

IMF Publication

Update on the Financing of the Fund's Concessional Assistance and Debt Relief to Low-Income Member Countries

INTERNATIONAL MONETARY FUND

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**Update on the Financing of the Fund's Concessional Assistance
and Debt Relief to Low-Income Member Countries**

Prepared by the Finance Department

(In consultation with the Legal and Strategy, Policy, and Review Departments)

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EXECUTIVE SUMMARY

Comprehensive reforms of the Fund's concessional lending facilities for LICs and the associated financing framework became effective on January 7, 2010. The new architecture of facilities and the new financing framework are now fully operational.

In March 2010, the Board endorsed measures to facilitate mobilization of loan resources for the PRGT. These include a voluntary encashment regime allowing loans of participating lenders to qualify as reserve assets; the issuance of PRGT notes; and a revised framework for lending in SDRs. Decisions to implement the new framework will be considered shortly; upon approval, consents will be sought from current PRGT lenders.

Demand for PRGT loans through 2014 is expected to remain broadly in line with the earlier projection of SDR 11.3 billion. New concessional loans of SDR 2.5 billion were committed in 2009 and latest projections point to a similar level in 2010, only slightly below the previous projection.

Members have responded positively to the Managing Directors fund-raising request but additional loan resources are urgently needed to ensure funding of the PRGT. Ten members have pledged about SDR 7.6 billion in additional loan resources, compared to the target of SDR 10.8 billion (including provision for a liquidity buffer to facilitate encashment). If new loan or note purchase agreements are not finalized quickly, available uncommitted loan resources could soon be depleted.

The package approved by the Executive Board in July 2009 for securing needed subsidies remains adequate to finance the potential PRGT demand through 2014.

Seventeen members have committed additional subsidies totaling SDR 113 million, compared to the target of SDR 0.2–0.4 billion. It is important that additional bilateral subsidy contributions are forthcoming to complete this financing package. Remaining pledges made in the previous PRGF and ESF fund-raising rounds should also be disbursed as soon as possible.

Available subsidy resources for EPCA/ENDA are likely to be sufficient to subsidize the remaining EPCA/ENDA credit, including for the temporary interest relief.

Available resources in the HIPC/MDRI accounts are projected to be sufficient to cover debt relief to the remaining HIPCs and MDRI cases. A surplus of SDR 260–290 million is projected in the MDRI-I Trust. However, substantial additional HIPC resources will be needed when Somalia and Sudan are ready to embark on the HIPC Initiative.

Liberia is making rapid progress toward the HIPC completion point, which is expected to be reached in 2010. Those members that have not yet disbursed their pledges should do so as soon as possible.

I. INTRODUCTION

1. **This paper reviews the status of financing for the Fund's concessional lending and debt relief activities for low-income countries (LICs).**¹ It is based on the latest available data and projections, and it takes into account the commitments made so far in response to the Managing Director's fund-raising request of August 2009.

2. **The paper is organized as follows.** Section II summarizes: (i) the comprehensive reforms of the Fund's concessional lending instruments and the associated financing framework that have become effective since the last review; and (ii) the measures that the Board recently endorsed to facilitate the needed mobilization of loan resources. Section III on the financing of PRGT operations begins by reviewing the projected financing needs established in July 2009 in light of recent commitments under the PRGT, and then considers the status of loan and subsidy resources, before discussing developments in the PRGT Reserve Account. Sections IV and V provide updates on the subsidization of emergency assistance and the financing of debt relief under the HIPC and MDRI.

II. REFORM OF LIC FACILITIES AND FINANCING FRAMEWORK

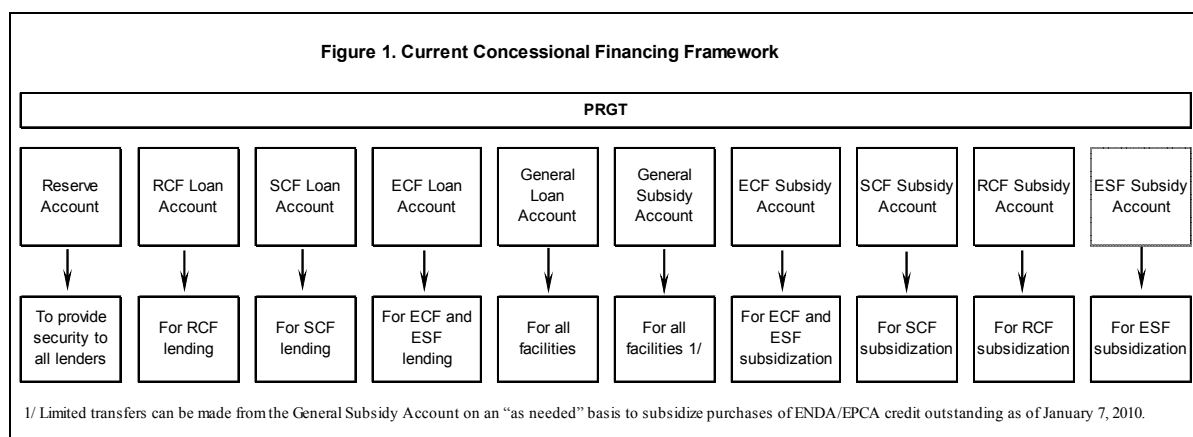
3. **In July 2009, the Executive Board approved far-reaching reforms of the Fund's concessional lending facilities for low-income countries (LICs).** These reforms created a new architecture of facilities that is more flexible and tailored to the increasing diversity of LICs and their needs.² As part of the reform package, the Board also approved a new concessional financing framework, and the PRGF-ESF Trust was renamed the Poverty Reduction and Growth Trust (PRGT). These reforms became effective on January 7, 2010, when all current lenders and subsidy contributors to the Trust provided their consent to the relevant amendments of the PRGT Instrument. Key elements of the reform package include:

- **A new architecture of concessional facilities**, with three distinct facilities—the Extended Credit Facility (ECF) to provide flexible medium-term support; the Standby Credit Facility (SCF) for addressing short-term and precautionary needs; and the Rapid Credit Facility (RCF) to provide emergency support.

¹ The decisions adopting both the PRG-HIPC Trust and MDRI Trust Instruments require that the Executive Board conduct semi-annual reviews of the financing of these Trusts (Decision No. 11436-(97/10), February 4, 1997, as amended; and Decision No. 13588-(05/99) MDRI, adopted November 23, 2005, and effective on January 5, 2006). Starting in 2002, staff has updated the Board regularly on the mobilization of resources for the subsidization of emergency assistance.

² See *IMF Reforms Financial Facilities for Low-Income Countries* (PIN/09/94, 7/29/09).

- **Higher concessionality of the Fund’s financial support**, provided in the form of exceptional interest relief to all LICs—zero percent interest on all concessional loans through end-December 2011 and subsidization of the rate of charge to zero percent for subsidized EPCA/ENDA through end-January 2012—and thereafter a new interest rate structure to ensure a permanent increase in concessionality.
- **Increased flexibility of the Fund’s concessional financing framework under the PRGT.** To this end, a general loan account and a general subsidy account were established to receive and provide financing for all LIC facilities under the Trust. In addition, special loan and subsidy accounts for each of the new facilities would enable member countries to earmark their contributions for particular purposes, if they wish to do so (Figure 1).



4. **Following the effectiveness of the reform, the new PRGT financing framework was put in place.** The Trust now has four loan accounts and five subsidy accounts (see Figure 1). Existing loan agreements on January 7, 2010 were transferred to the ECF Loan Account. Similarly, subsidy resources in the PRGF or PRGF-ESF Subsidy Accounts were transferred to the ECF Subsidy Account, unless contributors requested that their resources be transferred to the new General Subsidy Account (GSA) or the Special Subsidy Accounts. In addition, some contributors requested the balances of their contribution in the ESF Subsidy Account be transferred to the GSA and the Special Subsidy Accounts (Table 1).

Table 1. Transfer of Bilateral Contributions to the PRGT Subsidy Accounts
(In millions of SDRs; as of January 8, 2010)

General Subsidy Account	ECF Subsidy Account 1/	SCF Subsidy Account	RCF Subsidy Account	ESF Subsidy Account	Total
256.2	168.6	8.2	6.7	0.04	439.8

1/ In addition, the IMF's SDA resources of SDR 644 million in the PRGF-ESF Subsidy Account were transferred to the ECF Subsidy Account upon the effectiveness of the reform.

5. **In March 2010, the Board endorsed a number of measures to facilitate mobilization of additional loan resources for the PRGT, including the greater use of SDRs.** Most Directors supported proposals to allow the issuance of PRGT notes, and to create a voluntary encashment regime allowing lending of participating creditors to qualify as reserve assets. The Board will consider shortly decisions to implement these measures to facilitate the mobilization of PRGT loan resources, after which lenders' consents will be sought.

