G20 BRASIL 2024

BUILDING A JUST WORLD AND A SUSTAINABLE PLANET

3rd G20 Finance Ministers and Central Bank Governors (FMCBG) Meeting

SESSION 5: FINANCING DEVELOPMENT: CAPITAL FLOWS, GLOBAL DEBT AND MDBs REFORM

G20 NOTE ON SDR CHANNELING

Original note from April 18th, 2024, updated after IMF Board decision on May 11th, 2024

July 26th, 2024

July 2024

I. UPDATE ON SDR CHANNELING AND EQUIVALENT CONTRIBUTIONS

Since the release of the G20 IFAWG Co-chair's note in July 2023,[1] several new commitments for SDR channeling or equivalent contributions have been announced. In addition, a significant number of pending pledges have been operationalized as resources transferred to the PRGT and the RST.

By the G20 Finance Ministers and Central Bank Governors Meeting in April 2024, pledges of SDR channeling or equivalent contributions amounted to USD 111.1 billion (SDR 78.5 billion)[2]. These pledges come from 31 countries.

- SDR 24.6 billion (USD 34.1 billion) have been pledged to the PRGT and SDR 35.4 billion (USD 50.1 billion) to the RST, while the destination of remaining pledges is to be determined.

- Of these pledges, SDR 23.8 billion (USD 33.8 billion) have been delivered as contributions to the PRGT and SDR 30.7 billion (USD 43.5 billion) have been delivered as contributions to the RST.

- As per the note in July 2023, pledges to the PRGT include loan contributions to its Loan Account and its Deposit and Investment Account; pledges to the RST include loan contributions to its Loan Account and its Deposit Account, and one loan to its Reserve Account. Exchange rates used for the aforementioned data are those of October 29, 2021—i.e., the date of the G20 Leaders' Summit in Rome.

The target for PRGT subsidy resources (SDR 2.3 billion) set under the 2021 PRGT fundraising round has been successfully met at the IMF-World Bank Annual Meetings in October 2023, thanks to the support of over 40 partners. However, due to subsequent shocks, including severe economic challenges of LICs leading to a higher lending demand, higher interest rates, the PRGT continues to face large subsidy resources needs to durably ensure adequate support to LICs and financial viability of the PRGT.

We also note that four countries[3] pledged to the Administered Account for Ukraine, for a total of USD 4.9 bn (these pledges are accounted separately from the total SDR channeling)

SDR channeling and equivalent contributions continue to be instrumental in the strengthening of the PRGT and the implementation of the RST by the IMF. As of June 28, 2024, total current commitments to beneficiary countries amount to:

- SDR 12.1 billion under the PRGT's facilities for 30 current arrangements; and

1. Notably during the UN General Assembly in September 2023, the IMF-World Bank Annual Meetings in October 2023, and the 1st G20 Finance Ministers and Central Bank Governors Meeting in São Paulo in February 2024
2. Based on the data call concluded in July 2024
3. Canada, Germany, Belgium and Netherlands have made contributions through the Ukraine administered account.

- SDR 6.6 billion under the RSF (facility under the RST) for 19 current arrangements.

Messages delivered by the note in July 2023 remain valid. Efforts for delivering SDR channeling and equivalent contributions must continue.

- Pending pledges must continue to be converted into actual contributions. We call on countries to deliver on their pledges as soon as possible and to provide clarity on the timing of delivery and the destination of pledge[4]. Such clarity can be provided by describing the domestic process for enabling contributions (e.g. parliamentary approval, issuance of a State guarantee on the SDR loan), the state of play of discussions with the IMF for signing the contribution agreements, etc.

- Further SDR channeling pledges or equivalent pledges in freely usable currencies are most welcome. In particular, countries with strong external positions that have not yet contributed are invited to do so.

