

**FOR  
INFORMATION**

EBAP/21/23

**CONFIDENTIAL**

June 14, 2021

To: Members of the Executive Board

From: The Secretary

Subject: **Draft Financial Statements for the Years Ended April 30, 2021, and 2020**

Board Action:

Executive Directors' **information**

Additional information:

In line with past practice, the attached draft financial statements of the Fund, the accounts it administers as trustee, and the employee benefit plans for the financial year ended April 30, 2021 are being circulated for the information of the Executive Board.

In accordance with Section 20 of the Fund's By-Laws, the External Audit Committee (EAC) has general oversight of the annual audit and the external audit firm is responsible for the examination of the financial statements and opining on the fairness of their presentation.

The FY 2021 audit has now been substantially completed by the external audit firm PricewaterhouseCoopers (PwC). The financial statements are prepared in compliance with International Financial Reporting Standards, and PwC is expected to issue its audit opinions on the financial statements by June 30, 2021. The draft financial statements include placeholders for the potential subsequent event disclosures if Sudan clears its arrears before June 30, 2021 and the Executive Board supports the general SDR allocation at its June 25, 2021 meeting. The audited financial statements will be circulated to the Executive Board in early July. In accordance with Section 20(f) of the By-Laws, the EAC will transmit the external audit firm's audit report to the Board of Governors for its consideration. The transmittal will be made through the Managing Director and the Executive Board. The briefing of the Executive Board by the EAC on the FY 2021 audit is tentatively scheduled for July 20, 2021.

Questions:

Mr. Bradbury, FIN (ext. 39034)

Ms. Manno, FIN (ext. 38175)

Mr. Ndiaye, FIN (ext. 36342)



**INTERNATIONAL  
MONETARY  
FUND**

# Financial Statements

For the Financial Years Ended April 30, 2021, and 2020



# IMF Financial Statements 2021

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# I. Financial Statements of the General Department



[Placeholder for Auditor's Report]

[Placeholder for Auditor's Report]



## Statements of Financial Position at April 30, 2021, and 2020

(in millions of SDRs)

	Note	2021	2020
<b>Assets</b>			
Usable currencies		297,217	320,618
Other currencies		71,651	67,633
Credit outstanding	5	89,788	73,575
<b>Total currencies</b>		<b>458,656</b>	<b>461,826</b>
SDR holdings	6	22,203	21,204
Investments	7	23,032	22,528
Gold holdings	9	3,167	3,167
Property, plant and equipment and intangible assets	10	555	557
Other assets	12	706	748
<b>Total assets</b>		<b>508,319</b>	<b>510,030</b>
<b>Liabilities</b>			
Special Contingent Account	13	1,066	1,066
Borrowings	14	5,138	8,903
Quota subscriptions	15	475,808	475,724
Net liabilities under retirement benefit plans	11	205	3,008
Other liabilities	12	761	800
<b>Total liabilities</b>		<b>482,978</b>	<b>489,501</b>
Reserves of the General Resources Account	16	23,350	19,321
Retained earnings of the Investment Account		1,991	1,208
Resources of the Special Disbursement Account		—	—
<b>Total liabilities, reserves, retained earnings, and resources</b>		<b>508,319</b>	<b>510,030</b>

The accompanying notes are an integral part of these financial statements.

These financial statements were signed by the Managing Director and the Director of Finance on June [30], 2021.

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Kristalina Georgieva  
Managing Director

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Bernard Lauwers  
Director, Finance Department

## Statements of Income for the Financial Years Ended April 30, 2021, and 2020

(in millions of SDRs)

	Note	2021	2020
<b>Operational income</b>			
Basic charges	17	932	1,177
Surcharges	17	931	752
Other charges and fees	17	185	465
Interest on SDR holdings	6	17	170
Net income from investments	7	869	431
<b>Total operational income</b>		<b>2,934</b>	<b>2,995</b>
<b>Operational expenses</b>			
Remuneration of members' reserve tranche positions	18	72	546
Interest expense on borrowings	14	6	90
Administrative expenses	19	1,199	916
<b>Total operational expenses</b>		<b>1,277</b>	<b>1,552</b>
<b>Net operational income</b>		<b>1,657</b>	<b>1,443</b>
Transfers to the Special Disbursement Account	20	—	9
Contributions from the Special Disbursement Account to the PRG Trust	20	—	(19)
<b>Net income</b>		<b>1,657</b>	<b>1,433</b>
Total income of the General Department comprises:			
Total income of the General Resources Account		788	1,011
Total income of the Investment Account		869	431
Total income/(loss) of the Special Disbursement Account		—	(9)
<b>Net income</b>		<b>1,657</b>	<b>1,433</b>

The accompanying notes are an integral part of these financial statements.

## Statements of Comprehensive Income for the Financial Years Ended April 30, 2021, and 2020

(in millions of SDRs)

	Note	2021	2020
Net income		1,657	1,433
Remeasurement of net assets/liabilities under retirement benefit plans	11	3,155	(2,880)
<b>Total comprehensive income/(loss)</b>		<b>4,812</b>	<b>(1,447)</b>
Total comprehensive income/(loss) of the General Department comprises:			
Total comprehensive income/(loss) of the General Resources Account		3,943	(1,869)
Total comprehensive income of the Investment Account		869	431
Total comprehensive income/(loss) of the Special Disbursement Account		—	(9)
<b>Total comprehensive income/(loss)</b>		<b>4,812</b>	<b>(1,447)</b>

The accompanying notes are an integral part of these financial statements.

## Statements of Changes in Reserves, Resources, and Retained Earnings for the Financial Years Ended April 30, 2021, and 2020

(in millions of SDRs)

	Note	General Resources Account			Investment Account retained earnings	Special Disbursement Account resources
		Special Reserve	General Reserve	Total reserves		
<b>Balance at April 30, 2019</b>		<b>10,107</b>	<b>10,764</b>	<b>20,871</b>	<b>1,096</b>	<b>9</b>
Net income/(loss)		1,011	—	1,011	431	(9)
Other comprehensive income/(loss)		(2,880)	—	(2,880)	—	—
<b>Total comprehensive income/(loss)</b>	16	<b>(1,869)</b>	<b>—</b>	<b>(1,869)</b>	<b>431</b>	<b>(9)</b>
Transfer of Investment Account income	16	319	—	319	(319)	—
<b>Balance at April 30, 2020</b>		<b>8,557</b>	<b>10,764</b>	<b>19,321</b>	<b>1,208</b>	<b>—</b>
Net income/(loss)		394	394	788	869	—
Other comprehensive income/(loss)		2,353	802	3,155	—	—
<b>Total comprehensive income/(loss)</b>	16	<b>2,747</b>	<b>1,196</b>	<b>3,943</b>	<b>869</b>	<b>—</b>
Transfer of Investment Account income	16	43	43	86	(86)	—
<b>Balance at April 30, 2021</b>		<b>11,347</b>	<b>12,003</b>	<b>23,350</b>	<b>1,991</b>	<b>—</b>

The accompanying notes are an integral part of these financial statements.

## Statements of Cash Flows for the Financial Years Ended April 30, 2021, and 2020

(in millions of SDRs)

	Note	2021	2020
<b>Usable currencies and SDRs from operating activities</b>			
Net income		1,657	1,433
Adjustments to reconcile net income to usable currencies and SDRs generated by operations:			
Depreciation and amortization		49	44
Basic charges and surcharges		(1,863)	(1,929)
Interest on SDR holdings		(17)	(170)
Net income from investments	7	(869)	(431)
Remuneration of members' reserve tranche positions		72	546
Interest expense on borrowings		6	90
Changes in other assets and liabilities:			
Changes in other assets		7	17
Changes in other liabilities		160	(246)
Changes in the net assets/liabilities under retirement benefit plans		352	91
Changes in the Special Contingent Account	13	—	(122)
Usable currencies and SDRs from credit to members:			
Purchases, including reserve tranche purchases		(22,963)	(16,840)
Repurchases		6,743	6,874
Interest received and paid:			
Basic charges and surcharges		1,782	1,971
Interest on SDR holdings		32	216
Remuneration of members' reserve tranche positions		(116)	(657)
Interest on borrowings		(13)	(120)
<b>Net usable currencies and SDRs provided by/(used in) operating activities</b>		<b>(14,981)</b>	<b>(9,233)</b>
<b>Usable currencies and SDRs from investing activities</b>			
Acquisition of property, plant and equipment and intangible assets	10	(47)	(64)
Transfer of currencies from the Investment Account	7	319	64
<b>Net usable currencies and SDRs provided by/(used in) investing activities</b>		<b>272</b>	<b>—</b>
<b>Usable currencies and SDRs from financing activities</b>			
Repayments of borrowings		(3,765)	(4,748)
Quota subscriptions payments in SDRs and usable currencies		21	63
Changes in composition of usable currencies		(3,949)	—
<b>Net usable currencies and SDRs provided by/(used in) financing activities</b>		<b>(7,693)</b>	<b>(4,685)</b>
Net decrease in usable currencies and SDR holdings		(22,402)	(13,918)
Usable currencies and SDR holdings, beginning of year		341,822	355,740
<b>Usable currencies and SDR holdings, end of year</b>		<b>319,420</b>	<b>341,822</b>

The accompanying notes are an integral part of these financial statements.

# Notes to the Financial Statements for the Financial Years Ended April 30, 2021, and 2020

## 1. Nature of operations

The International Monetary Fund (IMF) is an international organization with 190 member countries. The IMF's fundamental mission is to ensure the stability of the international monetary system. It does so in three ways: surveillance of the global economy and the economies of member countries; lending to countries with balance of payments difficulties; and giving practical help by providing technical assistance to members. It is headquartered in Washington, DC, USA.

The IMF conducts its operations and transactions through the General Department. The General Department comprises three accounts: (1) the General Resources Account (GRA); (2) the Investment Account (IA); and (3) the Special Disbursement Account (SDA).

### 1.1 General Resources Account

The financial operations of the IMF with its members are primarily conducted through the GRA. The assets and liabilities in the GRA reflect the payment of member quota subscriptions, use and repayment of GRA credit, borrowings and repayments to lenders, collection of charges from borrowers, payment of remuneration on creditor positions and interest to lenders, and other operations.

A core responsibility of the IMF is to provide financial assistance to member countries experiencing actual or potential balance of payments problems. Upon the request of a member country, GRA resources are made available either under a financing arrangement or in the form of outright purchases (disbursements). An arrangement is a decision by the IMF's Executive Board (Executive Board) that gives a member the assurance that the IMF stands ready to provide resources to the member during a specified period and up to a specified amount, in accordance with the terms of the relevant financing instrument.

The Stand-By Arrangement (SBA) is designed for members with balance of payments problems expected to be resolved in the short to medium term. The Extended Fund Facility (EFF) is a special facility in the GRA for members with longer-term balance of payments problems, the resolution of which would require structural and more comprehensive economic reforms. Resources under the SBA and the EFF are made available in phased installments as the member implements economic policies and measures specified under

the arrangement, subject to periodic reviews by the Executive Board.

The Flexible Credit Line (FCL) is available for members with very strong fundamentals, policies, and track records of policy implementation and is intended for both crisis prevention and resolution. The Short-term Liquidity Line (SLL) is designed to provide liquidity support and has several innovative features, including revolving access. It has the same qualification criteria as the FCL but is available only for members facing potential moderate short-term balance of payments needs arising due to capital account pressures. The Precautionary and Liquidity Line (PLL) is available for members with sound economic fundamentals but with some remaining vulnerabilities that preclude them from meeting the qualification criteria for the FCL and the SLL. The FCL, the SLL, and the PLL provide up-front access to GRA resources.

The financing instrument for outright purchases (disbursements) is the Rapid Financing Instrument (RFI), which is used by members that face an urgent balance of payments need without the need or capacity for a full-fledged program.

### 1.2 Investment Account

The IA holds resources transferred from the GRA, which are invested to broaden the IMF's income base. The Rules and Regulations of the IA adopted by the Executive Board provide the framework for the implementation of the expanded investment authority authorized under the Fifth Amendment of the Articles of Agreement, which became effective in February 2011. The IA comprises two subaccounts: the Fixed-Income Subaccount and the Endowment Subaccount.

The Fixed-Income Subaccount holds resources transferred from the GRA that are not related to profits from gold sales. With a view to generating income while protecting the IMF's balance sheet, the investment objective of the Fixed-Income Subaccount is to produce returns in Special Drawing Rights (SDRs) terms in excess of the three-month SDR interest rate (see Notes 2.1 and 2.2) over time while minimizing the frequency and extent of negative returns and underperformance over an investment horizon of three to four years.

The Endowment Subaccount was credited with SDR 4.4 billion in profits from gold sales during financial

years 2010 and 2011. The Endowment Subaccount's investment objective is to achieve a real return of 3 percent in US dollar terms over the long term to contribute to covering the IMF's administrative expenditures, while preserving the long-term real value of these assets.

### 1.3 Special Disbursement Account

The SDA is the vehicle used to receive profits from the sale of gold held by the IMF at the time of the Second Amendment of the IMF's Articles of Agreement (April 1978). SDA resources can be used for various purposes, as specified in the Articles of Agreement, including transfers to the GRA for immediate use in operations and transactions, transfers to the IA, or operations and transactions that are not authorized by other provisions of the Articles of Agreement but are consistent with the mandate of the IMF, in particular to provide balance of payments assistance on special terms to low-income member countries.

### 1.4 Other entities administered by the IMF

The IMF also administers the Special Drawing Rights Department (SDR Department), trusts (Concessional Lending and Debt Relief Trusts), and special purpose accounts (Administered Accounts) established to fund financial and technical services consistent with the IMF's purposes. As the General Department does not have control over these entities, their financial statements are presented separately.

The resources of the SDR Department are held separately from the assets of all the other accounts owned or administered by the IMF. As specified in the IMF's Articles of Agreement, these resources may not be used to meet the liabilities, obligations, or losses incurred in the operations of the General Department (or vice versa), except that expenses of conducting the business of the SDR Department are paid by the General Department and are then reimbursed by the SDR Department.

The resources of the trusts and special purpose accounts are contributed by members, by other financial institutions, or by the IMF through the SDA. The assets and liabilities of the trusts and special purpose accounts are separate from the assets and liabilities of the General Department. The assets of the trusts and special purpose accounts cannot be used to meet the liabilities, obligations, or losses incurred in the operations of the General Department. The General Department can be reimbursed for the expenses incurred in conducting the business of certain trusts and accounts in accordance with the IMF's Articles of Agreement and relevant decisions of the Executive Board.

### 1.5 Impact of the COVID-19 pandemic

These financial statements are being prepared in the context of the ongoing COVID-19 pandemic. The pandemic has created severe disruptions in global economic activity, with many IMF members facing liquidity shortages. The IMF has responded to the crisis with unprecedented speed and magnitude of financial assistance to help countries, notably to protect the most vulnerable and set the stage for economic recovery.

The IMF has responded to an unprecedented number of requests for emergency financing. A significant number of countries have benefited from RFI purchases since the onset of the pandemic (see Note 5.1). The IMF has also approved financial assistance under its lending arrangements and augmented existing lending arrangements to accommodate urgent new needs arising from the impact of the pandemic (see Schedule 3).

As a result of this increased financing activity, the General Department's credit exposure has increased (see Notes 4.2.1.1 and 4.2.1.2). The General Department continues to manage its risks in accordance with its existing risk-management framework (see Note 4). As of the date of these financial statements, there had been no negative impact on the operational results of the General Department, including from the impairment analysis of its credit portfolio (see Note 5.1). As the COVID-19 pandemic continues to evolve, the magnitude and impact remain uncertain and are dependent on future developments that cannot be reasonably predicted at this time. It is thus difficult to assess the full extent and duration of the pandemic's impact on the General Department with any degree of certainty. See also Note 2.3 for the most significant estimates and judgements used in the preparation of these financial statements.

The risk management practices described in Note 4.3 have effectively mitigated the risk exposure of the effects of the COVID-19 pandemic on the investment portfolios. The valuations of mark-to-market financial instruments experienced a brief decline in value at the onset of the pandemic but have since fully and rapidly recovered due largely to the strong equity and credit market performance. The investment portfolios suffered no permanent impairment as a result of the COVID-19 crisis. The effects of the COVID-19 pandemic on investments are also reflected in the Value at Risk (see Note 4.3.2.3). The valuation of investments held at amortized cost was not impacted by the COVID-19 pandemic.

## 2. Basis of preparation and measurement

The financial statements of the General Department are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention, except for the revaluation of financial instruments at fair value through profit or loss.

### 2.1 Unit of account

The financial statements are presented in SDRs, which is the IMF's unit of account. The value of the SDR is determined daily by the IMF by summing specific amounts of the basket currencies in US dollar equivalents on the basis of market exchange rates. The IMF generally reviews the composition of the SDR valuation basket at five-year intervals. These reviews cover the currencies to be included in the SDR valuation basket (along with the criteria for the selection of currencies), determine the relative weights of those currencies, and assess the financial instruments that are used to calculate the SDR interest rate. The current basket consists of five currencies. The specific amounts of the currencies in the basket, effective October 1, 2016, were as follows:

SDR basket currency	Amount
Chinese renminbi	1.0174
Euro	0.38671
Japanese yen	11.900
Pound sterling	0.085946
US dollar	0.58252

At April 30, 2021, SDR 1 was equal to US\$1.43599 (US\$1.36640 at April 30, 2020).

The current SDR valuation basket was originally scheduled to expire by end-September 2021. However, the Board has approved a decision to extend this current basket's effectiveness to end-July 2022.

### 2.2 SDR interest rate

The SDR interest rate provides the basis for basic charges levied on credit outstanding (see Note 17), interest on SDR holdings (Note 6), remuneration paid on members' reserve tranche positions (Note 18), and interest on borrowings (Note 14).

The SDR interest rate is determined weekly by reference to a weighted average of yields or rates on short-term instruments in the money markets of the members whose currencies are included in the SDR valuation basket:

SDR basket currency	Yield or rate
Chinese renminbi	Three-month benchmark yield for China Treasury bonds as published by the China Central Depository and Clearing Co., Ltd.
Euro	Three-month spot rate for euro area central government bonds with a minimum rating of AA published by the European Central Bank
Japanese yen	Three-month Treasury discount bills
Pound sterling	Three-month Treasury bills
US dollar	Three-month Treasury bills

The SDR interest rate is subject to a floor of 0.050 percent and is rounded to three decimal places.

The average SDR interest rate was 0.077 percent per annum and 0.765 percent per annum during the financial years ended April 30, 2021, and 2020, respectively.

### 2.3 Use of estimates and judgement

The preparation of financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The most significant estimates and judgements used in applying accounting policies include expected credit losses measurement for credit outstanding (see Notes 3.2.1.1 and 5.1), fair value measurement of financial instruments (see Notes 3.10 and 8), and actuarial assumptions used in calculating the net assets/liabilities under retirement benefit plans (see Note 11.3).

## 3. Summary of significant accounting policies

### 3.1 Financial instruments

Financial instruments include financial assets and financial liabilities described in Notes 3.2 and 3.7.

#### Measurement at initial recognition

Financial instruments are recognized when the General Department becomes a party to the contractual provisions of the instrument. The General Department uses settlement

date accounting for all financial instruments except for investments, which are accounted for using trade date accounting (see Note 3.2.3). At initial recognition, a financial instrument is measured at its fair value, which is best evidenced by the transaction amount.

### Derecognition

Financial assets, or a portion thereof, are derecognized when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (1) the General Department transfers substantially all the risks and rewards of ownership, or (2) the General Department neither transfers nor retains substantially all the risks and rewards of ownership but the General Department has not retained control.

Financial liabilities are derecognized when they are extinguished (i.e., when the obligation is discharged, canceled, or expires).

### Classification and subsequent measurement of financial assets

A financial asset is classified on initial recognition based on two factors: the business model for managing the financial asset and its contractual cash flow characteristics.

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost (AC). Interest income from these financial assets is included in the statements of income using the effective interest method. Any gain or loss arising on derecognition is recognized in the statements of income.

Financial assets that are held for collection of contractual cash flows and for selling, where the assets' cash flows represent solely payments of principal and interest, would be measured at fair value through other comprehensive income (FVOCI). The General Department did not have financial assets at FVOCI during the financial years ended April 30, 2021, and 2020.

All other financial assets that do not meet the criteria to be measured at AC or FVOCI are measured at fair value, with changes in fair value recognized in profit or loss (FVPL).

### Impairment

At each reporting date, the General Department assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets at AC and with the undrawn balances under its lending commitments. The measurement of ECL reflects: (1) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (2) the time value of money; and (3) reasonable and supportable information that is

available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

If the General Department needed to recognize ECL, they would be recorded as impairment allowances for assets at AC and as a liability provision for undrawn commitments.

Should any financial asset become credit-impaired, interest income would be calculated for it by applying the effective interest rate to its amortized cost (i.e., net of the impairment allowance).

### Classification and subsequent measurement of financial liabilities

Derivative financial liabilities are measured at fair value with changes in fair value recognized in profit or loss.

All other financial liabilities are measured at amortized cost. Interest expense from these financial liabilities is included in the statements of income using the effective interest method.

## 3.2 Financial assets

### 3.2.1 Currencies

Currencies are financial assets that consist of members' currencies held by the GRA with the designated depositories, in the form of account balances or non-interest-bearing promissory notes that are encashable by the GRA on demand. All currencies in the GRA are classified at AC.

- Usable currencies are currencies of members considered to be in a sufficiently strong external position that they can be used to finance GRA transactions with other members.
- Currencies of members that are not considered to have a sufficiently strong balance of payments and reserves position to finance GRA transactions with other members are presented as other currencies.
- Holdings of member currencies that represent purchases of usable currencies or SDRs in exchange for their own currencies are presented as credit outstanding (see Note 3.2.1.1).

The currency balances in the statements of financial position include receivables and payables arising from the currency revaluations (see Note 5).

#### 3.2.1.1 Credit outstanding and charges

Credit outstanding is a financial asset that represents financing provided to members under the various GRA financing facilities (see Note 1.1). Members receive financing in the GRA by purchasing SDRs or usable currencies in exchange for their own currencies. GRA credit is repaid by members by repurchasing holdings of their currencies in exchange for SDRs or usable currencies.

### Charges and fees

The GRA earns interest, referred to as basic charges, on members' use of GRA credit (see Note 17). Basic charges are recognized using the effective interest method.

In addition to basic charges, outstanding GRA credit is also subject to level-based and time-based surcharges (see Note 17). Surcharges are recognized when the relevant level-based and time-based thresholds on credit outstanding set by the Executive Board are reached.

Charges not received from members within the required timeframe are recovered by the GRA under the burden-sharing mechanism, through adjustments to increase the rate of charge for debtor members and decrease the rate of remuneration on members' reserve tranche positions (see Note 13.1).

A service charge is levied by the GRA on all purchases from the GRA except reserve tranche purchases. Service charges are paid when the purchases are made and are recognized as income upon payment.

A commitment fee is levied on the amount available for financing under an arrangement for each 12-month period of the arrangement. Except for SLL arrangements, commitment fees are refunded as the member makes purchases under the relevant arrangement. A prorated commitment fee is also refunded for all arrangements in case of an arrangement's cancellation. At the arrangement's expiration or cancellation, any unrefunded amount is recognized as income. Pending refund or recognition as income, commitment fees are recognized as part of other liabilities in the statements of financial position. For SLL arrangements, the commitment fee is nonrefundable upon purchases. Accordingly, commitment fee income is recognized on a straight-line basis over the duration of the SLL arrangement.

### Impairment of credit outstanding

The General Department's assessment for impairment of its credit outstanding is grounded in the context of the nature of the IMF's financing and its unique institutional status:

- The IMF has a unique relationship with its member countries, all of which are shareholders in the institution.
- IMF financing under arrangements is linked to regular reviews of performance under a program of economic policies that the member commits to in order to overcome balance of payments problems, return to external viability, and repay the IMF.
- The IMF employs a comprehensive set of measures to mitigate credit risk (see Note 4.2.1).
- The IMF also has de facto preferred creditor status, which has been recognized by the official community and generally accepted by private creditors.

Taken together, these factors significantly reduce the likelihood of the General Department incurring credit losses.

The General Department has not recognized any impairment losses since inception. Also, unlike large financial institutions in the private sector, the General Department's credit portfolio consists of a relatively small number of exposures to its member countries, with each member's circumstances varying. Therefore, a statistical approach to credit risk assessment, such as probability of default (PD) and loss given default (LGD) modeling, as typically followed in the financial sector is neither feasible nor appropriate for the General Department.

Similarly, the assessment of the General Department's credit risk cannot rely on external credit risk ratings. Due to its unique characteristics, the IMF's credit risk exposure is not comparable to sovereign credit risk faced by commercial financial entities and, as a cooperative member organization, the IMF does not produce its own internal credit rating grades. Accordingly, credit risk for the General Department is assessed holistically based on qualitative and quantitative considerations pertaining to each debtor member, such as the status of the economic programs underlying IMF financing, the member's cooperation on policy implementation and timely settlement of IMF financial obligations, and forward-looking assessment of the member's capacity to repay.

The General Department has developed a model for ECL estimation based on changes in credit quality since initial recognition, where credit quality is referred to as Stage 1, Stage 2, and Stage 3. Credit outstanding for which credit risk has increased significantly since initial recognition (Stage 2), or that is credit-impaired (Stage 3), has its ECL measured on a lifetime basis. Credit outstanding for which there has been no significant increase in credit risk since initial recognition (Stage 1) has its ECL measured as a portion of lifetime ECL that result from default events possible within the next 12 months.

The key judgements and assumptions adopted by the General Department in the measurement of ECL are discussed below:

#### (i) Definition of default and credit-impaired

The General Department considers a member country to be in default when it is six months or more overdue in settling its financial obligations to the General Department. This rebuts the presumption that default occurs no later than 90 days past due, reflecting the nature of the IMF's financing and its unique institutional status, as well as consistency with the threshold for internal risk management purposes. Credit outstanding is considered credit-impaired when the obligation has defaulted.

**(ii) Significant increase in credit risk**

The General Department assesses whether a significant increase in credit risk has occurred on a member-by-member basis by comparing the risk of default at the reporting date to the risk of default at the date of the most recent disbursement to the debtor member. The assessment is performed on each reporting date and takes into account a range of qualitative and quantitative criteria, including overdue obligations to the IMF, signals of noncooperation by the member, and forward-looking indicators of capacity to repay the IMF. The criteria used to identify significant increases in credit risk are monitored and reviewed for appropriateness at least annually.

The assessment does not rely on any single factor and may, on the basis of other relevant considerations, rebut the presumption that credit risk has increased significantly when contractual payments are more than 30 days past due. During the financial years ended April 30, 2021, and 2020, the General Department did not have any member more than 30 days past due, except for the members in protracted arrears (see Note 5.2).

**(iii) Low credit risk**

The General Department assumes that the credit risk of a member country has not increased significantly since initial recognition if the member is determined to have low credit risk at the reporting date.

Credit risk related to the General Department's exposure to a member country is considered low if: (1) it has a low risk of default; (2) the member country has a strong capacity to meet its contractual cash flow obligations in the near term; and (3) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the member country to fulfill its contractual cash flow obligations.

**(iv) Measuring ECL**

ECL are determined by comparing expected cash flows with contractual cash flows, and discounting the expected cash shortfalls at the effective interest rate, which is the basic rate of charge. ECL are estimated by assessing a range of possible outcomes in light of expected future economic conditions, weighted according to the assessed probability of each outcome. This entails considerable judgement and uncertainty about the estimates.

For the purpose of ECL measurement, financial safeguards that are integral to the IMF's financial structure and operations are also considered, such as the burden-sharing mechanism to compensate the IMF for loss of income due to overdue payments (see Note 13.1) and the Special Contingent Account (SCA-1) which protects the IMF in case

of the ultimate failure of a member to repay its overdue obligations to the GRA (see Note 13.2).

**Write-off**

In the unlikely event that a member with credit outstanding withdraws from the IMF, repudiates its outstanding obligations to the General Department, and no prospects of recovering amounts due to the General Department remain in the foreseeable future, the IMF would recognize the ultimate loss and the withdrawn member's credit outstanding to the General Department would be written-off.

**3.2.2 SDR holdings**

SDR holdings represent SDRs held by the GRA (see Note 6). SDR holdings are measured at AC.

Interest on SDR holdings is recognized using the effective interest method.

**3.2.3 Investments**

Investments are financial assets that include equity securities (including real estate investment trusts (REITs) and private infrastructure debt), fixed-income securities, short-term investments, fixed-term deposits, and derivative assets. Derivative liabilities are disclosed as part of other liabilities in the statements of financial position.

Investments in each of the two subaccounts are managed in accordance with their respective investment strategy (see Note 7) and their performance is evaluated on a fair value basis. The business model for the invested portfolios focuses on achieving fair value gains. Accordingly, these securities are classified at FVPL. Funds pending suitable investment in accordance with the investment strategy may be kept in fixed-term deposits, which are measured at amortized cost.

Purchases and sales of investments are recognized on the trade date. The corresponding investment trades receivable or payable are recognized in other assets and other liabilities, respectively, pending settlement of a transaction.

Investment income comprises interest income on investments at AC, interest and dividend income, and realized and unrealized gains and losses from FVPL investments, including currency valuation differences arising from exchange rate movements against the SDR, net of all trading-related fees.

Interest income from investments is recognized using the effective interest method. Dividend income is recognized based on the ex-dividend date.

**3.3 Cash and cash equivalents**

Usable currencies and SDR holdings are considered cash and cash equivalents in the statements of cash flows.

### 3.4 Gold holdings

Gold holdings (acquired prior to the Second Amendment of the Articles of Agreement in April 1978) are carried at historical cost using the specific identification method. The carrying value is determined by the restrictions on the use of the IMF's gold holdings and the disposition of profits from the sale of gold. In accordance with the provisions of the Articles of Agreement, whenever the IMF sells gold that was held on the date of the effectiveness of the Second Amendment of the Articles of Agreement, that portion of the proceeds equal to the historical cost must be placed in the GRA. Any proceeds in excess of the historical cost will be held in the SDA or transferred to the Endowment Subaccount of the IA (see Note 9). The IMF may also sell such gold holdings to those members that were members on August 1, 1975, in exchange for their currencies and at a price equal to the historical cost.

### 3.5 Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are measured at cost less accumulated depreciation or amortization. Property, plant and equipment and intangible assets are capitalized and depreciated or amortized over the estimated remaining useful lives using the straight-line method. Buildings are depreciated over 30 years and other property, plant and equipment over three to 20 years. Leasehold improvements are depreciated over the term of the lease agreement. Software is amortized over three to five years.

### 3.6 Post-employment benefits

The IMF sponsors various post-employment benefit plans for its employees, which include defined benefit and other post-employment benefits such as medical and life insurance benefits.

The net asset/liability under each retirement benefits plan recognized in the statements of financial position is the present value of the defined benefit obligation less the fair value of the plan assets. Changes resulting from remeasurements are reported in other comprehensive income/(loss). The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields on high-quality corporate bonds using the projected unit credit method.

Net periodic pension cost includes service cost and net interest cost on the net assets/liabilities under retirement benefit plans.

### 3.7 Financial liabilities

#### 3.7.1 Special Contingent Account

The General Department has accumulated precautionary balances against possible credit default in the Special Contingent Account (SCA-1) under the burden-sharing mechanism (see Note 13.2). Balances in the SCA-1 are akin to refundable non-interest-bearing deposits.

#### 3.7.2 Borrowings

Borrowings are financial liabilities that represent financing received under the various borrowing arrangements (see Note 14).

Interest expense on borrowings is calculated by applying the effective interest method.

#### 3.7.3 Quota subscriptions

Members' quota subscriptions are financial liabilities that represent subscription payments by members, including payments as a result of quota increases (see Note 15.1). An increase in quota subscription for an existing member becomes effective when the member both consents to the quota increase and makes the actual payment (provided that any other requirements for the effectiveness of specific quota increase are met), and the increase is recorded in the financial statements on the payment date. Typically, about a quarter of a member's quota subscription (reserve asset portion) is paid either in SDRs or in the currencies of other members specified by the IMF, or in any combination of SDRs and such currencies, and the remainder is paid in the member's own currency.

Quota subscriptions are classified as liabilities in the statements of financial position, as they embody an unconditional repayment obligation in the case of a member's withdrawal from the IMF.

##### 3.7.3.1 Reserve tranche positions and remuneration

A member acquires a reserve tranche position in the GRA in exchange for the reserve asset portion of its quota subscription payment, and from the use of the member's currency in the GRA's transactions or operations (see Note 15.2).

The GRA pays interest, referred to as remuneration, on a remunerated portion of the member's reserve tranche position (see Note 18). Remuneration expense is recognized on an accrual basis.

### 3.8 Provisions

Provisions are recognized when the IMF has a current legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at

the present value of the amounts that are expected to be paid to settle the obligations.

### 3.9 Foreign currency translation

Transactions denominated in currencies and not in SDRs are recorded at the rate of exchange on the date of the transaction. Assets and liabilities denominated in other currencies are reported using the SDR exchange rate on the date of the financial statements. Exchange differences arising from the settlement of transactions at rates different from those at the originating date of the transactions are included in the determination of net income.

### 3.10 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market.

A three-level fair value hierarchy is used to determine fair value under which financial instruments are categorized based on the priority of the inputs to the valuation technique. The fair value hierarchy has the following levels:

- Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When the inputs used to measure the fair value of an asset or liability fall within multiple levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest-level input that is significant to the fair value measurement of the instrument in its entirety. Thus, a Level 3 fair value measurement may include inputs that are both observable and unobservable.

The valuation techniques used to determine fair value are described in Note 8.

### 3.11 Amendments to existing standards effective in future years

The following new standards and amendments to existing standards issued by the IASB will become effective in future financial years.

Amendments to IFRS 9, "Financial instruments" were issued in May 2020 to clarify certain aspects of derecognition of financial liabilities. The amendments are effective for annual periods starting on or after January 1, 2022. The amendments will be adopted by the General Department for the financial year ending April 30, 2023 and are not expected to have a material effect on the General Department's financial statements.

Amendments to IFRS 9, "Financial Instruments", and IFRS 7, "Financial Instruments: Disclosures" were issued in August 2020 to address financial reporting issues related to the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The amendments are effective for annual periods starting on or after January 1, 2021. The amendments will be adopted by the General Department for the financial year ending April 30, 2022 and are not expected to have a material effect on the General Department's financial statements.

Amendments to IFRS 16, "Leases" were issued in May 2020, some of which are effective for annual periods starting June 1, 2020 and some for annual periods starting January 1, 2022. These amendments will be adopted by the General Department for the financial years ending April 30, 2022, and 2023, respectively, and are not expected to have a material effect on the General Department's financial statements.

## 4. Financial risk management

The General Department is exposed to various types of operational and financial risks, including credit, market, and liquidity risks.

### 4.1 Risk management framework

By virtue of its role established through the Articles of Agreement, the IMF faces a range of financial and nonfinancial risks. The Executive Board has approved a risk acceptance statement guiding risk acceptance and assessment across the IMF's activities. The IMF has adopted the three lines of defense model for risk management.

- Risks inherent in day-to-day operations are mitigated by establishing and maintaining a system of internal controls.
- A risk management function is responsible for developing and maintaining the risk management framework, fostering the development of risk management tools, and reporting on the General Department's overall risk profile, highlighting areas where additional mitigation efforts are needed.
- An internal audit function is responsible for providing an independent assessment of the effectiveness of governance and internal control processes.

Oversight is provided by committees established to monitor and make decisions in specific risk areas, which supports the cycle of risk assessment, ownership, and mitigation vis-à-vis risk acceptance.

Financial assets and liabilities are exposed to credit, market, and liquidity risks.

## 4.2 Financial assets and liabilities other than investments

### 4.2.1 Credit risk on financial assets and liabilities other than investments

Credit risk is the risk of suffering financial losses, should any of the IMF's members fail to fulfill their financial obligations to the General Department. Credit risk arises on credit outstanding and undrawn committed amounts under approved financing commitments.

Credit risk is inherent in the IMF's unique role in the international monetary system because the IMF has limited ability to diversify its credit portfolio and generally provides financing when other sources of credit are not available to a member. In addition, the IMF's credit concentration is generally high due to the nature of the financial assistance provided to its member countries.

Measures to help mitigate the IMF's credit risk in financing arrangements include program design and conditionality, which serve to help member countries solve their balance of payments problems within the period of an IMF-supported program and to provide the needed assurances that the member will be able to repay the IMF. Other risk mitigating policies include access limits, post financing assessments (formerly referred to as post-program monitoring), surcharge policies, preventive and remedial measures for dealing with overdue financial obligations, and the burden-sharing mechanism (see Note 13).

The IMF has established limits on overall access to resources in the GRA, except for the FCL arrangements that are not subject to any access limits (for limits applicable to SLL arrangements, see below). The annual limit is normally set at 145 percent of a member's quota, with a cumulative limit of 435 percent of a member's quota (net of scheduled repurchases). In response to the COVID-19 crisis, the annual limit was temporarily increased to 245 percent of quota annually for the period from July 13, 2020 through December 31, 2021. Further, in September 2020, the IMF established additional limits as policy safeguards when a member requests financing that entails high levels of combined access to resources from the GRA and Poverty Reduction and Growth Trust (PRG Trust) (there were no limits on combined access to GRA and PRG Trust resources prior to September 2020).

Access in excess of these limits can be granted in exceptional circumstances. Except for PLL arrangements, there is no prespecified maximum on exceptional access to IMF resources, which is assessed on a case-by-case basis in accordance with the policy framework on exceptional access. The IMF assesses factors such as the size of balance of payments needs, the member's debt sustainability and its ability to regain access to financing from other sources, the member's capacity to repay the Fund, and the strength of policies to be adopted.

PLL arrangements have a cumulative access limit of 500 percent of quota (net of scheduled repurchases). Access under a six-month PLL arrangement is subject to a limit of 125 percent of quota. In exceptional circumstances where a member is experiencing or has the potential to experience larger short-term balance of payments needs due to the impact of exogenous shocks, including heightened regional or global stress conditions, access under the PLL is subject to a higher limit of 250 percent of quota.

SLL arrangements have revolving access, and multiple purchases and repurchases may take place during the course of the arrangement, subject to a limit of 145 percent of quota on the total credit outstanding at any given date under current or any prior SLL arrangements.

The annual limit for RFI purchases is set at 50 percent of a member's quota, with a cumulative limit of 100 percent of a member's quota (net of scheduled repurchases). These limits were temporarily increased to 100 percent of quota annually and 150 percent of quota cumulatively (net of scheduled repurchases) for the period from April 6, 2020 through December 31, 2021.

Purchases under SBA and EFF arrangements are made in tranches and are subject to conditionality in the form of performance criteria, structural benchmarks, and prior actions, as well as regular reviews by the Executive Board.

In addition, the IMF has adopted a safeguards policy to mitigate the risk of misuse of resources and a misreporting policy to deal with incorrect reporting of data or performance against any conditions under an IMF-supported program. Safeguards assessments of member central banks are undertaken to provide the IMF with reasonable assurance that the central bank's legal structure, governance, control, reporting, and auditing systems are adequate to maintain the integrity of its operations and to manage resources, including IMF disbursements. When IMF resources are provided as direct budget financing to the government, the safeguards policy also requires that IMF disbursements be deposited at the central bank, and that an appropriate framework agreement between the central bank and the government be in place to ensure timely servicing of the member's financial

obligations to the IMF. Further, a fiscal safeguards review of the state treasury is required for cases where a member requests exceptional access, and at least 25 percent of IMF funds are expected to be used for direct budget financing.

The maximum credit risk exposure is the carrying value of the IMF's credit outstanding and undrawn commitments.

#### 4.2.1.1 Credit outstanding

Credit outstanding comprised SDR 89,788 million and SDR 73,575 million at April 30, 2021, and 2020, respectively (see Note 5). The concentration of GRA outstanding credit by region was as follows:

	April 30, 2021		April 30, 2020	
	<i>(in millions of SDRs and as a percentage of total GRA credit outstanding)</i>			
Africa	10,438	11.6%	5,244	7.1%
Asia and Pacific	1,886	2.1%	1,110	1.5%
Europe	9,914	11.0%	12,359	16.8%
Middle East and Central Asia	24,490	27.3%	20,561	28.0%
Western Hemisphere	43,060	48.0%	34,301	46.6%
<b>Total</b>	<b>89,788</b>	<b>100.0%</b>	<b>73,575</b>	<b>100.0%</b>

The use of credit in the GRA by the largest users was as follows:

	April 30, 2021		April 30, 2020	
	<i>(in millions of SDRs and as a percentage of total GRA credit outstanding)</i>			
Largest user of credit	31,914	35.5%	31,914	43.4%
Three largest users of credit	52,294	58.2%	46,999	63.9%
Five largest users of credit	62,067	69.1%	57,286	77.9%

The five largest users of GRA credit at April 30, 2021, in descending order, were Argentina, Egypt, Ukraine, Pakistan, and Ecuador (Argentina, Egypt, Ukraine, Pakistan, and Greece at April 30, 2020). Credit outstanding by member is presented in Schedule 1.

The General Department's credit outstanding has increased as a result of the impact of the COVID-19 pandemic (see Note 1.5). A significant number of countries have benefited from emergency financial assistance under the RFI since the onset of the pandemic (see Note 5.1), including 20 countries with a total disbursed amount of SDR 9,215 million that did not have credit outstanding from the IMF at March 31, 2020. There is no ex post program-based conditionality or reviews in the RFI, with overall conditionality limited.

#### 4.2.1.2 Undrawn commitments

Undrawn commitments under GRA arrangements amounted to SDR 93,457 million and SDR 68,574 million at April 30, 2021, and 2020, respectively. Commitments and undrawn balances under current arrangements are presented in Schedule 3.

In addition, purchases under RFIs in the amount of SDR 630 million had been approved by the Executive Board, but not yet disbursed at April 30, 2021 (SDR 1,726 million at April 30, 2020).

The undrawn commitments under GRA arrangements have also increased as a result of the COVID-19 pandemic (see Note 1.5) as the IMF has approved new financial assistance under its lending arrangements (including to four countries that had not had a lending arrangement with, or credit outstanding to, the IMF at March 31, 2020) and augmented existing lending arrangements to accommodate urgent new needs arising from the impact of the pandemic.

#### 4.2.2 Market risk on financial assets and liabilities other than investments

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk for financial assets and liabilities other than investments includes interest rate risk and exchange rate risk.

##### 4.2.2.1 Interest rate risk

Interest rate risk is the risk that future net cash flows will fluctuate because of changes in market interest rates. All interest-bearing financial instruments other than investments of the General Department accrue interest either at the SDR interest rate or at a rate that is linked to the SDR interest rate (see Note 2.2). Interest rate risk is primarily managed by linking the rate of charge directly, by means of a fixed margin, to the cost of financing (which is equal to the SDR interest rate).

##### 4.2.2.2 Exchange rate risk

Exchange rate risk is the risk that the General Department's financial position and cash flows will be affected by fluctuations in foreign currency exchange rates.

- The General Department has no exchange rate risk exposure on its holdings of members' currencies in the GRA because members maintain the value of such holdings in SDR terms (see Note 5).
- The General Department has other assets and liabilities denominated in currencies other than SDRs and makes administrative payments largely in US dollars, but the exchange rate risk exposure associated with these activities is limited.

- The General Department has no exchange rate exposure from its current borrowing arrangements because all drawings are denominated in SDRs.

#### 4.2.3 Liquidity risk on financial assets and liabilities other than investments

Liquidity risk is the risk to the General Department of nonavailability of resources to meet the financing needs of members and its own obligations. The IMF must have usable resources available to meet members' demand for IMF financing. While the IMF's resources are largely of a revolving nature, uncertainties in the timing and amount of credit extended to members during financial crises expose the IMF to liquidity risk. Moreover, the IMF must also stand ready to provide resources for unexpected needs, for example, to (1) meet, upon a member's representation of need, potential demands for a drawing on the member's reserve tranche position and (2) authorize drawings to meet demands for encashment of creditor claims under the New Arrangements to Borrow (NAB) or the bilateral borrowing agreements (see Note 14).

The IMF manages its liquidity risk by closely scrutinizing developments in its liquidity position. The IMF's main liquidity measure—Forward Commitment Capacity (FCC)—represents the IMF's capacity to make new GRA resources available to its members over the following 12 months (see Schedule 2).

Long-term liquidity needs are addressed by reviewing the adequacy of quota-based resources. General reviews of members' quotas are conducted at regular intervals to evaluate the adequacy of quota-based resources to meet members' demand for IMF financing. The IMF may also borrow to supplement its quota resources (see Note 14).

Short-term liquidity needs for financing activities are reviewed and approved by the Executive Board on a periodic basis through a financial transactions plan for quota resources, and the resource mobilization plan for borrowed resources.

##### 4.2.3.1 Maturity profile of financial assets and liabilities other than investments

Depending on the type of financing instrument, repurchase periods for GRA credit vary from 3¼ to 10 years. Scheduled and overdue repurchases of outstanding GRA credit are summarized below:

Financial year	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
2021	—	3,182
2022	8,961	10,665
2023	19,777	20,742
2024	24,006	19,553
2025	18,183	9,176
2026	7,842	3,289
2027 and beyond	10,877	6,825
Overdue	142	143
<b>Total</b>	<b>89,788</b>	<b>73,575</b>

Repayments of outstanding borrowings are determined according to the schedule of repurchases of credit that was financed by borrowed resources. They also take into account the maximum maturity of outstanding borrowings, which was equal to 10 years for all outstanding borrowings. Scheduled repayments of outstanding borrowings are summarized below:

Financial year	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
2021	—	1,758
2022	1,402	2,682
2023	1,741	2,467
2024	1,893	1,893
2025	102	103
<b>Total</b>	<b>5,138</b>	<b>8,903</b>

Repurchases during the financial years ended April 30, 2021, and 2020, included advance repurchases of SDR 3,677 million and SDR 2,751 million, respectively. These advance repurchases resulted in earlier than scheduled repayments of outstanding borrowings of SDR 2,094 million and SDR 1,996 million, respectively.

