

INTERNATIONAL MONETARY FUND

**Report on Access to Fund Resources During 2005**

Prepared by the Policy Development and Review and Finance Departments

In consultation with the other departments

Approved by Mark Allen and Michael G. Kuhn

April 20, 2006

**Box 1. Key Points**

Access to Fund resources under the General Resources Account (GRA) and the Poverty Reduction and Growth Facility (PRGF) during 2005 illuminates several key features and emerging patterns:

- In the context of a relatively benign international environment with limited balance of payments needs, recourse to Fund resources has declined across several dimensions: fewer GRA arrangements; lower outstanding Fund resources; and a smaller average access under new PRGF arrangements.
- Over the past decade, signaling has become an increasingly important purpose of Fund arrangements. The share of precautionary arrangements in the credit tranches and of low-access PRGF arrangements has increased. More recently, the Policy Support Instrument was established.
- Concerning the duration and distribution of access to Fund resources:
  - There are early signs of an upward shift in the average duration of stand-by arrangements.
  - The bimodal character of access in the credit tranches and under the Extended Fund Facility continued, but may be moderating as the number of exceptional access cases declined in 2003–05.
  - While the concentration of outstanding use of GRA resources remains high, the Fund's nominal exposure to the largest users during 2005 and early 2006 decreased. Accordingly, PRGF borrowing as a proportion of total outstanding use of Fund financing has risen significantly.

## I. BACKGROUND

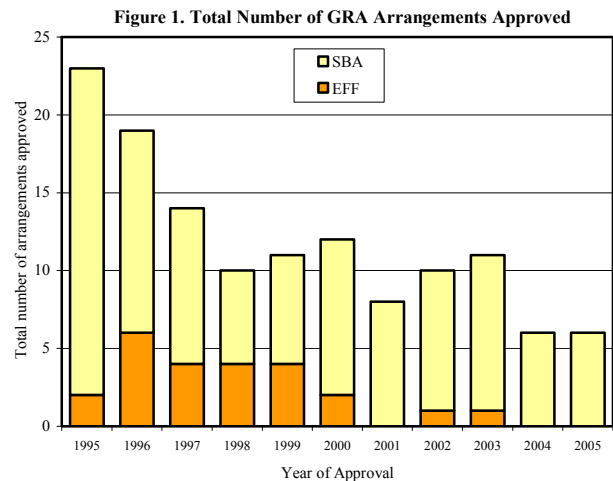
1. This report summarizes developments in access to Fund resources—both under the General Resources Account (GRA) and the Poverty Reduction and Growth Facility (PRGF)—during the calendar year 2005. It also discusses briefly the extent to which recent developments have been in line with trends established over the past decade and identifies key patterns in access to Fund resources.

2. The last review of the Fund’s access policy was concluded in April 2005, and was the first to cover access under both the GRA and PRGF. At that time, the Board also agreed to improve program documents under the exceptional access framework, by including a discussion of exit strategies and a critical analysis of alternative forecast scenarios. The Fund’s access policies in the credit tranches and under the Extended Fund Facility (EFF)—including exceptional access—as well as under the PRGF are summarized in the Appendix. The next biennial review of access policy is currently scheduled to be undertaken based on data through end-2006; however, the Managing Director’s medium-term strategy proposes moving to a five-year cycle for all policy reviews except the review of surveillance.<sup>1</sup> This report is an example of the factual report to be prepared in intervening years.<sup>2</sup>

## II. RECENT DEVELOPMENTS

### A. Number and Type of Arrangements

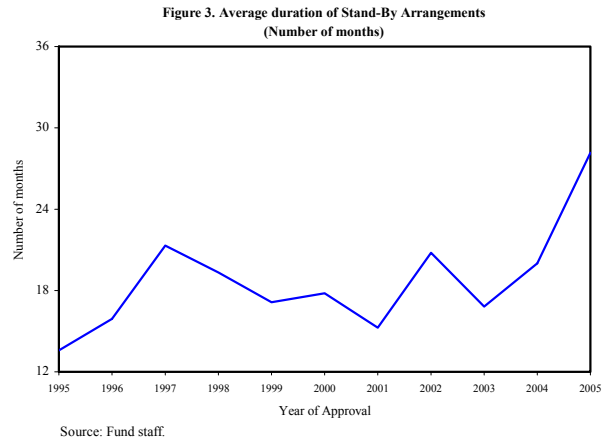
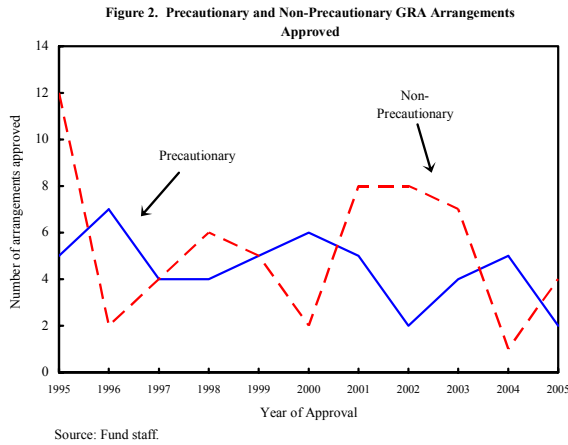
3. The number of GRA arrangements approved during 2005—six stand-by arrangements (SBAs) and no extended arrangements—was approximately half of the average number approved in each of the preceding ten years, continuing the pattern that emerged in 2004 (Tables 1 and 2, Figure 1). Two of these arrangements involved exceptional access under the credit tranches: Turkey’s SBA exceeded both the annual and cumulative access limits; and Uruguay’s SBA exceeded the cumulative access limit (Table 3).



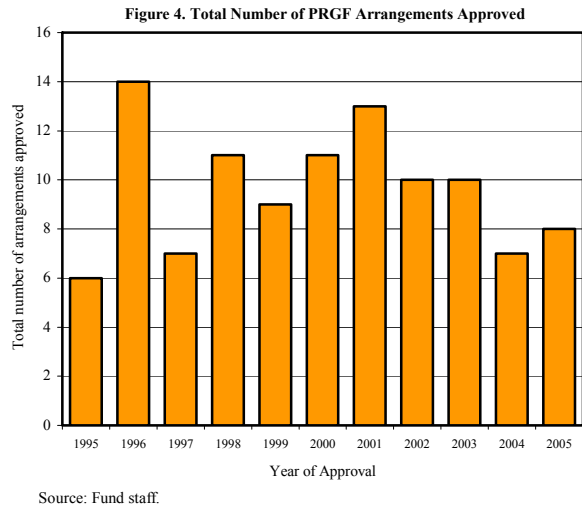
<sup>1</sup> See Managing Director’s Report on *Implementing the Fund’s Medium-Term Strategy* (4/5/06).

<sup>2</sup> During the March 2003 review of access policy in the credit tranches and under the Extended Fund Facility, the Board decided that access policy reviews would be done on a two-yearly cycle and broadened to include access under the PRGF (PIN No. 03/37, 3/21/03). During the April 2005 review of access policy (PIN No. 05/58, 5/4/05), the Board decided that a factual update on access as at end-2005 be provided in early 2006.