- Following the closure of fundraising gaps for PRGT subsidy resources, thanks to the PRGT fundraising round launched in 2021, we look forward to the review of PRGT facilities and financing in 2024. The goal is to assist in meeting the balance of payment needs of low-income countries and ensuring the sustainability of the PRGT. This will involve exploring all options, including the use of internal resources and reform of lending policies.

- The implementation of the RST represents an opportunity for enhanced coordination between the IMF and the World Bank and other development partners: the recent creation of the Enhanced Cooperation Framework for Scaled-Up Climate Action between the IMF and the World Bank will help raise the impact of SDRs channeled through the RST.

II. SDR CHANNELLING THROUGH MDBS

In 2021, ahead of the SDR general allocation, three options for SDR channeling were discussed: (i) scaling up the pre-existing IMF's Poverty Reduction and Growth Trust (PRGT); (ii) contributing to the IMF's new Resilience and Sustainability Trust (RST); (iii) channeling SDRs through MDBs.

SDR channeling through MDBs has also been part of the MDB Capital Adequacy Framework agenda, due to its potential capacity to provide additional headroom to MDBs lending capacities. Hybrid capital (that can be subscribed through SDRs or hard currencies) is indeed one of the innovative solutions highlighted by the Independent Review of Multilateral Development Banks' Capital Adequacy Frameworks (CAF Review), commissioned in 2021 by the G20 and presented in June 2022, to optimize MDB capital adequacy and increase lending

4. A dedicated section of the note provides updated information.

headroom. The report "Strengthening Multilateral Development Banks: The Triple Agenda" by the G20 Independent Experts Group, issued in October 2023, also called for MDBs to take steps to boost their lending capacity, including by exploring hybrid capital structures.

Since 2022, the G20 IFA Working Group, following the calls by G20 FMCBG and Leaders to explore this option,[5] has regularly organized discussions between G20 members and with MDBs, the IMF, and other stakeholders. The 2024 ODI Report[6] "Financing the fight against poverty and hunger – mobilising resources through a Global Alliance Against Hunger and Poverty" also recommended the G20 Task Force for a Global Alliance against Hunger and Poverty to consider options to channel SDR through MDBs to unlock finance for SDGs 1 and 2.

The following paragraphs are aimed at:

i. Taking the beneficiary country point of view to assess the value added of the option of SDR channeling through MDBs and the importance of coordination of MDBs in that regard.

ii. Taking stock of the status of the AfDB-IDB initiative, the first proposal aiming at using SDR as a way to boost hybrid capital.

iii. Summarizing the understanding of the potential use of SDR in the acquisition of hybrid capital by prescribed holders and the impact on legal and risk-management frameworks, both at the IMF level and (supra-)national levels, which potential contributors to the initiative must comply with.

iv. Proposing a way forward for the G20.

The potential value added of the MDB option from the point of view of beneficiary countries: Supporting a wide range of development and green transition needs and with a leverage effect thanks to the capital-based model of MDBs.

MDBs can leverage SDR resources 3 to 4 times or above, depending on the bank, allowing an additional lending headroom much higher than the volume of SDRs channeled through them. Indeed, MDBs would not on-lend SDRs[7]; they would rather borrow on capital markets, with a financial leverage of 3-to-1 to 4-to-1, and then issue loans to their customer countries. Therefore, as an illustration, if SDR 1 billion is channeled by countries with strong external positions to an MDB, this MDB will be able to borrow 3-4, allowing – according to AfDB-IDB

4. Communiqué of the G20 Finance Ministers and Central Bank Governors Meeting, 13 October 2021: *"We also remain open to consider viable options to voluntarily channel SDRs to MDBs."* Since then, this call has been regularly repeated by the FMCBG.
5. Watkins, K., Nwajiaku-Dahou, K. and Kovach, H. (2024) *Financing the fight against poverty and hunger – mobilising resources for a Sustainable Development Goal reset.* ODI Report. London: ODI.
7. The lending resources of the IMF's PRGT and RST are lower than the total amount of SDR channelled through the PRGT and the RST: a fraction of SDR channelling cannot be lent and has to be kept as deposit or reserves that are key to ensure the financial soundness of both Trusts.

estimations - to increase its lending by the equivalent of 7-8 (this "lending multiplier" compare to the 3-4 "leverage multiplier" take into consideration approvals over time, which includes repayments and additional approvals as loans start to amortize and income is accumulated.)