6. **A financing package to boost the Fund's concessional lending to SDR 11.3 billion through 2014 was also approved at the time of the reforms to LIC facilities.** This package envisaged new loan contributions of SDR 9 billion to meet projected demand. Following the Board's endorsement of the creation of a voluntary encashment regime that would require a liquidity buffer of 20 percent, the target for the mobilization of loan resources has been raised to SDR 10.8 billion. The financing package included new subsidy resources of SDR 1.5 billion (end-2008 NPV terms). Most of the additional subsidies are to be financed from the Fund's internal resources—including transfers from the PRGT Reserve Account, delaying reimbursement of the GRA for PRGT administrative costs, and use of resources linked to gold sales. New bilateral subsidy contributions of SDR 0.2–0.4 billion (end-2008 NPV terms) are also required to complete the financing package. The Managing Director has approached a wide spectrum of the membership to mobilize the necessary loan and subsidy resources.

III. FINANCING OF PRGT OPERATIONS

A. Projected Financing Needs

7. **The demand for the Fund's concessional financing has so far has been broadly in line with staff projections at the time of the July 2009 discussion of LIC reforms, which indicated that demand could reach SDR 11.3 billion through 2014.** In 2009, new PRGT commitments of SDR 2.5 billion were sharply higher than in 2008 and broadly in line with the projection of SDR 2.7 billion (Figure 2). New commitments included: (i) SDR 1.2 billion for six countries with new ECF arrangements; (ii) augmentations totaling

SDR 0.3 billion under eight existing ECF arrangements; and (iii) ESF financing of about SDR 1.0 billion for twelve countries (Table 2). In the first three months of 2010, new PRGT commitments amounted to SDR 0.4 billion, including three new ECF arrangements, and two ECF augmentations.

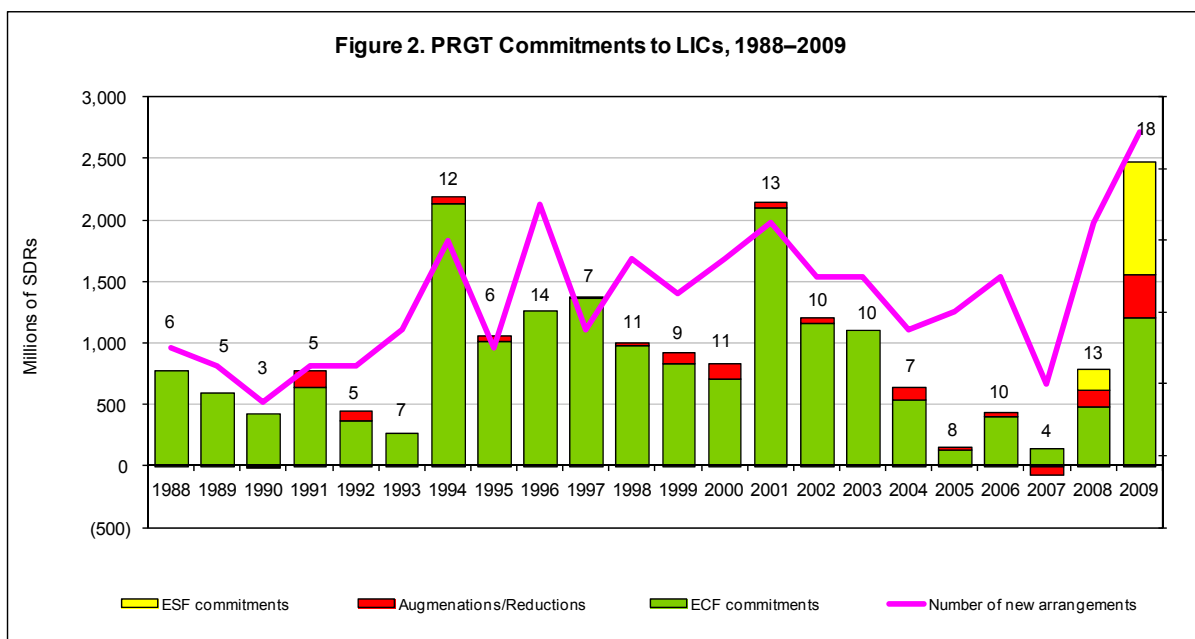


Table 2. New PRGT Commitments to LICs in 2009
(In millions of SDRs)

Country	Board approval	Amount	Country	Board approval	Amount
ECF		1,202.3	ESF		909.3
São Tomé and Príncipe	Mar-09	2.6	Ethiopia	Feb-09	33.4
Côte d'Ivoire	Mar-09	374.0	Democratic Rep. of Congo	Mar-09	133.3
Tajikistan	Apr-09	78.3	St. Vincent and Grenadines	May-09	3.7
Ghana	Jul-09	387.5	Kenya	May-09	135.7
Comoros	Sep-09	13.6	Tanzania	May-09	218.8
DRC	Dec-09	346.5	Mozambique	Jun-09	113.6
ECF augmentations		284.2	Cameroon	Jul-09	92.9
Haiti	Feb-09	24.6	Dominica	Jul-09	3.3
The Gambia	Feb-09	6.2	St. Lucia	Jul-09	6.9
Zambia	May-09	171.2	Ethiopia	Aug-09	153.8
Grenada	Jun-09	4.4	Maldives	Dec-09	8.2
Sierra Leone	Jun-09	10.4	Samoa	Dec-09	5.8
Benin	Jun-09	9.3	ESF augmentation		72.8
Central African Rep.	Jun-09	25.1	Senegal	Jun-09	72.8
Burkina Faso	Dec-09	33.1			
Total					2,468.6

8. **The global economy is regaining some growth momentum, but considerable uncertainties persist and staff currently sees no strong basis to revise the previous projections for total concessional financing.** The latest country-by-country information provided by area departments suggests that commitments in 2010 could amount to SDR 2.5 billion, only slightly below the previous projection.³ Demand over the following 4 years could also amount to about SDR 1.5–1.7 billion a year, double the long-term historical average of SDR 0.7 billion. In the event that demand through 2014 were to fall short of these projections, the financing package, including the envisaged subsidy resources, would support concessional lending beyond 2014 and allow a delayed start of the Reserve Account subsidization with a higher self-sustaining capacity than the current estimate of annual commitments of SDR 0.7 billion.

Table 3. Projections of Concessional Lending to LICs through 2014

Commitments	Actual annual average 2000-08 1/	Actual 2009	2010	2011-14	Total (2009-14)
In billions of SDR	0.7	2.5	2.5	6.4	11.3
In billions of US\$ 2/	1.0	3.7	3.7	9.6	17.0

1/ Excluding the very high level of lending committed to Pakistan in the aftermath of 9/11, and to Liberia in 2008 following arrears clearance.

2/ Assuming exchange rate of US\$1.5 per SDR.

B. Loan Resources

9. **Members have responded positively to the Managing Director's fund-raising request.** Ten members have pledged about SDR 7.6 billion in additional loan resources, of which SDR 1.1 billion has been secured (Table 4).⁴ Members committing the bulk of the loan resources have indicated that they wish to provide the resources by lending SDRs.

³ These projections are highly uncertain and sensitive to the timing of prospective programs, particularly some countries with large quotas. They also do not take into account the three protracted arrears cases (Somalia, Sudan, and Zimbabwe). Zimbabwe has protracted arrears to the PRGT and was removed from the list of PRGT-eligible countries (PR/01/40, 9/25/01).

⁴ New borrowing agreements have been signed with the Bank of Spain (SDR 405 million, effective on December 17, 2009), with Danmarks Nationalbank (SDR 200 million, effective on January 28, 2010), and the Government of Canada (SDR 500 million, effective on March 5, 2010).

Table 4. New Loan Commitments to the PRGT
(In millions of SDRs; end-March 2010)

	Amount 1/
Effective as of end-March 2010	1,105
1 Canada	500
2 Denmark	200
3 Spain	405
Pledged	6,535
4 France	1,317
5 Italy	800
6 Japan	1,800
7 Korea	500
8 Netherlands	500
9 Norway	300
10 U.K.	1,317
Total	7,640

1/ Calculated using the exchange rates as of end-March 2010.

10. **However, it is urgent that existing pledges be finalized and new pledges made to complete the loan package, as uncommitted loan resources could soon be depleted.**

Uncommitted PRGT loan resources, including the uncommitted balances of the recently agreed borrowing agreements with the Bank of Spain, Danmarks Nationalbank, and the Government of Canada, stood at about SDR 0.8 billion at end-March 2010. All of these uncommitted loan resources are available in the GLA. Following the Board's endorsement in March 2010 of a new framework for loan mobilization, loan resources totaling SDR 10.8 billion are being targeted to support the projected concessional lending of SDR 11.3 billion over the medium term. Considering that only SDR 1.1 billion of new loan resources have so far been secured, there is an urgent need to finalize borrowing agreements for the remaining pledged resources of SDR 6.5 billion, and to mobilize new pledges of SDR 3.2 billion (Table 5).