There were two SBAs—Colombia and Iraq—that the authorities treated as precautionary from approval, whereas the authorities of the FYR Macedonia, only decided to treat the arrangement as precautionary after making the initial purchase under the SBA (Figure 2). The average duration of SBAs has increased to 28 months, relative to the average of 18 months for 1995–2004 (Figure 3).

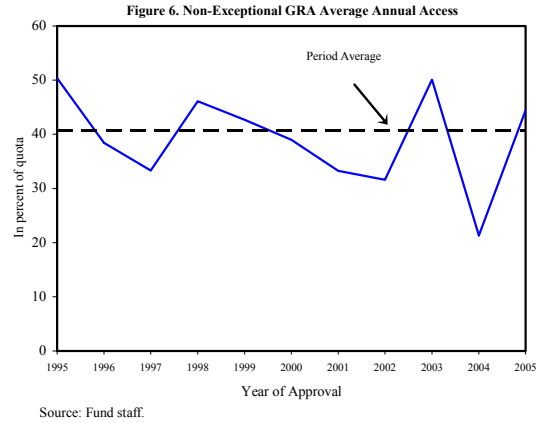
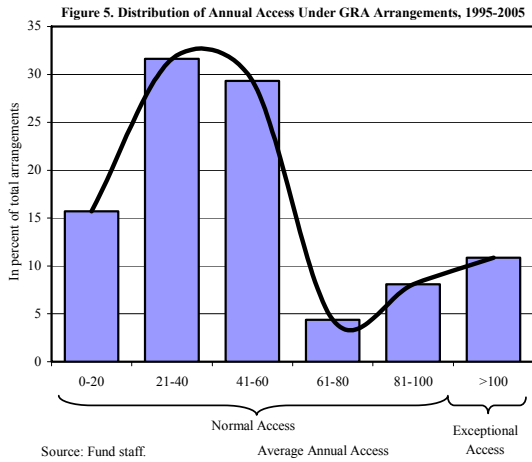


4. Eight arrangements were approved under the PRGF during 2005, which represented a slight increase relative to 2004, but remained somewhat below the annual average of ten for the period 1995–2004 (Figure 4). With the exception of São Tomé and Príncipe (second PRGF arrangement), all arrangements were for members accessing PRGF resources for the third or fourth time (Table 4). In October 2005, the Board approved for Nigeria the first use of a Policy Support Instrument (for a two-year period), which did not involve any access to PRGF (or GRA) resources.

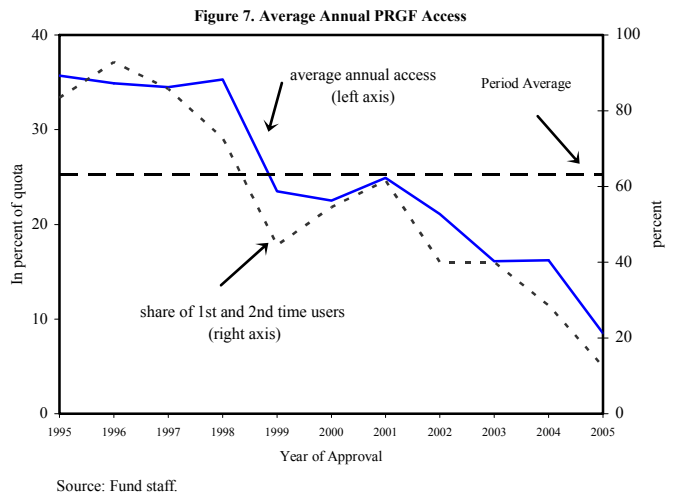


**B. Average Access Under Fund Arrangements**

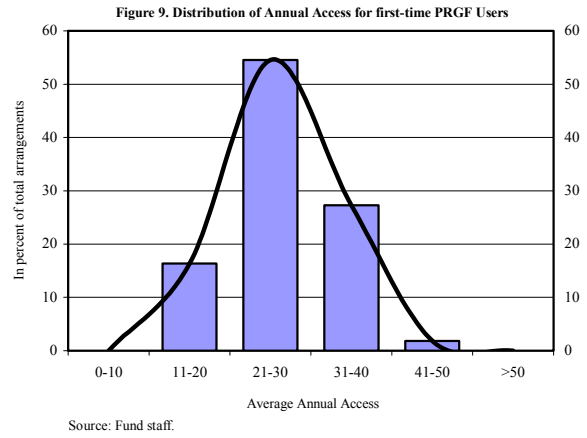
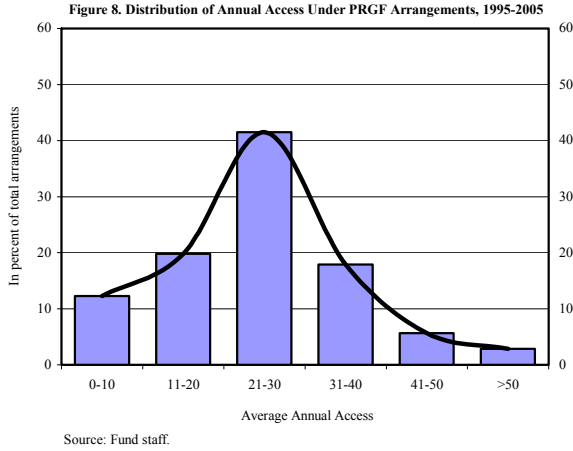
5. The bimodal pattern of access observed in recent years continued, but this pattern was less pronounced, reflecting a moderation in exceptional access (Figure 5). The two exceptional access SBAs averaged annual access of 157 percent of quota (below the 1995–2004 average of 302 percent), whereas annual access for nonexceptional arrangements averaged 44 percent of quota, close to the historical average (Figure 6). The Supplemental Reserve Facility has not been used since 2002.



6. Average access under the PRGF continued the sharp downward trend witnessed in recent years.<sup>3</sup> For PRGF arrangements approved in 2005, average three-year access fell to 26 percent of quota (or 9 percent of quota on an annual basis) from 49 percent in 2004 and an average of 80 percent for the period 1995–2004 (Figures 7 and 8). Excluding four low-access PRGF arrangements (Benin, Cameroon, Kyrgyz Republic, and Niger), access among the remaining PRGF arrangements ranged between 25 percent and 55 percent of quota, averaging 41 percent of quota.

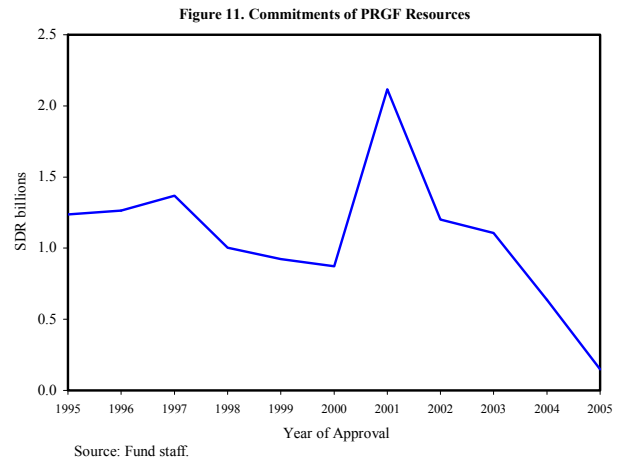


<sup>3</sup> In part, this may reflect the lowering of PRGF access norms in 1999 to balance the impact of the quota increase on absolute lending levels against the limited resources available for lending.