Future interest payments on borrowings calculated at the SDR interest rate at April 30, 2021 represent SDR 2 million for the financial year ending April 30, 2022. Thereafter, a total of SDR 2 million will be paid through the last repayment date.

Usable and other currencies, SDR holdings, and quota subscriptions do not have maturity dates.

## 4.3 Investments

### 4.3.1 Credit risk on investments

Credit risk on investments represents the potential loss if issuers and counterparties were to default on their contractual obligations.

Credit risk in the IA is minimized by limiting fixed-income investments to financial instruments with a credit rating at the

time of acquisition equivalent to at least A (based on Standard & Poor's long-term rating scale) for the Fixed-Income Subaccount, and at least BBB+ for sovereign bonds and BBB- for corporate bonds and private infrastructure debt for the Endowment Subaccount, except for instruments issued by the Bank for International Settlements (BIS), which does not have a credit rating, central bank deposits, and short-term instruments. Limited holdings in the Endowment Subaccount of corporate bonds and private infrastructure debt rated below BBB- are permitted under the Rules and Regulations of the Investment Account. See Notes 7.1 and 7.2 for eligible investment classes for the Fixed-Income and Endowment Subaccounts, respectively. Counterparty risk for derivative instruments is mitigated by strict exposure limits, credit rating requirements, and collateral requirements.

The carrying amount of the fixed-income instruments represents the maximum exposure to credit risk. The maximum exposure to credit risk for derivative instruments is the amount of any unrealized gains on such contracts.

The credit risk exposure for fixed-income instruments in the IA was as follows:

	Fixed-Income Subaccount	
	April 30, 2021	April 30, 2020
	<i>(as a percentage of total investments in fixed-income instruments)</i>	
Not rated (BIS)	15.6%	21.7%
AAA	36.2%	23.4%
AA+ to AA-	21.0%	27.1%
A+ to A	26.4%	27.3%
BBB+	0.8%	0.5%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

The credit risk exposure for derivative instruments in the Fixed-Income Subaccount amounted to SDR 38 million and SDR 22 million at April 30, 2021, and 2020, respectively.

	Endowment Subaccount	
	April 30, 2021	April 30, 2020
	<i>(as a percentage of total investments in fixed-income securities)</i>	
AAA	6.4%	6.4%
AA+ to AA-	56.9%	56.1%
A+ to A-	21.7%	22.1%
BBB+ to BBB-	15.0%	15.3%
BB+	—	0.1%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

The credit risk exposure for derivative instruments in the Endowment Subaccount amounted to SDR 5 million and SDR 10 million at April 30, 2021, and 2020, respectively.

#### 4.3.2 Market risk on investments

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk for investments includes interest rate risk, exchange rate risk, and other price risks.

The investment objectives of the Fixed-Income and Endowment Subaccounts differ, and the investment strategies, including asset allocation and risk tolerance, are tailored for each of the subaccounts, thereby exposing them to different types of market risk.

##### 4.3.2.1 Fixed-Income Subaccount

The Fixed-Income Subaccount holds debt obligations of a broad range of issuers within limits defined by the Rules and Regulations of the IA (see Note 7.1 for the eligible investments). Market risk is mitigated through asset class diversification and within asset classes through broad security selection.

The Fixed-Income Subaccount authorizes the use of derivative instruments for managing interest rate risk, currency hedging, or reducing costs in the context of portfolio balancing, benchmark replication, and market access. Safeguards are in place against short selling and financial leverage.

Exchange rate risk is mitigated by hedging investments denominated in non-SDR currencies into SDR basket currencies with the objective of preserving the Fixed-Income Subaccount's SDR basket composition.

##### 4.3.2.2 Endowment Subaccount

For the passively managed portion of the portfolio, investments are divided into eight categories, which are subject to varying market risks and benefits from diversification properties (see Note 7.2 for the eligible investments). For the actively managed portion of the portfolio, the Rules and Regulations of the IA establish a bond/equity allocation, but no strategic asset allocation is set for the subcomponents of these two broad asset classes. Market risk is mitigated through asset class diversification and within asset classes through broad security selection.

The passively managed portion of the Endowment Subaccount authorizes the use of derivative instruments for managing interest rate risk, currency hedging, or to reduce costs in the context of portfolio balancing, benchmark replication, and market access. The actively managed portion of the Endowment Subaccount permits wider use of derivative instruments, but subject to risk control parameters. Safeguards are in place against short selling and financial leverage.

Because the IMF's administrative expenditures are largely in US dollars and the Endowment Subaccount's general objective is to contribute to covering such expenditures (see Note 1.2), the performance of the Endowment Subaccount is measured in US dollars as the base currency but translated into SDRs for financial reporting. For the passively managed portion of the Endowment Subaccount, the Rules and Regulations of the IA provide for hedging against the exchange rate risk for fixed-income instruments denominated in developed market currencies vis-à-vis the US dollar. For the actively managed portion, the managers have the discretion to hedge exchange rate risks. The valuation changes from exchange rate fluctuations are included in the determination of investment income.

#### 4.3.2.3 Value at Risk

Exposures to market risk, including interest rate, exchange rate, and other price risks, are measured using value at risk (VaR), which considers not only known market risks in each of the asset categories but also the effect of asset class diversification. The VaR estimates reported below represent the maximum potential loss in value of the assets over the next year due to adverse market movements with a 95 percent confidence level. Conversely, there is a 1 in 20 chance that annual losses on investment assets would be expected to equal or exceed the reported VaR. Losses in a single year could exceed the reported VaR by a significant amount.

VaR models are based predominantly on historical simulations with a three-year look back period, and provide plausible future scenarios based on these simulations. There is no standard methodology for estimating VaR, and the modeling of the market risk characteristics of the investments involves many assumptions and approximations. Different assumptions or approximations could produce significantly different VaR estimates.

The VaR for the Fixed-Income Subaccount portfolio was as follows:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
Tranche 1 (see Note 7)	65	87
Tranche 2 (see Note 7)	58	50
Diversification effects	(47)	(14)
<b>Total Fixed-Income Subaccount</b>	<b>76</b>	<b>123</b>

The VaR for the Endowment Subaccount portfolio was as follows:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
<b>Passively managed portfolio:</b>		
Developed market equities	493	343
Emerging market equities	203	131
Developed market sovereign bonds	65	77
Developed market corporate bonds	51	74
Emerging market bonds	17	13
Inflation-linked bonds	52	40
Real estate investment trusts	97	50
Private infrastructure debt	5	—
Diversification effects	(236)	(254)
<b>Total for passively managed portfolio</b>	<b>747</b>	<b>474</b>
<b>Actively managed portfolio:</b>		
Fixed-income securities	10	13
Equity securities	39	21
Diversification effects	(11)	(9)
<b>Total for actively managed portfolio</b>	<b>38</b>	<b>25</b>

#### 4.3.3 Liquidity risk on investments

Liquidity risk on investments refers to the risk that an investment will not have an active buyer or seller when traded, which could negatively affect the price of the investment.

The IA's liquidity needs are low and the liquidity risk is minimal because both subaccounts hold the majority of their resources in readily marketable short-term investments.

##### 4.3.3.1 Maturity profile of investments

The maturities of the fixed-income securities and derivatives in the Fixed-Income Subaccount were as follows:

	April 30, 2021	April 30, 2020
<b>Financial year</b>	<i>(in millions of SDRs)</i>	
2021	—	6,424
2022	6,909	3,711
2023	3,131	2,229
2024	2,179	1,343
2025	1,554	1,638
2026	1,254	184
2027 and beyond	1,579	1,352
<b>Total</b>	<b>16,606</b>	<b>16,881</b>

The maturities of the fixed-income securities and derivatives in the Endowment Subaccount were as follows:

Financial year	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
2021	—	309
2022	392	398
2023	376	357
2024	396	397
2025	455	449
2026	461	319
2027 and beyond	1,649	1,356
<b>Total</b>	<b>3,729</b>	<b>3,585</b>

Investments in both subaccounts largely represent liquid investments, which could be sold earlier than their maturity, whenever necessary.

#### 4.4 Post-employment benefit plans

The General Department is exposed to investment, liquidity, and longevity risks associated with post-employment benefit plans (the Plans). These risks are balanced against the need to meet the financial obligations of each plan. The Plans have adopted general guidelines on permissible investments and plan assets are invested according to a strategic asset allocation, which is expected to generate a rate of return at or in excess of the rate of growth in the Plans' liabilities. The strategic asset allocation is reviewed periodically by the Investment Committee. The strategic asset allocation is designed to minimize the level of portfolio market risk (volatility) for the targeted rate of return, while better aligning portfolio volatility with the potential volatility of the Plans' liabilities. Through a global, multiple-asset-class investment approach, the portfolio risk is reduced for any targeted rate of return, because asset class returns are not perfectly correlated as regional and global economic, financial, and political events unfold. The Plans do not utilize specific, targeted asset-liability matching instruments or strategies such as annuities, longevity swaps, cash flow matching, or duration matching.

The primary objective with respect to liquidity is to have sufficient liquid resources available to pay benefits when due. This risk is monitored to ensure that payments due to the participants and beneficiaries can be met from the holdings of cash and highly liquid investments of the Plans.

## 5. Currencies, including credit outstanding

Under the Articles of Agreement, members are required to maintain the value of the GRA's holdings of their currencies in terms of the SDR. Any depreciation or appreciation in a member's currency vis-à-vis the SDR gives rise to a currency

valuation adjustment receivable or payable that must be settled by the member promptly after the end of the financial year or at other times as requested by the IMF or the member. Currency holdings of SDR 458,656 million at April 30, 2021 included receivables and payables arising from those valuation adjustments of SDR 25,618 million and SDR 10,182 million, respectively (currency holdings of SDR 461,826 million at April 30, 2020, included receivables and payables of SDR 26,743 million and SDR 5,793 million, respectively).

All holdings of members' currencies are typically revalued at each financial year-end of the IMF.

### 5.1 Credit outstanding

At April 30, 2021, and 2020, members' use of GRA credit was represented by currency holdings of SDR 89,788 million and SDR 73,575 million, respectively.

Changes in the outstanding use of GRA credit under the various facilities of the GRA were as follows:

	April 30, 2020	Purchases	Repurchases	April 30, 2021
	<i>(in millions of SDRs)</i>			
<b>Credit tranches:</b>				
SBA	34,520	4,481	(809)	38,192
FCL	—	3,750	—	3,750
PLL	2,151	—	(651)	1,500
RFI	6,380	9,622	(483)	15,519
EFF	30,437	5,103	(4,800)	30,740
Other facilities <sup>1</sup>	87	—	—	87
<b>Total credit outstanding</b>	<b>73,575</b>	<b>22,956</b>	<b>(6,743)</b>	<b>89,788</b>

<sup>1</sup> Other facilities include legacy credit under Enlarged Access, Compensatory and Contingency Financing Facility, and Supplementary Financing Facility.

	April 30, 2019	Purchases	Repurchases	April 30, 2020
	<i>(in millions of SDRs)</i>			
<b>Credit tranches:</b>				
SBA	31,777	3,980	(1,237)	34,520
PLL	—	2,151	—	2,151
RFI	936	6,071	(627)	6,380
EFF	30,800	4,553	(4,916)	30,437
Other facilities <sup>1</sup>	181	—	(94)	87
<b>Total credit outstanding</b>	<b>63,694</b>	<b>16,755</b>	<b>(6,874)</b>	<b>73,575</b>

<sup>1</sup> Other facilities include legacy credit under Enlarged Access, Compensatory and Contingency Financing Facility, and Supplementary Financing Facility.

The General Department has performed an impairment analysis of credit outstanding in accordance with its ECL model (see Note 3.2.1.1). Based on this analysis, no loss allowance was deemed to be necessary at April 30, 2021,

and 2020. As described in Note 3.2.1.1, the impairment analysis of the General Department's credit outstanding takes into account the unique nature of the IMF's financing and its institutional status, and is performed holistically based on qualitative and quantitative considerations and taking into account relevant current developments. In this context, the results of the impairment analysis at April 30, 2021, and 2020, are not materially sensitive to reasonable changes in input parameters of the ECL calculation.

### 5.1.1 Emergency financial assistance

The changes in outstanding use of GRA credit reflect emergency financing under the RFI that was provided by the General Department to members that faced urgent balance of payments needs as a result of the economic impact of the COVID-19 pandemic. Credit outstanding by member is presented in Schedule 1. Following the onset of the COVID-19 pandemic, the access limits for RFI purchases were temporarily increased (see Note 4.2.1).

### 5.2 Overdue obligations

At April 30, 2021, and 2020, Sudan was six months or more overdue in settling its financial obligations to the General Department.

During the financial year ended April 30, 2020, Somalia settled all of its overdue obligations to the General Department, including GRA credit outstanding and overdue charges of SDR 96 million and SDR 128 million, respectively, and the SAF loans and overdue interest of SDR 9 million and SDR 1 million, respectively. Settlement of the overdue charges generated burden-sharing refunds to members for amounts totaling SDR 120 million that were previously collected through burden-sharing adjustments to charges and remuneration (see Notes 13, 17, and 18).

The duration and type of overdue obligations were as follows:

	GRA repurchases		GRA charges	
	April 30		April 30	
	2021	2020	2021	2020
	<i>(in millions of SDRs)</i>			
Total overdue	142	143	738	736
Overdue for six months or more	142	143	737	735
Overdue for three years or more	142	143	731	728

[If Sudan arrears clearance happens before June 30:  
On [date] Sudan cleared its arrears to the GRA (see Note 22).]

## 6. SDR holdings

The General Department receives SDRs from members in the settlement of their financial obligations to the GRA and quota subscription payments. In addition, the GRA can use or receive SDRs in transactions and operations with members, including the provision of financial assistance to members, the receipt of charges and fees, and the payment of remuneration on reserve tranche positions or interest on borrowings to member countries and lenders.

At April 30, 2021, and 2020, the SDR holdings of the General Department amounted to SDR 22,203 million and SDR 21,204 million, respectively.

The GRA earns interest on its SDR holdings at the same rate as other holders of SDRs. Interest on SDR holdings during the financial years ended April 30, 2021, and 2020, comprised SDR 17 and SDR 170 million, respectively.

## 7. Investments

Investments comprised the following:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
Fixed-Income Subaccount	16,606	16,881
Endowment Subaccount	6,426	5,647
<b>Total</b>	<b>23,032</b>	<b>22,528</b>

During the financial year ended April 30, 2021, SDR 319 million was transferred from the IA to the GRA, as approved by the Executive Board (SDR 64 million during the financial year ended April 30, 2020).

### 7.1 Fixed-Income Subaccount

The Fixed-Income Subaccount comprises two tranches, a shorter-duration Tranche 1 and a longer-duration Tranche 2. Tranche 1 is managed actively within tight risk controls against a zero- to three-year government bond benchmark index. Tranche 2 is managed according to a buy-and-hold investment approach, which in limited circumstances allows for the sale of investments in accordance with the overall investment strategy, prior to maturity. It is managed against a zero- to five-year government bond benchmark index and is being phased in over a five-year period, which commenced in 2017. Assets pending investment in Tranche 2 are placed in a short duration fixed-income portfolio.

Both tranches can be invested in fixed-income securities issued by national governments of members, their central banks and official agencies, international financial institutions, and obligations of the BIS. Eligible investments in Tranche 1 also include fixed-income securities issued by

subnational governments, corporate bonds, mortgage-backed and other asset-backed securities, and cash instruments with maturities of one year or less. Assets are being invested by external managers, except for investments with the BIS and short-term investments (residual cash balances). Investments in the Fixed-Income Subaccount were as follows:

	April 30, 2021		
	Tranche 1	Tranche 2	Total
	<i>(in millions of SDRs)</i>		
<b>At fair value through profit or loss:</b>			
International financial institutions obligations:			
Medium-term instruments (BIS)	—	1,806	1,806
Others	439	569	1,008
Sovereign bonds	7,786	1,615	9,401
Corporate bonds	2,757	—	2,757
Securitized assets	616	—	616
Short-term investments	215	14	229
Derivative assets	38	—	38
<b>Total at fair value through profit or loss</b>	<b>11,851</b>	<b>4,004</b>	<b>15,855</b>
<b>At amortized cost:</b>			
Fixed-term deposits	—	751	751
<b>Total</b>	<b>11,851</b>	<b>4,755</b>	<b>16,606</b>

	April 30, 2020		
	Tranche 1	Tranche 2	Total
	<i>(in millions of SDRs)</i>		
<b>At fair value through profit or loss:</b>			
International financial institutions obligations:			
Medium-term instruments (BIS)	—	2,563	2,563
Others	338	630	968
Sovereign bonds	6,507	1,547	8,054
Corporate bonds	3,242	—	3,242
Securitized assets	718	—	718
Short-term investments	236	38	274
Derivative assets	22	—	22
<b>Total at fair value through profit or loss</b>	<b>11,063</b>	<b>4,778</b>	<b>15,841</b>
<b>At amortized cost:</b>			
Fixed-term deposits	—	1,040	1,040
<b>Total</b>	<b>11,063</b>	<b>5,818</b>	<b>16,881</b>

Fair values of derivative assets and liabilities in the Fixed-Income Subaccount at April 30, 2021 were SDR 38 million and SDR 40 million, respectively (SDR 22 million and SDR 93 million for derivative assets and liabilities, respectively, at April 30, 2020). Notional values of derivative instruments were as follows:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
Futures		
Long positions	465	421
Short positions	2,336	2,176
Currency forwards	1,587	1,254
Interest rate swaps	643	498
Currency swaps	718	683
Swaptions	63	—

## 7.2 Endowment Subaccount

The assets of the Endowment Subaccount are invested in a globally diversified portfolio consisting of fixed-income and equity instruments (including REITs and private infrastructure debt). Assets are invested by external managers, except for short-term investments (residual cash balances).

The passively managed portfolio is invested in accordance with the strategic asset allocation in select investment categories approved by the Executive Board. Each investment category is invested to achieve exposure to broad characteristics of the specific asset class.

The actively managed portfolio represented about 4 percent at April 30, 2021 (5 percent at April 30, 2020), and may grow to up to 10 percent of the Endowment assets. The actively managed portfolio is invested in the same asset categories as the passively managed and has target shares for fixed-income instruments and equities without specific allocation requirements within those shares.

In 2019, the Executive Board approved the allocation of 5 percent of the passively managed portion of the Endowment assets to private infrastructure debt. The IMF invests in this asset class through commingled funds and its commitments are drawn down over time based on notices from the respective investment managers. At April 30, 2021, total commitments amounted to SDR 171 million (none at April 30, 2020). During the financial year ended April 30, 2021 total capital calls under the commitments totaled SDR 14 million and distributions amounting to SDR 1 million were paid back to the General Department.

Investments in the Endowment Subaccount, all of which are classified as FVPL, consisted of the following investment categories:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
<b>Passively managed portfolio:</b>		
Developed market sovereign bonds	894	867
Developed market corporate bonds	1,005	1,094
Emerging market bonds	274	268
Inflation-linked bonds	1,214	1,113
Developed market equities	1,565	1,266
Emerging market equities	639	480
Real estate investment trusts	347	214
Private infrastructure debt	12	—
Short-term investments	184	80
<b>Total passively managed portfolio</b>	<b>6,134</b>	<b>5,382</b>
<b>Actively managed portfolio:</b>		
Fixed-income securities	143	140
Equity securities	134	102
Short-term investments	10	13
<b>Total actively managed portfolio</b>	<b>287</b>	<b>255</b>
Derivative assets	5	10
<b>Total</b>	<b>6,426</b>	<b>5,647</b>

Investment categories comprise funds managed to achieve exposure to broad characteristics of the specific asset class. Funds may include holdings in other asset classes. Market exposure may be achieved through derivative instruments, where necessary and as determined under the IA's Rules and Regulations.

Fair values of derivative assets and liabilities in the Endowment Subaccount at April 30, 2021 were SDR 5 million and SDR 16 million, respectively (SDR 10 million and SDR 17 million for derivative assets and liabilities, respectively, at April 30, 2020). Notional values of derivative instruments were as follows:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
<b>Futures</b>		
Long positions	22	34
Short positions	29	51
Currency forwards	2,329	2,183

### 7.3 Investment income

Net income from investments consisted of the following:

	2021		
	Fixed-Income Subaccount	Endowment Subaccount	Total
	<i>(in millions of SDRs)</i>		
Investment income on FVPL investments	94	789	883
Interest income on investments at AC	1	—	1
Investment fees	(9)	(6)	(15)
<b>Total</b>	<b>86</b>	<b>783</b>	<b>869</b>

	2020		
	Fixed-Income Subaccount	Endowment Subaccount	Total
	<i>(in millions of SDRs)</i>		
Investment income on FVPL investments	310	118	428
Interest income on investments at AC	17	—	17
Investment fees	(8)	(6)	(14)
<b>Total</b>	<b>319</b>	<b>112</b>	<b>431</b>

### 8. Fair value measurement

Valuation techniques used to value financial instruments include the following:

#### Level 1

The fair value of publicly traded investments is based on quoted market prices in an active market for identical assets without any adjustments (closing price for equities and derivative instruments and bid price for fixed-income securities). These investments are included within Level 1 of the fair value hierarchy.

#### Level 2

The fair value of fixed-income securities not actively traded is determined on the basis of a compilation of significant observable market information, such as recently executed trades in securities of the issuer or comparable issuers and yield curves. The assessment also takes into account the inherent risk and terms and conditions of each security. Given that the significant inputs are observable, these securities are included within Level 2 of the fair value hierarchy.

The fair value of over-the-counter derivative instruments (foreign exchange forwards, currency/interest rate swaps) not actively traded is determined using a pricing model that incorporates foreign exchange spot and forward rates and interest rate curves. Given that the significant inputs into the

pricing models are market observable, these instruments are included within Level 2 of the fair value hierarchy.

### Level 3

The private infrastructure debt assets classified within Level 3 have significant unobservable inputs, as they trade infrequently or do not trade at all. As observable prices are not available for these assets, the mark-to-model valuation technique is used to derive the fair value. Different assumptions or approximations could produce significantly different valuation estimates.

## 8.1 Investments

The following tables present the fair value hierarchy used to determine the fair value of investments in the IA:

	April 30, 2021			Total
	Level 1	Level 2	Level 3	
<i>(in millions of SDRs)</i>				
<b>Recurring fair value measurements</b>				
Fixed-Income Subaccount	194	15,661	—	15,855
Endowment Subaccount	2,707	3,707	12	6,426
<b>Total</b>	<b>2,901</b>	<b>19,368</b>	<b>12</b>	<b>22,281</b>

	April 30, 2020			Total
	Level 1	Level 2	Level 3	
<i>(in millions of SDRs)</i>				
<b>Recurring fair value measurements</b>				
Fixed-Income Subaccount	210	15,631	—	15,841
Endowment Subaccount	2,077	3,570	—	5,647
<b>Total</b>	<b>2,287</b>	<b>19,201</b>	<b>—</b>	<b>21,488</b>

There have been no transfers between different levels of fair value hierarchy during the financial years ended April 30, 2021, and 2020.

Fixed-term deposits in the IA are generally of a short-term nature and are carried at amortized cost, which approximates fair value.

Derivative liabilities at April 30, 2021 comprised SDR 8 million valued based on quoted market prices (Level 1 in the fair value hierarchy) and SDR 48 million valued based on observable market data (Level 2 in the fair value hierarchy) (SDR 45 million and SDR 65 million for Level 1 and Level 2, respectively, at April 30, 2020).

## 8.2 Credit outstanding

The IMF plays a unique role in providing balance of payments support to member countries. IMF financing features policy conditions that require member countries to implement macroeconomic and structural policies and are an integral part of IMF financing. These measures aim to help countries resolve their balance of payments problems while safeguarding IMF resources. The fair value of IMF credit outstanding cannot be determined due to its unique characteristics, including the debtor's membership relationship with the IMF, and the absence of a principal or most advantageous market for IMF credit.

## 8.3 Other financial assets and liabilities

The carrying value of other financial assets and liabilities that are classified at AC represents a reasonable estimate of their fair value at April 30, 2021, and 2020.

## 9. Gold holdings

The IMF acquired its gold holdings from quota subscriptions and financial transactions prior to the entry into force of the Second Amendment of the Articles of Agreement (April 1, 1978). At April 30, 2021, and 2020, the IMF held gold of 2,814 metric tons, equal to 90.474 million fine troy ounces, at designated depositories. Gold holdings were valued at a historical cost of SDR 3,167 million at April 30, 2021, and 2020, based on a cost of SDR 35 per fine troy ounce.

At April 30, 2021, the market value of the IMF's holdings of gold was SDR 111.4 billion (SDR 112.7 billion at April 30, 2020).

## 10. Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets, net of depreciation and amortization, amounted to SDR 555 million and SDR 557 million at April 30, 2021, and 2020, respectively, and consisted of land, buildings, equipment, furniture, and software.

	Land	Buildings	Other	Total
	<i>(in millions of SDRs)</i>			
<b>Financial year ended April 30, 2021:</b>				
<b>Cost</b>				
Beginning of the year	95	436	401	932
Additions	—	1	46	47
Disposals	—	—	(27)	(27)
<b>End of the year</b>	<b>95</b>	<b>437</b>	<b>420</b>	<b>952</b>
<b>Accumulated depreciation and amortization:</b>				
Beginning of the year	—	163	212	375
Depreciation and amortization	—	12	37	49
Disposals	—	—	(27)	(27)
<b>End of the year</b>	<b>—</b>	<b>175</b>	<b>222</b>	<b>397</b>
<b>Net book value at April 30, 2021</b>	<b>95</b>	<b>262</b>	<b>198</b>	<b>555</b>

	Land	Buildings	Other	Total
	<i>(in millions of SDRs)</i>			
<b>Financial year ended April 30, 2020:</b>				
<b>Cost</b>				
Beginning of the year	95	412	379	886
Additions	—	2	62	64
Transfers	—	22	(22)	—
Disposals	—	—	(18)	(18)
<b>End of the year</b>	<b>95</b>	<b>436</b>	<b>401</b>	<b>932</b>
<b>Accumulated depreciation and amortization:</b>				
Beginning of the year	—	151	198	349
Depreciation and amortization	—	12	32	44
Disposals	—	—	(18)	(18)
<b>End of the year</b>	<b>—</b>	<b>163</b>	<b>212</b>	<b>375</b>
<b>Net book value at April 30, 2020</b>	<b>95</b>	<b>273</b>	<b>189</b>	<b>557</b>

Depreciation and amortization expense of SDR 49 million and SDR 44 million is included in administrative expenses for the financial years ended April 30, 2021, and 2020, respectively.

## 11. Employee benefits

### 11.1 Overview of the Plans

The IMF has a defined benefit Staff Retirement Plan (SRP) that covers all eligible staff and a Supplemental Retirement Benefits Plan (SRBP) for a subset of participants of the SRP. The SRBP provides for the payment of benefits that otherwise would have been payable had the US qualified plan benefits and compensation limits not applied. Participants in the SRP and SRBP (the pension plans) are entitled to unreduced annual pensions beginning at the normal retirement age of 62 or earlier if certain conditions of

age and service are met. The mandatory retirement age is 65. The pension plans also provide an option for eligible staff to receive reduced pension benefits beginning at the age of 50. The level of pension benefits depends on the participants' length of service and highest three-year average gross compensation. Participants may also elect upon retirement to commute a portion of the lifetime pension benefits into a lump-sum payment.

In December 2019, the Executive Board approved changes to the SRP and SRBP with the effective date of May 1, 2021 to: (1) expand eligibility for a lump-sum withdrawal for participants leaving the IMF before retirement; (2) expand the maximum portion of pension that could be commuted upon retirement into lump-sum payments; and (3) update survivor benefits to reflect any lump-sum commutation. The amount of past service cost resulting from these changes recognized in the statement of income for the year ended April 30, 2020 amounted to negative SDR 36 million. The effective date of these changes has been extended to May 1, 2023.

The IMF provides other non-pension long-term benefits, including medical insurance, life insurance, separation and repatriation benefits, accrued annual leave up to 60 days, and associated tax allowances. The IMF has established a separate account, the Retired Staff Benefits Investment Account (RSBIA), to hold and invest resources set aside to fund the cost of certain of these post-retirement benefits. In December 2019, the Executive Board approved changes to leave benefits and introduced mandatory Medicare participation for eligible participants. Effective dates for these changes range between October 1, 2020 and May 1, 2021. In May 2020, the Executive Board approved changes to separation and repatriation benefits with an effective date of October 1, 2020. The amount of past service cost resulting from these changes recognized in the statement of income for the years ended April 30, 2021, and 2020 amounted to SDR 6 million and negative SDR 47 million, respectively.

The assets in the SRP, SRBP, and RSBIA (collectively, the Plans) are held separately from the assets of all other accounts of the IMF. Also, the net asset position in one of the Plans cannot be netted with the net liability position in another Plan. In the event the IMF were to exercise its right to terminate the Plans, the assets of these plans would be used to satisfy liabilities to participants, retired participants, and their beneficiaries, and other liabilities of the pension plans. Any remaining assets would be returned to the GRA. The GRA meets the costs of administering the Plans, and the SRP and RSBIA reimburse the GRA for investment-related costs.

The Executive Board and the Pension Committee are responsible for the governance of the Plans. The Executive Board approves the funding framework and amendments to

the Plans. The Pension Committee, consisting of members of the Executive Board and senior staff, supervises and controls the overall administration of the SRP and the SRBP. The Pension Committee also undertakes periodic valuations of the assets and liabilities related to the Plans, and advises the Executive Board on the appropriate funding framework. It is supported by an Investment Committee to oversee the investments of the Plans.

## 11.2 Net assets/liabilities and benefit costs under retirement benefit plans

The amounts recognized in the statements of financial position were as follows:

	April 30, 2021		April 30, 2020	
	Pension benefits	Other employee benefits	Total	Total
	<i>(in millions of SDRs)</i>			
Defined benefit obligation	(9,112)	(2,313)	(11,425)	(12,018)
Plan assets	9,040	2,180	11,220	9,010
<b>Net liabilities</b>	<b>(72)</b>	<b>(133)</b>	<b>(205)</b>	<b>(3,008)</b>

The amounts recognized in the statements of income and statements of comprehensive income were as follows:

	2021		2020	
	Pension benefits	Other employee benefits	Total	Total
	<i>(in millions of SDRs)</i>			
Service cost	(295)	(112)	(407)	(310)
Past service cost	—	(6)	(6)	83
Interest expense related to defined benefit obligation	(271)	(64)	(335)	(377)
Interest income related to plan assets	197	47	244	366
<b>Net periodic pension cost recognized in the statements of income</b>	<b>(369)</b>	<b>(135)</b>	<b>(504)</b>	<b>(238)</b>
Remeasurement of defined benefit obligation	509	(52)	457	(1,931)
Return on plan assets excluding amounts included in interest income	2,036	496	2,532	(944)
Exchange differences	136	30	166	(5)
<b>Amounts recognized in other comprehensive income/(loss)</b>	<b>2,681</b>	<b>474</b>	<b>3,155</b>	<b>(2,880)</b>
<b>Total (expense)/gain recognized in statements of comprehensive income</b>	<b>2,312</b>	<b>339</b>	<b>2,651</b>	<b>(3,118)</b>

The reconciliation of the defined benefit obligation was as follows:

	2021		2020	
	Pension benefits	Other employee benefits	Total	Total
	<i>(in millions of SDRs)</i>			
Defined benefit obligation at the beginning of the year	9,759	2,259	12,018	9,596
Current service cost	295	112	407	310
Past service cost	—	6	6	(83)
Interest expense	271	64	335	377
Employee contributions	44	—	44	42
Actuarial gain due to demographic assumptions changes	(90)	(30)	(120)	—
Actuarial expense/(gain) due to financial assumptions changes	(419)	82	(337)	1,931
Benefits paid	(251)	(63)	(314)	(299)
Exchange differences	(497)	(117)	(614)	144
<b>Defined benefit obligation at the end of the year</b>	<b>9,112</b>	<b>2,313</b>	<b>11,425</b>	<b>12,018</b>

The reconciliation of changes in the fair value of plan assets was as follows:

	2021		2020	
	Pension benefits	Other employee benefits	Total	Total
	<i>(in millions of SDRs)</i>			
Fair value of plan assets at the beginning of the year	7,292	1,718	9,010	9,559
Return on plan assets excluding interest income	2,036	496	2,532	(944)
Interest income	197	47	244	366
Employer contributions	83	69	152	147
Employee contributions	44	—	44	42
Benefits paid	(251)	(63)	(314)	(299)
Exchange differences	(361)	(87)	(448)	139
<b>Fair value of plan assets at the end of the year</b>	<b>9,040</b>	<b>2,180</b>	<b>11,220</b>	<b>9,010</b>

The fair value of major categories of plan assets was as follows:

	April 30, 2021		April 30, 2020	
	Quoted market price in an active	No quoted market price in an active market	Total	Total
	<i>(in millions of SDRs)</i>			
Cash	56	—	56	93
Global equities	2,703	1,279	3,982	2,991
Emerging market equities	640	1,032	1,672	1,116
Global fixed income	—	941	941	990
High-yield fixed income	27	1,189	1,216	1,011
Real assets	394	623	1,017	905
Private equity and absolute return	—	2,336	2,336	1,904
<b>Total</b>	<b>3,820</b>	<b>7,400</b>	<b>11,220</b>	<b>9,010</b>

Participants in the pension plans contribute a fixed 7 percent of pensionable gross compensation. The actuarially determined employer contributions to the pension plans during the financial year ended April 30, 2021 amounted to 13.06 percent of pensionable gross compensation (10.99 percent of pensionable gross compensation during the financial year ended April 30, 2020). Under the IMF's funding framework, the budgetary allocations for payments to the pension plans have been set at 14 percent of pensionable gross compensation. The IMF expects to contribute SDR 157 million to the Plans during the financial year ending April 30, 2022.

The expected pension and benefits payments to be paid out by the Plans over the next five years were as follows at April 30, 2021:

Financial year	Pension benefits	Other employee benefits	Total
	<i>(in millions of SDRs)</i>		
2022	278	92	370
2023	294	64	358
2024	312	68	380
2025	329	72	401
2026	346	75	421

### 11.3 Principal actuarial assumptions

The IMF conducts a comprehensive analysis of the principal actuarial assumptions used in calculating the net assets/liabilities under retirement benefit plans every five years and reviews their applicability on an annual basis. The most recent five-year analysis was completed in April 2021.

The principal actuarial assumptions used in the actuarial valuation were as follows:

	April 30, 2021	April 30, 2020
<i>(in percent)</i>		
Discount rate/expected return on plan assets	3.02	2.73
Rate of salary increases (average)	3.50	
Health care cost trend rate	4.00-6.75	4.00-5.75
Inflation	2.00	
<b>Life expectancy:</b>	<i>(in years)</i>	
Male	89	
Female	93	

The assumed retirement rate ranges from 5 percent at age 50 to 100 percent at age 65, and the assumed participation rate for medical benefits upon retirement is 85 percent.

The weighted average duration of the defined benefit obligation was 19.1 years at April 30, 2021 (19.8 years at April 30, 2020).

The following shows the sensitivity of the present value of the defined benefit obligation to changes in actuarial assumptions at April 30, 2021:

Present value of the defined benefit obligation	Change in assumption	Increase in assumption	Decrease in assumption
		<i>(in millions of SDRs)</i>	
Discount rate	0.5%	Decrease by 960	Increase by 1,100
Rate of salary increases	0.5%	Increase by 150	Decrease by 140
Health care cost trend rate	0.5%	Increase by 230	Decrease by 200
Inflation rate	0.5%	Increase by 690	Decrease by 620
Life expectancy	One year in longevity	Increase by 360	

The sensitivity analyses are based on a change in one assumption, while holding all other assumptions constant, so that the effects of correlation between the assumptions are excluded.

## 12. Other assets and liabilities

Other assets comprised the following:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
Basic charges receivable	235	218
Surcharges receivable	244	180
Investment trades receivable	88	178
Accrued interest and dividends on investments	82	91
Accrued interest on SDR holdings	3	18
Miscellaneous receivables and prepaid expenses	54	63
<b>Total other assets</b>	<b>706</b>	<b>748</b>

Other liabilities comprised the following:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
Refundable commitment fees on active arrangements	370	191
Investment trades payable	198	288
Derivative liabilities (see Note 7)	56	110
Miscellaneous payables	137	211
<b>Total other liabilities</b>	<b>761</b>	<b>800</b>

## 13. Burden sharing and the Special Contingent Account

### 13.1 Burden sharing for deferred charges

The IMF has adopted the burden-sharing mechanism to address the financial consequences of member countries' failure to settle financial obligations to the GRA on time. Under the burden-sharing mechanism, resources are generated by increasing the rate of charge and reducing the rate of remuneration to cover shortfalls in the GRA's income due to the nonpayment of charges.

Members that participated in burden sharing for overdue charges receive refunds to the extent that these charges are subsequently settled by the defaulting member.

Overdue charges that have resulted in adjustments to charges and remuneration for the years ended April 30, 2021, and 2020, amounted to SDR 2 million and SDR 4 million, respectively (see Note 17). Cumulative overdue charges that have resulted in adjustments to charges and remuneration since May 1, 1986 (the date the burden-sharing mechanism was adopted) amounted to SDR 2,051 million at April 30, 2021, and 2020. The cumulative refunds for the same period, resulting from the settlements of overdue

charges for which burden-sharing adjustments have been made, amounted to SDR 1,440 million at April 30, 2021, and 2020. There were no burden sharing refunds during the financial year ended April 30, 2021 (SDR 120 million during the financial year ended April 30, 2020 resulting from the settlements of overdue charges previously deferred, see Note 5.2).

[If Sudan arrears clearance occurs before June 30:

On [date] the General Department refunded the full amount of remaining burden-sharing adjustments amounting to SDR [] million resulting from the settlement of all outstanding overdue GRA charges previously deferred (see Note 22).]

### 13.2 Burden sharing for the SCA-1

The burden-sharing mechanism has also financed additions to the SCA-1, which offers protection against the risk of loss resulting from the ultimate failure of a member to repay its overdue obligations to the GRA.

Contributions to the SCA-1 are returned when there are no outstanding overdue repurchases and charges, or at such earlier time as the Executive Board may decide.

During the financial year ended April 30, 2020, in connection with the clearance of Somalia's arrears to the IMF, the Executive Board decided to make a partial distribution of SDR 122 million to contributing members. The SCA-1 balance amounted to SDR 1,066 million at April 30, 2021, and 2020. Effective November 1, 2006, the Executive Board decided to suspend, for the time being, further additions to the SCA-1. Accordingly, no additions have been made to the SCA-1 during the financial years ended April 30, 2021, and 2020.

[If Sudan arrears clearance occurs before June 30:

Subsequent to April 30, 2021, in connection with the clearance of Sudan's arrears to the IMF, the Executive Board decided to make a distribution of the remaining SDR 1,066 million in the SCA-1 to contributing members. The distribution took place on [date].]

## 14. Borrowings

The GRA can borrow to temporarily supplement its quota resources. The Executive Board has established guidelines on borrowing by the GRA to ensure that the financing of the GRA is managed in a prudent and systemic manner.

The GRA's main standing borrowing arrangement is the New Arrangements to Borrow (NAB). The GRA may also borrow under bilateral agreements, in particular loan and note purchase agreements (bilateral borrowing agreements). At

April 30, 2021, the NAB credit arrangements amounted to SDR 360.8 billion and the bilateral borrowing agreements amounted to SDR 135.0 billion; see Schedules 4 and 5, respectively.

#### 14.1 New Arrangements to Borrow

The NAB is a standing set of credit arrangements with 40 participants, of which 38 agreements were effective at April 30, 2021, and 2020. The NAB provides supplementary resources to the GRA as a second line of defense to IMF quotas.

The NAB is renewed periodically. In January 2020, the Executive Board approved a NAB reform that doubled NAB commitments and set a new NAB period through end-2025. NAB participants have since provided the necessary consents and this reform took effect as targeted on January 1, 2021. Following the effectiveness of the reform, the effective NAB commitments have increased from SDR 180.6 billion to SDR 360.8 billion.

NAB resources can be activated when the Fund's resources need to be supplemented in order to forestall or cope with an impairment of the international monetary system. The activation requires the consent of participants representing 85 percent of total NAB credit arrangements of participants eligible to vote and the approval of the Executive Board. Drawings under the NAB can be made to finance purchases by borrowing members for outright purchases and under arrangements that were approved during the period when the NAB was activated. The NAB was not activated at April 30, 2021, and 2020.

Drawings under the NAB can be made to finance purchases by borrowing members for outright purchases and under arrangements that were approved during the period when the NAB was activated. Claims under the NAB are encashable on demand by participants, subject to certain conditions.

#### 14.2 Bilateral Borrowing Agreements

Bilateral borrowing agreements are intended to serve as a third line of defense to IMF quotas and NAB resources. The current round of bilateral borrowing agreements, which have been in effect since January 1, 2021, were signed under a framework established by the Executive Board in 2020. They have an initial term through end-December 2023, which may be extended by one more year. Bilateral borrowing agreements that were effective at April 30, 2020 were signed under a framework established by the Executive Board in 2016; these agreements expired at end-December 2020.

At April 30, 2021, lenders' commitments under effective borrowing agreements totaled US\$194 billion, equivalent to

SDR 135 billion (US\$433 billion equivalent to SDR 317 billion at April 30, 2020).

Resources under bilateral borrowing agreements can be activated only if the amount of IMF resources otherwise available for financing has fallen below a threshold of SDR 100 billion and either the NAB is activated or there are no available uncommitted NAB resources. Activation requires approval by bilateral creditors representing 85 percent of the total credit amount committed.

Drawings under the borrowing agreements may be made to finance commitments approved during an activation period. Claims under the bilateral borrowing agreements are encashable on demand by lenders, subject to certain conditions.

#### 14.3 Outstanding borrowings

Outstanding borrowings represent drawings under the NAB, are denominated in SDRs, and carry the SDR interest rate. There were no outstanding borrowings under bilateral borrowing agreements at April 30, 2021, and 2020.

There were no drawings under the NAB or bilateral borrowings during the financial years ended April 30, 2021, and 2020. Repayments under the NAB during the same periods amounted to SDR 3,765 million and SDR 4,748 million, respectively. Total outstanding NAB borrowings at April 30, 2021, and 2020, were SDR 5,138 million and SDR 8,903 million, respectively (see Schedule 4).

The average interest rate on outstanding borrowings was 0.077 percent per annum and 0.765 percent per annum for the financial years ended April 30, 2021, and 2020, respectively. The interest expense on outstanding borrowings during the same periods was SDR 6 million and SDR 90 million, respectively.

### 15. Quota subscriptions and reserve tranche positions

#### 15.1 Quota subscriptions

The IMF's resources are primarily provided by its members through the payment of quota subscriptions, which broadly reflect each member's relative position in the global economy. Quotas also determine each member's relative voting power, its share in SDR allocations, and its access to IMF resources.

The IMF conducts a general review of members' quotas at intervals of not more than five years. The review allows the IMF to assess the adequacy of quota resources to meet its

financing needs and to allow for adjustments to members' quotas to reflect their relative positions in the world economy.

The Fourteenth General Review of Quotas became effective in January 2016. At April 30, 2021, 184 members had consented and paid in full their quota increases, amounting to SDR 238 billion (183 members at April 30, 2020, amounting to SDR 238 billion). This amount represents over 99 percent of the total quota increases that members were eligible for at January 26, 2016 (SDR 239 billion). Quota subscription payments under the Fourteenth General Review of Quotas during the years ended April 30, 2021, and 2020, amounted to SDR 2 million and SDR 251 million, respectively.

The Fifteenth General Review of Quotas was concluded in February 2020 with no increase in IMF quotas. The Sixteenth Review is planned to be concluded no later than December 15, 2023.

On October 16, 2020, the Principality of Andorra became the 190<sup>th</sup> member of the IMF with an initial quota of SDR 83 million, which has been paid in full during the financial year ended April 30, 2021.

## 15.2 Reserve tranche positions

The reserve tranche is determined as the difference between the member's quota subscription and the GRA's holdings of its currency, excluding holdings that reflect the member's use of GRA credit and administrative balances. A member's reserve tranche is also considered a part of its international reserves and a liquid claim against the GRA that can be encashed by the member at any time upon the representation of a balance of payments need.

Members' reserve tranche positions were as follows:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
<b>Quota subscriptions</b>	<b>475,808</b>	<b>475,724</b>
Total currency holdings	458,656	461,826
Less: members' outstanding use of GRA credit	(89,788)	(73,575)
Less: administrative balances	(167)	(129)
	<b>368,701</b>	<b>388,122</b>
<b>Reserve tranche positions</b>	<b>107,107</b>	<b>87,602</b>

## 16. Reserves of the General Resources Account

### 16.1 Reserves of the General Resources Account

The GRA reserves consist of the Special Reserve and the General Reserve. The General Reserve may be used inter alia to meet capital losses and operational deficits, or for distribution to IMF members. The Special Reserve can be used for the same purposes except distribution to members. At April 30, 2021, the balances of Special and General Reserves amounted to SDR 11,347 million and SDR 12,003 million, respectively (SDR 8,557 million and SDR 10,764 million, respectively, at April 30, 2020).

