

April 30, 2020
Approval: 5/7/20

INTERNATIONAL MONETARY FUND

Minutes of Executive Board Meeting 19/81-1

11:00 a.m., September 27, 2019

1. Board Farewell—Ms. Christine Lagarde, Managing Director

Length: 1 hour, 5minutes

Executive Board Attendance

D. Lipton, Acting Chair

Executive Directors Alternate Executive Directors

D. Mahlinza (AE)

M. Raghani (AF)

G. Lopetegui (AG)

N. Ray (AP)

B. Saraiva (BR)

Z. Jin (CC)

L. Villar (CE)

L. Levonian (CO)

R. Kaya (EC)

H. de Villeroché (FF)

R. von Kleist (GR)

M. Siriwardana (IN)

D. Fanizza (IT)

T. Tanaka (JA)

J. Mojarrad (MD)

M. Choueiri (MI), Temporary

A. De Lannoy (NE)

T. Ostros (NO)

A. Mozhin (RU)

M. Mouminah (SA)

A. Mahasandana (ST)

P. Inderbinen (SZ)

S. Riach (UK)

M. Rosen (US)

J. Lin, Secretary

P. Cirillo, Summing Up Officer

A. Bala, Board Operations Officer

L. Nagy-Baker, Verbatim Reporting Officer

Also Present

African Department: D. Desruelle, A. Selassie. Asia and Pacific Department: C. Rhee. Communications Department: K. Langdon, C. Rosenberg. Corporate Services and Facilities: B. Christensen, J. Lester. European Central Bank: R. Rueffer. European Department: P. Thomsen. Fiscal Affairs Department: M. Keen, P. Mauro. Finance Department: A. Tweedie. Human Resources Department: K. Kochhar. Institute for Capacity Development: S. Coorey,

D. Danklou. Investment Office: D. Bills. Information Technology Department: F. Gheriss, U. Shah. Knowledge Management Unit: M. Thomas. Legal Department: Y. Liu. Middle East and Central Asia Department: J. Azour, S. Salimi. Monetary and Capital Markets Department: T. Adrian, L. Dordevic. Office of Budget and Planning: D. Citrin, A. Richter. Office of Internal Audit and Inspection: P. Murugan, N. Onyango. Office of Risk Management: V. Arora. Research Department: G. Gopinath. Secretary's Department: G. Bauche, T. Bonaker, M. Llames. Strategy, Policy, and Review Department: S. Panth. Statistics Department: L. Ducharme, T. Elkjaer, G. Quiros Romero. Western Hemisphere Department: A. Werner Wainfeld. Alternate Executive Director: K. Chikada (JA), J. Di Tata (AG), R. Doornbosch (NE), P. Fachada (BR), N. Heo (AP), C. Just (EC), I. Mannathoko (AE), K. Merk (GR), L. Palei (RU), V. Rashkovan (NE), H. Razafindramanana (AF), D. Ronicle (UK), P. Rozan (FF), J. Sigurgeirsson (NO), P. Sun (CC), F. Sylla (AF), K. Tan (ST), C. White (AP). Senior Advisors to Executive Directors: Z. Abenoja (ST), A. Muslimin (ST), Y. Danenov (SZ), S. Evjen (NO), M. Gilliot (FF), K. Harada (JA), G. Heim (SZ), L. Johnson (AP), N. Jost (NE), K. Karjanlahti (NO), S. Keshava (SA), Y. Liu (CC), Z. Mahyuddin (ST), M. Maidi (AE), G. Gasasira-Manzi (AE), Z. Mohammed (BR), R. Morales (AG), W. Nakunyada (AE), R. N'Sonde (AF), P. Pollard (US), C. Quagliarini (IT), C. Sassanpour (MD), J. Shin (AP), M. Tabora (CE), A. Tivane (AE), C. Williams (CO). Advisors to Executive Directors: F. Al-Kohlany (MI), E. Boukpepsi (AF), E. Cartagena Guardado (CE), K. Carvalho da Silveira (AF), D. Cools (NE), M. Coronel (BR), D. Crane (US), S. David (AP), P. Dhillon (IN), K. Florestal (BR), A. Grohovsky (US), A. Maciá (BR), R. Makhammadiev (SZ), C. Moreno (AG), M. Mulas (CE), L. Nankunda (AF), B. Parkanyi (NE), T. Persico (IT), A. Ribeiro Mateus (IT), F. Rivadeneira (BR), N. Shenai (US), A. Urbanowska (SZ), C. Wehrle (SZ), K. Lok (CC), V. Lucas (GR), J. Montero (CE).

