

SM/10/97
Supplement 2

July 19, 2010

To: Members of the Executive Board

From: The Secretary

Subject: **Proposal for a Post-Catastrophe Debt Relief Trust—Draft Public Information Notice**

Attached for consideration by the Executive Directors is the background section of the draft Public Information Notice relating to the paper on the proposal for a Post-Catastrophe Debt Relief Trust Fund (SM/10/97, 4/22/10), which was discussed by the Board on May 19, 2010.

It is intended that the paper, together with the PIN summarizing the discussion, will be published on the Fund's external website.

Questions may be referred to Mr. Mumssen, SPR (ext. 35623), Mr. Powell, FIN (ext. 36932), and Ms. Weeks-Brown, LEG (ext. 36896).

This document will shortly be posted on the extranet, a secure website for Executive Directors and member country authorities.

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INTERNATIONAL MONETARY FUND

Public Information Notice

EXTERNAL
RELATIONS
DEPARTMENT

Public Information Notice (PIN) No. 10/xx
FOR IMMEDIATE RELEASE
[Month, dd, yyyy]

International Monetary Fund
700 19th Street, NW
Washington, D. C. 20431 USA

IMF Executive Board Establishes a Post-Catastrophe Debt Relief Trust

On June 25, 2010 the Executive Board of the International Monetary Fund (IMF) approved the creation of a Post-Catastrophe Debt Relief Trust.

Background

On May 19, 2010, the Executive Board of the International Monetary Fund (IMF) discussed options for providing exceptional debt relief to very poor countries hit by the most catastrophic of natural disasters, such as the recent devastating earthquake in Haiti (see Executive Board assessment below). Reflecting this discussion, on June 25, 2010, the Executive Board established a Post-Catastrophe Debt Relief (PCDR) Trust that allows the IMF to join international debt relief efforts in these cases. Debt relief provided under the PCDR Trust is intended to free up additional resources to meet exceptional balance of payments needs created by the catastrophic disaster and subsequent recovery, complementing fresh donor financing and the IMF's concessional facilities.

Executive Board Assessment

Public Information Notices (PINs) form part of the IMF's efforts to promote transparency of the IMF's views and analysis of economic developments and policies. With the consent of the country (or countries) concerned, PINs are issued after Executive Board discussions of Article IV consultations with member countries, of its surveillance of developments at the regional level, of post-program monitoring, and of ex post assessments of member countries with longer-term program engagements. PINs are also issued after Executive Board discussions of general policy matters, unless otherwise decided by the Executive Board in a particular case.