Table 5. PRGT Loan Resources Mobilization
(In billions of SDRs; end-March 2010)

Target for loan resource mobilization	10.8
of which: initial target	9.0
liquidity buffer needed	1.8
Effective new borrowing agreements 1/	1.1
Additional resources required	9.7
<i>Memorandum items:</i>	
Loan resources pledged but not yet available	6.5

1/ Secured from Canada, Denmark, and Spain.

C. Subsidy Resources

11. **Members have also responded positively to the Managing Director' request for subsidy resources.** So far 17 members have agreed to contribute a total of SDR 113 million in subsidy resources (Table 6). It is important that the targeted additional bilateral subsidy resources be mobilized and secured, to ensure that the Fund remains in a position to meet the needs of LICs.

12. **At end-January 2010, available subsidy resources amounted to SDR 1.4 billion, excluding contributions committed in the context of the current fund-raising effort.**⁵ This amount includes bilateral contributions of SDR 0.16 billion committed during the previous fund-raising exercises but not yet received. It also includes subsidy resources of SDR 0.1 billion of previously earmarked contributions received in the context of previous fund-raising rounds, which were made available at end-2009 for the subsidization of lending to all LICs.⁶ It is estimated that SDR 0.9 billion will be needed to subsidize existing PRGT commitments, and therefore SDR 0.5 billion is currently available to subsidize new lending.

⁵ This amount also excludes internal resources approved as part of the financing package of July 2009, under which it was agreed that: (i) the equivalent of SDR 0.62 billion (end-2008 NPV terms) may be transferred from the Reserve Account to the General Subsidy Account for the subsidization of the Fund's lending under the PRGT; (ii) for the financial years 2010 to 2012, no reimbursement shall be made to the General Resources Account from the Reserve Account of the PRGT for the cost of administering the PRGT. The estimated cost of administering the PRGT shall be transferred after the end of each such financial year from the PRGT Reserve Account (through the Special Disbursement Account) to the General Subsidy Account of the PRGT; and (iii) the use of SDR 0.5–0.6 billion (end-2008 NPV terms) linked to gold sales. See *IMF Reforms Financial Facilities for Low-Income Countries* (PIN/09/94, 7/29/09).

⁶ These contributions were initially made to subsidize the on-lending to the Trust over the term of the loans. The contributions exceeded the subsidy needs of the related loans, but the amount of this excess was not known until the loans were fully repaid. After discussions with the contributors, it was agreed in December 2009 that the excess be applied towards their new subsidy commitments to the PRGT. In addition, the Trust earned investment income on the unused contributions and the contributors further agreed to make available such investment earnings to meet the subsidy needs of the Trust.

Table 6. New Subsidy Commitments to the PRGT
(In millions of currency units; end-March 2010)

		Contributions pledged	
		Amount	SDR equivalent 1/
1	Algeria	SDR 2.3	2.3
2	Argentina	SDR 3.9	3.9
3	Australia	A\$30	17.6
4	Botswana	SDR 0.2	0.2
5	Canada	CAN\$40	25.9
6	Denmark	DKK 30	3.6
7	Italy	SDR 22.1	22.1
8	Korea	SDR 8.8	8.8
9	Kuwait	US\$3.9	2.6
10	Malta	SDR 0.2	0.2
11	Netherlands	SDR 9.5	9.5
12	Peru	SDR 1.2	1.2 2/
13	Qatar	SDR 0.6	0.6
14	Spain	SDR 9	9.0
15	Sweden	SEK 50	4.6
16	Trinidad and Tobago	SDR 0.6	0.6
17	Uruguay	SDR 0.6	0.6 2/
Total			113.3

1/ Calculated using the exchange rates as of end-March 2010.

2/ Reflecting net investment income (in end-2008 NPV terms) to be generated from deposit agreements, which are already in effect.

13. **These estimates suggest that the financing package approved in July 2009 remains adequate to ensure the availability of resources to subsidize the projected new lending through 2014.** This package would secure additional subsidy resources of SDR 1.5 billion (end-2008 NPV terms), and also allow the capacity of the projected self-sustained PRGT to remain at SDR 0.7 billion as envisaged previously. It is important that additional bilateral contributions be forthcoming to complete the approved financing package in support of the Fund's concessional lending to LICs. The remaining pledges made in the context of the previous PRGF and ESF fund-raising rounds should also be disbursed as soon as possible (Tables 7 and 8).

Table 7. PRG-HIPC Trust – Pending Contributions
(In millions of SDRs "as needed"; end-March 2010)

Venezuela	20.4	Dominican Republic	0.5
Argentina 1/	6.4	Lebanon	0.4
Gabon 1/	1.9	Grenada	0.1
Trinidad & Tobago	1.6	Vanuatu	0.1
Bahrain	0.9	Maldives	0.01
Total			32.2

1/ Remaining balances.

Table 8. ESF Subsidy Contributions
(In millions of currency units; end-March 2010)

Form of contribution		Contribution pledged		Contribution received
		(Amount)	(SDR equivalent) 1/	(SDR equivalent)
Canada	Grant	CAN\$ 25.0	14.3	15.0
France	Concessional loan	SDR 20.0 2/	20.0 2/	0.0
Iceland	Grant	ISK 10.2	0.1	0.1
Japan	Grant	SDR 20.0	20.0	17.0
Norway	Grant	SDR 24.7	24.7	11.1
Oman	Grant	SDR 3.0	3.0	2.2
Russian Federation	Grant	SDR 30.0	30.0	23.0
Saudi Arabia	Investment agreement	SDR 40.0 3/	40.0 3/	5.1
Spain	Grant	SDR 5.3	5.3	5.3
Trinidad and Tobago	Deposit agreement	SDR 0.8 3/	0.8 3/	0.2
United Kingdom	Grant	£ 50.0	52.9	39.8
Total			211.1	118.7

1/ Calculated using the exchange rates as of end-March 2010.

2/ To be generated from the concessional loan as an implicit subsidy.

3/ Reflecting net investment income (in end-2005 NPV terms) to be generated from investment/deposit agreements.

D. PRGT Reserve Account

14. The PRGT Reserve Account provides security to bilateral lenders in the event of a delay or nonrepayment by borrowers under all loan facilities of the Trust. The Account has been financed by reflows of Trust Fund and Structural Adjustment Facility (SAF) repayments and investment returns on the balances held in the Account. The balance in the Reserve Account stood at SDR 3.9 billion at end-2009, representing a substantial multiple of projected concessional loan repayments falling due in the next 12 months and about 79 percent of PRGT obligations (Appendix Table 4).⁷ It is estimated that the Reserve Account will continue to provide a loan coverage ratio of about 40 percent in the medium term, in line with the historical average.

⁷ This balance includes resources expected to be transferred to the PRGT General Subsidy Account.

15. **It is envisaged that the Fund’s concessional lending beyond 2014 could be subsidized by the resources in the Reserve Account on a “self-sustained basis” when the available subsidy resources are depleted.** Staff projections indicate that the Reserve Account could subsidize annual lending of about SDR 0.7 billion on a sustained basis starting in 2015, in line with the earlier estimates and consistent with the financing package adopted by the Board on July 23, 2009. As discussed in the previous updates, these projections are subject to significant uncertainties and important assumptions including: PRGT demand through 2014; the rate of investment return on the Reserve Account balance; interest rates paid to lenders; the resumption of the reimbursement of the GRA for PRGT administrative expenses; and repayments of overdue Trust Fund, SAF, and PRGT obligations by the protracted arrears cases once their arrears are cleared. In the event that PRGT demand through 2014 were to fall short of these projections, this would enable the financing package to support a higher self-sustaining capacity for the PRGT than the current estimate of SDR 0.7 billion annually.

IV. SUBSIDIZATION OF EMERGENCY ASSISTANCE

16. **The recent reform of LIC facilities has far-reaching implications for the Fund’s emergency assistance and subsidization for eligible members.** The Fund has provided emergency assistance (ENDA and EPCA) to help member countries in the wake of natural disasters or as they emerge from conflict. Since 2001, bilateral contributions have allowed the Fund to provide such assistance to PRGT-eligible members at a reduced rate of charge of 0.5 percent per annum (plus burden-shared adjustments).⁸ Subsidization of the rate of charge to zero percent for the ENDA/EPCA credits currently outstanding to PRGT-eligible members will be provided through end-January 2012. After that date, the rate of charge payable to the Fund by these members on their remaining outstanding credits will be subsidized down to an annual rate of 0.25 percent. In line with the LIC reforms, the administered account for ENDA/EPCA subsidies no longer provide subsidies for new ENDA/EPCA credits incurred after January 7, 2010.