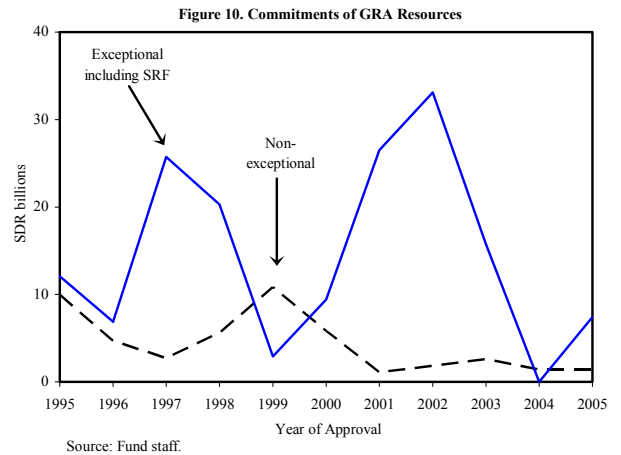


### C. Resources Committed Under Fund Arrangements

7. Total GRA resources committed during 2005 amounted to SDR 8.8 billion, including access granted on approval of the six SBAs and a relatively small augmentation of Bolivia’s existing SBA (Table 5). Consistent with the sizable decline in the number of arrangements approved and the moderation in average annual access, these new commitments were around half of average annual new commitments during 1995–2004 (Figure 10).



8. Similarly, total PRGF resources committed in 2005 fell sharply below the 2001 peak and the historical annual average of about SDR 1 billion (Figure 11). New commitments of PRGF resources totaled around SDR 150 million, more than 85 percent of which reflected new arrangements, with the remainder accounted for by the augmentation of Niger’s arrangement. This drop largely reflects delays in the approval of new PRGF arrangements for several large-quota members.



#### **D. Access Under Emergency Assistance and the Compensatory Financing Facility**

9. In 2005, the Fund provided emergency assistance to three members—natural disaster assistance to the Maldives and Sri Lanka following the tsunami and post-conflict assistance to Haiti. Access remained at the normal limit of 25 percent of quota except in the Maldives where the exceptional limit of up to 50 percent of quota was applied (Table 6). The Compensatory Financing Facility has not been used since 1999.

#### **E. Outstanding Use of Fund Resources**

10. The outstanding use of Fund resources in the credit tranches and under the EFF declined to a nominal level not witnessed since the mid 1990s, standing at SDR 28.4 billion at end-2005, down from SDR 55.4 billion at end-2004 (Table 7). The upsurge in GRA resources outstanding during the Asian crisis and again in the early 2000s was essentially reversed, owing in large part to Brazil's advance repurchase in December 2005 of its outstanding obligations (SDR 10.8 billion or around one quarter of GRA credit outstanding prior to the repurchase). This also contributed to a considerable strengthening in the Fund's liquidity position, with the one year forward commitment capacity reaching SDR 106.5 billion at end-2005 (compared to SDR 72 billion a year earlier). In addition, in December 2005 Argentina announced its intention to repurchase in advance all its outstanding obligations to the Fund. Argentina made an advance repurchase of SDR 6.7 billion in January 2006, increasing further the Fund's forward commitment capacity. Outstanding PRGF credit declined to SDR 6.3 billion at end-2005, but this did not depart from the average for the past decade. On December 21, 2005, the Board completed assessments of the first group of members under the Multilateral Debt Relief Initiative (MDRI). The resulting debt relief of SDR 2.3 billion for 19 members—which took effect in early January 2006—resulted in a sharp decline in PRGF credit outstanding to SDR 4 billion (Table 8).

11. While the concentration of outstanding use of GRA resources—the five largest users (Turkey, Argentina, Indonesia, Uruguay, and Ukraine) represented 87 percent of outstanding resources—remained well above levels in the mid 1990s, a sizable decline occurred in the Fund's aggregate and, hence, largest exposures in 2005 (Figure 11). Three members (Turkey, Uruguay, and Argentina) at end-2005 had outstanding use of Fund resources in excess of the cumulative limit, compared to six members at end-2004. Argentina's advance repurchase in early 2006 led to a further significant decline in the size, but not share, of the largest GRA users. In contrast, concentration among PRGF borrowers is much lower, with the top five users (Pakistan, Democratic Republic of the Congo, Zambia, Ghana, and Tanzania) accounting for about 40 percent of outstanding PRGF loans at end-2005.

Table 1. Access Under Fund Arrangements Approved in 2005 1/  
(In percent of quota, unless otherwise indicated)

	Effective date of arrangement	Duration (months)	Amount		Average Access 2/ 3/ per year	Fund Credit Outstanding 4/				GFF/GFR 5/ (percent)
			(SDR mn.)	(% of quota)		All GRA Facilities		PRGF Trust		
						Start of Arrangement	End of Arrangement	Start of Arrangement	End of Arrangement	
<b>Upper credit tranche SBA</b>										
<b>Not precautionary on approval:</b>										
Dominican Republic	1/31/2005	28	438	200	86	60	248	0	0	16
Macedonia, FYR	8/31/2005	36	52	75	25	29	83	22	1	4
Turkey	5/11/2005	36	6,662	691	230	1,251	748	0	0	11
Uruguay	6/8/2005	36	766	250	83	534	370	0	0	18
<i>Total amount</i>			7,918							
<i>Number of SBAs</i>	4									
<i>Average 6/</i>		34		304	106	469	362	6	0	12
<b>Precautionary on approval:</b>										
Colombia	5/2/2005	18	405	52	35	0	52	0	0	3
Iraq	12/23/2005	15	475	40	32	25	65	0	0	4
<i>Total amount: Precautionary</i>			880							
<i>Number of precautionary SBAs</i>	2									
<i>Average for precautionary 6/</i>		17		46	33	13	59	0	0	4
<i>Total amount: All SBAs</i>			8,798							
<i>Number of SBAs</i>	6									
<i>Average for all SBAs 6/</i>		28		218	82	317	261	4	0	9
<b>EFF arrangements</b>										
<i>Total amount</i>			0							
<i>Number of EFFs</i>	0									
<b>SBA and EFF arrangements</b>										
<i>Total amount: SBAs and EFFs</i>			8,798							
<i>Number of SBAs and EFFs</i>	6									
<i>Average 6/</i>		28		218	82	317	261	4	0	9
<b>PRGF arrangements</b>										
Armenia	5/25/2005	36	23	25	8	0	0	155	179	2
Benin	8/5/2005	36	6	10	3	0	0	61	43	7
Cameroon	10/24/2005	36	19	10	3	0	0	102	52	1
Chad	2/16/2005	36	25	45	15	0	0	110	98	6
Kyrgyz Republic	3/15/2005	36	9	10	3	0	0	147	92	1
Malawi	8/5/2005	36	38	55	18	0	0	78	74	4
Niger	1/31/2005	36	7	10	3	0	0	133	98	3
Sao Tome & Principe	8/1/2005	36	3	40	13	0	0	26	52	3
<i>Total amount</i>			130							
<i>Number of PRGFs</i>	8									
<i>Average 7/</i>		36		26	9	0	0	102	86	3
<b>All arrangements</b>										
<i>Total amount</i>			8,927							
<i>Number of arrangements</i>	14									
<i>Average 6/</i>		33		108	40	136	112	60	49	6
<b>All arrangements (excluding precautionary on approval)</b>										
<i>Total amount</i>			8,047							
<i>Number of arrangements</i>	12									
<i>Average 6/</i>		35		118	41	156	121	70	57	6

Sources: Executive Board documents, and information provided by the Finance Department.

