

**EXECUTIVE
BOARD
MEETING**

SM/21/120
Supplement 2
Correction 1

July 13, 2021

To: Members of the Executive Board

From: The Secretary

Subject: **Fund Concessional Financial Support for Low-Income Countries—
Responding to the Pandemic—Supplementary Information and Proposed
Decisions**

Board Action: The attached corrections to SM/21/120, Sup. 2 (7/8/21) have been provided by the staff:

**Factual Errors Not
Affecting the
Presentation of Staff's
Analysis or Views**

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Questions: Ms. DeLong, LEG (ext. 39472)

~~(iii) New arrangements approved between March 22, 2021 and July 31, 2021 and existing arrangements with additional access approved during the same period, that involve cumulative access above 300 percent of quota, net of scheduled repayments, or annual access above 100 percent of quota (or above 150 percent of quota for any 12-month period that includes the period from July 13, 2020 to March 21, 2021), will remain subject to the annual and cumulative access limits specified in (a) and (b) of Section II, Paragraph 2(a)(B)(ii) for the entire duration of the arrangement, including when the duration of such arrangement is subsequently extended, unless on or after August 1, 2021, the Fund approves additional access to PRGT resources through an augmentation of access under the arrangement or through a new outright loan under the RCF.~~

~~(a)(B)(i) During the period from March 22, 2021 to December 31, 2021 (the “Applicable Period”), the annual access limit shall be 245 percent of quota for financing approved through December 31, 2021 (the “Eligible Financing”). For the computation of the annual access under the above specified “Eligible Financing”, the annual access limit of 245 percent of quota shall apply for any 12-month period that includes any part of the “Applicable Period”.~~

~~(a)(B)(ii) Notwithstanding the increase in access limits set forth in Paragraphs 2(a)(A) and 2(a)(B)(i) above, a member’s access to PRGT resources approved under an arrangement in place prior to September 9, 2020 that was exempted from the application of Policy Safeguards for High Combined GRA and PRGT Credit set forth in Decision No. 16873-(20/91) (hereinafter the “HCC policy”), will remain subject to observance of the access limits and criteria for exceptional access to the PRGT that ~~was~~ were in effect at the time of approval of such arrangement; if access under such an arrangement is augmented, the provisions in paragraphs 2(a)(A) and 2 (a)(B)(i) shall apply to such an arrangement.~~

(b) Subject to the provisions in subparagraphs (i) to (iv) below, the access of each eligible member under the RCF shall be subject to an annual limit of 50 percent of quota, and a cumulative limit of 100 percent of quota, net of scheduled repayments, including where the assistance is requested to address an urgent balance of payments need resulting primarily from a sudden and exogenous shock and the member’s existing and prospective policies are sufficiently strong to address the exogenous shock:

(i) each disbursement shall not exceed 25 percent of quota except where the member requests assistance under the RCF to address an urgent balance of payments need resulting primarily from a sudden and exogenous shock (including a large natural disaster under (ii) below);

(ii) the annual and cumulative access limits under the RCF shall be 80 percent of quota and 133.33 percent of quota, net of scheduled repayments, respectively, where (a) the member requests assistance under the RCF to address an urgent balance of payments need resulting from a natural disaster that occasions damage assessed to be equivalent to or to exceed 20 percent of the member’s gross domestic product (GDP) and (b) the member’s existing and prospective policies are sufficiently strong to address the natural disaster shock. For the period