17. **It is estimated that currently available subsidy resources in the EPCA/ENDA Administered Subsidy Account will be sufficient to subsidize the remaining EPCA/ENDA credits.** As of end-January 2010, available subsidy resources amounted to close to SDR 15 million. On January 7, 2010, five PRGT-eligible members had outstanding EPCA/ENDA credit amounting to SDR 154.1 million; one member had outstanding EPCA

⁸ The GRA rate of charge applied to EPCA/ENDA credit reflects adjustments for the financial consequences of protracted arrears under the burden sharing mechanism. This adjustment is determined after the end of each financial quarter. The current adjustment for deferred charges is 1 basis point (as of end-March 2010).

credit (Guinea-Bissau) and four members had outstanding ENDA credit (Bangladesh, Dominica, Maldives, and Sri Lanka).⁹ Also taking into account the additional interest relief to be provided through end-January 2012, it is estimated that available subsidy resources are likely to be sufficient for these credits. However, in case the subsidy resources in the EPCA/ENDA subsidy account are depleted, the recent amendments of the PRGT Instrument allow that subsidization of the remaining EPCA/ENDA credit would be provided from the PRGT GSA.

18. **The EPCA/ENDA Administered Subsidy Account will be maintained on a temporary basis for subsidizing EPCA/ENDA credit outstanding as of January 7, 2010.** Once these outstanding EPCA/ENDA credits are fully repaid (expected by April 2013), the EPCA/ENDA Administered Subsidy Account will be terminated. At that time contributors would be encouraged to transfer any balances in the account to the PRGT GSA or other special subsidy accounts of the PRGT (Appendix Table 5).

V. FINANCING OF HIPC AND MDRI DEBT RELIEF

19. **To date, the Fund has provided SDR 4.7 billion of debt relief to eligible countries.** This includes debt relief of SDR 2.3 billion to 35 countries under the HIPC Initiative and SDR 2.3 billion to 28 countries under the MDRI (Appendix Tables 6 and 7).¹⁰ A total of 28 countries have so far reached the completion point. Another seven countries have reached the decision point under the enhanced HIPC Initiative and received SDR 0.1 billion of HIPC Initiative interim assistance.

A. Remaining HIPCs

20. **Following the attainment of the HIPC completion point by two countries since the last update, the Fund's cost of debt relief to the remaining HIPCs is now estimated at SDR 0.3 billion in end-2009 NPV terms (Table 9).**¹¹ Two countries (Afghanistan and

⁹ On March 8, 2010, Sri Lanka and Maldives made a final repurchase of their outstanding ENDA credit of SDR 12.9 million and SDR 0.5 million, respectively.

¹⁰ MDRI debt relief has been provided to 26 of the 28 countries that have reached their HIPC completion points, and two non-HIPCs (Cambodia and Tajikistan) with per capita income of US\$380 or less.

¹¹ As of end-2009, excluding Somalia and Sudan. Members that are HIPC-eligible based on the ring-fencing exercise but have decided not to avail themselves of debt relief under the HIPC Initiative (Nepal and the Kyrgyz Republic) are excluded from this cost estimate. These members could reconsider their decision at any time, and the cost estimate would need to be revised accordingly. This cost estimate does not include Zimbabwe, which is currently not HIPC-eligible but could become eligible for HIPC debt relief if it is judged to meet the relevant criteria.

Republic of Congo) reached their completion points since the last update, and four countries (Republic of Congo, Democratic Republic of Congo, Cote d'Ivoire and Togo) received additional interim HIPC assistance of SDR 51.6 million.

21. **Available resources in the HIPC/MDRI accounts, at SDR 0.8 billion as of end-2009, are estimated to be sufficient to cover the projected cost.**¹² Specifically, available resources in the HIPC account are estimated to exceed the projected needs by about SDR 0.1 billion, largely reflecting lower than expected commitments of HIPC assistance for several countries and the decision by some members not to avail themselves of HIPC debt relief. These estimates are based on assumptions regarding the timing of HIPC decision and completion points and the future path of interest rates, which are all subject to uncertainty. Moreover, they do not take into account potential needs for HIPC topping-up assistance, which are difficult to predict.¹³ The two MDRI Trusts are estimated to have a surplus of about SDR 0.3 billion, mainly due to delay in reaching the completion point by the Democratic Republic of the Congo. Current projections suggest that the MDRI-I Trust will have a surplus of SDR 260–290 million, and a firmer estimate will be known in mid-year when the Democratic Republic of the Congo is expected to reach the completion point.

Table 9. Financing of Debt Relief to
the Remaining HIPCs
(In millions of SDRs; end-2009 NPV terms)

Resources available in	764
HIPC sub-account 1/	438
MDRI-I Trust	293
MDRI-II Trust	33
Projected financing needed from	312
HIPC sub-account	300
MDRI-I Trust	2
MDRI-II Trust	10
Remaining balance	452
HIPC sub-account	138
MDRI-I Trust	291
MDRI-II Trust	23

1/ Including resources in the HIPC Umbrella account.

¹² This excludes the costs of providing debt relief for Liberia that are to be covered by commitments from other members (see paragraph 22).

¹³ To date, the Board has approved topping-up assistance to six countries (Burkina Faso, Ethiopia, Malawi, Niger, Rwanda, and São Tomé and Príncipe), amounting to SDR 63 million.

22. **Resources committed by members for Liberia’s debt relief are broadly sufficient for it to reach the completion point.** The estimated cost of debt relief to Liberia is about SDR 550 million (March 2008 NPV terms).¹⁴ This compares to pledged contributions from 102 members of SDR 547 million (Appendix Table 8). To date, 79 contributors have transferred SDR 438 million of their contributions to the Liberia Administered Account, while 12 others have placed their contributions of SDR 30 million in the PRG-HIPC Trust. Contributions made by the remaining 14 contributors totaling SDR 80 million have yet to be received. As Liberia is making rapid progress toward its HIPC completion point, it is important that these contributors disburse their commitments as soon as possible.¹⁵

B. Protracted Arrears Cases

23. **Providing debt relief to Somalia and Sudan would require substantial additional resources.** As of end-March 2010, the total stock of arrears of the two countries to the Fund amounted to SDR 1.2 billion. As the costs for providing debt relief to these countries were not included in the original financing framework of the HIPC Initiative and the MDRI,¹⁶ additional financing would need to be identified and secured when these members are ready to clear their arrears and embark on the HIPC Initiative.¹⁷ The approach developed for Liberia’s arrears clearance and debt relief, including the financing modalities, could provide a useful framework for Sudan and Somalia at an appropriate time.

24. **Additional resources could also potentially be needed to provide debt relief to Zimbabwe, if it were assessed to be eligible.** Zimbabwe is neither PRGT-eligible nor is it included in the list of “ring-fenced” countries that could benefit from the HIPC Initiative. However, when Zimbabwe is ready to clear its arrears to the PRGT (SDR 89.3 million at end-March 2010), an assessment of Zimbabwe’s eligibility for the HIPC Initiative would

¹⁴ This is comparable to the estimate in the last update paper but marginally higher than earlier estimates, reflecting the revised assumption on interest rates and the expected advancement of the completion point.

¹⁵ In the event that any of the committed resources are not disbursed before Liberia reaches its completion point or if there is a shortfall in cash terms, the balance needed for HIPC assistance would be met through the PRG-HIPC Trust. Subsequently, upon disbursement of the committed funds, these would be channeled to the PRG-HIPC Trust.

¹⁶ Neither Somalia nor Sudan are eligible for debt relief under the MDRI, as there would be no MDRI-eligible debt following the clearance of their arrears. It is possible, however, that they could be considered for “beyond-HIPC” debt relief, as was done in the case of Liberia.

¹⁷ In the context of the MDRI in 2005, the G-8 committed that donors would provide the extra resources necessary for full debt relief at completion point for the three protracted arrears cases (Liberia, Somalia, and Sudan).

need to be made based on the relevant criteria, including whether the NPV of its debt at end-2004 exceeded the HIPC thresholds. Additional resources may be needed to cover any such HIPC and “beyond-HIPC” debt relief for Zimbabwe.