This additional lending headroom of MDBs can make a meaningful contribution given the magnitude of investment needs for SDGs and the climate transition in Emerging Markets and Developing Economies.[8]

MDBs possess a wide range of financing products and specialized expertise in various countries and sectors. They can finance projects and infrastructure in support of a very large array of topics (climate change mitigation and adaptation, biodiversity protection, food security, SDGs) involving both the public and the private sectors, thereby complementing IMF financing. Additional lending capacity leveraged by SDR channeling facilitates operational and strategic decision-making regarding the use of MDBs resources.

Currently, the most mature option for SDR channeling through MDBs is the acquisition of hybrid capital instruments issued by MDBs, as proposed by the African Development Bank (AfDB) and the Inter-American Development Bank (IDB).

Since 2021, the AfDB and the IDB have jointly developed a proposal building on the issuance of a SDR loan structured as a hybrid capital instrument. Under this proposal, IMF member countries with a strong external position[9] could purchase the hybrid capital instrument issued by the MDB with a fraction of their SDR balances.

This hybrid capital instrument would have the following financial characteristics:

- The instrument would have both debt and equity properties. It would have a perpetual maturity, with an optional early redemption after 10 years. The loan would accrue SDR interest rate plus a spread.

- The trigger event of a mandatory interest cancellation would be financial distress, as signaled by capital adequacy metrics, caused by large financial losses or rating downgrades, for example.

- The instrument would rank junior to subordinated and unsubordinated debt of the MDB, but senior to paid-in capital provided by shareholders. In addition to the trigger for mandatory interest cancellation, if the MDB ever faces a situation where it could no longer service its debt or honor its guarantees, it would call callable capital, triggering the write off of the principal of the SDR instrument. The principal loss absorption represents an extremely remote scenario, as confirmed through the reverse stress test analysis undertaken by both MDBs.

8. See estimates from the report "Strengthening Multilateral Development Banks: The Triple Agenda" of the G20 Independent Experts Group, October 2023.
9. Countries with a strong external position are those participating to the Financial Transactions Plan.

- Due to this, the instruments are very unlikely to be called and will strengthen the capital base for MDBs, allowing them to leverage their funding in the capital market. This differs from the PRGT/RST mechanism, where funds are on-lent to eligible countries and there is no leveraging effect.

- The instrument would be treated as quasi-equity by the MDB and the Credit Rating Agencies (CRAs), allowing for a leverage ratio at least 3 to 4 times or above, depending on the MDB and the amount of hybrid capital.[10]

- SDRs would not be lent themselves: MDBs would lend funds raised in debt capital markets and supported by the increased capital base provided by SDRs (probably held at the IMF), and they do not need to convert SDRs into hard currency to issue loans to their customers. It is only in the very unlikely event of a loss absorption that the MDB would need to convert SDRs into currency (for instance through asking a conversion with a participant to Voluntary Trading Agreements).

The credit risk of the hybrid capital would be extremely low. The AfDB and the IDB have AAA credit ratings, they benefit from a preferred creditor status, and they have put in place strong risk management frameworks. Debt issued thanks to capital leveraged by hybrid capital would be fully integrated into the MDB's balance sheet; it would benefit from the aforementioned risk management framework and the MDB's AAA rating.