1/ Reflects amounts and duration agreed at the time the arrangements were initially approved; excludes potential access under external contingency mechanisms and other augmentations.

2/ Total access divided by length of arrangement (in years), except where otherwise specified.

3/ Numbers may not sum due to rounding.

4/ PRGF Trust includes remaining credit outstanding under ESAF and SAF facilities; end positions assume full disbursement of committed amounts; in the case of phased drawing under the CFF, the entire eligible amount estimated.

5/ Gross Fund Financing/Gross Financing Requirement; GFF includes all use of Fund resources during the period under the arrangement and associated purchases that were anticipated at the time of approval. GFR is defined as the sum of the current account deficit (excluding grants), amortization of maturities in excess of one year including Fund repurchases, the targeted reduction in arrears (in cash as well as through rescheduling) and the targeted buildup in gross reserves. Figures may be estimated based on information available for the period most closely corresponding to the program period.

6/ Simple arithmetic average; excludes Supplemental Reserve Facility (SRF) cases.

7/ Simple arithmetic average.

Table 2. Access Under Fund Arrangements by Year of Approval, 1995–2005 1/

(In percent of quota, unless otherwise indicated) 2/

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>Number of arrangements approved (GRA and PRGF)</b>											
All arrangements	30	33	21	21	20	23	21	20	21	13	14
GRA	23	19	14	10	11	12	8	10	11	6	6
<i>Of which</i> : Exceptional access arrangements 3	1	1	3	2	1	1	1	2	2	0	2
PRGF	7	14	7	11	9	11	13	10	10	7	8
<b>Commitments (on approval)</b>											
In billions of SDRs	21	13	29	24	14	12	15	39	15	2	9
In percent of aggregate Fund quota	15	9	20	17	6	6	7	18	7	1	4
<b>GRA Resources</b>											
<b>Fund credit outstanding</b>											
In billions of SDRs	36	36	47	60	51	43	53	64	65	55	28
In percent of aggregate Fund quota	25	25	32	42	24	20	25	30	31	26	13
<b>Average annual access</b>											
<b>SBA</b>											
Non-exceptional 4/	52	39	36	44	43	46	34	39	55	21	44
<i>Of which</i> Precautionary	27	27	27	42	21	40	30	30	55	17	33
Exceptional (including SRF)	500	...	329	200	100	...	320	510	156	...	157
<b>EFF</b>											
Non-exceptional 4/	38	37	28	50	46	12	...	46	12	...	...
<i>Of which</i> Precautionary	...	...	...	45	21	...	...	...	...	...	...
Exceptional (including SRF)	...	53	...	144	...	58	...	...	...	...	...
<b>SBA and EFF</b>											
Non-exceptional 4/	50	38	33	46	42	43	34	40	50	21	44
<i>Of which</i> Precautionary	27	27	27	43	21	40	30	30	55	17	33
Exceptional (including SRF)	500	53	329	172	100	58	320	510	156	...	157
<b>Range of average annual access</b>											
<b>SBA</b>											
Non-exceptional 4/	24-100	18-80	24-69	20-81	20-85	18-85	16-57	19-97	25-100	7-42	25-86
Exceptional (including SRF)	500	...	163-646	200	100	...	320	456-564	141-170	...	83-230
<b>EFF</b>											
Non-exceptional	33-43	17-55	20-45	45-55	21-84	12	...	46	12	...	...
Exceptional (including SRF)	...	53	...	144	...	58	...	...	...	...	...
<b>Average duration of arrangement (as originally approved)</b>											
<b>SBA</b>											
Non-exceptional 4/	14	16	21	19	17	18	15	21	17	20	28
<i>Of which</i> Precautionary	13	16	15	16	14	16	15	19	16	20	24
Exceptional (including SRF)	14	17	17	18	14	18	16	19	16	21	17
EFF	18	...	35	36	36	36	15	25	22	...	36
EFF	36	36	36	36	36	36	...	36	36	...	...
<b>Gross Fund financing as a share of gross financing need</b>											
<b>GRA</b>											
Non-exceptional 4/	16	12	12	10	10	8	7	14	15	17	9
<i>Of which</i> Precautionary	14	12	9	10	11	9	5	7	13	17	7
Exceptional (including SRF)	7	7	7	7	10	6	4	6	13	18	4
ESAF/PRGF	39	17	21	10	6	8	19	31	24	...	15
<b>ESAF/PRGF</b>											
<b>Fund credit outstanding</b>											
In billions of SDRs	5.7	5.9	6.0	6.3	6.4	6.3	6.4	6.9	6.9	6.8	6.3
<b>Total three-year access</b>											
ESAF/PRGF	107	107	104	106	70	67	75	64	48	49	26
<b>Range of total access</b>											
ESAF/PRGF	60-193	60-150	75-150	80-160	42-121	15-100	50-126	5-109	10-94	10-90	10-55
<b>Average projected Fund credit outstanding at end of arrangement, including special facilities 5/</b>											
ESAF/PRGF	165	166	183	169	134	122	123	109	90	85	86
<b>Gross Fund financing as a share of gross financing need</b>											
ESAF/PRGF	15	7	7	10	7	6	6	7	5	6	3

Sources: Executive Board documents and information provided by the Finance Department.

1/ Reflects amounts and duration at the time arrangements were approved; excludes potential access under augmentations.

2/ Access expressed in terms of quotas of the Ninth General Review of Quotas through January 1999, Eleventh General Review of Quotas through January 2003, and twelfth Review of Quotas thereafter.

3/ Above access of 100 percent of quota annually and 300 percent of quota cumulatively per member.

4/ Including first credit tranche arrangements.

5/ Assumes all purchases and repurchases are made as scheduled at the time of the new arrangement approval.



Table 3. Exceptional Access Under Fund Arrangements, October 1994–Present 1/

(As of December 31, 2005)

(In percent of quota at approval, unless otherwise indicated)