1. BOARD FAREWELL—MS. CHRISTINE LAGARDE, MANAGING DIRECTOR

The Acting Chair (Mr. Lipton) made the following statement:

We are here to bid a fond farewell to our Managing Director, Christine Lagarde. Managing Directors are mostly remembered for crisis management, and after eight years at the helm, I think it is fair to say that you have had your share. Less than a year into her tenure, the sovereign debt crisis in Europe broke out, following on the heels of the global financial crisis. At that juncture, *Time* magazine put Christine on the cover with the headline: “Can This Woman Save Europe?” Through persuasion, and a dose of tenacity, she navigated several large European and euro area programs, including Greece, Ireland and Portugal.

Today, we are lending close to US\$200 billion to more than 35 countries, including Argentina, Egypt, Iraq, Jordan, Pakistan, Ukraine, and 16 countries in sub-Saharan Africa. Those of you who were here on the Board before 2009 understand the significance of this. Our financial firepower dramatically expanded with the ratification of the 2010 package on quota and governance reforms. This was made possible by Christine’s tireless lobbying and political astuteness. More significantly, that package gave emerging market and developing countries a greater voice in our organization. Brazil, China, India and Russia are now among the Fund’s 10 largest members, reinforcing our institution’s credibility, effectiveness, and integrity.

All this said, firefighting is not the only thing that Christine Lagarde will be remembered for here. I think your true legacy is the way you have reoriented the Fund for the future with more of the focus on preventive measures rather than curative actions. This was very evident here at the Board. Under Christine’s leadership, and with the support and guidance of the Board, we have expanded and streamlined our lending instruments and strengthened our external sector and exchange rate analysis, catalyzing some important debates on currency valuations, excessive surpluses, and deficits. In addition, a comprehensive view on the management of global capital flows was developed to help clarify the tradeoffs between policy options and give countries clear and consistent guidance. At the request of the membership and in collaboration with the World Bank, Christine launched the Bali Fintech Agenda, giving the Fund the mandate to closely monitor fintech developments and further analyze the macrocritical implications and risks at both country and global levels.

Christine's persistence also prompted important policy decisions here. An obvious example was the decision to include the renminbi in the SDR basket, which was an important milestone for the integration of the Chinese economy into the global financial system and one of the biggest changes to the international financial system since the demise of fixed exchange rates in the early 1970s.

Promoting women has been a recurring theme here during Christine's time. Women's empowerment, she noted, is not only an ethical, but also an economic imperative. Under Christine's leadership, we began incorporating gender analysis and policy advice in our Article IV reports, but most important for an institution such as the Fund, which thrives on facts and data, this work was grounded in research, demonstrating that these issues really matter for economic growth and financial stability.

As it turns out, the Fund's contributions to public policy debates on gender inclusion, income inequality, and climate change, have helped reshape public perceptions of the Fund. She brought her human touch to an institution long seen as only imposing austerity. Christine will also tell you that one of the highlights of her tenure was the Fund's response to the Ebola crisis. The urgency and motivation by staff to find a solution and the unanimous agreement and support of the Board to provide grants for debt relief for Ebola-hit countries, was an exceptional act.

There are many other ways in which Christine has added her human touch, but I will just name two more: the IMF's engagement on social spending, motivated in part by growing concerns about excessive inequalities, and her engagement with the membership. In the eight years she has served here at the Fund, she has traveled to more than 80 countries, transforming the way we engage and communicate with our membership and with their people. This was part of her vision of an open, effective, and inclusive Fund—a Fund built for the future.

Christine is a trailblazer. She was the first woman to Chair a global law firm, the first woman to be France's Finance Minister, and of course, the first woman to lead our institution. Of course, she leaves us for another first, the first woman to head the European Central Bank (ECB).

Christine, your charisma, stamina, and courage have changed this institution, have inspired our staff. Thank you for your dedication, for your leadership, and on behalf of everyone here, I wish you well at the ECB and in the future.

Mr. Mozhin made the following statement:

Dear Christine, over the past couple of months, many important people have spoken glowingly about your service to this institution, and I am sure that your tenure here will also be the subject of many books and studies. What these academics and historians may never capture is how your leadership has improved the morale in this institution. Your dedication to inclusiveness and accountability, these are not just gestures. They have had a real impact by making everyone in this building believe that we are all part of one team. The same is true of this Board. It is not easy to Chair this Board under normal times, and the past eight years have been anything but normal. Nevertheless, under your leadership, we have remained an effective, collegial, and consensus-based body. We have our differences, and we debate them, but when it mattered, we have always been able to speak in one voice. You need not look any further than our response to the Ebola crisis for evidence of that.

Like all great leaders, you have led by example, but since the Fund is supposed to be a ruthless truth teller, as the Dean of the Board, it is my responsibility to tell some hard truths. There is one area where you really failed quite spectacularly to lead by example, and this is your work-life balance, which has been entirely inappropriate. You have worked so hard, traveled so much to our member countries, and rested so little, that none of us will ever be able to follow this example.