The liquidity of the SDRs loan would be provided through a scheme sharing some characteristics with the encashment mechanism used in the PRGT and the RST. Contributors (IMF member countries) would take part in a liquidity support agreement (LSA), with a contribution amounting up to 25% (or the computed ratio based on the fraction of each countries' purchased amount) of the hybrid capital instrument purchased by the largest participant. If a purchasing country faces a BoP event, which is to be defined in a broader and flexible manner, other purchasing countries agree to purchase its holdings of the MDB hybrid capital instruments. Upon resolution of the BoP event, the country must repurchase its holdings that were transferred to other countries. Countries that have not purchased hybrid capital could also take part in the LSA through the provision of unfunded guarantees denominated in their own currencies (without the use of SDRs).

Since then, other MDBs have also publicly indicated their consideration of a hybrid capital instrument for SDR channeling (World Bank Group, Asian Development Bank). The G20 Presidency has been encouraging such institutions to share more details about their approaches towards the use of SDR as hybrid capital. Other MDBs or prescribed SDR users may similarly pursue this avenue to boost development lending as a system. These prescribed holders would have an interest to coordinate in order to prevent a competition or a fragmentation among themselves for the same pool of resources. The more fragmented the system becomes, the more difficult it will be to establish a sufficiently stable LSA.

In parallel, the number of MDBs and other multilateral development finance institutions which are "prescribed holders" of SDRs has been increasing. Since February 8, 2023, the AfDB,

10. Hybrid capital would increase the Risk-Adjusted Capital ratios, allowing MDBs to further leverage their financing in the capital market.

the African Development Fund, the Asian Development Bank, the Caribbean Development Bank, the Development Bank of Latin America (Corporación Andina de Fomento), the European Bank for Reconstruction and Development, the European Investment Bank, the IDB, the International Bank for Reconstruction and Development and the International Development Association (as part of the World Bank Group), the International Fund for Agricultural Development, the Islamic Development Bank, and the Nordic Investment Bank have been designated as prescribed holders.

While being a prescribed holder does not necessarily imply that each of these institutions intends to take part in SDR channeling, it indicates that they are currently able to use SDRs in transactions (i.e., exchange SDRs for currencies and vice versa) and operations authorized by the IMF in accordance with the IMF's Articles of Agreement.

This new potential use of SDRs has been authorized by the IMF Executive Board. Whether a country may be able to channel its SDRs to MDBs under this proposed use would depend on its specific legal and other constraints (e.g., legal, risk management).

The legal and regulatory framework for SDRs is complex, involving various layers:

- The allocation of SDRs by the IMF has to be consistent with its Articles of Agreement, intended to address the long-term global need to supplement reserves (development objectives are not mentioned in the articles dealing with SDRs allocation)[11].

- The use of SDRs by SDR holders must be consistent with the IMF's Articles of Agreement and policies governing the operations of the SDR department.[12]

- The capacity of countries to provide SDR loans is constrained by specific national legislations and risk-management frameworks.

We propose to focus the analysis on two aspects:

1. At the IMF level: The acquisition of hybrid capital instruments with SDRs is a new use of SDRs, which received an approval by the IMF Executive Board[13]. Seven financial operations using SDRs are already authorized: (i) settlement of financial obligations; (ii) loans; iii) pledges; iv) transfers as security for performance of financial obligations; v) swaps; vi) forward operations; and vii) donations. Since the use of SDRs for the acquisition of hybrid capital instruments does not fall into any of these seven cases, an Executive Board authorisation of this new use was required.

11. IMF's Articles of Agreement – Article I and Section 1 of Article XVIII
12. IMF's Articles of Agreement—Section 3 of Article XVII on other holders of SDRs.
13. International Monetary Fund, Policy Paper No. 2024/026: *Use of SDRs in the Acquisition of Hybrid Capital Instruments of the Prescribed Holders* and Press Release PR 24/162: *IMF Executive Board Approves the Use of SDRs for the Acquisition of Hybrid Capital Instruments Issued by Prescribed Holders, May 15, 2024.*

When considering a proposed new use of SDRs, the IMF Executive Board examines its consistency with the IMF Articles of Agreement and the effective functioning of the SDR Department.