Circumstances	Type	Effective date 2/	Duration 2/ (months)	Arrangement Amount				Annual Access 3/			Including special facilities 5/			GFF/GFR 7/ (percent)		
				Total (SDR mn.)	(% of quota)	SRF (SDR mn.)	(% of quota)	Average per year 4/	Year 1 (in % of total access)	Year 2	Year 3	Start of Arrangement	End of Arrangement Projected		Actual 6/	
Mexico 8/	New Arrangement	SBA	2/1/1995	18	12,070	688	--	--	459	73	27	149	768	434	39	
Russia 9/	New Arrangement	EFF	3/26/1996	36	6,901	160	--	--	53	41	34	25	166	279	223	17
Thailand	New Arrangement	SBA	8/20/1997	34	2,900	505	--	--	178	72	14	14	0	505	231	10
Indonesia	New Arrangement	SBA	11/5/1997	36	7,338	490	--	--	163	76	14	10	0	490	245	22
Korea 10/	New Arrangement	SBA	12/4/1997	36	15,500	1,938	9,950	1,244	646	91	5	5	0	694	273	32
Indonesia	Augmentation	SBA	7/15/1998	28	8,338	557	--	--	149	80	13	7	196	540	245	n.a.
Russia 11/	Aug. and Ext.	EFF	7/20/1998	20	15,363	356	3,993	93	152	91	9	9	246	346	223	n.a.
Indonesia	New Arrangement	EFF	8/25/1998	26	4,669	312	--	--	144	82	15	4	245	557	359	11
Brazil	New Arrangement	SBA	12/2/1998	36	13,025	600	9,117	420	200	87	7	7	0	180	136	8
Indonesia	Augmentation	EFF	3/25/1999	19	5,383	259	--	--	77	71	29	29	310	435	359	n.a.
Turkey	New Arrangement	SBA	12/22/1999	36	2,892	300	--	--	100	38	31	31	46	309	1165	6
Indonesia 9/	New Arrangement	EFF	2/4/2000	35	3,638	175	--	--	60	43	29	29	359	375	333	8
Turkey	Augmentation	SBA	12/21/2000	24	8,676	900	5,784	600	416	89	11	11	107	368	1165	n.a.
Argentina	Augmentation	SBA	1/12/2001	26	10,586	500	2,117	100	197	58	34	8	180	394	460	n.a.
Turkey	Augmentation	SBA	5/15/2001	19	15,038	1,560	5,784	600	713	94	6	6	445	1,088	1165	n.a.
Argentina	Augmentation	SBA	9/7/2001	18	16,936	800	6,087	288	368	75	25	25	307	532	460	n.a.
Brazil 12/	New Arrangement	SBA	9/14/2001	15	12,144	400	9,951	328	320	97	3	3	97	436	359	19
Turkey	New Arrangement	SBA	2/4/2002	35	12,821	1,330	--	--	456	87	6	6	1,165	1,715	1392	23
Uruguay	Augmentation	SBA	6/25/2002	21	1,752	572	386	126	304	76	24	24	117	531	534	n.a.
Uruguay 13/	Augmentation	SBA	8/8/2002	20	2,128	694	129	42	322	73	27	27	243	701	534	n.a.
Brazil	New Arrangement	SBA	9/6/2002	16	22,821	752	7,610	251	564	75	25	25	359	813	506	35
Argentina 14/	New Arrangement	SBA	1/24/2003	7	2,175	103	--	--	170	100	--	--	460	517	418	27
Argentina 14/	New Arrangement	SBA	9/20/2003	36	8,981	424	--	--	141	60	23	17	418	517	...	20
Brazil 15/	Aug. and Ext.	SBA	12/12/2003	15	27,375	902	7,610	251	268	82	18	18	764	866	506	n.a.
Turkey	New Arrangement	SBA	5/11/2005	36	6,662	691	--	--	230	42	33	25	1,251	748	...	11
Uruguay	New Arrangement	SBA	6/8/2005	36	766	250	--	--	83	34	40	26	534	370	...	18

Sources: Executive Board documents, and information provided by the Finance Department.

1/ Reflects amounts and duration agreed for an arrangement at the time SRF resources was approved or the exceptional circumstances clause was invoked. Data regarding future augmentations that included SRF resources or exceptional circumstances are reported on separate rows.

2/ In the case of augmentations, the date and duration remaining at the time of approval of the augmentation, not initial approval of the arrangement.

3/ In the case of augmentations, includes previously undrawn amounts from the arrangement, as well as the new augmentation. Amounts drawn prior to augmentation are not included.

4/ Total access divided by length of arrangement (in years), except where otherwise specified.

5/ Special facilities include Emergency Assistance, CCL, CCFE/CFE, PRGF, SAF, and STF. End positions assume full disbursement of committed amounts and, in the case of phased drawing under the CCFE, the entire eligible amount is estimated.

6/ Actual Fund credit outstanding when the arrangement expired or was cancelled. This may reflect augmentations, extensions, reductions, or quota changes which occurred after approval.

7/ Gross Fund Financing includes all use of Fund resources during the period under arrangement and associated purchases anticipated at the time of approval. The Gross Financing Requirement is defined as the sum of the current account deficit (excluding grants), amortization of maturities in excess of one year, including Fund repurchases, the targeted reduction in arrears (in cash and through rescheduling) and the targeted buildup in gross reserves. Figures estimated based on information available for the period most closely corresponding to the program period. Calculated on approval of new arrangement; does not include augmentations.

8/ Arrangement was approved for an amount of up to SDR 12,070.2 million, of which the initial commitment was SDR 5,259.9 million. Figures here reflect phasing and size of the arrangement as determined at the second (June) review.

9/ With two exceptions, all exceptional circumstances cases required a waiver of the annual and cumulative limits. Russia's 1996 EFF required only a waiver of the annual limit and Indonesia's 2000 EFF required only a waiver of the cumulative limit.

10/ Total amount approved on December 4, 1997 as an SBA. A portion was then converted to an SRF on December 18, 1997 after creation of the SRF.

11/ EFF amount includes 50 percent of quota approved under the CCFE along with the augmentation.

12/ Brazil's previous SBA was cancelled and replaced with this arrangement, which the authorities did not expect to draw upon; however, they drew on the arrangement two weeks after approval.

13/ The SRF approved at the previous augmentation was cancelled and the SBA augmentation was increased equivalent to the undrawn funds.

14/ Argentina announced on December 15, 2005, its intention to repurchase all outstanding Fund credit and cancel their current SBA. They did not complete this until January 3, 2006.

15/ Arrangement turned precautionary from this point forward.

Table 4. Access to PRGF by Three-Year Arrangements 1/  
(In percent of 12th Review Quota; as of December 31, 2005) 2/

Region	Country	First	Second	Third	Fourth	Fifth
<i>Africa</i>						
	Benin	75.8	43.9	43.6	10.0	
	Burkina Faso	80.8	66.1	65.0	40.0	
	Burundi	55.5	90.0			
	Cameroon	87.3	60.0	10.0		
	Cape Verde	90.0				
	Central African Republic	88.8				
	Chad	88.6	65.0	45.0		
	Congo, Democratic Republic of	108.8				
	Congo, Republic of	82.1	65.0			
	Côte d'Ivoire	102.6	87.9	90.0		
	Djibouti	120.0				
	Ethiopia	66.2	65.0			
	Gambia, The	66.0	66.3	65.0		
	Ghana	99.8	44.6	42.0	50.0	
	Guinea	54.1	66.1	60.0		
	Guinea-Bissau	66.5	100.0			
	Kenya	88.9	16.7	55.1	55.3	64.5
	Lesotho	51.9	70.2			
	Madagascar	62.9	66.6	65.0		
	Malawi	80.4	66.0	65.0	55.0	
	Mali	65.3	66.5	50.0	10.0	
	Mauritania	79.0	52.6	66.4	66.0	10.0
	Mozambique	75.2	66.5	51.8	10.0	
	Niger	76.8	88.1	90.0	10.0	
	Rwanda	89.1	5.0			
	Sao Tomé & Príncipe	90.0	40.0			
	Senegal	89.4	80.8	66.1	15.0	
	Sierra Leone	85.6	126.2			
	Tanzania	91.5	81.2	67.9	9.9	
	Togo	62.8	88.8			
	Uganda	99.3	66.8	55.6	7.5	
	Zambia	143.5	52.0	45.0		
	Zimbabwe	56.7				
	<b>Average</b>	<b>82.5</b>	<b>66.2</b>	<b>57.8</b>	<b>28.2</b>	<b>37.3</b>
<i>Asia</i>						
	Bangladesh	48.5	65.1			
	Cambodia	96.0	66.9			
	Lao, P.D.R.	66.5	59.9			
	Mongolia	79.8	65.4	55.8		
	Nepal	47.1	70.0			
	Pakistan	58.7	66.0	100.0		
	Sri Lanka	81.3	65.1			
	Vietnam	110.1	88.1			
	<b>Average</b>	<b>73.5</b>	<b>68.3</b>	<b>77.9</b>		
<i>Middle East and Europe</i>						
	Albania	87.1	72.5	57.5		
	Armenia	110.1	75.0	25.0		
	Azerbaijan	58.2	50.0			
	Georgia	110.8	71.9	65.2		
	Kyrgyz Republic	79.9	72.6	82.7	10.0	
	Moldova	90.0				
	Tajikistan	110.3	74.7			
	Yemen, Republic of	108.7				
	<b>Average</b>	<b>94.4</b>	<b>69.5</b>	<b>57.6</b>	<b>10.0</b>	
<i>Western Hemisphere</i>						
	Bolivia	79.3	58.9	58.9		
	Dominica	93.8				
	Guyana	89.7	59.1	59.1	60.0	
	Haiti	111.2				
	Honduras	31.4	121.0	55.0		
	Nicaragua	92.4	77.6	75.0		
	<b>Average</b>	<b>83.0</b>	<b>79.2</b>	<b>62.0</b>	<b>60.0</b>	
<b>Overall Average</b>		<b>82.9</b>	<b>68.1</b>	<b>59.7</b>	<b>29.2</b>	<b>37.3</b>

