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ATTENTION**

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CONFIDENTIAL

December 27, 1999

To: Members of the Executive Board

From: The Acting Secretary

Subject: PRGF Trust and PRGF-HIPC Trust—Update on Status of Operations

Attached for consideration by the Executive Directors is a paper on the PRGF Trust and PRGF-HIPC Trust—update on status of operations.

It is not proposed to bring the attached paper to the agenda of the Executive Board for discussion unless an Executive Director so requests by noon on Thursday, December 30, 1999. In the absence of such a request, the draft decision that appears on page 15 will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Ms. McGuirk (ext. 38363), Mrs. Lurie (ext. 37639), Ms. Happe (ext. 38675), and Mr. Elizalde (ext. 37796) are available to answer technical or factual questions relating to this paper.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

**PRGF Trust and PRGF-HIPC Trust:
Update on Status of Operations**

Prepared by the Treasurer's, Policy Development and Review, and Legal Departments

Approved by Eduard Brau, Jack Boorman, and François P. Gianviti

December 27, 1999

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EXECUTIVE SUMMARY

- To meet the expected demand for support under the current PRGF through 2000, in August 1999, the Executive Board approved an increase in the borrowing limit of the PRGF Trust Loan Account from SDR 11 billion to SDR 11.5 billion. New and prospective borrowing agreements with PRGF Trust lenders will raise loan resources to SDR 11.3 billion. These include new borrowing agreements with Belgium (SDR 200 million), France (SDR 350 million), and the Netherlands (SDR 250 million) that are already effective; agreements with Canada (SDR 200 million) and Italy (SDR 250 million) that have been approved by the Board, but are not yet effective; and agreements that are expected to be concluded soon with Denmark (SDR 100 million), Germany (SDR 350 million), and Spain (SDR 125 million).
- Based on an assumed six-month SDR interest rate of 5 percent for the remaining life of the PRGF Trust and assumed PRGF lending of SDR 11.5 billion, subsidy resources are estimated to exceed requirements by SDR 133 million on an "as needed" basis. The adequacy of subsidy resources will continue to be kept under close review.
- Cumulative PRGF commitments amount to SDR 9,144 million. Since the last update, the Board approved six new three-year PRGF arrangements, for total commitments of SDR 264 million, and augmentations of two arrangements, for a total of SDR 15 million. Four arrangements expired with undisbursed balances totaling SDR 200 million. Since 1987, a total of 88 PRGF arrangements have been approved for 52 countries.
- Resources of the Reserve Account increased by SDR 88 million to SDR 2,484 million since the last update. Under current assumptions regarding the lending limit and average SDR interest rate, the cumulative balance in the Account is projected to increase from its current level of 42 percent of PRGF Trust obligations to a level sufficient to fully cover outstanding Trust obligations by early 2007. At the projected start of the self-sustained PRGF at end-2004, the reserve coverage ratio is expected to be 57 percent.
- In the staff's judgment, the resources of the Reserve Account are sufficient to provide adequate security for claims on the PRGF Trust arising from loans to the Loan Account and to meet all obligations that could give rise to a payment from the Reserve Account to lenders to the Trust in the period January-June 2000.
- During the period under review, resources of the PRGF-HIPC Trust declined from SDR 74 million to SDR 66 million. Mozambique reached its completion point and SDR 93 million was transferred to its subaccount of the Umbrella Account for HIPC operations. Following the Board decisions on the PRGF-HIPC financing package taken on December 8, the PRGF-HIPC Trust has received SDR 301 million in grant resources. In addition, SDR 1,302 million originating from gold sales was received by the Special Disbursement Account.

I. INTRODUCTION

1. This six-monthly report provides an update on the status of PRGF¹ operations through November 1999² and reviews the adequacy of the Reserve Account for the period January 1 to June 30, 2000.³ The report also reviews the operations of the Trust for Special PRGF Operations for the Heavily Indebted Poor Countries (HIPC) and Interim PRGF Subsidy Operations (the PRGF-HIPC Trust).⁴ A proposed decision for the review of the adequacy of the PRGF Trust Reserve Account appears in paragraph 25.

II. PRGF TRUST

2. In October 1999, the Executive Board adopted a decision to change the names of the ESAF and ESAF Trust to the "Poverty Reduction and Growth Facility (PRGF)" and the "Poverty Reduction and Growth Facility Trust (PRGF Trust)", respectively, and to broaden the objectives of the renamed facility. The decision became effective on November 22, 1999, when all contributors to the Trust had consented to the changes.⁵

A. Status of Loan and Subsidy Resources

3. To meet the expected demand for support under the PRGF, in August 1999, the Executive Board adopted a decision to raise the limit on borrowing for the PRGF Trust Loan Account from SDR 11 billion to SDR 11.5 billion (Table 1).⁶ At that time, estimates of the demand of PRGF loan resources indicated that new three-year PRGF commitments could amount to SDR 1.9 billion or more in 2000. However, the latest demand projections indicate that, due to

¹ Known as ESAF prior to November 22, 1999.

² The most recent report on PRGF operations covered the period through May 1999, EBS/99/108 (6/23/99).

³ Since there are two PRGF outstanding loans for the encashment of rights (Sierra Leone and Zambia), the Fund is required to review the adequacy of the PRGF Trust Reserve Account (see Decision No. 10286-(93/23) ESAF, adopted February 22, 1993, *Selected Decisions, Twenty-Fourth Issue*, June 30, 1999, pp. 417-419).

⁴ Paragraph 2 of Decision No. 11436-(97/10) adopted February 4, 1997 (see *Selected Decisions, Twenty-Fourth Issue*, June 30, 1999, pp. 64).

⁵ EBS/99/193, Supplement 1.

⁶ See *Enhanced Structural Adjustment Facility (ESAF): Increase in the Limit on Borrowing for the Loan Account of the ESAF Trust*, EBS/99/139 (7/26/99), and Decision No.12032-(99/87) ESAF, adopted August 2, 1999.

possible delays in requests from a few potentially large borrowers, projected new commitments of PRGF resources may not reach that level until early 2001.

4. Total effective loan commitments to the PRGF Trust amounted to SDR 9,944 million as of end-November 1999.⁷ This amount includes SDR 200 million under the borrowing agreement with Belgium, which entered into effect in July 1999, and SDR 250 million under the borrowing agreement with the Netherlands, which entered into effect in late September 1999. In addition, the borrowing agreement with France (SDR 350 million) entered into effect in mid-December 1999. Additional resources will become available when the borrowing agreements with Canada (SDR 200 million) and Italy (SDR 250 million), which have already been approved by the Executive Board, enter into effect, and when new borrowing agreements with Denmark (SDR 100 million), Germany (SDR 350 million), and Spain (SDR 125 million) are finalized and enter into effect. This would increase the amount of effective loan commitments to the PRGF Trust to about SDR 11,319 million.

5. Based on an assumed annual market rate of interest of 5 percent over the remaining life of the PRGF Trust through 2014, full subsidization of PRGF lending of SDR 11.5 billion at an annual interest rate of 0.5 percent would require subsidies of SDR 3,865 million on an "as needed" basis.⁸ Total effective subsidy resources are estimated at SDR 3,997 million on an "as needed" basis, or SDR 133 million higher than subsidy requirements. Commitments of SDR 3,410 million have been made by bilateral contributors and the balance, SDR 588 million, is the "as needed" value of the resources transferred in 1994 from the Fund's Special Disbursement Account (SDA). An analysis of the sensitivity of available and required subsidies under alternative interest rate assumptions is provided in paragraph 15. Contributions received by the Subsidy Account as of end-November 1999 are shown in Appendix Tables 7 and 8.

⁷ This amount does not include commitments under the associated loan agreement with the Saudi Fund for Development (SFD) of SDR 49.5 million.

⁸ The "as needed" value of subsidy contributions is the sum of the undiscounted subsidies required that could be financed from the resources generated by subsidy contributions.

Table 1. Status of PRGF Trust Loan and Subsidy Resources 1/

(In millions of SDRs)

	Loans 2/	Subsidies 3/
Resource Requirements	11,500	3,865
Available Resources	9,944	3,997 4/
Resources available less requirements	-1,556	133
Commitments not yet effective	1,375	--

Source: Appendix Tables 10 and 11.

1/ Excludes commitments under the associated loan agreement with the SFD, amounting to SDR 49.5 million.

2/ As of November 30, 1999. Additional resources of SDR 350 million became available in mid-December 1999.

3/ Estimated value of subsidies on an "as needed" basis, assuming an interest rate of 5.0 percent per annum on Trust borrowing and Trust investments for the remaining life of the PRGF Trust.

4/ Includes the estimated "as needed" subsidy value (SDR 588 million) of SDR 400 million transferred from the SDA to the Subsidy Account in early 1994.

B. Review of Operations

Commitments to borrowers

6. From June 1, 1999 through November 30, 1999, six new three-year PRGF arrangements for Burkina Faso, Cambodia, Djibouti, Mali, Mauritania, and Mozambique were approved for total commitments of SDR 264 million. The Board also approved augmentations for Albania and Georgia for a total amount of SDR 15 million (Table 2 and Appendix Table 9). During that period, PRGF arrangements approved in 1996 for the Republic of Congo, Ethiopia, Haiti, and Niger expired with undisbursed balances totaling about SDR 200 million.

Table 2. PRGF Commitments
(In millions of SDRs)

	Cumulative 1988-98	1999		Less: Undisbursed balances ^{1/}	Cumulative 1988-99
		Jan.- May	June- Dec.		
Commitments (including augmentations)	9,674	643	279	-1,453	9,144
Number of New Three-year PRGF Arrangements	79	3	6	88

Source: Appendix Table 9.

^{1/} At expiration or cancellation.