Appendix Table 1. Summary of Bilateral Commitments to the PRGF-ESF and PRGF-HIPC Trusts
(In millions of SDRs; as of January 7, 2010)

	PRGF-ESF Trust 1/				PRGF-HIPC Trust	
	Subsidy contributions "as needed" 2/			Loan commitments	Subsidies and HIPC grant contributions "as needed" 2/	Of which: Pending "as needed" 2/
	For subsidization	For MDRI debt relief	Total			
TOTAL	2,183.6	1,120.0	3,303.6	17,534.7	1,562.3	32.2
Major industrial countries	1,412.0	818.8	2,230.8	14,034.8	880.5	--
Canada	147.2	84.8	232.0	1,200.0 3/	48.8	--
France	233.8	116.4	350.2	3,570.0 4/	82.2	--
Germany	113.2	66.1	179.4	2,750.0	127.2	--
Italy	149.8	84.4	234.2	1,380.0	63.6	--
Japan	401.9	253.4	655.3	5,134.8	144.0	--
United Kingdom	266.2	155.4	421.6	--	82.2	--
United States	99.8	58.3	158.1	--	332.6	--
Other advanced countries	645.6	250.4	896.0	3,057.8	299.7	--
Australia	12.4	3.7	16.1	--	24.8	--
Austria	61.0	--	61.0	--	14.3	--
Belgium	66.1	39.5	105.6	350.0	35.3	--
Denmark	40.4	23.6	64.0	300.0 3/	18.5	--
Finland	25.9	15.1	41.1	--	8.0	--
Greece	22.8	13.3	36.2	--	6.3	--
Iceland	2.6	1.5	4.2	--	0.9	--
Ireland	5.4	2.4	7.7	--	5.9	--
Israel	--	--	--	--	1.8	--
Korea	39.4	21.0	60.4	92.7	15.9	--
Luxembourg	12.9	--	12.9	--	0.7	--
Netherlands	128.5	--	128.5	450.0	45.4	--
New Zealand	--	--	--	--	1.7	--
Norway	26.8	15.7	42.5	150.0	18.5	--
Portugal	2.6	1.4	4.0	--	6.6	--
San Marino	--	--	--	--	0.0*	--
Singapore	11.1	6.5	17.6	--	16.5	--
Spain	13.5	3.1	16.7	1,113.4 3/	23.3	--
Sweden	109.0	65.0	174.0	--	18.3	--
Switzerland	65.1	38.5	103.6	601.7	37.0	--
Fuel exporting countries	10.2	6.1	16.3	49.5	114.3	23.2
Algeria	--	--	--	--	5.5	--
Bahrain	--	--	--	--	0.9	0.9
Brunei Darussalam	--	--	--	--	0.1	--
Gabon	--	--	--	--	2.5	1.9
Iran, Islamic Republic of	1.0	0.6	1.5	--	2.2	--
Kuwait	--	--	--	--	3.1	--
Libya	--	--	--	--	7.3	--
Nigeria	--	--	--	--	13.9	--
Oman	--	--	--	--	0.8	--
Qatar	--	--	--	--	0.5	--
Saudi Arabia	9.2	5.5	14.7	49.5	53.5	--
United Arab Emirates	--	--	--	--	3.8	--
Venezuela	--	--	--	--	20.4	20.4

Appendix Table 1 (continued). Summary of Bilateral Commitments to the PRGF-ESF and PRGF-HIPC Trusts
(In millions of SDRs; as of January 7, 2010)

	PRGF-ESF Trust 1/			Loan commitments	PRGF-HIPC Trust	
	Subsidy contributions "as needed" 2/				Subsidies and HIPC grant contributions "as needed" 2/	Of which: Pending "as needed" 2/
	For subsidization	For MDRI debt relief	Total committed			
Other developing countries	104.0	44.8	148.8	355.6	224.7	9.1
Argentina	19.7	11.5	31.2	--	16.2	6.4
Bangladesh	0.5	0.2	0.8	--	1.7	--
Barbados	--	--	--	--	0.4	--
Belize	--	--	--	--	0.3	--
Botswana	1.0	0.6	1.6	--	6.4	--
Brazil	--	--	--	--	15.0	--
Cambodia	--	--	--	--	0.0*	--
Chile	2.2	1.3	3.6	--	4.4	--
China	9.7	4.2	13.9	200.0	19.7	--
Colombia	--	--	--	--	0.9	--
Cyprus	--	--	--	--	0.8	--
Dominican Republic	--	--	--	--	0.5	0.5
Egypt	7.4	4.3	11.8	155.6	1.3	--
Fiji	--	--	--	--	0.1	--
Ghana	--	--	--	--	0.5	--
Grenada	--	--	--	--	0.1	0.1
India	11.7	--	11.7	--	22.9	--
Indonesia	3.7	2.1	5.8	--	8.2	--
Jamaica	--	--	--	--	2.7	--
Lebanon	--	--	--	--	0.4	0.4
Malaysia	19.1	11.2	30.3	--	12.7	--
Maldives	--	--	--	--	0.0*	0.0
Malta	0.9	0.5	1.3	--	1.1	--
Mauritius	--	--	--	--	0.1	--
Mexico	--	--	--	--	54.5	--
Micronesia, F. S.	--	--	--	--	0.0*	--
Morocco	5.4	3.2	8.6	--	1.6	--
Pakistan	2.1	0.3	2.5	--	3.4	--
Paraguay	--	--	--	--	0.1	--
Peru	--	--	--	--	2.5	--
Philippines	--	--	--	--	6.7	--
Samoa	--	--	--	--	0.0*	--
South Africa	--	--	--	--	28.6	--
Sri Lanka	--	--	--	--	0.6	--
St. Lucia	--	--	--	--	0.1	--
St. Vincent and the Grenadines	--	--	--	--	0.1	--
Swaziland	--	--	--	--	0.0*	--
Thailand	7.4	4.4	11.9	--	4.5	--
Tonga	--	--	--	--	0.0*	--
Trinidad and Tobago	--	--	--	--	1.6	1.6
Tunisia	0.6	0.3	0.9	--	1.5	--
Turkey	11.7	--	11.7	--	--	--
Uruguay	0.8	0.5	1.3	--	2.2	--
Vanuatu	--	--	--	--	0.1	0.1
Vietnam	--	--	--	--	0.4	--

Appendix Table 1 (concluded). Summary of Bilateral Commitments to the PRGF-ESF and PRGF-HIPC Trusts
(In millions of SDRs; as of January 7, 2010)

	PRGF-ESF Trust 1/				PRGF-HIPC Trust	
	Subsidy contributions "as needed" 2/			Loan commitments	Subsidies and HIPC grant contributions "as needed" 2/	Of which: Pending "as needed" 2/
	For subsidization	For MDRI debt relief	Total committed			
Countries in transition	11.8	--	11.8	--	42.9	--
Croatia	--	--	--	--	0.4	--
Czech Republic	11.8	--	11.8	--	4.1	--
Estonia	--	--	--	--	0.5	--
Hungary	--	--	--	--	6.0	--
Latvia	--	--	--	--	1.0	--
Poland	--	--	--	--	12.0	--
Russian Federation	--	--	--	--	14.6	--
Slovak Republic	--	--	--	--	4.0	--
Slovenia	--	--	--	--	0.4	--
<i>Memorandum Item:</i>						
OPEC Fund for International Development	--	--	--	37.0	--	--

* Less than SDR 5,000.

1/ Excludes the G-8 commitment of SDR 100 million in end-2005 NPV terms, new ESF subsidy contributions, and any contribution made in the context of the LIC reform of 2009. Reflects the retention in the Trust of overpayments of past subsidy contributions made by two contributors in the context of the establishment of the ESAF.

2/ Estimated values of total contributions include forthcoming contributions that are not yet received. The term "as needed" refers to the nominal sum of concessional assistance taking into account the profile of subsidy needs associated with PRGF lending and the provision of HIPC assistance, respectively.

3/ Including new borrowing agreement in support of 2009 reform of LIC facilities.

4/ Including a borrowing agreement in support of the establishment of the ESF.