The IMF Executive Board authorized on May 10, 2024 the use of SDRs by IMF members for the acquisition of hybrid capital instruments issued by prescribed holders, adding to the 7 pre-existing authorised financial operations mentioned above. The new SDR use will be subject to:

- A cumulative limit of SDR 15 billion;
- A review of the proposed use when cumulative hybrid capital contributions surpass SDR 10 billion or two years after the authorization, whichever comes first;
- And the expectation that IMF members channeling SDRs to prescribed holders under such capital contributions have Voluntary Trading Arrangements (VTA) in place to help ensure sufficient liquidity and an equitable distribution of potential SDR exchanges into currencies in the VTA market.

This authorisation provides members with the possibility to consider the use of SDRs in the acquisition of hybrid capital instruments issued by prescribed holders. The IMF notes that "the decision whether to use SDRs to acquire hybrid capital instruments rests solely with each member country", and that "some member countries are impeded to engage in this type of operations due to domestic constraints".

2. <u>At the level of a country potentially providing the SDR loan: The ability of countries to acquire hybrid capital with their SDRs will critically depend on the instruments possessing the characteristics of a reserve asset (and, in some jurisdictions, on their compliance with the prohibition of monetary financing), as SDRs are legally considered in many countries to be part of their international reserves.</u>

As per the *Sixth Edition of the IMF's Balance of Payments and International Investment Position Manual* (BPM6), "reserve assets are those external assets that are readily available to and controlled by monetary authorities for meeting balance of payments financing needs, for intervention in exchange markets to affect the currency exchange rate, and for other related purposes (such as maintaining confidence in the currency and the economy, and serving as a basis for foreign borrowing)."[14]

a. Reserve assets must be readily available in the most unconditional form. "A reserve asset is liquid in that the asset can be bought, sold, and liquidated for foreign currency (cash) with minimum cost and time, and without unduly affecting the value of the asset".[15] It can be committed for future use, provided that the asset is readily available to meet a BoP financing need.[16] Thus, when a country that has lent SDRs faces a BoP event, it should be able to get them returned with minimum cost and time to liquidate them for foreign currency without unduly affecting the value of the asset.

14. Paragraph 6.64 of BPM6
15. Paragraph 6.69 of BPM6
16. Paragraph 6.75 of BPM6

b. Reserve assets must also be protected against credit risk (see above).

Based on these criteria, the hybrid capital instrument would meet reserve asset requirements provided that the liquidity support agreement is effective and there is a sufficient participation by contributing countries with strong external positions. These conditions ensure the liquidity of SDRs used for the acquisition of hybrid capital.

For example, the IMF staff assessment suggests that the hybrid capital instrument proposed by the AfDB and the IDB would exhibit the characteristics of a reserve asset if at least five countries with strong external positions acquire the hybrid capital instrument and each of them takes part in the LSA with a contribution of 25% of the highest claim on the hybrid capital.

Thus, if a contributor (IMF member country) faces a BoP event, the contribution of the four other IMF member countries to the liquidity support agreement would suffice to compensate for the temporary exit of the IMF member country, subject to the distribution of hybrid capital among IMF member countries.

The hybrid capital instrument would also benefit from having at least three additional countries participating in the LSA without acquiring hybrid capital, through the provision of unfunded guarantees. The guarantees would be triggered only as a second line of defense' in the event that the contributions of the IMF member countries to the LSA are exhausted (for example, if several IMF member countries concurrently face BoP issues, which is highly unlikely given their strong external positions).

Nevertheless, the IMF staff's assessment that hybrid capital instruments would meet the characteristics of a reserve asset is ultimately based on BPM6, which serves as the relevant statistical standard.

In addition to the reserve asset status issue, additional national or supranational legal rules and risk-management policies must be considered, which may either impose additional conditions or fully exclude the possibility of using SDRs to acquire hybrid capital issued by MDBs[17]. During the Executive Board discussion of May 10, Directors noted that in some jurisdictions, domestic legislations do not allow to channel SDRs in this manner.

