

**EXECUTIVE
BOARD
MEETING**

SM/20/137
Supplement 2

September 8, 2020

To: Members of the Executive Board

From: The Secretary

Subject: **Policy Safeguards for Countries Seeking Access to Fund Financial Support that Would Lead to High Levels of Combined GRA–PRGT Exposure—Draft Press Release**

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

Tentative Board Date: **Wednesday, September 9, 2020**

Publication: Proposed, with main paper

Questions: Mr. Alper, SPR (ext. 35907)
Mr. McGrew, SPR (ext. 30475)



IMF Executive Board Approves Policy Safeguards for High Levels of Combined Access to Resources from the General Resources Account and the Poverty Reduction and Growth Trust

FOR IMMEDIATE RELEASE

Washington, DC – September 9, 2020, 2020 The Executive Board of the International Monetary Fund (IMF) [approved today] policy safeguards to apply when financing requests entail high levels of combined access to resources from the General Resources Account (GRA) and the Poverty Reduction and Growth Trust (PRGT). This should help ensure a more coherent application of policy safeguards in Fund lending across the membership.

The IMF applies heightened scrutiny to requests from member countries for very high levels of access to Fund resources, “exceptional access”. The criteria by which these requests for exceptional access to the Fund’s general resources account (GRA) are assessed were established in 2002 and have been reviewed and adjusted over time, most recently in 2016. A related but distinct framework applicable to requests for exceptional access to the Fund’s concessional resources, provided through the Poverty Reduction and Growth Trust (PRGT), was introduced in 2009.

The respective policies governing exceptional access to the GRA and the PRGT operate independently of each other. The independent operation of the two exceptional access frameworks means that PRGT-eligible countries can request access to a mix of resources from the GRA and PRGT at levels that, on a combined basis, exceed the levels that constitute exceptional access in the GRA and the PRGT, yet do not constitute exceptional access under either the GRA or the PRGT.¹ Such requests, though large in scale, would not be subject to the scrutiny of either of the exceptional access frameworks.

The policy safeguards will apply when requests for financing entail levels of combined access to GRA and PRGT resources in excess of specified thresholds. These thresholds are set at the same levels that trigger application of the GRA exceptional access framework. The safeguards are also broadly aligned with the criteria and procedures applied in the GRA exceptional access framework.

¹ When the PRGT exceptional access framework was introduced in 2009, the independent operation of the two frameworks was not of operational significance: PRGT-eligible countries obtained financing primarily from the (concessional) PRGT facilities while other member countries obtained financing from the GRA. This pattern has changed over time, with more PRGT-eligible countries obtaining a mix of financing from the PRGT and the GRA.

Executive Board Assessment²

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²An explanation of any qualifiers used in summings up can be found here:
<http://www.IMF.org/external/np/sec/misc/qualifiers.htm>.