7. As of end-November 1999, cumulative commitments made to borrowers under 88 PRGF arrangements approved for 52 countries, less undisbursed balances at expiration or cancellation of PRGF arrangements, amounted to SDR 9,144 million, compared with effective commitments of loan resources available from PRGF Trust lenders and the SFD of SDR 9,994 million (Table 3). Since no new three-year PRGF arrangements are expected to be approved in December 1999, and a new borrowing agreement with France (SDR 350 million) entered into effect in mid-December 1999, available resources are projected at SDR 1,200 million at end-1999, compared to SDR 480 million at end-May 1999.

Table 3. Effective Commitments (1999, end of period)
(In millions of SDRs)

	<u>May 31</u>	<u>November 30</u>	<u>December 31</u>
Commitments from lenders	9,545	9,994	10,344 ^{1/}
Commitments to borrowers	9,064	9,144	9,144
Available loan resources	480	850	1,200 ^{1/}

Source: Appendix Tables 9 and 10.

^{1/} Additional resources of SDR 350 million became available in mid-December 1999.

Disbursements and repayments

8. Disbursements and repayments of loans made under PRGF arrangements through end-November 1999 are shown in Table 4. The amount owed by PRGF borrowers of SDR 5,863 million is SDR 25 million lower than the amount of SDR 5,888 million owed to lenders (Appendix Table 10). This mismatch of resources arises because of an interest-free loan, which was drawn as a lump sum before disbursements could be made to PRGF borrowers.⁹ Except for a recent drawing on the Japan Bank for International Cooperation (JBIC), other Trust loans have been made on a pass-through basis.¹⁰

Table 4. PRGF Disbursements and Repayments (as of November 30, 1999)
(In millions of SDRs)

	PRGF Trust	SFD	Total 1/
Disbursements	7,105	50	7,154
Repayments	1,279	11	1,291
Outstanding Loans	5,825	38	5,863

Source: Appendix Tables 9 and 10.

1/ Excluding the SDA-financed portion of PRGF disbursements and repayments.

9. In September 1999, Sierra Leone incurred arrears to the PRGF Trust which were cleared on December 15. This was the first time that late payments to the Trust exceeded 30 days.

⁹ The mismatch arises on account of a drawing made in January 1989 of the entire commitment of SDR 200 million under the interest-free borrowing agreement between the PRGF Trust and the Swiss Confederation. In accordance with paragraph 3.a of that agreement, SDR 162.1 million of the drawing (the amount which remained undisbursed to borrowers six months after the drawing) was deemed to have been disbursed in July 1989. The drawing was fully repaid by July 1999; however, the corresponding loans to borrowers, which were not fully disbursed until March 1994, are still being repaid.

¹⁰ A drawing amounting to SDR 144 million at end-September 1999 was originally planned to finance a PRGF disbursement to Pakistan. Since the Board discussion on the PRGF arrangement for Pakistan was postponed, the amount of the drawing is currently being used to finance smaller loans to several borrowers.

Subsidy resources

Resources of the Subsidy Account

10. In the period from June 1, 1999 through November 30, 1999, the estimated available (cash) resources of the PRGF Subsidy Account increased by SDR 25 million to SDR 1,754 million. This increase was made up of inflows consisting of further contributions in the form of grants; net income from the investment of grants and from loans, investments and deposits with the Subsidy Account at concessional rates; and transfers of net earnings on placements with administered accounts for the benefit of the Subsidy Account, less outflows to subsidize the rate of interest paid by PRGF Trust beneficiaries.

Total subsidy contributions and requirements

11. The estimates of subsidy contributions and requirements on an "as needed" basis depend on the actual level of interest rates through end-October 1999, on assumptions regarding the projected level of interest rates over the remaining life of the Trust, and on the pattern of subsidy contributions and loan disbursements. In the case of contributions that are not denominated in SDRs, exchange rate variations also affect the estimated SDR value of the contributions.

12. *Interest rate* –The projections of the value of future overall subsidy requirements and subsidy contributions for the rest of the life of the Trust are based on projections of the six-month SDR interest rate.¹¹ This rate has been used for analytical and comparison purposes because it is the rate used for most lending to the Trust, and it reasonably approximates returns on the Trust's investments in the SDR deposit market.

13. The six-month SDR interest rate averaged about 6 percent over the period from December 1987 to November 1999, the life of the Trust thus far, but declined since 1990. The rate averaged 4.4 percent during the period from 1993 to 1998, and 3.6 percent during the eleven month period ending November 1999. Short-term interest rates are projected to rise over the medium-term, but taking into account the current level of interest rates and the projected profile of outstanding obligations under the PRGF (which are expected to be at their highest levels over the period 1999-2005 and to decline sharply thereafter), the staff believes that it is reasonable to assume that the interest rate payable on PRGF obligations over the projection period will not

¹¹ The staff calculates the six-month SDR rate based on the following instruments: the bond equivalent yield for six-month U.S. treasury bills, the six-month interbank rate in Germany, the mid-point between the bid and offered rate on six-month treasury bills in France, the average rate for newly issued bank CDs in Japan with a maturity of between 150 and 180 days, and the six-month interbank rate in the United Kingdom. The rates on these instruments are weighted in the same proportions as the currencies in the SDR basket. Since the introduction of the euro in 1999, euro-denominated instruments have been used for the six-month rate in France and Germany.

average above 5 percent.¹² The sensitivity of the estimates of subsidy availability, subsidy requirements, and the projected Reserve Account balance to interest rate variations is analyzed below (paragraphs 15 and 17).

14. *Value of subsidy contributions and subsidy requirements* – For projection purposes, it is assumed that SDR 11.5 billion in loan resources will be fully committed to PRGF borrowers during the period through end-2000. At an assumed interest rate of 5 percent for the rest of the life of the Trust, the total value of effective subsidy contributions is estimated at SDR 3,997 million on an "as needed" basis (which is slightly higher than the estimate of SDR 3,979 million in the last update paper),¹³ while the estimated value of subsidy requirements is SDR 3,865 million (as compared to SDR 3,905 million in the last update paper). The differences in these estimates are due to small changes in individual contributions reflecting exchange rate variations, changes in the timing of a few contributions, delays in new loan commitments, and actual interest rates that were lower than projected. The individual components of the estimated value of total effective subsidies are shown in Appendix Table 11. The table has been revised to exclude the subsidy commitments to the PRGF Trust from four countries totaling about SDR 106 million "as needed," which are not expected to be forthcoming.¹⁴

15. A sensitivity analysis of subsidy availability and subsidy requirements to the assumed interest rate, as well as the maximum possible level of PRGF commitments that can be subsidized, indicates that as the average interest rate declines, subsidy requirements decline markedly; subsidy availability also declines, but more slowly (Table 5),¹⁵ i.e., a decline in interest rates has a positive net effect on the availability of subsidy resources.

¹² The calculations for the PRGF-HIPC Trust are not very sensitive to changes in interest rates since these changes have broadly offsetting effects on the "as needed" value of subsidy requirements and interest income.

¹³ This estimate does not include the value of the subsidies (SDR 16 million) attributable to the contribution by the SFD.

¹⁴ The authorities of Brazil, Colombia, and Mexico have confirmed that their earlier pledges will not be forthcoming; the authorities of the United States have also confirmed that no pledges beyond the US\$25 million already approved will be forthcoming.

¹⁵ Subsidy requirements are fully affected by interest rates changes. Subsidy availability is much less affected by interest rate changes because most subsidy contributions consist of grants. While the interest earned on grants is affected by interest rate changes, grant resources are unaffected.

Table 5. Interest Rate Sensitivity of Subsidy Availability and Requirements

1. Interest rate 1/	(Percent per annum)				
	4.0	4.5	5.0	5.5	6.0
	(In millions of SDRs)				
2. Subsidies ("as needed")					
a. Availability	3,849	3,923	3,997	4,072	4,148
b. Requirements 2/	3,277	3,571	3,865	4,159	4,453
c. Surplus or deficit (a-b)	572	352	133	-86	-305
3. Maximum possible level of PRGF commitments	13,609	12,635	11,880	11,277	10,785

1/ Assumed average interest rates over the remaining life of the PRGF Trust.

2/ Total subsidies required to reduce the interest rate on lending of SDR 11.5 billion to 0.5 percent per annum.

Reserve Account

16. Resources in the Reserve Account amounted to SDR 2,484 million as of November 30, 1999, an increase of SDR 88 million in the period since May 31, 1999 (Appendix Table 12). At this level, amounts held in the Reserve Account represent 42 percent of outstanding PRGF Trust obligations at end-October 1999 and are more than sufficient to meet projected repayments to the PRGF Trust lenders of SDR 231 million during the period January-June 2000.¹⁶

17. The future growth of resources in the Reserve Account depends primarily on: (i) the pattern of the inflow of repayments of SAF loans and the SDA-financed portion of PRGF loans; (ii) the income derived from the investment of the resources in the account; and (iii) the pattern of possible transfers from the account to the PRGF-HIPC Trust (paragraph 20). The rate of return on investments, weighted by the amount of resources invested, has averaged 4.8 percent per annum over the life of the Trust through end-November 1999. During the past six months, the rate of return has averaged about 3.6 percent per annum. Based on an assumed interest rate of 5 percent per annum for the period December 1999 through end-2014 and the increased lending limit of SDR 11.5 billion, the cumulative balance in the Reserve Account is projected to increase

¹⁶ At end-1999, the projected balance in the Reserve Account (SDR 2,533 million) represents about 44 percent of projected outstanding PRGF Trust obligations.

from SDR 2.5 billion at end-November 1999 to SDR 4.2 billion in early 2007,^{17 18} at which time the balance would be sufficient to fully cover outstanding Trust obligations. For illustrative purposes, the estimated balance in the Reserve Account at end-2004 under interest rate assumptions ranging from 4 percent to 6 percent per annum, is shown below.

Table 6. Reserve Account Balance at End-2004

Interest rate	(Percent per annum)				
	4.0	4.5	5.0	5.5	6.0
	(In millions of SDRs)				
Reserve Account	3,625	3,709	3,794	3,881	3,969
Reserve Coverage 1/	55%	56%	57%	59%	60%

1/ As a ratio of outstanding PRGF Trust obligations.

