



KRISTALINA GEORGIEVA

Managing Director

April 2, 2024

The Honorable Gediminas Šimkus
Chairman of the Board
Bank of Lithuania
Lietuvos Bankas
Gedimino pr. 6,
LT-01103 Vilnius
Lithuania

Dear Chairman:

On March 25, 2024, the IMF Executive Board approved a framework for extending the “2020 Borrowing Agreements” (or “2020 BBAs”) with respective creditors to enable the 2020 BBAs to serve as transitional arrangements until the quota increases under the 16th General Review of Quotas (“16th Review”) become effective. I am writing to seek the Bank of Lithuania’s continued participation in the 2020 Borrowing Agreements under an amendment to the loan agreement between the Bank of Lithuania and the Fund. Let me express my thanks to you for the Bank of Lithuania’s strong support of the Fund.

The proposal for extending the 2020 BBAs follows the guidance of the Board of Governors Resolution concluding the 16th General Review of Quotas (the “Resolution”). The Resolution asked the Executive Board to consider transitional arrangements for maintaining access to the Fund’s borrowing until the quota increases and NAB rollback become effective. This is a contingency to maintain the Fund’s lending capacity in the event of a delay in the effectiveness of the quota increases. The Executive Board considers that extending the 2020 BBAs through well-targeted amendments is the most pragmatic way to put transitional arrangements in place.

At the March 25 Board meeting, Executive Directors welcomed the indications from many bilateral creditors of their willingness to extend the terms of the 2020 BBAs and called for finalizing the necessary amendments to individual agreements as soon as possible. To help facilitate this, my staff will follow up shortly with a draft amendment agreement to the 2020 BBA with the Bank of Lithuania in line with templates approved by the Executive Board, including with the option for an end-2027 term.



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Let me thank you again for the Bank of Lithuania's participation in the 2020 BBAs, and I look forward to your continued support for a strong IMF with the resources needed to keep supporting our members and playing its role at the center of the global financial safety net.

Sincerely yours,

A handwritten signature in black ink, which appears to read "K. Georgieva".

cc: Mr. Vasiliauskas, Executive Director, IMF