Appendix Table 2. PRGT—Borrowing Agreements
(In millions of SDRs; as of end-March 2010)

	Effective date of agreement	Expiration date for drawings	Loan commitments	Amount Disbursed		Early repayment related to the MDRI	Amount outstanding
				Amount	In percent of commitment		
Belgium							
National Bank of Belgium 1/	Jul. 2, 1999	Dec. 31, 2018	350.0	350.0	100.0	163.0	138.3
Canada							
Government of Canada	Feb. 22, 1989	Dec. 31, 1997	300.0	300.0	100.0	16.1	--
Government of Canada	May 9, 1995	Dec. 31, 2005	400.0	400.0	100.0	121.2	118.0
Government of Canada	Mar. 5, 2010	Dec. 31, 2018	500.0	--	--	--	--
China							
Government of China 1/	Jul. 05, 1994	Dec. 31, 2014	200.0	200.0	100.0	49.0	80.6
Denmark							
National Bank of Denmark	May 3, 2000	Dec. 31, 2003	100.0	100.0	100.0	100.0	--
National Bank of Denmark	Jan. 28, 2010	Dec. 31, 2018	200.0	--	--	--	--
Egypt							
Central Bank of Egypt 1/	Jun. 13, 1994	Dec. 31, 2018	155.6	144.7	93.0	21.9	49.7
France							
Agence Française de Développement 2/	Apr. 05, 1988	Dec. 31, 1997	800.0	800.0	100.0	--	--
Agence Française de Développement 2/	Jan. 03, 1995	Dec. 31, 2005	750.0	750.0	100.0	--	122.1
Agence Française de Développement 1/ 2/	Dec. 17, 1999	Dec. 31, 2018	1,350.0	1,220.3	90.4	376.1	844.1
Agence Française de Développement 2/ 3/	Aug. 20, 2009	Dec. 31, 2014	670.0	207.8	31.0	--	207.8
Germany							
Kreditanstalt für Wiederaufbau	Mar. 31, 1989	Dec. 31, 1997	700.0	700.0	100.0	19.7	--
Kreditanstalt für Wiederaufbau	May 17, 1995	Dec. 31, 2005	700.0	700.0	100.0	313.0	76.4
Kreditanstalt für Wiederaufbau 1/	Jun. 19, 2000	Dec. 31, 2014	1,350.0	872.1	64.6	209.6	610.9
Italy							
Bank of Italy 4/	Oct. 04, 1990	Dec. 31, 1997	370.0	370.0	100.0	11.7	--
Bank of Italy 4/	May. 29, 1998	Dec. 31, 2005	210.0	210.0	100.0	170.9	--
Bank of Italy 1/	Mar. 1, 2000	Dec. 31, 2018	800.0	727.9	91.0	63.5	513.3
Japan							
Japan Bank for International Cooperation 5/	Apr. 12, 1988	Dec. 31, 1997	2,200.0	2,200.0	100.0	--	--
Japan Bank for International Cooperation 1/ 5/	Oct. 05, 1994	Dec. 31, 2018	2,934.8	2,895.8	98.7	--	1,468.4
Korea							
Bank of Korea	Apr. 20, 1989	Dec. 31, 1997	65.0	65.0	100.0	0.3	--
Bank of Korea	Jun. 20, 1994	Dec. 31, 2005	27.7	27.7	100.0	20.0	--
Netherlands							
Bank of the Netherlands 1/	Sep. 29, 1999	Dec. 31, 2018	450.0	419.3	93.2	55.2	304.5
Norway							
Bank of Norway	Apr. 14, 1988	Dec. 31, 1997	90.0	90.0	100.0	2.7	--
Bank of Norway	Jun. 16, 1994	Dec. 31, 2005	60.0	60.0	100.0	32.5	--
OPEC Fund for International Development 6/	Dec. 20, 1994	Dec. 31, 2005	37.0	37.0	100.0	25.7	--
Spain							
Bank of Spain 7/	Jun. 20, 1988	Jun. 30, 1993	216.4	216.4	100.0	--	--
Government of Spain	Feb. 08, 1995	Dec. 31, 2005	67.0	67.0	100.0	--	12.8
Bank of Spain 1/	Feb. 14, 2000	Dec. 31, 2018	425.0	369.0	86.8	41.4	327.6
Bank of Spain	Dec. 17, 2009	Dec. 31, 2018	405.0	--	--	--	--
Switzerland							
Swiss Confederation 8/	Dec. 23, 1988	Dec. 31, 1997	200.0	200.0	100.0	--	--
Swiss National Bank 1/	Jun. 22, 1995	Dec. 31, 2018	401.7	394.8	98.3	64.1	223.5
Subtotal			17,485.2	15,094.7	86.3	1,877.5	5,097.9
Associated Agreement - Saudi Fund for Development (SFD)	Feb. 27, 1989	-- 9/	49.5	49.5	100.0	--	--
Total Loan and Associated Loan Agreements 10/			17,534.7	15,144.2	86.4	1,877.5	5,097.9

1/ Including additional loan commitments for interim PRGF operations.

2/ Before April 17, 1998, known as Caisse Française de Développement.

3/ The loan commitment, which became effective on August 20, 2009, was made in the context of establishment of the ESF.

4/ In late 1999, the Bank of Italy replaced the Ufficio Italiano dei Cambi as lender to the PRGF Trust.

5/ On October 1, 1999, the Export-Import Bank of Japan merged with the Overseas Economic Cooperation Fund and became the Japan Bank for International Cooperation.

6/ The loan commitment is for the SDR equivalent of US\$50 million.

7/ The original loan commitment of the Bank of Spain was SDR 220 million; however, only SDR 216.4 million was drawn and disbursed by the expiration date for drawings.

8/ The full loan commitment of SDR 200 million was drawn in January 1989; this amount was fully disbursed to borrowers by March 1994.

9/ On August 26, 1998, the SFD indicated that it did not intend to make further loans in association with the PRGF.

10/ Any mismatch of outstanding resources between the amount owed by PRGF borrowers and the amount owed to PRGF lenders arises because of mismatches in timing between drawdowns from lenders to the Trust and disbursements of PRGF loans to borrowers.

Appendix Table 3. PRGT—Subsidy Agreements 1/
(In millions of SDRs; as of end-March 2010)

	Effective date of agreement	Vehicle 2/	Deposit/Investment Amount			Interest Rate (percent)	Maturity (years)
			Agreed	Received	Outstanding		
Austria							
Austrian National Bank	Jun. 8, 1988	Admin. Account	60.0	60.0	—	0.5	5½–10
Austrian National Bank	Apr. 19, 1994	Admin. Account	50.0	50.0	—	0.5	5½–10
Belgium							
National Bank of Belgium	Jun. 30, 1989	Admin. Account	100.0	100.0	—	0.5	10
National Bank of Belgium	Apr. 21, 1994	Admin. Account	80.0	80.0	—	0.5	10
Botswana							
Bank of Botswana 3/ 4/	Jun. 30, 1994	Admin. Account	6.9	6.9	—	2.0	10
Chile							
Banco Central de Chile	Aug. 24, 1994	Admin. Account	15.0	15.0	—	0.5	5
Greece							
Bank of Greece	Nov. 30, 1988	Admin. Account	35.0	35.0	—	0.5	5½–10
Bank of Greece	Apr. 22, 1994	Admin. Account	35.0	35.0	—	0.5	5½–10
Indonesia							
Bank Indonesia 5/	Jun. 23, 1994	Admin. Account	25.0	25.0	—	—	10
Iran, Islamic Republic of							
Central Bank of Iran	May 24, 1994	Admin. Account	5.0	5.0	—	0.5	10
Malaysia							
Bank Negara Malaysia	May 17, 1988	Subsidy Account	40.0	40.0	—	0.5	10
Bank Negara Malaysia 4/	Jun. 30, 1994	Subsidy Account	40.0	40.0	—	2.0	10
Malta							
Central Bank of Malta	Dec. 13, 1989	Subsidy Account	1.4	1.4	—	0.5	13
Central Bank of Malta	May 27, 1994	PRGF-ESF Subsidy Account	1.4	1.4	—	0.5	13
Pakistan							
State Bank of Pakistan 6/	Apr. 21, 1994	ECF Subsidy Account	10.0	10.0	10.0	0.5	16
Peru							
Banco Central de Reserva del Peru 7/	Jan. 29, 2010	General Subsidy Account	6.1	6.1	6.1	0.1	7
Portugal							
Banco do Portugal	May 5, 1994	Admin. Account	13.1	13.1	—	0.5	6–10
Saudi Arabia							
The Saudi Fund for Development and the Kingdom of Saudi Arabia 8/	April 11, 2006	General Subsidy Account	132.6	38.2	38.2	0.5	15½
Singapore							
Monetary Authority of Singapore	Nov. 4, 1988	Subsidy Account	40.0	40.0	—	2.0	10
Monetary Authority of Singapore 4/	May 20, 1994	Subsidy Account	40.0	40.0	—	2.0	10
Spain							
Government of Spain 9/	Feb. 8, 1995	General Subsidy Account	60.3	43.3	17.2	0.5	10
Thailand							
Bank of Thailand	Jun. 14, 1988	Subsidy Account	20.0	20.0	—	2.0	10
Bank of Thailand	Apr. 22, 1994	Subsidy Account	40.0	40.0	—	2.0	10
Trinidad and Tobago							
Government of Trinidad and Tobago	Dec. 7, 2006	ECF Subsidy Account	3.0	3.0	3.0	1.0	10
Tunisia							
Banque Centrale de Tunisie 10/	May 4, 1994	Subsidy Account	3.6	3.6	—	0.5	10
Uruguay							
Banco Central del Uruguay 11/	Jul. 7, 1994	Subsidy Account	7.2	7.2	—	—	10
Banco Central del Uruguay	Mar. 11, 2010	General Subsidy Account	2.0	2.0	2.0	—	10
Total			872.5	761.2	76.6		

1/ Subsidy contributions to the PRG Trust result from the difference between the investment income on contributions and the below market rate of interest paid to contributors.

