



# International Monetary Fund

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## 2018 Review of Facilities for Low-Income Countries

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# IMF Facilities

- “GRA” facilities – available to all members
  - Surcharges on larger loan balances
- “PRGT” facilities – available only to Low-Income Countries (LICs)
  - Zero interest rate
  - Longer maturities, grace periods
  - Limits on access



## Facilities for PRGT-Eligible Members

- Three lending facilities:
  - Extended Credit Facility (ECF)
  - Standby Credit Facility (SCF)
  - Rapid Credit Facility (RCF)
- A Non-lending arrangement: Policy Support Instrument (PSI)
- Access to GRA resources where needed



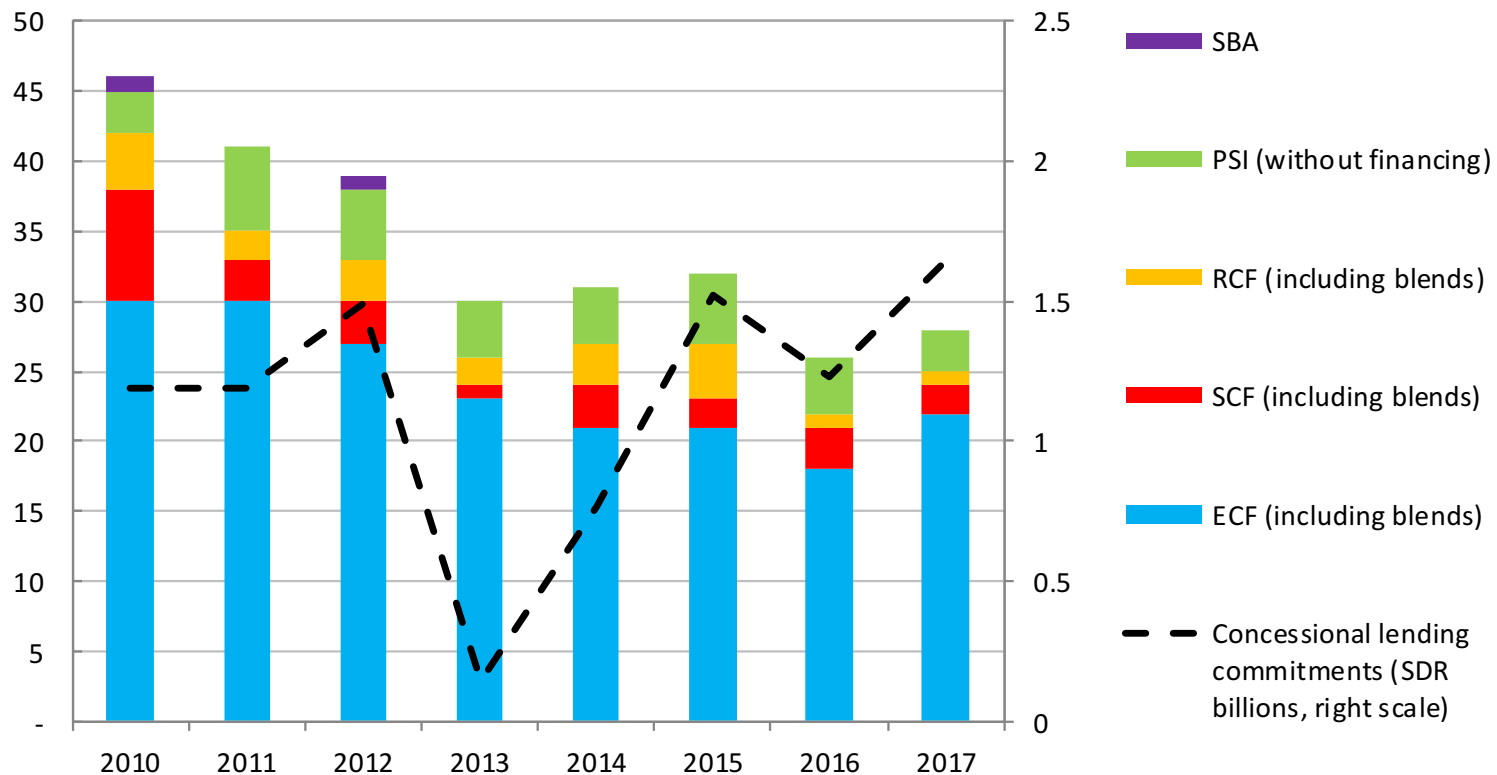
# PRGT Facilities: Key Features

Facility	Balance of Payments (BoP) need	Other aspects	Financing terms (2017)
Extended Credit Facility (ECF)	Protracted BoP problem (medium-to-long term needs)	Length: 3 to 4 (+1) years. Poverty Strategy Document	Maturity: 10 yrs Grace: 5½ yrs
Standby Credit Facility (SCF)	Immediate or potential BoP problem (short-term need) Precautionary use possible.	Length: 1 to 2 years. Episodic use expected.	Maturity: 8 yrs Grace: 4 yrs
Rapid Credit Facility (RCF)	Urgent BoP need, where a full economic program is either not necessary or not feasible.	One-off disbursement. Limited access.	Maturity: 10 yrs Grace: 5½ yrs
Policy Support Instrument (PSI)	No current or prospective BoP need.	Length: 1 to 4 (+1) years. Poverty Strategy Document.	No financing.



# High but volatile demand for support

Program Engagement with PRGT-eligible Members, 2010-17  
(As of June 30, 2017)





# 2018 Review of Facilities for LICs

## Purposes:

- Examine use of facilities: are they working as intended?
- Consult with borrowing countries and other stakeholders: are needs being met?
- Draw lessons, identify areas where reforms may be needed

## Constraints:

- Financial sustainability of the PRGT
- Balance of Payments Needs, not Development Financing



## Selected Topics

- Access levels and blending policy
- Facility features:
  - Interest rate structure
  - Length of programs
- Precautionary financial support
- Disaster/Emergency Financing
- The Future Role of the PSI

Thank you.