Consider what this Board has accomplished over the past eight years under your leadership. We approved several major, unprecedented programs. We redefined exceptional access and developed an institutional view on capital flows. We adopted a new framework for our engagement with small and fragile states. We reworked the SDR basket. We established the Bali Fintech Agenda. We completed the quota increase under the 14th Quota Review, and we tackled many pressing issues facing our membership. Add to this your extensive outreach to the membership, to civil society, the ultra-marathons of meetings and engagements during every Spring and Annual Meetings, or the fact that you personally chaired almost 600 Board meetings. I am sad to say that this is an epic fail in work-life balance.

Christine, unfortunately, I do not see any end to this. Your next job will be no less demanding and the stakes just as high, but I know that the ECB has the right woman for the job.

On behalf of the Executive Board, please accept this gift as a token of our appreciation and admiration for all that we have done together under your incredible leadership, along with a special card signed by all of us. The gift is a white-colored fountain pen engraved with your name and the initials IMF so that no matter where you are and where you go and what important papers you sign, you will always have the IMF close to your heart.

On behalf of all of your colleagues at the Board, I wish you all the best, and we look forward to continuing to see you here.

Mr. de Villeroché made the following statement:

Dear Christine, it has been a long journey together. We worked very closely during the financial crisis in Bercy, and when you arrived here, the Fund had been deeply involved in the follow-up of this crisis in Europe. The good news is that we are less involved in Europe. The good news for you is that you are going to be more involved in Europe as well.

I would like to thank you for many things but will mention two issues which are close to my heart and close to the heart of my authorities. The first is what you did on climate, which is a macroeconomic long-term issue, and definitely your dynamic has been instrumental to change the Fund in this respect. The other is on low-income countries (LICs) and poverty, and although we are not a development institution, our role in development is crucial, and for that I would like to thank you. This is not only because they are important for me and my authorities, but I believe these two issues are so fundamental for our future that the Fund has to play its full role.

As Managing Director of the IMF, you have been a voice of the world, and I think that many people would like or pretend to speak on behalf of the world. The least that we can say is that few are as successful as you were, and that was so great. Thank you very much.

Mr. De Lannoy made the following statement:

Dear Christine, when I was thinking about how I wanted to thank you for everything you have done for the Fund and the countries in my constituency, three quotes came to my mind. The first one is by Margaret

Thatcher, who said, “In politics, if you want anything said, ask a man. And if you want anything done, ask a woman.” The second one is by Martin Luther King Jr., who said, “A genuine leader is not a searcher for consensus, but a molder of consensus.” And the third one is from Michelle Obama, who said, “Success is not about how much money you make. It is about the difference you make in people’s lives.”

I still remember your first day in the Fund—I was an advisor then at the Board—when some people in this house doubted you were up for the job, for you not being an economist, and some even for you being a woman. But you have proven to be far more than up for the job, as Mr. Lipton has already illustrated. You have successfully molded consensus at times when there were important disagreements about how to deal with the global financial crisis. At times when many were talking, you got things done, and in getting things done under your leadership, the Fund has been able to make a real difference in people’s lives. Thank you for everything you have done for the Fund and the countries in my constituency. You will be very missed, and I wish you all the best at the ECB.

Ms. Riach made the following statement:

Dear Christine, on behalf of myself, my office, and my authorities, I would like to thank you for everything that you have done at the Fund. As Mr. Lipton said, you leave the Fund strong and ready for the challenges ahead. Under your leadership, you have ensured that the Fund has been nimble and has responded to emerging challenges, and in that way, you strengthened the Fund and helped make the case for multilateralism at a time when the rules-based international system is under threat.

On a personal note, I have been proud to serve on the Board during the tenure of the first female Managing Director. Through your personal excellence and advocating the use of economic analysis, you have made the case for women in the global economy, so thank you for that, and you have paved the way for the second female Managing Director, which is good news for all of us. Thank you for all you have done. Good luck in your new role at the ECB, and *à bientôt*.

Mr. Ostros made the following statement:

Dear Christine, when I asked my office what I should say, they replied, “just say that she is just so cool.” That says something about how you have led us during these years. We have known each other since we were

colleagues in Europe. I was a great admirer at that time, but seeing you working close here has really strengthened my admiration. You have done a lot to strengthen the relevance of the Fund in a time when global institutions are in question. You have been brave. You have taken the debate on multilateralism in a way that has been very important during these years. From my constituency and my office, we are very grateful for what you have done. We wish you the best of luck with your new task. It is good for Europe. It is good for my constituency, and we look forward to cooperating with you closely.