18. Based on the current and projected levels of the Reserve Account, it is the judgment of the staff that the resources in the Reserve Account of the PRGF Trust are sufficient to provide adequate security for claims arising from loans to the Loan Account of the PRGF Trust, and to

¹⁷ The projections of the Reserve Account balance (Appendix Table 12, footnote 2) take into account transfers from the Reserve Account to the PRGF-HIPC Trust of SDR 41 million at the end of FY 1998, SDR 41 million in FY 1999, and an estimated SDR 48 million in FY 2000 – the amounts equivalent to the costs of administering the PRGF Trust in FYs 1998, 1999, and 2000, respectively. Projections also take into account similar transfers assumed to amount to SDR 48 million in each of the FYs 2001-2004 and of SDR 12 million in each of the FYs 2005-2014. The projections also take into account transfers from the Reserve Account to the Special Disbursement Account (SDA) and retransfer to the PRGF-HIPC Trust of SDR 20 million in April 1998 for the benefit of Uganda and of SDR 23 million in July 1999 for the benefit of Mozambique, under the HIPC Initiative (see next section). For these temporary transfers, the projections assume that the SDA will be replenished by an equivalent amount in present value terms from the PRGF-HIPC Trust to support operations under the self-sustained PRGF.

¹⁸ Assuming an interest rate of 5 percent for the projection period, the estimated level of the Reserve Account by end-2004 (SDR 3,794 million) is lower than the estimated level reported in the previous PRGF update paper (SDR 3,851 million). The difference is due to: (a) an increase of SDR 9 million in the level of overdue SAF obligations; (b) an assumed delay in the settlement of overdue Trust obligations by Sudan to the latter part of the period 2000-2003; (c) an authorized temporary transfer of SDR 23 million in July 1999 for the benefit of Mozambique; and (d) lower-than-projected actual interest rates during the most recent six-month period.

meet all obligations that could give rise to a payment from the Reserve Account to lenders to the PRGF Trust Loan Account in the six-month period following this review.

III. PRGF-HIPC TRUST

19. The framework for the continuation of the PRGF as the centerpiece of the Fund's support for the poorest countries, including in the context of the HIPC Initiative, was agreed in September 1996 and the PRGF-HIPC Trust was established in February 1997. To proceed expeditiously with the implementation of the HIPC Initiative, the Executive Board adopted decisions in 1997 to allow transfers of up to SDR 250 million from the PRGF Reserve Account to the Special Disbursement Account to provide Trust grants and Trust loans as defined in the Instrument to establish the PRGF-HIPC Trust;¹⁹ to date, transfers of SDR 43.5 million have been made in support of HIPC operations.

20. In April 1998 and April 1999, the Executive Board approved decisions that no reimbursement would be made from the PRGF Reserve Account to the General Resources Account for the annual cost of administering the PRGF Trust for FYs 1998, 1999, and 2000 and that instead an equivalent amount would be transferred from the Reserve Account (through the SDA) to the PRGF-HIPC Trust. Thus far, transfers totaling SDR 105.8 million have been made, equivalent to the cost of administering the PRGF Trust in FYs 1998 and 1999 and the first half of FY 2000.

21. On April 28, 1999, the participants in the New Arrangements to Borrow (NAB) unanimously decided that, as a condition for the activation of the NAB to finance purchases by Brazil, one-third of the surcharge on outstanding purchases made under the SRF by Brazil be transferred to the PRGF-HIPC Trust.²⁰ These transfers, which amounted to SDR 46.1 million, at end-November 1999, will continue for as long as SRF purchases by Brazil remain outstanding. By end-November 1999, bilateral contributions to the PRGF-HIPC Trust had been received from ten countries (Annex II) and, in total, the PRGF-HIPC Trust has received SDR 61.9 million in resources from bilateral contributions (including interest earned on invested balances).

22. Since the HIPC Initiative was adopted in February 1997, the Fund has committed SDR 222.2 million of HIPC assistance to seven countries that have reached their decision points (Appendix Table 13).²¹ Four of the seven—Bolivia, Guyana, Mozambique, and Uganda—have

¹⁹Decision No. 11434-(97/10) adopted February 4, 1997 and No. 11610-(97/113) adopted December 19, 1997.

²⁰Decision No. 11840-(98/122) adopted December 2, 1998.

²¹Two other countries (Benin and Senegal) reached their decision points in July 1997 and April 1998, respectively, and the Board determined that their external debt situation was sustainable under the terms of the original HIPC Initiative. These countries are now eligible to be reconsidered for assistance under the enhanced HIPC Initiative.

reached their completion points and HIPC assistance in the form of grants amounting to SDR 191.5 million was transferred to the individual countries' subaccounts of the Umbrella Account for HIPC Operations. The resources in the subaccounts are to be used to meet part of these members' scheduled debt service payments to the Fund. In the case of Mozambique, the amount of assistance that had been committed at its decision point was increased in light of adverse external developments so as to reduce Mozambique's debt to the 200 percent target for the NPV of debt-to-exports ratio.

23. In the period June 1, 1999 through November 30, 1999, available (cash) resources in the account of the PRGF-HIPC Trust decreased from SDR 74.4 million to SDR 65.8 million (Appendix Table 14). This net decrease resulted from a transfer of SDR 93.2 million to the subaccount of Mozambique plus inflows totaling SDR 84.6 million from contributions in the form of grants, income from investments of resources of the Trust, transfers from the Reserve Account of the PRGF Trust, and transfers of SRF income.

24. Following an extensive external consultation process, the Boards of the Bank and the Fund endorsed proposals to enhance the HIPC Initiative by providing faster, deeper, and broader debt relief and by strengthening the links between debt relief and poverty reduction.²² At the end of September 1999, agreement was reached on all of the elements of a financing package to meet the increased financing requirements of the PRGF and HIPC initiatives. The financing package, amounting to SDR 3.9 billion "as needed", is comprised of bilateral contributions (SDR 1.5 billion "as needed") and contributions by the Fund (SDR 2.4 billion "as needed"). On December 8, 1999, the Executive Board took decisions to terminate the Special Contingent Account 2 (SCA-2), to effect off-market transactions in gold, and to forego reimbursement of the GRA for the cost of administering the PRGF Trust in FYs 2001-2004 and instead to transfer an equivalent amount from the PRGF Reserve Account to the PRGF-HIPC Trust. As a result of these decisions, the PRGF-HIPC Trust has already received SDR 294 million in grants from, or attributable to, bilateral contributors; also, a direct grant contribution of SDR 7 million was received from Norway in mid-December 1999. In addition, SDR 1,302 million originating from gold sales have been received by the SDA. The first country cases under the enhanced HIPC Initiative, including retroactive cases, are expected to be presented to the Executive Board in January 2000, and it is anticipated that up to 15 countries could reach decision points under the Initiative during the first half of 2000.

²² See *HIPC Initiative—Progress Report to the Interim and Development Committees* (EBS/99/185, 9/22/99).

Proposed Decision

25. The following decision, which could be made by a majority of the votes cast, is proposed for adoption:

Pursuant to Decision No. 10286-(93/23) ESAF, the Fund has reviewed the adequacy of the Reserve Account of the PRGF Trust, and determines that amounts held in the account are sufficient to meet all obligations which could give rise to a payment from the Reserve Account to lenders to the Loan Account of the PRGF Trust in the six months from January 1 to June 30, 2000.

Table 7. PRGF Trust Subsidy Account
Availability of Resources
As of November 30, 1999

(In millions of SDRs)

Contributor	Cumulative to May 31, 1999			June 1, 1999 to November 30, 1999			Cumulative to November 30, 1999		
	Prior to Enlargement	For	Total	Prior to Enlargement	For	Total	Prior to Enlargement	For	Total
	A. Resources Available to Subsidy Account								
1. Grants Received									
Special Disbursement Account	-	400.0	400.0	-	-	-	-	400.0	400.0
Argentina	-	11.3	11.3	-	2.3	2.3	-	13.6	13.6
Australia	-	1.1	1.1	-	1.2	1.2	-	2.3	2.3
Bangladesh	-	0.2	0.2	-	0.1	0.1	-	0.3	0.3
Canada	108.2	20.4	128.6	-	-	-	108.2	20.4	128.6
China	-	5.0	5.0	-	0.7	0.7	-	5.7	5.7
Czech Republic	-	5.0	5.0	-	1.0	1.0	-	6.0	6.0
Denmark	27.0	17.4	44.4	-	-	-	27.0	17.4	44.4
Egypt	-	5.0	5.0	-	1.0	1.0	-	6.0	6.0
Finland	22.7	-	22.7	-	-	-	22.7	-	22.7
Germany	114.3	-	114.3	6.0	-	6.0	120.3	-	120.3
Iceland	2.0	0.4	2.4	-	-	-	2.0	0.4	2.4
India	-	3.5	3.5	-	0.7	0.7	-	4.2	4.2
Ireland	-	-	-	-	2.4	2.4	-	2.4	2.4
Italy	122.6	8.7	131.3	-	3.9	3.9	122.6	12.6	135.2
Japan ^{1/}	271.3	156.1	427.4	-	-	-	271.3	156.1	427.4
Korea	27.7	1.6	29.3	-	0.3	0.3	27.7	1.9	29.6
Luxembourg	3.0	1.5	4.5	-	0.7	0.7	3.0	2.2	5.2
Morocco	-	3.5	3.5	-	0.8	0.8	-	4.3	4.3
Netherlands	53.8	19.7	73.5	-	4.3	4.3	53.8	24.0	77.8
Norway	16.9	10.3	27.2	-	-	-	16.9	10.3	27.2
Sweden	73.3	37.6	110.9	-	-	-	73.3	37.6	110.9
Switzerland	-	16.5	16.5	-	4.1	4.1	-	20.6	20.6
Turkey	-	1.0	1.0	-	1.0	1.0	-	2.0	2.0
United Kingdom	212.2	52.7	264.9	20.3	-	20.3	232.5	52.7	285.2
United States ^{1/}	78.6	11.3	89.9	13.2	3.0	16.2	91.8	14.3	106.1
Subtotal	<u>1,133.6</u>	<u>789.8</u>	<u>1,923.4</u>	<u>39.5</u>	<u>27.5</u>	<u>67.0</u>	<u>1,173.1</u>	<u>817.3</u>	<u>1,990.4</u>
2. Income from Investment ^{2/ 3/}									
			529.8			32.6			562.4
3. Income from Administered Accounts ^{3/}									
			<u>132.9</u>			<u>4.3</u>			<u>137.2</u>
4. Total									
			2,586.1			103.9			2,690.0
B. Resources Disbursed to Subsidize Trust Lending ^{3/}									
			<u>857.1</u>			<u>78.5</u>			<u>935.6</u>
C. Net Subsidy Resources Available									
			<u>1,729.0</u>			<u>25.4</u>			<u>1,754.4</u>

