them as appropriate. -IMF surveillance should be enhanced to focus on systemic risks and vulnerabilities wherever they may lie.	-"G-20 Mutual Assessment Process—Alternative Policy Scenarios," IMF Staff Report -"Financial Sector Taxation: The IMF's Report to the G-20 and Background Material"
G20 Deputies' Meeting, Gyeongju	Sept. 2010		-"Global Economic Prospects and Policy Challenges," IMF Staff Note
G20 Finance Ministers and Central Bank	Oct. 2010	-We call on the IMF to provide an assessment as part of the MAP on the progress toward external sustainability and the consistency of	-"Global Economic Prospects and Policy Challenges," IMF Staff Note

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Governors Meeting, Gyeongju		fiscal, monetary, financial sector, structural, exchange rate and other policies. -We call on the IMF to deepen its work in [the] areas [of excess volatility and disorderly movements in exchange rates and promoting a stable and well-functioning international monetary system]. -We welcome the IMF's work to conduct spillover assessments of the wider impact of systemic economies' policies.	
G20 Leaders' Summit, Seoul	Nov. 2010	[Since Pittsburgh,] we have made important progress through our country-led, consultative Mutual Assessment Process (MAP) of the Framework. -[W]e call on our Framework Working Group, with technical support from the IMF and other international organizations, to develop [indicative guidelines to facilitate timely identification of large imbalances that require preventive and corrective actions to be taken], with progress to be discussed by our Finance Ministers and Central Bank Governors in the first half of 2011. -We request that FAO, IFAD, IMF, OECD, UNCTAD, WFP, the World Bank and WTO work with key stakeholders to develop options for G20 consideration on how to better mitigate and manage the risks associated with the price volatility of food and other agriculture commodities without distorting market behavior, ultimately to protect the most vulnerable (*March 2011 for preliminary report; June 2011 for final report*). -We ask the expanded OECD Task Force on Tax and Development, UN, IMF, World Bank and regional organizations such as the Inter-American Center for Tax Administration and African Tax Administration Forum and other relevant organizations to: -Identify key capacity constraints faced by developing countries in their tax systems and make recommendations on capacity building to (i) improve efficiency and transparency of tax administrations and (ii) strengthen tax policies to broaden the tax base and combat tax avoidance and evasion (*June 2011*); -Develop a knowledge management platform and promote South-South cooperation to support the capacity of developing countries in tax policy and administration systems (*Medium-term*); -Survey and disseminate all G20 and international organizations' actions on supporting tax systems in developing countries (*June 2011*); -Set up objective measures to track progress in the capacity improvement of LICs' tax administration systems (*June 2011*); and -Identify ways to help developing countries'	-"G-20 Mutual Assessment Process—IMF Staff Assessment of G-20 Policies"

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		tax multinational enterprises (MNEs) through effective transfer pricing (*June 2011*). The results will be reported at the Summit in France (*November 2011*). -We will reinvigorate our efforts to promote a stable and well functioning international monetary system and call on the IMF to deepen its work in [the] areas [of monetary and exchange rate policies, e.g. exchange rate systems, capital flow volatility, adjustment, reserves, and macroprudential measures]…. We look forward to reviewing further analysis and proposals over the next year. -In pursuing [structural] reforms, we will draw on the expertise of the … IMF … and other international organizations [e.g., reform of product market regulation, labor market and human resource development, taxes, green growth and innovation, reducing reliance on external demand, strengthening social safety nets, and infrastructure investment]. -We recognize the importance of continuing the work on reforming the IMF's mission and mandate, including strengthening surveillance. IMF surveillance should be enhanced to focus on systemic risks and vulnerabilities wherever they may lie. To this extent, we welcome the decision made by the IMF to make financial stability assessments under the FSAP a regular and mandatory part of Article IV consultation for members with systemically important financial sectors. We call on the IMF to make further progress in modernizing the IMF's surveillance mandate and modalities. These should involve, in particular: strengthening bilateral and multilateral work on surveillance covering financial stability, macroeconomic, structural and exchange rate policies, with increased focus on systemic issues; enhancing synergies between surveillance tools; helping members to strengthen their surveillance capacity; and ensuring even-handedness, candor, and independence of surveillance. We welcome the IMF's work to conduct spillover assessments of the wider impact of systemic economies' policies. -We welcome the enhancement of the FCL including the extension of its duration and removal of the access cap. Countries with strong fundamentals and policies will have access to a refined FCL with enhanced predictability and effectiveness. [We welcome] the creation of the PCL as a new preventative tool. The PCL allows countries with sound fundamentals and policies, but moderate vulnerabilities, to benefit from the IMF's precautionary liquidity provision. [We	