Let me also say you have been a role model for young people, young women and men, that can see that a global institution like this can be highly relevant for them. Thank you for that.

Mr. Saraiva made the following statement:

Dear Christine, I am happy to be here to convey to you directly my own appreciation but also the appreciation from the authorities of the 11 countries of our constituency for your vibrant and effective leadership of this institution, which is the cornerstone of the modern global financial architecture. When you took the helm here, the global environment was extremely challenging, but also there were challenges at the institutional level, and you managed to skillfully steer the Fund. You faced those challenges up front, and you improved the Fund's reputation worldwide, and you heightened the morale of Fund staff. Moreover, in this male-dominated environment, you were a breath of fresh air, and you continue to inspire us. I am really thrilled with the idea that you may have started a decades-long dynasty—I would say at least six decades—to balance the playing field for women leading this institution. Thank you. I wish you well.

Mr. Raghani made the following statement:

Dear Christine, you are leaving the Fund after eight years of impeccable leadership and outstanding service. You took the helm of the Fund in the middle of difficult times and helped make important repairs and revisions to the world economy. Under your leadership, the Fund has played a central role in this coordinated effort, thereby reinforcing its relevance and traction.

As you depart from the Fund, you leave behind a strong legacy for the countries of my constituency and for LICs in general. You will be remembered as a true champion of far-reaching reforms. In the face of many

crises affecting LICs, including commodity price shocks, natural disasters, and the Ebola epidemic, you have led the Fund to stand with our countries. Your availability and interpersonal skills have helped strengthen engagement with the authorities. Christine, *merci beaucoup, bonne chance dans vos nouvelles responsabilités et n'oubliez pas que vous laissez des amis à Washington et dans plusieurs capitales africaines et ailleurs*. Thank you. Ms. Mahasandana made the following statement:

Dear Christine, on behalf of my authorities, it gives me great pleasure to extend our sincere gratitude for your esteemed leadership, which our constituency has greatly benefited from. Your efforts to steer the Fund toward better serving the needs of the membership is highly appreciated. There have been many initiatives under your leadership that have contributed to the development and stability of our regions. The hosting of the 2018 Annual Meetings in Bali was a great success, and the ongoing work of the Fund on the Integrated Policy Framework is one of the many initiatives that we welcome. Your determination to push through important agendas, to strengthen the Fund's core mandate in a rapidly evolving global environment, has also led to admiration and respect by all of us. We wish you all the best with your presidency at the ECB. Thank you very much.

Ms. Choueiri made the following statement:

Dear Madame Lagarde, our chair will always remember the remarkable way in which you steered this institution, and the members of our constituency will remember the many constructive visits that you made there. Good luck in your new position. You will be missed. *Au revoir*.

Mr. Lopetegui made the following statement:

Dear Christine, you recently reiterated at the European Parliament that people, those whom we serve in the end, need to understand the decisions made by public institutions like the ECB or the Fund. This is the only way to maintain credibility and trust in what we do. You rebuilt trust in this institution by focusing on a broad range of problems that mattered to regular people, including inequality, climate change, and many others, and you led these efforts to strengthen social policies in Fund programs as well. When it comes to finance, you stated that building a better financial sector, besides regulation, innovation, and competition, requires a broader sense of responsibility grounded in values and ethics.

You demonstrated courage in your role as a truth teller as when you advocated for recapitalization of the European banks or debt relief in Greece, or more recently, when you warned repeatedly about the perils of trade tensions.

On Argentina, you and this Executive Board accepted the significant risks involved, true to the commitment of having a member-focused Fund. Reflecting on the positives, the program with the Fund supported well-oriented policies and prevented a major crisis last year, and while the situation is still difficult, Argentina is better prepared today to face the challenges. Importantly, this is the first time in about 90 years in my country that a minority government will finish its constitutional mandate.

In closing, Christine, thank you for leading this institution with courage, generosity and resilience. My authorities, my constituency, and I wish you all the best. Thank you.

Mr. Mojarrad made the following statement:

Dear Christine, how can I possibly express within one minute the gratitude of our constituency for your support and thank you for your enormous contributions to the Fund? Let me try to name a few. You raised the Fund's collective consciousness and sensitivities to social issues. Your emphasis on small and fragile states, protecting social spending, working toward better income and gender equality, elevating the role of women in the economy, involving civil society, and maintaining public policy discourse, and enhancing policy cooperation to provide global solutions to global challenges—all are part of your Fund legacy now. Equally important is your contribution to greater awareness of the adverse impact of climate change. Our promise to you is that we will keep these issues on the front burner. Thank you again, Christine, for all you have done for the Fund and its membership during trying times. We wish you all the success in your new position.