17. For example, EU Member States are not able to channel SDRs through MDBs due to Article 123 of the Treaty on the Functioning of the European Union, which prohibits monetary financing. An EU regulation states that EU national central banks cannot provide credit facilities or purchase debt instruments of any public authority, except for the IMF for obligations linked to IMF membership (Article 7 of the EU Council Regulation No. 3063/93 of 13 December 1993). Concerning risk management, countries may have different guiding principles and models governing use of their reserves, which could potentially be impacted by the SDR channeling.

Similarly, for example, Mexico is unable to either lend or donate SDRs to MDBs, as they form part of their international reserves, as the Mexican law includes a list of allowed uses of SDRs, which does not include such actions loans or donations to MDBs (paragraph 3 of Banco de México, Asignación General de Derechos Especiales de Giro (DEG) del Fondo Monetario Internacional. Extracto del Informe Trimestral Abril - Junio 2021, Recuadro 2, pp. 27-29, 31 August 2021).

In some jurisdictions, acquiring SDRs in such a hybrid capital instrument requires parliamentary approval. While this does not prevent the feasibility of SDR channeling, it can add complexity to the operationalization of pledges.

Some of the IMF member countries that cannot channel SDRs through MDBs could nevertheless support the mechanism as guarantee providers to the liquidity support agreement.

III. PROPOSED WAY FORWARD FOR THE G20

Now that IMF board approved the use of SDRs to acquire hybrid capital issued by MDBs, which are also prescribed holders of SDRs, and IMF staff judges that the instruments under the AfDB/ IDB proposals would meet reserve asset characteristics conditional on sufficient participation by contributors with strong external positions and subject to confirmation of the final terms, the G20 can then continue to provide a platform for discussion, aiming to:

- Disseminate and share knowledge about the initiative with all relevant stakeholders, including credit rating agencies, clarifying technical questions that could assist authorities in making informed decisions in light of their governance framework (e.g., legal and managerial). Additionally, having an estimation of the aggregated amount of SDRs that would be channeled could also aid in clarifying the discussion.

- Facilitate the formation of group IMF member of countries (at least 5) with strong external positions that are willing and permitted to acquire hybrid capital instruments issued by MDBs with SDRs, along with 3 additional members willing to provide guarantees to support the liquidity of SDRs used in the hybrid capital instrument. Establishing this group of potential participants is a prerequisite to enable MDBs to engage in discussions with these countries regarding the operational and legal aspects of implementing the hybrid capital instrument. Channeling SDRs through MDBs could strengthen MDBs capacity to support the fight against hunger and poverty (SDG1 and SDG2), including through the Global Alliance Against Hunger and Poverty, climate action (SDG 9), among others.

Table 1: SDR channeling (or equivalent contributions), as pledged and delivered (February 29, 2024)