### 16.2 Income disposition

The Executive Board determines annually what part of the GRA net income (as described below) will be placed to the General Reserve and/or the Special Reserve, and what part, if any, will be distributed. Net losses are charged against the Special Reserve in accordance with the applicable Executive Board decision.

The GRA net income/losses for the purpose of the income disposition includes (1) income of the General Resources Account from the statement of income, (2) transfer of Investment Account income as approved by the Executive Board and (3) the remeasurement of net assets/liabilities under retirement benefit plans from the statement of other comprehensive income. For the financial years ended April 30, 2021, and 2020, the Executive Board decided to place income to/ charge losses against reserves as follows:

	Special Reserve			General Reserve		
	Income	Remea- surement	Total	Income	Remea- surement	Total
	<i>(in millions of SDRs)</i>					
Balance at April 30, 2020	10,405	(1,848)	8,557	10,546	218	10,764
Income of the GRA	394	—	394	394	—	394
Transfer of Investment Account income	43	—	43	43	—	43
Remeasurement of net assets/liabilities under retirement benefit plans	—	2,353	2,353	—	802	802
<b>Balance at April 30, 2021</b>	<b>10,842</b>	<b>505</b>	<b>11,347</b>	<b>10,983</b>	<b>1,020</b>	<b>12,003</b>

	Special Reserve			General Reserve		
	Income	Remeasurement	Total	Income	Remeasurement	Total
<i>(in millions of SDRs)</i>						
Balance at April 30, 2019 <sup>1</sup>	9,075	1,032	10,107	10,546	218	10,764
Income of the GRA	1,011	—	1,011	—	—	—
Transfer of Investment Account income	319	—	319	—	—	—
Remeasurement of net assets/liabilities under retirement benefit plans	—	(2,880)	(2,880)	—	—	—
<b>Balance at April 30, 2020</b>	<b>10,405</b>	<b>(1,848)</b>	<b>8,557</b>	<b>10,546</b>	<b>218</b>	<b>10,764</b>

<sup>1</sup> The Special Reserve and General Reserve at April 30, 2019 are each apportioned into two components: income and remeasurement of net assets/liabilities under retirement benefit plans. Remeasurement represents the cumulative amount of the annual remeasurement gains and losses starting from the financial year ended April 30, 2000 when the General Department adopted IFRS.

### 16.3 Precautionary balances

The GRA's precautionary balances consist of its reserves (excluding SDR 4.4 billion currently held in the Special Reserve, and attributable to the profits from the limited gold sales in 2009–10 that have been earmarked for the Endowment Subaccount) and the SCA-1 (see Note 13.2). At April 30, 2021, and 2020, precautionary balances amounted to SDR 20.0 billion and SDR 16.0 billion, respectively. The Executive Board has last reviewed the adequacy of precautionary balances in October 2020 and raised the medium-term indicative target for precautionary balances from SDR 20 billion to SDR 25 billion, while the minimum floor was kept at SDR 15 billion.

[If Sudan arrears clearance occurs before June 30:

Subsequent to April 30, 2021, the balances in the SCA-1 were distributed in connection with Sudan's arrears clearance (see Note 22). This reduced the precautionary balances by SDR 1,066 million.]

### 17. Charges and fees

The average credit outstanding subject to charges amounted to SDR 86,700 million and SDR 66,686 million for the financial years ended April 30, 2021, and 2020, respectively.

The rate of charge levied on outstanding credit is equal to the basic rate of charge adjusted for burden sharing (see Note 13). The basic rate of charge is the SDR interest rate plus a fixed margin as determined by the Executive Board,

which for the years ended April 30, 2021, and 2020, amounted to 100 basis points. The average rate of charge (adjusted for burden sharing) was 1.077 percent per annum and 1.768 percent per annum for the financial years ended April 30, 2021, and 2020, respectively.

Credit outstanding in excess of 187.5 percent of quota resulting from purchases in the credit tranches and under the EFF and the SLL, is subject to a level-based surcharge of 200 basis points per annum above the basic rate of charge. An additional time-based surcharge of 100 basis points per annum applies to such credit outstanding for more than three years, except for purchases under the EFF, for which the additional surcharge of 100 basis points applies after 51 months. Purchases under the SLL are not subject to time-based surcharges given the short maturity of repurchase obligations.

Charges income consisted of the following:

	2021	2020
<i>(in millions of SDRs)</i>		
Basic charges before burden-sharing adjustment	930	1,173
Deferred basic charges recovered through:		
Burden-sharing adjustment to charges	1	2
Burden-sharing adjustment to remuneration	1	2
Surcharges	931	752
<b>Total charges</b>	<b>1,863</b>	<b>1,929</b>

During the year ended April 30, 2021, the IMF deferred charges due from overdue members in the amount of SDR 2 million (SDR 4 million during the year ended April 30, 2020) (see Note 13.1). These deferred charges were fully recovered through burden-sharing proceeds to charges and remuneration of SDR 1 million each during the year ended April 30, 2021 (SDR 2 million each during the year ended April 30, 2020) (see also Note 18).

Other charges and fees consisted of the following:

	2021	2020
<i>(in millions of SDRs)</i>		
Service charges	115	84
Commitment fee	70	374
Special charges	—	6
SDA income	—	1
<b>Total charges</b>	<b>185</b>	<b>465</b>

A service charge of 50 basis points is levied by the GRA on all purchases from the GRA, except for purchases under SLL arrangements, which are subject to a service charge of 21 basis points, and reserve tranche purchases, which are not subject to service charges.

A commitment fee is levied on the amount available for financing under an arrangement for each 12-month period and refunded as the member makes purchases under the arrangement. Except for SLL arrangements, the commitment fee amounts to 15 basis points per annum for access up to 115 percent of quota, 30 basis points for access between 115 and 575 percent of quota, and 60 basis points for access in excess of 575 percent of quota. For SLL arrangements, the commitment fee amounts to 8 basis points and is not refundable when the member makes purchases under the arrangement. At the expiration or cancellation of a GRA arrangement any unrefunded amount is recognized as income, except for SLL arrangements for which commitment fee income is recognized on a straight-line basis during the duration of the arrangement.

The GRA levies special charges on overdue repurchases and charges of less than six months' duration. Currently, the special rate of charge on overdue repurchases is set at zero and for overdue charges it is equal to the SDR interest rate. Such charges are deferred when not paid and recognized as income upon payment. Special charges for the year ended April 30, 2020 comprised previously deferred special charges paid by Somalia at the time of its arrears clearance (see Note 5.2).

SDA income during the year ended April 30, 2020 comprised interest on SAF loans settled by Somalia (see Note 5.2).

## 18. Remuneration of members' reserve tranche positions

Remuneration of members' reserve tranche positions amounted to SDR 72 million and SDR 546 million for the financial years ended April 30, 2021, and 2020, respectively.

A portion of the reserve tranche position is unremunerated. For a member that joined the IMF on or before April 1, 1978, the unremunerated portion is equal to 25 percent of the member's quota subscription on April 1, 1978 (that part of the quota subscription that was paid in gold prior to the Second Amendment of the Articles of Agreement). For a member that joined the IMF after that date, its unremunerated reserve tranche is a percentage of its initial quota equivalent to the ratio of total unremunerated reserve tranches for all other members to their total quota subscriptions when the new member joined the IMF. The average remunerated reserve tranche amounted to SDR 93,949 million and SDR 71,885 million during the financial years ended April 30, 2021, and 2020, respectively.

The rate of remuneration is currently equal to the SDR interest rate. Burden-sharing adjustments reduce the rate of remuneration, but under the Articles of Agreement, the rate

of remuneration may be no lower than 80 percent of the SDR interest rate. The average rate of remuneration (adjusted for burden sharing) for the financial years ended April 30, 2021, and 2020, was 0.077 percent per annum and 0.763 percent per annum, respectively. The amounts of burden-sharing adjustments for the same periods are disclosed in Note 17.

## 19. Administrative expenses

Administrative expenses, most of which were incurred in US dollars, were as follows:

	2021	2020
	<i>(in millions of SDRs)</i>	
Personnel	587	598
Pension and other long-term employee benefits	504	238
Travel	13	73
Other	193	208
	<b>1,297</b>	<b>1,117</b>
Reimbursements	(98)	(201)
<b>Total administrative expenses</b>	<b>1,199</b>	<b>916</b>

Reimbursements represent repayment for the expenses incurred in conducting the business of the SDR Department, certain trusts and accounts administered by the IMF, and for the cost of the investment operations of the SRP and the RSBI (see Notes 1.4 and 21).

## 20. Special Disbursement Account

Assets in the SDA can be used for special purposes authorized in the Articles of Agreement, including providing financial assistance on special terms to low-income member countries under the Structural Adjustment Facility and the Trust Fund.

### 20.1 Structural Adjustment Facility

The last SAF loan disbursement was made in 1995. The last outstanding SAF loans were fully repaid during the financial year ended April 30, 2020.

### 20.2 Trust Fund

The SDA was initially activated to receive transfers from the Trust Fund. The IMF is the Trustee of the Trust Fund, which was established in 1976 to provide balance of payments assistance on concessional terms to eligible members that qualified for such assistance. The Trust Fund is in liquidation following its termination in 1981. Since that date, the activities of the Trust Fund have been confined to the conclusion of its affairs. At April 30, 2021, and 2020, the Trust Fund had no assets other than loans and interest

receivable from Sudan amounting to SDR 84 million. All interest income is deferred.

Proceeds from the payments of SAF loans and Trust Fund loans are transferred from the SDA to the Reserve Account of the PRG Trust as contributions.

There were no repayments to the Trust Fund during the financial year ended April 30, 2021. During the financial year ended April 30, 2020, Somalia repaid SDR 9 million in overdue Trust Fund loans and interest and SDR 10 million of SAF loans and interest, and the combined SDR 19 million in SAF loans and Trust Fund loan repayments were contributed to the PRG Trust.

[If Sudan arrears clearance occurs before June 30:

On [date] Sudan repaid SDR [] million in overdue Trust Fund loans and interest (see Note 22), and this amount was contributed to the PRG Trust.]

## 21. Related party transactions

The expenses of conducting the business of the SDR Department, the SRP, the SRBP, the RSBIA, and trusts administered by the IMF as Trustee are paid by the GRA. At the end of each financial year, reimbursements are made by the SDR Department (through assessments levied on SDR Department participants) and certain trusts and accounts in accordance with the IMF's Articles of Agreement and decisions of the Executive Board. In April 2021, the Executive Board approved to forgo a reimbursement by the PRG Trust estimated at SDR 87 million. The SRP and the RSBIA reimburse the GRA for the cost of the investment operations. The following summarizes the reimbursements to the GRA:

	2021	2020
	<i>(in millions of SDRs)</i>	
SDR Department	3	3
PRG Trust	—	62
SRP and RSBIA	3	3

The General Department has transferred resources to the Poverty Reduction and Growth Trust (PRG Trust), the Trust for Special Poverty Reduction and Growth Operations for the Heavily Indebted Poor Countries and Interim ECF Subsidy Operations (the PRG-HIPC Trust), and the Catastrophe Containment and Relief Trust (CCR Trust) to provide financial assistance to low-income countries. The following

summarizes the cumulative inter-entity transfers from the IMF:

	April 30, 2021, and 2020
	<i>(in millions of SDRs)</i>
<b>PRG Trust:</b>	
Reserve Account	2,716
Subsidy Accounts	1,018
PRG-HIPC Trust	1,239
CCR Trust	293

Disclosures on the remuneration of IMF key management personnel are included in Part 3 of the Annual Report, of which the financial statements of the General Department are an integral part.

## 22. Subsequent events

[If Sudan clears its arrears before June 30:

On [date], Sudan settled all of its overdue obligations to the General Department, including GRA credit outstanding and overdue charges of SDR [] million and SDR [] million, respectively (see Note 5.2) and the Trust Fund loans and overdue charges of SDR [] million and SDR [] million, respectively (see Note 20.2). Settlement of the overdue charges generated burden-sharing refunds to members for amounts totaling SDR [] million that were previously collected through burden-sharing adjustments to charges and remuneration (see Notes 13.1, 17, and 18). On the same date, the balances in the SCA-1 in the amount of SDR [] million were distributed to contributors, which resulted in a corresponding decrease in the precautionary balances (see Note 16.3).]



# Supplemental Schedules

## SCHEDULE 1: Quota Subscriptions, GRA's Holdings of Currencies, Reserve Tranche Positions, and Outstanding Credit in the General Resources Account at April 30, 2021

(in millions of SDRs)

Member	GRA's holdings of currencies <sup>1</sup>				Outstanding credit						
	Quota	Total	Percent of quota	Reserve tranche position	SBA	RFI	PLL	FCL	EFF	Total amount	Percent of total
Afghanistan, Islamic Republic of	323.8	323.6	99.9	0.2	—	—	—	—	—	—	—
Albania	139.3	489.1	351.1	26.0	—	139.3	—	—	236.5	375.8	0.42
Algeria	1,959.9	1,442.0	73.6	517.9	—	—	—	—	—	—	—
Andorra, The Principality of <sup>2</sup>	82.5	61.9	75.0	20.6	—	—	—	—	—	—	—
Angola	740.1	2,769.8	374.2	113.6	—	—	—	—	2,143.2	2,143.2	2.39
Antigua and Barbuda	20.0	20.0	99.8	0.1	—	—	—	—	—	—	—
Argentina	3,187.3	34,833.3	1092.9	270.5	31,913.7	—	—	—	—	31,913.7	35.54
Armenia, Republic of	128.8	456.0	354.1	—	231.7	—	—	—	95.6	327.2	0.36
Australia	6,572.4	4,832.5	73.5	1,740.2	—	—	—	—	—	—	—
Austria	3,932.0	3,092.9	78.7	839.1	—	—	—	—	—	—	—
Azerbaijan, Republic of	391.7	333.9	85.2	57.8	—	—	—	—	—	—	—
Bahamas, The	182.4	345.5	189.4	19.3	—	182.4	—	—	—	182.4	0.20
Bahrain, Kingdom of	395.0	258.8	65.5	136.2	—	—	—	—	—	—	—
Bangladesh	1,066.6	1,288.1	120.8	134.1	—	355.5	—	—	—	355.5	0.40
Barbados	94.5	352.9	373.5	12.7	—	—	—	—	271.0	271.0	0.30
Belarus, Republic of	681.5	681.5	100.0	**	—	—	—	—	—	—	—
Belgium	6,410.7	4,948.5	77.2	1,462.2	—	—	—	—	—	—	—
Belize	26.7	20.5	76.7	6.2	—	—	—	—	—	—	—
Benin	123.8	188.2	152.0	18.2	—	82.5	—	—	—	82.5	0.09
Bhutan	20.4	15.9	77.7	4.5	—	—	—	—	—	—	—
Bolivia	240.1	214.1	89.2	26.0	—	—	—	—	—	—	—
Bosnia and Herzegovina	265.2	651.9	245.8	0.1	—	265.2	—	—	121.5	386.7	0.43
Botswana	197.2	149.4	75.8	47.8	—	—	—	—	—	—	—
Brazil	11,042.0	8,124.3	73.6	2,928.2	—	—	—	—	—	—	—
Brunei Darussalam	301.3	266.3	88.4	35.2	—	—	—	—	—	—	—
Bulgaria	896.3	798.2	89.1	98.1	—	—	—	—	—	—	—
Burkina Faso	120.4	97.4	80.9	23.1	—	—	—	—	—	—	—
Burundi	154.0	144.1	93.6	9.9	—	—	—	—	—	—	—
Cabo Verde	23.7	20.2	85.1	3.5	—	—	—	—	—	—	—
Cambodia	175.0	153.1	87.5	21.9	—	—	—	—	—	—	—
Cameroon	276.0	274.9	99.6	1.1	—	—	—	—	—	—	—
Canada	11,023.9	8,019.2	72.7	3,015.3	—	—	—	—	—	—	—
Central African Republic	111.4	110.9	99.5	0.5	—	—	—	—	—	—	—
Chad	140.2	137.0	97.7	3.2	—	—	—	—	—	—	—
Chile	1,744.3	1,280.3	73.4	464.0	—	—	—	—	—	—	—

Member	GRA's holdings of currencies <sup>1</sup>				Outstanding credit						
	Quota	Total	Percent of quota	Reserve tranche position	SBA	RFI	PLL	FCL	EFF	Total amount	Percent of total
China, People's Republic of	30,482.9	23,688.0	77.7	6,795.0	—	—	—	—	—	—	—
Colombia	2,044.5	5,299.7	259.2	494.8	—	—	—	3,750.0	—	3,750.0	4.18
Comoros, Union of the	17.8	26.7	149.7	3.0	—	11.9	—	—	—	11.9	0.01
Congo, Democratic Republic of the	1,066.0	1,066.0	100.0	—	—	—	—	—	—	—	—
Congo, Republic of	162.0	142.0	87.7	20.0	—	—	—	—	—	—	—
Costa Rica	369.4	667.5	180.7	71.3	—	369.4	—	—	—	369.4	0.41
Côte d'Ivoire	650.4	1,563.7	240.4	83.4	—	433.6	—	—	562.6	996.2	1.11
Croatia, Republic of	717.4	717.1	100.0	0.3	—	—	—	—	—	—	—
Cyprus	303.8	218.8	72.0	85.1	—	—	—	—	—	—	—
Czech Republic	2,180.2	1,658.2	76.1	522.0	—	—	—	—	—	—	—
Denmark	3,439.4	2,701.7	78.6	737.7	—	—	—	—	—	—	—
Djibouti	31.8	26.7	83.8	5.2	—	—	—	—	—	—	—
Dominica	11.5	11.5	99.9	**	—	—	—	—	—	—	—
Dominican Republic	477.4	890.2	186.5	64.6	—	477.4	—	—	—	477.4	0.53
Ecuador	697.7	5,055.9	724.7	28.5	—	535.1	—	—	3,851.7	4,386.8	4.89
Egypt, Arab Republic of	2,037.1	15,003.0	736.5	273.4	2,605.6	2,037.1	—	—	8,596.6	13,239.3	14.75
El Salvador	287.2	574.4	200.0	—	—	287.2	—	—	—	287.2	0.32
Equatorial Guinea, Republic of	157.5	181.9	115.5	4.9	—	—	—	—	29.3	29.3	0.03
Eritrea, The State of	15.9	15.9	100.0	**	—	—	—	—	—	—	—
Estonia, Republic of	243.6	188.9	77.5	54.7	—	—	—	—	—	—	—
Eswatini, The Kingdom of	78.5	150.4	191.6	6.6	—	78.5	—	—	—	78.5	0.09
Ethiopia, The Federal Democratic Republic of	300.7	684.2	227.5	7.5	—	300.7	—	—	90.2	390.9	0.44
Fiji, Republic of	98.4	73.9	75.1	24.5	—	—	—	—	—	—	—
Finland	2,410.6	1,871.9	77.7	538.7	—	—	—	—	—	—	—
France	20,155.1	15,404.3	76.4	4,751.0	—	—	—	—	—	—	—
Gabon	216.0	789.6	365.6	17.6	—	216.0	—	—	375.1	591.1	0.66
Gambia, The	62.2	52.9	85.1	9.3	—	—	—	—	—	—	—
Georgia	210.4	694.4	330.0	**	—	—	—	—	484.0	484.0	0.54
Germany	26,634.4	20,432.8	76.7	6,224.3	—	—	—	—	—	—	—
Ghana	738.0	645.6	87.5	92.5	—	—	—	—	—	—	—
Greece	2,428.9	3,365.9	138.6	575.0	—	—	—	—	1,510.0	1,510.0	1.68
Grenada	16.4	15.2	92.8	1.2	—	—	—	—	—	—	—
Guatemala	428.6	374.0	87.3	54.7	—	—	—	—	—	—	—
Guinea	214.2	187.4	87.5	26.9	—	—	—	—	—	—	—
Guinea-Bissau	28.4	24.4	85.8	4.1	—	—	—	—	—	—	—
Guyana	181.8	181.8	100.0	—	—	—	—	—	—	—	—
Haiti	163.8	143.3	87.5	20.5	—	—	—	—	—	—	—
Honduras	249.8	434.3	173.8	38.7	223.2	—	—	—	—	223.2	0.25
Hungary	1,940.0	1,640.8	84.6	299.2	—	—	—	—	—	—	—
Iceland	321.8	252.0	78.3	69.8	—	—	—	—	—	—	—

Member	GRA's holdings of currencies <sup>1</sup>				Outstanding credit						
	Quota	Total	Percent of quota	Reserve tranche position	SBA	RFI	PLL	FCL	EFF	Total amount	Percent of total
India	13,114.4	9,651.4	73.6	3,474.8	—	—	—	—	—	—	—
Indonesia	4,648.4	3,860.1	83.0	792.9	—	—	—	—	—	—	—
Iran, Islamic Republic of	3,567.1	3,049.7	85.5	517.5	—	—	—	—	—	—	—
Iraq	1,663.8	2,039.5	122.6	290.0	665.7	—	—	—	—	665.7	0.74
Ireland	3,449.9	2,643.2	76.6	806.8	—	—	—	—	—	—	—
Israel	1,920.9	1,406.9	73.2	514.0	—	—	—	—	—	—	—
Italy	15,070.0	11,531.3	76.5	3,538.8	—	—	—	—	—	—	—
Jamaica	382.9	1,083.8	283.1	27.4	—	382.9	—	—	345.3	728.2	0.81
Japan	30,820.5	24,451.1	79.3	6,393.7	—	—	—	—	—	—	—
Jordan	343.1	1,058.7	308.6	0.8	—	291.6	—	—	424.6	716.1	0.80
Kazakhstan, Republic of	1,158.4	960.2	82.9	198.2	—	—	—	—	—	—	—
Kenya	542.8	670.6	123.5	13.4	—	—	—	—	141.1	141.1	0.16
Kiribati	11.2	9.8	87.5	1.4	—	—	—	—	—	—	—
Korea, Republic of	8,582.7	6,240.2	72.7	2,342.5	—	—	—	—	—	—	—
Kosovo, Republic of	82.6	143.4	173.7	20.1	39.6	41.3	—	—	—	80.9	0.09
Kuwait	1,933.5	1,463.8	75.7	469.8	—	—	—	—	—	—	—
Kyrgyz Republic	177.6	295.8	166.6	0.3	—	118.4	—	—	—	118.4	0.13
Lao People's Democratic Republic	105.8	92.6	87.5	13.2	—	—	—	—	—	—	—
Latvia, Republic of	332.3	332.2	100.0	0.1	—	—	—	—	—	—	—
Lebanon	633.5	507.0	80.0	126.5	—	—	—	—	—	—	—
Lesotho, Kingdom of	69.8	80.3	115.1	12.7	—	23.2	—	—	—	23.2	0.03
Liberia	258.4	226.1	87.5	32.3	—	—	—	—	—	—	—
Libya	1,573.2	1,165.0	74.1	408.2	—	—	—	—	—	—	—
Lithuania, Republic of	441.6	356.6	80.7	85.0	—	—	—	—	—	—	—
Luxembourg	1,321.8	1,020.3	77.2	301.6	—	—	—	—	—	—	—
Madagascar, Republic of	244.4	213.8	87.5	30.6	—	—	—	—	—	—	—
Malawi	138.8	136.4	98.2	2.4	—	—	—	—	—	—	—
Malaysia	3,633.8	2,620.8	72.1	1,013.0	—	—	—	—	—	—	—
Maldives	21.2	16.4	77.3	4.8	—	—	—	—	—	—	—
Mali	186.6	153.3	82.1	33.3	—	—	—	—	—	—	—
Malta	168.3	127.7	75.9	40.7	—	—	—	—	—	—	—
Marshall Islands, Republic of the	3.5	3.5	100.0	**	—	—	—	—	—	—	—
Mauritania, Islamic Republic of	128.8	112.6	87.4	16.3	—	—	—	—	—	—	—
Mauritius	142.2	107.5	75.6	34.7	—	—	—	—	—	—	—
Mexico	8,912.7	6,533.2	73.3	2,379.5	—	—	—	—	—	—	—
Micronesia, Federated States of	7.2	6.7	92.7	0.5	—	—	—	—	—	—	—
Moldova, Republic of	172.5	390.8	226.6	**	—	115.0	—	—	103.3	218.3	0.24
Mongolia	72.3	296.4	410.0	5.4	—	72.3	—	—	157.2	229.5	0.26
Montenegro	60.5	106.2	175.5	14.9	—	60.5	—	—	—	60.5	0.07
Morocco	894.4	2,246.9	251.2	147.4	—	—	1,499.8	—	—	1,499.8	1.67

Member	GRA's holdings of currencies <sup>1</sup>				Outstanding credit						
	Quota	Total	Percent of quota	Reserve tranche position	SBA	RFI	PLL	FCL	EFF	Total amount	Percent of total
Mozambique, Republic of	227.2	198.8	87.5	28.5	—	—	—	—	—	—	—
Myanmar	516.8	861.3	166.7	—	—	344.5	—	—	—	344.5	0.38
Namibia	191.1	382.1	199.9	0.1	—	191.1	—	—	—	191.1	0.21
Nauru, Republic of	2.8	2.1	75.7	0.7	—	—	—	—	—	—	—
Nepal	156.9	140.9	89.8	16.0	—	—	—	—	—	—	—
Netherlands, The	8,736.5	6,802.4	77.9	1,935.7	—	—	—	—	—	—	—
New Zealand	1,252.1	918.8	73.4	334.4	—	—	—	—	—	—	—
Nicaragua	260.0	314.2	120.8	32.5	—	86.7	—	—	—	86.7	0.10
Niger	131.6	106.5	80.9	25.1	—	—	—	—	—	—	—
Nigeria	2,454.5	4,733.6	192.9	175.5	—	2,454.5	—	—	—	2,454.5	2.73
North Macedonia, Republic of	140.3	280.6	200.0	**	—	140.3	—	—	—	140.3	0.16
Norway	3,754.7	2,758.9	73.5	995.8	—	—	—	—	—	—	—
Oman	544.4	413.7	76.0	130.7	—	—	—	—	—	—	—
Pakistan	2,031.0	7,417.3	365.2	0.1	—	1,015.5	—	—	4,370.9	5,386.4	6.0
Palau, Republic of	3.1	3.1	100.0	**	—	—	—	—	—	—	—
Panama	376.8	699.2	185.6	54.4	—	376.8	—	—	—	376.8	0.42
Papua New Guinea	263.2	262.8	99.8	0.5	—	—	—	—	—	—	—
Paraguay	201.4	154.6	76.7	46.9	—	—	—	—	—	—	—
Peru	1,334.5	983.1	73.7	351.4	—	—	—	—	—	—	—
Philippines	2,042.9	1,493.0	73.1	550.0	—	—	—	—	—	—	—
Poland, Republic of	4,095.4	3,156.3	77.1	943.1	—	—	—	—	—	—	—
Portugal	2,060.1	1,594.0	77.4	466.3	—	—	—	—	—	—	—
Qatar	735.1	532.5	72.4	202.6	—	—	—	—	—	—	—
Romania	1,811.4	1,811.4	100.0	—	—	—	—	—	—	—	—
Russian Federation	12,903.7	9,398.8	72.8	3,517.6	—	—	—	—	—	—	—
Rwanda	160.2	140.2	87.5	20.0	—	—	—	—	—	—	—
St. Kitts and Nevis	12.5	11.5	92.2	1.0	—	—	—	—	—	—	—
St. Lucia	21.4	19.9	92.9	1.5	—	—	—	—	—	—	—
St. Vincent and the Grenadines	11.7	11.2	95.7	0.5	—	—	—	—	—	—	—
Samoa	16.2	14.4	88.7	1.8	—	—	—	—	—	—	—
San Marino, Republic of	49.2	49.2	100.0	—	—	—	—	—	—	—	—
São Tomé and Príncipe, Democratic Republic of	14.8	14.8	100.0	**	—	—	—	—	—	—	—
Saudi Arabia	9,992.6	7,709.3	77.2	2,283.3	—	—	—	—	—	—	—
Senegal	323.6	497.0	153.6	42.7	—	215.7	—	—	—	215.7	0.24
Serbia, Republic of	654.8	608.0	92.9	46.8	—	—	—	—	—	—	—
Seychelles	22.9	56.7	247.8	3.5	—	22.9	—	—	14.5	37.4	0.04
Sierra Leone	207.4	207.4	100.0	**	—	—	—	—	—	—	—
Singapore	3,891.9	2,814.3	72.3	1,079.1	—	—	—	—	—	—	—
Slovak Republic	1,001.0	753.5	75.3	247.5	—	—	—	—	—	—	—
Slovenia, Republic of	586.5	441.6	75.3	145.0	—	—	—	—	—	—	—
Solomon Islands	20.8	31.5	151.5	3.2	—	13.9	—	—	—	13.9	0.02

Member	GRA's holdings of currencies <sup>1</sup>				Outstanding credit						
	Quota	Total	Percent of quota	Reserve tranche position	SBA	RFI	PLL	FCL	EFF	Total amount	Percent of total
Somalia	163.4	203.0	124.2	—	—	—	—	—	39.6	39.6	0.04
South Africa	3,051.2	5,450.3	178.6	652.5	—	3,051.2	—	—	—	3,051.2	3.40
South Sudan, Republic of	246.0	246.0	100.0	—	—	—	—	—	—	—	—
Spain	9,535.5	7,349.5	77.1	2,186.2	—	—	—	—	—	—	—
Sri Lanka	578.8	1,473.2	254.5	47.9	—	—	—	—	942.2	942.2	1.05
Sudan <sup>3</sup>	169.7	312.1	183.9	**	5.0	—	—	—	50.3	142.3	0.16
Suriname	128.9	134.2	104.1	2.0	7.3	—	—	—	—	7.3	**
Sweden	4,430.0	3,313.2	74.8	1,118.3	—	—	—	—	—	—	—
Switzerland	5,771.1	4,485.6	77.7	1,285.5	—	—	—	—	—	—	—
Syrian Arab Republic	293.6	293.6	100.0	**	—	—	—	—	—	—	—
Tajikistan, Republic of	174.0	174.0	100.0	**	—	—	—	—	—	—	—
Tanzania, United Republic of	397.8	338.1	85.0	59.7	—	—	—	—	—	—	—
Thailand	3,211.9	2,335.2	72.7	876.7	—	—	—	—	—	—	—
Timor-Leste, Democratic Republic of	25.6	21.3	83.0	4.4	—	—	—	—	—	—	—
Togo	146.8	127.4	86.8	19.5	—	—	—	—	—	—	—
Tonga	13.8	10.4	75.1	3.4	—	—	—	—	—	—	—
Trinidad and Tobago	469.8	351.6	74.8	118.2	—	—	—	—	—	—	—
Tunisia	545.2	2,111.9	387.4	121.8	—	545.2	—	—	1,142.8	1,688.0	1.88
Turkey	4,658.6	4,545.8	97.6	112.8	—	—	—	—	—	—	—
Turkmenistan	238.6	197.8	82.9	40.9	—	—	—	—	—	—	—
Tuvalu	2.5	1.9	75.7	0.6	—	—	—	—	—	—	—
Uganda	361.0	361.0	100.0	**	—	—	—	—	—	—	—
Ukraine	2,011.8	9,152.7	455.0	0.2	2,500.0	—	—	—	4,641.1	7,141.1	7.95
United Arab Emirates	2,311.2	1,746.1	75.5	565.7	—	—	—	—	—	—	—
United Kingdom	20,155.1	15,519.5	77.0	4,636.8	—	—	—	—	—	—	—
United States	82,994.2	60,011.4	72.3	23,030.0	—	—	—	—	—	—	—
Uruguay	429.1	316.9	73.9	112.2	—	—	—	—	—	—	—
Uzbekistan, Republic of	551.2	734.8	133.3	**	—	183.6	—	—	—	183.6	0.20
Vanuatu	23.8	19.6	82.4	4.2	—	—	—	—	—	—	—
Venezuela, República Bolivariana de	3,722.7	3,467.9	93.2	254.8	—	—	—	—	—	—	—
Vietnam	1,153.1	1,153.1	100.0	**	—	—	—	—	—	—	—
Yemen, Republic of	487.0	487.0	100.0	**	—	—	—	—	—	—	—
Zambia	978.2	978.2	100.0	**	—	—	—	—	—	—	—
Zimbabwe	706.8	706.5	100.0	0.3	—	—	—	—	—	—	—
<b>Total</b>	<b>475,808.3</b>	<b>458,655.7</b>		<b>107,106.9</b>	<b>38,191.7</b>	<b>15,518.9</b>	<b>1,499.8</b>	<b>3,750.0</b>	<b>30,740.2</b>	<b>89,787.6</b>	<b>100.00</b>

Components may not sum exactly to totals because of rounding.

<sup>1</sup> Includes nonnegotiable, non-interest-bearing notes that members are entitled to issue in substitution for currencies, and outstanding currency valuation adjustments.

<sup>2</sup> The Principality of Andorra became an IMF member on October 16, 2020 and made its quota payment of SDR 82.5 million on February 12, 2021.

<sup>3</sup> Sudan also has credit outstanding under legacy facilities amounting to SDR 87 million.

\*\* Less than SDR 50,000 or 0.005 percent.

## SCHEDULE 2: Financial Resources and Liquidity Position in the General Resources Account at April 30, 2021, and 2020

(in millions of SDRs)

	2021	2020
Usable resources:		
Usable currencies	297,217	320,618
SDR holdings	22,203	21,204
<b>Total usable resources<sup>1</sup></b>	<b>319,420</b>	<b>341,822</b>
Undrawn balances under GRA lending commitments: <sup>2</sup>	(94,087)	(70,300)
<b>Uncommitted usable resources</b>	<b>225,333</b>	<b>271,522</b>
Repurchases one-year forward <sup>3</sup>	8,961	3,182
Repayments of borrowing one-year forward <sup>4</sup>	(1,402)	(1,758)
Prudential balance <sup>5</sup>	(78,994)	(80,013)
<b>One-year forward commitment capacity (FCC)<sup>6</sup></b>	<b>153,898</b>	<b>192,933</b>
Memorandum items:		
Resources committed under borrowing arrangements		
NAB <sup>7</sup>	360,804	180,573
Bilateral borrowing agreements	135,011	316,935
Quota subscriptions of members that finance IMF transactions	394,972	400,067
Liquid liabilities		
Reserve tranche positions	107,107	87,602
Outstanding borrowings	5,138	8,903

<sup>1</sup> Usable resources consist of (1) holdings of currencies of members considered by the IMF as having balance of payments and reserve positions sufficiently strong for their currencies to be used in transfers, (2) SDR holdings, and (3) any unused amounts under credit lines that have been activated.

<sup>2</sup> Includes undrawn balances under current GRA arrangements and purchases under RFI approved by the Executive Board but not yet disbursed in the amount of SDR 630 million at April 30, 2021 and SDR 1,726 million at April 30, 2020.

<sup>3</sup> Repurchases by member countries falling due during the coming 12-month period.

<sup>4</sup> Repayments of borrowings falling due during the coming 12-month period.

<sup>5</sup> Prudential balance is set at 20 percent of quota subscriptions of members whose currencies are used in the financing of IMF transactions.

<sup>6</sup> The FCC does not include commitments under the NAB and bilateral commitments from members to boost the IMF's resources, because none of these are currently activated.

<sup>7</sup> Outstanding drawings and commitments under the NAB cannot exceed SDR 360.8 billion at April 30, 2021 (SDR 180.6 billion at April 30, 2020).

## SCHEDULE 3: Schedule of Arrangements in the General Resources Account for the Financial Year Ended April 30, 2021

(in millions of SDRs)

Member	Arrangement date	Expiration date	Amount committed	Undrawn balance <sup>1</sup>			
				April 30, 2020	Changes <sup>2</sup>	Amount drawn	April 30, 2021
<b>Stand-By Arrangements</b>							
Argentina	June 20, 2018	July 24, 2020	40,714	8,800	(8,800)	—	—
Armenia, Republic of	May 17, 2019	May 16, 2022	309	180	129	(232)	77
Egypt, Arab Republic of	June 26, 2020	June 25, 2021	3,764	—	3,764	(2,606)	1,158
Honduras	July 15, 2019	November 14, 2021	258	70	108	(143)	35
Ukraine	June 9, 2020	December 8, 2021	3,600	—	3,600	(1,500)	2,100
<b>Total Stand-By Arrangements</b>				<b>9,050</b>	<b>(1,200)</b>	<b>(4,480)</b>	<b>3,370</b>
<b>Extended Fund Facility</b>							
Angola	December 7, 2018	December 6, 2021	3,213	1,600	540	(1,070)	1,070
Barbados	October 1, 2018	September 30, 2022	322	103	114	(166)	51
Costa Rica	March 1, 2021	February 29, 2024	1,237	—	1,237	—	1,237
Côte d'Ivoire	December 12, 2016	December 11, 2020	563	129	—	(129)	—
Ecuador	September 30, 2020	December 29, 2022	4,615	—	4,615	(2,840)	1,775
Equatorial Guinea, Republic of	December 18, 2019	December 17, 2022	205	176	—	—	176
Ethiopia, The Federal Democratic Republic of	December 20, 2019	December 19, 2022	752	662	—	—	662
Gabon	June 19, 2017	June 18, 2020	464	89	(89)	—	—
Georgia	April 12, 2017	April 11, 2021	484	30	274	(304)	—
Jordan	March 25, 2020	March 24, 2024	926	823	—	(103)	721
Kenya	April 2, 2021	June 1, 2024	1,248	—	1,248	(141)	1,107
Mongolia	May 24, 2017	May 23, 2020	315	157	(157)	—	—
Pakistan	July 3, 2019	October 2, 2022	4,268	3,224	—	(350)	2,874
Sri Lanka	June 3, 2016	June 2, 2020	1,071	119	(119)	—	—
<b>Total Extended Fund Facility</b>				<b>7,112</b>	<b>7,663</b>	<b>(5,103)</b>	<b>9,673</b>
<b>Precautionary and Liquidity Line</b>							
Panama	January 19, 2021	January 18, 2023	1,884	—	1,884	—	1,884
<b>Total Precautionary and Liquidity Line</b>				<b>—</b>	<b>1,884</b>	<b>—</b>	<b>1,884</b>
<b>Flexible Credit Line</b>							
Chile	May 29, 2020	May 28, 2022	17,443	—	17,443	—	17,443
Colombia	May 25, 2018	April 30, 2020 <sup>3</sup>	7,848	7,848	(7,848)	—	—
Colombia	May 1, 2020	April 30, 2022	12,267	—	12,267	(3,750)	8,517
Mexico	November 22, 2019	November 21, 2021	44,564	44,564	—	—	44,564
Peru	May 28, 2020	May 27, 2022	8,007	—	8,007	—	8,007
<b>Total Flexible Credit Line</b>				<b>52,412</b>	<b>29,869</b>	<b>(3,750)</b>	<b>78,531</b>
<b>Total General Resources Account</b>				<b>68,574</b>	<b>38,216</b>	<b>(13,334)</b>	<b>93,457</b>

Components may not sum exactly to totals due to rounding.

<sup>1</sup> Excludes undrawn balances under RFI commitments approved by the Executive Board but not yet disbursed, since RFI commitments are not arrangements.

<sup>2</sup> Includes new arrangements, augmentations, cancellations, expirations, and decrease of access.

<sup>3</sup> FCL for Colombia was cancelled on May 1, 2020 with effective date of April 30, 2020, in conjunction with the approval of a new FCL.

## SCHEDULE 4: Schedule of Effective NAB Commitments in the General Resources Account at April 30, 2021, and 2020

(in millions of SDRs)

Lender	Commitment amounts		Outstanding borrowings	
	2021	2020	2021	2020
Australia	4,441	2,220	63	110
Austria	3,637	1,818	52	90
Belgium	7,989	3,994	114	198
Brazil	8,882	4,441	127	220
Canada	7,747	3,874	111	192
Banco Central de Chile	1,382	691	20	34
China	31,721	15,860	454	785
Cyprus	680	340	10	17
Danmarks Nationalbank	3,260	1,630	47	81
Deutsche Bundesbank	25,780	12,890	369	638
Finland	2,268	1,134	32	56
France	18,958	9,479	271	469
Hong Kong Monetary Authority	680	340	10	17
India	8,882	4,441	127	220
Bank of Israel	680	340	10	17
Italy	13,797	6,899	197	341
Japan	67,017	33,509	958	1,659
Korea	6,690	3,345	96	166
Kuwait	341	341	5	17
Luxembourg	986	493	14	24
Malaysia	680	340	10	17
Mexico	5,075	2,538	73	126
Netherlands, The	9,190	4,595	131	227
New Zealand	680	340	10	17
Norway	3,933	1,967	56	97
Bangko Sentral ng Pilipinas	680	340	10	17
National Bank of Poland	2,571	1,285	37	64
Banco de Portugal	1,567	784	—	—
Russian Federation	8,882	4,441	127	220
Saudi Arabia	11,305	5,653	162	280
Singapore	1,297	649	19	32
South Africa	680	340	10	17
Spain	6,810	3,405	97	169
Sveriges Riksbank	4,511	2,256	65	112
Swiss National Bank	11,081	5,541	158	274
Thailand	680	340	10	17
United Kingdom	18,958	9,479	271	469
United States	56,405	28,202	807	1,396
<b>Total</b>	<b>360,804</b>	<b>180,573</b>	<b>5,138</b>	<b>8,903</b>

Components may not sum exactly to totals because of rounding.

## SCHEDULE 5: Schedule of Effective Bilateral Borrowing Agreements in the General Resources Account at April 30, 2021, and 2020

Lender	Currency of commitment	Commitment			
		2021		2020	
		(in millions)	(in millions of SDRs)	(in millions)	(in millions of SDRs)
Bank of Algeria	USD	2,154	1,500	5,000	3,659
Australia	SDR	1,986	1,986	4,610	4,610
Oesterreichische Nationalbank	EUR	2,641	2,222	6,130	4,879
National Bank of Belgium	EUR	4,304	3,621	9,990	7,952
Banco Central do Brasil	USD	3,901	2,717	10,000	7,318
Government of Brunei Darussalam	USD	129	90	300	220
Canada	SDR	3,532	3,532	8,200	8,200
Central Bank of Chile	SDR	269	269	960	960
People's Bank of China	USD	21,219	14,777	43,000	31,470
Czech National Bank	EUR	646	544	1,500	1,194
Danmarks Nationalbank	EUR	2,283	1,921	5,300	4,219
Eesti Pank	EUR	164	138	—	—
Bank of Finland	EUR	1,620	1,363	3,760	2,993
Government of the French Republic	EUR	13,527	11,381	31,400	24,993
Deutsche Bundesbank	EUR	17,878	15,042	41,500	33,032
Reserve Bank of India	USD	—	—	10,000	7,318
Bank of Italy	EUR	10,115	8,511	23,480	18,689
Government of Japan	USD	25,847	17,999	60,000	43,911
Korea	USD	6,462	4,500	15,000	10,978
Bank of Lithuania	EUR	297	250	—	—
Government of Luxembourg	EUR	887	746	2,060	1,640
Bank Negara Malaysia	USD	431	300	1,000	732
Central Bank of Malta	EUR	112	94	260	207
Banco de Mexico	USD	4,308	3,000	10,000	7,318
De Nederlandsche Bank NV	EUR	5,863	4,933	13,610	10,833
New Zealand	USD	431	300	1,000	732
Norges Bank	SDR	2,585	2,585	6,000	6,000
Central Reserve Bank of Peru	SDR	474	474	1,100	1,100
Bangko Sentral ng Pilipinas	USD	—	—	1,000	732
Narodowy Bank Polski	EUR	2,701	2,273	6,270	4,991
Central Bank of the Russian Federation	USD	3,901	2,717	10,000	7,318
Saudi Arabia	USD	6,462	4,500	15,000	10,978
Monetary Authority of Singapore	USD	1,723	1,200	4,000	2,927
Slovak Republic	EUR	672	565	1,560	1,242
Bank of Slovenia	EUR	392	330	910	724
South African Reserve Bank	USD	862	600	2,000	1,464
Kingdom of Spain	EUR	6,401	5,386	14,860	11,828
Sveriges Riksbank	SDR	3,188	3,188	7,400	7,400
Swiss National Bank	CHF	3,662	2,804	8,500	6,410
Bank of Thailand	USD	1,723	1,200	4,000	2,927
Central Bank of the Republic of Turkey	USD	2,154	1,500	5,000	3,659
Government of the United Kingdom	SDR	3,954	3,954	9,178	9,178
<b>Total:</b>					
<b>In millions of SDRs</b>			<b>135,011</b>		<b>316,935</b>
<b>In millions of US dollars</b>			<b>193,874</b>		<b>433,061</b>

Components may not sum exactly to totals because of rounding.