Sources: Executive Board documents.

1/ Excludes augmentations.

2/ Access is presented as a share of the twelfth Review Quota to ensure comparability across time and with the access norms. Access limits and norms were lowered proportionately in 1999 to offset the effect of the quota increase on absolute lending levels.

Table 5. Status of Fund Commitments of IMF HIPC Assistance  
as of December 31, 2005  
(In millions of SDRs)

Member	Decision Point	Completion Point	Amount Committed	Amount Disbursed 1/
Under the Original HIPC Initiative				
Bolivia	Sep. 1997	Sep. 1998	21.2	21.2
Burkina Faso	Sep. 1997	Jul. 2000	16.3	16.3
Cote d'Ivoire	Mar. 1998	--	16.7 2/	--
Guyana	Dec. 1997	May. 1999	25.6	25.6
Mali	Sep. 1998	Sep. 2000	10.8	10.8
Mozambique	Apr. 1998	Jun. 1999	93.2	93.2
Uganda	Apr. 1997	Apr. 1998	51.5	51.5
Total Original HIPC			235.3	218.6
Under the Enhanced HIPC Initiative				
Benin	Jul. 2000	Mar. 2003	18.4	20.1
Bolivia	Feb. 2000	Jun. 2001	41.1	44.2
Burkina Faso	Jul. 2000	Apr. 2002	27.7	29.7
Burundi	Aug. 2005	Floating	19.3	0.1
Cameroon	Oct. 2000	Floating	28.5	11.3
Chad	May. 2001	Floating	14.3	8.6
Congo, Dem. Rep. of	Jul. 2003	Floating	228.3 3/	3.4
Ethiopia	Nov. 2001	Apr. 2004	45.1	46.7
Gambia, The	Dec. 2000	Floating	1.8	0.1
Ghana	Feb. 2002	Jul. 2004	90.1	94.3
Guinea	Dec. 2000	Floating	24.2	5.2
Guinea-Bissau	Dec. 2000	Floating	9.2	0.5
Guyana	Nov. 2000	Dec. 2003	31.1	34.0
Honduras	Jun. 2000	Apr. 2005	22.7	26.4
Madagascar	Dec. 2000	Oct. 2004	14.7	16.4
Malawi	Dec. 2000	Floating	23.1	11.6
Mali	Sep. 2000	Mar. 2003	34.7	38.5
Mauritania	Feb. 2000	Jun. 2002	34.8	38.4
Mozambique	Apr. 2000	Sep. 2001	13.7	14.8
Nicaragua	Dec. 2000	Jan. 2004	63.5	71.2
Niger	Dec. 2000	Apr. 2004	31.2	34.0
Rwanda	Dec. 2000	Apr. 2005	46.8	50.6
Sao Tome and Principe	Dec. 2000	Floating	--	--
Senegal	Jun. 2000	Apr. 2004	33.8	38.4
Sierra Leone	Mar. 2002	Floating	98.5	66.0
Tanzania	Apr. 2000	Nov. 2001	89.0	96.4
Uganda	Feb. 2000	May. 2000	68.1	70.2
Zambia	Dec. 2000	Apr. 2005	468.8	508.3
Total Enhanced HIPC			1,622.5	1,379.1
Grand Total 28 members, of which 27 members received commitments of enhanced HIPC assistance			1,857.8	1,597.7

Source: Finance Department.

1/ Includes interest on amounts committed under the Enhanced HIPC Initiative

2/ Equivalent to the committed amount of US \$22.5 million at decision point exchange rates (3/17/98)

3/ Amount committed is equivalent to the remaining balance of the total IMF HIPC assistance of SDR 337.9 million, after deducting SDR 109.6 million representing the concessional element associated with the disbursement of a PRGF loan following the DRC's clearance of arrears to the IMF on June 12, 2002.

Table 6. Access Under Emergency Assistance, 1995–2005

Country	Approved	Event	Purchases	
			In millions of SDRs	In percent of Quota
<b>Natural Disasters</b>				
Bangladesh	1998	Floods	98.13	25.0
Dominican Republic	1998	Hurricane	39.70	25.0
Haiti	1998	Hurricane	15.18	25.0
Honduras	1998	Hurricane	47.50	50.0
St. Kitts and Nevis	1998	Hurricane	1.63	25.0
Turkey	1999	Earthquake	361.50	37.5
Malawi	2002	Food shortage	17.35	25.0
Grenada	2003	Hurricane	2.93	25.0
Grenada	2004	Hurricane	2.93	25.0
Maldives	2005	Tsunami	4.10	50.0
Sri Lanka	2005	Tsunami	103.35	25.0
<b>Post-conflict</b>				
Bosnia and Herzegovina	1995		30.30	25.0
Rwanda	1997		8.93	15.0
Albania	1997		8.83	25.0
Rwanda	1997		5.95	10.0
Tajikistan	1997		7.50	12.5
Tajikistan	1998		7.50	12.5
Congo, Republic of	1998		7.24	12.5
Sierra Leone	1998		11.58	15.0
Guinea-Bissau	1999		2.13	15.0
Sierra Leone	1999		15.56	15.0
Guinea-Bissau	2000		1.42	10.0
Sierra Leone	2000		10.37	10.0
Congo, Republic of	2000		10.58	12.5
Serbia and Montenegro	2000		116.93	25.0
Burundi	2002		9.63	12.5
Burundi	2003		9.63	12.5
Central African Republic	2004		5.57	10.0
Iraq	2004		297.10	25.0
Haiti	2005		10.24	12.5
Haiti	2005		10.24	12.5

Sources: Executive Board documents and information provided by the Finance Department.