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		welcome] the recent decision by the IMF to continue its work to further improve the global capacity to cope with shocks of a systemic nature, as well as the recent clarification of the procedures for synchronized approval of the FCLs for multiple countries, by which a number of countries affected by a common shock could concurrently seek access to FCL. -[We welcome] the dialogue to enhance collaboration between Regional Financing Arrangements (RFAs) and the IMF, acknowledging the potential synergies from such collaboration. -We asked our Finance Ministers and Central Bank Governors to explore, with input from the IMF: (1) A structured approach to cope with shocks of a systemic nature. (2) Ways to improve collaboration between RFAs and the IMF across all possible areas and enhance the capability of RFAs for crisis prevention, while recognizing region-specific circumstances and characteristics of each RFA. -In order to deal with systemic risks in the financial sector in a comprehensive manner and on an ongoing basis, we called on the FSB, IMF and BIS to do further work on macro-prudential policy frameworks, including tools to mitigate the impact of excessive capital flows, and update our Finance Ministers and Central Bank Governors at their next meeting. These frameworks should take into account national and regional arrangements. We look forward to a joint report which should elaborate on the progress achieved in identification of best practices, which will be the basis for establishing in the future international principles or guidelines on the design and implementation of the frameworks. -We agreed to work on financial stability issues that are of particular interest to emerging market and developing economies, and called on the FSB, IMF and World Bank to develop and report before the next Summit. These issues could include: the management of foreign exchange risks by financial institutions, corporations and households; emerging market and developing economies' regulatory and supervisory capacity where necessary, including with regard to local branches of foreign financial institutions which are systemic in their host country and development of deposit insurance schemes; financial inclusion; information sharing between home and host supervisory authorities on cross border financial institutions; and trade finance.	

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G20 Finance Ministers and Central Bank Governors' Meeting, Paris	Feb. 2011	-call on the IMF to provide an assessment as part of the Mutual Assessment Process on progress towards external sustainability and consistency of policies at our October meeting. At that time, we will also review a report on the MAP including an action plan informed by the analysis on the root causes of persistently large imbalances based on the agreed guidelines. We will also review an assessment of progress made in meeting commitments made in Seoul. -Following our Leaders' request, we call on the IMF and IEF, as well as IEA, GECF and OPEC, to develop by October 2011 concrete recommendations to extend the G20's work on oil price volatility to gas and coal. -We look forward to the two reports to be finalized by the BIS, IMF and FSB on macro-prudential frameworks and by the FSB, IMF and World Bank with input of national authorities on financial stability issues in emerging market and developing economies by our October meeting. -We look forward to discussing at our next meeting in April a report from the IMF on the strengthening of the IMS and reports by the World Bank and the RDBs building on experiences, on actions to strengthen local capital markets and domestic currency borrowing in emerging and developing economies. -In addition, we will benefit from the work of OECD on capital flows, and from the contributions of other relevant international organizations, such as UNCTAD.	-"Global Economic Prospects and Policy Challenges," IMF Staff Note -"Macroprudential policy tools and frameworks: Update to G20 Finance Ministers and Central Bank Governors," Joint Report by the FSB, IMF and BIS
G20 Finance Ministers and Central Bank Governors' Meeting, Washington	Apr. 2011	-To strengthen the international monetary system, we agreed to focus our work, in the short term, on ... enhanced cooperation between the IMF and regional financial arrangements.... We also agreed on the need to strengthen further the effectiveness and coherence of bilateral and multilateral IMF surveillance, particularly on financial sector coverage, fiscal, monetary and exchange rate policies. -We look forward to public consultations on SIFI recommendations and request a macroeconomic impact study by FSB and BCBS, in cooperation with BIS and IMF, to be reviewed at our next meeting. -We tasked the World Bank, working with Regional Development Banks, and the IMF, in coordination with other relevant organizations, to conduct the analysis on mobilizing sources of climate change financing … consistent with the objective, provisions and principles of the UN Framework Convention on Climate Change.	-"Global Economic Prospects and Policy Challenges," IMF Staff Note

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		-In February we agreed on a set of indicators that will allow us to focus through an integrated two-step process on those persistently large imbalances that require policy action.... In the second step assessment, the independent IMF analysis will rely on IMF forecast data, while countries' own assessments can use national data.	