Mr. Kaya made the following statement:

Dear Christine, the imposed brevity of our remarks should not be a measure of the depth of our appreciation of your service to this institution. Throughout your term as Managing Director, the world economy has gone through much, and so did the Fund. I believe you will be remembered for the paradigm shift you have brought to this institution. The Fund used to have the

reputation of a notoriously rigid ivory tower, and you have changed things for the good.

Thanks to your dedication and perseverance, the Fund of today has an entirely different appeal to the world. I will name one. Its mandate now also spans beyond the traditional macrofinancial code and has potentially much more to offer the world. Your leadership was also an inspiration to women globally, and led by your example, many have found the confidence and inspiration to do more.

On behalf of my office and our authorities, we wish you all the success in your new position. We look forward to working with you in your new capacity. *Merci beaucoup.*

Ms. Levonian made the following statement:

Dear Christine, on behalf of my constituency, I want to say it has been an absolute pleasure working with you, and I wish it had just been a bit longer. Your leadership has truly made a difference, and your accomplishments are so lengthy that I could not name them all, but I am going to talk about just two that have been important to myself and this constituency.

A champion for gender equality, you pushed the Fund to use its analytical power to show the world how important and what an obvious contribution can be made. From especially this chair's perspective, I want to acknowledge your role in increasing the Fund's focus on the challenges of small states. There has been a remarkable shift over the past years, thanks in no small part to you, particularly as it relates to resilience and climate change. We will continue to advance your vision of an institution that is agile, integrated, and especially member focused. It is fair to say that the Fund has made great strides under your leadership, so we truly wish you all the best. *Bonne chance, au revoir, et à la prochaine.*

Mr. Rosen made the following statement:

Christine, you have been a truly inspirational leader of the Fund over these years, and you have completely transformed the image of the Fund while providing real global leadership on many critical and systemic issues, bringing about many changes that have significantly improved the way the Fund operates and made it more effective.

The United States thanks you for all your incredible hard work for the Fund. You will be much missed here, and we wish you all the very best in your new role at the ECB.

Mr. Inderbinen made the following statement:

Dear Christine, I will not elaborate on what colleagues have said on your legacy in managing crises, in advancing Fund policy, and in particular, your championship of multilateralism, but you have the full gratitude of all members of this chair for the tasks you have accomplished. I would like to just mention one aspect, which is the quality of engagement with member countries that you brought to a new level, and I count myself lucky that I was able to witness this on the recent trip you made to Central Asia in May. The quality of the engagement and the dedication you had in engaging with our authorities was truly inspiring, so thank you very much for that.

Your new position will not come without challenges, also from the perspective of neighboring countries, which you know well, so I wish you all the very best in this task; and we are confident you will also take account of spillovers that might be generated.

Mr. Ray made the following statement:

Dear Christine, I will not talk about your legacy in policies or anything, but you are not only the first woman to lead the Fund, you are probably the first superstar Managing Director. I have witnessed that, whether it was in China or in Buenos Aires, or where you went and spoke at a university where there were demonstrations on the streets, and that was a very brave thing to do, and it was a triumph. I have also seen it through the eyes of a young Australian Treasury officer who accompanied me to a meeting in Paris and asked me if I would introduce her to you, and she asked you for a selfie. That selfie is well-traveled. She has been on maternity leave since, but it is now back on her desk in a different role in the Treasury, and I think that sums up the effect that you have had.

With superstardom comes a lot of responsibility. When I was thinking about this, I was struck by what a first national woman in Canada said about the role of a speaker. The ability to listen, understand, and maintain integrity, and deliver messages respectfully are key to being a voice for your people. Christine, you have been a voice for all of our peoples, and that is just an amazing reflection of your integrity and your ability to listen and understand.

On behalf of this constituency, both the office and my authorities, I wish you every best wish. Thank you.

Mr. Mahlinza made the following statement:

Dear Christine, on behalf of my constituency and my office, I wish to thank you very much for your impeccable leadership and service to the Fund. I wish to thank you for your outreach to our economies. Many of my countries look forward to your regular visits. This truly changed their views about the Fund. Those that were not visited felt denied, and hopefully you will be able to visit them in your new role.

I also wish to thank you for your encouragement to a number of our countries, and your support at their time of need. In particular, I want to recall the examples that have been cited on Ebola and your swift response to natural disasters. Personally, I am glad to have served during your tenure at the Fund. Your passion, energy, and hard work have been an inspiration. The ECB is the lucky one here. I wish you all the best in your new efforts. Thank you very much.