Note: Totals may not add due to rounding

^{1/} Whenever the contributor does not designate contributions as "prior to enlargement" or "for enlargement," the allocation is made by the staff

^{2/} Includes income from concessional loans to and investments by contributors with the Subsidy Account

^{3/} Includes actual amounts accrued through November 30, 1999

Table 8. Contributions to the PRGF Subsidy Account 1/
As of November 30, 1999
(In millions of SDRs)

Vehicle	Loan/Investment Amount (SDR millions)			Interest Rate (percent)	Maturity	
	Approved	Received	Outstanding			
A. Contributions prior to Enlargement						
Austrian National Bank 2/	Admin. Account	60.0	60.0	--	0.5	5½-10 years
National Bank of Belgium 3/	Admin. Account	100.0	100.0	--	0.5	10 years
Bank of Greece 2/	Admin. Account	35.0	35.0	--	0.5	5½-10 years
Bank Negara Malaysia 4/	Subsidy Account	40.0	40.0	--	0.5	10 years
Central Bank of Malta	Subsidy Account	1.4	1.4	1.4	0.5	13 years
Monetary Authority of Singapore 5/	Subsidy Account	40.0	40.0	20.0	2.0	10 years
Bank of Thailand 6/	Subsidy Account	<u>20.0</u>	<u>20.0</u>	--	2.0	10 years
		296.4	296.4	21.4		
B. Contributions for Enlargement 7/						
Austrian National Bank	Admin. Account	50.0	50.0	50.0	0.5	5½-10 years
National Bank of Belgium	Admin. Account	80.0	80.0	80.0	0.5	10 years
Bank of Botswana 8/	Admin. Account	6.9	6.9	6.9	2.0	10 years
Banco Central de Chile 9/	Admin. Account	15.0	15.0	--	0.5	5 years
Bank of Greece 10/	Admin. Account	35.0	35.0	31.5	0.5	5½-10 years
Bank Indonesia 11/	Admin. Account	25.0	25.0	25.0		10 years
Central Bank of the Islamic Rep. of Iran 12/	Admin. Account	5.0	5.0	5.0	0.5	10 years
Bank Negara Malaysia	Subsidy Account	40.0	40.0	40.0	2.0	10 years
Central Bank of Malta	Subsidy Account	1.4	1.4	1.4	0.5	13 years
State Bank of Pakistan 13/	Subsidy Account	10.0	4.0	4.0	0.5	16 years
Banco do Portugal 14/	Admin. Account	13.1	13.1	13.1	0.5	6-10 years
Monetary Authority of Singapore	Subsidy Account	40.0	40.0	40.0	2.0	10 years
Bank of Thailand 6/	Subsidy Account	40.0	40.0	--	2.0	10 years
Banque Centrale de Tunisie 15/	Subsidy Account	3.6	3.6	3.6	0.5	10 years
Banco Central del Uruguay 16/	Subsidy Account	<u>7.2</u>	<u>7.2</u>	<u>7.2</u>		10 years
		372.2	366.2	307.7		

1/ The subsidy contribution to the PRGF Trust results from the difference between the interest obtained by the Fund from the investment of the proceeds of the loan and the below market rate of interest paid by the Fund for the loan.

2/ Final repayment made in December 1998.

3/ Three deposits of SDR 30 million, SDR 35 million, and SDR 35 million which matured in July 1998, December 1998, and June 1999, respectively, are being held in the Administered Account on behalf of Belgium.

4/ Investment of SDR 30 million was repaid in June 1998 and SDR 10 million was repaid in August 1999.

5/ Investments of SDR 10 million were repaid in November 1998 and August 1999, respectively.

6/ In January 1998, the Bank of Thailand requested and obtained the immediate encashment of the two investments totaling SDR 60 million.

7/ In addition to the contributions listed below, Spain will make a contribution that will coincide with the repayment installments of the loan from the Government of Spain. See Annex I.

8/ Equivalent of US\$10 million (at the exchange rate of June 29, 1994).

9/ Deposit of SDR 15 million repaid in October 1999.

10/ First repayment made in October 1999.

11/ Interest rate paid by the Fund is equivalent to the interest rate for SDR-denominated deposits obtained by the Fund (net of any costs) on this deposit, less 2.0 percent per annum. If the interest rate obtained by the Fund is less than 2.0 per annum, the deposit shall bear zero interest.

12/ All the deposits will be repaid together at the end of ten years after the date of the first deposit.

13/ All 15 installments repayable at the end of 16 years after the date of the first installment.

14/ Each deposit is repayable separately beginning six years and ending ten years after the deposit is made.

15/ Equivalent of US\$5 million (at the exchange rate of May 11, 1994).

16/ Interest rate paid by the Fund is equivalent to the interest rate for SDR-denominated deposits obtained by the Fund (net of any costs) on this investment, less 2.6 percent per annum. If the interest rate obtained by the Fund is 2.6 percent per annum or less, the investment shall bear zero interest.

Table 9. PRGF Arrangements Approved
As of November 30, 1999
(In millions of SDRs)

Member	Date Arrangement Approved	Commitments 1/			Disbursements			Outstanding Loans		
		Total	SDA Resources	PRGF Trust 2/	Total	SDA Resources	PRGF Trust 2/	Total	SDA Resources	PRGF Trust 2/
Albania 3/	Jul. 14, 1993	42.4	--	42.4	31.1	--	31.1	28.5	--	28.5
Albania	May. 13, 1998	45.0	--	45.0	21.3	--	21.3	21.3	--	21.3
Armenia	Feb. 14, 1996	109.4	--	109.4	109.4	--	109.4	109.4	--	109.4
Azerbaijan	Dec. 20, 1996	93.6	--	93.6	81.9	--	81.9	81.9	--	81.9
Bangladesh	Aug. 10, 1990	345.0	--	345.0	345.0	--	345.0	139.4	--	139.4
Benin	Jan. 25, 1993	51.9	7.0	44.9	51.9	7.0	44.9	47.1	5.3	41.8
Benin	Aug. 28, 1996	27.2	--	27.2	16.3	--	16.3	16.3	--	16.3
Bolivia 4/	Jul. 27, 1988	163.3	45.4	117.9	163.3	45.4	117.9	49.9	2.7	47.2
Bolivia	Dec. 19, 1994	101.0	--	101.0	101.0	--	101.0	101.0	--	101.0
Bolivia	Sep. 18, 1998	101.0	--	101.0	33.7	--	33.7	33.7	--	33.7
Burkina Faso 3/	Mar. 31, 1993	53.0	15.8	37.2	44.2	15.8	28.4	40.7	13.9	26.8
Burkina Faso	Jun. 14, 1996	39.8	--	39.8	39.8	--	39.8	39.8	--	39.8
Burkina Faso	Sep. 10, 1999	39.1	--	39.1	5.6	--	5.6	5.6	--	5.6
Burundi 3/	Nov. 13, 1991	42.7	--	42.7	19.2	--	19.2	11.3	--	11.3
Cambodia 3/	May 6, 1994	84.0	--	84.0	42.0	--	42.0	40.6	--	40.6
Cambodia	Oct 22, 1999	58.5	--	58.5	8.4	--	8.4	8.4	--	8.4
Cameroon	Aug. 20, 1997	162.1	--	162.1	126.1	--	126.1	126.1	--	126.1
Central African Republic	Jul. 20, 1998	49.4	--	49.4	16.5	--	16.5	16.5	--	16.5
Chad	Sep. 1, 1995	49.6	--	49.6	49.6	--	49.6	49.6	--	49.6
Congo, Rep. of 3/	Jun. 28, 1996	69.5	--	69.5	13.9	--	13.9	13.9	--	13.9
Côte d'Ivoire	Mar. 11, 1994	333.5	--	333.5	333.5	--	333.5	327.5	--	327.5
Côte d'Ivoire	Mar. 17, 1998	285.8	--	285.8	123.9	--	123.9	123.9	--	123.9
Djibouti	Oct. 18, 1999	19.1	--	19.1	2.7	--	2.7	2.7	--	2.7
Equatorial Guinea 3/	Feb. 3, 1993	12.9	3.0	9.9	4.6	3.0	1.7	3.6	2.4	1.2
Ethiopia 3/	Oct. 11, 1996	88.5	--	88.5	29.5	--	29.5	29.5	--	29.5
Gambia, The	Nov. 23, 1988	20.5	3.4	17.1	20.5	3.4	17.1	3.1	0.0	3.1
Gambia, The	Jun. 29, 1998	20.6	--	20.6	6.9	--	6.9	6.9	--	6.9
Georgia	Feb. 28, 1996	172.1	--	172.1	172.1	--	172.1	172.1	--	172.1
Ghana	Nov. 9, 1988	388.6	102.3	286.3	388.6	102.3	286.3	49.3	4.1	45.2
Ghana 3/	Jun. 30, 1995	164.4	--	164.4	137.0	--	137.0	137.0	--	137.0
Ghana	May 3, 1999	155.0	--	155.0	44.3	--	44.3	44.3	--	44.3
Guinea 3/	Nov. 6, 1991	57.9	--	57.9	46.3	--	46.3	37.6	--	37.6
Guinea	Jan. 13, 1997	70.8	--	70.8	47.2	--	47.2	47.2	--	47.2
Guinea-Bissau	Jan. 18, 1995	10.5	--	10.5	10.5	--	10.5	10.5	--	10.5
Guyana	Jul. 13, 1990	81.5	34.4	47.1	81.5	34.4	47.1	32.2	17.2	15.0
Guyana	Jul. 20, 1994	53.8	--	53.8	53.8	--	53.8	53.8	--	53.8
Guyana	Jul. 15, 1998	53.8	--	53.8	17.9	--	17.9	17.9	--	17.9
Haiti 3/	Oct. 18, 1996	91.1	--	91.1	15.2	--	15.2	15.2	--	15.2
Honduras 3/	Jul. 24, 1992	47.5	--	47.5	33.9	--	33.9	29.8	--	29.8
Honduras	Mar. 26, 1999	156.8	--	156.8	59.9	--	59.9	59.9	--	59.9
Kenya 5/	May 15, 1989	261.4	71.0	190.4	261.4	71.0	190.4	79.2	5.7	73.5
Kenya 3/	Apr. 26, 1996	149.6	--	149.6	24.9	--	24.9	24.9	--	24.9
Kyrgyz Republic	Jul. 20, 1994	88.2	--	88.2	88.2	--	88.2	88.2	--	88.2
Kyrgyz Republic	Jun. 26, 1998	73.4	--	73.4	30.4	--	30.4	30.4	--	30.4
Lao PDR	Jun. 4, 1993	35.2	--	35.2	35.2	--	35.2	33.4	--	33.4
Lesotho	May 22, 1991	18.1	--	18.1	18.1	--	18.1	12.2	--	12.2
Macedonia, FYR	Apr. 11, 1997	54.6	--	54.6	27.3	--	27.3	27.3	--	27.3
Madagascar 3/	May 15, 1989	76.9	33.2	43.7	51.3	33.2	18.1	7.7	4.3	3.4
Madagascar	Nov. 27, 1996	81.4	--	81.4	40.7	--	40.7	40.7	--	40.7
Malawi 6/	Jul. 15, 1988	67.0	26.0	40.9	67.0	26.0	40.9	12.8	2.4	10.4
Malawi	Oct. 18, 1995	51.0	--	51.0	51.0	--	51.0	51.0	--	51.0
Mali	Aug. 28, 1992	79.2	10.2	69.1	79.2	10.2	69.1	79.2	6.6	64.0
Mali	Apr. 10, 1996	62.0	--	62.0	62.0	--	62.0	62.0	--	62.0
Mali	Aug. 6, 1999	46.7	--	46.7	6.8	--	6.8	6.8	--	6.8
Mauritania 7/	May 24, 1989	50.9	6.8	44.1	50.9	6.8	44.1	29.7	2.4	27.3
Mauritania	Jan. 25, 1995	42.8	--	42.8	42.8	--	42.8	42.8	--	42.8
Mauritania	Jul. 21, 1999	42.5	--	42.5	6.1	--	6.1	6.1	--	6.1
Mongolia 3/	Jun. 25, 1993	40.8	--	40.8	29.7	--	29.7	26.9	--	26.9
Mongolia	Jul. 30, 1997	33.4	--	33.4	11.5	--	11.5	11.5	--	11.5
Mozambique 3/8/	Jun. 1, 1990	130.1	--	130.1	115.4	--	115.4	68.4	--	68.4

