

**FOR  
INFORMATION**

EBS/22/71

July 28, 2022

To: Members of the Executive Board

From: The Acting Secretary

Subject: **Poverty Reduction and Growth Trust (PRGT)—Effectiveness of the Amendment to the PRGT Instrument to Allow Asset Pooling for Investment Purposes Across IMF-Administered Trusts and Accounts**

Board Action: Executive Directors' **information**

Additional Information: At the time of the Executive Board's decision of April 13, 2022 to establish the Resilience and Sustainability Trust (RST), the Board also approved an amendment of the PRGT Instrument to allow for the pooling of PRGT assets with other Fund-managed trusts and accounts for investment purposes. In addition to Board approval of this amendment, its effectiveness was subject to consent from all contributors to the PRGT subsidy accounts.

In line with the Board-approved process for seeking consent from such PRGT subsidy contributors, on May 4, 2022, the Managing Director sent letters to 152<sup>1</sup> contributors requesting their explicit consent to the amendment by June 15. On June 16, a second round of letters was sent to 70 contributors that had not yet provided explicit consent, requesting their consent by July 14. As of July 14, 125 out of 152 countries, representing more than 87 percent of total subsidy contributions, explicitly consented to the amendment. Two consents have been received since the July 14 deadline lapsed. No contributor indicated that it objected to the amendment.

Under the mechanism established by the Executive Board, this amendment became effective following the passing of the July 14 deadline. In particular, under this mechanism those contributors that

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<sup>1</sup> No communication was sent to the authorities of Afghanistan and Myanmar pending clarity on the recognition of a government in those countries (see footnote 52 of the [staff paper](#)).

did not provide explicit consent by July 14 are presumed to have consented to the amendment. These contributors have a period of six months after the amendment became effective on July 14 (i.e., January 16, 2023)<sup>2</sup> to request a return of the remaining share of their contributions to the PRGT subsidy accounts if during this period they sent a communication to the Fund objecting to the amendment.

Questions:

Mr. Beaumont, FIN (ext. 37411)  
Mr. Steinki, LEG (ext. 34061)

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<sup>2</sup> As January 14, 2023 is not a Fund business day, the next Fund business day is used.