Mr. Villar made the following statement:

Dear Christine, I want to express my mixed feelings and also for the others in my chair, about your departure from the Fund. On one hand, we are sorry you are leaving this institution, but on the other, we have the satisfaction of the many achievements your leadership managed to give to the Fund. You improved much of the Fund at a moment in which it was extremely important to do so. The emphasis on new emerging issues, including income distribution, climate change, gender diversity, among others, had a tremendous impact on the perception of the institution. The work and the voice of the Fund on those emerging issues were key to show the world that, using your own words, the Fund did not only have a wallet and a brain, but also a heart.

On behalf of the authorities of all the countries in my constituency, I want to thank you for the support that we received from you whenever we needed it.

Finally, we want to congratulate you on your appointment at the ECB and wish you all the success in the new task. Your balanced voice will continue to help world leaders in the search for guidance and consensus.

Mr. Mouminah made the following statement:

Christine, we are very grateful for everything you have done for the Fund. You have been an exceptional leader, so on behalf of my office, my authorities, I thank you for everything you have done for our country, our region, and the world.

As I was going through your Instagram feed, I was looking for what really connects you with my country, and what I saw is how much you inspired women in Saudi Arabia, especially with the challenges they had in the past. You have always made time to meet with the women leaders in the country and the youngsters to inspire them, and this has been a real inspiration for them to do better, and I think Mr. Lipton has said it correctly. You are a trailblazer, so you will always inspire women in this world to do better and push themselves to do better than men, so we thank you for that. We wish you the best in your next chapter, and we look forward to working with you on the other side in your new capacity and during our G20 presidency.

Mr. Fanizza made the following statement:

Christine, a heartfelt thank you for everything that you have done. One of the problems coming as one of the last speakers is that everybody has said everything already, so it would be very difficult to say something different about what you did for this institution. You have been good for the Fund.

I thought that I would thank you on a personal note for an episode that benefited my life a few years back. The first time I came to the Annual Meetings as a Minister of Finance in Italy, it was a beautiful fall day in Washington, and I was outside talking with some colleagues at the Fund, and you thought I was somebody else, clearly. You came by and you said hello. We shook hands, and people were looking at me. That completely changed my status. So thank you.

Let me reiterate how thankful my Italian authorities are, which says it all, because in the short time I have been here, we have already had two Ministers, so we have two Ministers who thank you, and good luck in the new job. You will do well there, too.

Mr. Jin made the following statement:

Christine, I am lucky to have had a chance to work with you in the Board in a period when the world is undergoing some far-reaching changes. No doubt you will become a legacy of the Fund. Your relentless efforts for multilateralism will be recorded in history. You are a true internationalist. In a world that is composed of sovereign countries and national interests, this is not an easy task. It requires great vision, courage, and skill. I can cite and remember many achievements that were jointly made under your Chairmanship, including the quota increase and the inclusion of renminbi into SDR. But in the end, what I can feel behind all of this is your deep humanitarianism and universal love. Thank you.

Mr. Tanaka made the following statement:

Christine, on behalf of our authorities and the Executive Director's office, I would like to express a special appreciation for you. Thank you very much for everything you have done as a global leader at the Fund, which Mr. Lipton stated in an eloquent way. For Japan, the best memory with you is the 2012 Annual Meetings in Tokyo. That was a marvelous success thanks to your presence. It was a gender symbol to young Japanese ladies as well, and that was a marvelous asset for the Fund.

I first met with you last June at the G20 Finance Ministers meeting, and I was excited to see you in the street. You told me in very warm words to move forward, but the following week I learned that you resigned from the Fund. That was a shock for me. I was a bit perplexed, but bearing your warm words in my mind, I will work closely with my office, the Board, and with all Fund staff, whom you have inspired and led to a very high standard. I would like to thank you for that. The Fund would not have been the same without you, Christine. All the best to you. Thank you very much.

Mr. Siriwardana made the following statement:

Christine, I would like to read a poem by Rabindranath Tagore: "Where the mind is without fear and the head is held high, where knowledge is free, where the world has not been broken up into fragments by narrow domestic walls, where words come out from the deeds of truth, where tireless striving stretches its arms toward perfection, where the mind is led forward by thee into ever-widening thought and action."

Dear Christine, we chose this poem as it expressed in many ways all that we have come to admire about you and your inspiring leadership in the Fund. Thank you for speaking of Fund as an organization with a brain, a wallet, and a heart, and telling the world that unless we take action on climate change, future generations will be roasted. Your championing of an inclusive approach to growth has been greatly appreciated by the membership, especially by our constituency. We wish you all the best in the new challenging role at the ECB and for the many more first-woman achievements to come. On behalf of our authorities, we thank you for the enormous contribution you have made.