2/ As a result of renaming of the PRG Trust and its subsidy accounts in January 2010, the name of subsidy account shown represents the current name of the account for deposits/investments that have not yet expired, and the old name of the account for deposits/investments that have been repaid.

3/ Equivalent of US\$10 million (at the exchange rate of June 29, 1994).

4/ The Fund made early repayments to Botswana, Malaysia, and Singapore on March 1, 2004.

5/ Interest rate paid is equivalent to the return on investment by the Fund on this deposit (net of any costs), less 2.0 percent per annum. If the interest rate obtained is less than 2.0 percent per annum, the deposit shall bear zero interest.

6/ All the deposits will be repaid together at the end of sixteen years after the date of the first deposit.

7/ Interest rate paid is 0.1 percent per annum until a subsidy contribution of SDR 1.2 million (end-2008 NPV) is reached. No interest will be paid if net investment earnings are lower than 0.1 percent per annum.

8/ Including (i) a new investment of SDR 38.2 million; and (ii) a rollover of two investments of SDR 49.8 million and SDR 27.9 million and of the deposit of SDR 16.7 million from the PRG-HIPC Trust upon their maturities in 2011, 2011-14, and 2018, respectively.

9/ The investment coincides with the repayment of each of the first nine (out of ten) semiannual installments of a drawing of the PRGT loan of SDR 67 million from the Government of Spain (the Instituto de Crédito Oficial).

10/ Equivalent of US\$5 million (at the exchange rate of May 11, 1994).

11/ Interest rate paid is equivalent to the return on this investment by the Fund (net of any costs), less 2.6 percent per annum. If the interest rate obtained by the Fund is 2.6 percent per annum or less, the investment shall bear zero interest.

Appendix Table 4. PRGT—Reserve Account Coverage
(Millions of SDRs; end-period)

	Reserve Account balance	Outstanding PRGT credit	Reserve coverage ratio (In percent)
	(A)	(B)	(A)/(B)
1988	169	103	164.1
1989	272	510	53.3
1990	395	795	49.7
1991	513	1,320	38.9
1992	630	1,786	35.3
1993	793	2,005	39.6
1994	1,009	2,786	36.2
1995	1,336	3,919	34.1
1996	1,716	4,446	38.6
1997	2,093	4,892	42.8
1998	2,345	5,421	43.3
1999	2,548	5,820	43.8
2000	2,714	5,773	47.0
2001	2,917	5,971	48.9
2002	3,079	6,636	46.4
2003	3,115	6,703	46.5
2004	3,174	6,632	47.9
2005	3,285	6,185	53.1
2006	3,392	3,656 ^{1/}	92.8
2007	3,557	3,673	96.8
2008	3,818	3,895	98.0
2009	3,926	4,965	79.1
<i>Memorandum item:</i>			
Projected PRGT repayments in 2010			632

^{1/} The decline in total PRGT credit outstanding by about 40 percent from 2005 reflects early repayments arising from the delivery of HIPC and MDRI debt relief.

Appendix Table 5. Subsidy Contributions for Emergency Assistance
(In millions; as of end-March 2010)

Contributor	Date of pledge	Contribution pledged	SDR equivalent 1/	Contribution received
Sub-Account 1: EPCA subsidization only				
Belgium	Mar. 2002	SDR 0.63	0.6	0.6
Canada	Oct. 2002	Can\$ 3.25	1.7	1.7
Norway	Jun. 2002	SDR 3.0	3.0	3.0
Sweden	Jan. 2002	SDR 0.8	0.8	0.8
Switzerland	Mar. 2002	US\$ 1.0	0.8	0.8
United Kingdom	Oct. 2001	£ 2.5	2.9	2.9
Sub Total			9.7	9.7
Sub-Account 2: ENDA subsidization only				
Australia	Jun. 2005	Aus\$ 2.0	1.1	1.1
Austria 2/	Apr. 2005	SDR 1.3	0.6	0.6
Canada	Feb. 2005	Can\$ 5.0	2.9	2.9
China	May 2005	US\$ 2.0	1.4	1.4
Germany 3/	Nov. 2005	Euro 1.65	1.4	1.4
India	Feb. 2005	SDR 1.5	1.5	1.5
Ireland	Nov. 2006	Euro 0.5	0.5	0.4
Japan	Apr. 2005	US\$ 2.5	1.7	1.7
Russia	Feb. 2005	US\$ 1.5	1.0	1.0
Saudi Arabia	Apr. 2005	US\$ 4.0	2.6	1.3
Switzerland	Feb. 2005	US\$ 2.0	1.4	1.4
Sub Total			16.0	14.6
Sub-Account 3: Subsidization of EPCA and ENDA				
France	Jan. 2005	Euro 1.5	1.2	1.2
Korea	Jul. 2009	KRW 1,000	0.5	0.5
Luxembourg 4/	Feb. 2005	Euro 1.25	1.1	1.1
Luxembourg	Nov. 2008	Euro 0.5	0.5	0.5
Netherlands 5/	Mar. 2002	US\$ 2.0	1.5	1.5
Netherlands	Mar. 2005	US\$ 2.0	1.4	1.4
Norway	Feb. 2005	NKr 10.0	1.1	1.1
Sweden	Feb. 2005	US\$ 10.0	6.6	6.6
United Kingdom	Feb. 2005	£ 1.0	1.2	1.2
Sub Total			15.1	15.1
Total			40.9	39.5
<i>Memorandum item:</i>				
Pledges made since beginning of 2005			29.6	28.2

1/ For contributions which have been fully received, the SDR equivalent is the actual SDR amount received using the exchange rate on the value date. For contributions that are not yet disbursed, the SDR equivalent is calculated using the exchange rate at end-March 2010.

2/ Reflecting investment income to be generated on a deposit agreement, effective May 2006.

3/ To subsidize the rate of charge on purchases by Sri Lanka and Maldives under ENDA following the 2004 Tsunami.

4/ Existing contribution, previously earmarked for ENDA.

5/ Existing contribution, previously earmarked for EPCA.

Appendix Table 6. Implementation of the HIPC Initiative
(Millions of SDRs; end-March 2010)

	Decision point	Completion point	Amount committed	Amount disbursed 1/
Completion point countries (28)			1,602	1,721
1	Afghanistan 2/	Jul-07	Jan-10	-
2	Benin	Jul-00	Mar-03	18
3	Bolivia	Feb-00	Jun-01	62 3/
4	Burkina Faso	Jul-00	Apr-02	44 3/
5	Burundi	Aug-05	Jan-09	19
6	Cameroon	Oct-00	Apr-06	29
7	Central African Republic	Sep-07	Jun-09	17
8	Congo, Rep. of	Mar-06	Jan-10	5
9	Ethiopia	Nov-01	Apr-04	45
10	Gambia, The	Dec-00	Dec-07	2
11	Ghana	Feb-02	Jul-04	90
12	Guyana	Nov-00	Dec-03	57 3/
13	Haiti	Nov-06	Jun-09	2
14	Honduras	Jun-00	Apr-05	23
15	Madagascar	Dec-00	Oct-04	14.7
16	Malawi	Dec-00	Aug-06	33
17	Mali	Sep-00	Mar-03	46 3/
18	Mauritania	Feb-00	Jun-02	35
19	Mozambique	Apr-00	Sep-01	107 3/
20	Nicaragua	Dec-00	Jan-04	64
21	Niger	Dec-00	Apr-04	31
22	Rwanda	Dec-00	Apr-05	47
23	São Tomé and Príncipe	Dec-00	Mar-07	1
24	Senegal	Jun-00	Apr-04	34
25	Sierra Leone	Mar-02	Dec-06	100
26	Tanzania	Apr-00	Nov-01	89
27	Uganda	Feb-00	May-00	120 3/
28	Zambia	Dec-00	Apr-05	469
Decision point countries (7)			730	108
29	Chad	May-01	Floating	14
30	Congo, Dem. Rep. of	Jul-03	Floating	228
31	Côte d'Ivoire	Apr-09	Floating	25
32	Guinea	Dec-00	Floating	24
33	Guinea-Bissau	Dec-00	Floating	9
34	Liberia	Mar-08	Floating	428
35	Togo	Nov-08	Floating	0.2
Pre-decision point countries (3)				
36	Comoros	...	...	...
37	Eritrea	...	...	...
38	Kyrgyz Republic	...	...	...
Protracted arrears cases (2)				
39	Somalia	...	...	...
40	Sudan	...	...	...
Total			2,349 4/	1,829

1/ Includes the commitment made in NPV terms plus interest earned on that commitment.

