

**EXECUTIVE  
BOARD  
MEETING**

SM/15/14  
Supplement 3  
Revision 1

February 4, 2015

To: Members of the Executive Board

From: The Secretary

Subject: **Proposal to Enhance Fund Support for Low-Income Countries Hit by Public Health Disasters—Revised Draft Press Release**

Board Action: Executive Directors' **consideration** (Formal)

Tentative Board Date: **Wednesday, February 4, 2015**

Publication: Proposed, with main paper

Additional Information: To incorporate editorial changes that provide a more comprehensive background to the paper

Questions: Mr. Lane, SPR (ext. 39852)  
Mr. Unteroberdoerster, FIN (ext. 35448)





INTERNATIONAL MONETARY FUND



Press Release No.  
FOR IMMEDIATE RELEASE

International Monetary Fund  
Washington, D.C. 20431 USA

### **IMF Establishes a Catastrophe Containment and Relief Trust To Enhance Support for LICs Hit by Public Health Disasters**

The Ebola epidemic in parts of West Africa is a humanitarian catastrophe that has drawn attention of the international community to the need of addressing the rapid spread of life threatening infectious diseases that cause substantial domestic disruption and cross international borders.

On February 4, 2015, the Executive Board of the International Monetary Fund (IMF) discussed how to better support Low-Income Countries hit by public health disasters. The Board approved the establishment of the Catastrophe Containment and Relief (CCR) Trust, allowing the Fund to provide debt relief in these cases, as well as to members experiencing other types of catastrophic disasters. These grants can ease pressures on the members' balance of payments and create fiscal space to tackle relief and recovery challenges.

The CCR will provide grants for debt relief totaling \$100 million for the three countries affected by Ebola in West Africa –Liberia, Sierra Leone, and Guinea. This comes in addition to the \$130 million of assistance provided in September 2014, and a second round of new concessional loans amounting to about \$160 million to be considered soon by the Executive Board.

## **Background**

In their November 2014 meeting in Brisbane, the G-20 called on the Bretton Woods Institutions to continue their strong support to countries severely affected by the Ebola outbreak through a combination of concessional loans, debt relief and grants, and asked the institutions to explore new, flexible mechanisms to address the economic effects of future comparable crises. The CCR Trust is the Fund's response to that call. It replaces the Post-Catastrophe Debt Relief (PCDR) Trust established on June 25, 2010 in the wake of a massive earthquake in Haiti, and expands the circumstances under which the Fund can provide exceptional assistance to its low income members to include public health disasters.

Through the new instrument, the Fund is able to quickly and flexibly adjust its policies in the face of unexpected international developments, including pandemics, to serve the needs of its membership, especially the most vulnerable.

At the conclusion of the Executive Board meeting on the CCR, IMF Managing Director Christine stated: "I welcome the establishment of the Catastrophe Containment Relief Trust. It aims at enhancing our support to the countries in Africa hit by Ebola, as well as other low income countries that may be affected by public health disasters in the future."

## **Executive Board Assessment<sup>1</sup>**

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<sup>1</sup> An explanation of any qualifiers used in summings up can be found here: <http://www.imf.org/external/np/sec/misc/qualifiers.htm>.