G20 Deputies' Meeting, Paris	July 2011	[IMF and RFAs]	-"Global Economic Prospects and Policy Challenges," IMF Staff Note -"The Financial Crisis and Information Gaps: Progress Report," Joint Report by IMF Staff and the FSB Secretariat -G20 Working Group on the Reform of the International Monetary System, Co-Chair Cover Note: The IMF has provided a first analysis of the role of global financial safety net in preventing and resolving systemic crises underlining that the first line of defense should continue to be effective crisis prevention through stability-oriented macroeconomic and financial policies, as well as through more effective bilateral and multilateral surveillance. Substantial progress has been made in enhancing the IMF's financial instruments, mainly by the introduction and subsequent enhancement of the Flexible Credit Line (FCL) and the establishment of the Precautionary Credit Line (PCL) which together with other bilateral and regional arrangements, and as part of a broader range of instruments available at the global and regional level, have contributed to strengthen global financial stability.
G20 Finance Ministers and Central Bank Governors' Meeting, Washington	Sept. 2011		
G20 Ministerial Meeting on Development, Washington	Sept. 2011		
G20 Finance Ministers and Central Bank Governors Meeting, Paris	Oct. 2011	-We adopted common principles for cooperation between the IMF and Regional Financial Arrangements. -As a contribution to a more structured approach, we called on the IMF to further consider new ways to provide on a case by case basis short-term liquidity to countries facing exogenous, including systemic, shocks	-We welcomed the recent improvements to IMF surveillance and will review further progress by the Cannes Summit notably on enhancements towards a more integrated, even-handed and effective surveillance framework, particularly on financial sector coverage, fiscal, monetary and

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		building on existing instruments and facilities and called on the IMF to develop concrete proposals by the Cannes Summit. -In addition, we recognize that central banks play a major role in addressing global liquidity shocks. We committed that the IMF must have adequate resources to fulfill its systemic responsibilities and look forward to a discussion of this in Cannes. We call for the full implementation of the 2010 quota and governance reform of the IMF, as agreed. -We look forward to making progress by the Cannes Summit on a criteria-based path to broaden the SDR basket, as a contribution to the evolution of the IMS, based on the existing criteria.	exchange rate policies. -We welcomed the joint IMF-WB-FSB report on financial stability issues in emerging markets and developing economies. -We welcomed initial work by FSB-IMF-BIS on macro-prudential policy and look forward to further work in 2012.