## II. Financial Statements of the SDR Department



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## Statements of Financial Position at April 30, 2021, and 2020

(in millions of SDRs)

	Note	2021	2020
<b>Assets</b>			
Net charges receivable		5	24
Participants with holdings below allocations	4		
Allocations		111,895	101,541
Less: SDR holdings		80,405	71,486
<b>Allocations in excess of holdings</b>		<b>31,490</b>	<b>30,055</b>
<b>Total assets</b>		<b>31,495</b>	<b>30,079</b>
<b>Liabilities</b>			
Net interest payable		5	24
Participants with holdings above allocations	4		
SDR holdings		100,117	110,020
Less: allocations		92,302	102,621
<b>Holdings in excess of allocations</b>		<b>7,815</b>	<b>7,399</b>
Holdings by the General Resources Account		22,203	21,204
Holdings by prescribed holders		1,472	1,452
<b>Total liabilities</b>		<b>31,495</b>	<b>30,079</b>

The accompanying notes are an integral part of these financial statements.

These financial statements were signed by the Managing Director and the Director of Finance on June [30], 2021.

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Kristalina Georgieva  
Managing Director

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Bernard Lauwers  
Director, Finance Department

## Statements of Comprehensive Income for the Financial Years Ended April 30, 2021, and 2020

(in millions of SDRs)

	2021	2020
<b>Operational income</b>		
Net charges from participants with holdings below allocations	24	225
Assessment on SDR allocations	3	3
<b>Total operational income</b>	<b>27</b>	<b>228</b>
<b>Expenses</b>		
Interest on SDR holdings		
Net interest to participants with holdings above allocations	6	47
General Resources Account	17	170
Prescribed holders	1	8
<b>Total interest on SDR holdings</b>	<b>24</b>	<b>225</b>
Administrative expenses	3	3
<b>Total operational expenses</b>	<b>27</b>	<b>228</b>
Other comprehensive income	—	—
<b>Total comprehensive income</b>	<b>—</b>	<b>—</b>

The accompanying notes are an integral part of these financial statements.

# Notes to the Financial Statements for the Financial Years Ended April 30, 2021, and 2020

## 1. Nature of operations

### 1.1 Role of the SDR

The Special Drawing Right (SDR) is an international interest-bearing reserve asset created by the International Monetary Fund (IMF) in 1969 to supplement existing reserve assets. SDRs are created through allocations by the IMF to participants in the SDR Department (see note 1.7) and can be held and used by participants in the SDR Department, by the IMF through the General Resources Account (GRA), and by certain official entities designated by the IMF and referred to as "prescribed holders". The IMF has the authority to prescribe, as other holders of SDRs, (i) nonmembers, (ii) member countries that are not SDR Department participants, (iii) institutions that perform the functions of a central bank for more than one member, and (iv) other official entities. These "prescribed holders" may acquire and use SDRs in transactions by agreement (see note 1.5.1) and in operations with participants and other holders. They may not, however, receive allocations of SDR.

The value of the SDR as a reserve asset derives from the commitments of participants to hold and accept SDRs and to honor various obligations connected with the proper functioning of the SDR Department. As such, the SDR is a potential claim on the freely usable currencies of IMF members; however, it is not a claim on the IMF. A freely usable currency is a member's currency that the IMF has determined is widely used to make payments for international transactions and widely traded in the principal exchange markets. At present, the Chinese renminbi, euro, Japanese yen, pound sterling, and US dollar are classified as freely usable currencies.

### 1.2 Purpose of the SDR Department

The SDR Department was established within the IMF to conduct all operations and transactions involving SDRs, following the creation of the SDR. IMF members may elect to participate in the SDR Department. At April 30, 2021, and 2020, all members of the IMF were participants in the SDR Department, and 15 institutions were approved as prescribed holders.

The IMF Articles of Agreement require that the resources of the SDR Department are held separately from the assets and liabilities of all the other accounts of, or administered by, the IMF. They may not be used to meet the liabilities, obligations, or losses of the IMF incurred in the operations of the General

Department or other accounts, except that the SDR Department reimburses the General Department annually for expenses incurred in conducting the business of the SDR Department.

### 1.3 SDR interest and charges

Holders of SDRs (i.e., the IMF, participants, and prescribed holders) earn interest on their SDR holdings. Participants pay charges on their cumulative SDR allocations. Both interest and charges are at the SDR interest rate (see Note 2.2). Participants that use their SDRs will pay more charges than they will receive interest on their holdings, to the extent that they hold fewer SDRs than their cumulative allocations. Conversely, participants that hold more SDRs than their cumulative allocations will receive more interest on their holdings than the charges they will pay on their allocations. Charges are also levied on any negative balance of the participant or unpaid charges. Total SDR interest on SDR holdings is equal to total charges on SDR allocations in the statement of comprehensive income as total SDR holdings are equal to total SDR allocations.

### 1.4 Assessment

The expenses of conducting the business of the SDR Department are paid by the IMF from the GRA, which is reimbursed annually by the SDR Department. For this purpose, the SDR Department levies an assessment on all participants in proportion to their cumulative allocations at the end of each financial year.

### 1.5 Uses of SDRs

#### 1.5.1 Transactions by agreement and prescribed operations

The Articles of Agreement authorize the exchange of SDRs for currency among participants, and the Executive Board has the power to authorize other operations.

Participants in the SDR Department may buy SDRs to discharge their obligations to the IMF or to replenish their SDR holdings. They may also sell SDRs in order to adjust the composition of their reserves (see Schedule 1). A participant may use SDRs freely to obtain an equivalent amount of currency in a transaction by agreement. Prescribed holders may enter into SDR sale or purchase transactions with participants or among themselves.

Participants may conduct such transactions bilaterally with any participant or prescribed holder. However, in practice,

such transactions are generally made through the voluntary trading market (see Note 1.6).

The SDR is also used by several international and regional organizations as a unit of account or as the basis for their units of account. Several international conventions and treaties also use the SDR as a unit of account. An institution may use the SDR as its unit of account without being a participant in the SDR Department.

### 1.5.2 GRA operations

Participants can use SDRs in operations and transactions involving the GRA, such as acquisitions of SDRs from the GRA, the payment of a portion of the participant's quota, payment of charges, and repurchases. The GRA can use SDRs in operations and transactions involving participants, such as purchases, payment of remuneration, payment of interest on GRA borrowings and repayment of GRA borrowings (see Schedule 1).

### 1.5.3 Other IMF-related operations

Certain transactions in the Concessional Lending and Debt Relief Trusts (Trusts) are conducted in the SDR Department through a prescribed holder of SDRs. These transactions mainly include PRG Trust pass-through lending involving participants in the SDR Department. Other transactions in the Trusts include financial contributions provided by participants to the Trusts (see Schedule 1).

## 1.6 Voluntary trading market

The voluntary trading market in SDRs is coordinated by the Fund via voluntary trading arrangements with a group of participants and one prescribed holder to buy and sell SDRs. The role of the IMF in these transactions is to act as an intermediary, matching participants in this managed market in a manner that meets, to the greatest extent possible, the requirements and preferences of buyers and sellers of SDRs.

The voluntary trading arrangements allow the IMF to facilitate purchases and sales of SDRs on behalf of any participant or prescribed holder in the SDR Department against freely usable currencies, subject to the constraint that all transactions take place at the official SDR exchange rate for the currency involved.

To date, the voluntary trading market has proved sufficiently liquid to absorb demand for sales and acquisitions of SDRs. However, in the event that there are not enough voluntary buyers, the Articles of Agreement provide for a designation mechanism to guarantee the liquidity of the SDR. The designation mechanism, which was last activated in 1987, provides a backstop to exchange SDRs for currency, for members with balance of payments needs.

## 1.7 Allocations and cancellations of SDRs

### 1.7.1 General allocations

The IMF's Board of Governors, on the basis of proposals of the Managing Director and agreement by the Executive Board, has the authority to provide unconditional liquidity through general allocations of SDRs to participants in the SDR Department. In all of its decisions on general allocations of SDRs, the IMF, as prescribed under its Articles, must seek to meet the long-term global need to supplement existing reserve assets in such manner as will promote the attainment of the IMF's purposes and avoid economic stagnation and deflation as well as excess demand and inflation. A general SDR allocation also requires the support of an 85 percent majority of the total voting power. Since the creation of the SDR in 1969, there have been three general allocations. The first allocation was distributed in 1970–72 (SDR 9.3 billion), the second in 1979–81 (SDR 12.1 billion), and the third, the largest so far, in 2009 (SDR 161.2 billion). See Note 6 for proposed new general allocation.

Decisions to allocate SDRs are typically made at the start of "basic periods," which run consecutively and are normally for five years. Under the Articles, the Fund has flexibility to decide whether the basic period should be less than five years. The current basic period (the eleventh basic period) is January 1, 2017–December 31, 2021.

### 1.7.2 Special allocation under the Fourth Amendment

The Fourth Amendment to the Articles of Agreement became effective on August 10, 2009 and provided for a special one-time allocation of SDR 21.5 billion. The purpose of the special allocation was to enable all members of the SDR Department to participate in the SDR system and to correct for the fact that countries that joined the IMF after 1981 (more than one-fifth of the IMF membership), and notably many of the economies in transition, had not received an SDR allocation at the time.

SDRs allocated under the special allocation to participants with overdue obligations to the IMF (i.e., the GRA, the SDR Department, and overdue liabilities to the IMF as trustee), are held in an escrow account within the SDR Department and will be released to such participants upon settlement of all overdue obligations to the IMF (see Note 4).

### 1.7.3 Cancellation of SDR

The Fund has authority to cancel, in part or in whole, SDRs created under previous allocations. To date there have been no cancellations.

## 2. Basis of preparation and measurement

The financial statements of the SDR Department are prepared in accordance with International Financial

Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention.

The SDR Department is self-financed and does not have any equity as net cumulative allocations are equal to SDR holdings. It holds no cash or cash equivalents and, as net operational income and net expenditure are always equal, it generates no income. Cash flows arising from operating activities are limited to the receipt of charges and assessments and payment of interest and administrative expenses. A statement of cash flows is not presented as it would not provide additional information beyond that already contained in the Statements of Comprehensive Income. Changes in SDR holdings are shown in Schedule 1.

### 2.1 Unit of account

The financial statements are presented in SDRs, which is the IMF's unit of account. The value of the SDR is determined daily by the IMF by summing specific amounts of the basket currencies in US dollar equivalents on the basis of market exchange rates. The IMF generally reviews the composition of the SDR valuation basket at five-year intervals. These reviews cover the currencies to be included in the SDR valuation basket (along with the criteria for the selection of currencies), determine the relative weights of those currencies, and assess the financial instruments that are used to calculate the SDR interest rate. The current basket consists of 5 currencies. The specific amounts of the currencies in the basket, effective October 1, 2016, were as follows:

SDR basket currency	Amount
Chinese renminbi	1.0174
Euro	0.38671
Japanese yen	11.900
Pound sterling	0.085946
US dollar	0.58252

At April 30, 2021, SDR 1 was equal to US\$1.43599 (US\$1.36640 at April 30, 2020). The current SDR valuation basket was originally scheduled to expire by end-September 2021. However, the Board has approved a decision to extend this current basket's effectiveness to end-July 2022.

### 2.2 SDR interest rate

The SDR interest rate is used to calculate the interest paid on holdings and charges received on allocations.

The SDR interest rate is determined weekly by reference to a weighted average of yields or rates on short-term instruments in the money markets of the SDR basket currencies as follows:

SDR basket currency	Yield or rate
Chinese renminbi	Three-month benchmark yield for China Treasury bonds as published by the China Central Depository and Clearing Co., Ltd.
Euro	Three-month spot rate for euro area central government bonds with a minimum rating of AA published by the European Central Bank
Japanese yen	Three-month Treasury discount bills
Pound sterling	Three-month Treasury bills
US dollar	Three-month Treasury bills

The SDR interest rate is subject to a floor of 0.050 percent and is rounded to three decimal places. The average interest rate was 0.077 percent and 0.765 percent per annum for the financial years ended April 30, 2021, and 2020, respectively.

### 2.3 Use of estimates and judgement

The preparation of financial statements requires management to make judgements, estimates, and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The most significant estimates and judgements used in applying accounting policies include assessing potential impairment of the participants' net obligations to the SDR Department (see Note 3).

## 3. Summary of significant accounting policies

### 3.1 Financial instruments

#### Classification and measurement

Financial instruments are recognized when the SDR Department becomes a party to the contractual provisions of the instrument. At initial recognition, a financial instrument is measured at its fair value, which is best evidenced by the transaction amount. Subsequently, financial instruments are measured at amortized cost.

#### Impairment

An allowance for expected credit losses (ECL) must be recognized for either 12-month or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since inception. In making such a determination, all relevant information, including forward-looking information that is available without undue cost or effort, should be considered.

At each reporting date, the SDR Department assesses on a forward-looking basis the expected credit losses associated with its financial assets at amortized cost. The measurement of ECL reflects (1) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (2) the time value of money; and (3) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

If the SDR Department needed to recognize ECL, they would be recorded as impairment allowances.

### 3.2 SDR allocations and holdings

An SDR allocation by the IMF to a participant results in an increase, by the same amount, of the participant's SDR holdings and allocations. Conversely, a cancellation of a participant's SDRs results in a decrease, by the same amount, of the participant's SDR holdings and allocations. Neither allocation nor cancellation change the member's net position in the SDR Department.

Participants with holdings below their allocations have a net obligation to the SDR Department, which is presented as an asset in the statements of financial position. Participants with holdings above their allocations have established a net claim on the SDR Department, which is presented in the statements of financial position as a liability.

### Impairment of participants' net obligations to the SDR Department

The likelihood of the SDR Department incurring credit losses is remote considering the IMF's unique relationship with its member countries, and its multilayered risk management framework. In addition, the IMF also has a de facto preferred creditor status, which has been recognized by the official community and generally accepted by private creditors. The debtor positions in the SDR Department do not have maturity dates and could be held until the participant's withdrawal from the SDR Department or the liquidation of the SDR Department. Overdue charges, if any, would accrue interest at the SDR interest rate in perpetuity preserving the time value of money. The SDR Department has not recognized any impairment losses since inception.

### 3.3 Interest and charges

Interest is accrued on holdings of SDRs, and charges are levied on each participant's cumulative SDR allocations at the SDR interest rate, with the net result to be paid or received by the SDR Department each quarter. If sufficient SDRs are not received from the participant because charges are overdue, additional SDRs are temporarily created to cover the obligation. This is a receivable that is reversed when the participant settles the overdue charges. Interest and charges are settled by crediting and debiting the

individual holdings accounts promptly at the beginning of the following quarter.

### 3.4 Assessment

Expenses of conducting the business of the SDR Department are recognized in the statements of comprehensive income on an accrual basis. The corresponding SDR assessment on allocations is recognized as income.

## 4. Allocations and holdings

At April 30, 2021, and 2020, cumulative allocations to participants totaled SDR 204.2 billion.

Participants' net SDR positions were as follows:

	April 30, 2021			April 30, 2020		
	Below allocations	Above allocations	Total	Below allocations	Above allocations	Total
	<i>(in millions of SDRs)</i>					
Cumulative allocations	111,895	92,302	204,197	101,541	102,621	204,162
Holdings of SDRs	80,405	100,117	180,522	71,486	110,020	181,506
<b>Net SDR positions</b>	<b>31,490</b>	<b>(7,815)</b>	<b>23,675</b>	<b>30,055</b>	<b>(7,399)</b>	<b>22,656</b>

The composition of SDR holdings was as follows:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
Participants	180,522	181,506
General Resources Account	22,203	21,204
Prescribed holders	1,472	1,452
<b>Total holdings</b>	<b>204,197</b>	<b>204,162</b>

In accordance with the provisions of the Fourth Amendment of the IMF's Articles of Agreement, SDRs allocated under the special allocation are held in escrow on behalf of participants that had overdue obligations to the General Department or the PRG Trust at the time of the allocation. In March 2020 Somalia settled all its overdue obligations to the Fund totaling SDR 243 million. As a result, SDR 4.2 million previously held in escrow for Somalia was released to its SDR holdings account and its allocations were adjusted accordingly. At April 30, 2021 and 2020, [SDR 16.1 million was held in escrow for Sudan and will be released to Sudan upon the settlement of its overdue obligations, and its allocations and holdings adjusted accordingly.] TO BE UPDATED IF SUDAN CLEARS ITS ARREARS PRIOR TO JUNE 30.

### 5. Related party transactions and administrative expenses

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The GRA is a holder of SDRs and conducts operations and transactions with SDR Department participants. The GRA's holdings of SDRs amounted to SDR 22.2 billion and SDR 21.2 billion at April 30, 2021, and 2020, respectively.

The expenses of conducting the business of the SDR Department, paid by the IMF from the GRA, and reimbursed annually by the SDR Department, were SDR 3 million for each of the financial years ended April 30, 2021, and 2020.

### 6. Subsequent event

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[On June 25, 2021, the Executive Board endorsed a general allocation of Special Drawing Rights (SDRs) equivalent to US\$ 650 billion (SDR [450] billion), to provide additional liquidity to the global economic system by supplementing the reserve assets of the Fund's 190 members. The Managing Director will put forth a report to the Board of Governors for approval of the general allocation, which would require support by an 85 percent majority of the total voting power of members that are participants in the SDR Department. The allocation will be based on participants' paid quotas in the Fund as of the date of adoption of the Board of Governors' resolution.]



# Supplemental Schedules

## SCHEDULE 1: Statements of Changes in SDR Holdings for the Financial Years Ended April 30, 2021, and 2020

(in millions of SDRs)

	2021			2020		
	Participants	General Resources Account	Prescribed holders	Participants	General Resources Account	Prescribed holders
Total holdings, beginning of the year	181,506	21,204	1,452	180,300	22,772	1,086
SDR allocation	35	—	—	4	—	—
Transactions by agreement:						
Acquisitions	2,468	—	292	3,314	—	273
Sales	(1,161)	—	(1,599)	(2,540)	—	(1,047)
Settlement of financial obligations	(40)	—	40	(35)	—	35
GRA operations:						
Acquisitions in exchange for currencies of other members	333	(333)	—	504	(504)	—
Purchases	817	(817)	—	2,884	(2,884)	—
Repurchases	(78)	78	—	(165)	165	—
GRA charges	(1,779)	1,779	—	(2,099)	2,099	—
Service charges and commitment fees, net of refunds	(364)	364	—	(229)	229	—
Quota payments	(21)	21	—	(63)	63	—
Remuneration	117	(117)	—	657	(657)	—
Interest on borrowings	13	(13)	—	120	(120)	—
Other IMF-related operations:						
SAF/Trust Fund repayments and interest	—	—	—	(19)	—	19
PRG Trust disbursements	739	—	(739)	1,132	—	(1,132)
PRG Trust loan repayments and interest	(508)	—	508	(892)	—	892
PRG Trust, PRG-HIPC Trust, and CCR Trust borrowings	(2,071)	—	2,071	(1,724)	—	1,724
PRG Trust, PRG-HIPC Trust, and CCR Trust borrowing repayments and interest	548	—	(548)	515	—	(515)
Contributions to PRG Trust, PRG-HIPC Trust, and CCR Trust	(2)	—	2	(5)	—	5
Grant contributions to AA	—	—	—	(4)	—	4
Distribution of SCA-1 and deferred charges contributions	—	—	—	78	(240)	162
Refunds to contributors and other operations	7	2	(9)	3	—	(3)
SDR charges	(294)	—	—	(1,965)	—	—
SDR interest	260	32	2	1,738	216	11
Reimbursement of expenses (including SDR assessment)	(3)	3	—	(3)	65	(62)
<b>Total holdings, end of the year</b>	<b>180,522</b>	<b>22,203</b>	<b>1,472</b>	<b>181,506</b>	<b>21,204</b>	<b>1,452</b>

Components may not sum exactly to totals because of rounding.

## SCHEDULE 2: Allocations and Holdings of Participants at April 30, 2021

(in millions of SDRs)

Participant	Cumulative allocations	Total	Holdings	
			Percentage of cumulative allocations	Above (below) allocations
Afghanistan, Islamic Republic of	155.3	37.2	23.9	(118.1)
Albania	46.5	153.6	330.6	107.1
Algeria	1,198.2	899.3	75.1	(298.9)
Andorra, Principality of	35.4	14.7	41.7	(20.6)
Angola	273.0	178.4	65.4	(94.6)
Antigua and Barbuda	12.5	**	0.2	(12.5)
Argentina	2,020.0	721.8	35.7	(1,298.2)
Armenia, Republic of	88.0	27.1	30.8	(60.9)
Australia	3,083.2	3,087.9	100.2	4.8
Austria	1,736.3	1,684.9	97.0	(51.4)
Azerbaijan, Republic of	153.6	95.7	62.3	(57.9)
Bahamas, The	124.4	124.4	100.0	**
Bahrain, Kingdom of	124.4	67.0	53.9	(57.4)
Bangladesh	510.4	721.7	141.4	211.3
Barbados	64.4	6.4	10.0	(57.9)
Belarus, Republic of	368.6	372.1	100.9	3.5
Belgium	4,323.3	3,900.9	90.2	(422.4)
Belize	17.9	20.2	113.0	2.3
Benin	59.2	286.3	483.9	227.2
Bhutan	6.0	6.1	102.1	0.1
Bolivia	164.1	167.2	101.9	3.1
Bosnia and Herzegovina	160.9	1.6	1.0	(159.3)
Botswana	57.4	59.3	103.3	1.9
Brazil	2,887.1	2,940.4	101.8	53.3
Brunei Darussalam	203.5	217.6	106.9	14.1
Bulgaria	610.9	613.5	100.4	2.6
Burkina Faso	57.6	152.6	265.0	95.0
Burundi	73.8	6.3	8.6	(67.5)
Cabo Verde	9.2	**	0.4	(9.1)
Cambodia	83.9	88.9	105.9	5.0
Cameroon	177.3	15.5	8.8	(161.7)
Canada	5,988.1	6,085.9	101.6	97.8
Central African Republic	53.4	0.5	0.9	(52.9)
Chad	53.6	0.1	0.2	(53.5)
Chile	816.9	468.6	57.4	(348.3)
China, People's Republic of	6,989.7	7,954.7	113.8	965.0
Colombia	738.3	619.5	83.9	(118.9)
Comoros, Union of the	8.5	9.0	106.3	0.5
Congo, Democratic Republic of the	510.9	26.8	5.2	(484.1)
Congo, Republic of	79.7	50.7	63.6	(29.0)
Costa Rica	156.5	84.8	54.2	(71.7)
Côte d'Ivoire	310.9	1,146.9	368.9	836.0

Participant	Cumulative allocations	Total	Holdings	
			Percentage of cumulative allocations	Above (below) allocations
Croatia, Republic of	347.3	304.0	87.5	(43.3)
Cyprus	132.8	48.1	36.2	(84.7)
Czech Republic	780.2	457.5	58.6	(322.7)
Denmark	1,531.5	1,381.5	90.2	(149.9)
Djibouti	15.2	2.8	18.4	(12.4)
Dominica	7.8	1.5	18.7	(6.4)
Dominican Republic	208.8	1.8	0.8	(207.1)
Ecuador	288.4	27.8	9.6	(260.6)
Egypt, Arab Republic of	898.5	111.3	12.4	(787.2)
El Salvador	163.8	161.7	98.7	(2.1)
Equatorial Guinea, Republic of	31.3	20.7	66.1	(10.6)
Eritrea, The State of	15.2	3.4	22.3	(11.8)
Estonia, Republic of	62.0	24.6	39.7	(37.3)
Eswatini, Kingdom of	48.3	48.9	101.2	0.6
Ethiopia, The Federal Democratic Republic of	127.9	8.6	6.7	(119.4)
Fiji, Republic of	67.1	44.0	65.6	(23.1)
Finland	1,189.5	1,124.1	94.5	(65.4)
France	10,134.2	7,998.3	78.9	(2,135.9)
Gabon	146.7	120.1	81.8	(26.6)
Gambia, The	29.8	2.3	7.8	(27.5)
Georgia	144.0	146.5	101.8	2.5
Germany	12,059.2	11,850.8	98.3	(208.3)
Ghana	353.9	0.7	0.2	(353.1)
Greece	782.4	10.4	1.3	(772.0)
Grenada	11.2	0.1	0.7	(11.1)
Guatemala	200.9	120.1	59.8	(80.8)
Guinea	102.5	59.5	58.1	(42.9)
Guinea-Bissau	13.6	32.4	237.9	18.8
Guyana	87.1	0.2	0.3	(86.8)
Haiti	78.5	23.3	29.7	(55.2)
Honduras	123.8	50.0	40.4	(73.9)
Hungary	991.1	2.4	0.2	(988.6)
Iceland	112.2	113.5	101.1	1.3
India	3,978.3	1,048.6	26.4	(2,929.7)
Indonesia	1,980.4	1,114.5	56.3	(865.9)
Iran, Islamic Republic of	1,426.1	1,552.5	108.9	126.4
Iraq	1,134.5	3.2	0.3	(1,131.3)
Ireland	775.4	679.4	87.6	(96.0)
Israel	883.4	899.1	101.8	15.7
Italy	6,576.1	5,855.7	89.0	(720.4)
Jamaica	261.6	126.3	48.3	(135.4)
Japan	12,285.0	14,040.3	114.3	1,755.3
Jordan	162.1	10.5	6.5	(151.6)
Kazakhstan, Republic of	343.7	353.5	102.9	9.8
Kenya	259.6	29.6	11.4	(230.1)

Participant	Cumulative allocations	Total	Holdings	
			Percentage of cumulative allocations	Above (below) allocations
Kiribati	5.3	4.0	74.9	(1.3)
Korea, Republic of	2,404.4	2,453.2	102.0	48.7
Kosovo, Republic of	55.4	49.2	88.8	(6.2)
Kuwait	1,315.6	1,336.0	101.6	20.5
Kyrgyz Republic	84.7	105.6	124.6	20.8
Lao People's Democratic Republic	50.7	37.8	74.5	(12.9)
Latvia, Republic of	120.8	120.8	100.0	**
Lebanon	193.3	195.8	101.3	2.5
Lesotho, Kingdom of	32.9	3.0	9.0	(29.9)
Liberia	124.0	136.9	110.4	12.9
Libya	1,072.7	1,661.5	154.9	588.8
Lithuania, Republic of	137.2	137.7	100.3	0.4
Luxembourg	246.6	250.6	101.6	4.0
Madagascar, Republic of	117.1	7.9	6.7	(109.2)
Malawi	66.4	4.4	6.6	(62.0)
Malaysia	1,346.1	824.3	61.2	(521.9)
Maldives	7.7	1.9	24.7	(5.8)
Mali	89.4	370.6	414.7	281.3
Malta	95.4	87.5	91.7	(7.9)
Marshall Islands, Republic of the	3.3	3.4	101.1	**
Mauritania, Islamic Republic of	61.7	3.6	5.8	(58.1)
Mauritius	96.8	90.2	93.1	(6.6)
Mexico	2,851.2	2,836.8	99.5	(14.4)
Micronesia, Federated States of	4.8	5.7	119.5	0.9
Moldova, Republic of	117.7	1.2	1.0	(116.5)
Mongolia	48.8	30.9	63.4	(17.8)
Montenegro	25.8	17.6	68.0	(8.3)
Morocco	561.4	617.6	110.0	56.2
Mozambique, Republic of	108.8	4.1	3.8	(104.7)
Myanmar	245.8	1.4	0.6	(244.3)
Namibia	130.4	0.4	0.3	(130.0)
Nauru, Republic of	0.9	0.2	20.9	(0.7)
Nepal	68.1	2.5	3.6	(65.6)
Netherlands, The	4,836.6	4,872.5	100.7	35.9
New Zealand	853.8	867.6	101.6	13.9
Nicaragua	124.5	32.9	26.4	(91.6)
Niger	62.9	205.7	326.8	142.7
Nigeria	1,675.4	1,466.2	87.5	(209.2)
North Macedonia, Republic of	65.6	1.6	2.5	(64.0)
Norway	1,563.1	1,526.1	97.6	(37.0)
Oman	178.8	98.8	55.2	(80.0)
Pakistan	988.6	293.4	29.7	(695.2)
Palau, Republic of	3.0	3.0	101.1	**
Panama	197.0	120.7	61.3	(76.3)
Papua New Guinea	125.5	6.0	4.8	(119.5)

Participant	Cumulative allocations	Total	Holdings	
			Percentage of cumulative allocations	Above (below) allocations
Paraguay	95.2	96.8	101.7	1.7
Peru	609.9	511.8	83.9	(98.0)
Philippines	838.0	856.1	102.2	18.1
Poland, Republic of	1,304.6	292.9	22.5	(1,011.7)
Portugal	806.5	549.1	68.1	(257.3)
Qatar	251.4	275.4	109.5	24.0
Romania	984.8	989.9	100.5	5.2
Russian Federation	5,671.8	4,857.4	85.6	(814.4)
Rwanda	76.8	53.6	69.8	(23.2)
St. Kitts and Nevis	8.5	4.6	54.6	(3.9)
St. Lucia	14.6	3.0	20.3	(11.6)
St. Vincent and the Grenadines	7.9	0.2	1.9	(7.8)
Samoa	11.1	2.7	24.5	(8.4)
San Marino, Republic of	15.5	1.0	6.5	(14.5)
São Tomé and Príncipe, Democratic Republic of	7.1	0.8	11.2	(6.3)
Saudi Arabia	6,682.5	5,827.3	87.2	(855.2)
Senegal	154.8	318.6	205.8	163.8
Serbia, Republic of	445.0	9.2	2.1	(435.9)
Seychelles	8.3	3.1	37.1	(5.2)
Sierra Leone	99.5	156.0	156.8	56.5
Singapore	744.2	768.2	103.2	24.0
Slovak Republic	340.5	314.8	92.5	(25.6)
Slovenia, Republic of	215.9	199.1	92.2	(16.8)
Solomon Islands	9.9	0.9	9.4	(9.0)
Somalia	50.6	35.7	70.5	(15.0)
South Africa	1,785.4	1,497.4	83.9	(288.0)
South Sudan, Republic of	105.4	0.2	0.2	(105.2)
Spain	2,827.6	2,532.2	89.6	(295.3)
Sri Lanka	395.5	4.5	1.1	(390.9)
Sudan	178.0	123.7	69.5	(54.3)
Suriname	88.1	0.7	0.8	(87.4)
Sweden	2,249.0	2,149.0	95.6	(100.0)
Switzerland	3,288.0	3,405.3	103.6	117.2
Syrian Arab Republic	279.2	282.2	101.1	3.1
Tajikistan, Republic of	82.1	22.1	27.0	(59.9)
Tanzania, United Republic of	190.5	6.3	3.3	(184.2)
Thailand	970.3	990.4	102.1	20.1
Timor-Leste, Democratic Republic of	7.7	3.4	43.9	(4.3)
Togo	70.3	209.6	298.1	139.3
Tonga	6.6	5.4	82.4	(1.2)
Trinidad and Tobago	321.1	242.0	75.4	(79.1)
Tunisia	272.8	46.0	16.9	(226.7)
Turkey	1,071.3	977.0	91.2	(94.3)
Turkmenistan	69.8	28.9	41.4	(40.9)
Tuvalu	1.7	1.1	64.2	(0.6)

Participant	Cumulative allocations	Total	Holdings	
			Percentage of cumulative allocations	Above (below) allocations
Uganda	173.1	43.7	25.3	(129.3)
Ukraine	1,309.4	48.9	3.7	(1,260.5)
United Arab Emirates	568.4	153.1	26.9	(415.3)
United Kingdom	10,134.2	9,927.8	98.0	(206.4)
United States	35,315.7	36,763.3	104.1	1,447.7
Uruguay	293.3	214.5	73.1	(78.8)
Uzbekistan, Republic of	262.8	266.1	101.3	3.3
Vanuatu	16.3	0.7	4.6	(15.5)
Venezuela, República Bolivariana de	2,543.3	8.7	0.3	(2,534.5)
Vietnam	314.8	276.1	87.7	(38.7)
Yemen, Republic of	232.3	6.3	2.7	(226.0)
Zambia	469.1	125.0	26.6	(344.2)
Zimbabwe	338.6	1.2	0.4	(337.4)
Above allocations	92,302.7	100,117.4		7,814.7
Below allocations	111,894.8	80,405.1		(31,489.7)
<b>Total participants</b>	<b>204,197.5</b>	<b>180,522.4</b>		
Participants' holdings held in escrow	16.1	16.1		
General Resources Account	—	22,202.9		
Prescribed holders	—	1,472.1		
<b>Total allocations and holdings</b>	<b>204,213.6</b>	<b>204,213.6</b>		

Components may not sum exactly to totals because of rounding.

\*\* Less than SDR 50,000.



### III. Financial Statements of the Concessional Lending and Debt Relief Trusts



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## Statements of Financial Position at April 30, 2021, and 2020

(in millions of SDRs)

	Note	PRG Trust		PRG-HIPC Trust and related Umbrella Account		CCR Trust and related Umbrella Account	
		2021	2020	2021	2020	2021	2020
<b>Assets</b>							
Cash and cash equivalents		341	314	15	14	118	132
Other assets		54	77	1	1	—	—
Investments	5	8,155	7,617	301	320	18	18
Loans receivable	6	12,622	9,244	—	—	—	—
<b>Total assets</b>		<b>21,172</b>	<b>17,252</b>	<b>317</b>	<b>335</b>	<b>136</b>	<b>150</b>
<b>Liabilities and resources</b>							
Other liabilities		87	113	—	—	—	—
Borrowings	7	13,066	9,690	59	79	18	18
<b>Total liabilities</b>		<b>13,153</b>	<b>9,803</b>	<b>59</b>	<b>79</b>	<b>18</b>	<b>18</b>
Resources		8,019	7,449	258	256	118	132
<b>Total liabilities and resources</b>		<b>21,172</b>	<b>17,252</b>	<b>317</b>	<b>335</b>	<b>136</b>	<b>150</b>

The accompanying notes are an integral part of these financial statements.

The financial statements were signed by the Managing Director and the Director of Finance on June [30], 2021.

Kristalina Georgieva  
Managing Director

Bernard Lauwers  
Director, Finance Department

## Statements of Comprehensive Income and Changes in Resources for the Financial Years Ended April 30, 2021, and 2020

(in millions of SDRs)

	Note	PRG Trust		PRG-HIPC Trust and related Umbrella Account		CCR Trust and related Umbrella Account	
		2021	2020	2021	2020	2021	2020
<b>Resources, beginning of year</b>		<b>7,449</b>	<b>7,437</b>	<b>256</b>	<b>245</b>	<b>132</b>	<b>149</b>
Net investment income	5	575	98	—	7	—	1
Contributions	8	7	19	3	4	339	147
Other income		—	—	—	—	1	—
<b>Total income</b>		<b>582</b>	<b>117</b>	<b>3</b>	<b>11</b>	<b>340</b>	<b>148</b>
Interest expense		(12)	(43)	—	—	—	—
Debt relief assistance	9	—	—	(1)	—	(354)	(165)
Administrative expenses	11	—	(62)	—	—	—	—
<b>Total expenses</b>		<b>(12)</b>	<b>(105)</b>	<b>(1)</b>	<b>—</b>	<b>(354)</b>	<b>(165)</b>
<b>Net income/(loss)</b>		<b>570</b>	<b>12</b>	<b>2</b>	<b>11</b>	<b>(14)</b>	<b>(17)</b>
Other comprehensive income		—	—	—	—	—	—
<b>Total comprehensive income/(loss)/changes in resources</b>		<b>570</b>	<b>12</b>	<b>2</b>	<b>11</b>	<b>(14)</b>	<b>(17)</b>
<b>Resources, end of year</b>		<b>8,019</b>	<b>7,449</b>	<b>258</b>	<b>256</b>	<b>118</b>	<b>132</b>

The accompanying notes are an integral part of these financial statements.

## Statements of Cash Flows for the Financial Years Ended April 30, 2021, and 2020

(in millions of SDRs)

	PRG Trust		PRG-HIPC Trust and related Umbrella Account		CCR Trust and related Umbrella Account	
	2021	2020	2021	2020	2021	2020
<b>Cash flows from operating activities</b>						
Total comprehensive income/(loss)	570	12	2	11	(14)	(17)
Adjustments to reconcile total comprehensive income/(loss) to cash generated by operations:						
Net investment income	(575)	(98)	—	(7)	—	(1)
Interest expense	12	43	—	—	—	—
Loan disbursements	(4,239)	(3,923)	—	—	—	—
Loan repayments	861	1,056	—	—	—	—
Interest received	1	4	—	—	—	1
Interest paid	(16)	(51)	—	—	—	—
<b>Net cash provided by/(used in) operating activities</b>	<b>(3,386)</b>	<b>(2,957)</b>	<b>2</b>	<b>4</b>	<b>(14)</b>	<b>(17)</b>
<b>Cash flows from investing activities</b>						
Acquisition of investments	—	(83)	(14)	(18)	—	—
Disposition of investments	37	191	33	37	—	—
<b>Net cash provided by/(used in) investing activities</b>	<b>37</b>	<b>108</b>	<b>19</b>	<b>19</b>	<b>—</b>	<b>—</b>
<b>Cash flows from financing activities</b>						
Borrowings	4,239	3,923	5	8	—	—
Repayment of borrowings	(863)	(899)	(25)	(18)	—	—
<b>Net cash provided by/(used in) financing activities</b>	<b>3,376</b>	<b>3,024</b>	<b>(20)</b>	<b>(10)</b>	<b>—</b>	<b>—</b>
Net increase/(decrease) in cash and cash equivalents	27	175	1	13	(14)	(17)
Cash and cash equivalents, beginning of year	314	139	14	1	132	149
<b>Cash and cash equivalents, end of year</b>	<b>341</b>	<b>314</b>	<b>15</b>	<b>14</b>	<b>118</b>	<b>132</b>

The accompanying notes are an integral part of these financial statements.

## Notes to the Financial Statements for the Financial Years Ended April 30, 2021, and 2020

### 1. Nature of operations

The International Monetary Fund (IMF) is the Trustee of the following trusts:

- i. The Poverty Reduction and Growth Trust (PRG Trust)
- ii. The Trust for Special Poverty Reduction and Growth Operations for the Heavily Indebted Poor Countries and Interim ECF Subsidy Operations (the PRG-HIPC Trust) and the related Umbrella Account for HIPC Operations (the PRG-HIPC Umbrella Account)
- iii. The Catastrophe Containment and Relief Trust (CCR Trust) and the related Umbrella Account for CCR Operations (the CCR Umbrella Account)

Collectively, these trusts are referred to as the “Concessional Lending and Debt Relief Trusts” or the “Trusts”. The Trusts provide loans on concessional terms and/or debt relief assistance to qualifying low-income member countries.

The assets and liabilities of each Trust are held separately from those of all other administered or proprietary accounts of the IMF. The Trusts’ assets cannot be used to meet the liabilities, obligations, or losses incurred in the administration of other accounts. Administrative expenses incurred by the Trusts are paid by the IMF and reimbursed by the Trusts in accordance with the IMF’s Articles of Agreement and relevant decisions of the IMF Executive Board (Executive Board). Resources not immediately needed in operations are invested as allowed by the instruments establishing the Trusts (Trust Instruments).

#### 1.1 PRG Trust

The PRG Trust provides loans on concessional terms to low-income member countries assessed as eligible to qualify for PRG Trust financing by the Executive Board.

Upon the request of a qualifying member country, PRG Trust resources may be made available either under a financing arrangement or in the form of outright disbursements (i.e., loans disbursed without an arrangement). An arrangement is a decision of the IMF, as Trustee, that gives a member the assurance that the Trust stands ready to provide resources during a specified period and up to a specified amount, in accordance with the terms of the arrangement.

Financing in the PRG Trust is available under the following facilities:

- i. The Extended Credit Facility (ECF) for members with protracted balance of payments problems under three- to five-year arrangements
- ii. The Standby Credit Facility (SCF) for actual or potential short-term balance of payments needs under one- to three-year arrangements
- iii. The Rapid Credit Facility (RCF) for urgent balance of payments needs, which provides financial support in an outright loan disbursement

Until April 10, 2010, the PRG Trust also provided loans under the Exogenous Shocks Facility (ESF) to facilitate member countries’ adjustment to sudden and exogenous shocks. The last ESF loans were fully repaid during the financial year ended April 30, 2021.

The operations of the PRG Trust are conducted through four Loan Accounts, four Subsidy Accounts, and the Reserve Account.

#### Loan Accounts

All concessional lending to low-income member countries under the PRG Trust facilities is conducted in the Loan Accounts, which serve as pass-through for receipt and provision of principal for concessional lending (that is, the PRG Trust may borrow from lenders and on-lend to the low-income member countries). The four Loan Accounts include three earmarked accounts that service ECF, SCF, and RCF loans and a general account that services loans for all PRG Trust facilities.

The Loan Accounts receive interest from loans (at concessional rates) and pay interest on borrowings (at market rates), with the difference being covered by transfers from the Subsidy Accounts.

#### Subsidy Accounts

The Subsidy Accounts hold resources to finance the cost of providing subsidized loans to low-income member countries; that is, the available resources in the Subsidy Accounts are drawn by the Trustee to pay the difference between the interest due on PRG Trust loans and the interest due on borrowings in the Loan Accounts. The four Subsidy Accounts include three earmarked accounts that provide subsidies for ECF, SCF, and RCF loans and a general account that provides subsidies for loans under all PRG Trust facilities.

The resources of the Subsidy Accounts consist of grant contributions, transfers by the IMF from the Special Disbursement Account (SDA), and net earnings from investments. The Subsidy Accounts can also borrow from donors and invest the proceeds to generate income for subsidization.

### Reserve Account

The Reserve Account holds resources to:

- i. Provide security to the lenders of the Loan Accounts in the event of delayed or nonpayment by PRG Trust borrowers.
- ii. Meet temporary mismatches between repayments from borrowers and payments to lenders
- iii. Reimburse the IMF for administering PRG Trust operations.
- iv. Generate investment income that can be used to fund the PRG Trust when resources in the Subsidy Accounts have been depleted.

The resources of the Reserve Account consist of transfers from the SDA and net earnings from investments.

### 1.2 PRG-HIPC Trust and the PRG-HIPC Umbrella Account

The PRG-HIPC Trust provides assistance to eligible low-income member countries to reduce their external debt burden to sustainable levels. Assistance from the PRG-HIPC Trust may be provided in the form of grants or loans.

The operations of the PRG-HIPC Trust are conducted through subaccounts within the PRG-HIPC Trust Account and the related Umbrella Account. The PRG-HIPC Trust Account receives and invests resources, which consist of grant contributions, transfers from the SDA, and net earnings from investments. The PRG-HIPC Trust can also borrow from donors and invest the proceeds to generate income for its operations. Once the Executive Board approves a grant for debt service relief to an eligible low-income member country, the respective resources are transferred to the PRG-HIPC Umbrella Account, where they are administered on behalf of that member country until conditions for the disbursements of debt service relief to the member are satisfied.

### 1.3 CCR Trust and the CCR Umbrella Account

The CCR Trust provides balance of payments assistance in the form of grants to eligible low-income member countries following catastrophic natural or public health disasters.

The operations of the CCR Trust are conducted through three Trust Accounts and the related Umbrella Account. The CCR Trust Accounts include two earmarked accounts for Catastrophe Containment and Post-Catastrophe assistance

and the General Account, containing non-earmarked funds available for both types of assistance. These accounts receive and invest resources, which consist of grant contributions, transfers from the SDA, and net earnings from investments. The CCR Trust can also borrow from donors and invest the proceeds to generate income for its operations. Once the Executive Board approves a grant for debt service relief to an eligible low-income member country, the respective resources are transferred to the CCR Umbrella Account, where they are administered on behalf of that member country until conditions for the disbursements of debt service relief are satisfied.

### 1.4 Impact of the COVID-19 pandemic

These financial statements are being prepared in the context of the ongoing COVID-19 pandemic. The pandemic has created severe disruptions in global economic activity, with many low-income member countries facing liquidity shortages. The IMF, as Trustee of the Trusts, has responded to the crisis with unprecedented speed and magnitude of financial assistance to help low-income member countries. Since the onset of the pandemic, the PRG Trust has disbursed a significant number of loans to PRGT-eligible member countries under the RCF (see Note 6.2).

In response to the COVID-19 pandemic, the Executive Board approved a decision on March 26, 2020 to adapt the eligibility criteria for receiving assistance in the CCR Trust for a qualifying public health disaster. Subsequently, the Executive Board determined that the COVID-19 pandemic is a qualifying public health disaster, effective April 14, 2020, and approved a significant amount of grants for debt relief assistance in the CCR Trust (see Note 9.1).

As a result of the Trusts' elevated level of providing financial assistance during the COVID-19 pandemic, the PRG Trust's credit exposure has increased (see Note 4.2.1.2), as did the liquidity needs in the PRG and CCR Trusts (see Note 4.2.3.1). The PRG Trust continues to manage its credit risks in accordance with its existing risk management framework (see Note 4.1) and fundraising efforts are on-going to ensure the PRG and CCR Trusts are adequately financed (see Note 4.2.3.1).

The risk management practices described in Note 4.3 have effectively mitigated the risk exposure of the effects of the COVID-19 pandemic on the investment portfolios of the Trusts. Financial instruments held at fair value recognized through profit or loss experienced a brief decline in value at the onset of the pandemic but have since fully and rapidly recovered due largely to the strong performance in equity and credit markets. The investment portfolios of the Trusts suffered no permanent impairment as a result of the effects of the pandemic. The effects of the pandemic on PRG and PRG-HIPC Trust investment portfolios are also reflected in

the value at risk (see Note 4.3.2.1). The valuation of the Trusts' investments held at amortized cost was not impacted by the effects of the pandemic.

