

Contents

Abbreviations

Summary	1
1 Why developing countries need the IFIs' shock architecture	5
2 An overview of the IFIs' shock architecture: mandates and instruments	7
2.1 The IFIs' mandates	7
2.2 The IFIs' instruments for preventing and managing exogenous shocks	8
3 Assessing the IFIs' response to the global financial crisis	11
3.1 The volume of the IFIs' response to the global financial crisis	11
3.1.1 Concessional flows	12
3.1.2 Non-concessional flows	15
3.2 Peculiarities of the IFIs' response to the global financial crisis	16
4 Assessing the IFIs' concessional lending architecture for managing shocks	18
4.1 The design and appropriateness of IDA's shock architecture	19
4.1.1 Reforms of IDA's funding framework	19
4.1.2 Reforms of IDA's financial instruments for dealing with exogenous shocks	21
4.2 The design and appropriateness of the IMF's shock architecture	26
4.2.1 Reforms of the IMF's funding framework	27
4.2.2 Reforms of the IMF's financial instruments for dealing with exogenous shocks	28
5 Assessing the IFIs' non-concessional lending architecture for managing shocks	34
5.1 The design and appropriateness of the IBRD's shock architecture	34
5.2 The design and appropriateness of the IMF's shock architecture	37
6 Summarizing the assessment and proposals to reform current WB and IMF shock architecture	41
6.1 Reform proposals for the IFIs' division of labour	41
6.2 Proposals to reform the concessional facilities	41
6.3 Proposals for reforming the non-concessional facilities	43
Bibliography	47