



June 8, 2021

TEMPORARY MODIFICATIONS TO ACCESS LIMITS UNDER THE LARGE NATURAL DISASTER WINDOW OF THE RAPID CREDIT FACILITY AND OF THE RAPID FINANCING INSTRUMENT

EXECUTIVE SUMMARY

To help support members faced with the COVID-19 pandemic, the Fund temporarily increased certain access limits to its emergency financing (EF) instruments, i.e., Rapid Credit Facility (RCF) and Rapid Financing Instrument (RFI). While this expanded support has been critical to help countries manage the pandemic, the increase in access limits was not applied to the Large Natural Disasters (LND) windows within the EF toolkit, reducing the flexibility to respond to such LNDs.

This paper proposes to temporarily increase by 50 percent of quota the annual access limit (AAL) and cumulative access limit (CAL) under the LND windows of the RCF and RFI. The changes to the "LND windows" would be in effect through end-December 2021, in line with the other temporary changes of access limits under EF instruments. The case for further extensions to all the temporarily increased EF AALs and CALs will be examined after the 2021 Annual Meetings.



IMF Executive Board Approves Temporary Increases to Access Limits Under the Large Natural Disaster Window of the Rapid Credit Facility and of the Rapid Financing Instrument

FOR IMMEDIATE RELEASE

Washington, DC – June 21, 2021: On June 21, the Executive Board of the International Monetary Fund (IMF) approved temporary modifications to access limits under the large natural disaster (LND) windows of the [Rapid Credit Facility](#) (RCF) and of the [Rapid Financing Instrument](#) (RFI). The LND windows were introduced in 2017 to increase available emergency financing for member countries experiencing urgent balance of payments needs arising from large natural disasters where economic damage is equivalent to or exceeds 20 percent of a country's GDP.

The temporary modifications increased the annual and cumulative access limits under the LND windows of the RCF and RFI by 50 percent of quota. This is in line with other recent decisions to temporarily modify access limits under the RCF and RFI to increase available emergency financing for countries responding to the COVID-19 pandemic. These modifications under the LND windows enhance the IMF's agility and flexibility to respond to large natural disasters.

The modifications to access limits under the LND windows of the RCF and RFI will be in effect through end-2021. This is in line with the lapse of the increases in annual and cumulative access limits that apply to the RCF and RFI, introduced in [April 2020](#) and extended in [October 2020](#) and [March 2021](#).



IMF POLICY PAPER

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June 2021

IMF staff regularly produces papers proposing new IMF policies, exploring options for reform, or reviewing existing IMF policies and operations. The following documents have been released and are included in this package:

- A **Press Release**.
- The **Staff Report**, prepared by IMF staff and completed on June 8, 2021 for the Executive Board's consideration on June 21, 2021.

The IMF's transparency policy allows for the deletion of market-sensitive information and premature disclosure of the authorities' policy intentions in published staff reports and other documents.

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International Monetary Fund
Washington, D.C.

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