	Total loan contributions (pledged)		Total loan contributions (delivered to PRGT and RST)		Total allocation (2021)	Contribution / Allocation (%)	Comments	
	SDR (bn)	USD (bn)	SDR (bn)	USD (bn)	SDR (bn)		PRGT loan pledges	RST loan pledges
G20 and invitees								
Australia	2.41	3.41	2.41	3.41	6.30	38	SDR 1.50 bn (delivered)	SDR 0.91 bn (delivered)
Canada	2.56	3.63	2.56	3.63	10.57	24	SDR 1.20 bn (delivered)	SDR 1.36 bn (delivered)
China	10.00	14.16	7.30	10.34	29.22	34	SDR 1.40 bn (delivered)	SDR 5.90 bn (delivered)
France	7.80	11.05	7.80	11.05	19.32	40	SDR 4.80 bn (delivered)	SDR 3.00 bn (delivered)
Germany	5.16	7.31	5.16	7.31	25.53	20		SDR 5.16 bn (delivered)
Italy	2.89	4.09	2.89	4.09	14.44	20	SDR 1.00 bn (delivered)	SDR 1.89 bn (delivered)
Japan	11.82	16.74	11.82	16.74	29.54	40	SDR 6.91 bn (delivered)	SDR 4.91 bn (delivered)
Korea	1.34	1.90	1.34	1.90	8.23	16	SDR 0.45 bn (delivered)	SDR 0.90 bn (delivered)
Oman	0.04	0.06	0.04	0.06	0.52	8		SDR 38 m (delivered)
Saudi Arabia	2.80	3.97	2.80	3.97	9.58	29	SDR 2.80 bn (delivered)	
Singapore	0.75	1.06			3.73	20		SDR 0.75 bn
Spain	4.57	6.47	1.74	2.47	9.14	50	SDR 0.35 bn (delivered)	SDR 2.9 bn (1.4 delivered)
Switzerland	0.50	0.71	0.50	0.71	5.53	9		SDR 500 m (delivered)
United Kingdom	3.96	5.61	3.96	5.61	19.32	20	SDR 1.50 bn (delivered)	SDR 2.46 bn (delivered)
United States	14.83	21.00			79.55	19		
Non-G20 countries								
Belgium	0.91	1.29	0.91	1.29	6.14	15	SDR 250 m (delivered)	SDR 658 m (delivered)
Denmark	0.15	0.21	0.15	0.21	3.30	5	SDR 150 m (delivered)	
Estonia	0.04	0.05	0.04	0.05	0.23	15	SDR 10 m (delivered)	SDR 25 m (delivered)
Finland	0.30	0.42	0.30	0.42	2.31	13	SDR 300 m (delivered)	
Greece	0.15	0.21			2.33	6		SDR 150 m
Lithuania	0.08	0.12	0.08	0.12	0.42	20		SDR 85 m (delivered)
Luxembourg	0.25	0.36	0.25	0.36	1.27	20		SDR 253 m (delivered)
Malta	0.03	0.04	0.03	0.04	0.16	17		SDR 28 m (delivered)

	Total loan contributions (pledged)		Total loan contributions (delivered to PRGT and RST)		Total allocation (2021)	Contribution / Allocation (%)	Comments	
	SDR (bn)	USD (bn)	SDR (bn)	USD (bn)	SDR (bn)		PRGT loan pledges	RST loan pledges
Non-G20 countries								
Morocco	0.01	0.01	0.01	0.01	0.86	1	SDR 7.82 m (delivered)	
Netherlands	3.40	4.82	1.70	2.41	8.37	40	SDR 0.50 bn (delivered)	SDR 2.90 bn (1.2 delivered)
Norway	0.15	0.21	0.15	0.21	3.60	3	SDR 150 m (delivered)	
Portugal	0.26	0.37	0.26	0.37	1.97	13	SDR 264 m (delivered)	
Qatar	0.15	0.20			0.70	20	SDR 150 m (delivered)	
Sweden	0.79	1.12	0.15	0.21	4.25	19	SDR 150 m (delivered)	SDR 650 m
United Arab Emirates	0.30	0.40			2.22	13	SDR 150 m	SDR 150 m
Total	78.45	111.12	54.50	77.20				
Administered account for Ukraine	4.83	6.84					Canada: CAD 6.75 bn (SDR 3.85 bn); Germany: EUR 1 bn (SDR 0.82 bn); Netherlands: EUR 200 m (SDR 160 m)	

USD 1 = SDR 0.706 (October 29, 2021). All contributions above are in SDRs or equivalent contributions in freely exchangeable currencies. Differences in totals arise from rounding. The destination of contributions from the US and Qatar is yet to be determined, as is the destination of a portion of the contributions from China and Spain.

