International Monetary and Financial Committee - IMFC

Part of: GS-I- CULTURE (PT-MAINS-PERSONALITY TEST)

Recently, the Union Minister of Finance & Corporate Affairs attended the plenary meeting of the International Monetary and Financial Committee (IMFC) through video-conferencing.

Imp Points

- This meeting’s Global Policy Agenda was “Exceptional Times – Exceptional Action”.
- The IMFC was updated by the members on the actions and measures taken by the member countries to combat Covid-19.
- The members remarked on IMF’s crisis-response package to address global liquidity and members’ financing needs.
- India also highlighted that the IMF has always played a pivotal role in maintaining stability of the international monetary and financial system and that it should continue rendering this critical role to the global financial architecture.
- Measures taken by India to respond to the health crisis and to mitigate its impact were highlighted. Few of them are:
  - India Covid-19 Emergency Response and Health System Preparedness Package: Allocation of $2 Billion (₹215,000 crore) by the Government of India for strengthening the healthcare system.
  - Pradhan Mantri Garib Kalyan Yojana: Announcement of a scheme of social support measures amounting to $23 Billion (₹1.70 lakh crore) to alleviate the hardship of the poor and the vulnerable.
  - Provision of relief to firms in statutory and regulatory compliance matters.
  - Easing of monetary policy by the Reserve Bank of India (RBI) and three-month moratorium on loan instalments.

International Monetary and Financial Committee

- It is the Ministerial-level committee of the International Monetary Fund (IMF).
- It meets twice a year, once during the Fund-Bank Annual Meetings in October and once during the Spring Meetings in April.
  - This year, due to the Covid-19 outbreak, the meeting took place through video-conference.
- Functions:
  - It discusses the management of the international monetary and financial system.
  - It advises the IMF on any other matters of common concern affecting the global economy.
- IMFC has 24 members, drawn from the pool of 189 governors, and represents all member countries. India is one of the current members.
- It operates on consensus, including on the selection of its chairman.