



2nd IMF bailout review meeting:

\$360 million to hit BoG's account today

BY KINGSLEY ASARE

GHANA is set to receive the third tranche of \$360 million today after successfully going through the second review of the International Monetary Fund (IMF) supported Post-Covid 19 Programme for Economic Growth (PC-PEG).

This brings to \$1.56 billion monies disbursed by the IMF under the 36-month \$3billion balance of payment support programme.

The IMF Executive Board on Friday completed the second review of Ghana's 36-month Extended Credit Facility Arrangement.

This allows for the immediate disbursement of \$360 million which is expected to hit the Bank of Ghana's account today.

The IMF Mission conducted the second review of Ghana Extended Credit Facility in April this year.

A statement issued by the IMF on Friday and seen by *Ghanaian Times* said Ghana's performance

under the programme had been generally strong.

It said all the quantitative performance criteria for the second review and almost all indicative targets were met.

"Good progress is being made on the debt restructuring, and key structural reforms are advancing. The authorities' reform efforts are paying off," it stated.

The IMF said growth had proven more resilient than expected, and inflation had declined rapidly from its 2022 highs, and the fiscal and external positions have improved significantly.

It said Ghana's economic reform programme was delivering on its objectives.

"Following acute economic and financial pressures in 2022, the Fund-supported programme has provided a credible anchor for the government to adjust macroeconomic policies and implement reforms to restore macroeconomic stability and debt sustainability, while laying the foundations for higher and more inclusive growth," the IMF stated.

It said those efforts were paying off, with growth proving more resilient than initially expected, inflation declining at a faster pace, and the fiscal and external positions improving.

The statement said the medium-term outlook remained favorable but subject to downside risks including those related to the upcoming general elections.

The IMF said the Ghanaian authorities had also continued to make progress on their comprehensive debt restructuring.

On June 11, 2024, the authorities reached agreement with Ghana's Official Creditor Committee (OCC) under the G20's Common Framework on a Memorandum of Understanding formalising the agreement in principle on a debt treatment, which was reached in January 2024.

This agreement on a debt treat-

ment, consistent with programme parameters, provided the financing assurances necessary for the second review under the ECF arrangement to be completed.

The Deputy Managing Director of IMF, Kenji Okamura said "Ghana's performance under its ECF-supported reform programme had been generally strong. The authorities' strategy aimed at restoring macroeconomic stability and reducing debt vulnerabilities is paying off, with clear signs of stabilisation emerging."

The Minister of Finance, Dr Mohammed Amin Adam in a video posted on Friday, said the IMP Board had approved Ghana's

second review.

He said the move was an important development in the country's journey towards achieving macroeconomic stability and growth.

Dr Adam said the Ministry of Finance, the IMF and the BoG would hold joint press conference on the review today.

The Finance Minister lauded the President for his leadership and the World Bank and the country's partners for their continuous support to Ghana.

Dr Adam lauded the citizens for their patience as the government reset the economy to bring economic relief and prosperity to all.



• Dr Mohammed Amin Adam (left) addressing the meeting