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PROGRESSIVE ACHIEVEMENTS AND CONTRADICTIONS OF WORLDWIDE COOPERATION WITH INTERNATIONAL MONETARY FUND

International Monetary Fund (IMF), which was established to regulate relations in the field of foreign exchange settlements and provide financial assistance to member countries by providing them with short-term foreign currency loans in case of currency difficulties due to balance of payments. The Fund acts as a specialized organization of the UN system. In practice, IMF can be considered as institutional basis of modern international monetary system [1].

Special drawing rights are international reserve assets created by IMF to meet long-term global needs for financial resources that complement existing international reserves and are distributed among member countries to replenish their assets.

The value of special drawing rights is determined on the basis of a basket of major world currencies. The share of each currency in the special drawing rights basket is determined by country's share in international trade: US dollar 44%, euro 34%, Japanese yen 11% and pound sterling 11%. The special drawing rights cost includes: \$ 0.632, 0.410 euros, 18.4 yen and 0.0903 pounds.

When lending to its members, the Fund is guided by two main principles. First, all members have access to the Fund's shared resources. A member who borrows funds must repay them as soon as the payment problem is resolved so as not to restrict the access of other IMF members.

Second, before the Fund provides any funds, the borrower must demonstrate how it will solve its payment problems, as it needs to repay the International Monetary Fund's debt within a certain period.

However, it should be noted that IMF funding provides members with necessary assistance to overcome problems not only with the balance of payments. The Fund's technical assistance is provided by sending IMF missions to country's central banks and ministries of finance. Such assistance is provided at the request of a country. The mission's experts have been working in a country for about 2-3 years. An IMF institute has been set up in Washington to provide technical assistance. It organizes training courses and seminars for civil servants from IMF member countries.

Thus, during its operation, IMF has become a truly universal organization and gained widespread recognition as the main supranational regulatory body of international monetary relations, an authoritative center of international lending, coordinator of interstate credit flows and guarantor of solvency of borrowing countries.

Cooperation with International Monetary Fund provides, in addition to loans, advisory, technical and other services, which is of great importance in the context of globalization [3]. The Fund provides loans to different countries, taking into account their economic situation and requires certain conditions to improve the balance of countries' payments and prevent such situations in the future.

References

1. Cooperation with international financial organizations: Ukraine – IMF [Electronic source]. – Retrieved from: <http://www.minfin.gov.ua>.
2. Information and analytical portal of the Ukrainian Financial Development Agency [Electronic source]. – Retrieved from: <http://www.ufin.com.ua>.
3. Working together to promote global recovery [Electronic source]. – Retrieved from: <http://www.imf.org>.