Table 9 PRGF Arrangements Approved
As of November 30, 1999
(In millions of SDRs)

Member	Date Arrangement Approved	Commitments 1/			Disbursements			Outstanding Loans		
		Total	SDA Resources	PRGF Trust 2/	Total	SDA Resources	PRGF Trust 2/	Total	SDA Resources	PRGF Trust 2/
Mozambique	Jun. 21, 1996	75.6	--	75.6	75.6	--	75.6	75.6	--	75.6
Mozambique	Jun. 28, 1999	58.8	--	58.8	8.4	--	8.4	8.4	--	8.4
Nepal 3/	Oct. 5, 1992	33.6	--	33.6	16.8	--	16.8	12.9	--	12.9
Nicaragua 3/	Jun. 24, 1994	120.1	--	120.1	20.0	--	20.0	20.0	--	20.0
Nicaragua	Mar. 18, 1998	149.0	--	149.0	95.1	--	95.1	95.1	--	95.1
Niger 3/	Dec. 12, 1988	47.2	6.7	40.4	23.6	6.7	16.9	1.3	0.0	1.3
Niger 3/	Jun. 12, 1996	58.0	--	58.0	48.3	--	48.3	48.3	--	48.3
Pakistan 3/	Feb. 22, 1994	606.6	--	606.6	202.2	--	202.2	202.2	--	192.1
Pakistan	Oct. 20, 1997	682.4	--	682.4	265.4	--	265.4	265.4	--	265.4
Rwanda	Jun. 24, 1998	71.4	--	71.4	33.3	--	33.3	33.3	--	33.3
Senegal	Nov. 21, 1988	144.7	17.0	127.7	144.7	17.0	127.7	21.3	2.2	19.1
Senegal	Aug. 29, 1994	130.8	--	130.8	130.8	--	130.8	130.8	--	130.8
Senegal	Apr. 20, 1998	107.0	--	107.0	49.9	--	49.9	49.9	--	49.9
Sierra Leone 3/	Mar. 28, 1994	101.9	--	101.9	96.8	--	96.8	96.6	--	96.6
Sri Lanka 3/	Sep. 13, 1991	336.0	--	336.0	280.0	--	280.0	184.8	--	184.8
Tajikistan	Jun. 24, 1998	100.3	--	100.3	47.0	--	47.0	47.0	--	47.0
Tanzania 3/	Jul. 29, 1991	181.9	--	181.9	85.6	--	85.6	47.1	--	47.1
Tanzania	Nov. 8, 1996	181.6	--	181.6	181.6	--	181.6	181.6	--	181.6
Togo 3/	May 31, 1989	46.1	19.2	26.9	38.4	19.2	19.2	8.4	2.5	6.0
Togo 3/	Sep. 16, 1994	65.2	--	65.2	54.3	--	54.3	54.3	--	54.3
Uganda 9/	Apr. 17, 1989	219.1	19.9	199.2	219.1	19.9	199.2	69.7	1.0	68.7
Uganda	Sep. 6, 1994	120.5	--	120.5	120.5	--	120.5	120.5	--	120.5
Uganda	Nov. 10, 1997	100.4	--	100.4	73.6	--	73.6	73.6	--	73.6
Viet Nam 3/	Nov. 11, 1994	362.4	--	362.4	241.6	--	241.6	241.6	--	241.6
Yemen, Rep. of	Oct. 29, 1997	264.8	--	264.8	150.0	--	150.0	150.0	--	150.0
Zambia 3/	Dec. 6, 1995	701.7	--	701.7	661.7	--	661.7	661.7	--	661.7
Zambia	Mar. 25, 1999	254.5	--	254.5	10.0	--	10.0	10.0	--	10.0
Zimbabwe 3/	Sep. 11, 1992	200.6	--	200.6	151.9	--	151.9	117.6	--	117.6
Less: Undisbursed balance at expiration or cancellation		-1,452.9	--	-1,452.9	--	--	--	--	--	--
Total		9,565.6	421.3	9,144.3	7,575.3	421.3	7,154.0	5,936.0	72.7	5,863.3

Note: Totals may not add due to rounding.

1/ Three-year arrangements, except as noted in other footnotes. One or two-year commitments are considered as supplementary parts of, or an addition to, the three-year commitment they are associated with. Unless otherwise noted, amounts were fully disbursed. Undisbursed PRGF commitments under the 33 PRGF arrangements in effect as of November 30, 1999 amounted to SDR 1,990.2 million.

2/ Includes commitments and disbursements, respectively, under the associated loan agreement with the Saudi Fund for Development, amounting to SDR 49.5 million. Disbursements to Guinea, Honduras, and Uganda, amounting to SDR 32.9 million, are expected to take place in December 1999.

3/ The arrangement expired or was cancelled with partial disbursements. The total undisbursed amount for expired arrangements is SDR 1,452.9 million.

4/ Including an additional annual arrangement for SDR 27.2 million, approved on September 11, 1992.

5/ The three-year arrangement expired on March 31, 1993 with an undrawn balance of SDR 45.2 million; an additional one-year arrangement for most of the undrawn balance was approved on December 22, 1993.

6/ Including an additional annual arrangement for SDR 11.2 million, approved on September 30, 1991.

7/ The three-year arrangement expired on May 23, 1992 with an undrawn balance of SDR 33.9 million; an additional two-year arrangement for the undrawn balance was approved on December 9, 1992.

8/ Including an additional annual arrangement for SDR 29.4 million, approved on June 15, 1994 and extended through Dec. 31, 1995.

9/ Including an additional annual arrangement for SDR 39.8 million, approved on November 25, 1992.