Mr. Von Kleist made the following statement:

Dear Christine, previous speakers have so eloquently praised your legacy and your leadership that I cannot hope to add to that, so I will just make two personal observations. One is you took the level of multimedia presentation of the Global Policy Agenda to a completely new level, both technology- and content-wise, so that clearly sticks out. The other thing is that you also elevated the art of charmingly but clearly reminding policymakers of their duties to a new level, and the latest example of this is your very well-chosen example of fixing the roof while the sun is shining. With this, the Fund's loss is Europe's gain, and on behalf of my German authorities, thank you for your service.

The Acting Chair (Mr. Lipton) asked the Secretary to read a Resolution of Appreciation.

The Secretary (Mr. Lin) made the following statement:

WHEREAS on September 12, 2019, Madame Christine Lagarde concluded over eight years of distinguished service to the International Monetary Fund and its 189 member countries upon relinquishing the post of Managing Director of the IMF and Chair of its Board of Executive Directors that she had held since July 5, 2011;

WHEREAS Madame Lagarde led the IMF through a period of unprecedented challenges for the global economy following the 2008 financial crisis with strong leadership and strategic vision, boundless dedication and commitment, impressive eloquence, and heartfelt compassion;

WHEREAS Madame Lagarde worked diligently to foster a strong, effective, and caring IMF that is agile and responsive to the needs of its

membership, promote the integration of IMF policies and work practices, and transform its corporate culture, thus leading to greater innovation and collaboration within the IMF and also with other international institutions, development partners, and civil society;

WHEREAS Madame Lagarde, with remarkable diplomacy and unflagging spirit, worked tirelessly to secure the financial resources necessary for the IMF to deliver on its mission; give greater voice to dynamic and emerging market economies; and achieve support for the reform of IMF governance to ensure the institution's continued legitimacy, credibility, and effectiveness;

WHEREAS Madame Lagarde made tremendous efforts to ensure the IMF's relevance and responsiveness to its member countries' needs through cutting-edge macrofinancial analyses and advice, effective lending facilities and capacity-building initiatives, greater attention to social outcomes and human dimensions of IMF policies and operations, and integration of new macrocritical areas like climate change, gender, corruption, and income inequality in the work of the IMF;

WHEREAS Madame Lagarde has further strengthened the IMF's role as the guardian of the international financial system and the center of global economic cooperation, thus enabling the IMF to fulfill its mandate of promoting economic growth and stability for its entire membership in a changing global landscape;

WHEREAS Madame Lagarde has renewed the trust in and admiration for the IMF through her efforts and unparalleled skills to reach out to the membership and other stakeholders.

NOW, THEREFORE, BE IT RESOLVED: That the members of the Executive Board record their profound appreciation of the leadership, vision, and compassion that Madame Lagarde has provided to the IMF during a period of unique and daunting global challenges, their deep regret at her departure, and their best wishes to her and her family in all their future endeavors.

Adopted September 27, 2019.

Madame Lagarde made the following statement:

You have no idea how I feel. When I look around this room, I feel like a compounded World Economic Outlook, Fiscal Monitor, and Global Financial Stability Report, except on steroids, and it would end well. None of you started your remarks with “I will be brief,” and yet you were deep. You just missed an opportunity to do the same as with Ebola and issue one single gray statement. I did not feel any dissent around the table.

Colleagues, friends, and Board members, I actually had never asked myself what was the real point of the Board farewell. I have conducted many of them over the course of the last eight years, but I have only asked myself now, why do we spend this precious time on these farewells? Well, I thought about it, and I believe it is for three reasons, which you have beautifully identified in your comments. First, it is about therapy; second, it is about gratitude; and, third, it is about legacy, so allow me to violate the rule of four minutes just one last time to go through these three. I owe no gratitude to my speechwriters, because this is mine, but thank you to them anyway.

On therapy, however long or short a term, however large or small a constituency, however junior or senior a Board member, the experience that we gain here will stay with us forever and will change our personal understanding of the world and will change our relationship with others who are different from us, different because of culture, language, background, ambition, or seniority. This experience is what I would call the magic of this Board. What is the magic? It is this process that is unknown to many people outside the Fund, by which a well-researched, argued, and considered set of proposals by staff, approved by management—which at that time is only a policy or program proposal—suddenly by virtue of this deliberative, argumentative, often iterative process, becomes the view of the international community. It is a process through which everybody has a voice, and you all have weighted votes, and it is probably one of the only processes in international institutions where we have traction and where there is financing associated with it to obtain actual implementation of the will produced by the magic of this Board. By the time you finish your term, you feel a huge loss, and I can assure each and every one of you that you will feel the same as I do. Of course, if it did not stop, we would not miss it, would we? This very moment of closure is therapy, as it gives me and it will give you and it gives us a chance to measure the worth, the meaning, and the purpose of what we belong to and what we try to achieve together.

