



IMF POLICY PAPER

GUIDANCE FOR THE INVESTMENT OF TEMPORARY RESOURCES TO GENERATE INCOME TO CONTRIBUTE TO PRG, PRG-HIPC AND CCR TRUSTS ASSETS

May 2025

The decision on the Investment of Temporary Resources to Generate Income to Contribute to PRG, PRG-HIPC, and CCR Trusts which was adopted on July 28, 2017, and amended thereafter, was further amended on October 15, 2024, by the Executive Board of the IMF. This decision references the Guidelines for Investing PRG, RS, PRG-HIPC and CCR Trusts' Assets adopted by the Executive Board on October 15, 2024. These Guidelines are also available to the public.

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International Monetary Fund
Washington, D.C.

Decision

1. The Fund decides to establish the following investment objectives and policies to guide the investment of resources of the Poverty Reduction and Growth Trust ("PRG Trust"), the Trust for Special Poverty Reduction and Growth Operations for the Heavily Indebted Poor Countries and Interim ECF Subsidy Operations ("PRG-HIPC Trust"), and the Catastrophe Containment and Relief Trust ("CCR Trust") (each a "Trust," and collectively the "Trusts"), which contributors provide to the Trusts on a temporary basis for the investment by the Fund, as Trustee, to generate investment earnings for the Trusts (hereinafter "contributor resources"):

a. Contributor resources shall be invested in accordance with the purpose of generating income for the respective Trust as specified under the relevant agreement with the contributor.

b. Contributor resources being invested to generate income for contributions to a Trust may be invested:

(i) in the same manner as the investment assets of the Trust (except for the PRG Trust which is addressed in (iii) and (iv) below), subject to the provisions applicable to the investment of these assets, as provided under the Guidelines for Investing PRG, RS, PRG-HIPC and CCR Trusts' Assets approved by the Executive Board in Decision No. 17832-(24/98), adopted October 15, 2024, and as may be amended from time to time ("Trust Guidelines"), or

(ii) in obligations of the Bank for International Settlements (BIS), subject to the same provisions under the Trust Guidelines that apply to the investment assets of the Trusts being invested in BIS obligations, or

(iii) with respect to resources invested to generate income for contributions to the PRG Trust, in the same class of high-quality short duration fixed-income assets that a component of the investment assets of the PRG Trust is invested in accordance with the Trust Guidelines. The foregoing resources shall be centralized in the Deposit and Investment Account of the PRG Trust; or

(iv) with respect to resources invested to generate income for contributions to the PRG Trust over a long-term horizon, in the long-term portfolio of the PRG Trust in accordance with the Trust Guidelines. The foregoing resources shall be centralized in the Long-Term Investment Account of the PRG Trust.

c. The Executive Board shall review these investment objectives and policies for investing contributor resources every five years, normally in conjunction with the review of the Trust Guidelines.

2. The Fund adopts this decision pursuant to Section VII, paragraph 3 of the Instrument to Establish the Poverty Reduction and Growth Trust, annexed to Decision No. 8759-(87/176) ESAF, adopted December 18, 1987, as amended, Section IV, paragraph 1 of the Trust for Special Poverty Reduction and Growth Operations for the Heavily Indebted Poor Countries and Interim ECF Subsidy Operations, annexed to Decision No. 11436-(97/10), adopted February 4, 1997, as amended, and

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Section IV, paragraph 1 of the Instrument to Establish the Catastrophe Containment and Relief Trust, annexed to Decision No. 14649-(10/64), adopted June 25, 2010, as amended.