As of the date of these financial statements there had been no negative impact of the pandemic on the operational results of the Trusts, including from any impairment analysis of the PRG Trust's loan portfolio (see Note 6.1). As the pandemic continues to evolve, the magnitude and impact continue to remain uncertain and are dependent on future developments that cannot be accurately predicted at this time. It is thus difficult to assess the full extent and duration of the pandemic's impact on the Trusts with any degree of certainty. See also Note 2.3 for the most significant estimates and judgements used in the preparation of Trusts' financial statements

## 2. Basis of preparation and measurement

The financial statements of the Trusts are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention, except for the revaluation of financial instruments at fair value through profit or loss.

### 2.1 Unit of account

The financial statements are presented in SDRs, which the Trusts use as the unit of account. The value of the SDR is determined daily by the IMF by summing specific amounts of the basket currencies in US dollar equivalents on the basis of market exchange rates. The IMF generally reviews the composition of the SDR valuation basket at five-year intervals. These reviews cover the currencies to be included in the SDR valuation basket (along with the criteria for the selection of currencies), determine the relative weights of those currencies, and assess the financial instruments that are used to calculate the SDR interest rate. The current basket consists of five currencies. The specific amounts of the currencies in the basket, effective October 1, 2016, were as follows:

SDR basket currency	Amount
Chinese renminbi	1.0174
Euro	0.38671
Japanese yen	11.900
Pound sterling	0.085946
US dollar	0.58252

At April 30, 2021, SDR 1 was equal to US\$1.43599 (US\$1.36640 at April 30, 2020).

The current SDR valuation basket was originally scheduled to expire by end-September 2021. However, the Board has approved a decision to extend this current basket's effectiveness to end-July 2022.

### 2.2 SDR interest rate

The SDR interest rate is used to calculate interest on certain cash balances and borrowings. The SDR interest also provides the basis for setting the interest levied on PRG Trust outstanding loans (see Note 6.3) and interest calculated on most borrowings in the PRG Trust's Loan Accounts.

The SDR interest rate is determined weekly by reference to a weighted average of yields or rates on short-term instruments in the money markets of the members whose currencies are included in the SDR valuation basket:

SDR basket currency	Yield or rate
Chinese renminbi	Three-month benchmark yield for China Treasury bonds as published by the China Central Depository and Clearing Co., Ltd.
Euro	Three-month spot rate for euro area central government bonds with a minimum rating of AA published by the European Central Bank
Japanese yen	Three-month Treasury discount bills
Pound sterling	Three-month Treasury bills
US dollar	Three-month Treasury bills

The SDR interest rate is subject to a floor of 0.050 percent and is rounded to three decimal places.

The average SDR interest rate was 0.077 percent per annum and 0.765 percent per annum during the financial years ended April 30, 2021, and 2020, respectively.

### 2.3 Use of estimates and judgement

The preparation of financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The most significant estimates and judgements used in applying accounting policies include expected credit losses measurement for PRG Trust outstanding loans (see Notes 3.1, 3.2.3, and 6.1), the application of the practical expedient under the interest rate benchmark reform (see Note 4.2.2.1) and fair value measurement of financial instruments (see Notes 3.3 and 10).

### 3. Summary of significant accounting policies

#### 3.1 Financial instruments

Financial instruments include financial assets and financial liabilities described in Note 3.2.

##### Measurement at initial recognition

Financial instruments are recognized when the Trusts become a party to the contractual provisions of the instrument. The Trusts use settlement date accounting for all financial instruments except for investments, which are accounted for using trade date accounting (see Note 3.2.2). At initial recognition, a financial instrument is measured at its fair value, which is best evidenced by the transaction amount.

##### Derecognition

Financial assets, or a portion thereof, are derecognized when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (1) the Trusts transfer substantially all the risks and rewards of ownership, or (2) the Trusts neither transfer nor retain substantially all the risks and rewards of ownership but the Trusts have not retained control.

Financial liabilities are derecognized when they are extinguished (i.e., when the obligation is discharged, canceled, or expires).

##### Classification and subsequent measurement of financial assets

A financial asset is classified on initial recognition based on two factors: the business model for managing the financial asset and its contractual cash flow characteristics.

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost (AC). Interest income from these financial assets is included in the statements of comprehensive income using the effective interest method. Any gain or loss arising on derecognition is recognized in the statements of comprehensive income.

Financial assets that are held for collection of contractual cash flows and for selling, where the assets' cash flows represent solely payments of principal and interest, would be measured at fair value through other comprehensive income (FVOCI). The Trusts did not have financial assets at FVOCI during the financial years ended April 30, 2021, and 2020.

All other financial assets that do not meet the criteria to be measured at AC or FVOCI are measured at fair value, with changes in fair value recognized in profit or loss (FVPL).

##### Impairment

At each reporting date, the Trusts assess on a forward-looking basis the expected credit losses (ECL) associated with their financial assets at AC and with the undrawn balances under their lending commitments. The measurement of ECL reflects: (1) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (2) the time value of money; and (3) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

If the Trusts needed to recognize ECL, they would be recorded as impairment allowances for assets at AC and as a liability provision for undrawn commitments.

Should any financial asset become credit-impaired, interest income would be calculated for it by applying the effective interest rate to its amortized cost (i.e., net of the impairment allowance).

##### Classification and subsequent measurement of financial liabilities

Derivative financial liabilities are measured at fair value with changes in fair value recognized in profit or loss.

All other financial liabilities are measured at amortized cost. Interest expense from these financial liabilities is included in the statements of comprehensive income using the effective interest method.

#### 3.2 Financial assets and liabilities

##### 3.2.1 Cash and cash equivalents

Cash and cash equivalents are financial assets measured at AC. They comprise cash on hand and demand deposits and other highly liquid short-term investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

##### 3.2.2 Investments

Investments are financial assets that include short-term investments, fixed-term and demand deposits, fixed-income securities, equity securities and derivative assets. Derivative liabilities are disclosed as part of other liabilities in the statements of financial position. Among the Trusts, only the PRG Trust invests in equity securities and derivatives.

The Trusts' investment portfolios are managed under defined investment strategies (see Note 5) and their performance is evaluated on a fair value basis. The business model for the invested portfolios focuses on achieving fair value gains.

Accordingly, these securities are classified at FVPL. A portion of funds may be held in fixed-term and demand deposits, pending investment in assets consistent with each Trust's investment strategy or as an investment decision to achieve specific objectives. These investments are measured at AC.

Purchases and sales of investments are recognized on the trade date. The corresponding investment trades receivable or payable are recognized in other assets and other liabilities, respectively, pending settlement of a transaction.

Investment income comprises interest income on investments at AC, interest and dividend income, and realized and unrealized gains and losses from FVPL investments, including currency valuation differences arising from exchange rate movements against the SDR, net of all trading-related investment fees.

Interest income from investments is recognized using the effective interest method. Dividend income is recognized based on the ex-dividend date.

### 3.2.3 Loans receivable

Loans receivable are financial assets that are measured at AC. They represent financing provided to low-income member countries under the various PRG Trust financing facilities (see Note 1.1).

Interest income on loans receivable is recognized using the effective interest method.

#### Impairment of PRG Trust loans

The PRG Trust's assessment of its loans receivable for impairment is grounded in the context of the nature of the PRG Trust's lending and the unique institutional status of the IMF, as Trustee:

- The IMF, as Trustee, has a unique relationship with its member countries, all of which are shareholders in the institution.
- PRG Trust lending under arrangements is linked to regular reviews of performance under a program of economic policies that the member commits to in order to overcome balance of payments problems, return to external viability, and repay the PRG Trust.
- The IMF, as Trustee, employs a comprehensive set of measures to mitigate credit risk (see Note 4.2.1.1).
- The IMF, as Trustee, also has de facto preferred creditor status, which has been recognized by the official creditor community and generally accepted by private creditors.

Taken together, these factors significantly reduce the likelihood of the PRG Trust incurring credit losses.

The PRG Trust has not recognized any impairment losses since inception. Also, unlike large financial institutions in the private sector, the PRG Trust's credit portfolio consists of a relatively small number of exposures to low-income member countries, with each member's circumstances varying. Therefore, a statistical approach to credit risk assessment, such as probability of default (PD) and loss given default (LGD) modeling, as typically followed in the financial sector is neither feasible nor appropriate for the PRG Trust.

Similarly, the assessment of the PRG Trust's credit risk cannot rely on external credit risk ratings. Due to its unique characteristics, the PRG Trust's credit risk exposure is not comparable to sovereign credit risk faced by commercial financial entities, and as a cooperative member organization, the IMF, as Trustee, does not produce its own internal credit rating grades. Accordingly, credit risk for the PRG Trust is assessed holistically based on qualitative and quantitative considerations pertaining to each debtor member, such as the status of the economic programs underlying PRG Trust lending, if any, the member's cooperation on policy implementation and timely settlement of PRG Trust financial obligations, and forward-looking assessments of the member's capacity to repay.

The PRG Trust has developed a model for ECL estimation based on changes in credit quality since initial recognition, where credit quality is classified as Stage 1, Stage 2, or Stage 3. Loans for which credit risk has increased significantly since initial recognition (Stage 2), or that are credit-impaired (Stage 3), have their ECL measured on a lifetime basis. Loans for which there was no significant increase in credit risk since initial recognition (Stage 1) have their ECL measured as a portion of lifetime ECL that result from default events possible within the next 12 months.

The key judgements and assumptions adopted by the PRG Trust in the measurement of ECL are discussed below:

#### (i) Definition of default and credit-impaired

The PRG Trust considers a member country to be in default when it is six months or more overdue in settling its financial obligations to the PRG Trust. This rebuts the presumption that default occurs no later than 90 days past due, reflecting the nature of the PRG Trust's financing and the unique institutional status of the IMF, as Trustee, as well as consistency with the threshold for internal risk management purposes. A loan is considered credit-impaired when the obligation has defaulted.

#### (ii) Significant increase in credit risk

The PRG Trust assesses whether a significant increase in credit risk has occurred on a member-by-member basis by comparing the risk of default at the reporting date to the risk of default at the date of the most recent disbursement to the

debtor member. The assessment is performed at each reporting date and takes into account a range of qualitative and quantitative criteria, including overdue obligations to the PRG Trust, signals of noncooperation by the member, and forward-looking indicators of capacity to repay the PRG Trust. The criteria used to identify significant increases in credit risk are monitored and reviewed for appropriateness at least annually.

The assessment does not rely on any single factor and may, on the basis of other relevant considerations, rebut the presumption that credit risk has increased significantly when contractual payments are more than 30 days past due. During the financial years ended April 30, 2021, and 2020, the PRG Trust did not have any member country more than 30 days past due.

### (iii) Low credit risk

The PRG Trust assumes that the credit risk of a member country has not increased significantly since initial recognition if the member is considered to have low credit risk at the reporting date.

Credit risk related to the PRG Trust's exposure to a member country is considered low if: (1) it has a low risk of default; (2) the member country has a strong capacity to meet its contractual cash flow obligations in the near term; and (3) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the member country to fulfill its contractual cash flow obligations.

### (iv) Measuring ECL

ECL are determined by comparing expected cash flows with contractual cash flows and discounting the expected cash shortfalls at the effective interest rate, which is the interest rate for PRG Trust loans set by the IMF, as Trustee. ECL are estimated by assessing a range of possible outcomes in light of expected future economic conditions, weighted according to the assessed probability of each outcome. This entails considerable judgement and uncertainty about the estimates.

For the purpose of ECL measurement, financial safeguards that are integral to the PRG Trust's financial structure and operations are also considered, such as additional interest on overdue obligations.

### Write-off

In the unlikely event that a member with outstanding loans to the PRG Trust withdraws from the IMF and repudiates its outstanding obligations to the PRG Trust, and no prospects of recovering amounts due to the PRG Trust remain in the foreseeable future, the PRG Trust would recognize the ultimate loss and the withdrawn member's outstanding loan to the PRG Trust would be written-off.

### 3.2.4 Borrowings

Borrowings are financial liabilities measured at AC and represent financing received from lenders (see Note 7). Interest expense on borrowings is calculated by applying the effective interest method.

### 3.3 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market.

A three-level fair value hierarchy is used to determine fair value under which financial instruments are categorized based on the priority of the inputs to the valuation technique. The fair value hierarchy has the following levels:

- Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When the inputs used to measure the fair value of an asset or liability fall within multiple levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest-level input that is significant to the fair value measurement of the instrument in its entirety. Thus, a Level 3 fair value measurement may include inputs that are both observable and unobservable.

The valuation techniques used to determine fair value are described in Note 10.

### 3.4 Foreign currency translation

Transactions denominated in currencies and not in SDRs are recorded at the rate of exchange on the date of the transaction. Assets and liabilities denominated in other currencies are reported using the SDR exchange rate on the date of the financial statements. Exchange differences arising from the settlement of transactions at rates different from those at the originating date of the transaction are included in the determination of total comprehensive income.

### 3.5 Contributions

The Trusts accept contributions on such terms and conditions as agreed between the Trusts and the contributor. Contributions are recognized as income after the

achievement of specified conditions and are subject to the bilateral agreements stipulating how the resources are to be used.

### 3.6 Debt relief assistance

The PRG-HIPC and CCR Trusts provide debt relief assistance to eligible members, which is used by the members to pay their eligible debt service payments to the General Resources Account (GRA) or PRG Trust. The debt relief assistance is recognized as an expense after the terms and conditions set out in the respective Trust Instruments are satisfied, including eligible members meeting the debt relief qualification criteria.

### 3.7 Early adoption of amendments to existing standards effective in future years

Amendments to IFRS 9, "Financial Instruments", and IFRS 7, "Financial Instruments: Disclosures", were issued in August 2020 to address financial reporting issues related to the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The amendments are effective for annual periods starting on or after January 1, 2021, with early adoption permitted.

Amendments to IFRS 9 include the addition of a practical expedient that requires changes to the contractual cash flows of a financial instrument that relate directly to the interest benchmark reform to be treated as changes to a floating interest rate. As such, the effective interest rate would be updated to reflect the change in an interest rate benchmark from an Interbank Offered Rate (IBOR) to an alternative interest rate, without adjusting the carrying amount of the financial instrument. The use of the practical expedient is subject to two conditions:

- The change in the basis for determining contractual cash flows must be a direct consequence of the interest rate benchmark reform.
- The new basis for determining the contractual cash flows must be economically equivalent to the previous basis immediately preceding the change.

The PRG Trust has adopted the amendments, including consequential amendments to IFRS 7 disclosures, for the financial year ended April 30, 2021. The effects of this early adoption are described in Note 4.2.2.1. The PRG-HIPC and CCR Trusts were not impacted by the early adoption of the amendments as they do not have financial instruments that reference an IBOR.

### 3.8 Amendments to existing standards effective in future years

Amendments to IFRS 9, "Financial instruments", were issued in May 2020 to clarify certain aspects of derecognition of

financial liabilities. The amendments are effective for annual periods starting on or after January 1, 2022. The amendments will be adopted by the Trusts for the financial year ending April 30, 2023, and are not expected to have a material effect on the Trusts' financial statements.

## 4. Financial risk management

### 4.1 Risk management framework

By virtue of their role established through the Trust Instruments, the Trusts face a range of financial and nonfinancial risks. The Executive Board has approved a risk acceptance statement guiding risk acceptance and assessment across the Trusts' activities. The IMF, as Trustee, has adopted the three lines of defense model for risk management.

- Risks inherent in day-to-day operations are mitigated by establishing and maintaining a system of internal controls.
- A risk management function is responsible for developing and maintaining the risk management framework, fostering the development of risk management tools, and reporting on the Trusts' overall risk profile, highlighting areas where additional mitigation efforts are needed.
- An internal audit function is responsible for providing an independent assessment of the effectiveness of governance and internal control processes.

Oversight is provided by committees established to monitor and make decisions in specific risk areas, which supports the cycle of risk assessment, ownership, and mitigation vis-à-vis risk acceptance.

### 4.2 Financial assets and liabilities other than investments

Financial assets and liabilities other than investments are exposed to credit, market, and liquidity risks.

#### 4.2.1 Credit risk on financial assets and liabilities other than investments

Credit risk is the risk of suffering financial losses should any of the Trusts' borrowers fail to fulfill their financial obligations to the Trusts. Currently, only the PRG Trust is exposed to credit risk that arises on loans receivable and undrawn committed amounts under approved financing commitments.

##### 4.2.1.1 Credit risk management practices

Credit risk is inherent in the PRG Trust's unique role in the international monetary system because the PRG Trust has limited ability to diversify its credit portfolio and generally provides financing when other sources of credit are not available to a country. In addition, the PRG Trust's credit concentration is generally high due to the nature of the

financial assistance provided to low-income member countries.

Measures to help mitigate the PRG Trust's credit risk include program design and conditionality, policies on access limits, regular reviews by the IMF, post financing assessments, preventive and remedial measures for dealing with overdue financial obligations, and financial safeguards such as special interest on overdue obligations.

The PRG Trust has established limits on overall access to its resources. Annual access across all PRG Trust facilities is normally capped at 100 percent of a low-income member country's IMF quota (quota), with a cumulative access limit of 300 percent of a low-income member country's IMF quota (net of scheduled repayments). In response to the crisis resulting from the COVID-19 pandemic, the normal annual access limit for PRG Trust financing was temporarily increased from 100 to 150 percent of quota for the period July 13, 2020 through April 6, 2021, and further increased to 245 percent of quota through June 30, 2021. In addition, the normal cumulative access limit was increased from 300 percent to 435 percent of quota (net of scheduled repayments) for the period April 7, 2021 through June 30, 2021.

The annual limits for RCF disbursements were temporarily raised to 100 percent of quota annually and 150 percent of quota cumulatively (net of scheduled repayments) for the period April 6, 2020 through December 31, 2021. The rule of limiting the number of RCF disbursements (no more than two disbursements in a 12-month period) was also suspended until December 31, 2021.

Further, in September 2020, the IMF established additional limits as policy safeguards when a member country requests financing that entails high levels of combined access to resources from the GRA and the PRG Trust (there were no limits on combined access to the GRA and the PRG Trust resources prior to September 2020).

The IMF, as Trustee, can approve access in excess of these limits in cases where the member is experiencing an exceptionally large balance of payments need and has a comparatively strong adjustment program, among other conditions. There were no arrangements with exceptional access approved during the financial year ended April 30, 2021 (two during the financial year ended April 30, 2020).

Disbursements under PRG Trust arrangements are made in tranches and are subject to conditionality in the form of performance criteria, structural benchmarks, and prior actions, as well as regular reviews by the IMF as Trustee.

In addition, the IMF, as Trustee, has adopted a safeguards policy to mitigate the risk of misuse of resources and a misreporting policy to deal with incorrect reporting of data or performance against any conditions under a program supported by a PRG Trust arrangement. Safeguards assessments of borrowing member countries' central banks are undertaken to provide the Trustee with reasonable assurance that the central banks' legal structure, governance, control, reporting, and auditing systems are adequate to maintain the integrity of its operations and to measure resources, including PRG Trust disbursements. When PRG Trust resources are provided as direct budget financing to the government, the safeguards policy also requires that disbursements be deposited at the central bank, and that an appropriate framework agreement between the central bank and the government be in place to ensure timely servicing of the member country's financial obligations to the PRG Trust. Further, a fiscal safeguards review of a state treasury is required for cases where a member country requests exceptional access, and at least 25 percent of financing provided by the PRG Trust is expected to be used for direct budget financing.

#### 4.2.1.2 Credit risk exposure

The maximum credit risk exposure is the carrying value of the PRG Trust's loans receivable and undrawn lending commitments, which was SDR 14,748 million and SDR 11,459 million at April 30, 2021, and 2020, respectively.

Loans receivable amounted to SDR 12,622 million and SDR 9,244 million at April 30, 2021, and 2020, respectively. The concentration of PRG Trust outstanding loans by region was as follows:

	April 30, 2021		April 30, 2020	
	<i>(in millions of SDRs and as a percentage of total outstanding loans)</i>			
Africa	9,524	75.4%	7,570	81.9%
Asia and Pacific	1,245	9.9%	580	6.3%
Europe	110	0.9%	132	1.4%
Middle East and Central Asia	1,380	10.9%	727	7.9%
Western Hemisphere	363	2.9%	235	2.5%
<b>Total</b>	<b>12,622</b>	<b>100.0%</b>	<b>9,244</b>	<b>100.0%</b>

The use of credit in the PRG Trust by the largest users was as follows:

	April 30, 2021		April 30, 2020	
	<i>(in millions of SDRs and as a percentage of total outstanding loans)</i>			
Largest user of credit	1,431	11.3%	1,512	16.4%
Three largest users of credit	2,981	23.6%	2,905	31.4%
Five largest users of credit	4,274	33.9%	3,826	41.4%

The five largest users of credit at April 30, 2021, in descending order, were Ghana, Côte d'Ivoire, Kenya, Cameroon, and Madagascar (Ghana, Côte d'Ivoire, the Democratic Republic of the Congo, Bangladesh, and Cameroon at April 30, 2020). Outstanding loans by member are presented in Schedule 1.

The PRG Trust's balance of loans receivable has increased as a result of the impact of the COVID-19 pandemic (see Note 1.4). A significant number of member countries have benefited from emergency financial assistance under the RCF since the onset of the pandemic, including SDR 1,079 million to seven member countries that did not have an outstanding loan balance to the PRG Trust at March 31, 2020. There is no ex post program-based conditionality or reviews in the RCF, with overall conditionality limited.

At April 30, 2021, undrawn commitments under 11 ECF arrangements and one SCF arrangement amounted to SDR 2,126 million (SDR 2,215 million under 18 ECF arrangements and one SCF arrangement at April 30, 2020). Commitments and undrawn balances under current arrangements are presented in Schedule 2. There was no financial assistance under the RCF that had been approved by the Executive Board, but not yet disbursed at April 30, 2021 (SDR 309 million at April 30, 2020).

#### 4.2.2 Market risk on financial assets and liabilities other than investments

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk for financial assets and liabilities other than investments includes interest rate risk and exchange rate risk.

##### 4.2.2.1 Interest rate risk

Interest rate risk is the risk that future net cash flows will fluctuate because of changes in market interest rates. The PRG Trust's subsidy resources consist of contributions and investment earnings to cover the interest shortfall arising from the difference between the market-based interest rate paid on the borrowings in the Loan Accounts and the concessional interest rate, if any, applicable to loans receivable. Should such resources be deemed inadequate for this purpose, the PRG Trust instrument allows for an increase in the interest rate levied on outstanding loans and a transfer of investment income from the Reserve Account to the General Subsidy Account, subject to consultations with all creditors to the Loan Accounts on the adequacy of the Reserve Account to protect their claims.

#### Interest Rate Benchmark Reform

The PRG Trust is impacted by the retirement of the London Interbank Offered Rate (LIBOR) as certain borrowing agreements in the Loan Accounts include an interest rate that uses the LIBOR as a component of its computation

(LIBOR-based interest rate). The PRG Trust also holds certain derivatives that are priced using the LIBOR. These derivatives are held for the purposes of managing market risks (see Note 4.3.2).

In connection with its resource mobilization efforts for lending (see Note 4.2.3.1), the IMF, as Trustee of the PRG Trust, agreed to amend borrowing agreements with various lenders by replacing the LIBOR-based interest rate in these agreements with the SDR interest rate during the financial year ended April 30, 2021. The PRG Trust applied the practical expedient, allowed under IFRS 9 (see Note 3.7), as the replacement was a direct consequence of the interest rate benchmark reform and the SDR interest rate was assessed as economically equivalent due to the similarities in the composition and computation of the SDR interest rate (see Note 2.2) and the LIBOR-based interest rate.

At April 30, 2021, the carrying value of PRG Trust Loan Account borrowings that continue to accrue interest expense at the LIBOR-based interest rate amounted to SDR 1,216 million. Of this amount, SDR 4 million will be fully repaid by end-May 2021 and SDR 1,108 million will transition to the SDR interest rate on July 1, 2021. The remaining SDR 104 million will transition to an alternative interest rate in the future, prior to the retirement of the LIBOR.

At April 30, 2021, the PRG Trust's currency swaps that were priced using the three-month GBP and USD LIBOR had a fair value of SDR 1 million and a notional value of SDR 114 million. These currency swaps will mature before the retirement dates of the three-month GBP and USD LIBOR that are currently set for December 31, 2021 and June 30, 2023, respectively.

##### 4.2.2.2 Exchange rate risk

Exchange rate risk is the risk that the Trusts' financial position and cash flows will be affected by fluctuations in foreign currency exchange rates. The exchange rate risk of the Trusts is mitigated by denominating all assets, liabilities, receipts, and payments in SDRs.

#### 4.2.3 Liquidity risk on financial assets and liabilities other than investments

Liquidity risk is the risk of nonavailability of resources to meet the financing needs of low-income member countries and the Trusts' own obligations.

##### 4.2.3.1 Liquidity management

The IMF, as Trustee, conducts regular reviews to determine the adequacy of resources in the Trusts to provide financial assistance to eligible IMF members and to meet the Trusts' obligations.

The PRG Trust must have financing available to meet low-income member countries' demand for credit. Uncertainties

in the timing and amount of credit extended expose the PRG Trust to liquidity risk. Moreover, the PRG Trust must also stand ready to provide funds for unexpected needs, for example, to authorize drawings to meet demands for encashment of creditor claims under the Loan Accounts' borrowings (see Note 4.2.3.2).

These financing needs are met by the PRG Trust Loan Accounts' borrowings (see Note 7). Amounts available under borrowing and note purchase agreements in the PRG Trust Loan Accounts were SDR 21,380 million and SDR 10,998 million at April 30, 2021, and 2020, respectively (see also Schedule 3). Should such resources be deemed inadequate for this purpose, the PRG Trust has measures to cover the shortfall, as mentioned in Note 4.2.2.1.

The PRG Trust has a cumulative borrowing limit, established by the Executive Board, to ensure that the IMF, as Trustee of the PRG Trust, does not enter into borrowing agreements for the PRG Trust Loan Accounts without prior consultation with PRG Trust creditors regarding the justification for such borrowing and the adequacy of the PRG Trust Reserve Account. In response to increased financing needs for lending in the PRG Trust triggered by the COVID-19 pandemic, the Executive Board approved an increase in the PRG Trust's cumulative borrowing limit from SDR 38,000 million to SDR 50,500 million on April 14, 2020, and further to SDR 55,500 million on January 6, 2021.

The PRG-HIPC and CCR Trusts maintain cash balances to meet upcoming obligations, and the level of resources available for grant assistance is monitored against the potential needs of eligible member countries.

#### 4.2.3.2 Maturity profile of loans and borrowings

The repayment terms of PRG Trust loans are 5½ to 10 years for the ECF, ESF, and RCF and four to eight years for the SCF, in equal semiannual installments. Scheduled repayments of PRG Trust outstanding loans are summarized below:

Financial year ending April 30	2021	2020
	<i>(in millions of SDRs)</i>	
2021	—	701
2022	657	817
2023	731	731
2024	761	761
2025	828	810
2026	1,728	1,380
2027 and beyond	7,917	4,044
<b>Total</b>	<b>12,622</b>	<b>9,244</b>

Repayments during the financial year ended April 30, 2021 included advance repayments of SDR 351 million, which related to proceeds from CCR Trust debt relief assistance that was applied to PRG Trust outstanding loans

(SDR 165 million in advance repayments during the financial year ended April 30, 2020, of which SDR 158 million related to the CCR Trust debt relief assistance).

The repayment periods for the PRG Trust Loan Accounts' borrowings typically match the maturity of the loans extended by the PRG Trust. Drawings under some PRG Trust borrowing agreements in the Loan Accounts may have shorter initial maturities (e.g., six months) that can be extended, at the sole discretion of the Trustee, up to the maturity dates of the corresponding Trust loans for which they were drawn.

The borrowings of the PRG Trust Subsidy Accounts are repayable in one installment at their maturity dates. Scheduled repayments of outstanding borrowings in the PRG Trust Loan and Subsidy Accounts are summarized below:

Financial year ending April 30	PRG Trust Accounts			
	Loan		Subsidy	
	2021	2020	2021	2020
	<i>(in millions of SDRs)</i>			
2021	—	4,421	—	2
2022	5,625	413	118	116
2023	428	428	9	9
2024	512	512	42	42
2025	564	549	100	100
2026	1,065	846	—	—
2027 and beyond	4,595	2,244	8	8
<b>Total</b>	<b>12,789</b>	<b>9,413</b>	<b>277</b>	<b>277</b>

Certain creditors of the PRG Trust participate in a voluntary "encashment" regime, under which they can seek early repayment of outstanding claims in case of balance of payments needs, provided they allow drawings under their own agreements for encashment by other participating creditors. Early repayment is subject to availability of resources under borrowing agreements with other lenders.

Future interest payments on borrowings in the PRG Trust, calculated using the interest rate effective at April 30, 2021, are summarized below:

Financial year ending April 30	PRG Trust Accounts	
	Loan	Subsidy
	<i>(in millions of SDRs)</i>	
2022	7	1
2023	6	—
2024	6	—
2025	5	—
2026	5	—
2027 and beyond	8	—
<b>Total</b>	<b>37</b>	<b>1</b>

The borrowings of the PRG-HIPC and CCR Trusts are repayable in one installment at their maturity dates.

Scheduled repayments of outstanding borrowings in these Trusts are summarized below:

Financial year ending April 30	PRG-HIPC Trust		CCR Trust	
	2021	2020	2021	2020
	<i>(in millions of SDRs)</i>			
2021	—	49	—	—
2022	3	—	—	—
2023	—	—	—	—
2024	27	22	12	12
2025	—	—	—	—
2026	10	—	—	—
2027 and beyond	19	8	6	6
<b>Total</b>	<b>59</b>	<b>79</b>	<b>18</b>	<b>18</b>

During the financial year ended April 30, 2021, agreements totaling SDR 24 million with six PRG-HIPC Trust lenders were extended. There were no future interest payments expected on outstanding borrowings in the PRG-HIPC and CCR Trusts at April 30, 2021.

### 4.3 Investments

Investments are exposed to credit, market, and liquidity risks.

#### 4.3.1 Credit risk on investments

Credit risk on investments represents the potential loss if issuers and counterparties were to default on their contractual obligations.

##### 4.3.1.1 Credit risk management practices

#### PRG Trust Investments

Credit risk is managed by limiting fixed-income investments to financial instruments with a credit rating equivalent to at least BBB– (based on Standard & Poor's rating scale) for corporate bonds (minor holdings of corporate bonds of lower quality could be held by the investment managers if their credit rating has decreased below BBB– subsequent to acquisition), and BBB+ or higher for other fixed-income investments (government bonds and official-sector fixed-income investments), except for instruments issued by the Bank for International Settlements (BIS), which do not have a credit rating, central bank deposits, and uninvested cash balances (short-term investments). Counterparty risk for derivative instruments is mitigated by strict exposure limits, credit rating requirements, and collateral requirements.

#### PRG-HIPC and CCR Trusts' Investments

Credit risk is minimized by limiting eligible investments to marketable securities rated at least A (based on Standard & Poor's rating scale). Eligible investments include high-quality short-duration fixed-income securities, which include marketable obligations issued by (1) national governments of members, their central banks, or their national official institutions, and (2) international financial organizations, and deposits with a commercial bank, national official financial

institution of a member, or an international financial institution, including the BIS.

#### 4.3.1.2 Credit risk exposure

The carrying amount of the fixed-income instruments and short-term investments represents the maximum exposure to credit risk. The maximum exposure to credit risk for derivative instruments is the amount of any unrealized gains on such contracts.

The credit risk exposure for fixed-income instruments and short-term investments in the PRG Trust was as follows:

	April 30, 2021	April 30, 2020
	<i>(as a percentage of total fixed-income instruments and short-term investments)</i>	
BIS obligations (not rated)	26.7	39.2
AAA	7.4	10.6
AA+ to AA-	22.0	18.9
A+ to A-	28.4	22.2
BBB+ to BBB-	15.5	9.0
B+	—	0.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

The credit risk exposure for the PRG-HIPC and CCR Trusts' investments was limited to BIS obligations that are not rated and amounted to SDR 301 million and SDR 18 million at April 30, 2021, respectively (SDR 320 million and SDR 18 million, respectively, at April 30, 2020).

The credit risk exposure for derivative assets in the PRG Trust amounted to SDR 12 million and SDR 10 million, respectively, at April 30, 2021, and 2020.

#### 4.3.2 Market risk on investments

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market price. The investment objectives and strategies of the Trusts, including asset allocation and risk tolerance (see Note 5), expose the Trusts' investments to market risk. These risks include interest rate risk, exchange rate risk, and other price risks.

#### PRG Trust investments

The market risks on the PRG Trust investment portfolio are mitigated by: (1) ensuring diversification at the portfolio level through a target asset allocation and within asset class components through concentration and exposure limits; (2) setting duration limits for fixed-income components; (3) aligning or hedging the currency exposure of short-term investments, short-duration fixed-income securities, and corporate bonds with the SDR currency basket; and (4) permitting the use of derivatives for managing interest rate and exchange rate risks.

**PRG-HIPC and CCR Trust investments**

The market risks on the PRG-HIPC and CCR Trust investment portfolios are mitigated by: (1) setting duration limits for fixed-income components and (2) rebalancing the portfolios periodically. Fixed-term and demand deposits held in the Trusts' investment portfolios are denominated in SDRs and carry a fixed rate of interest or the SDR interest rate.

**4.3.2.1 Value at Risk**

Exposures to market risk, including interest rate, exchange rate, and other price risks, are measured using value at risk (VaR), which considers not only known market risks in each of the asset categories but also the effect of asset class diversification. The VaR estimates reported below represent the maximum potential loss in value of the assets over the next year due to adverse market movements, with a 95 percent confidence level. Conversely, there is a 1 in 20 chance that annual losses on investment assets would be expected to equal or exceed the reported VaR. Losses in a single year could exceed the reported VaR by a significant amount.

VaR models are based predominantly on historical three-year lookback simulations and provide plausible future scenarios based on these simulations. There is no standard methodology for estimating VaR, and the modeling of the market risk characteristics of the investments involves many assumptions and approximations. Different assumptions or approximations could produce significantly different VaR estimates.

The VaR was as follows:

	PRG Trust		PRG-HIPC Trust	
	April 30		April 30	
	2021	2020	2021	2020
	<i>(in millions of SDRs)</i>			
Equity securities	473	234	—	—
Fixed-income securities	146	78	2	2
Diversification effects	(136)	(70)	—	—
<b>Total</b>	<b>483</b>	<b>242</b>	<b>2</b>	<b>2</b>

**4.3.3 Liquidity risk on investments**

Liquidity risk on investments refers to the risk that an investment will not have an active buyer or seller when traded, which could negatively affect the price of the investment.

**4.3.3.1 Liquidity management**

The liquidity position of each Trust is closely monitored by maintaining liquidity projections to ensure day-to-day servicing needs are met. To minimize the risk of loss from liquidating investments, the Trusts hold resources in readily marketable short-term financial instruments to meet anticipated liquidity needs.

**4.3.3.2 Maturity profile of investments**

The maturities of short-term investments, fixed-term deposits, fixed-income securities, and derivative assets were as follows:

	PRG Trust	PRG-HIPC Trust	CCR Trust
	April 30, 2021		
	<i>(in millions of SDRs)</i>		
<b>Financial year ending April 30</b>			
2022	2,198	164	18
2023	1,004	44	—
2024	980	67	—
2025	622	26	—
2026	421	—	—
2027 and beyond	1,262	—	—
<b>Total</b>	<b>6,487</b>	<b>301</b>	<b>18</b>

	PRG Trust	PRG-HIPC Trust	CCR Trust
	April 30, 2020		
	<i>(in millions of SDRs)</i>		
<b>Financial year ending April 30</b>			
2021	2,953	159	18
2022	1,349	95	—
2023	841	38	—
2024	400	28	—
2025	279	—	—
2026 and beyond	818	—	—
<b>Total</b>	<b>6,640</b>	<b>320</b>	<b>18</b>

**5. Investments****5.1 PRG Trust investments**

The guidelines for investing PRG Trust assets provide for an investment strategy that is geared to generate a nominal net-of-fees return of 90 basis points over the six-month SDR interest rate over time. This strategy was adopted in March 2017 and the investments were phased in over a period of three years, which was completed during the financial year ended April 30, 2021. The PRG Trust assets are invested in a diversified portfolio of a range of fixed-income instruments and equity securities. Investments comprised the following:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
<b>At FVPL:</b>		
Short-term investments	89	189
Equity securities	1,668	977
Fixed-income securities	5,994	5,320
Derivative assets	12	10
<b>Total at FVPL</b>	<b>7,763</b>	<b>6,496</b>
<b>At AC:</b>		
Fixed-term and demand deposits	392	1,121
<b>Total</b>	<b>8,155</b>	<b>7,617</b>

Fair values of derivative assets and liabilities in the PRG Trust were SDR 12 million and SDR 8 million, respectively, at April 30, 2021 (SDR 10 million and SDR 12 million, respectively, at April 30, 2020). Notional values of derivative instruments were as follows:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
Currency swaps	226	157
Forwards	976	581
Futures		
Long positions	535	383
Short positions	401	27

### 5.2 PRG-HIPC and CCR Trust investments

The investment strategy for the PRG-HIPC and CCR Trusts seeks to enhance returns subject to liquidity requirements and limits the risk of investment losses over an investment horizon of no more than three years. The PRG-HIPC Trust's liquid investments are held in short-term investments up to one year and the remainder in short-duration fixed-income securities.

PRG-HIPC Trust investments comprised the following:

	April 30, 2021	April 30, 2020
	<i>(in millions of SDRs)</i>	
<b>At FVPL:</b>		
Short-term investments	1	31
Fixed-income securities	259	259
<b>Total at FVPL</b>	<b>260</b>	<b>290</b>
<b>At AC:</b>		
Fixed-term and demand deposits	41	30
<b>Total</b>	<b>301</b>	<b>320</b>

The CCR Trust held fixed-term and demand deposits at AC, amounting to SDR 18 million at April 30, 2021, and 2020.

### 5.3 Net investment income

Net investment income for the PRG and PRG-HIPC Trusts comprised the following:

	PRG Trust		PRG-HIPC Trust	
	2021	2020	2021	2020
	<i>(in millions of SDRs)</i>			
<b>Financial year ending April 30</b>				
Investment income on FVPL investments	577	91	—	6
Interest income on AC investments	3	11	—	1
Investment fees	(5)	(4)	—	—
<b>Net investment income</b>	<b>575</b>	<b>98</b>	<b>—</b>	<b>7</b>

The CCR Trust's net investment income was less than SDR 1 million for the financial year ended April 30, 2021 and comprised interest income on investments at AC

(SDR 1 million in net investment income comprising interest income on investments at AC during the financial year ended April 30, 2020).

## 6. Loans receivable

At April 30, 2021, and 2020, loans receivable amounted to SDR 12,622 million and SDR 9,244 million, respectively.

### 6.1 Changes in loans receivable

Changes in PRG Trust loans receivable were as follows:

	Loan facilities				
	ECF	ESF	RCF	SCF	Total
	<i>(in millions of SDRs)</i>				
April 30, 2020	5,897	9	3,094	244	9,244
Disbursements	630	—	3,520	89	4,239
Repayments	(710)	(9)	(80)	(62)	(861)
<b>April 30, 2021</b>	<b>5,817</b>	<b>—</b>	<b>6,534</b>	<b>271</b>	<b>12,622</b>

	Loan facilities				
	ECF	ESF	RCF	SCF	Total
	<i>(in millions of SDRs)</i>				
April 30, 2019	5,532	128	454	263	6,377
Disbursements	1,189	—	2,709	25	3,923
Repayments	(824)	(119)	(69)	(44)	(1,056)
<b>April 30, 2020</b>	<b>5,897</b>	<b>9</b>	<b>3,094</b>	<b>244</b>	<b>9,244</b>

The PRG Trust has performed an impairment analysis of its portfolio of loans receivable in accordance with its ECL model (see Note 3.2.3). Based on this analysis, no loss allowance was deemed to be necessary at April 30, 2021, and 2020. As described in Note 3.2.3, the impairment analysis of the PRG Trust's outstanding loans takes into account the unique nature of the PRG Trust's financing and institutional status of the IMF, as Trustee. The analysis was performed holistically based on qualitative and quantitative considerations, taking into account the relevant current developments. In this context, the results of the PRG Trust's impairment analysis at April 30, 2021, and 2020, are not materially sensitive to reasonable changes in input parameters of the ECL calculation.

## 6.2 Emergency financial assistance

The changes in loans receivable reflect emergency financing under the RCF that was provided by the PRG Trust to low-income member countries that faced urgent balance of payment needs as a result of the economic impact of the COVID-19 pandemic. Outstanding loans by member are presented in Schedule 1.

## 6.3 Interest on loans receivable

The interest rate applicable to PRG Trust loans was zero for the financial years ended April 30, 2021, and 2020.

The interest rates on PRG Trust lending are reviewed every two years by the Executive Board. The interest rates are set for the upcoming two years and are based on the average SDR interest rate for the latest 12-month period. The current interest rate structure is as follows:

Average SDR interest rate for the latest 12-month period	ECF and SCF (in percent)
Less than 2%	—
Between 2% and 5%	0.25
Greater than 5%	0.50

The interest rate on RCF loans is permanently set at zero. An interest waiver on ESF loans receivable was extended until they were fully repaid during the financial year ended April 30, 2021.

## 7. Borrowings

The Trusts borrow on such terms and conditions as agreed between the Trustee and individual lenders.

Borrowings in the PRG Trust Loan Accounts provide resources for on-lending to low-income member countries. Commitments made by lenders to the PRG Trust are nonrevolving and subject to a time limit. Creditors to the PRG Trust may earmark their loan commitments for a specific Loan Account (ECF, SCF, or RCF) or make them generally available for any loan facility.

Proceeds from borrowings in the PRG Trust Subsidy Account, PRG-HIPC Trust, and CCR Trust are invested and generate net investment income, which contributes to the resources for operational use.

### 7.1 Changes in outstanding borrowings

Changes in the outstanding borrowings in the PRG Trust Loan and Subsidy Accounts were as follows:

	PRG Trust Accounts		Total
	Loan	Subsidy	
	(in millions of SDRs)		
April 30, 2020	9,413	277	9,690
Borrowings	4,239	—	4,239
Repayments	(863)	—	(863)
<b>April 30, 2021</b>	<b>12,789</b>	<b>277</b>	<b>13,066</b>

	PRG Trust Accounts		Total
	Loan	Subsidy	
	(in millions of SDRs)		
April 30, 2019	6,389	277	6,666
Borrowings	3,923	—	3,923
Repayments	(899)	—	(899)
<b>April 30, 2020</b>	<b>9,413</b>	<b>277</b>	<b>9,690</b>

## 7.2 Interest on outstanding borrowings

The weighted average interest rate on PRG Trust variable interest rate borrowings was 0.09 percent per annum and 0.61 percent per annum for the financial years ended April 30, 2021, and 2020, respectively. PRG-HIPC and CCR Trust borrowings either carry a fixed interest rate or are interest free.

## 8. Contributions

The Trusts' operations are financed primarily by contributions provided by a broad segment of IMF member countries and other donors, as well as contributions from the Special Disbursement Account and Administered Accounts, on behalf of IMF member countries. These contributions are mobilized and managed under the PRG Trust for concessional lending and under the PRG-HIPC and CCR Trusts for debt relief.

Contributions comprised the following:

	PRG Trust	PRG-HIPC Trust	CCR Trust
	Financial year ending April 30, 2021		
	(in millions of SDRs)		
Bilateral and other donors	7	2	339
Somalia Administered Account	—	1	—
<b>Total</b>	<b>7</b>	<b>3</b>	<b>339</b>

	PRG Trust	PRG-HIPC Trust	CCR Trust
	Financial year ending April 30, 2020		
	(in millions of SDRs)		
Bilateral and other donors	—	3	147
Special Disbursement Account	19	—	—
Somalia Administered Account	—	1	—
<b>Total</b>	<b>19</b>	<b>4</b>	<b>147</b>

Cumulative contributions by member country in the PRG Trust Subsidy Accounts and the PRG-HIPC and CCR Trusts are presented in Schedule 4.

## 9. Debt relief assistance

### 9.1 Response to the COVID-19 pandemic

On April 13, 2020, the Executive Board approved an initiative for the IMF, as Trustee of the CCR Trust to provide financial assistance, in the form of grants, to 29 member countries impacted by the COVID-19 pandemic. The grants would assist the member countries to make debt service payments on their eligible debt falling due from April 14, 2020 to April 13, 2022. The disbursement of grants under this initiative is subject to the availability of resources in the CCR Trust. Following the Executive Board's approval, the grants are transferred from the CCR Trust Accounts to the CCR Trust Umbrella Account, where debt relief assistance is disbursed and recognized as an expense.

The Executive Board approved for the IMF, as Trustee of the CCR Trust, the disbursement of two tranches of grants, resulting in the recognition of debt relief assistance amounting to SDR 354 million during the financial year ended April 30, 2021 (disbursement of one tranche for SDR 165 million during the financial year ended April 30, 2020). The debt relief assistance was applied toward eligible debt service payments for member countries with eligible debt in the GRA and the PRG Trust. Cumulative debt relief assistance disbursed by the CCR Trust at April 30, 2021, by member country and by tranche, is presented in Schedule 5.

### 9.2 Somalia's HIPC initiative

On March 25, 2020, the Executive Board determined that Somalia is eligible and qualifies for debt relief assistance under the enhanced HIPC Initiative. At the same time, the Executive Board committed to provide interim assistance amounting to SDR 1 million to cover Somalia's eligible debt service payments due over the 12-month period from March 25, 2020. On March 24, 2021, the Executive Board approved additional interim assistance amounting to SDR 1 million to cover Somalia's eligible debt service payments due over the 12-month period from March 25, 2021.