G20 Finance Ministers and Central Bank Governors Meeting, Cannes	Nov. 2011	-We call on international organisations, especially the UN, WTO, the ILO, the WB, the IMF and the OECD, to enhance their dialogue and cooperation, including on the social impact of economic policies, and to intensify their coordination. -We have tasked International organizations (IMF, OECD, ILO, World Bank) to report to Finance Ministers on a global employment outlook and how our economic reform agenda under the G20 Framework will contribute to job creation. -We adopted an action plan to support the development and deepening of local currency bond markets, scaling up technical assistance from different international institutions, improving the data base and preparing joint annual progress reports to the G20. We call on the World Bank, Regional Development Banks, IMF, UNCTAD, OECD, BIS and FSB to work together to support the delivery of this plan and to report back by the time of our next meeting about progress made. -We are developing macro-prudential policy frameworks and tools to limit the build-up of risks in the financial sector, building on the ongoing work of the FSB-BIS-IMF on this subject.	-"Global Economic Prospects and Policy Challenges: G-20 The Path From Crisis to Recovery," IMF Staff Note -"2011 [IMF] Staff Reports for the G-20 Mutual Assessment Process (MAP) (At the request of the G-20, IMF staff has provided analyses and assessments of member's economies and policies in a set of reports for the Mutual Assessment Process (MAP). These reports serve as inputs for the Action Plan agreed by G-20 Leaders at the Cannes Summit. The 2011 Staff Reports for the 20 MAP consist of the following: (i) an Umbrella Report that provides an integrated summary of the component reports and an upside scenario for G-20 collective action; (ii) an Accountability Report that summarizes members' progress toward policy commitments since the Seoul Summit in 2010; (iii) a MAP Report providing analysis of members' medium-term macroeconomic and policy frameworks; and (iv) Sustainability Reports for seven members (China, France, Germany, India, Japan, United Kingdom, and United States)—indentified by G-20 indicative guidelines—to assess the root causes and policy implications of key imbalances). -" Mobilizing Climate Finance," (coordinated by the World Bank Group, in close partnership with the IMF, the OECD and the Regional Development Banks); "Market-Based Instruments for International Aviation and Shipping as a Source of Climate Finance: Background Paper

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			for the Report to the G20 on Mobilizing Sources of Climate Finance," Prepared by staff of the International Monetary Fund and World Bank; "Promising Domestic Fiscal Instruments for Climate Finance: Background Paper for the Report to the G20 on Mobilizing Sources of Climate Finance," Prepared by staff of the International Monetary Fund -"Supporting the Development of More Effective Tax Systems," A Report to the G20 Development Working Group by the IMF, OECD, UN and World Bank -"Financial Stability Issues in Emerging Market and Developing Economies," Prepared by a Task Force of the FSB and Staff of the IMF and World Bank -"Macroprudential Policy Tools and Frameworks: Progress Report to G20," Prepared by the FSB, IMF, and BIS
G20 Deputies' Meeting, Mexico City	Jan. 2012		-"Global Economic Prospects and Policy Changes," IMF Staff Note
G20 Finance Ministers and Central Bank Governors Meeting, Mexico City	Feb. 2012	-We reaffirmed our commitment that the IMF should remain a quota-based institution and agreed that a feasible way to increase IMF resources in the short-run is through bilateral borrowing and note purchase agreements with a broad range of IMF members. These resources will be available for the whole membership of the IMF, and not earmarked for any particular region. Adequate risk mitigation features and conditionality would apply, as approved by the IMF Board. Progress on this strategy will be reviewed at the next Ministerial meeting in April. Other options mentioned by Leaders in Cannes such as SDRs are under review. -G-20 members reaffirmed their commitment to implement in full the 2010 Governance and Quota Reform by the agreed date of the 2012 IMF/World Bank Annual Meeting, and to a comprehensive review of the quota formula to better reflect economic weights by January 2013 and the completion of the next general review of quotas by January 2014. -The G-20 will contribute to the ongoing process to strengthen the surveillance framework of the IMF, providing its input into considering proposals for a new surveillance decision that includes more effective integration of bilateral and multilateral surveillance.	-"Global Economic Prospects and Policy Changes," IMF Staff Note

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		-We have tasked the FSB to coordinate, with the IMF and World Bank, a study to identify the extent to which the agreed regulatory reforms may have unintended consequences for EMDEs.	
