



July 2023

EXTENSION OF THE PERIODS FOR CONSENT TO AND PAYMENT OF QUOTA INCREASES

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International Monetary Fund
Washington, D.C.



June 8, 2023

EXTENSION OF THE PERIODS FOR CONSENT TO AND PAYMENT OF QUOTA INCREASES

Approved By

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Prepared by the Finance Department

(in consultation with the Legal and Secretary's Departments).

1. This paper proposes a further extension, for a period of one year, of the period for members to consent to an increase in their quotas under the Fourteenth General Review of Quotas (Board of Governors Resolution No. 66-2) ("Fourteenth Review") through June 30, 2024.¹ The current deadline for such consents was last extended for a period of one year in June 2022 and is due to expire on June 30, 2023.² However, Resolution No. 66-2 provides that the Executive Board may extend the period for members to consent under the Fourteenth Review as it may determine. As was done in June 2022, a further one-year extension in the period for consent is proposed.

2. As of June 8, 2023, Eritrea and the Syrian Arab Republic had not yet consented to their proposed quota increases under Resolution No. 66-2.

3. This paper also proposes an additional extension by one year of the periods for payment of quota increases under the Fourteenth Review, and for payment of quota increases under the 2008 Reform of Quota and Voice (Board of Governors Resolution No. 63-2) ("2008 Reform"), through June 30, 2024.³

4. For the Fourteenth Review, under the Board of Governors Resolution No. 66-2, each member shall pay to the Fund the increase in its quota within 30 days after the later of (a) the date on which it notifies the Fund of its consent, or (b) the date on which all of the general effectiveness conditions for the quota increases under the Fourteenth Review are met, provided that the Executive Board may extend the payment period as it may determine.⁴ As of June 8, 2023, of the 187 members that had consented to their quota increases under the Fourteenth Review, all 187 members had paid their quota

¹ See [Board of Governors Resolution No. 66-2](#), *Fourteenth General Review of Quotas and Reform of the Executive Board*.

² See [Extension of the Periods for Consent to and Payment of Quota Increases](#) (7/11/2022).

³ See [Board of Governors Resolution No. 63-2](#), *Reform of Quota and Voice in the International Monetary Fund*.

⁴ See paragraph 5 in the [Board of Governors Resolution No. 66-2](#), *Fourteenth General Review of Quotas and Reform of the Executive Board*.

increases.⁵ For Eritrea and the Syrian Arab Republic, the two members which have not consented yet: if either member notifies the Fund of its consent to the increase of its quota, that member would be required to pay to the Fund such increase by the later of (a) June 30, 2023, or (b) 30 days after the date of its notification, pursuant to the Executive Board decision adopted in June 2022.⁶

5. For the Fourteenth Review, under the Board of Governors Resolution No. 66-2, each member shall pay to the Fund the increase in its quota within 30 days after the later of (a) the date on which it notifies the Fund of its consent, or (b) the date on which all of the general effectiveness conditions for the quota increases under the Fourteenth Review are met, provided that the Executive Board may extend the payment period as it may determine.⁷ As of June 8, 2023, of the 187 members that had consented to their quota increases under the Fourteenth Review, all 187 members had paid their quota increases.⁸ For Eritrea and the Syrian Arab Republic, the two members which have not consented yet: if either member notifies the Fund of its consent to the increase of its quota, that member would be required to pay to the Fund such increase by the later of (a) June 30, 2023, or (b) 30 days after the date of its notification, pursuant to the Executive Board decision adopted in June 2022.⁹

6. With respect to the 2008 Reform, while all eligible members have consented to their ad hoc quota increases under the 2008 Reform, two members—Eritrea and the Syrian Arab Republic—require additional time to complete the payments for their ad hoc quota increases. The Executive Board has previously extended the payment deadline for these countries, most recently to June 30, 2023.¹⁰

7. While it is important to emphasize that the members who have not yet consented to their Fourteenth Review quota increases should do so without further delay, and members who have consented to their quota increases should make their quota payments in a timely manner, a further extension by one-year in the periods for consent to and payment of quota increases would seem appropriate.

8. In these circumstances, it is proposed that the Executive Board extend for Eritrea and the Syrian Arab Republic: (a) the period for their consent under Resolution No. 66-2 to end at 6:00 p.m., Washington D.C. time, on June 30, 2024, (b) the period for their payments of the quota increases

⁵ See [IMF Connect](#) for the status of quota consents and payments. The consent and payment procedures under the 14th General Review of Quotas do not apply to Andorra which joined the Fund on October 16, 2020, and whose quota was determined after the effectiveness of the Fourteenth Review.

⁶ See [Extension of the Periods for Consent to and Payment of Quota Increases](#) (7/11/2022).

⁷ See paragraph 5 in the [Board of Governors Resolution No. 66-2, Fourteenth General Review of Quotas and Reform of the Executive Board](#).

⁸ See [IMF Connect](#) for the status of quota consents and payments. The consent and payment procedures under the 14th General Review of Quotas do not apply to Andorra which joined the Fund on October 16, 2020, and whose quota was determined after the effectiveness of the Fourteenth Review.

⁹ See [Extension of the Periods for Consent to and Payment of Quota Increases](#) (7/11/2022).

¹⁰ See [Extension of the Periods for Consent to and Payment of Quota Increases](#) (7/11/2022).

under the Fourteenth General Review of Quotas through June 30, 2024 if these payments would otherwise be due earlier, and (c) the period for their payments of the quota increases under the 2008 Reform through June 30, 2024.

Proposed Decisions

Accordingly, the following decisions, each of which may be adopted by a majority of the votes cast, are proposed for adoption by the Executive Board:

Decision 1: Extension of the Period for Consent to Increase Quotas Under the Fourteenth General Review of Quotas

Pursuant to paragraph 4 of the Board of Governors Resolution No. 66-2, *Fourteenth General Review of Quotas and Reform of the Executive Board*, the Executive Board decides that notices of consent from members to increases in their quotas must be received in the Fund by 6:00 p.m., Washington D.C. time, on June 30, 2024.

Decision 2: Extension of the Period of Payment of Quota Increase Under the Fourteenth General Review of Quotas

Pursuant to paragraph 5 of Board of the Governors Resolution No. 66-2, *Fourteenth General Review of Quotas and Reform of the Executive Board*, the Executive Board decides that each member shall pay to the Fund the increase in its quota under the Fourteenth General Review by the later of (a) June 30, 2024, or (b) 30 days after the date on which it notifies the Fund of its consent.

Decision 3: Extension of the Period of Payment of Quota Increase Under the 2008 Reform

Pursuant to Paragraph 4 of the Board of Governors Resolution No. 63-2, *Reform of Quota and Voice in the International Monetary Fund*, the Executive Board decides to extend the period for payment of quota increase by Eritrea and the Syrian Arab Republic through June 30, 2024.