During the financial years ended April 30, 2021, and 2020, the PRG-HIPC Trust recognized grant transfers of SDR 1 million, respectively, from the PRG-HIPC Trust Account to the PRG-HIPC Umbrella upon the Executive Board's approval of interim debt relief assistance (see Note 13). As eligible debt service payments fall due during each financial year, the PRG-HIPC Trust recognizes debt relief assistance as an expense. SDR 1 million of debt relief assistance was recognized during the financial year ended April 30, 2021 (none during the financial year ended April 30,

2020). At April 30, 2021, and 2020 the PRG-HIPC Trust is committed to provide debt relief assistance of SDR 136 million toward Somalia's future debt reduction. The amount committed is subject to change and its disbursement is contingent on Somalia meeting specific criteria under the enhanced HIPC Initiative.

## 10. Fair value measurement

Valuation techniques used to value financial instruments include the following:

### Level 1

The fair value of publicly traded investments is based on quoted market prices in an active market for identical assets without any adjustments (closing price for equities and derivative instruments and bid price for fixed-income securities). These investments are included within Level 1 of the fair value hierarchy.

### Level 2

The fair value of fixed-income securities not actively traded is determined on the basis of a compilation of significant observable market information, such as recently executed trades in securities of the issuer or comparable issuers and yield curves. The assessment also takes into account the inherent risk and terms and conditions of each security. Given that the significant inputs are observable, these securities are included within Level 2 of the fair value hierarchy.

The fair value of over-the-counter derivative instruments (foreign exchange forwards and currency swaps) not actively traded is determined using a pricing model that incorporates foreign exchange spot and forward rates and interest rate curves. Given that the significant inputs into the pricing models are market observable, these instruments are included within Level 2 of the fair value hierarchy.

### 10.1 Investments

The following tables present the fair value hierarchy used to determine the fair value of investments in the PRG and PRG-HIPC Trusts:

	Level 1	Level 2	Total
	<b>April 30, 2021</b>		
	<i>(in millions of SDRs)</i>		
<b>Recurring fair value measurements</b>			
PRG Trust	1,698	6,065	7,763
PRG-HIPC Trust	1	259	260
	<b>April 30, 2020</b>		
PRG Trust	1,151	5,345	6,496
PRG-HIPC Trust	31	259	290

There were no Level 3 investments at April 30, 2021, and 2020, and there were no transfers of investments between Level 1 and Level 2 during the financial years ended April 30, 2021, and 2020.

Investments in fixed-term and demand deposits are generally of a short-term nature and are carried at amortized cost, which approximates fair value.

Based on the fair value hierarchy, SDR 1 million in derivative liabilities were categorized as Level 1 and SDR 7 million as Level 2 at April 30, 2021 (SDR 1 million and SDR 11 million, respectively, at April 30, 2020). There were no Level 3 derivative liabilities and no transfers of derivative liabilities between Level 1 and Level 2 during the financial years ended April 30, 2021, and 2020.

### 10.2 Loans receivable

The PRG Trust, and the IMF as Trustee, plays a unique role in providing balance of payments support to member countries. PRG Trust financing features policy conditions that require member countries to implement macroeconomic and structural policies, and are an integral part of PRG Trust lending. These measures aim to help member countries solve their balance of payments problems while safeguarding Trust resources. The fair value of PRG Trust loans receivable as defined under IFRS 13 cannot be determined due to their unique characteristics, including the debtor's membership relationship with the IMF, the Trustee, and the absence of a principal or most advantageous market for PRG Trust loans.

### 10.3 Other financial assets and liabilities

The carrying value of borrowings and other assets and liabilities accounted for at amortized cost, except derivative liabilities, represents a reasonable estimate of their fair value at April 30, 2021, and 2020.

## 11. Related party transactions

The expenses of administering the business of the Trusts are incurred and paid by the IMF from the GRA. The PRG Trust accrues for these administrative expenses and reimburses the GRA annually. In April 2021, the Executive Board approved to forgo a reimbursement estimated at SDR 87 million by the PRG Trust to the GRA for the administrative expenses. The PRG Trust reimbursed the GRA SDR 62 million during the financial year ending April 30, 2020.

There were no reimbursements to the GRA from the PRG-HIPC and CCR Trusts during the financial years ended April 30, 2021, and 2020.

In addition to bilateral contributions from member countries, the IMF also made contributions to the Trusts to meet the financing needs of low-income member countries. Cumulative contributions from the IMF were as follows:

	<u>April 30, 2021 and 2020</u> <i>(in millions of SDRs)</i>
PRG Trust Reserve Account	2,716
PRG Trust Subsidy Accounts	1,018
PRG-HIPC Trust	1,239
CCR Trust	293
<b>Total</b>	<b>5,266</b>

During the financial year ended April 30, 2021, the PRG Trust Reserve Account did not receive contributions from the IMF (SDR 19 million was received from the IMF through the SDA during the financial year ended April 30, 2020).

## 12. Subsequent events

On [date], the Executive Board determined that Sudan is eligible and qualifies for debt relief assistance under the enhanced HIPC Initiative after Sudan received an ECF loan amounting to SDR [ ] from the PRG Trust on the same day. The loan was disbursed under an ECF arrangement that was also approved by the Executive Board on [ ]. The PRG-HIPC Trust is committed to provide Sudan full debt relief of its PRG Trust obligation contingent on Sudan meeting specific criteria under the enhanced HIPC Initiative.

On [ ], the PRG Trust Reserve Account received contributions of SDR [ ] from the IMF through the SDA. The contribution was financed by proceeds transferred to the SDA from the Trust Fund, following Sudan's settlement of overdue obligations to the Trust Fund.

## 13. Combined statements of financial position and statements of comprehensive income and changes in resources by Trust

The combined statements of financial position and statements of comprehensive income and changes in resources for each Trust are presented below.

## PRG Trust—Combined Statements of Financial Position at April 30, 2021, and 2020

(in millions of SDRs)

	2021			2020	
	Loan Accounts	Subsidy Accounts	Reserve Account	Total	Total
<b>Assets</b>					
Cash and cash equivalents	223	50	68	341	314
Other assets	—	27	27	54	77
Investments	—	4,164	3,991	8,155	7,617
Loans receivable	12,622	—	—	12,622	9,244
Accrued account transfers	(54)	(8)	62	—	—
<b>Total assets</b>	<b>12,791</b>	<b>4,233</b>	<b>4,148</b>	<b>21,172</b>	<b>17,252</b>
<b>Liabilities and resources</b>					
Other liabilities	2	52	33	87	113
Borrowings	12,789	277	—	13,066	9,690
<b>Total liabilities</b>	<b>12,791</b>	<b>329</b>	<b>33</b>	<b>13,153</b>	<b>9,803</b>
Resources	—	3,904	4,115	8,019	7,449
<b>Total liabilities and resources</b>	<b>12,791</b>	<b>4,233</b>	<b>4,148</b>	<b>21,172</b>	<b>17,252</b>

## PRG Trust—Combined Statements of Comprehensive Income and Changes in Resources for the Financial Years Ended April 30, 2021, and 2020

(in millions of SDRs)

	2021			2020	
	Loan Accounts	Subsidy Accounts	Reserve Account	Total	Total
<b>Resources, beginning of year</b>	—	<b>3,621</b>	<b>3,828</b>	<b>7,449</b>	<b>7,437</b>
Net investment income	—	288	287	575	98
Contributions	—	7	—	7	19
<b>Total income</b>	—	<b>295</b>	<b>287</b>	<b>582</b>	<b>117</b>
Interest expense	(11)	(1)	—	(12)	(43)
Administrative expenses	—	—	—	—	(62)
<b>Total expenses</b>	<b>(11)</b>	<b>(1)</b>	<b>—</b>	<b>(12)</b>	<b>(105)</b>
Subsidy transfers	11	(11)	—	—	—
<b>Net income</b>	—	<b>283</b>	<b>287</b>	<b>570</b>	<b>12</b>
Other comprehensive income	—	—	—	—	—
<b>Total comprehensive income/changes in resources</b>	—	<b>283</b>	<b>287</b>	<b>570</b>	<b>12</b>
<b>Resources, end of year</b>	—	<b>3,904</b>	<b>4,115</b>	<b>8,019</b>	<b>7,449</b>

## PRG-HIPC and CCR Trusts—Combined Statements of Financial Position at April 30, 2021, and 2020

(in millions of SDRs)

	PRG-HIPC Trust and Related Umbrella Account				CCR Trust and Related Umbrella Account			
	2021			2020	2021			2020
	Trust Account	Umbrella Account	Total	Total	Trust Accounts	Umbrella Account	Total	Total
<b>Assets</b>								
Cash and cash equivalents	14	1	15	14	118	—	118	132
Other assets	1	—	1	1	—	—	—	—
Investments	301	—	301	320	18	—	18	18
<b>Total assets</b>	<b>316</b>	<b>1</b>	<b>317</b>	<b>335</b>	<b>136</b>	<b>—</b>	<b>136</b>	<b>150</b>
<b>Liabilities and resources</b>								
Borrowings	59	—	59	79	18	—	18	18
<b>Total liabilities</b>	<b>59</b>	<b>—</b>	<b>59</b>	<b>79</b>	<b>18</b>	<b>—</b>	<b>18</b>	<b>18</b>
Resources	257	1	258	256	118	—	118	132
<b>Total liabilities and resources</b>	<b>316</b>	<b>1</b>	<b>317</b>	<b>335</b>	<b>136</b>	<b>—</b>	<b>136</b>	<b>150</b>

## PRG-HIPC and CCR Trusts—Combined Statements of Comprehensive Income and Changes in Resources for the Financial Years Ended April 30, 2021, and 2020

(in millions of SDRs)

	PRG-HIPC Trust and Related Umbrella Account				CCR Trust and Related Umbrella Account			
	2021			2020	2021			2020
	Trust Account	Umbrella Account	Total	Total	Trust Accounts	Umbrella Account	Total	Total
<b>Resources, beginning of year</b>	<b>255</b>	<b>1</b>	<b>256</b>	<b>245</b>	<b>132</b>	<b>—</b>	<b>132</b>	<b>149</b>
Net investment income	—	—	—	7	—	—	—	1
Contributions	3	—	3	4	339	—	339	147
Other income	—	—	—	—	1	—	1	—
<b>Total income</b>	<b>3</b>	<b>—</b>	<b>3</b>	<b>11</b>	<b>340</b>	<b>—</b>	<b>340</b>	<b>148</b>
Debt relief assistance	—	(1)	(1)	—	—	(354)	(354)	(165)
<b>Total expenses</b>	<b>—</b>	<b>(1)</b>	<b>(1)</b>	<b>—</b>	<b>—</b>	<b>(354)</b>	<b>(354)</b>	<b>(165)</b>
Grant transfers	(1)	1	—	—	(354)	354	—	—
<b>Net income/(loss)</b>	<b>2</b>	<b>—</b>	<b>2</b>	<b>11</b>	<b>(14)</b>	<b>—</b>	<b>(14)</b>	<b>(17)</b>
Other comprehensive income	—	—	—	—	—	—	—	—
<b>Total comprehensive income/(loss)/changes in resources</b>	<b>2</b>	<b>—</b>	<b>2</b>	<b>11</b>	<b>(14)</b>	<b>—</b>	<b>(14)</b>	<b>(17)</b>
<b>Resources, end of year</b>	<b>257</b>	<b>1</b>	<b>258</b>	<b>256</b>	<b>118</b>	<b>—</b>	<b>118</b>	<b>132</b>

# Supplemental Schedules

## SCHEDULE 1: PRG Trust—Schedule of Outstanding Loans at April 30, 2021

(in millions of SDRs)

Member	ECF	RCF	SCF	Outstanding balance	Percent of total
Afghanistan, Islamic Republic of	116.9	161.9	—	278.8	2.21
Armenia, Republic of	30.1	—	—	30.1	0.24
Bangladesh	384.0	177.8	—	561.7	4.45
Benin	202.3	41.3	—	243.6	1.93
Burkina Faso	172.3	84.3	—	256.6	2.03
Burundi	13.9	—	—	13.9	0.11
Cabo Verde	—	23.7	—	23.7	0.19
Cameroon	427.8	276.0	—	703.8	5.58
Central African Republic	170.9	43.4	—	214.3	1.70
Chad	280.1	133.2	—	413.3	3.27
Comoros, Union of the	2.2	5.9	—	8.1	0.06
Congo, Democratic Republic of the	—	533.0	—	533.0	4.22
Congo, Republic of	32.6	—	—	32.6	0.26
Côte d'Ivoire	575.6	224.9	—	800.6	6.34
Djibouti	1.9	31.8	—	33.7	0.27
Dominica	—	16.8	—	16.8	0.13
Ethiopia, The Federal Democratic Republic of	133.6	—	—	133.6	1.06
Gambia, The	27.5	32.7	—	60.1	0.48
Ghana	692.9	738.0	—	1,430.9	11.34
Grenada	12.8	16.4	—	29.2	0.23
Guinea	220.0	123.2	—	343.2	2.72
Guinea-Bissau	16.7	16.7	—	33.4	0.26
Haiti	11.7	112.6	—	124.3	0.98
Honduras	—	—	114.1	114.1	0.90
Kenya	206.7	542.8	—	749.5	5.94
Kyrgyz Republic	81.8	59.2	—	141.0	1.12
Lesotho, Kingdom of	12.0	11.7	—	23.6	0.19
Liberia	134.1	58.8	—	192.9	1.53
Madagascar, Republic of	299.4	290.2	—	589.7	4.67
Malawi	153.6	138.8	—	292.4	2.32
Maldives	—	21.2	—	21.2	0.17
Mali	261.2	154.3	—	415.5	3.29
Mauritania, Islamic Republic of	152.7	95.7	—	248.4	1.97
Moldova, Republic of	52.7	57.5	—	110.2	0.87
Mozambique, Republic of	—	312.4	47.3	359.7	2.85
Myanmar	—	172.3	—	172.3	1.36
Nepal	—	185.4	—	185.4	1.47
Nicaragua	0.6	43.3	—	43.9	0.35
Niger	189.6	83.7	—	273.2	2.16
Papua New Guinea	—	263.2	—	263.2	2.09
Rwanda	—	160.2	110.1	270.3	2.14
St. Lucia	—	21.4	—	21.4	0.17
St. Vincent and the Grenadines	—	13.3	—	13.3	0.11
Samoa	—	19.1	—	19.1	0.15
São Tomé and Príncipe, Democratic Republic of	11.3	9.0	—	20.3	0.16
Senegal	—	107.9	—	107.9	0.85

Member	ECF	RCF	SCF	Outstanding balance	Percent of total
Sierra Leone	234.3	139.0	—	373.3	2.96
Solomon Islands	0.7	6.9	—	7.6	0.06
Somalia	217.9	—	—	217.9	1.73
South Sudan, Republic of	—	159.9	—	159.9	1.27
Tajikistan, Republic of	3.9	139.2	—	143.1	1.13
Togo	247.7	—	—	247.7	1.96
Tonga	—	6.9	—	6.9	0.05
Uganda	—	361.0	—	361.0	2.86
Uzbekistan, Republic of	—	92.1	—	92.1	0.73
Vanuatu	—	7.7	—	7.7	0.06
Yemen, Republic of	29.3	6.1	—	35.3	0.28
Zambia	1.8	—	—	1.8	0.01
<b>Total outstanding loans</b>	<b>5,816.9</b>	<b>6,533.5</b>	<b>271.5</b>	<b>12,622.0</b>	<b>100.0</b>

Components may not sum exactly to totals because of rounding.

## SCHEDULE 2: PRG Trust—Schedule of Arrangements for the Financial Year Ended April 30, 2021

(in millions of SDRs)

Member	Agreement date	Expiration date	Amount committed	Undrawn balance			
				April 30, 2020	Changes <sup>1</sup>	Amount drawn	April 30, 2021
<b>ECF arrangements</b>							
Afghanistan, Islamic Republic of	November 6, 2020	May 5, 2024	259.0	—	259.0	(81.0)	178.1
Benin	April 7, 2017	May 19, 2020	187.4	15.9	76.0	(91.9)	—
Burkina Faso	March 14, 2018	November 17, 2020	108.4	36.1	—	(36.1)	—
Cameroon	June 26, 2017	September 30, 2020	483.0	55.2	(55.2)	—	—
Central African Republic	December 20, 2019	December 19, 2022	83.6	71.6	—	(23.9)	47.7
Chad	June 30, 2017	July 22, 2020	224.3	28.0	(28.0)	—	—
Congo, Republic of	July 11, 2019	April 10, 2021	324.0	291.6	(291.6)	—	—
Côte d'Ivoire	December 12, 2016	December 11, 2020	281.3	64.5	—	(64.5)	—
Ethiopia, The Federal Democratic Republic of	December 20, 2019	December 19, 2022	1,202.8	1,069.2	—	—	1,069.2
Gambia, The	March 23, 2020	June 22, 2023	55.0	30.0	20.0	(20.0)	30.0
Guinea	December 11, 2017	December 10, 2020	120.5	34.4	—	(34.4)	—
Kenya	April 2, 2021	June 1, 2024	407.1	—	407.1	(76.0)	331.1
Liberia	December 11, 2019	December 10, 2023	155.0	138.0	—	(34.0)	104.0
Madagascar, Republic of	March 29, 2021	July 28, 2024	220.0	—	220.0	(48.9)	171.1
Malawi	April 30, 2018	September 24, 2020	105.8	52.0	(52.0)	—	—
Mali	August 28, 2019	August 27, 2022	140.0	100.0	—	(40.0)	60.0
Mauritania, Islamic Republic of	December 6, 2017	March 5, 2021	136.2	33.1	20.2	(53.4)	—
Niger	January 23, 2017	October 28, 2020	118.4	14.1	—	(14.1)	—
São Tomé and Príncipe, Democratic Republic of	October 2, 2019	February 1, 2023	14.8	11.4	1.5	(5.3)	7.6
Sierra Leone	November 30, 2018	June 29, 2022	124.4	77.8	—	—	77.8
Somalia	March 25, 2020	March 24, 2023	252.9	42.0	—	(7.0)	35.0
<b>Total ECF arrangements</b>				<b>2,164.9</b>	<b>577.0</b>	<b>(630.4)</b>	<b>2,111.5</b>
<b>SCF arrangement</b>							
Honduras	July 15, 2019	July 14, 2021	129.1	50.0	54.1	(89.1)	15.0
<b>Total PRG Trust arrangements</b>				<b>2,214.9</b>	<b>631.1</b>	<b>(719.5)</b>	<b>2,126.5</b>

Components may not sum exactly to totals due to rounding.

<sup>1</sup> Includes new arrangements, augmentations, cancellations, expirations, and decrease of access.

## SCHEDULE 3: PRG Trust Loan Accounts—Resources Available Under Borrowing and Note Purchase Agreements at April 30, 2021

(in millions of SDRs)

Lender	Agreement date	Expiration date	Amount agreed	Undrawn balance
Australia	October 26, 2020	December 31, 2029	500.0	498.1
National Bank of Belgium	August 30, 2017	December 31, 2029	350.0	350.0
National Bank of Belgium	July 29, 2020	December 31, 2029	350.0	326.1
Banco Central do Brasil	June 1, 2017	December 31, 2029	1,000.0	731.0
Canada	January 10, 2017	December 31, 2029	500.0	200.0
Peoples Bank of China	April 21, 2017	December 31, 2029	800.0	800.0
Peoples Bank of China	March 18, 2021	December 31, 2029	1,000.0	1,000.0
Danmarks Nationalbank	January 28, 2010	December 31, 2024	500.0	134.4
Danmarks Nationalbank	February 11, 2021	December 31, 2029	300.0	300.0
Banque de France	February 1, 2018	December 31, 2029	2,000.0	1,339.1
Banque de France	May 18, 2020	December 31, 2029	2,000.0	2,000.0
Germany <sup>1</sup>	January 11, 2021	December 31, 2024	2,524.1	2,220.6
Bank of Italy	July 17, 2017	December 31, 2029	400.0	267.9
Bank of Italy	January 26, 2021	December 31, 2029	1,000.0	1,000.0
Japan	September 3, 2010	December 31, 2029	5,400.0	2,690.5
Bank of Korea	January 7, 2011	December 31, 2029	1,000.0	168.4
De Nederlandsche Bank	July 27, 2010	December 31, 2029	1,000.0	450.9
De Nederlandsche Bank	July 24, 2020	December 31, 2029	500.0	500.0
Norway	July 1, 2020	December 31, 2029	400.0	400.0
Bank of Spain	February 22, 2017	December 31, 2029	1,200.0	1,200.0
Sveriges Riksbank	November 17, 2016	December 31, 2024	500.0	277.0
Sveriges Riksbank	July 24, 2020	December 31, 2029	500.0	500.0
Swiss National Bank	August 30, 2017	December 31, 2024	500.0	360.8
Swiss National Bank	January 1, 2021	December 31, 2029	500.0	500.0
United Kingdom	January 23, 2017	December 31, 2029	4,000.0	3,164.9
<b>Total</b>			<b>28,724.1</b>	<b>21,379.7</b>

Components may not sum exactly to totals due to rounding.

<sup>1</sup> Amount agreed and undrawn balance are for up to the SDR equivalent of EUR 3,000.0 million and EUR 2,639.2 million, respectively.

## SCHEDULE 4: PRG, PRG-HIPC, and CCR Trusts—Cumulative Contributions at April 30, 2021

(in millions of SDRs)

Contributor	PRG Trust				PRG-HIPC Trust	CCR Trust
	General Subsidy Account	Earmarked Subsidy Accounts <sup>1</sup>	Total	Of which: Windfall Gold Sales Profits <sup>2</sup>		
Afghanistan, Islamic Republic of	1.2	—	1.2	1.2	—	—
Albania	0.4	—	0.4	0.4	—	—
Algeria	15.2	—	15.2	12.9	0.4	—
Angola	2.1	—	2.1	2.1	—	—
Antigua and Barbuda	0.1	—	0.1	0.1	—	—
Argentina	25.7	27.2	52.9	21.8	11.7	0.4
Armenia, Republic of	1.0	—	1.0	1.0	—	—
Australia	50.5	14.7	65.2	32.8	17.0	0.1
Austria	21.7	3.9	25.6	21.7	15.0	—
Bahamas, The	1.0	—	1.0	1.0	—	—
Bangladesh	5.5	0.7	6.2	5.5	1.2	**
Barbados	0.5	—	0.5	0.5	0.3	—
Belarus, Republic of	1.1	2.8	3.9	3.9	—	—
Belgium	35.6	0.2	35.8	35.6	25.9	1.4
Belize	0.2	—	0.2	0.2	0.2	—
Benin	—	0.7	0.7	0.7	—	—
Bhutan	**	—	**	**	—	—
Bosnia and Herzegovina	1.7	—	1.7	1.7	—	—
Botswana	0.8	—	0.8	0.8	—	**
Brazil	—	—	—	—	11.0	—
Brunei Darussalam	2.2	—	2.2	2.2	0.1	—
Bulgaria	5.9	—	5.9	5.9	—	1.9
Burkina Faso	0.6	—	0.6	0.6	—	—
Burundi	0.8	—	0.8	0.8	—	—
Cabo Verde	**	—	**	**	—	—
Cambodia	0.9	—	0.9	0.9	**	—
Cameroon	1.9	—	1.9	1.9	—	—
Canada	91.5	214.9	306.4	65.5	32.9	2.9
Central African Republic	0.2	—	0.2	0.2	—	—
Chad	0.7	—	0.7	0.7	—	—
Chile	—	—	—	—	—	**
China, People's Republic of	—	110.1	110.1	98.0	13.1	5.7
Colombia	—	—	—	—	**	—
Comoros, Union of the	0.1	—	0.1	0.1	—	—
Congo, Democratic Republic of the	5.5	—	5.5	5.5	0.8	—
Congo, Republic of	—	0.6	0.6	0.6	—	—
Côte d'Ivoire	2.4	1.0	3.4	3.4	—	—
Croatia, Republic of	1.9	—	1.9	1.8	**	—
Cyprus	1.6	—	1.6	1.6	0.5	—
Czech Republic	10.3	10.0	20.3	10.3	—	—
Denmark	23.0	38.3	61.3	19.4	13.1	0.8
Djibouti	0.1	—	0.1	0.1	—	—
Dominica	0.1	—	0.1	0.1	—	—

Contributor	PRG Trust					
	General Subsidy Account	Earmarked Subsidy Accounts <sup>1</sup>	Total	Of which: Windfall Gold Sales Profits <sup>2</sup>	PRG-HIPC Trust	CCR Trust
Egypt, Arab Republic of	9.7	10.0	19.7	9.7	**	0.2
Estonia, Republic of	1.0	—	1.0	1.0	0.4	—
Eswatini, Kingdom of	—	—	—	—	**	—
Ethiopia, The Federal Democratic Republic of	1.4	—	1.4	1.4	—	—
Fiji, Republic of	0.7	—	0.7	0.7	**	—
Finland	13.0	22.7	35.7	13.0	2.6	0.5
France	—	127.9	127.9	110.5	60.9	4.0
Gabon	1.6	—	1.6	1.6	0.5	—
Gambia, The	—	0.3	0.3	0.3	—	—
Georgia	1.5	—	1.5	1.5	—	—
Germany	149.8	155.2	305.0	149.8	45.6	90.0
Ghana	1.1	—	1.1	1.1	—	—
Greece	11.3	—	11.3	11.3	2.2	0.5
Guinea	1.1	—	1.1	1.1	—	—
Guinea-Bissau	0.1	—	0.1	0.1	—	—
Haiti	0.8	—	0.8	0.8	—	—
Honduras	1.4	—	1.4	1.4	—	—
Iceland	1.2	3.3	4.5	1.2	0.6	0.1
India	59.9	10.5	70.4	59.9	0.4	—
Indonesia	—	—	—	—	5.1	0.1
Iran, Islamic Republic of	15.4	—	15.4	15.4	—	—
Iraq	3.5	—	3.5	3.5	—	—
Ireland	13.0	6.9	19.9	13.0	3.9	0.1
Israel	—	—	—	—	1.2	—
Italy	—	255.6	255.6	81.1	43.3	2.9
Jamaica	2.8	—	2.8	2.8	1.8	—
Japan	185.1	541.1	726.2	148.7	98.4	87.5
Jordan	1.8	—	1.8	1.8	—	—
Kenya	2.8	—	2.8	2.8	—	—
Korea, Republic of	43.7	36.0	79.7	34.7	10.6	0.7
Kosovo	0.4	—	0.4	0.4	—	—
Kuwait	16.9	—	16.9	14.3	0.1	—
Kyrgyz Republic	1.0	—	1.0	1.0	—	—
Lao People's Democratic Republic	0.6	—	0.6	0.6	**	—
Latvia, Republic of	1.4	—	1.4	1.4	0.7	—
Lesotho, Kingdom of	—	0.4	0.4	0.4	—	—
Liberia	0.4	—	0.4	0.4	—	—
Lithuania, Republic of	1.9	—	1.9	1.9	0.7	—
Luxembourg	4.3	10.6	14.9	4.3	0.9	1.7
Malawi	0.2	0.5	0.7	0.7	—	—
Malaysia	18.2	—	18.2	18.2	4.1	0.4
Maldives	0.1	—	0.1	0.1	—	—
Mali	1.0	—	1.0	1.0	—	—
Malta	1.0	0.2	1.2	1.0	0.7	0.6
Mauritania, Islamic Republic of	0.7	—	0.7	0.7	—	—
Mauritius	1.0	—	1.0	1.0	**	—

Contributor	PRG Trust				PRG-HIPC Trust	CCR Trust
	General Subsidy Account	Earmarked Subsidy Accounts <sup>1</sup>	Total	Of which: Windfall Gold Sales Profits <sup>2</sup>		
Mexico	37.3	—	37.3	37.3	40.0	4.7
Micronesia, Federated States of	**	—	**	**	—	—
Moldova, Republic of	1.3	—	1.3	1.3	—	—
Mongolia	0.6	—	0.6	0.6	**	—
Montenegro	0.1	—	0.1	0.1	—	—
Morocco	6.0	7.3	13.3	6.0	**	0.1
Mozambique, Republic of	1.1	—	1.1	1.1	—	—
Myanmar	2.7	—	2.7	2.7	—	—
Namibia	1.4	—	1.4	1.4	—	—
Nepal	0.7	—	0.7	0.7	0.1	—
Netherlands, Kingdom of the	70.6	100.5	171.2	53.1	52.0	20.8
New Zealand	9.2	—	9.2	9.2	2.5	—
Nicaragua	—	1.4	1.4	1.4	—	—
Niger	0.5	0.2	0.7	0.7	—	—
Nigeria	18.1	—	18.1	18.1	6.2	—
North Macedonia, Republic of	0.7	—	0.7	0.7	—	—
Norway	—	72.2	72.2	19.3	12.9	15.1
Oman	2.4	2.2	4.6	2.4	0.1	—
Pakistan	10.6	—	10.6	10.6	0.1	**
Panama	2.1	—	2.1	2.1	—	—
Papua New Guinea	0.4	—	0.4	0.4	—	—
Paraguay	1.0	—	1.0	1.0	—	—
Philippines	4.9	—	4.9	3.0	4.5	—
Poland, Republic of	—	—	—	—	8.8	—
Portugal	—	10.6	10.6	10.6	4.4	1.5
Qatar	1.5	—	1.5	0.9	—	—
Romania	7.6	—	7.6	7.6	—	—
Russian Federation	61.2	35.7	96.9	61.2	10.2	—
Rwanda	0.8	—	0.8	0.8	—	—
St. Lucia	0.1	—	0.1	0.1	—	—
St. Vincent and the Grenadines	—	—	—	—	0.1	—
Samoa	0.1	—	0.1	0.1	**	—
San Marino, Republic of	0.2	—	0.2	0.2	**	—
São Tomé and Príncipe, Democratic Republic of	0.1	—	0.1	0.1	—	—
Saudi Arabia	72.0	—	72.0	71.8	1.0	0.2
Senegal	1.7	—	1.7	1.7	—	—
Serbia, Republic of	4.8	—	4.8	4.8	—	—
Seychelles	0.1	—	0.1	0.1	—	—
Sierra Leone	0.3	0.8	1.1	1.1	—	—
Singapore	14.5	—	14.5	14.5	2.3	0.2
Slovak Republic	3.9	—	3.9	3.9	3.2	—
Slovenia, Republic of	1.4	—	1.4	1.4	0.3	—
Solomon Islands	0.1	—	0.1	0.1	—	—
South Africa	19.3	—	19.3	19.3	20.9	—
Spain	50.2	5.3	55.5	41.4	16.6	0.1
Sri Lanka	4.2	—	4.2	4.2	**	—
Sweden	29.4	114.1	143.5	24.6	5.3	4.7

Contributor	PRG Trust				PRG-HIPC Trust	CCR Trust
	General Subsidy Account	Earmarked Subsidy Accounts <sup>1</sup>	Total	Of which: Windfall Gold Sales Profits <sup>2</sup>		
Switzerland	48.3	41.6	89.9	37.2	38.3	20.8
Tajikistan, Republic of	0.9	—	0.9	0.9	—	—
Tanzania, United Republic of	2.1	—	2.1	2.1	—	—
Thailand	14.8	—	14.8	14.8	4.2	0.2
Timor-Leste, Democratic Republic of	0.1	—	0.1	0.1	—	—
Togo	0.2	0.5	0.7	0.7	—	—
Tonga	0.1	—	0.1	0.1	**	—
Trinidad and Tobago	1.0	—	1.0	1.0	0.2	—
Tunisia	2.9	—	2.9	2.9	0.1	**
Turkey	15.0	10.0	25.0	15.0	—	0.7
Turkmenistan	0.8	—	0.8	0.8	—	—
Tuvalu	**	—	**	**	—	—
Uganda	1.9	—	1.9	1.8	—	—
Ukraine	14.1	—	14.1	14.1	—	—
United Arab Emirates	7.7	—	7.7	7.7	0.4	—
United Kingdom	147.3	372.9	520.2	111.0	57.4	171.1
United States	433.4	126.1	559.5	433.4	221.9	2.0
Uruguay	3.2	—	3.2	3.2	—	**
Vanuatu	0.1	—	0.1	0.1	—	—
Vietnam	4.8	—	4.8	4.8	0.2	—
Yemen, Republic of	1.8	—	1.8	1.8	—	—
Zambia	5.0	—	5.0	5.0	2.4	—
Zimbabwe	3.6	—	3.6	3.6	—	—
<b>Total member contributions</b>	<b>2,041.4</b>	<b>2,507.4</b>	<b>4,548.8</b>	<b>2,187.4</b>	<b>944.6</b>	<b>444.8</b>
European Union	—	—	—	—	—	140.6
General Resources Account	—	—	—	—	72.5	—
Administered Accounts <sup>3</sup>	—	159.5	159.5	—	344.2	—
Special Disbursement Account	147.9	870.3	1,018.2	—	1,166.8	293.2
<b>Total IMF-related and other contributions</b>	<b>147.9</b>	<b>1,029.8</b>	<b>1,177.7</b>	<b>—</b>	<b>1,583.5</b>	<b>433.8</b>
<b>Total</b>	<b>2,189.3</b>	<b>3,537.2</b>	<b>5,726.5</b>	<b>2,187.4</b>	<b>2,528.1</b>	<b>878.6</b>

Components may not sum exactly to totals due to rounding.

<sup>1</sup> Includes contributions to the following earmarked subsidy accounts: Extended Credit Facility, Standby Credit Facility, Rapid Credit Facility, Poverty Reduction and Growth Facility, and Exogenous Shocks Facility.

<sup>2</sup> Includes voluntary contributions made by IMF member countries following the distributions from the IMF's General Reserve of SDR 0.7 billion and SDR 1.75 billion in October 2012 and 2013, respectively, attributable to windfall gold sales profits.

\*\* Less than SDR 50,000.

<sup>3</sup> Includes contributions on behalf of IMF member countries from the Liberia Administered Account, Poverty Reduction Growth Facility Administered Accounts, and Somalia Administered Account.

## SCHEDULE 5: CCR Trust Response to COVID-19—Cumulative Debt Relief Assistance at April 30, 2021

(in millions of SDRs)

Member	Debt relief assistance <sup>1</sup>			Total
	Tranche One	Tranche Two	Tranche Three <sup>2</sup>	
Afghanistan, Islamic Republic of	2.4	2.4	2.4	7.2
Benin	7.4	6.4	5.3	19.1
Burkina Faso	8.7	10.3	9.7	28.7
Burundi	5.5	4.8	4.2	14.5
Central African Republic	3.0	2.9	2.9	8.8
Chad	—	2.0	4.1	6.1
Comoros, Union of the	1.0	0.8	0.6	2.4
Congo, Democratic Republic of the	14.8	9.9	4.9	29.7
Djibouti	1.7	1.7	1.4	4.8
Ethiopia, The Federal Republic of	8.6	4.5	—	13.1
Gambia, The	2.1	2.1	1.9	6.1
Guinea	16.4	16.4	18.2	50.9
Guinea-Bissau	1.1	1.4	1.1	3.6
Haiti	4.1	4.0	4.0	12.1
Liberia	11.6	11.2	11.5	34.3
Madagascar, Republic of	3.1	3.1	6.1	12.2
Malawi	7.2	7.2	7.8	22.2
Mali	7.3	7.5	7.7	22.5
Mozambique, Republic of	10.9	9.5	9.5	29.8
Nepal	2.9	3.6	3.6	10.0
Niger	5.6	5.6	9.5	20.8
Rwanda	8.0	12.0	14.0	34.0
São Tomé and Príncipe, Democratic Republic of	0.1	0.2	0.2	0.5
Sierra Leone	13.4	12.2	15.1	40.7
Solomon Islands	0.1	0.1	0.1	0.2
Tajikistan, Republic of	7.8	5.2	3.9	17.0
Tanzania, United Republic of	10.3	8.3	0.0	18.6
Togo	3.7	2.3	0.9	6.9
Yemen, Republic of	14.4	11.0	17.1	42.5
<b>Totals</b>	<b>183.1</b>	<b>168.4</b>	<b>167.6</b>	<b>519.1</b>

Components may not sum exactly to totals due to rounding.

<sup>1</sup> Debt relief assistance was disbursed in tranches for debt service payments falling due during the following periods: Tranche One – April 14 to October 13, 2020; Tranche Two – October 14, 2020 to April 13, 2021; and Tranche Three – April 14 to October 15, 2021.

<sup>2</sup> At April 30, 2021, the CCR Trust was committed to provide grants for debt relief assistance estimated at SDR 0.5 million to Comoros and Ethiopia. The grants will be disbursed when eligible GRA charges for each member fall due during Tranche Three.

## IV. Financial Statements of the Administered Accounts



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## Statements of Financial Position at April 30, 2021, and 2020

Note	Technical Assistance and Special Purpose Accounts						Interim Holdings of Resources Accounts	
	SFF Subsidy		People's Bank of China		Somalia		Framework Interim	
	2021	2020	2021	2020	2021	2020	2021	2020
<i>(in thousands of SDRs)</i>								
<b>Assets</b>								
	930	928	7,901	6,328	224,883	152,331	186,676	193,986
	—	1	417	369	25	6	27	114
5	—	—	169,818	171,194	—	—	—	—
<b>Total assets</b>	<b>930</b>	<b>929</b>	<b>178,136</b>	<b>177,891</b>	<b>224,908</b>	<b>152,337</b>	<b>186,703</b>	<b>194,100</b>
<b>Liabilities</b>								
	—	—	149	150	—	—	—	—
6	—	—	170,000	170,000	—	—	—	—
<b>Total liabilities</b>	<b>—</b>	<b>—</b>	<b>170,149</b>	<b>170,150</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
	930	929	7,987	7,741	224,908	152,337	186,703	194,100
<b>Total liabilities and resources</b>	<b>930</b>	<b>929</b>	<b>178,136</b>	<b>177,891</b>	<b>224,908</b>	<b>152,337</b>	<b>186,703</b>	<b>194,100</b>

	Technical Assistance and Special Purpose Accounts						Interim Holdings of Resources Accounts	
	Japan		Framework—SFA		Switzerland		Voluntary Contributions <sup>1</sup>	
	2021	2020	2021	2020	2021	2020	2021	2020
<i>(in thousands of US dollars)</i>								
<b>Assets</b>								
	279,039	39,059	425,848	378,228	—	—	—	—
	—	—	—	—	4	4	—	—
<b>Total assets</b>	<b>279,039</b>	<b>39,059</b>	<b>425,848</b>	<b>378,228</b>	<b>4</b>	<b>4</b>	<b>—</b>	<b>—</b>
<b>Liabilities</b>								
	—	—	23,171	20,070	4	4	—	—
<b>Total liabilities</b>	<b>—</b>	<b>—</b>	<b>23,171</b>	<b>20,070</b>	<b>4</b>	<b>4</b>	<b>—</b>	<b>—</b>
	279,039	39,059	402,677	358,158	—	—	—	—
<b>Total liabilities and resources</b>	<b>279,039</b>	<b>39,059</b>	<b>425,848</b>	<b>378,228</b>	<b>4</b>	<b>4</b>	<b>—</b>	<b>—</b>

<sup>1</sup> Administered Account for Interim Holdings of Voluntary Contributions for Fund Activities (Voluntary Contributions) does not have any balances at April 30, 2021, and 2020. The accompanying notes are an integral part of these financial statements.

The financial statements were signed by the Managing Director and the Director of Finance on June [30], 2021.

Kristalina Georgieva  
Managing Director

Bernard Lauwers  
Director, Finance Department

## Statements of Comprehensive Income and Changes in Resources for the Financial Years Ended April 30, 2021, and 2020

	Note	Technical Assistance and Special Purpose Accounts					Interim Holdings of Resources Accounts		
		SFF Subsidy		People's Bank of China		Somalia	Framework Interim		
		2021	2020	2021	2020	2021	From inception <sup>1</sup> to April 30, 2020	2021	From inception <sup>1</sup> to April 30, 2020
<i>(in thousands of SDRs)</i>									
<b>Resources, beginning of year</b>		<b>929</b>	<b>922</b>	<b>7,741</b>	<b>2,872</b>	<b>152,337</b>	<b>—</b>	<b>194,100</b>	<b>—</b>
Interest and net investment income	5	1	7	416	5,039	131	6	141	11
Contributions		—	—	—	—	73,130	153,491	152,455	194,249
Interest expense on borrowings		—	—	(170)	(170)	—	—	—	—
Operating expenses	7	—	—	—	—	(10)	(49)	(484)	—
<b>Operational income</b>		<b>1</b>	<b>7</b>	<b>246</b>	<b>4,869</b>	<b>73,251</b>	<b>153,448</b>	<b>152,112</b>	<b>194,260</b>
Transfers	8	—	—	—	—	(680)	(1,111)	(159,509)	(160)
Other comprehensive income		—	—	—	—	—	—	—	—
<b>Total comprehensive income/ (loss)/changes in resources</b>		<b>1</b>	<b>7</b>	<b>246</b>	<b>4,869</b>	<b>72,571</b>	<b>152,337</b>	<b>(7,397)</b>	<b>194,100</b>
<b>Resources, end of year</b>		<b>930</b>	<b>929</b>	<b>7,987</b>	<b>7,741</b>	<b>224,908</b>	<b>152,337</b>	<b>186,703</b>	<b>194,100</b>

	Note	Technical Assistance and Special Purpose Accounts					Interim Holdings of Resources Accounts		
		Japan		Framework—SFA		Switzerland		Voluntary Contributions <sup>2</sup>	
		2021	2020	2021	2020	2021	2020	2021	2020
<i>(in thousands of US dollars)</i>									
<b>Resources, beginning of year</b>		<b>39,059</b>	<b>136,725</b>	<b>358,158</b>	<b>344,222</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Interest and net investment income	5	—	2,334	36	6,701	—	—	—	—
Contributions		249,680	—	171,163	188,492	3,178	5,093	—	—
Other income		—	—	—	—	20	20	—	—
Operating expenses	7	—	—	(126,680)	(181,257)	(20)	(20)	—	—
<b>Operational income</b>		<b>249,680</b>	<b>2,334</b>	<b>44,519</b>	<b>13,936</b>	<b>3,178</b>	<b>5,093</b>	<b>—</b>	<b>—</b>
Transfers	8	(9,700)	(100,000)	—	—	(3,178)	(5,093)	—	—
Other comprehensive income		—	—	—	—	—	—	—	—
<b>Total comprehensive income/ (loss)/changes in resources</b>		<b>239,980</b>	<b>(97,666)</b>	<b>44,519</b>	<b>13,936</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Resources, end of year</b>		<b>279,039</b>	<b>39,059</b>	<b>402,677</b>	<b>358,158</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

<sup>1</sup> The account was established on December 18, 2019.

<sup>2</sup> There was no activity in the Administered Account for Interim Holdings of Voluntary Contributions for Fund Activities (Voluntary Contributions) during the years ended April 30, 2021, and 2020.

The accompanying notes are an integral part of these financial statements.

## Statements of Cash Flows for the Financial Years Ended April 30, 2021, and 2020

	Technical Assistance and Special Purpose Accounts					Interim Holdings of Resources Accounts		
	SFF Subsidy		People's Bank of China		Somalia	Framework Interim		
	2021	2020	2021	2020	2021	From inception <sup>1</sup> to April 30, 2020	2021	From inception <sup>1</sup> to April 30, 2020
	<i>(in thousands of SDRs)</i>							
<b>Cash flows from operating activities</b>								
Total comprehensive income/(loss)	1	7	246	4,869	72,571	152,337	(7,397)	194,100
Adjustments to reconcile total comprehensive income/(loss) to cash generated by operations								
Interest income	(1)	(7)	(1,589)	(1,753)	(131)	(6)	(141)	(11)
Interest expense	—	—	170	170	—	—	—	—
Change in other liabilities	—	—	(1)	2	—	—	—	—
Change in other assets	—	—	—	—	—	—	—	(103)
Realized (gains)/losses	—	—	(1,389)	(2,959)	—	—	—	—
Unrealized (gains)/losses	—	—	2,733	(159)	—	—	—	—
Interest received	2	9	1,541	1,880	112	—	228	—
Interest paid	—	—	(170)	(170)	—	—	—	—
<b>Net cash provided by/(used in) operating activities</b>	<b>2</b>	<b>9</b>	<b>1,541</b>	<b>1,880</b>	<b>72,552</b>	<b>152,331</b>	<b>(7,310)</b>	<b>193,986</b>
<b>Cash flows from investing activities</b>								
Acquisition of investments	—	—	(23,434)	(18,158)	—	—	—	—
Disposition of investments	—	—	23,466	16,230	—	—	—	—
<b>Net cash provided by investment activities</b>	<b>—</b>	<b>—</b>	<b>32</b>	<b>(1,928)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net cash provided by financing activities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Net increase/(decrease) in cash and cash equivalents	2	9	1,573	(48)	72,552	152,331	(7,310)	193,986
Cash and cash equivalents, beginning of year	928	919	6,328	6,376	152,331	—	193,986	—
<b>Cash and cash equivalents, end of year</b>	<b>930</b>	<b>928</b>	<b>7,901</b>	<b>6,328</b>	<b>224,883</b>	<b>152,331</b>	<b>186,676</b>	<b>193,986</b>

<sup>1</sup> The account was established on December 18, 2019.