Table 7. Total Fund Resources Outstanding  
(Top 20 countries, as of December 31, 2005)

Country	SDR mn.	Percent of GRA or PRGF resources outstanding		Country	Percent of quota
		Member	Cumulative		
<b>GRA Resources</b>					
Turkey	10,247	36.0	36.0	Turkey	1,063
Argentina	6,656	23.4	59.5	Uruguay	526
Indonesia	5,462	19.2	78.7	Argentina	314
Uruguay	1,612	5.7	84.3	Liberia	282
Ukraine	831	2.9	87.3	Indonesia	263
Serbia and Montenegro	606	2.1	89.4	Somalia	219
Bulgaria	462	1.6	91.0	Sudan	179
Sudan	303	1.1	92.1	Serbia and Montenegro	130
Iraq	297	1.0	93.1	Dominican Republic	128
Dominican Republic	280	1.0	94.1	Jordan	97
Philippines	272	1.0	95.1	Bulgaria	72
Sri Lanka	228	0.8	95.9	Ukraine	61
Liberia	201	0.7	96.6	Bolivia	58
Romania	183	0.6	97.2	Sri Lanka	55
Jordan	165	0.6	97.8	Grenada	50
Bolivia	99	0.3	98.1	Macedonia, FYR	45
Somalia	97	0.3	98.5	Haiti	34
Ecuador	55	0.2	98.7	Dominica	33
Pakistan	54	0.2	98.9	Moldova, Republic of	32
Gabon	48	0.2	99.0	Philippines	31
<i>Total of top 20</i>	<i>28,158</i>	<i>99.0</i>	<i>99.0</i>	<i>Average</i>	<i>183</i>
<i>Total GRA resources outstanding</i>	<i>28,432</i>	<i>100.0</i>	<i>100</i>		
<b>PRGF Resources</b>					
Pakistan	990	15.8	15.8	Kyrgyz Republic	140
Congo, Dem. Rep. of	553	8.8	24.6	Niger 1/	136
Zambia 1/	414	6.6	31.2	Armenia, Republic of	134
Ghana 1/	292	4.6	35.8	Albania	132
Tanzania 1/	240	3.8	39.6	Sierra Leone	130
Bangladesh	216	3.4	43.1	Madagascar 1/	122
Cameroon	190	3.0	46.1	Tanzania 1/	120
Yemen, Republic of	179	2.8	48.9	Burkina Faso 1/	120
Georgia	163	2.6	51.5	Georgia	108
Madagascar 1/	149	2.4	53.9	Nicaragua 1/	108
Vietnam	142	2.3	56.1	Congo, Dem. Rep. of	104
Nicaragua 1/	140	2.2	58.4	Cameroon	102
Cote d'Ivoire	139	2.2	60.6	Tajikistan, Republic of 1/	102
Sierra Leone	134	2.1	62.7	Chad	99
Kyrgyz Republic	124	2.0	64.7	Mozambique 1/	97
Armenia, Republic of	123	2.0	66.7	Pakistan	96
Honduras 1/	118	1.9	68.5	Honduras 1/	91
Ethiopia 1/	112	1.8	70.3	Cape Verde	90
Kenya	111	1.8	72.1	Zambia 1/	85
Mozambique 1/	110	1.7	73.8	Ethiopia 1/	84
<i>Total of top 20</i>	<i>4,639</i>	<i>73.8</i>	<i>73.8</i>	<i>Average</i>	<i>110</i>
<i>Total PRGF resources outstanding</i>	<i>6,282</i>	<i>100.0</i>	<i>100.0</i>		

Sources: Information provided by the Finance Department.

1/ One of 19 countries assessed by the Executive Board on December 21, 2005 as qualifying for debt relief under the Multilateral Debt Relief Initiative (MDRI). These countries did not receive relief until early-2006.

Table 8. MDRI Debt Relief to 19 Qualifying Countries

(As of January 6, 2006)

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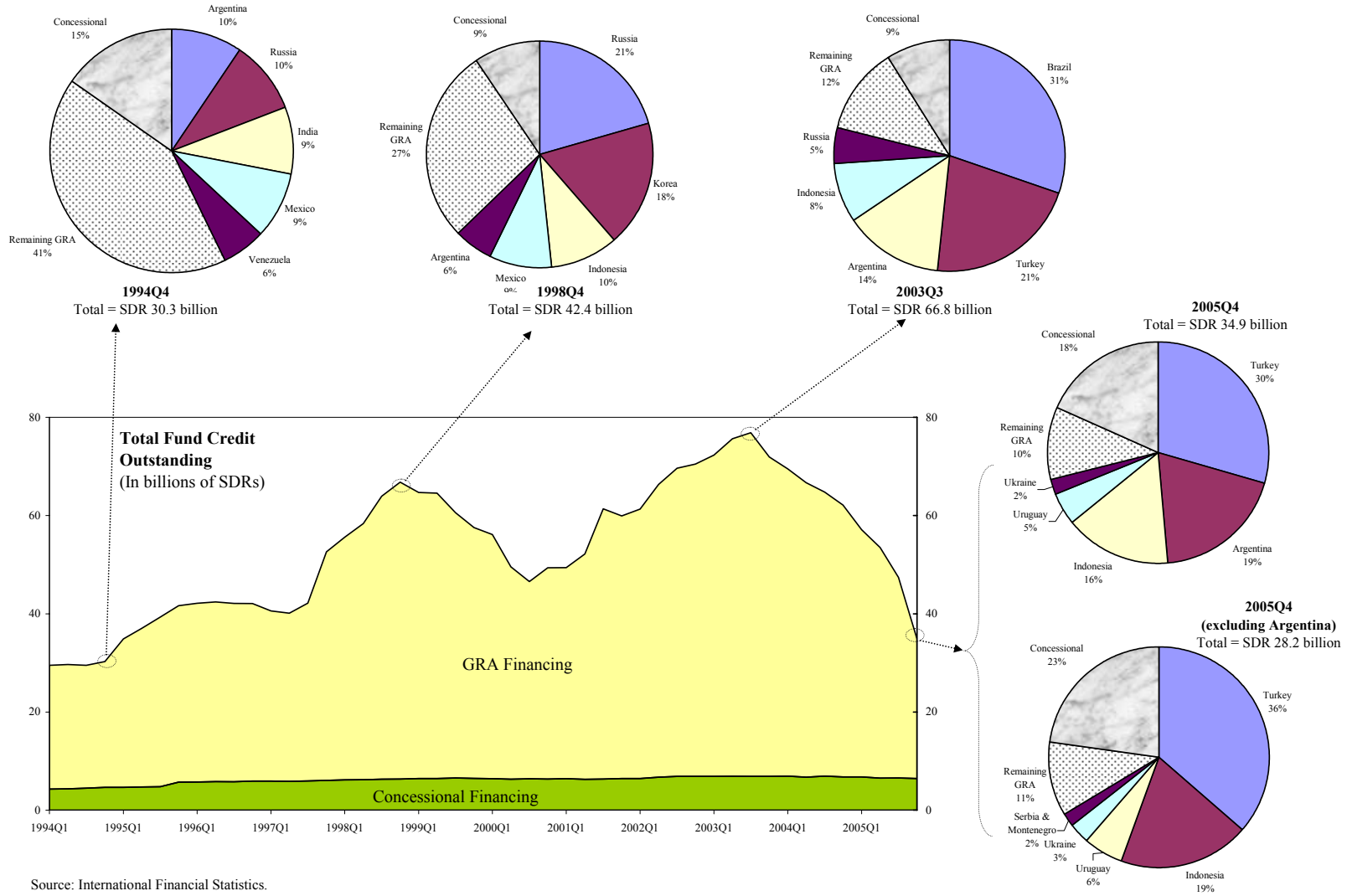
Eligible Fund Credit Outstanding for Qualifying Countries Under the MDRI 1/	
	SDR million
HIPC Completion Point Countries	2,203
Benin	36
Bolivia	161
Burkina Faso	62
Ethiopia	112
Ghana	265
Guyana	45
Honduras	107
Madagascar	137
Mali	75
Mozambique	107
Nicaragua	140
Niger	78
Rwanda	53
Senegal	100
Tanzania	234
Uganda	88
Zambia	403
Non-HIPC Countries	126
Cambodia	57
Tajikistan	69
Total	2,330

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Source: IMF Finance Department.

