



INTERNATIONAL MONETARY FUND  
WASHINGTON, D.C. 20431

CHRISTINE LAGARDE  
MANAGING DIRECTOR

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August 5, 2011

Honorable Stefan Ingves  
Governor of the International  
Monetary Fund for Sweden  
Sveriges Riksbank  
Brunkebergstorg 11  
SE-103 37 Stockholm



Dear Governor:

In 2009, the IMF's membership agreed on a historic set of reforms aimed at strengthening the Fund's ability to help its low-income members overcome the global financial crisis and meet their poverty reduction and growth objectives over the medium term. A key element of this reform was a financing package to substantially boost the IMF's concessional lending capacity for the period 2009–14. This included the mobilization of SDR 10.8 billion in bilateral loan resources and SDR 0.2–0.4 billion in bilateral subsidy resources.

We have made good progress towards reaching these goals, and I am most grateful for Sweden's generous subsidy contribution. As of today, fourteen members have pledged about SDR 9.8 billion in loan resources and twenty-three members, including Sweden, have agreed to contribute a total of SDR 155 million in subsidy resources.

I am writing to you now in the hope that, with your support, we can reach the above targets in the coming months, if possible by the 2011 Annual Meetings. This would send a strong signal of the high priority that the IMF's membership places on its support for our low-income members.

I would be very grateful if Sweden would consider providing loan resources of SDR 0.2–0.4 billion to the PRG Trust. Such loans typically carry a market rate of interest and are backed by the assets in the PRGT's reserve account. They can be made either through a traditional Loan Agreement or a Note Purchase Agreement, and resources can be provided in either SDRs or currencies. Contributors also have the option to participate in the encashment regime, thereby allowing loans to the Trust to be considered part of Sweden's liquid international reserves.

I look forward to your early reply and support for this important initiative. Fund staff stand ready to answer any questions you may have.

Sincerely yours,

cc: Mr. Benny Andersen  
Executive Director  
International Monetary Fund