## Statements of Cash Flows for the Financial Years Ended April 30, 2021, and 2020

(continued)

	Technical Assistance and Special Purpose Accounts						Interim Holdings of Resources Accounts	
	Japan		Framework—SFA		Switzerland		Voluntary Contributions <sup>1</sup>	
	2021	2020	2021	2020	2021	2020	2021	2020
	<i>(in thousands of US dollars)</i>							
<b>Cash flows from operating activities</b>								
Total comprehensive income/(loss)	239,980	(97,666)	44,519	13,936	—	—	—	—
Adjustments to reconcile total comprehensive income/(loss) to cash generated by operations								
Interest income	—	(2,334)	(36)	(6,701)	—	—	—	—
Change in other liabilities	—	—	3,101	(14,809)	—	—	—	—
Interest received	—	2,334	36	6,701	—	—	—	—
<b>Net cash provided by/(used in) operating activities</b>	<b>239,980</b>	<b>(97,666)</b>	<b>47,620</b>	<b>(873)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net cash provided by investment activities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net cash provided by financing activities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Net increase/(decrease) in cash and cash equivalents	239,980	(97,666)	47,620	(873)	—	—	—	—
Cash and cash equivalents, beginning of year	39,059	136,725	378,228	379,101	—	—	—	—
<b>Cash and cash equivalents, end of year</b>	<b>279,039</b>	<b>39,059</b>	<b>425,848</b>	<b>378,228</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

<sup>1</sup> There was no cash movement in Administered Account for Interim Holdings of Voluntary Contributions for Fund Activities (Voluntary Contributions) during the years ended April 30, 2021, and 2020. The accompanying notes are an integral part of these financial statements.

## Notes to the Financial Statements for the Financial Years Ended April 30, 2021, and 2020

### 1. Nature of operations

At the request of members, the International Monetary Fund (IMF) has established special-purpose accounts (the Administered Accounts) to administer resources contributed for financial and technical services consistent with the purposes of the IMF. The instruments establishing the Administered Accounts provide the terms and conditions, as agreed with the IMF and contributing members, under which the resources may be used. The assets and liabilities of each account and each subaccount are separate from the assets and liabilities of all other accounts of, or administered by, the IMF. The assets of each account and each subaccount are not to be used to discharge liabilities or to cover losses incurred in the administration of other accounts.

#### 1.1 Technical Assistance and Special Purpose Accounts

##### 1.1.1 Supplementary Financing Facility Subsidy Account (SFF Subsidy)

The account was established in December 1980 to assist low-income member countries to meet the costs of using resources made available through the IMF's Supplementary Financing Facility and under the policy on exceptional access. All repurchases under these policies were due on or before January 31, 1991, and the final subsidy payments were approved in July 1991. One member (Sudan), overdue in the payment of charges to the General Department of the IMF at April 30, 2021, remains eligible to receive previously approved subsidy payments of SDR 0.9 million. Accordingly, the account remains in operation and has retained amounts for payment to Sudan once Sudan's overdue charges are settled.

[If Sudan Arrears Clearance happens before the sign off date of the FS: On [June XX, 2021], Sudan settled its overdue charges in the General Department, and the account was terminated.]

##### 1.1.2 Administered Account People's Bank of China (People's Bank of China)

The account was established in June 2012 to administer and invest resources provided by the People's Bank of China to support the IMF's technical assistance and training programs. During the financial year ended April 30, 2018, the instrument governing the account was amended to extend the termination date of the account to October 1, 2022. The account will be terminated upon completion of operations, or at such earlier time by the IMF in consultation with the

People's Bank of China. Once the obligation to repay the outstanding deposit has been discharged and the final payment of interest has been made, any surplus remaining in the account will be transferred to the People's Bank of China.

##### 1.1.3 Somalia Administered Account (Somalia)

The account was established in December 2019 to facilitate fundraising for, and delivery of, debt relief to Somalia in respect of obligations owed to the IMF. The resources of the account consist of contributions by donors and are to be used in the context of delivering Heavily Indebted Poor Countries (HIPC) Initiative debt relief, as well as to provide additional debt relief to Somalia beyond-HIPC assistance once Somalia reaches the HIPC completion point. The account shall remain in effect for as long as is necessary to conduct the business of the account. Any balances remaining in the account on the date of its termination and after the discharge of all obligations of the account shall be transferred to the PRG-HIPC Trust for use in accordance with the provisions of the PRG-HIPC Trust Instrument provided that, at the request of any contributor, the contributor's pro rata share of any such resources remaining in the account, or any portion of such share, shall be returned to the contributor.

##### 1.1.4 Administered Account—Japan (Japan)

The account was established in March 1989 to administer resources provided by Japan—and, under a subsequent amendment, by other countries with Japan's concurrence—that are to be used to assist certain members with overdue obligations to the IMF. The resources of the account are to be disbursed in amounts specified by Japan and to members designated by Japan. Effective March 5, 2008, the instrument governing the account was amended to allow the provision of assistance to these members in the context of an internationally agreed comprehensive package that integrates arrears clearance and subsequent debt relief. Effective April 9, 2020, the instrument governing the account was further amended to enable Japan to support a broader range of Fund activities, including contributing to debt relief under the Catastrophe Containment and Relief (CCR) Trust. The account can be terminated by the IMF or at the request of Japan at any time. Upon termination of the account, any remaining resources in the account are to be returned to Japan.

##### 1.1.5 Framework Administered Account for Selected Fund Activities (Framework—SFA)

The account was established in March 2009 to administer externally contributed resources that are to be used to

finance selected IMF activities, including the full range of IMF technical assistance activities provided to recipients.

The financing of selected Fund activities is implemented through the establishment and operation of subaccounts within the Framework—SFA. At April 30, 2021, there were 47 subaccounts; one new subaccount was established during each of the financial years ended April 30, 2021, and 2020; three subaccounts were terminated during the financial year ended April 30, 2021 (none during the financial year ended April 30, 2020). Disbursements are made from the respective subaccounts under the Framework—SFA to the General Resources Account to reimburse the IMF for costs incurred in connection with activities financed by the respective subaccounts. Framework—SFA resources are to be used in accordance with terms and conditions established by the IMF, with the concurrence of contributors. Resources in Framework—SFA subaccounts may be transferred to other subaccounts if the terms and conditions of the subaccounts so provide.

The Framework—SFA may be terminated by the IMF at any time with the concurrence of all contributors and the Managing Director. A subaccount may also be terminated at the request of the contributor to the subaccount or, in the case of a subaccount comprising resources from more than one contributor, by all the contributors participating in the subaccount at the time of termination. Contributors may cease participation in a subaccount at any time without termination of the subaccount. The disposition of any balances, net of liabilities and commitments under the activities financed, is governed by the conditions agreed between the IMF and the contributor(s). Absent such agreement, the balances are returned to the contributor(s) upon withdrawal from or termination of the subaccount.

#### 1.1.6 Administered Account—Switzerland (Switzerland)

The account was established in February 2017 to facilitate the settlement of payments under the bilateral financing agreement between the Swiss National Bank (SNB) and the National Bank of Ukraine (NBU). The account will be terminated upon agreement between the SNB and the IMF, following consultations between the SNB and the NBU.

## 1.2 Interim Holdings of Resources Accounts

### 1.2.1 Framework Interim Account (Framework Interim)

The account was established in December 2019 to receive and hold any resources of participants, pending instructions of each participant as to the disposition of its share of such resources. The establishment of a Framework Interim Account, with subaccounts for specific initiatives, aims to reduce costs and streamline the administration of such resources. Resources for each subaccount are to be administered separately within the Framework Interim

Account. One subaccount (see Schedule 1) was established during the financial year ended April 30, 2021 (five subaccounts were established during the financial year ended April 30, 2020). The account (and any subaccount) can be terminated by the IMF at any time. At termination any remaining balances will be repaid in full to participants.

[If Sudan Arrears Clearance happens before the sign off date of the FS: On May 10, 2021, a new subaccount (Sudan Interim Subaccount) was established under the Framework Interim Account. On [June XX, 2021], the Sudan Interim Subaccount received SDR XX million related to the distribution of the SCA-1 resources and the refund of deferred charges adjustments following Sudan's arrears clearance in the General Department. The resources are held in this account, pending instructions of each participant as to the disposition of its share of such resources.]

### 1.2.2 Administered Account for Interim Holdings of Voluntary Contributions for Fund Activities (Voluntary Contributions)

The account was established in April 2010 to receive and hold externally contributed resources for an interim period until such time as they can be transferred to other Trusts or accounts administered by the IMF. The resources deposited into the Interim Holdings Account will ultimately fund activities for which understandings or modalities to use those resources are not yet finalized. The account may be terminated by the IMF at any time, and uncommitted resources in the account at the time of termination are to be returned to the contributors. There were no balances in this account at April 30, 2021, and 2020, and no transactions for the financial years then ended.

## 2. Basis of preparation and measurement

The financial statements of the Administered Accounts are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention, except for the revaluation of financial instruments at fair value through profit or loss.

### 2.1 Unit of account

#### 2.1.1 Japan, Framework—SFA, Switzerland, and Voluntary Contributions

The functional and reporting currency of these accounts is the US dollar. All transactions and operations of these accounts, including the transfers to and from these accounts and interest payments, are denominated in US dollars. Contributions denominated in other currencies are converted into US dollars upon receipt of the funds.

### 2.1.2 SFF Subsidy, People's Bank of China, Somalia, and Framework Interim

The financial statements for these accounts are presented in SDRs in accordance with the terms of these accounts. The SDR is the IMF's unit of account. Its value is determined daily by the IMF by summing specific amounts of the basket currencies in US dollar equivalents on the basis of market exchange rates. Contributions denominated in other currencies are converted into the component currencies in the SDR basket upon receipt of the funds.

The IMF generally reviews the composition of the SDR valuation basket at five-year intervals.

The specific amounts of the currencies in the SDR basket, effective October 1, 2016, were as follows:

SDR basket currency	Amount
Chinese renminbi	1.0174
Euro	0.38671
Japanese yen	11.900
Pound sterling	0.085946
US dollar	0.58252

At April 30, 2021, one SDR was equal to US\$1.43599 (US\$1.36640 at April 30, 2020). The current SDR valuation basket was originally scheduled to expire by end-September 2021. However, the Board has approved a decision to extend this current basket's effectiveness to end-July 2022.

### 2.2 SDR interest rate

The SDR interest rate is used to calculate interest income on resources held in SDRs.

The SDR interest rate is determined weekly by reference to a weighted average of yields or rates on short-term instruments in the money markets of the members whose currencies are included in the SDR valuation basket:

SDR basket currency	Yield or rate
Chinese renminbi	Three-month benchmark yield for China Treasury bonds as published by the China Central Depository and Clearing Co., Ltd.
Euro	Three-month spot rate for euro area central government bonds with a minimum rating of AA published by the European Central Bank
Japanese yen	Three-month Treasury discount bills
Pound sterling	Three-month Treasury bills
US dollar	Three-month Treasury bills

The SDR interest rate is subject to a floor of 0.050 percent and is rounded to three decimal places. The average SDR interest rate was 0.077 percent per annum and

0.765 percent per annum for the financial years ended April 30, 2021, and 2020, respectively.

### 2.3 Use of estimates and judgement

The preparation of financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The most significant estimates and judgements used in applying accounting policies include fair value measurement of financial instruments (see Note 3.7).

## 3. Summary of significant accounting policies

### 3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other highly liquid short-term investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

### 3.2 Investments

Investments held in the People's Bank of China account are managed in accordance with the Administered Accounts' risk management and investment strategy, and their performance is evaluated on a fair value basis. As a result, these securities are classified at fair value through profit or loss (FVPL) in accordance with their business model. Funds pending suitable investment in accordance with the investment strategy are kept in fixed-term deposits, which are measured at amortized cost. The valuation techniques to determine fair value are described in Note 5.

#### 3.2.1 Recognition

Investments are initially recognized on the trade date at which an account becomes a party to the contractual provisions of the instrument.

#### 3.2.2 Derecognition

Investments are derecognized on the trade date when the contractual rights to the cash flows from the asset expire, or when substantially all the risks and rewards of ownership of the investment are transferred.

### 3.2.3 Interest and investment income

Interest and investment income comprises interest income on cash and cash equivalents and investments, realized gains and losses, and unrealized gains and losses, including currency valuation differences arising from exchange rate movements against the functional currency. Interest income is recognized on an accrual basis under the effective interest method.

### 3.3 Borrowings

Borrowings are initially recognized at fair value of the amount drawn and are subsequently measured at amortized cost using the effective interest method.

### 3.4 Contributions

Contributions are recognized in the financial statements after the achievement of specified conditions and are subject to the bilateral agreements stipulating how the resources are to be used.

### 3.5 Operating expenses

Operating expenses consist of reimbursements to the IMF for program and administrative costs incurred on behalf of technical assistance activities for selected accounts, as agreed between the IMF and contributing members to the Administered Accounts.

### 3.6 Foreign currency translation

Transactions in currencies other than the reporting currency are recorded at the rate of exchange on the date of the transaction. Assets and liabilities denominated in other currencies are reported using the exchange rate on the date of the financial statements. Exchange differences arising from the settlement of transactions at rates different from those on the date of the transactions are included in the determination of total comprehensive income.

### 3.7 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market.

A three-level fair value hierarchy is used to determine fair value under which financial instruments are categorized based on the priority of the inputs to the valuation technique. The fair value hierarchy has the following levels:

- Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When the inputs used to measure the fair value of an asset or liability fall within different levels of the fair value hierarchy, the level within which the fair value measurement is categorized is based on the lowest-level input that is significant to the fair value measurement of the instrument in its entirety. Thus, a Level 3 fair value measurement may include inputs that are both observable and unobservable.

## 4. Financial risk management

In administering contributed resources and funding financial and technical services, the Administered Accounts have exposure to credit, liquidity, and market risks.

### 4.1 Credit risk

Credit risk on investment activities represents the potential loss that the Administered Accounts may incur if obligors and counterparties default on their contractual obligations. Credit risk is minimized by holding resources at the Bank for International Settlements (BIS), an international financial institution that provides financial services to central banks and other international financial institutions.

### 4.2 Liquidity risk

Liquidity risk is the risk of nonavailability of resources to meet financing needs and obligations. Liquidity risk is monitored to ensure that upcoming payments or transfers can be met from the Administered Accounts' cash and highly liquid investments. For the People's Bank of China account, the principal resources are invested with the objective to generate income to support the agreed technical assistance and training activities while preserving the principal in nominal terms. The maturity of the investments matches the repayment of the principal to the People's Bank of China due in October 2022.

### 4.3 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk includes interest rate risk and exchange rate risk.

#### 4.3.1 Interest rate risk

Interest rate risk is the risk that fair value or future net cash flows will fluctuate because of changes in market interest rates. The resources in the People's Bank of China account are invested in Bank for International Settlements fixed-term deposits, which are measured at amortized cost, and medium-term instruments (MTIs), which are subject to mark-to-market interest rate risk.

#### 4.3.2 Exchange rate risk

Exchange rate risk is the risk that the entity's financial position and cash flows will be affected by fluctuations in prevailing foreign currency exchange rates. Exchange rate risk is managed, to the extent possible, by holding all financial assets and liabilities in the functional currency of each account or, in the case of accounts whose unit of account is the SDR, in the constituent currencies included in the SDR valuation basket. The exchange rate risk on investments held by the People's Bank of China account is managed by investing in MTIs and fixed-term deposits denominated in the constituent currencies included in the SDR's valuation basket with the relative amount of each currency matching its weight in the SDR basket. In addition, the currency composition of the account is adjusted periodically to align with the SDR basket; therefore, exchange rate risk is minimal.

#### 4.3.3 Value at Risk

Exposures to market risk are measured using value at risk (VaR). The VaR estimates reported below represent the maximum potential loss in value of the assets over the next year due to adverse market movements, with a 95 percent confidence level. Conversely, there is a 1 in 20 chance that annual losses on investment assets would be expected to equal or exceed the reported VaR. Losses in a single year could exceed the reported VaR by a significant amount.

VaR models are based predominantly on historical simulations and provide plausible future scenarios based on these simulations. There is no standard methodology for estimating VaR, and the modeling of the market risk characteristics of the investments involves many assumptions and approximations. Different assumptions or approximations could produce significantly different VaR estimates.

The VaR was SDR 382 thousand at April 30, 2021 (SDR 1,416 thousand at April 30, 2020).

## 5. Investments

The investments of the People's Bank of China account comprised the following:

	April 30, 2021	April 30, 2020
	<i>(in thousands of SDRs)</i>	
Fixed-term deposits	18,885	18,353
Fixed-income securities (BIS medium-term instruments)	150,933	152,841
<b>Total</b>	<b>169,818</b>	<b>171,194</b>

The fixed-term deposits held at April 30, 2021, and 2020, mature in financial year 2022 and 2021, respectively. Fixed-income securities held at April 30, 2021, and 2020, mature in financial years 2022 and 2023.

BIS MTIs are not traded in an active market; consequently, their fair value is determined based on a compilation of significant observable market information such as recently executed trades in securities of the issuer or comparable issuers and yield curves. The investments are categorized as Level 2 based on the fair value hierarchy.

Investment income for the Administered Accounts consisted of interest income only, except for the People's Bank of China account, whose investment income comprised the following:

	2021	2020
	<i>(in thousands of SDRs)</i>	
Investment income/(loss) on FVPL investments	(357)	3,885
Interest income on investments at amortized cost	773	1,154
<b>Total</b>	<b>416</b>	<b>5,039</b>

## 6. Borrowings

The People's Bank of China account was funded by an SDR 170,000 thousand loan from the People's Bank of China on July 2, 2012. Upon its initial maturity on July 2, 2017, the loan was renewed for another five years. The interest on the loan is one-tenth of 1 percent per annum, payable annually, but only if the net investment earnings on the corresponding investment exceed that amount per annum.

## 7. Operating expenses

The expenses of conducting the activities of the Administered Accounts are paid by the General Department of the IMF, and the terms of some accounts provide for the partial reimbursements to the General Department of the IMF for the expenses of conducting the activities of such accounts.

Switzerland account reimbursements amounted to US\$20 thousand for each of the financial years ended April 30, 2021, and 2020.

Framework—SFA account reimbursements amounted to US\$126,680 thousand and US\$181,257, thousand for the financial years ended April 30, 2021, and 2020, respectively.

Operating expenses for the Somalia administered account, related to conversion costs on contributions received, amounted to SDR 10 thousand for the financial year ended April 30, 2021 (SDR 49 thousand for the financial year ended April 30, 2020).

Operating expenses for the Framework Interim account, related to conversion costs on contributions received, amounted to SDR 484 thousand for the financial year ended April 30, 2021 (zero for the financial year ended April 30, 2020).

## 8. Transfers

Transfers of resources from administered accounts during the financial years ended April 30, 2021, and 2020, were as follows:

Transfer from	Transfer to	2021	2020
<i>(in thousands of US dollars)</i>			
Japan	CCR Trust	—	100,000
Japan	Framework—SFA	9,700	—
Switzerland <sup>1</sup>	Swiss National Bank	3,178	5,093
<i>(in thousands of SDRs)</i>			
Somalia	PRG-HIPC Trust	680	1,111
Framework Interim Account	Somalia	9,484	160
Framework Interim Account	CCR Trust	140,638	—
Framework Interim Account	PRGT-HIPC	2,157	—
Framework Interim Account	Return to SDR holdings	7,230	—

<sup>1</sup> The Switzerland account transfers consist of the payments made by the National Bank of Ukraine under the bilateral financing agreement.

# Supplemental Schedules

## SCHEDULE 1: Interim Holding of Resources Administered Accounts—Balances, Contributions, Net Income, and Transfers for the Financial Year Ended April 30, 2021

Member/participant	Beginning balance	Contributions/ transfers in	Net Income / (loss)	Transfers out	Ending balance
	<i>(in thousands of SDRs)</i>				
<b>Framework Interim</b>					
<b>Post-SCA-2 Subaccount</b>					
Dominican Republic	1,225	—	1	—	1,226
Jordan	1,391	—	1	—	1,392
Vanuatu	59	—	**	—	59
Venezuela, República Bolivariana de	36,438	—	27	—	36,465
<b>Total Post-SCA-2 Subaccount</b>	<b>39,113</b>	<b>—</b>	<b>29</b>	<b>—</b>	<b>39,142</b>
<b>SCA-1/Deferred Charges Subaccount</b>					
Brazil	35,909	—	28	—	35,937
<b>Total SCA-1/Deferred Charges Subaccount</b>	<b>35,909</b>	<b>—</b>	<b>28</b>	<b>—</b>	<b>35,937</b>
<b>Windfall Gold Sales Profits Subaccount</b>					
Brazil	12,865	—	9	—	12,874
Costa Rica	497	—	**	—	497
Grenada	34	—	1	—	35
Lebanon	806	—	1	—	807
Venezuela, República Bolivariana de	8,047	—	7	—	8,054
<b>Total Windfall Gold Sales Profits Subaccount</b>	<b>22,249</b>	<b>—</b>	<b>18</b>	<b>—</b>	<b>22,267</b>
<b>Remaining Windfall Gold Sales Profits Subaccount</b>					
Brazil	32,136	—	25	—	32,161
Costa Rica	1,241	—	1	—	1,242
Equatorial Guinea, Republic of	396	—	**	—	396
Ghana	2,789	—	2	—	2,791
Lebanon	2,014	—	1	—	2,015
Papua New Guinea	995	—	1	—	996
<b>Total Remaining Windfall Gold Sales Profits Subaccount</b>	<b>39,571</b>	<b>—</b>	<b>30</b>	<b>—</b>	<b>39,601</b>
<b>Somalia Interim Subaccount</b>					
Argentina	11,880	—	8	—	11,888
Armenia, Republic of	71	—	**	—	71
Belgium	2,362	—	2	—	2,364
Bolivia	209	—	**	—	209
Bosnia and Herzegovina	191	—	**	—	191
Brazil	5,623	—	4	—	5,627
Comoros, Union of the	**	—	—	—	**
Congo, Republic of	35	—	**	(35)	—
Costa Rica	129	—	**	—	129
Czech Republic	740	—	**	(740)	—
Djibouti	6	—	—	—	6
Ecuador	355	—	1	—	356
Estonia, Republic of	54	—	**	(54)	—
Gabon	213	—	**	—	213
Honduras	129	—	**	—	129
Indonesia	7,445	—	3	(7,448)	—

## IV. Administered Accounts

## SCHEDULE 1: Interim Holding of Resources Administered Accounts—Balances, Contributions, Net Income, and Transfers for the Financial Year Ended April 30, 2021

Member/participant	Beginning balance	Contributions/ transfers in	Net Income / (loss)	Transfers out	Ending balance
	<i>(in thousands of SDRs)</i>				
Korea, Republic of	4,433	—	3	(4,436)	—
Mauritania, Islamic Republic of	47	—	**	—	47
Montenegro	4	—	—	—	4
Niger	68	—	—	(68)	—
Paraguay	62	—	**	—	62
Philippines	2,944	—	3	—	2,947
Portugal	1,634	—	1	(1,635)	—
Russian Federation	10,398	—	8	—	10,406
Senegal	124	—	**	(124)	—
Singapore	681	—	1	—	682
Slovak Republic	508	—	**	(508)	—
Slovenia, Republic of	169	—	**	—	169
Sweden	1,596	—	**	(1,596)	—
Switzerland	1,907	—	1	—	1,908
Tanzania, United Republic of	70	—	**	(70)	—
Thailand	1,987	—	—	(1,987)	—
Uruguay	1,014	—	—	—	1,014
Vietnam	170	—	**	(170)	—
<b>Total Somalia Interim Subaccount</b>	<b>57,258</b>	<b>—</b>	<b>35</b>	<b>(18,871)</b>	<b>38,422</b>
<b>European Union Subaccount</b>					
European Commission	—	152,455	(483)	(140,638)	11,334
<b>Total European Union Subaccount</b>	<b>—</b>	<b>152,455</b>	<b>(483)</b>	<b>(140,638)</b>	<b>11,334</b>
<b>Total Framework Interim</b>	<b>194,100</b>	<b>152,455</b>	<b>(343)</b>	<b>(159,509)</b>	<b>186,703</b>

\*\* Less than SDR 500.

## SCHEDULE 2: Selected Technical Assistance and Special Purpose Administered Accounts—Cumulative Contributions and Disbursements Through the Years Ended April 30, 2021, and 2020

Account	2021		2020	
	Net cumulative contributions <sup>1</sup>	Cumulative disbursements <sup>2</sup>	Net cumulative contributions <sup>1</sup>	Cumulative disbursements <sup>2</sup>
	<i>(in millions of US dollars)</i>			
<b>Japan</b>	<b>384.9</b>	<b>192.1</b>	<b>135.2</b>	<b>182.4</b>
<b>Framework—SFA<sup>3</sup></b>	<b>1,933.6</b>	<b>1,551.6</b>	<b>1,762.4</b>	<b>1,424.9</b>
Africa Regional Technical Assistance Center South (AFRITAC South) Subaccount	99.7	87.3	96.1	81.1
Africa Regional Technical Assistance Center West 2 Subaccount	61.9	45.6	58.2	41.3
Africa Training Institute Subaccount	35.7	29.6	30.7	26.2
African Development Bank (AfDB) Subaccount for Selected Fund Activities	—	—	—	—
Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Subaccount	62.9	55.1	54.0	52.4
Belgium Subaccount for Selected Fund Activities	10.4	10.1	10.4	10.1
Caribbean Regional Technical Assistance Center (CARTAC) Subaccount for Selected Fund Activities	104.8	86.1	94.8	80.4
Catch-All Subaccount for the Administration of Selected Smaller-Scale Capacity Building Activities	15.4	13.6	16.0	12.7
Caucasus, Central Asia, and Mongolia (CCAM) Regional Capacity Development Center Subaccount <sup>4</sup>	13.9	0.4	—	—
Central Africa Regional Technical Assistance Center (AFRITAC Central) Subaccount	64.8	59.1	57.1	54.6
Central America, Panama, and the Dominican Republic Technical Assistance Center (CAPTAC-DR) Subaccount	76.3	65.3	70.9	61.6
COVID-19 Crisis Capacity Development Initiative Subaccount <sup>5</sup>	9.6	—	—	—
Data for Decisions (D4D) Fund Subaccount	25.8	9.5	17.1	6.0
Denmark Subaccount for Selected Fund Activities	4.9	4.3	4.9	4.1
East Africa Regional Technical Assistance Center (AFRITAC East) Subaccount	93.5	87.2	88.4	82.6
European Commission Subaccount for Selected Fund Activities	68.1	59.3	64.4	53.9
European Investment Bank Subaccount for Selected Fund Activities	1.0	0.7	1.2	0.7
Externally Financed Appointee Subaccount	20.7	14.9	18.7	12.1
Financial Access Survey Subaccount <sup>6</sup>	2.6	2.6	2.6	2.6
Financial Sector Stability Fund Subaccount	27.3	10.6	24.0	8.0
Germany Subaccount for Selected Fund Activities	3.4	2.0	1.6	0.5
Government of Australia Subaccount	1.3	1.2	1.3	1.1
Government of Canada Subaccount for Selected Fund Activities	58.0	50.3	59.9	48.1
IMF-Middle East Center for Economics and Finance Subaccount for Selected Fund Activities	51.1	47.2	51.1	43.6
Islamic Development Bank Subaccount	0.5	**	0.5	**
Japan Subaccount for Selected Fund Activities	358.4	278.8	317.0	259.8
Kingdom of the Netherlands—Netherlands Subaccount for Selected Fund Activities	16.1	14.1	16.1	13.5
Korea Subaccount	8.5	0.5	9.6	0.5
Kuwait Subaccount for Selected Fund Activities	2.8	2.8	2.8	2.8
Liberia Macro-Fiscal Subaccount for Selected Fund Activities <sup>6</sup>	3.7	3.7	3.7	3.7
Libyan Subaccount for Selected Fund Activities	2.5	1.5	2.5	1.5
Managing Natural Resource Wealth Topical Trust Fund Subaccount	49.1	38.5	46.0	35.5

Account	2021		2020	
	Net cumulative contributions <sup>1</sup>	Cumulative disbursements <sup>2</sup>	Net cumulative contributions <sup>1</sup>	Cumulative disbursements <sup>2</sup>
	<i>(in millions of US dollars)</i>			
Mauritius Subaccount for Selected Fund Activities	**	—	**	—
Middle East Regional Technical Assistance Center (METAC) Subaccount	41.1	35.2	37.7	32.3
Norway Subaccount for Selected Fund Activities	11.8	10.4	10.4	9.7
Pacific Financial Technical Assistance Center (PFTAC) Subaccount	62.3	50.3	57.4	46.3
People's Republic of China Subaccount	25.5	12.4	30.1	10.2
Republic of South Sudan Macroeconomic Capacity Building Subaccount <sup>6</sup>	8.5	8.5	8.7	8.5
Somalia Trust Fund for Capacity Development in Macroeconomic Policies and Statistics Subaccount	11.0	9.2	9.7	8.8
South Asia Regional Training and Technical Assistance Center Subaccount	60.0	43.4	57.9	36.1
Sweden Subaccount for Selected Fund Activities	1.0	0.3	0.3	0.3
Switzerland Subaccount for Selected Fund Activities	48.4	39.2	48.4	37.0
Tax Administration Diagnostic Assessment Tool Subaccount	14.7	12.9	12.6	10.8
Tax Policy and Administration Topical Trust Fund Subaccount	99.6	78.4	88.5	68.0
The Southeastern Europe Multi-Donor Subaccount	14.1	9.3	6.9	5.7
United Arab Emirates Subaccount	0.4	0.3	0.4	0.3
United Kingdom Department for International Development Subaccount for Selected Fund Activities	58.7	57.2	58.5	54.3
United States Subaccount for Selected Fund Activities	6.6	6.6	6.6	6.6
West Africa Regional Technical Assistance Center (AFRITAC West) Subaccount	78.0	65.7	73.9	61.6
World Bank Subaccount for Selected Fund Activities	37.2	30.4	32.8	27.4

Components may not sum exactly to totals because of rounding.

<sup>1</sup> Net of refunds of contributions to donors, mainly due to termination of projects financed by resources in the Administered Accounts and transfers between subaccounts.

<sup>2</sup> Disbursements are made to transfer resources in accordance with donors' instructions or reimburse the IMF for the costs incurred in connection with activities financed by the respective subaccounts. Resources used for disbursements consist of contributions and net income earned on them.

<sup>3</sup> Information is provided for subaccounts active during the financial years ended April 30, 2021 and 2020.

<sup>4</sup> Subaccount was established in January 2020.

<sup>5</sup> Subaccount was established in December 2020.

<sup>6</sup> Subaccount was terminated in April 2021.

\*\* Less than US\$50,000.

## SCHEDULE 3: Somalia Administered Account—Cumulative Contributions at April 30, 2021

Contributor	Cumulative contributions at April 30, 2021		
	SCA-1 balances and proceeds of deferred charges adjustments	Grant contributions	Total contributions
	<i>(in millions of SDRs)</i>		
Albania	0.04	—	0.04
Angola	0.05	—	0.05
Antigua and Barbuda	**	—	**
Australia	1.31	—	1.31
Azerbaijan, Republic of	0.16	—	0.16
Bahamas, The	0.01	—	0.01
Bangladesh	0.70	—	0.70
Belize	0.02	—	0.02
Benin	**	—	**
Botswana	0.07	—	0.07
Bulgaria	1.48	—	1.48
Burkina Faso	0.02	—	0.02
Burundi	0.01	—	0.01
Cabo Verde	**	—	**
Canada	2.70	—	2.70
Central African Republic	0.03	—	0.03
Chad	0.01	—	0.01
China, People's Republic of	4.29	3.71	8.00
Congo, Republic of	—	0.03	0.03
Côte d'Ivoire	0.57	—	0.57
Cyprus	0.11	—	0.11
Czech Republic	—	0.74	0.74
Denmark	—	4.16	4.16
Dominica	0.01	—	0.01
Egypt, Arab Republic of	0.67	—	0.67
Equatorial Guinea, Republic of	0.01	—	0.01
Estonia, Republic of	—	0.05	0.05
Ethiopia, The Federal Democratic Republic of	0.04	—	0.04
Finland	0.91	2.50	3.41
France	6.65	6.08	12.73
Gambia, The	0.01	—	0.01
Georgia	0.11	—	0.11
Germany	—	24.67	24.67
Ghana	0.38	—	0.38
Greece	1.62	—	1.62
Grenada	**	—	**
Guinea	0.03	—	0.03
Guinea-Bissau	**	—	**
Haiti	0.06	—	0.06
Hungary	2.20	—	2.20
Iceland	0.09	—	0.09
India	3.46	—	3.46
Indonesia	—	2.37	2.37

Contributor	Cumulative contributions at April 30, 2021		
	SCA-1 balances and proceeds of deferred charges adjustments	Grant contributions	Total contributions
	<i>(in millions of SDRs)</i>		
Iran, Islamic Republic of	0.04	—	0.04
Ireland	1.24	—	1.24
Italy	5.73	2.49	8.22
Jamaica	0.20	—	0.20
Japan	13.02	—	13.02
Kazakhstan, Republic of	0.30	—	0.30
Korea	—	4.43	4.43
Kosovo, Republic of	0.01	—	0.01
Latvia, Republic of	0.15	—	0.15
Liberia	0.74	—	0.74
Lithuania, Republic of	0.21	—	0.21
Luxembourg	0.13	—	0.13
Malaysia	1.16	—	1.16
Maldives	0.01	—	0.01
Mali	0.06	—	0.06
Malta	0.13	0.04	0.17
Mauritius	0.05	—	0.05
Morocco	0.69	—	0.69
Mozambique, Republic of	**	—	**
Nicaragua	0.02	—	0.02
Niger	—	0.07	0.07
Nigeria	0.01	—	0.01
North Macedonia, Republic of	0.10	—	0.10
Norway	—	2.11	2.11
Oman	—	0.16	0.16
Pakistan	2.36	—	2.36
Panama	0.19	—	0.19
Qatar	0.14	18.34	18.48
Rwanda	0.02	—	0.02
St. Kitts and Nevis	**	—	**
St. Vincent and the Grenadines	**	—	**
São Tomé and Príncipe, Democratic Republic of	**	—	**
Saudi Arabia	3.61	—	3.61
Senegal	—	0.12	0.12
Serbia, Republic of	0.68	—	0.68
Somalia	0.36	—	0.36
South Africa	0.51	—	0.51
South Sudan, Republic of	**	—	**
Spain	—	3.46	3.46
Sri Lanka	0.65	—	0.65
Suriname	**	—	**
Sweden	—	3.20	3.20
Tanzania, United Republic of	—	0.07	0.07
Togo	0.04	—	0.04
Tunisia	0.71	—	0.71
Turkey	—	2.36	2.36
Uganda	0.08	—	0.08

Contributor	Cumulative contributions at April 30, 2021		
	SCA-1 balances and proceeds of deferred charges adjustments	Grant contributions	Total contributions
	<i>(in millions of SDRs)</i>		
Ukraine	3.18	—	3.18
United Kingdom	5.00	36.34	41.34
United States	32.17	—	32.17
Uzbekistan, Republic of	0.13	—	0.13
Zimbabwe	0.28	—	0.28
<b>Total members</b>	<b>101.94</b>	<b>117.50</b>	<b>219.44</b>
European Commission	—	7.18	7.18
<b>Total nonmembers</b>	<b>—</b>	<b>7.18</b>	<b>7.18</b>
<b>Total</b>	<b>101.94</b>	<b>124.68</b>	<b>226.62</b>

\*\* Less than SDR 5,000.

# V. Financial Statements of the Staff Retirement Plan



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## Statements of Accumulated Plan Benefits and Net Assets Available for Benefits at April 30, 2021, and 2020

(in millions of US dollars)

	Note	2021	2020
<b>Accumulated Plan benefits</b>			
Actuarial present value of accumulated Plan benefits			
Vested benefits			
Retired participants		4,599	4,355
Active and inactive participants		2,807	2,870
Nonvested benefits			
		597	604
<b>Total actuarial present value of accumulated Plan benefits</b>		<b>8,003</b>	<b>7,829</b>
<b>Assets available for benefits</b>			
Cash		64	99
Investments, at fair value	5	12,920	9,851
<b>Total assets available for benefits</b>		<b>12,984</b>	<b>9,950</b>
<b>Receivables</b>			
Accrued interest, dividends, and other receivables		97	137
Contributions receivable		7	7
<b>Total receivables</b>		<b>104</b>	<b>144</b>
<b>Total assets</b>		<b>13,088</b>	<b>10,094</b>
<b>Liabilities</b>			
Accounts and benefits payable		104	127
Advance employer contributions	7	638	634
<b>Total liabilities</b>		<b>742</b>	<b>761</b>
<b>Net assets available for benefits</b>		<b>12,346</b>	<b>9,333</b>
<b>Excess of net assets available for benefits over actuarial present value of accumulated Plan benefits</b>		<b>4,343</b>	<b>1,504</b>

The accompanying notes are an integral part of these financial statements.  
These financial statements were signed by the Managing Director and the Director of Finance on June [30], 2021.

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Kristalina Georgieva  
Managing Director

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Bernard Lauwers  
Director, Finance Department

## Statements of Changes in Accumulated Plan Benefits for the Financial Years Ended April 30, 2021, and 2020

(in millions of US dollars)

	Note	2021	2020
<b>Actuarial present value of accumulated Plan benefits, beginning of year</b>		<b>7,829</b>	<b>7,709</b>
Increase during the year attributable to:			
Service cost		166	177
Actuarial (gains)/losses		4	—
Interest accrued		393	386
Benefits paid		(303)	(285)
Change in assumptions	6	(86)	(158)
<b>Net increase</b>		<b>174</b>	<b>120</b>
<b>Actuarial present value of accumulated Plan benefits, end of year</b>		<b>8,003</b>	<b>7,829</b>

The accompanying notes are an integral part of these financial statements.

## Statements of Changes in Net Assets Available for Benefits for the Financial Years Ended April 30, 2021, and 2020

(in millions of US dollars)

	Note	2021	2020
<b>Net investment income/(loss)</b>	5	<b>3,193</b>	<b>(631)</b>
<b>Contributions</b>			
Employer		69	60
Participants		54	52
<b>Total contributions</b>		<b>123</b>	<b>112</b>
<b>Total increase/(decrease)</b>		<b>3,316</b>	<b>(519)</b>
<b>Benefits</b>			
Pension		276	261
Commutation		20	14
Withdrawal		5	8
Death		2	2
<b>Total payments</b>		<b>303</b>	<b>285</b>
<b>Net increase/(decrease)</b>		<b>3,013</b>	<b>(804)</b>
<b>Net assets available for benefits</b>			
Beginning of year		9,333	10,137
<b>End of year</b>		<b>12,346</b>	<b>9,333</b>

The accompanying notes are an integral part of these financial statements.

## Notes to the Financial Statements for the Financial Years Ended April 30, 2021, and 2020

### 1. Description of the Plan

The International Monetary Fund (IMF, or the Employer) has a defined benefit plan, the International Monetary Fund Staff Retirement Plan (SRP, or the Plan), and an adjunct Supplemental Retirement Benefit Plan (SRBP), to provide retirement benefits to eligible staff. The following brief description of the Plan is provided for general information only and neither establishes nor confers any rights or benefits. Participants should refer to the Plan document for authoritative information as to their entitlement to and amount of benefits under the Plan.

#### 1.1 General

The Plan is a defined benefit pension plan covering most staff members of the IMF. All assets and liabilities of the Plan are the property and obligation of the Employer and are held and administered by it separately from all its other property and assets. The Plan assets are to be used solely for the benefit of participants, retired participants, and their beneficiaries. At April 30, 2021, there were 3,185 retired participants receiving benefits, 3,056 active participants contributing to the Plan, and 429 inactive participants eligible to receive deferred pension benefits. This compares with 3,076 retired participants, 3,010 active participants, and 441 inactive participants at April 30, 2020.

#### 1.2 Benefits

##### 1.2.1 Annual pension

Participants are entitled to unreduced pensions beginning at the normal retirement age of 62 or when the sum of age and years of service is equal to or greater than 85. The Plan also provides an option for eligible staff to receive reduced pension benefits beginning at the early retirement age of 50 with three years of service, or at the age of 55 with no minimum service requirement. The amount of the pension is based on an accrual rate of benefits, the number of years of service, age at retirement, and the highest three-year average pensionable gross salary. Pension benefits at commencement are reduced by the lesser of 1.5 percent for each year that participant's age is less than age 62, or 1.5 percent for each year that the sum of the participant's age and service is less than 85. Pensions are augmented by annual cost-of-living adjustments, if applicable. Participants may elect to commute a portion of their pension, allowing them to receive up to one-third of the

pension's value as a lump-sum payment. Participants under age 55 with less than three years of service are entitled to a one-time withdrawal payment. Under certain circumstances, participants have the option to elect a one-time withdrawal payment, defer pension commencement, or commence reduced pension immediately.

The accrual rate of benefits earned before May 1, 1990, was 2 percent of the highest three-year average pensionable gross salary for each year of service up to 35 years, while the accrual rate of benefits earned after May 1, 1990, was 2.2 percent for the first 25 years of service and 1.8 percent for the next 10 years of service of the highest three-year average pensionable gross salary.

##### 1.2.2 Other benefits

The Plan also provides for disability pensions; death benefits; and benefits to surviving spouses, domestic partners, designated survivors, and children of deceased and disabled participants.

##### 1.2.3 Future Plan amendments

The SRP will be amended to reflect relevant changes approved by the IMF Executive Board (Executive Board) on December 17, 2019, as part of the Comprehensive Compensation and Benefits Review (CCBR). These changes were initially expected to be effective May 1, 2021 but, on June 3, 2021 the Executive Board extended the effective date to May 1, 2023. The impact of the changes is recognized in the financial statements for the year ended April 30, 2020 (see Note 6). The amendments will include (1) allowing certain participants who return from leave without pay to purchase service credit for the period of leave, up to a maximum of five years over such participant's IMF tenure; (2) expansion of eligibility for the lump sum withdrawal benefit to all participants, regardless of age and service; (3) providing the option of a lump sum commutation payment of up to 75 percent or exactly 100 percent of the value of the participant's pension; (4) adjusting the calculation of the surviving spouse, domestic partner, and designated beneficiary's benefits upon the death of retired participants to reflect a reduction of any commutation payments made to such retired participant, if applicable; and (5) the option for new staff, hired on or after the effective date to join either the SRP or the IMF's defined contribution plan, the International Monetary Fund Voluntary Savings Plan. On June 3, 2021, the Board also approved the adjustment of the SRP's grossing-up formulas effective May 1, 2022. The grossing-up formulas are

for converting participants' net salaries to pensionable gross salaries used in pension benefit calculations. [The future impact of the changes in the grossing-up formulas on the defined benefit obligation is estimated to be US\$TBD million.]

### 1.3 Contributions

#### 1.3.1 Participants

Staff members on a regular appointment are required to participate in and contribute 7 percent of their gross remuneration to the Plan. Certain other categories of staff members may elect to participate in the Plan.

#### 1.3.2 Employer

The required annual Employer contribution is determined by the actuary. The Employer may elect to make additional contributions beyond the actuarially required contributions to the Plan. If actual contributions made by the Employer exceed the required contribution rate, the excess goes to the pool of advance contributions and is used to offset required contributions in future years. In the event that the actuarially determined contribution rate is higher than the actual contributions made, the Employer will draw down from the cumulative excess contributions.

In accordance with the Employer's funding framework and budgetary allocations, actual Employer contributions were made at a normalized rate of 14 percent of pensionable gross remuneration in both financial years ended April 30, 2021, and 2020. As the actual contributions made by the Employer for such financial years exceeded the required contribution rate determined by the actuary, the difference was included in advance employer contributions.

The Employer also meets administrative costs of the Plan and the actuary's fees, and contributes any additional amount not provided by the contributions of participants to pay the costs and expenses of the Plan not otherwise covered.

#### 1.4 Plan termination

Although the Employer has not expressed any intention to do so, it has the right to terminate the Plan. In the event of the termination of the Plan by the Employer, the assets of the Plan will be used to satisfy liabilities to participants, retired participants, and their beneficiaries, and other liabilities of the Plan. Any remaining assets of the Plan will be returned to the Employer.

## 2. Basis of preparation and measurement

The financial statements of the Plan are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements have been prepared

under the historical cost convention, except for the valuation of financial assets at fair value through the net increase (decrease) in net assets available for benefits.

### 2.1 Unit of account

The functional and presentation currency of the Plan is the US dollar.

### 2.2 Use of estimates and judgement

The preparation of the financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about the most significant estimates and critical judgements in applying accounting policies is described in Notes 3, 5, 6, and 7.

## 3. Summary of significant accounting policies

### 3.1 Financial instruments

#### Measurement at initial recognition

Financial instruments are recognized when the Plan becomes a party to the contractual provisions of the instrument. At initial recognition, a financial instrument is measured at its fair value, which is best evidenced by the transaction amount.

#### Derecognition

Financial assets, or a portion thereof, are derecognized when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (1) the Plan transfers substantially all the risks and rewards of ownership, or (2) the Plan neither transfers nor retains substantially all the risks and rewards of ownership but the Plan has not retained control. Financial liabilities are derecognized when they are extinguished (i.e., when the obligation specified in the contract is discharged or canceled, or expires).