Table 2: Contributions to subsidy and reserve resources of the PRGT and RST, as pledged (February 29, 2024)

	Contributions to the PRGT subsidy and/or reserve accounts				Contributions to the RST Reserve Account			
	Pledged		Delivered		Pledged		Delivered	
	SDR (bn)	USD (bn)	SDR (bn)	USD (bn)	SDR (bn)	USD (bn)	SDR (bn)	USD (bn)
G20 and invitee countries								
Australia	0.082	0.116	0.036	0.051	0.015	0.022	0.015	0.022
Canada	0.088	0.116	0.060	0.085	0.023	0.032	0.023	0.032
China	0.168	0.238	0.168	0.238	0.100	0.142	0.100	0.142
France	0.106	0.151	0.033	0.046	0.050	0.071	0.050	0.071
Germany*	0.147	0.209	0.082	0.116	[0.491]	[0.696]	[0.491]	[0.696]
Italy	0.083	0.117	0.049	0.069	0.032	0.045	0.032	0.045
Japan	0.480	0.680	0.480	0.680	0.082	0.116	0.082	0.116
Korea	0.041	0.059			0.015	0.021	0.015	0.021
Singapore	0.021	0.030						
Spain	0.051	0.072	0.051	0.072	0.048	0.068	0.023	0.033
Switzerland	0.039	0.055	0.015	0.022				
United Kingdom	0.250	0.354	0.250	0.354	0.040	0.057		
United States	0.055	0.078	0.055	0.078				
Non-G20 countries								
EU Commission	0.078	0.110	0.078	0.110				
Belgium					0.011	0.016	0.011	0.016
Botswana	0.001	0.001						
Bulgaria	0.005	0.007						
Cyprus	0.002	0.003	0.0004	0.001				
Denmark	0.019	0.027						
Estonia	0.0004	0.001						
Finland	0.001	0.001	0.001	0.001				
Greece	0.019	0.027	0.019	0.027				
Hungary	0.011	0.016						

	Contributions to the PRGT subsidy and/or reserve accounts				Contributions to the RST Reserve Account			
	Pledged		Delivered		Pledged		Delivered	
	SDR (bn)	USD (bn)	SDR (bn)	USD (bn)	SDR (bn)	USD (bn)	SDR (bn)	USD (bn)
Non-G20 countries								
Ireland	0.019	0.027	0.036	0.051	0.015	0.022	0.015	0.022
Latvia	0.002	0.003	0.002	0.003				
Lithuania	0.002	0.003	0.002	0.003	0.001	0.002	0.001	0.002
Luxembourg					0.004	0.006	0.004	0.006
Malta	0.001	0.001			0.0005	0.001	0.0005	0.001
Mauritius	0.001	0.001						
Morocco	0.0002	0.0003						
Netherlands	0.035	0.050	0.023	0.033	0.050	0.071	0.020	0.028
Norway	0.009	0.013	0.003	0.004				
Oman	0.018	0.025			0.0006	0.0006	0.0006	0.0006
Philippines	0.004	0.006	0.004	0.006				
Poland	0.007	0.010	0.002	0.002				
Portugal	0.011	0.016						
Qatar	0.025	0.035	0.025	0.035				
Slovakia	0.006	0.008	0.006	0.008				
Sweden	0.022	0.031	0.015	0.021	0.011	0.015		
Thailand	0.008	0.011	0.008	0.011				
Trinidad & Tobago	0.003	0.004						
Total	1.88	2.66	1.50	2.12	0.50	0.71	0.44	0.63

USD 1 = SDR 0.706 (October 29, 2021). Contributions are made in SDRs or currency.
The UK's contribution was made through a concessional loan to the PRGT (the amount in the table represents the implicit subsidy). Contributions from Australia, China, Estonia, Morocco, and Portugal were made through a loan to the PRGT's DIA (the amount in the table reflects the expected return at the maturity of the loan).
Germany made a SDR 491 million loan contribution to the RST Reserve Account, which was included in the loan total

G20 BRASIL 2024

BUILDING A JUST WORLD
AND A SUSTAINABLE PLANET