2/ At the time of its decision point, Afghanistan did not have any outstanding eligible debt.

3/ Includes commitment under the original HIPC Initiative.

4/ Including SDR 17 million committed to Côte d'Ivoire under the original HIPC Initiative.

Appendix Table 7. Debt Relief Following Implementation of the MDRI
(Millions of SDRs; end-March 2010)

		Delivery date	Fund credit from disbursements prior to end-2004	Financed by HIPC umbrella sub-accounts 2/	Remaining MDRI-eligible credit	Financed by	
						MDRI-I Trust	MDRI-II Trust
			(A)	(B)	(C=A-B=D+E)	(D)	(E)
HIPC countries (26) 1/			2,614	422	2,192	1,104	1,088
1	Benin	Jan. 2006	36	2	34	-	34
2	Bolivia	Jan. 2006	161	6	155	-	155
3	Burkina Faso	Jan. 2006	62	5	57	57	-
4	Burundi	Feb. 2009	26	17	9	9	-
5	Cameroon	Apr. 2006	173	24	149	-	149
6	Central African Rep.	Jul. 2009	4.0	2	2	2	-
7	Congo, Rep. of	Jan. 2010	7.9	3	4.8	-	5
8	Ethiopia	Jan. 2006	112	32	80	80	-
9	Gambia	Dec. 2007	9	2	7	7	-
10	Ghana	Jan. 2006	265	45	220	220	-
11	Guyana	Jan. 2006	45	13	32	-	32
12	Honduras	Jan. 2006	107	9	98	-	98
13	Madagascar	Jan. 2006	137	9	128	128	-
14	Malawi	Sep. 2006	38	23	15	15	-
15	Mali	Jan. 2006	75	13	62	62	-
16	Mauritania	Jun. 2006	33	3	30	-	30
17	Mozambique	Jan. 2006	107	24	83	83	-
18	Nicaragua	Jan. 2006	140	49	92	-	92
19	Niger	Jan. 2006	78	18	60	60	-
20	Rwanda	Jan. 2006	53	33	20	20	-
21	São Tomé and Príncipe	Mar. 2007	1	0	1	1	-
22	Senegal	Jan. 2006	100	6	95	-	95
23	Sierra Leone	Dec. 2006	117	41	77	77	-
24	Tanzania	Jan. 2006	234	27	207	207	-
25	Uganda	Jan. 2006	88	12	76	76	-
26	Zambia	Jan. 2006	403	4	398	-	398
Non-HIPC countries (2) 3/			126	-	126	126	-
27	Cambodia	Jan. 2006	57	-	57	57	-
28	Tajikistan, Rep. of	Jan. 2006	69	-	69	69	-
Total			2,740.1	421.9	2,318.2	1,230.3	1,087.9

1/ Afghanistan and Haiti did not have MDRI-eligible credit and did not receive MDRI debt relief.

2/ Balances available at the time of MDRI debt relief.

3/ Non-HIPCs but qualified for MDRI debt relief with a per capita income below the US\$380 threshold.

Appendix Table 8. Commitments to Finance the Cost of
IMF's Debt Relief to Liberia
(In millions of SDRs; in March 14, 2008 NPV terms)

	Commitments 1/	Of which, to be disbursed
Total (102)	547.4	79.7
G-8 countries (8)	326.8	50.6
Canada	11.4	-
France	26.0	-
Germany	44.5	44.5
Italy	21.5	-
Japan	47.4	6.1
Russian Federation	35.4	-
United Kingdom	20.8	-
United States	119.8	-
Other FTP participants (34)	146.9	6.3
Australia	4.1	-
Austria	4.9	4.9
Belgium	7.6	-
Botswana	0.2	-
China	12.7	-
Cyprus	0.2	-
Czech Republic	2.2	-
Denmark	3.8	-
Finland	2.9	-
Greece	1.3	-
Hungary	5.6	-
India	11.2	-
Ireland	2.1	-
Israel	1.1	-
Kazakhstan	1.0	-
Korea	7.1	-
Kuwait	2.8	-
Luxembourg	0.4	-
Malaysia	3.6	-
Mauritius	0.2	0.2
Mexico	7.7	-
Netherlands	11.1	-
New Zealand	1.1	-
Norway	6.1	-
Poland	3.7	1.2

Appendix Table 8 (continued). Commitments to Finance the Cost of
IMF's Debt Relief to Liberia
(In millions of SDRs; in March 14, 2008 NPV terms)

	Commitments 1/	Of which, to be disbursed
Portugal	2.9	-
Saudi Arabia	11.2	-
Singapore	2.0	-
Slovak Republic	1.6	-
Slovenia	0.5	-
		-
Spain	10.7	-
Sweden	5.1	-
Switzerland	6.3	-
Thailand	1.8	-
Non-FTP countries (60)	73.7	22.8
Albania	0.1	-
Algeria	1.9	-
Angola*	0.0	-
Argentina	5.2	5.2
Armenia*	0.0	-
Belize	0.1	-
Brazil	16.9	16.9
Bulgaria	1.8	-
Burkina Faso	0.1	0.1
Burundi *	0.0	-
Cambodia *	0.0	-
Cameroon	0.6	-
Central African Republic	0.1	-
Chad *	0.0	0.05
Congo, Dem. Rep. of	2.8	-
Côte d'Ivoire	1.8	-
Croatia	0.5	-
Dominica *	0.0	-
Egypt	1.2	-
Estonia	0.2	-
Gabon	0.6	-
Gambia	0.1	-
Ghana	1.3	-
Guinea	0.1	-
Guinea-Bissau *	0.0	0.01
Iceland	0.1	-
Indonesia	5.1	-
Iran *	0.0	-
Jamaica	2.1	-
Kenya	0.8	-

Appendix Table 8 (concluded). Commitments to Finance the Cost of
IMF's Debt Relief to Liberia
(In millions of SDRs; in March 14, 2008 NPV terms)

	Commitments 1/	Of which, to be disbursed
Latvia	0.3	-
Lesotho *	0.0	-
Liberia	2.1	-
Libya	4.5	-
Lithuania	0.7	-
Macedonia	0.1	-
Madagascar	0.3	-
Malawi	0.2	-
Mali	0.2	0.2
Malta	0.4	-
Mauritania	0.2	-
Morocco	2.3	-
Namibia *	0.0	-
Nepal	0.1	-
Nicaragua	0.1	-
Pakistan	6.1	-
Papua New Guinea	0.4	-
Philippines	1.6	-
Romania	1.6	-
Rwanda	0.1	0.1
Samoa *	0.0	0.01
Senegal *	0.0	-
Sierra Leone	0.4	0.4
South Africa	1.8	-
Sri Lanka	1.7	-
Togo	0.1	-
Ukraine	2.5	-
Uruguay	0.7	-
Yemen, Republic of	0.4	-
Zambia	1.2	-

* Amounts less than SDR 50,000.

1/ Including interest earned in the Liberia Interim Administered Account from the early contributions made by several contributors prior to March 14, 2008.

Appendix Table 9. Information on Pending Bilateral Contributions to the PRG-HIPC Trust 1/
(Status as of end-March 2010)

Country	Status
Argentina:	The remaining balance of SDR 6.4 million (as needed) of its pledged contribution to be financed from its Post-SCA-2 balance of SDR 6.4 million.
Bahrain:	Contribution of income on an interest-free deposit through 2018.
Dominican Republic:	Contribution of net income on a deposit through 2018 to be financed from its Post-SCA-2 balance of SDR 1.2 million at 1 percent per annum.
Gabon:	The remaining balance of SDR 1.9 million (as needed) of its pledged contribution to be financed by grants.
Grenada:	Contribution of net income on a deposit for 10 years of SDR 0.20 million at 0.5 percent per annum.
Lebanon:	Contribution of income on an interest-free deposit through 2018.
Maldives:	Contribution of income on an interest-free deposit through 2018.
Trinidad and Tobago:	Contribution of income on an interest-free deposit of its Post-SCA-2 balance of SDR 2.9 million.
Vanuatu:	Grant contribution of its Post-SCA-2 balance of SDR 0.06 million.
República Bolivariana de Venezuela:	Prepared to contribute based on its quota-based share. Contribution could be financed through use of its Post-SCA-2 balance of SDR 35.1 million.

1/ Reflects pledged contributions which are not yet effective. Post-SCA-2 amounts shown include refunds of SCA-2 resources and accumulated interest income.