#### Classification and subsequent measurement of financial assets

A financial asset is classified on initial recognition based on two factors: the business model for managing the financial asset and its contractual cash flow characteristics.

Financial assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost.

Financial assets that are held for collection of contractual cash flows and for selling, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through the net increase (decrease) in net assets available for benefits.

All other financial assets, that do not meet the criteria to be measured at amortized cost or fair value through the net increase (decrease) in net assets available for benefits, are measured at fair value, with changes in the fair value recognized as a component of changes in net assets available for benefits.

#### **Classification and subsequent measurement of financial liabilities**

Derivative financial liabilities are measured at fair value with changes in fair value recognized as a component of the changes in net assets available for benefits. All other financial liabilities are measured at amortized cost. Interest expense from these financial liabilities is included in the statements of changes in net assets available for benefits using the effective interest method.

### **3.2 Investments**

Investments are carried at fair value in accordance with a business model incorporated in the Plan's risk management and investment strategies. Changes in the fair value of investments are recognized as a component of changes in net assets available for benefits.

Investments are recognized on the trade date on which the Plan becomes a party to the contractual provisions of the instrument. Investments are derecognized when the contractual rights to the cash flows from the asset expire or when substantially all the risks and rewards of ownership of the investment are transferred from the Plan.

Investment income comprises interest and dividend income, realized gains and losses, and unrealized gains and losses, including currency valuation differences arising from exchange rate movements against the US dollar.

### **3.3 Derivative instruments**

The fair value of derivative instruments is included in investments, if positive, and liabilities, if negative, and changes in the fair value of such investments are recognized as a component of changes in net assets available for benefits.

### **3.4 Foreign currency translation**

Foreign currency transactions are recorded at the rate of exchange on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are reported using exchange rates prevailing on the date of the financial statements. Exchange differences arising from the settlement of transactions at rates different from those on the originating date of the transactions and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are included in the determination of net investment income.

### **3.5 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market.

### **3.6 Accumulated Plan benefits**

The actuarial present value of vested benefits is presented for two categories of participants. For retired participants, the amount presented equals the present value of the benefits expected to be paid over the future lifetime to all pensioners and, if applicable, their surviving spouses, domestic partners, or designated beneficiaries. For active and inactive participants, the amount presented equals the present value of the deferred pension earned to the valuation date for a participant or, if greater, the value of the withdrawal benefit for that participant, summed over all participants.

The actuarial present value of nonvested benefits includes the estimated effect of projected salary increases on benefits expected to be paid, death benefits, disability benefits, and the total of the withdrawal benefits of all participants with less than three years of eligible service.

The actuarial present value of accumulated Plan benefits is determined annually by an independent actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated Plan benefits to reflect the time value of money and the probability of payment between the valuation date and the expected date of payment (for actuarial assumptions see Note 6).

In contrast to the actuarial valuation for funding purposes shown in Note 7, the actuarial present value of accumulated Plan benefits is determined using the projected unit credit method. The obligation under this method represents the portion of the benefit obligation attributable to service through the date of the financial statements and the effect of future

salary increases. It reflects only the service to the date of the financial statements and does not take into account the fact that the actuarial present value of accumulated Plan benefits, which is the Plan's obligation, is expected to increase with each year of additional service, and that, therefore, there will be additional benefit accruals in the future.

The Plan assets are measured at fair value at the date of the financial statements. The difference between the actuarial present value of accumulated Plan benefits and the fair market value of assets reflects the Plan's funded status, and is an asset (or liability) of the Employer. This difference is for the Plan's financial statements purposes only and does not measure the funded status shown for the Employer's financial statements purposes or measure the amount the Employer would be required to fund in the future. See Note 7 for the Employer's funding policy.

### 3.7 Tax status

The US Internal Revenue Service has determined and informed the Employer that the Plan was designed in accordance with applicable Internal Revenue Code (IRC) requirements. The Employer believes the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC and the Plan is tax exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

## 4. Financial risk management

The Plan is exposed to various financial risks, primarily credit, liquidity, and market risks. Exposure to these financial risks is managed within a broad risk management framework designed to balance those risks against the need to meet the financial obligations of the Plan.

### 4.1 Investment strategy and risk management

The Plan's investment policies and strategies are broadly geared toward funding the pension liabilities of active and retired participants over a market cycle at an acceptable level of risk. The strategic asset allocation is reviewed periodically, most recently in 2017, by an Investment Committee comprising senior Employer staff. The next review of the strategic asset allocation is scheduled for the financial year ended April 30, 2022. Through a global, multiple-asset-class investment approach, the Plan seeks to reduce its portfolio risk for any targeted rate of return by allocating to asset classes with return profiles that are not perfectly correlated as regional and global economic, financial, and political events unfold.

Consideration is given to both quantitative and qualitative factors and analysis in setting the strategic asset allocation. Quantitatively, mean-variance optimization is used to identify

portfolios whose expected returns exceed all others with the same level of risk. The quantitative process is complemented by various qualitative considerations, such as illiquidity, labor intensity, alternative risk measures (skewness, downside protection), benchmark concentration, active management opportunities, and the speed with which returns might be realized. The quantitative and qualitative analysis yields a set of feasible and efficient portfolios. The strategic asset allocation is set by identifying the portfolio that is most likely to meet the Plan's target rate of return (i.e., a return consistent with funding the Plan's pension liabilities over a full market cycle). Departures from the strategic allocation, subject to certain limits, are considered and permitted both to accommodate tactical or opportunistic investments if a sector appears to be over- or undervalued and to avoid the high transaction costs associated with overly frequent rebalancing. The Plan's policy of broad investment asset diversification is intended to protect its investments from disproportionate market shocks in periods of volatility.

### 4.2 Investment guidelines

The Plan has adopted general guidelines on permissible investments. The authority to purchase and sell individual securities is delegated to external investment managers, subject to specific investment guidelines, criteria, standards, and other safeguards. Use of derivative securities by an investment manager must be specifically authorized by the Investment Committee.

### 4.3 Credit risk

Credit risk on investments represents the potential loss that the Plan may incur if issuers and counterparties default on their contractual obligations.

#### 4.3.1 Fixed-income securities

For fixed-income securities, the Plan's maximum exposure to credit risk is the carrying amount, based on dealer quotes on the last business day of the financial year.

The following table presents the credit risk exposure of fixed-income investments, based on Standard & Poor's long-term rating scale:

	April 30, 2021		April 30, 2020	
	<i>(in millions of US dollars and as a percentage of total fixed-income investments)</i>			
AAA	209	8.4%	119	5.4%
AA+ to AA-	546	22.0%	664	30.2%
A+ to A-	396	16.1%	255	11.7%
BBB+ to BBB-	379	15.3%	418	19.0%
BB+ to B-	714	28.8%	537	24.3%
CCC+ or lower or unrated	234	9.4%	208	9.4%
<b>Total</b>	<b>2,478</b>	<b>100.0%</b>	<b>2,201</b>	<b>100.0%</b>

#### 4.3.2 Futures contracts

The Plan enters into financial futures contracts for protection against market price risk and interest rate risk, and to take investment positions. These contracts generally have a term of less than one year. The credit risk of futures contracts is limited because of daily cash settlement of the net change in the value of open contracts. Therefore, there were no unrealized gains or losses on futures contracts at April 30, 2021, and 2020. See Note 5 for the notional values of futures at April 30, 2021, and 2020.

#### 4.3.3 Forward contracts

The Plan enters into forward foreign currency exchange contracts to manage foreign currency fluctuations relative to investments in its global portfolio. Forward contracts are similar in character to futures contracts. However, they have a greater degree of credit risk (counterparty risk), depending on the counterparties involved, because daily cash settlements are not required. To manage this exposure, the Plan enters into close-out netting agreements, sets minimum credit-quality standards for counterparties, restricts time-to-maturity of forward and other over-the-counter instruments, and establishes quantitative restrictions on the use of counterparties to ensure adequate counterparty diversification. These contracts generally have terms of no more than three months. The Plan's maximum exposure to credit risk for forward contracts is the amount of any unrealized gains on such contracts.

#### 4.3.4 Securities lending

The Plan engages in a securities lending program with its custodian, as lending agent, to enhance the return on its investments. Under this program, certain of the Plan's holdings of marketable securities are lent temporarily to other institutions for a fee with collateral equal to at least 100 percent of the market value of lent securities. The Plan maintains effective control over securities lent and therefore continues to report such securities as invested assets. The Plan participates in the lending agent's collateral fund but does not recognize the collateral held by the lending agent or the obligation to return the collateral, as the Plan has no right to sell or repledge the collateral directly. At April 30, 2021, the market value of securities lent to other institutions under the securities lending program and the market value of the Plan's share of the collateral fund amounted to US\$1,027 million and US\$1,069 million, respectively (US\$685 million and US\$717 million, respectively, at April 30, 2020).

#### 4.4 Liquidity risk

Liquidity risk is the risk that the Plan will encounter difficulty in meeting forthcoming benefit payments.

The Plan's primary objective with respect to liquidity is to have sufficient liquid resources available to pay Plan benefits when due. This risk is monitored to ensure that current payments due to Plan members can be met from the Plan's holdings of cash and highly liquid investments.

For the financial year ending April 30, 2022, Plan disbursements for benefit obligations are expected to be US\$330 million.

#### 4.5 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk includes interest rate risk, exchange rate risk, and other price risks associated with changes in the values of equities, fixed-income securities, commodities, real estate, and other assets.

The Plan's investments comprise seven categories, all of which are subject to varying, but not perfectly correlated, market risks. The Plan's exposure to market risk is measured using value at risk (VaR), which is a summary measure of market risks that takes into account known market risks to which the Plan's investments are exposed.

VaR is the maximum potential loss in value of the Plan's investment assets due to adverse market movements over a defined time horizon with a specified confidence level. The VaR numbers reported below reflect a one-year time horizon and a 95 percent confidence interval, which means there is a 1 in 20 chance that annual losses on investment assets will equal or exceed the reported VaR. Losses in a single year could exceed the reported VaR by a significant amount.

The Plan's portfolio VaR estimates are based on a three-year variance-covariance matrix using actual portfolio weights at the date of the financial statements. VaR models are based predominantly on historical simulation and provide plausible future scenarios based on these simulations. However, the modeling of the market risk characteristics of the Plan's investments involves a number of assumptions and approximations. There is no standard methodology for estimating VaR, and different assumptions or approximations could produce significantly different VaR estimates.

The VaR for the Plan's investment portfolio was as follows:

	April 30, 2021	April 30, 2020
<i>(in millions of US dollars)</i>		
Equities		
Global equities	1,350	904
Emerging market equities	597	363
Fixed income		
Global fixed income	78	61
High income	230	169
Other		
Real assets	272	215
Alternative investments	430	261
Enhanced cash/absolute return	87	72
Diversification effects	(246)	(290)
<b>Total</b>	<b>2,798</b>	<b>1,755</b>

## 5. Investments

In accordance with the Plan's investment policy, the Plan may hold investments in the following: fixed-income securities, equity securities, real estate, private equity funds, other limited partnership vehicles, and collective investment funds. The investment portfolio comprises seven categories: global equities, emerging market equities, global fixed income, high income, real assets, alternative investments (comprising primarily private equity funds), and enhanced cash/absolute return (investments with low volatility and correlations to equity and bond markets). Investments also include derivative financial instruments, such as futures and forward contracts, entered into for investment and risk management purposes.

The Plan's investments consisted of the following:

	April 30, 2021	April 30, 2020
<i>(in millions of US dollars)</i>		
Equities		
Global equities	4,651	3,293
Emerging market equities	1,927	1,223
Fixed income		
Global fixed income	1,081	1,085
High income	1,397	1,116
Other		
Real assets	1,146	996
Alternative investments	1,783	1,242
Enhanced cash/absolute return	935	896
<b>Total</b>	<b>12,920</b>	<b>9,851</b>

Investment categories comprise funds managed against specific asset class benchmarks and may include temporary holdings in other asset classes.

Fair values of derivatives amounted to less than US\$4 million at both April 30, 2021, and 2020.

The notional value of derivative financial instruments was as follows:

	April 30, 2021	April 30, 2020
<i>(in millions of US dollars)</i>		
Futures		
Long positions	960	717
Short positions	97	135
Forwards	451	405

The fair value of investments is based on quoted market prices or dealer quotes where available. The fair value of investments for which quoted market prices are not available is determined after consideration of valuations provided by external investment managers adjusted for receipts, disbursements, and distributions through the end of the financial year. The valuation of these investments may involve estimates, appraisals, assumptions, and methods that are reviewed by management. Owing to the inherent limitations in any estimation technique, these fair value estimates are not necessarily indicative of the amounts that would be realized in a market transaction. Specifically, the methods and assumptions used to estimate the fair value of the Plan's investments are as follows:

- (i) The fair value of publicly traded equity and fixed-income securities is based on the quoted market prices from a principal exchange (US or foreign), dealers, or brokers on the last business day of the financial year.
- (ii) For nonpublicly traded collective investment funds, which may include publicly traded equity and fixed-income securities for which detailed holdings are reported to the Plan, the fair value is determined after consideration of valuations provided by the external investment managers, adjusted for receipts, disbursements, and distributions through the end of the financial year.
- (iii) The fair value of private equity funds and other limited partnership vehicles represents the Plan's proportional share of the pool of invested funds based on the valuation determined by the general partner of each partnership in accordance with the terms of each partnership's governing agreement, adjusted for receipts, disbursements, and distributions through the end of the financial year. The fair value of underlying private equity funds is determined using a variety of valuation techniques, including those that make maximum use of market inputs such as prices received in private placement transactions, prices of publicly traded securities of comparable companies, independent appraisal, estimated liquidation value, and discounted cash flows.

(iv) The fair value of real estate investments is estimated based on the appraised value for the latest quarterly reporting period, adjusted for receipts, disbursements, and distributions through the end of the financial year.

(v) Futures contracts are valued at the price quoted on the last business day of the financial year on the exchange on which they primarily trade; forward foreign currency exchange contracts are valued in accordance with the prevailing spot or forward rate of the underlying currency.

Net investment income/(loss) comprised the following:

	2021	2020
	<i>(in millions of US dollars)</i>	
Interest and dividends	164	197
Net change in fair value of investments	3,109	(756)
Less: Investment fees	(76)	(68)
Less: Administrative expenses	(4)	(4)
<b>Net investment income/(loss)</b>	<b>3,193</b>	<b>(631)</b>

## 6. Principal actuarial assumptions

The principal actuarial assumptions for the determination of accumulated Plan benefits and the funding requirements are reviewed by the Employer comprehensively every five years, and their applicability is reviewed on an annual basis. The most recent review was completed by the Fund's actuaries in April 2021. The next comprehensive review is scheduled for 2025.

The principal actuarial assumptions used in the actuarial valuation were as follows:

	April 30, 2021	April 30, 2020
	<i>(in percent)</i>	
Average rate of return on investments	5.00	
Discount rate	5.00	
Average inflation rate	2.00	
Rate of salary increases (average)	3.50	
<b>Life expectancy</b>	<i>(in years)</i>	
Male	89	
Female	93	

For the year ended April 30, 2021, the actuaries estimated the effect of the experience study assumption changes based on the review completed in FY2021. The changes resulted in a decrease in the actuarial present value of accumulated Plan benefits of US\$86 million being recognized in the statement of changes in accumulated Plan benefits for the year ended April 30, 2021. The decrease was mainly due to a revision of the

retirement rates, spousal age, and the percentage of married participants assumptions.

For the year ended April 30, 2020, the actuaries estimated the effect of the compensation reform effective May 1, 2020, as a result of the CCBR. The changes resulted in a decrease in the actuarial present value of accumulated Plan benefits of US\$158 million being recognized in the statements of changes in accumulated Plan benefits for the year ended April 30, 2020. The decrease was mainly due to a revision of the rate of salary increase assumption.

## 7. Employer's funding policy

The Employer's funding policy for the Plan assumes that the Plan will continue to exist and that active participants will continue to earn pension benefits beyond the date of the valuation until the date of withdrawal, disability, death, or retirement, but that no new participant will join the Plan (the "closed method").

The Employer's contributions to the Plan and the SRBP are determined on a combined basis. SRBP funding is paid from the Employer's approved administrative budget of the Plan, which is actuarially determined on the basis of funding requirements of both plans. Funding by the Employer is based on a valuation method known as the "Aggregate Funding Method," which expresses liabilities and contribution requirements as single consolidated figures that include provision for experience gains and losses and cost-of-living increases. Should the assets of the Plan be exhausted, benefits would be paid from additional contributions by the Employer from the cumulative excess contributions.

The latest valuations were as follows:

	April 30, 2020	April 30, 2019
	<i>(in millions of US dollars)</i>	
Present value of benefits payable	11,023	11,104
Less: Assets for valuation purposes	(9,874)	(9,781)
<b>Required future funding</b>	<b>1,149</b>	<b>1,323</b>
Less: Present value of prospective contributions from participants (7 percent of gross remuneration)	(460)	(480)
<b>Present value of required future funding</b>	<b>689</b>	<b>843</b>

Based on the actuarial valuation, the required contribution was 13.06 percent for the financial year ended April 30, 2021 (10.99 percent for the financial year ended April 30, 2020). A contribution of 10.66 percent will be required for the financial year ending April 30, 2022. Advance employer contributions

amounted to US\$638 million and US\$634 million at April 30, 2021, and 2020, respectively.

#### **8. Related party transactions and other administrative costs**

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The Plan reimburses the Employer for the costs of investing Plan assets, including staffing, travel, and other administrative expenses. For the financial years ended April 30, 2021, and 2020, these expenses amounted to US\$3.6 million and US\$3.8 million, respectively.

Certain administrative costs of the Plan, such as the actuary's fees, are paid by the Employer and are not reimbursed by the Plan, as provided in the Plan document. These administrative costs were approximately US\$0.6 million for the financial year ended April 30, 2021 (US\$0.4 million for the financial year ended April 30, 2020).

# VI. Financial Statements of the Supplemental Retirement Benefit Plan



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## Statements of Accumulated Plan Benefits and Net Assets Available for Benefits at April 30, 2021, and 2020

(in millions of US dollars)

	Note	2021	2020
<b>Accumulated Plan benefits</b>			
Actuarial present value of accumulated Plan benefits			
Vested benefits			
Retired participants		694	634
Active and inactive participants		599	539
Nonvested benefits		229	205
<b>Total actuarial present value of accumulated Plan benefits</b>		<b>1,522</b>	<b>1,378</b>
<b>Assets available for benefits</b>			
Cash		2	3
Contributions receivable		3	4
<b>Total assets</b>		<b>5</b>	<b>7</b>
<b>Liabilities</b>			
Accounts and benefits payable		1	—
Advance employer contributions	6	196	193
<b>Total liabilities</b>		<b>197</b>	<b>193</b>
Net deficiency		(192)	(186)
<b>Deficiency of net assets available for benefits over actuarial present value of accumulated plan benefits</b>		<b>(1,714)</b>	<b>(1,564)</b>

The accompanying notes are an integral part of these financial statements.  
These financial statements were signed by the Managing Director and the Director of Finance on June [30], 2021.

Kristalina Georgieva  
Managing Director

Bernard Lauwers  
Director, Finance Department

## Statements of Changes in Accumulated Plan Benefits for the Financial Years Ended April 30, 2021, and 2020

(in millions of US dollars)

	Note	2021	2020
<b>Actuarial present value of accumulated Plan benefits, beginning of year</b>		<b>1,378</b>	<b>1,321</b>
Increase during the year attributable to:			
Service cost		107	107
Actuarial (gains)/losses		34	39
Interest accrued		73	69
Benefits paid		(54)	(46)
Change in assumptions	5	(16)	(112)
<b>Net increase</b>		<b>144</b>	<b>57</b>
<b>Actuarial present value of accumulated Plan benefits, end of year</b>		<b>1,522</b>	<b>1,378</b>

The accompanying notes are an integral part of these financial statements.

## Statements of Changes in Net Assets Available for Benefits for the Financial Years Ended April 30, 2021, and 2020

(in millions of US dollars)

	Note	2021	2020
<b>Investment income</b>			
Interest		—	—
<b>Contributions</b>			
Employer	6	41	31
Participants		7	6
<b>Total contributions</b>		<b>48</b>	<b>37</b>
<b>Total increase</b>		<b>48</b>	<b>37</b>
<b>Benefits</b>			
Pension		50	44
Commutation and withdrawal		4	2
<b>Total payments</b>		<b>54</b>	<b>46</b>
<b>Net decrease</b>		<b>(6)</b>	<b>(9)</b>
<b>Net deficiency</b>			
Beginning of year		(186)	(177)
<b>End of year</b>		<b>(192)</b>	<b>(186)</b>

The accompanying notes are an integral part of these financial statements.

## Notes to the Financial Statements for the Financial Years Ended April 30, 2021, and 2020

### 1. Description of the Plan

The International Monetary Fund (IMF, or the Employer) has a defined benefit plan, the International Monetary Fund Staff Retirement Plan (SRP), and an adjunct Supplemental Retirement Benefit Plan (SRBP, or the Plan), to provide retirement benefits to eligible staff. The following brief description of the Plan is provided for general information only and neither establishes nor confers any rights or benefits. Participants should refer to the Plan document for authoritative information as to their entitlement and amount of benefits under the Plan.

#### 1.1 General

The Plan is a defined benefit pension plan covering certain participants of the SRP of the IMF and operates as an adjunct to that plan. All assets and liabilities of the Plan are the property and obligation of the Employer and are held and administered by it separately from all its other property and assets. The Plan's assets are to be used solely for the benefit of Plan participants and retired participants and their beneficiaries. At April 30, 2021, there were 1,136 retired participants receiving benefits, 1,205 active participants contributing to the Plan, and 132 inactive participants eligible to receive deferred pension benefits. This compares with 1,050 retired participants, 1,141 active participants and 138 inactive participants at April 30, 2020.

#### 1.2 Benefits

The SRP has adopted certain limits to pension benefits payable from that plan. The Plan provides for the payment of any benefit that would otherwise have been payable to participants under the SRP had these limits not been adopted.

#### 1.3 Contributions

##### 1.3.1 Participants

Staff members on a regular appointment are required to participate if their gross remuneration is over the US Internal Revenue Service compensation limits, by contributing to the Plan 7 percent of their gross remuneration in excess of those limits.

##### 1.3.2 Employer

The Employer may elect to make additional contributions beyond the actuarially required contributions to the Plan. Actual Employer contributions were made at a normalized rate

of 14 percent of gross remuneration in excess of US Internal Revenue Service limits for the financial years ended April 30, 2021, and 2020. As the actual contributions made by the Employer exceeded the required contribution rate determined by the actuary, the difference was included in advance employer contributions.

The Employer also meets certain administrative costs of the Plan, such as the actuary's fees, and any additional costs that are not covered by participant contributions.

##### 1.3.3 Plan termination

Although the Employer has not expressed any intention to do so, it has the right to terminate the Plan. In the event of the termination of the Plan by the Employer, the assets of the Plan will be used to satisfy liabilities to participants, retired participants, and their beneficiaries, and other liabilities of the Plan. Any remaining assets shall be returned to the Employer.

### 2. Basis of preparation and measurement

The financial statements of the Plan are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention.

#### 2.1 Unit of account

The functional and presentation currency of the Plan is the US dollar.

#### 2.2 Use of estimates and judgement

The preparation of the financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about the most significant estimates and critical judgements in applying accounting policies is described in Notes 3, 5, and 6.

### 3. Summary of significant accounting policies

#### 3.1 Accumulated Plan benefits

The actuarial present value of vested benefits is presented for two categories of participants. For retired participants, the amount presented equals the present value of the benefits expected to be paid over the future lifetime to all pensioners and, if applicable, their surviving spouses, domestic partners, or designated beneficiaries. For active and inactive participants, the amount presented equals the present value of the deferred pension earned to the valuation date for a participant or, if greater, the value of the withdrawal benefit for that participant, summed over all participants.

The actuarial present value of nonvested benefits includes the estimated effect of projected salary increases on benefits expected to be paid, death benefits, disability benefits, and the total of the withdrawal benefits of all participants with less than three years of eligible service.

The actuarial present value of accumulated Plan benefits is determined annually by an independent actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated Plan benefits to reflect the time value of money and the probability of payment between the valuation date and the expected date of payment (for actuarial assumptions see Note 5).

In contrast to the actuarial valuation for funding purposes shown in Note 6, the actuarial present value of accumulated Plan benefits is determined using the projected unit credit method. The obligation under this method represents the portion of the benefit obligation attributable to service through the date of the financial statements and the effect of future salary increases. It reflects only the service to the date of the financial statements and does not take into account the fact that the actuarial present value of accumulated Plan benefits, which is the Plan's obligation, is expected to increase with each year of additional service, and, therefore, there will be additional benefit accruals in the future.

The difference between the actuarial present value of accumulated Plan benefits and the fair market value of assets reflects the Plan's funded status, and is an asset (or liability) of the Employer. This difference is for the Plan's financial statements purposes only and does not measure the funded status shown for the Employer's financial statements purposes or measure the amount the Employer would be required to fund in the future. See Note 6 for the Employer's funding policy.

### 4. Financial risk management

The Plan is managed to minimize liquidity risk, and it has no exposure to credit and market risks as there are no investments held by the Plan.

#### 4.1 Liquidity risk

Liquidity risk is the risk that the Plan will encounter difficulty in meeting obligations associated with financial liabilities.

The Plan's primary objective with respect to liquidity is to have sufficient liquid resources available to pay Plan benefits when due. The liquidity needs of the Plan are taken into account in determining the required and optional Plan contributions by the Employer to ensure that current payments due to Plan participants can be met.

For the financial year ending April 30, 2022, Plan disbursements for benefit obligations are expected to be US\$69 million.

### 5. Principal actuarial assumptions

The principal actuarial assumptions for the determination of accumulated Plan benefits and the funding requirements are reviewed by the Employer comprehensively every five years, and their applicability is reviewed on an annual basis. The most recent review was completed by the Fund's actuaries in April 2021. The next comprehensive review is scheduled for 2025.

The principal actuarial assumptions used in the actuarial valuation were as follows:

	April 30, 2021	April 30, 2020
	<i>(in percent)</i>	
Average rate of return on investments	5.00	5.00
Discount rate	5.00	5.00
Average inflation rate	2.00	2.00
Rate of salary increases (average)	3.50	3.50
<b>Life expectancy</b>	<i>(in years)</i>	
Male	89	89
Female	93	93

For the year ended April 30, 2021, the actuaries estimated the effect of the experience study assumption changes based on the review completed in FY2021. The changes resulted in a decrease in the actuarial present value of accumulated Plan benefits of US\$16 million being recognized in the statements of changes in accumulated Plan benefits for the year ended April 30, 2021. The decrease was mainly due to a revision of the retirement rates, spousal age, and the percentage of married participants assumptions.

For the year ended April 30, 2020, the actuaries estimated the effect of the compensation reform effective May 1, 2020, as a result of the Comprehensive Compensation and Benefits Review. The changes resulted in a decrease in actuarial present value of accumulated Plan benefits of US\$112 million being recognized in the statements of changes in accumulated Plan benefits for the year ended April 30, 2020. The decrease was mainly due to a revision of the rate of salary increase assumption.

## 6. Employer's funding policy

The Employer's funding policy for both the Plan and the SRP assumes that the plans will continue to exist and that active participants will continue to earn pension benefits beyond the date of the valuation until the date of withdrawal, disability, death, or retirement, but that no new participant will join the Plan (the "closed method").

The Plan's funding is paid from the approved administrative budget of the SRP, which is actuarially determined on the basis of funding requirements of both plans. Funding by the Employer is based on a valuation method known as the "Aggregate Funding Method," which expresses liabilities and contribution requirements as single consolidated figures that include provision for experience gains and losses and cost-of-living increases. The Employer's contributions to the SRP and the Plan are determined on a combined basis. Should the assets of the Plan be exhausted, benefits are paid from additional contributions by the Employer.

Based on the actuarial valuation, the required contribution was 13.06 percent for the financial year ended April 30, 2021 (10.99 percent for the financial year ended April 30, 2020). A contribution of 10.66 percent will be required for the financial year ending April 30, 2022. Advance employer contributions amounted to US\$196 million and US\$193 million at April 30, 2021, and 2020, respectively.



# VII. Financial Statements of the Retired Staff Benefits Investment Account



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## Statements of Financial Position at April 30, 2021, and 2020

(in millions of US dollars)

	Note	2021	2020
<b>Assets</b>			
Cash		15	25
Investments, at fair value	5	3,116	2,319
Accrued interest, dividends, and other receivables		28	35
<b>Total assets</b>		<b>3,159</b>	<b>2,379</b>
<b>Liabilities and resources</b>			
Accounts payable		30	33
Resources	7	3,129	2,346
<b>Total liabilities and resources</b>		<b>3,159</b>	<b>2,379</b>

The accompanying notes are an integral part of these financial statements.

These financial statements were signed by the Managing Director and the Director of Finance on June [30], 2021.

Kristalina Georgieva  
Managing Director

Bernard Lauwers  
Director, Finance Department

## Statements of Comprehensive Income and Changes in Resources for the Financial Years Ended April 30, 2021, and 2020

(in millions of US dollars)

	Note	2021	2020
<b>Resources, beginning of year</b>		<b>2,346</b>	<b>2,491</b>
Transfers from the General Resources Account	7	53	51
Net investment income/(loss)	5	775	(154)
Transfers to the General Resources Account	7	(45)	(42)
<b>Net increase/(decrease)</b>		<b>783</b>	<b>(145)</b>
<b>Resources, end of year</b>		<b>3,129</b>	<b>2,346</b>

The accompanying notes are an integral part of these financial statements.

# Notes to the Financial Statements for the Financial Years Ended April 30, 2021, and 2020

## 1. Nature of operations

The International Monetary Fund (IMF, or the Employer) established the International Monetary Fund Retired Staff Benefits Investment Account (RSBIA) to hold and invest resources transferred from the General Resources Account of the General Department (GRA) and set aside such resources to finance the cost of post-employment benefits of certain current and future retirees. These benefits consist of post-employment medical and life insurance benefits and other nonpension long-term benefits, such as separation and repatriation benefits, accrued annual leave up to 60 days, and associated tax allowances. The defined benefit obligation is actuarially determined and reported by the GRA. The assets of the RSBIA are owned solely by the GRA and consist of the GRA's transfers and the income earned thereon.

The assets and liabilities of the RSBIA are kept separate from the assets and liabilities of all other accounts of or administered by the IMF. The assets of the RSBIA are not to be used to discharge liabilities or to meet losses incurred in the administration of other accounts.

### 1.1 Account termination

Although the IMF has not expressed any intention to do so, it has the right to terminate the RSBIA at any time. After meeting any post-employment benefit obligations described above, any remaining resources in the RSBIA are to be transferred to the GRA.

## 2. Basis of preparation and measurement

The financial statements of the RSBIA are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention, except for the valuation of financial assets at fair value through the net increase (decrease) in resources.

### 2.1 Unit of account

The functional and presentation currency of the RSBIA is the US dollar.

## 2.2 Use of estimates and judgement

The preparation of the financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about the most significant estimates and critical judgements in applying accounting policies is described in Notes 3, 5, and 6.

## 3. Summary of significant accounting policies

### 3.1 Financial instruments

#### Measurement at initial recognition

Financial instruments are recognized when the RSBIA becomes a party to the contractual provisions of the instrument. At initial recognition, a financial instrument is measured at its fair value, which is best evidenced by the transaction amount.

#### Derecognition

Financial assets, or a portion thereof, are derecognized when the contractual rights to receive the cash flows from the assets have expired or when they have been transferred and either (1) the RSBIA transfers substantially all the risks and rewards of ownership, or (2) the RSBIA neither transfers nor retains substantially all the risks and rewards of ownership but the RSBIA has not retained control. Financial liabilities are derecognized when they are extinguished (i.e., when the obligation specified in the contract is discharged or canceled, or expires).

#### Classification and subsequent measurement of financial assets

A financial asset is classified on initial recognition based on two factors: the business model for managing the financial asset and its contractual cash flow characteristics.

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely

payments of principal and interest are measured at amortized cost.

Financial assets that are held for collection of contractual cash flows and for selling, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through change in comprehensive income and resources.

All other financial assets, that do not meet the criteria to be measured at amortized cost or fair value through change in comprehensive income and resources, are measured at fair value through the net increase (decrease) in resources.

#### **Classification and subsequent measurement of financial liabilities**

Derivative financial liabilities are measured at fair value with changes in fair value recognized as net increase (decrease) in net investment income/(loss) in the statements of comprehensive income and changes in resources. All other financial liabilities are measured at amortized cost. Interest expense from these financial liabilities is included in the statements of comprehensive income and changes in resources using the effective interest method.

### **3.2 Investments**

Investments are carried at fair value in accordance with a business model incorporated in the RSBIA's risk management and investment strategies. Changes in the fair value of investments are recognized as a component of the changes in resources.

Investments are recognized on the trade date at which the RSBIA becomes a party to the contractual provisions of the instrument. Investments are derecognized when the contractual rights to the cash flows from the asset expire or when substantially all the risks and rewards of ownership of the investment are transferred from the RSBIA.

Investment income comprises interest and dividend income, realized gains and losses, and unrealized gains and losses, including currency valuation differences arising from exchange rate movements against the US dollar.

### **3.3 Derivative instruments**

The fair value of derivative instruments is included in investments, if positive, and liabilities, if negative, and changes in the fair value of such contracts are recognized in the statements of comprehensive income and changes in resources.

### **3.4 Foreign currency translation**

Foreign currency transactions are recorded at the rate of exchange on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are reported

using exchange rates prevailing on the date of the financial statements. Exchange differences arising from the settlement of transactions at rates different from those on the originating date of the transactions and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are included in the determination of net investment income.

### **3.5 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market.

## **4. Financial risk management**

The RSBIA is exposed to various financial risks, primarily credit, liquidity, and market risks. Exposure to these financial risks is managed within a broad risk management framework designed to balance those risks against the need to meet the IMF's post-employment benefit obligations.

### **4.1 Investment strategy and risk management**

The RSBIA's investment policies and strategies are broadly geared toward funding the post-employment benefit costs for active and retired IMF staff over a market cycle at an acceptable level of risk. The strategic asset allocation is reviewed periodically, most recently in 2017, by an Investment Committee comprising senior Employer staff. The next review of the strategic asset allocation is scheduled for the financial year ended April 30, 2022. Through a global, multiple-asset-class investment approach, the RSBIA seeks to reduce its portfolio risk for any targeted rate of return by allocating to asset classes with return profiles that are not perfectly correlated as regional and global economic, financial, and political events unfold.

Consideration is given to both quantitative and qualitative factors and analysis in setting the strategic asset allocation. Quantitatively, mean-variance optimization is used to identify portfolios whose expected returns exceed all others with the same level of risk. The quantitative process is complemented by various qualitative considerations, such as illiquidity, labor intensity, alternative risk measures (skewness and downside protection), benchmark concentration, active management opportunities, and the speed with which returns might be realized. The quantitative and qualitative analysis yields a set of feasible and efficient portfolios. The strategic asset allocation is set by identifying the portfolio that is most likely

to meet the RSBBIA's target rate of return (i.e., a return consistent with funding the IMF's post-employment benefit obligations over a full market cycle). Departures from the strategic allocation, subject to certain limits, are considered and permitted both to accommodate tactical or opportunistic investments if a sector appears to be over- or undervalued and to avoid the high transaction costs associated with overly frequent rebalancing. The RSBBIA's policy of broad investment asset diversification is intended to protect its investments from disproportionate market shocks in periods of volatility.

## 4.2 Investment guidelines

The RSBBIA has adopted general guidelines on permissible investments. The authority to purchase and sell individual securities is delegated to external investment managers subject to specific investment guidelines, criteria, standards, and other safeguards. Use of derivative securities by an investment manager must be specifically authorized by the Investment Committee.

## 4.3 Credit risk

Credit risk on investments represents the potential loss that the RSBBIA may incur if issuers and counterparties default on their contractual obligations.

### 4.3.1 Fixed-income securities

For fixed-income securities, the RSBBIA's maximum exposure to credit risk is the carrying amount of these assets, based on dealer quotes on the last business day of the financial year.

The following table presents the credit risk exposure of fixed-income investments, based on Standard & Poor's long-term rating scale:

	April 30, 2021		April 30, 2020	
	<i>(in millions of US dollars and as a percentage of total fixed-income investments)</i>			
AAA	53	8.7%	34	6.3%
AA+ to AA-	133	21.9%	159	29.6%
A+ to A-	98	16.2%	63	11.7%
BBB+ to BBB-	94	15.5%	100	18.6%
BB+ to B-	175	28.8%	133	24.7%
CCC+ or lower or unrated	54	8.9%	49	9.1%
<b>Total</b>	<b>607</b>	<b>100.0%</b>	<b>538</b>	<b>100.0%</b>

### 4.3.2 Futures contracts

The RSBBIA enters into financial futures contracts for protection against market price risk and interest rate risk, and to take investment positions. These contracts generally have a term of less than one year. The credit risk of futures contracts is limited because of daily cash settlement of the net change in the value of open contracts. Therefore, there

were no unrealized gains or losses on futures contracts at April 30, 2021, and 2020. See Note 5 for the notional values of futures at April 30, 2021, and 2020.

### 4.3.3 Forward contracts

The RSBBIA enters into forward foreign currency exchange contracts to manage foreign currency fluctuations relative to investments in its global portfolio. Forward contracts are similar in character to futures contracts. However, they have a greater degree of credit risk (counterparty risk), depending on the counterparties involved, because daily cash settlements are not required. To manage this exposure, the RSBBIA enters into close-out netting agreements, sets minimum credit-quality standards for counterparties, restricts time to maturity of forward and other over-the-counter instruments, and establishes quantitative restrictions on the use of counterparties to ensure adequate counterparty diversification. These contracts generally have terms of no more than three months. The RSBBIA's maximum exposure to credit risk for forward contracts is the amount of any unrealized gains on such contracts.

### 4.3.4 Securities lending

The RSBBIA engages in a securities lending program with its custodian, as lending agent, to enhance the return on its investments. Under this program, certain of the RSBBIA's holdings of marketable securities are lent temporarily to other institutions for a fee with collateral equal to at least 100 percent of the market value of lent securities. The RSBBIA maintains effective control over securities lent and therefore continues to report such securities as invested assets. The RSBBIA participates in the lending agent's collateral fund but does not recognize the collateral held by the lending agent or the obligation to return the collateral, as the RSBBIA has no right to sell or repledge the collateral directly. At April 30, 2021, the market value of securities lent to other institutions under the securities lending program and the market value of the RSBBIA's share of the collateral fund amounted to US\$236 million and US\$245 million, respectively (US\$202 million and US\$211 million, respectively, at April 30, 2020).

## 4.4 Liquidity risk

Liquidity risk is the risk that the RSBBIA will encounter difficulty in meeting obligations associated with financial liabilities. The RSBBIA's liabilities include accounts and benefits payable.

The RSBBIA's primary objective with respect to liquidity is to have sufficient liquid resources available to pay RSBBIA-funded benefits when due. This risk is monitored to ensure that payments for post-employment benefits for IMF employees can be met from the RSBBIA's holdings of cash and highly liquid investments.

#### 4.5 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk includes interest rate risk, exchange rate risk, and other price risks associated with changes in the values of equities, fixed-income securities, commodities, real estate, and other assets.

The RSBIA's investments comprise seven categories, all of which are subject to varying, but not perfectly correlated, market risks. The RSBIA's exposure to market risk is measured using value at risk (VaR), which is a summary measure of market risk that takes into account known market risks to which the RSBIA's investments are exposed.

VaR is the maximum potential loss in value of the RSBIA's investments due to adverse market movements over a defined time horizon with a specified confidence level. The VaR numbers reported below reflect a one-year time horizon and a 95 percent confidence interval, which means there is a 1 in 20 chance that annual losses on investment assets will equal or exceed the reported VaR. Losses in a single year could exceed the reported VaR by a significant amount.

The RSBIA's portfolio VaR estimates are based on a three-year variance-covariance matrix using actual portfolio weights at the date of the financial statements. VaR models are based predominantly on historical simulation and provide plausible future scenarios based on these simulations. However, the modeling of the market risk characteristics of the RSBIA's investments involves a number of assumptions and approximations. There is no standard methodology for estimating VaR, and different assumptions or approximations could produce significantly different VaR estimates.

The VaR for the RSBIA's investment portfolio was as follows:

	April 30, 2021	April 30, 2020
<i>(in millions of US dollars)</i>		
Equities		
Global equities	327	215
Emerging market equities	146	88
Fixed income		
Global fixed income	19	15
High income	56	41
Other		
Real assets	60	50
Alternative investments	102	60
Enhanced cash/absolute return	21	17
Diversification effects	(56)	(70)
<b>Total</b>	<b>675</b>	<b>416</b>

#### 5. Investments

In accordance with the RSBIA's investment policy, investments may be held in fixed-income securities, equity securities, real estate, private equity funds, other limited partnership vehicles, and collective investment funds. The investment portfolio comprises seven categories: global equities, emerging market equities, global fixed income, high income, real assets, alternative investments (comprising primarily private equity funds), and enhanced cash/absolute return (investments with low volatility and correlations to equity and bond markets). Investments also include derivative financial instruments, such as futures and forward contracts entered into for investment and risk management purposes.

The RSBIA's investments consisted of the following:

	April 30, 2021	April 30, 2020
<i>(in millions of US dollars)</i>		
Equities		
Global equities	1,113	775
Emerging market equities	479	290
Fixed income		
Global fixed income	266	265
High income	341	273
Other		
Real assets	288	239
Alternative investments	410	270
Enhanced cash/absolute return	219	207
<b>Total</b>	<b>3,116</b>	<b>2,319</b>

Investment categories comprise funds managed against specific asset class benchmarks and may include temporary holdings in other asset classes.

Fair values of derivatives amounted to less than US\$1 million at both April 30, 2021, and 2020.

The notional value of derivative financial instruments was as follows:

	April 30, 2021	April 30, 2020
<i>(in millions of US dollars)</i>		
Futures		
Long positions	225	165
Short positions	21	31
Forwards	105	87

The fair value of investments is based on quoted market prices or dealer quotes where available. The fair value of

investments for which quoted market prices are not available is determined after consideration of valuations provided by external investment managers, adjusted for receipts, disbursements, and distributions through the end of the financial year. The valuation of these investments may involve estimates, appraisals, assumptions, and methods that are reviewed by management. Owing to the inherent limitations in any estimation technique, these fair value estimates are not necessarily indicative of the amounts that would be realized in a market transaction. Specifically, the methods and assumptions used to estimate the fair value of the RSBIA's investments are as follows:

(i) The fair value of publicly traded equity and fixed-income securities is based on the quoted market prices from a principal exchange (US or foreign), dealers, or brokers on the last business day of the financial year.

(ii) For nonpublicly traded collective investment funds, which may include publicly traded equity and fixed-income securities for which detailed holdings are reported to the RSBIA, the fair value is determined after consideration of valuations provided by the external investment managers adjusted for receipts, disbursements, and distributions through the end of the financial year.

(iii) The fair value of private equity funds and other limited partnership vehicles represents the RSBIA's proportional share of the pool of invested funds based on the valuation determined by the general partner of each partnership in accordance with the terms of each partnership's governing agreement, adjusted for receipts, disbursements, and distributions through the end of the financial year. The fair value of underlying private equity funds is determined using a variety of valuation techniques, including those that make maximum use of market inputs such as prices received in private placement transactions, prices of publicly traded securities of comparable companies, independent appraisal, estimated liquidation value, and discounted cash flows.

(iv) The fair value of real estate investments is estimated based on the appraised value for the latest quarterly reporting period adjusted for receipts, disbursements, and distributions through the end of the financial year.

(v) Futures contracts are valued at the price quoted on the last business day of the financial year on the exchange on which they primarily trade; forward foreign currency exchange contracts are valued in accordance with the prevailing spot or forward rate of the underlying currency.

Net investment income/(loss) comprised the following:

	2021	2020
	<i>(in millions of US dollars)</i>	
Interest and dividends	39	45
Net change in fair value of investments	755	(182)
Less: Investment fees	(18)	(16)
Less: Administrative expenses	(1)	(1)
<b>Net investment income/(loss)</b>	<b>775</b>	<b>(154)</b>

## 6. Actuarial valuation

The defined benefit obligation for post-employment benefits (other than pension benefits) covered by the RSBIA of US\$3,160 million at April 30, 2021 (US\$2,943 million at April 30, 2020) is actuarially determined using the projected unit credit method and is included in the amount reported by the GRA. For the years ended April 30, 2021, and 2020, the actuarially determined defined benefit obligation includes the effect of changes approved by the Executive Board on December 16, 2019, and on May 29, 2020.

## 7. Transfers

The IMF transferred US\$53 million from the GRA to the RSBIA during the financial year ended April 30, 2021 (US\$51 million during the financial year ended April 30, 2020). Cumulative transfers from the GRA to the RSBIA amounted to US\$1,726 million at April 30, 2021 (US\$1,673 million at April 30, 2020).

The RSBIA transfers funds to reimburse the GRA for post-employment benefits payments made on behalf of the RSBIA. Such transfers amounted to US\$45 million and US\$42 million during the years ended April 30, 2021, and 2020, respectively.

## 8. Related party transactions and other administrative costs

The RSBIA reimburses the GRA for the costs of investing RSBIA assets, including staffing, travel, and other administrative expenses. For each of the financial years ended April 30, 2021, and 2020, these expenses amounted to US\$0.9 million.