

SDR allocations: COVID-19 vaccine purchase example

Step 1: Allocation of SDRs

The IMF allocates SDRs. Country A receives an amount in proportion to its share in the IMF.



Step 2: Trade SDRs for currency

Country A can exchange its SDRs with Country B for foreign currency reserves.



Step 3: Acquire vaccines

Country A can then use these foreign currency reserves to purchase vaccines.