Table 10. PRGF—Loan Agreements
As of November 30, 1999
(In millions of SDRs)

	Effective Date of Agreement	Expiration Date for Drawings	Loan Commitment	Amount Disbursed		Amount Outstanding
				Amount	As proportion of total available (in percent)	
A. Loan Agreements prior to Enlargement						
Agence Française de Développement (AFD) 1/	Apr. 05, 1988	Dec 31, 1997	800.0	800.0	100.0	517.4
Japan Bank for International Cooperation 2/	Apr 12, 1988	Dec 31, 1997	2,200.0	2,200.0	100.0	1,756.2
Bank of Norway	Apr 14, 1988	Dec 31, 1997	90.0	90.0	100.0	71.1
Bank of Spain 3/	Jun 20, 1988	Dec 31, 1997	216.4	216.4	100.0	119.5
Swiss Confederation 4/	Dec 23, 1988	Dec 31, 1997	200.0	200.0	100.0	--
Government of Canada	Feb 22, 1989	Dec 31, 1997	300.0	300.0	100.0	244.1
Kreditanstalt für Wiederaufbau (Germany)	Mar 31, 1989	Dec 31, 1997	700.0	700.0	100.0	517.0
Bank of Korea	Apr 20, 1989	Dec 31, 1997	65.0	65.0	100.0	49.1
Bank of Italy 5/	Oct 04, 1990	Dec 31, 1997	370.0	370.0	100.0	311.0
Subtotal			4,941.4	4,941.4	100.0	3,585.4
Associated Agreement - Saudi Fund for Development (SFD)	Feb 27, 1989	--	6/ 49.5	49.5	100.0	38.2
Total			4,990.9	4,990.9	100.0	3,623.6
B. Loan Agreements for Enlargement						
Central Bank of Egypt	Jun 13, 1994	Dec 31, 2003	100.0	67.9	67.9	67.9
Bank of Norway	Jun 16, 1994	Dec 31, 2003	60.0	53.4	89.1	53.4
Bank of Korea	Jun. 20, 1994	Dec. 31, 2003	27.7	12.7	45.9	12.7
Government of China	Jul 05, 1994	Dec 31, 2003	100.0	89.5	89.5	89.5
Japan Bank for International Cooperation 2/	Oct 05, 1994	Dec 31, 2003	2,150.0	854.6	39.8	854.6
OPEC Fund for International Development 7/	Dec 20, 1994	Dec 31, 2003	36.5	25.4	69.5	25.4
Agence Française de Développement 1/	Jan 03, 1995	Dec 31, 2003	750.0	445.4	59.4	445.4
Government of Spain	Feb 08, 1995	Dec 31, 2003	67.0	37.0	55.2	37.0
Government of Canada	May 09, 1995	Dec 31, 2003	200.0	160.0	80.0	160.0
Kreditanstalt für Wiederaufbau (Germany)	May 17, 1995	Dec 31, 2003	300.0	294.7	42.1	294.7
Swiss National Bank	Jun 22, 1995	Dec 31, 2001	151.7	109.3	72.0	109.3
Bank of Italy 5/	May 29, 1998	Dec 31, 2003	210.0	103.3	49.2	103.3
National Bank of Belgium	Jul 2, 1999	Dec 31, 2003	200.0	11.1	5.5	11.1
Bank of the Netherlands	Sep 29, 1999	Dec 31, 2003	250.0	--	--	--
Total			5,002.9	2,264.4	45.3	2,264.4
Total Loan and Associated Loan Agreements			9,993.8	7,255.3	72.6	5,888.0

1/ Before April 17, 1998, known as Caisse Française de Développement. An additional agreement with the AFD, amounting to SDR 350 million, became effective in mid-December 1999.

2/ The Export-Import Bank of Japan (JEXIM) merged with the Overseas Economic Cooperation Fund on October 1, 1999, and became the Japan Bank for International Cooperation (JBIC).

3/ The original loan commitment of the Bank of Spain was SDR 220 million; however, only SDR 216.4 million was drawn and disbursed by June 30, 1993, the expiration date of the drawdown period under this loan agreement.

4/ The full loan commitment of SDR 200 million was drawn in January 1989; this amount was fully disbursed to borrowers by March 1994.

5/ The Bank of Italy replaced the Ufficio Italiano dei Cambi as lender to the PRGF Trust.

6/ On August 26, 1998, the SFD indicated that it did not intend to make further loans under the Memorandum of Understanding for Lending in Association with the PRGF.

7/ The loan commitment is for the SDR equivalent of US\$50 million valued at the exchange rate of November 30, 1999.

Table 11. PRGF—Estimated Value of Subsidy Contributions,
and Loan Commitments

(In millions of SDRs)

Member	Subsidies (Grant or grant equivalent) 1/			Loans 2/	
	Prior to Enlargement (1)	For Enlargement (2)	Total (3)	Prior to Enlargement (4)	For Enlargement (5)
Argentina	–	33	33	–	–
Australia	–	14	14	–	–
Austria	41	18	60	–	–
Bangladesh	–	1	1	–	–
Belgium	84	36	120	–	200
Botswana	–	2	2	–	–
Canada	128	71	199	300	200
Chile	–	4	4	–	–
China	–	14	14	–	100
Czech Republic	–	13	13	–	–
Denmark	49	24	73	–	–
Egypt	–	13	13	–	100
Finland	41	–	41	–	–
France 3/	237	250	487	800	750
Germany	192	–	192	700	700
Greece	24	13	37	–	–
Iceland	3	1	4	–	–
India	–	12	12	–	–
Indonesia	–	6	6	–	–
Iran	–	2	2	–	–
Ireland	–	8	8	–	–
Italy	117	47	164	370	210
Japan 4/	451	250	701	2,200	2,150
Korea	50	8	59	65	28
Luxembourg	5	9	14	–	–
Malaysia	32	12	45	–	–
Malta	1	1	2	–	–
Morocco	–	9	9	–	–
Netherlands	81	55	136	–	250
Norway	29	15	44	90	60
Pakistan	–	4	4	–	–
Portugal	–	4	4	–	–
Singapore	20	12	32	–	–
Spain 5/	–	27	27	216	67
Sweden	129	52	180	–	–

Table 11. PRGF—Estimated Value of Subsidy Contributions,
and Loan Commitments

(In millions of SDRs)

Member	Subsidies (Grant or grant equivalent) 1/			Loans 2/	
	Prior to Enlargement (1)	For Enlargement (2)	Total (3)	Prior to Enlargement (4)	For Enlargement (5)
Switzerland 6/	56	50	106	200	152
Thailand	12	5	17	—	—
Tunisia	—	2	2	—	—
Turkey	—	11	11	—	—
United Kingdom	289	77	366	—	—
United States	146	22	168	—	—
Uruguay	—	2	2	—	—
Subtotal (Bilateral) 7/	2,200	1,210	3,410	4,941	4,967
OPEC Fund 8/	—	—	—	—	37
Special Disb. Acct.	—	588	588	—	—
Total 7/	2,200	1,797	3,997	4,941	5,004
Saudi Arabia 9/	16	—	16	50	—

Note: Totals may not add due to rounding.

1/ The amounts reported for grant contributions are the "as needed" equivalent of the resources committed, or implicit in loans or deposits at concessional rates. The calculations are based on actual interest rates through end-October 1999 and an assumed rate of 5.0 percent per annum thereafter. Grants committed in local currency are valued at end-October 1999 exchange rates. Several grants are paid in annual installments which are subject to budgetary approval each year.

2/ Loan contributions are provided either at concessional interest rates or on the basis of weighted averages of market interest rates in the currencies comprising the SDR basket.

3/ The first SDR 700 million of the loan prior to enlargement is at an interest rate of 0.5 percent per annum. The loan for the enlarged PRGF is at 0.5 percent per annum until the implicit interest subsidy reaches SDR 250 million. An additional loan for SDR 350 million became effective in mid-December 1999.

4/ The Japanese authorities have indicated that Japan's subsidy contribution to the enlarged PRGF is intended to be SDR 250 million on an "as needed" basis.

5/ The loan for the enlarged PRGF is at 0.5 percent per annum.

6/ The loan prior to enlargement is interest-free.

7/ The sum of individual subsidy contributions prior to enlargement has been adjusted downward by SDR 17 million to take account of the estimated added cost of the KfW loan, as discussed in EBS/88/259 (12/19/88).

8/ The SDR equivalent of US\$50 million valued at the exchange rate of end-October 1999.

9/ Corresponds to the associated loan agreements with the Saudi Fund for Development (SFD), at an interest rate of 0.5 percent per annum.

Table 12. Projections of PRGF Trust Reserve Account
and Obligations of the Trust
(as of November 30, 1999)

(In millions of SDRs)

	Net Transfers from SDA 1/ 2/	Investment Earnings 1/	Net Payments(-) from the Reserve Account 3/	Cumulative Total (end of period) 4/	Trust Obligations (end of period) 5/	Annual Loan Repayments from the Trust 6/
1. Actual						
1988	165	4	--	169	103	--
1989	79	24	--	272	360	--
1990	81	42	--	395	674	--
1991	77	41	--	513	1,262	--
1992	79	38	--	630	1,763	--
1993	134	29	--	793	1,990	--
1994	179	41	-4	1,009	2,786	33
1995	279	66	-18	1,336	3,919	114
1996	318	73	-11	1,716	4,446	181
1997	321	71	-15	2,093	4,895	281
1998	173	90	-10	2,345	5,421	370
6/1/99 - 11/30/99 7/	46	43	-1	2,484	5,850	240
2. Projected 8/						
1999	106	87	-5	2,533	5,746	412
2000	194	131	29	2,887	6,950	475
2001	50	146	21	3,104	7,370	665
2002	46	156	9	3,315	7,452	696
2003	103	170	5	3,592	7,328	781
2004	20	180	2	3,794	6,614	877
2005	25	190	0	4,009	5,695	920
2006	-12	200	0	4,197	4,726	969
2007	-12	209	0	4,395	3,665	1,061
2008	-12	219	0	4,602	2,651	1,014
2009	-12	230	0	4,820	1,689	962
2010	-12	241	0	5,049	898	791
2011	-12	252	0	5,289	414	485
2012	-12	264	0	5,542	155	258
2013	-12	277	0	5,807	16	139
2014	-12	290	0	6,085	0	16

Note: Totals may not add due to rounding.

1/ Projections of income are at an assumed interest rate of 5.0 percent. Actual investment returns may differ.