Let me move to the gratitude part of my farewell, and I know it is customary to say thank you at the end, but I would like to say thank you now. I would like to say thank you to my closest ones and those who have been further away during those eight years. More of my family members will attend the farewell party tomorrow, and I will be delighted to introduce them to you and to acknowledge them and recognize them, but luckily, Xavier, my husband, is here with us, and I thank you for greeting him. They have given me warmth, affection, love, and a lot of indulgence. I was missing in action for many family events and occasions. They tolerated that, and I want to thank you.

To the closest to me every day, I want to say thank you to all members of the Office of the Managing Director (OMD), past and present, from advisors to security detail; they kept me sane; they kept me safe. We went through hell and back together. I want to single out the two longest-serving members in that team, Naghmeh and Hortense. I do not know what I would have done, where I would have gone without their relentless and affectionate support. Tessa, Martin, Alfred, you were and are magnificent leaders in your respective styles, leaders of the OMD team. Everyone delivered their best under your leadership.

To my management team—I rarely say “my,” but I have such a sense of close relationship and almost tacit understanding between us, that I will actually use “my”—past and present for your unwavering support, your, resilience, your stamina, and the good work that we did together. I have enjoyed every minute of it and drew more strength from you than you can imagine. David, primus inter pares, Mitsuhiro, Tao, Carla, thank you so much.

Thank you to the uncompromising, disciplined, and dedicated staff. Many of you are in this room, and I thank you for that. From head to body, from top to bottom, I have listened to you, learned from you, rarely but occasionally dissented with you, and I am proud to have been your leader for those eight years. We have improved the way we worked together—more clarity, more focus, more teamwork, fewer words, more action. We have been around the world and back together, always convinced that the mission was possible and that you would give it your best. You have respected me. I have respected you, and I thank you.

To you, to the Board of the world, you have put your trust in me, and I have put my trust in you. Never was it so palatable to me than when after diligent consideration and having been duly informed by our General Counsel and outside counsel, you reaffirmed your trust in me despite ongoing legal

proceedings in France. You reelected me for a second term because you know me, you know my principles, my sense of duty and service, and my integrity.

The composition of this Board changes over time, but there are traditions, and there is a culture that keeps it together: engaged, demanding, challenging, duty-bound, and dutiful. Actually, you have to be dutiful to read those hundreds of pages, day in and day out. I have enjoyed all of our meetings, debating issues and facilitating the decisionmaking process. You showed scrutiny, and that is good, but you did not and you should not lose sight of the essential, and that is when the Board is at its best. Thank you.

To the United States, my second home, my second family, thank you for your hospitality, for the excellent support and encouragement that you have given me during those eight years, and thank you for coming around to the right decision at the end of the day, as Churchill would have said in a much better way.

Let me turn to legacy very quickly. It has been a journey in rough seas, from the stormy ones of 2011 with the European sovereign debt crisis picking up pace, to the Ebola crisis taking lives; from including the renminbi in the SDR basket of currencies, to increasing massively our resources to US\$1 trillion; from committing half of that over those eight years, to locking in zero percent interest rates for LICs; from streamlining processes, to focusing on the GPA; from developing a network of capacity development centers with a clear focus on developing countries, to going online with our training and technical assistance; to being loyal to our mission, to reinventing ourselves; from swinging offices to closing down streets; from 6 minutes to 4 minutes; from our dedication to core, to mainstreaming the non-core—gender, climate, inequality, corruption, to name only a few; from obscure press releases, to social media and reaching out—we have revisited together many corners of the Fund, lifted its reputation, given it a new face and standing in the international community.

The critics will zero in on a few shortcomings and only a couple of countries out of the 35. I say, look at the whole picture; do not be blinded. The critics are welcome, and they help. They push us further and forward, but they are surprisingly always ex post. The truth is that the Fund has changed; the silos have crumbled; the stigmas have faded, and yet the job is unfinished and will never be finished because the world economy changes, and the Fund should be the mirror of the world economy.

The Fund is strong and solid and needs to be kept that way. It will do so if it is financially strengthened and if its credibility is reinforced by adequate representation at all levels. As you see the back of me—which saddens me enormously, but I have been drafted to a new front—and a new Managing Director comes in, I have no doubt in my mind whatsoever that she will continue the journey with her talent, stamina, and determination. I wish her, the Fund, and each and every one of you on the Board, the best of luck. I want to tell you what I will keep in my mind. For every adversarial moment, there is a moment like that, and we should not forget that for every Tokyo, there is a Sendai, and that for every Bali, there is a Lombok, and that for all the damage that we do, there is that little bird on the beach of Mauritania that takes off and has my name. There are big, semi-circle structures of coral on the beaches of Bali which are now, I am told, 80 percent covered with coral and more. This is what I want to keep in my mind. Thank you.

APPROVAL: May 7, 2020

JIANHAI LIN
Secretary