G20 Ministers of Foreign Affairs (Informal Meeting), Los Cabos	Feb. 2012		
G20 Finance Ministers and Central Bank Governors Meeting, Washington	Apr 2012	-We call on the IMF to address issues that constrain effective surveillance as identified by the IEO. -We look forward for the completion of the study, coordinated by the FSB with the IMF and the World Bank, to identify the extent to which the agreed regulatory reforms may have unintended consequences for Emerging Markets and Developing Economies. -Together with the IMFC we have reached agreement to enhance IMF resources for crisis prevention and resolution ... by over $430 billion in addition to the quota increase under the 2010 Reform ... through temporary bilateral loans and note purchase agreements to the IMF's General Resources Account.... We will continue to contribute towards a comprehensive review of the IMF quota formula by January 2013 and the completion of the next general review of quotas by January 2014.	-We welcome recent initiatives on IMF surveillance, and agree that the current surveillance framework should be significantly enhanced. This process should help achieve a better integration of bilateral and multilateral surveillance, with a focus on global, domestic and financial stability, including spillovers from countries policies. This could be achieved through a careful use of Article IV consultations. We welcome the progress by the IMF in advancing consideration of an integrated surveillance decision and commit to support the decision process.
G20 Leaders' Summit, Los Cabos	June 2012	-We ask international organizations to identify policy options with LICs on how to develop effective sustainable protection floors. -G-20 members have developed an Accountability Assessment Framework…. To make sure that the Framework meets the needs of the membership, members have agreed that it be: *Country-owned and country-led, based on the members' assessment and with the input of independent third-party evaluations (by the IMF and other international organizations)…. At the core of our accountability assessment is a peer review process [including, in part] discussions of the new (or updated) External Sustainability Reports prepared by the IMF for countries where the guidelines suggest imbalances require further analysis [and] a review of reports from the international organisations (from the IMF, OECD, FSB, World Bank, ILO UNCTAD and the WTO) to enhance the objectiveness of the assessment process. -We welcome the work of the IMF to advance considerations for a proposed integrated	-"2012 [IMF] Staff Reports for the G-20 Mutual Assessment Process (MAP)" (Umbrella Report, Annex 1: Global Risk Analysis, Annex 2: Euro Area Imbalances, Annex 3: Enhanced Accountability Assessments) -Report by the ILO, OECD, IMF and World Bank on boosting jobs and living standards in G20 countries. -FSB study, prepared in coordination with the IMF and the World Bank, to identify potential unintended consequences of the agreed financial regulatory reforms for Emerging Markets and Developing Economies. We encourage continued monitoring analysis and reporting by the FSB and dialogue among the FSB, standard-setters, international financial institutions and national authorities of EMDEs, to address material unintended consequences as appropriate without prejudice to our commitment to implement the agreed reforms.

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		surveillance decision and commit to support the decision process. -We underscore the importance of rigorous surveillance on exchange rate policies and support a more ample coverage of surveillance activities, where relevant, including global liquidity, capital flows, capital account measures, reserve and fiscal, monetary and financial sector policies that could have an impact on external stability. -We welcome the IMF's ongoing work to produce an external sector report, which would strengthen multilateral analysis and enhance the transparency of surveillance. -We also recognize that political ownership and traction is critical to effective surveillance, and that the IMFC has a role in facilitating the active involvement of all IMF members. We look forward to substantial progress by the next IMF/World Bank Annual Meetings.	-Interim progress report on the development of local currency bond markets (in cooperation with World Bank, regional development banks, OECD, and BIS). -IMF, World Bank and UNCTAD contributed inputs to G20 report on the macroeconomic impacts of excessive commodity price volatility on growth and identification of policy options that countries could consider … to mitigate any such effects.