2/ Amount shown is net of transfers to the PRGF-HIPC Trust of SDR 20.3 million in April 1998, SDR 40.7 million at the end of FY 1998, SDR 41.1 million in FY 1999 and SDR 47.9 million in FY 2000. Projections also assume that the PRGF administrative expenses to be reimbursed to the GRA will amount to SDR 47.9 million in each of the FY 2000–2004 after which they are assumed to decline to SDR 11.8 million in each of the FY 2005–2014, by which time all PRGF Trust resources would have been disbursed.

3/ Corresponds to temporary transfers from the Reserve Account. Starting in 1995, figures reflect transfers and offsetting receipts resulting from a mismatch in timing between repayments to the Swiss Confederation and repayments from borrowers related to the Swiss Confederation's loan. Actual figures for 1994 to November 30, 1999 also include temporary transfers resulting from a mismatch in timing of interest received from borrowers and paid to lenders.

4/ Includes accrued interest through end of period, although not yet received.

5/ Does not include associated loans from the Saudi Fund for Development (SFD), the risk of which is borne by the SFD.

6/ Does not include repayments of SFD associated loans.

7/ The cumulative total includes SDR 7 million of accrued interest on investments and SAF loans that had not been received by November 30, 1999.

8/ Overdue Trust Fund obligations outstanding as of November 30, 1999 (SDR 116 million) and overdue SAF obligations outstanding as of November 30, 1999 (SDR 158 million) are assumed to be paid in 2000–2003.

Table 13. Status of Commitments under the PRGF-HIPC Trust
(as of November 30, 1999)

(In millions of SDRs)

Countries that have reached their decision points 1/

Uganda 2/	51.5
Bolivia 3/	21.2
Guyana 4/	25.6
Mozambique 5/	93.2
Burkina Faso 6/7/	7.0
Côte d'Ivoire 6/8/	14.4
Mali 6/9/	9.2

Total	222.2
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Countries that have reached their completion points

Uganda 2/	51.5
Bolivia 3/	21.2
Guyana 4/	25.6
Mozambique 5/	93.2

Total	191.5
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HIPC assistance committed but undisbursed 30.7

Memorandum items

PRGF-HIPC Trust resources	65.7
Remaining authorized transfers from the Reserve Account	206.5

1/ These countries have reached their decision points, at which time assistance was pre-committed by the Fund and the World Bank.

2/ Uganda reached its completion point in April 1998.

3/ Bolivia reached its completion point in September 1998.

4/ Guyana reached its completion point in May 1999.

5/ Mozambique reached its completion point in June 1999.

6/ At the US\$/SDR exchange rate as of November 30, 1999.

7/ Burkina Faso reached its decision point in September 1997 and is expected to reach its completion point in the second quarter of 2000.

8/ Côte d'Ivoire reached its decision point in March 1998 and is expected to reach its completion point in 2001.

9/ Mali reached its decision point in September 1998 and is expected to reach its completion point in the second quarter of 2000.

**Table 14. PRGF-HIPC Trust Resources through December 1999 1/
(In millions of SDRs)**

	Dec-96 Through May-99	Jun-99 Through Nov-99	Projected December 1999
Beginning of Period	--	74.4	65.8
Plus: Total Receipts	172.7	84.6	303.1
Reserve Account Transfers 2/	81.8	24.0	--
Early transfers from the Reserve Account 3/	20.3	23.2	--
Transfers from SRF surcharge 4/	13.3	32.8	--
Contributions Received	53.3	3.4	301.0
Net Income earned on investments 5/	4.0	1.2	2.1
Less: Total Transfers	98.3	93.2	--
End of Period	74.4	65.8	368.9
Memorandum item:			
Remaining authorized transfers from the Reserve Account 3/	229.7	206.5	206.5

1/ Estimates based on the agreed scheduled of bilateral contributions and authorized transfers, and an interest rate of 4 percent per annum through June 2000. Includes accumulated contributions by the Netherlands of SDR 7.2 million which have been earmarked for interim PRGF subsidy operations.

2/ In lieu of reimbursing the GRA for the administrative costs of the PRGF Trust.

3/ In accordance with Decision No. 11610-(97/113) effective December 19, 1997 which permits transfers of up to SDR 250 million from the Reserve Account of the PRGF Trust to the PRGF-HIPC Trust.

4/ In accordance with Decision No. 11840-(98/122) adopted December 2, 1998.

5/ Includes 9/14ths of the estimated interest income from the investment of gold profits in the SDA.

**PRGF—LOAN AND SUBSIDY CONTRIBUTIONS BY
COUNTRY OR INSTITUTION**

The loan and subsidy contributions listed in Appendix Table 11 are described below:

A. Contributions Prior to Enlargement

- Austria: Subsidy contribution accruing from net income on a deposit made in December 1988 of SDR 60 million in an Administered Account at 0.5 percent. The final repayment of the deposit was made at end-December 1998.
- Belgium: Subsidy contribution accruing from net income on three deposits made in 1988 and 1989 totaling SDR 100 million in an Administered Account at 0.5 percent. The deposits of SDR 30 million, SDR 35 million, and SDR 35 million, which matured in July 1998, December 1998, and June 1999, respectively, are being held in the Administered Account on behalf of Belgium.
- Canada: Loan of SDR 300 million to the Loan Account with subsidy necessary to achieve an effective lending rate of 0.5 percent per annum.
- Denmark: Grant contributions amounting to SDR 27 million were received in 1988–91.
- Finland: Grant contributions amounting to SDR 22.7 million were received in 1988–90.
- France: Loan of SDR 800 million to the Loan Account, of which SDR 700 million is at 0.5 percent; this interest rate is subject to review and possible adjustment if the Trust loan interest rate is raised.
- Germany: Loan of SDR 700 million to the Loan Account. Grant contributions of SDR 120.3 million were received through November 1999. A further contribution amounting up to euro 18.1 million (approximately DM 35.3 million or SDR 13.7 million) has been committed (see footnote 7 in Appendix Table 11).
- Greece: Subsidy contribution accruing from net income on a deposit made in December 1988 of SDR 35 million in an Administered Account at 0.5 percent. The final repayment of the deposit was made in mid-December 1998.
- Iceland: Grant contributions amounting to SDR 2 million received in 1990–95.
- Italy: Loan of SDR 370 million to Loan Account, together with grant contributions necessary to achieve an effective lending rate of 0.5 percent. Grant contributions of SDR 122.6 million were received in 1990–93.
- Japan: Loan of SDR 2.2 billion to Loan Account. Grant contribution of SDR 300 million, substantially front-loaded, amounting to SDR 271.3 million through end-November 1999. (See also the description of the contribution for the enlargement.)

- Korea: Loan of SDR 65 million to the Loan Account. Grant contribution of SDR 27.7 million paid in 1989.
- Luxembourg: Grant contributions amounting to SDR 3 million were received in 1988–93.
- Malaysia: Subsidy contribution accruing from net income to Subsidy Account from an investment of SDR 30 million at 0.5 percent in 1988, and a further SDR 10 million in 1989. Investments were repaid in June 1998 and in August 1999, respectively.
- Malta: Subsidy contribution accruing from net income to the Subsidy Account from an investment of SDR 1.365 million at 0.5 percent for 13 years. The investment was made in December 1989.
- Netherlands: Grant contributions of SDR 53.8 million were received through end-November 1999.
- Norway: Loan of SDR 90 million to Loan Account. Subsidy contributions totaling SDR 16.9 million were received in 1988–92.
- Saudi Arabia (SFD): Associated lending originally of SDR 200 million at a loan charge of 0.5 percent; interest rate subject to review if the Trust loan interest rate is increased. In August 1998, the SFD indicated that no further associated loans would be made. Only SDR 49.5 million were disbursed as of that date.
- Singapore: Subsidy contribution accruing from net income to Subsidy Account from investments totaling SDR 40 million at 2 percent, repayable after ten years. Investments of SDR 10 million received in 1988, 1989, 1990, and 1991, respectively. First two investments of SDR 10 million were repaid in November 1998 and in August 1999, respectively.
- Spain: Original loan commitment of SDR 220 million at the six-month combined domestic SDR rate; only SDR 216.4 million was disbursed by June 30, 1993, the expiration date of the drawdown period under this loan agreement.
- Sweden: Grant contributions totaling SDR 73.3 million were received in 1988–91.
- Switzerland: Loan of SDR 200 million to Loan Account at an interest rate of zero percent. Loan was fully repaid by July 1999.
- Thailand: Subsidy contribution accruing from net income to Subsidy Account from an investment of SDR 20 million made in June 1988 at 2 percent, originally scheduled to be repaid after ten years. Investment was encashed in January 1998.
- United Kingdom: Total amount of the grant contribution is the lesser of £327 million or the amount sufficient to subsidize one-sixth of PRGF loans financed by borrowing agreements entered prior to the enlargement of the PRGF. Contributions totaled SDR 232.5 million through end-November 1999.
- United States: Grant contributions totaling US\$150 million in FY 1990-FY 2001. Contributions totaled SDR 91.8 million through end-November 1999. (See also the description of the contribution for the enlargement.)

