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## **THE ROLE OF THE IMF AND INTERNATIONAL ORGANIZATIONS IN FINANCIAL SUPPORT OF THE NATIONAL ECONOMY OF UKRAINE**

### **РОЛЬ МВФ ТА МІЖНАРОДНИХ ОРГАНІЗАЦІЙ У ФІНАНСОВІЙ ПІДТРИМЦІ НАЦІОНАЛЬНОЇ ЕКОНОМІКИ УКРАЇНИ**

Currency – financial organizations play a major role in the existence of international economic relations. The main task is the accumulation and redistribution of currency capital for efficient use. The IMF participates in supporting the economies of member states and in general in the development of the world economy. Therefore, consideration of the role of the IMF in the world economy, consideration of its essence and impact on the member countries of this organization is very important for understanding the functioning of the IMF in the MEV. The IMF's activities are focused on several tasks, among them technical assistance in solving issues related to currency and financial problems, and IMF lending, which is focused on developing countries and countries with economies in transition, Ukraine is one of these countries. Therefore, the paper examines important issues related to the cooperation between the IMF and Ukraine, analyzes the current state of relations, defines the normative and legal regulation of cooperation, and defines future prospects and risks for the country. Because of this, the research topic is relevant [1].

Today, the IMF's activities include:

- cooperation in the foreign exchange sphere by supporting the general system under special lending rules;
- provision of financial assistance to member states, in accordance with the developed mechanism;
- provision of consultations on currency operations and cooperation with other MOs.

The main task of the IMF is to support dialogue with member countries and between member countries regarding the national and international consequences of their economic and financial policies. This monitoring and consultation process is called monitoring. And it is important to clearly define who legally and realistically supervises – not only the staff and management of the IMF, but the countries – members of the IMF, all of which are represented on its Executive Board [1; 2].

The following negative consequences and risks of cooperation between Ukraine and the IMF can be noted:

- The IMF dictates its lending terms, this limits the country's freedom of action, so the organization can directly influence the economic course of the borrowing country;
- IMF loans are not used for their intended purpose and are always effective, which may be due to insufficient monitoring by the country's authorities and the IMF. Also, Ukraine is still at such a level, when the money received from the IMF goes not to investments and global development, but to repaying debts, getting out of crises and covering the state deficit.

The problem is that due to the constant use of loans, without carrying out reforms and restructuring the system, the balance of payments will not be saved in the long term. To pay off old loans, a new loan in a larger amount is taken. All this is very harmful to the financial system, an example is elementary factors: the increase in prices for raw materials, steel, etc., this will lead to even greater needs for currency, and at the same time it will be necessary to pay off loans that were taken earlier [2].

However, the IMF enables and provides a push for Ukraine in the right direction. The outcome of the IMF's programs depends to a large extent on Ukraine itself. The government must introduce unpopular but very useful measures and structural reforms for the country. Positive consequences can be noted during the periods of cooperation between Ukraine and the IMF:

- the country's balance of payments problems are alleviated thanks to long-term and cheap loans (loan repayment at 2% per annum of the loan amount);
- at the expense of the organization's resources, the NBU can reorganize troubled banks;
- the possibility of restructuring the external debt;
- implementation of reforms.

During the martial law, the National Bank of Ukraine continues to implement measures aimed at maintaining the financial stability of the state and regulating the financial sector.

Despite the continuation of hostilities, the country's international reserves reached an almost twelve-year high. As of June 1, 2023, international reserves of Ukraine increased to 37.3 billion dollars. USA. Such a volume of reserves is a record for the last 12 years (a larger volume than that was recorded in September 2011). Reserves increased thanks to receipts from international partners against the backdrop of a further decline in the volume of net sales of foreign currency by the National Bank and moderate debt payments of the country in foreign currency. In particular, USD 4,323 million was deposited into the foreign currency accounts of the government. USA, namely: 1,616 million dollars. USA – macro-financial assistance from the EU; 1,250 million dollars. USA – from the United States of America (through the World Bank Trust Fund); 1,074 million dollars. USA – from the placement of foreign exchange bonds (domestic government loan bonds); 383 million dollars. USA – from the World Bank [3; 5].

The main goals of cooperation with the IMF are the stabilization of the Ukrainian financial system, the implementation of structural reforms and the creation of a foundation for sustainable economic growth. The fund helps Ukraine renew its financial capacity, suggesting how to most effectively implement the reform program.

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