G20 Finance Ministers and Central Bank Governors Meeting, Mexico City	Nov. 2012	-We welcome the strengthening of the IMF's surveillance framework through the adoption of the new Integrated Surveillance Decision, and we welcome the introduction of the Pilot External Sector Report to strengthen multilateral analysis and enhance the transparency of surveillance. A transparent and evenhanded framework of surveillance is key to achieve ownership and traction of policy recommendations by the IMF, thus making surveillance more effective. -We ask that the World Bank, IMF, OECD, FSB, UN and relevant IOs undertake further diagnostic work to assess factors affecting long-term investment financing including its availability. We look forward to receiving this work in early 2013 to provide a sound basis for any future G20 work.	-"Global Prospects and Policy Challenges," IMF Staff Note -" The Financial Crisis and Information Gaps Progress Report on the G-20 Data Gaps Initiative: Status, Action Plans, and Timetables," Prepared by IMF Staff and the FSB Secretariat -Joint annual report to support the development of local currency bond markets prepared by the World Bank, Regional Development Banks, IMF, OECD and BIS. Progress Report
G-20 Finance Ministers and Central Bank Governors Meeting, Moscow	Feb. 2013	-In response to a diagnostic report on long-term investment financing prepared by international organizations, G20 Finance Ministers and Central Bank Governors established a Study Group on Financing for Investment, which will work closely with the World Bank, OECD, IMF, FSB, UN, UNCTAD and other relevant IOs to further consider issues raised in the diagnostic report and determine a work plan for the G20.	-"Global Prospects and Policy Challenges," IMF Staff Note, and Annex "Investment and Its Financing: A Macro Perspective" -[Report for the G20 Study Group on Financing for Investment] "Trends in Domestic Capital Market Development in Emerging Markets and Low-Income Countries," IMF (lead), with input from WBG, OECD, FSB.
G-20 Finance Ministers and Central Bank Governors' Meeting, Washington	Apr. 2013	-We ask the IMF and the World Bank to consult with their members regarding the implementation and a possible review of the "Guidelines for Public Debt Management"…. We look forward to an update on this work by our July meeting and a progress report to the Leaders' Summit in September.	-"Global Prospects and Policy Challenges," IMF Staff Note -We note the IMF work on stocktaking of its engagement with RFAs, as well as the recent G20/IMF seminar that reviewed developments in RFAs and explored options for enhancing their cooperation with the

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		-We reaffirm the important role that Regional Financing Arrangements (RFAs) can play in the global financial safety nets. Further facilitating the dialog among RFAs, as well as strengthening cooperation and increasing complementarities between the IMF and RFAs, while safeguarding the independence of the respective institutions, could support financial stability and thus help promote growth. We note the IMF work on stocktaking of its engagement with RFAs, as well as the recent G20/IMF seminar that reviewed developments in RFAs and explored options for enhancing their cooperation with the IMF. Starting from this basis, and building on the principles for IMF-RFA cooperation we agreed in Cannes, we will discuss possible ways to further enhance that cooperation at our next meeting, in order to assess possible options for further policy recommendations by the time of the Leaders' Summit in St Petersburg. -We underscore the importance of long-term financing for investment, including in infrastructure, in enhancing economic growth and job creation. We are taking forward work on this issue, including through adoption of the Terms of Reference of the new G20 Study Group, with inputs envisaged from the World Bank Group, OECD, FSB, IMF, UN, UNCTAD, and from participating countries.... We will consider the Study Group's work plan and any additional policy recommendations later this year.	IMF.
G-20 Finance Ministers and Central Bank Governors Meeting, Moscow	July 2013	-We welcome the intention of the IMF and the World Bank to review and update the "Guidelines for Public Debt Management" in light of the experience to date. We look forward to a progress report to the Leaders' Summit in September and initial suggestions for updating the Guidelines by our October meeting. -We … endorse continued attention to [the] issue [of debt sustainability for all countries] in the activities of the IMF and the World Bank and confirm our support for the implementation of the IMF–World Bank Debt Sustainability Framework for low-income countries in order to promote sustainable financing and sustainable growth…. We ask the IMF and the World Bank to continue assisting low-income countries at their request in developing prudent medium-term debt management strategies and enhancing their debt management capacity. -Recognizing recent work undertaken in this area by both the IMF and G20, we look forward to a flexible and voluntary dialogue	-"Global Prospects and Policy Challenges," IMF Staff Note -The G20 Study Group on Financing for Investment welcomes the preparation by international organizations of the LCBM [local currency bond markets] Action Plan Implementation Report. We welcome the Diagnostic Framework on LCBM prepared by the IMF, the World Bank Group, the EBRD and the OECD, as part of the Action Plan. We welcome the paper on *High-Level Principles on Long-Term Investment Financing by Institutional Investors*—OECD (lead), with input from WBG and IMF. The Principles will be submitted to the Leaders' Summit in September.