1/ Fund credit outstanding on January 6, 2006 resulting from disbursements made prior to January 1, 2005.

Figure 12. Fund Credit Outstanding, 1994–2005



Source: International Financial Statistics.

### Summary of Access Policies

The following is a summary of policies governing *access to Fund resources in the General Resources Account*.

- The *criteria for determining access* in individual cases concern a member's: (i) actual or potential balance of payments need, taking into account other sources of financing and the desirability of maintaining a reasonable level of reserves; (ii) capacity to repay the Fund, of which the critical component is the strength of its adjustment policies; and (iii) outstanding use of, and record in using, Fund resources.
- Access by a member to the Fund's GRA is subject to overall limits<sup>4</sup> of: (i) 100 percent of quota annually, that applies to gross purchases in any 12-month period; and (ii) 300 percent of quota of cumulatively, net of scheduled repurchase obligations. These limits on access also apply to the Fund's GRA in the credit tranches and under the EFF. Under exceptional circumstances, these access limits may be exceeded (see below).<sup>5</sup>

The *exceptional access framework* was approved in 2002 and 2003, reviewed in 2004, and strengthened in 2005.<sup>6</sup> There is a strong presumption that exceptional access in capital account crises will be provided using resources of the Supplemental Reserve Facility (which is not subject to access limits), where the relevant conditions for use of Fund resources apply.

- The *four criteria* for exceptional access in capital account crises are:<sup>7</sup> (i) balance of payments pressures on the capital account that cannot be met within Fund financing limits; (ii) a high probability that debt will remain sustainable, based on a rigorous and systematic analysis; (iii) good prospects for regaining private capital market access within the time Fund resources are outstanding; and (iv) a strong adjustment program that provides a reasonably strong prospect of success, considering the member's adjustment plans, and its institutional and political capacity to deliver such adjustment. In rare instances where exceptional access is requested by a member not experiencing a capital accounts crisis, the request would be judged "in light of the four substantive criteria", but approval would not necessarily be conditioned on meeting those criteria.

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<sup>4</sup> The overall limit applies to all use of Fund resources by a member in the GRA, including in the credit tranches and under the EFF, as well as under the emergency assistance policy and CFF.

<sup>5</sup> See "Review of Access Policy in the Credit Tranches, the Extended Fund Facility and the Poverty Reduction and Growth Facility, and Exceptional Access Policy" (3/14/05; and PIN No. 05/58, 5/4/05).

<sup>6</sup> For the original documents related to the approval of the exceptional access policy and its review in 2004 see "Access Policy in Capital Account Crisis" (7/29/02), "Access Policy in Capital Account Crises—Modifications to the Supplemental Reserve Facility and Follow-Up Issues Related to Exceptional Access Policy" (1/14/03; and PIN No. 04/54, 5/13/04), and "Review of Exceptional Access Policy" (3/23/04; and PIN No. 03/37, 3/21/03).

<sup>7</sup> See "Access Policy in Capital Account Crises—Modifications to the Supplemental Reserve Facility and Follow-Up Issues Related to Exceptional Access" (1/14/03; and PIN No. 04/54, 5/13/04).



- The *strengthened exceptional access procedures*<sup>8</sup> require that: (i) there will be early consultation with the Board; (ii) a concise note is required for such informal Board meetings, outlining a diagnosis of the problem, the needed policy measures, the appropriateness of and necessity for exceptional access, and the likely timetable for discussions; (iii) a separate staff report will be prepared evaluating the case for exceptional access based on the above-mentioned four criteria; and (iv) there will be an ex post evaluation of all programs with exceptional access within one year after the end of the arrangement. In general, Management's recommendations to approve exceptional access requests are contingent on the member consenting to publication of the associated staff report.

*Access under emergency assistance* is generally limited to 25 percent of quota, although additional amounts of up to 25 percent of quota can be made available exceptionally.

Cumulative and annual *access limits under the Compensatory Financing Facility* are 45 percent of quota for either an export shortfall or a cereal import excess, or 55 percent of quota for a combination of the two.

*Access under the Poverty Reduction and Growth Facility* (PRGF) is based on four general criteria: (i) the member's balance of payments need, (ii) the strength of the adjustment program, (iii) the amount of the member's outstanding use of Fund credit, and (iv) its record in using Fund credit in the past. In addition, the following quantitative limits and access norms also apply.

- Three-year PRGF access is subject to a *maximum limit* of 140 percent of quota, with the possibility of raising the limit to 185 percent of quota under exceptional circumstances. There are no separate limits on annual access or the total amount of resources outstanding under the PRGF.
- In 2004, *indicative norms* for access to PRGF resources under a three-year arrangement were extended to cover third time and subsequent users.<sup>9</sup> The norms, in percent of quota, are: (i) 90 percent for first time users; (ii) 65 percent for second time users; (iii) 55 percent for third time users; (iv) 45 percent for fourth time users; (v) 35 percent for fifth time users; (vi) 25 percent for sixth and subsequent users; and (vii) 10 percent for low access arrangements. These provide a general guidance for access decision rather than an implied entitlement or maximum.

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<sup>8</sup> See "Review of Access Policy in the Credit Tranches, the Extended Fund Facility and the Poverty Reduction and Growth Facility, and Exceptional Access Policy" (3/14/05; and PIN No. 05/58, 5/4/05)..

<sup>9</sup> See "The Fund's Support of Low Income Member Countries—Considerations on Instruments and Financing," (2/24/04; and PIN No. 04/40, 4/15/04), and the "Operational Guidance Note on Access under the Poverty Reduction and Growth Facility" (11/9/04).

- There is a *presumption that blended PRGF/EFF resources* would be used if: (i) the member's per capita income exceeds 75 percent of the World Bank's IDA operational cutoff; or (ii) the member has significant recent or prospective access to medium- or long-term borrowing from private capital markets or the nonconcessional windows of official bilateral and multilateral lenders.

In October 2005, the Board established the Policy Support Instrument (PSI) to enable the Fund to support low-income countries that do not want—or need—to access resources under the PRGF. However, in the event of a shock, an on-track PSI could provide the basis for rapid access to PRGF resources through the Fund's new exogenous shocks facility.<sup>10</sup>

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<sup>10</sup> See "*Implementation of the Policy Support Instrument*" (09/2/05).