B. Contributions for Enlargement

- Argentina: Grant contributions totaling SDR 27.2 million over 12 years, to be phased evenly in annual payments of SDR 2.3 million. Contributions totaled SDR 13.6 million through end-November 1999.
- Australia: Grant contributions totaling \$A 30 million in 12 annual installments over FY 1997/98 – FY 2008/09. Contributions of SDR 1.1 million and SDR 1.2 million were received in June 1998 and June 1999, respectively.
- Austria: Subsidy contribution accruing from net income on deposit of SDR 50 million at 0.5 percent, repayable in semi-annual installments over 5 ½-10 years. The deposit was received in August 1995.
- Bangladesh: Grant contributions totaling US\$1 million, in 15 annual equal installments starting in 1994. Contributions totaled US\$400,000 (SDR 0.3 million) through end-November 1999.
- Belgium: Loan of SDR 200 million to Loan Account, effective July 2, 1999. Subsidy contribution accruing from net income on deposit of SDR 80 million at 0.5 percent, repayable after 10 years. The deposit was received in April 1994.
- Botswana: Subsidy contribution accruing from net income on deposit of US\$10 million (equivalent to SDR 6.9 million) at 2 percent, repayable after 10 years. This deposit was made in July 1994.
- Canada: Loan of SDR 200 million to Loan Account, effective May 9, 1995. Grant contributions totaling SDR 60 million to be paid in annual installments starting in 1998/99. Contributions totaled SDR 20.4 million through end-May 1999.
- Chile: Subsidy contribution accruing from net income on deposit of SDR 15 million at 0.5 percent, repayable after 5 years. The deposit was repaid in October 1999.
- China: Loan of SDR 100 million to Loan Account, effective July 5, 1994. Grant contributions of SDR 1 million per year for 5 years starting in 1994, and SDR 0.7 million a year over the subsequent 10 years. Contributions totaled SDR 5.7 million through end-November 1999.
- Czech Republic: Grant contributions totaling SDR 10 million, in ten equal annual installments. Contributions totaled SDR 6 million through end-November 1999.
- Denmark: Grant contributions up to a maximum of DKr 183.3 million (approximately SDR 19.2 million) to be made in annual installments. Contributions totaled SDR 17.4 million through end-November 1999.
- Egypt: Loan of SDR 100 million to Loan Account, effective June 13, 1994. Grant contributions of SDR 1 million per year for 10 years. Contributions totaled SDR 6 million through end-November 1999.
- France: Loan of SDR 750 million to Loan Account, effective January 3, 1995. The interest rate on the loan is 0.5 percent per annum until the cumulative implicit interest subsidy reaches an upper limit of SDR 250 million; thereafter outstanding loans will earn interest at the average six-month SDR interest rate. Loan of SDR 350 million to Loan Account, effective December 17, 1999.

- Germany: Loan of SDR 700 million to Loan Account, effective May 17, 1995.
- Greece: Subsidy contribution accruing from net income on deposit of SDR 35 million at 0.5 percent, repayable over 5 ½-10 years. Deposit received in April 1994. First repayment made in October 1999.
- Iceland: Grant contributions totaling SDR 1.2 million in six equal annual installments of SDR 0.2 million over 1997-2002. Contributions totaled SDR 0.4 million through end-November 1999. An additional contribution is expected in December 1999.
- India: Grant contribution of US\$1 million per year for 15 years. Contributions totaled US\$6 million (SDR 4.2 million) through end-November 1999.
- Indonesia: Subsidy contribution accruing from income of up to 2 percent on deposit of SDR 25 million repayable after 10 years. Deposit of SDR 25 million received in June 1994.
- Iran: Subsidy contribution accruing from net income on five equal annual deposits totaling SDR 5 million at 0.5 percent; all deposits were received in 1994-98 and are repayable together 10 years after the date of the first deposit.
- Ireland: Grant contribution of 7 million Irish pounds to be made in nine installments, subject to legislative approval. The first installment of 2.5 million Irish pounds was received at end-August, 1999.
- Italy: Loan of SDR 210 million to the Loan Account, effective May 29, 1998. Grant contribution of SDR 42 million approved by Parliament in 1998. Contributions totaled SDR 12.6 through end-November 1999.
- Japan: Loan of SDR 2,150 million to Loan Account, effective October 5, 1994. Contribution of SDR 250 million on an "as needed" basis to Subsidy Account. Contribution of SDR 25.4 million was received in March 1995. In the absence of attribution by the authorities, SDR 8.0 million of the total amount received in January 1996 (SDR 10.2 million) was attributed by the staff to the enlargement. Contributions of SDR 8.4 million, SDR 64.4 million, SDR 29.6 million, and SDR 20.2 million were received in October 1996, March 1997, March 1998, and March 1999, respectively.
- Korea: Loan of SDR 27.7 million to Loan Account, effective June 20, 1994. Grant contribution of SDR 8.3 million in "as needed" biannual payments through the year 2012. Contributions totaled SDR 1.9 million through end- November 1999.
- Luxembourg: Grant contribution of US\$10 million was authorized by the Law of May 14, 1997 to be disbursed in 10 equal annual installments. Contributions totaled SDR 2.2 million through end- November 1999.
- Malaysia: Subsidy contribution accruing from net income on an investment of SDR 40 million at 2 percent, repayable after 10 years. Investment made in July 1994.
- Malta: Subsidy contribution accruing from net income on an investment of SDR 1.365 million at 0.5 percent for 13 years. Investment made in June 1994.
- Morocco: Grant contributions of US\$1 million per year for 10 years starting in 1994. Contributions totaled US\$6 million (SDR 4.3 million) through end-November 1999.

- Netherlands: Loan of SDR 250 million to the Loan Account, effective September 29, 1999. Grant contributions totaling f. 125 million in 10 equal annual installments. Contributions totaled f. 50 million (SDR 24.0 million) through end-November 1999.
- Norway: Loan of SDR 60 million to Loan Account, effective June 16, 1994. Grant contributions totaling NKr 110 million over a period not exceeding 10 years. Contributions totaled NKr 100 million (SDR 10.3 million) through end-November 1999. The last contribution, amounting to NKr 10 million (SDR 0.9 million) was received in mid-December 1999.
- OPEC Fund for International Development: Loan to Loan Account for an amount in SDRs equivalent to US\$50 million, effective December 20, 1994.
- Pakistan: Subsidy contribution accruing from net income on 15 equal annual deposits totaling SDR 10 million, at 0.5 percent. All deposits are repayable together 16 years after the date of the first deposit. Deposits totaled SDR 4.0 million through end- November 1999.
- Portugal: Subsidy contribution accruing from net income on six annual deposits of SDR 2.191 million at 0.5 percent; each deposit is to be repaid between six and ten years after the deposit is made. Sixth annual deposit received in May 1999.
- Singapore: Subsidy contribution accruing from net income on an investment of SDR 40 million at 2 percent, repayable after 10 years. Investment made in May 1994.
- Spain: Loan of SDR 67.0 million to Loan Account at 0.5 percent, effective February 8, 1995. Repayments from Loan Account to be deposited in the Subsidy Account at 0.5 percent for a final maturity of 10 years.
- Sweden: Grant contributions totaling SKr 400 million in equal annual installments over 5 years. Contributions totaled SDR 37.6 million through end- November 1999.
- Switzerland: Loan of SDR 151.7 million to Loan Account effective June 22, 1995. Grant contribution of SDR 41.2 million to the Subsidy Account payable in ten equal annual installments. Contributions totaled SDR 20.6 million through end-November 1999.
- Thailand: Subsidy contribution accruing from net income to Subsidy Account from an investment of SDR 40 million made in April 1994 at 2 percent, originally scheduled to be repaid after ten years. Investment was encashed in January 1998.
- Tunisia: Subsidy contribution accruing from net income to Subsidy Account from an investment of an amount of SDRS equivalent to US\$5 million at 0.5 percent, repayable after 10 years. Investment of SDR 3.6 million made in May 1994.
- Turkey: Ten annual contributions of SDR 1 million. Contributions totaled SDR 2 million through end-November 1999.
- United Kingdom: Grant contribution equivalent to SDR 52.7 million received in April 1994.
- United States: Grant contributions totaling US\$25 million to be paid together with the remaining part of the contribution committed prior to the enlargement of the PRGF. Of the total amount received in 1995-99, SDR 14.3 million has been attributed to the enlargement.
- Uruguay: Subsidy contribution accruing from income of up to 2.6 percent on investment of SDR 7.2 million repayable after 10 years. Investment made in August 1994.

Contributions to the PRGF-HIPC Trust

- Belize:** Grant contribution of SDR 200,000 in ten equal annual installments. Installments were received in September 1998 and September 1999.
- Botswana:** Subsidy contribution accruing from net income on an investment of SDR 14.6 million (US\$20 million) at 2 percent per annum. This investment, which was made in April 1997, is repayable after 5 years.
- Chile** Contributions accruing from net income on a deposit of SDR 15 million at an interest rate of 0.5 percent per annum repayable after 5 years. The deposit was made on October 4, 1999
- Finland:** Grant contribution of SDR 2.3 million (Fmk 15 million), which was received in December 1996, has been earmarked for special PRGF operations to reduce the net present value of debt of eligible HIPCs.
- Iran:** Subsidy contribution accruing from net income on five equal annual investments of SDR 1.0 million, at 0.5 percent per annum; all investments are repayable together 10 years after the date of the first investment, which was made in May 1997. The second and third investments were received in May 1998, and June 1999, respectively.
- Japan:** Grant contribution of SDR 95.6 million in installments in Japanese fiscal years 1997 through 2001. First contribution of SDR 27.2 million was received in March 1998 and the second contribution of SDR 19.1 million was received in June 1999. On the assumption that the remaining amount is received in three equal installments in March of each year, the "as needed" value of Japan's contribution is estimated to be about SDR 144 million.
- Malaysia:** Subsidy contribution accruing from net income on two investments totaling SDR 20 million at 2 percent per annum, repayable after 10 years. The first investment of SDR 15 million was made in late June 1998 and the second investment of SDR 5 million was made in August 1999.
- Netherlands:** Grant contribution of f. 100 million, earmarked for the interim PRGF, is to be made in ten equal annual installments. Accumulated contributions of SDR 7.2 million have been earmarked for interim PRGF subsidy operations.
- Nigeria:** Grant contributions of SDR 1.08 million per year for 10 years. First contribution received in July 1997.

Singapore: Subsidy contribution accruing from net income on a loan of SDR 40 million to the Trust at an interest rate of 2 percent per annum; each installment of SDR 10 million is repayable after 10 years. The first installment was received in November 1998 and the second investment of SDR 10 million was made in August 1999.