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		between the IMF and RFAs on an ongoing basis through well-established communication channels. -We note the work undertaken by the IMF and BIS in developing indicators that reflect global liquidity conditions, looking both at price and quantity-based measures. We call on the Fund to carry out further research with a view to develop proposals on how to incorporate global liquidity indicators more broadly into the Fund's surveillance work. -G20 Study Group on Financing for Investment notes priority inputs expected [from IMF]: (1) *Financial Deepening in Emerging Markets: A Comparison with Advanced Economies*—IMF (lead) with input from WBG, FSB, UN-DESA and OECD. Project presentation is scheduled to go to the Board in May 2014. A final paper will come sometime after that. (2) The Working Group will also draw on the conclusion of the following [proposed] paper: *The Contribution of Securitization to the Mobilization of Long-Term Finance*—IMF, WBG and OECD (lead to be identified). The project is ongoing and preliminary results will be available end-summer. (3) *Investment Objectives and Asset Allocation of Sovereign Wealth Funds*—IMF (lead) with input from WBG and OECD. Note to be available in summer 2013. (4) *Trends in Global Asset Allocation of Institutional Investors* (including from *Survey of Pension Funds' Long-Term Investments*)—OECD (lead), with input from IMF and WBG. Survey on pension funds finalised by October 2013. Full, draft report ready by December 2013. Final report by March 2014. (5) *Project Selection, Design, and Management as a Catalyst for Financing–by late-2013*—WBG (lead), with input from IMF and OECD. Background Note (based on ground research and preliminary consultations): September 2013, Final Report (based on full demand analysis): June 2014. (6) *Monitoring the impact of financial regulatory reform on the supply of long-term financing*—FSB (lead), with input from IMF, WBG, OECD. Consultation and coordination with FSB members, including relevant SSBs and IFIs, on the findings and next steps in the monitoring process–June/ July, review and discussion of draft report by the FSB– August. -We welcome the preparation by international organizations (IOs) of the LCBM [local currency bond markets] Action Plan Implementation Report, which describes the efforts taken to improve the coordination of technical and advisory assistance for LCBM	

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		development. We welcome the Diagnostic Framework on LCBM prepared by the IMF, the World Bank Group, the EBRD and the OECD, as part of the Action plan. We look forward to annual review by IOs of developments in LCBMs in light of their contribution to financial stability and better capital flow management. We encourage IOs, other technical assistance providers, and country authorities to consider the use of the Diagnostic Framework in identifying and setting reform priorities in support of LCBM development. -[Re: "too-big-to-fail:] We look forward to pilot assessments by the FSB, IMF and World Bank using the Key Attributes' assessment methodology…. We further encourage the FSB and IMF to continue work to address cross-border resolution issues. We recognize that structural banking reforms can facilitate resolvability and call on the FSB, in collaboration with the IMF and the OECD, to assess cross-border consistencies and global financial stability implications taking into account country-specific circumstances. -We look forward to further FSB policy recommendations for the oversight and regulation of the shadow banking system by the Leaders' Summit and will work towards their timely implementation. -WE look forward to the [FSB and IMF G-20 Data Gaps Initiative] progress report for our meeting in October 2013.	
G20 Leaders Summit, St. Petersburg	Sept. 2013	-We encourage the IMF as well as other relevant international organizations to continue their research in the area of growth, employment and income distribution. -We also reiterate that Regional Financing Arrangements (RFAs) can play an important role in the existing global financial safety net. We reaffirm the common principles for cooperation between the IMF and RFAs that we adopted in Cannes, which emphasize the importance of cooperation while safeguarding the mandate and independence of the respective institutions. Recognizing recent work undertaken in this area by both the IMF and G20, we look forward to a flexible and voluntary dialogue between the IMF and RFAs on an ongoing basis through well-established communication channels. We take note of the importance of a dialogue among RFAs to foster an informal exchange of views and experiences in a flexible and voluntary way. In this context, we ask our Finance Ministers and Central Bank Governors to follow the developments and progress in the IMF-RFA cooperation, as well as the dialogue among RFAs.	-"Global Prospects and Policy Challenges," IMF Staff Note -"The Financial Crisis and Information Gaps. Fourth Progress report on the Implementation of the G20 Data Gaps Initiative," Note by the IMF and the FSB -"G20 Anti-Corruption Working Group Progress Report 2013" notes that the Group is grateful for the invaluable technical advice and support provided by the OECD, World Bank, UN Office for Drugs and Crime, the International Monetary Fund and the Financial Action Task Force, which has underpinned the progress noted in this report. The Group acknowledges also the important initiatives which the international organizations are undertaking themselves to address corruption.

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		-We welcome the ongoing work by the IMF and World Bank Group to review and update the "Guidelines for Public Debt Management" in light of recent experiences. -Events in recent years have shown the importance of debt sustainability for all. We, therefore, endorse continued attention to this issue by the IMF and the World Bank. We also support the implementation of the IMF-World Bank Debt Sustainability Framework for Low-Income Countries and will take the Framework into consideration in order to better inform our practices and promote sustainable financing and sustainable growth and development through appropriate channels…. We ask the IMF and the World Bank to continue assisting low-income countries at their request in developing prudent medium-term debt management strategies and enhancing their debt management capacity. - We note the work undertaken by the IMF and BIS in developing indicators that reflect global liquidity conditions, looking both at price and quantity-based measures. We call on the Fund to carry out further research with a view to develop proposals on how to incorporate global liquidity indicators more broadly into the Fund's surveillance work. -We reiterate that well developed local currency bond markets (LCBMs) play an important role in improving the resilience of the domestic economy and financial systems. We welcome the work of the IMF, the World Bank Group, the EBRD OECD and other IOs to implement the G20 Action Plan on the Development of LCBMs, including through the creation of a Diagnostic Framework on LCBM. We encourage International Organizations, other technical assistance providers, and country authorities to consider the use of the Diagnostic Framework in identifying and setting reform and capacity building priorities in support of LCBM development. -We commend the progress made by the FSB together with standard setting bodies and the IMF and the World Bank Group in monitoring the effects of evolving regulatory reforms on emerging markets and developing economies (EMDEs) with the view to address material unintended consequences without prejudice to our commitment to implement the agreed reforms. We ask the IMF, the World Bank Group and standard setting bodies to step up their monitoring, analysis and assistance in	

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		this area.	
G20 Finance Ministers and Central Bank Governors Meeting, Washington	Oct. 2013	Continue ongoing work to support the improvement of debt management practices in light of recent experiences. The G20 International Financial Architecture Working Group looks forward to completion by early 2014 of review and update of the "Guidelines for Public Debt Management."	-"Updating the Guidelines for Public Debt Management. Progress Report by the IMF and the World Bank Group," March 9. At request of Working Group, met with additional debt managers, March 15. - "Recent Developments in Local Currency Bond Markets (LCBMs)," Note by the World Bank Group in consultation with the IMF, ADB, AfDB, IADB, EBRD, OECD, and BIS.
G20 Finance Ministers and Central Bank Governors Meeting, Sydney	Feb. 2014	-We ask the international organisations working with the Framework Working Group to prepare macroeconomic scenarios to inform our policy discussions in April 2014. -With the assistance of relevant international organisations, we will convene a seminar with low-income countries on sustainable financing practices in the first half of 2014. -We look forward to the report from the Financial Stability Board in September 2014 on jurisdictions' established processes to enable them to defer to each other's OTC derivatives rules in cross-border contexts where these achieve similar outcomes. This will inform deliberations on whether flexible outcomes-based approaches to resolving cross-border market regulation issues could be used more widely. -We look forward to an update of progress by the FSB on its review of the structure of representation for our meeting in April.	-"Global prospects and policy challenges," IMF Staff Note -"Policies for growth and rebalancing" IMF note -"Macroeconomic and reform priorities," prepared by IMF with inputs from the OECD and the World Bank Group.