



GHANA

September 2015

FIRST REVIEW UNDER THE EXTENDED CREDIT FACILITY ARRANGEMENT AND REQUEST FOR WAIVER AND MODIFICATIONS OF PERFORMANCE CRITERIA—PRESS RELEASE; STAFF REPORT; AND STATEMENT BY THE EXECUTIVE DIRECTOR FOR GHANA

In the context of the First Review Under the Extended Credit Facility, the following documents have been released and are included in this package:

- A **Press Release** including a statement by the Chair of the Executive Board.
- The **Staff Report** prepared by a staff team of the IMF for the Executive Board's consideration on August 31, 2015, following discussions that ended on June 30, 2015, with the officials of Ghana on economic developments and policies underpinning the IMF arrangement under the Extended Credit Facility. Based on information available at the time of these discussions, the staff report was completed on August 18, 2015.
- A **Debt Sustainability Analysis** prepared by the staff of the IMF and the World Bank.
- A **Staff Supplement** updating information on recent developments.
- A **Statement by the Executive Director** for Ghana.

The documents listed below have been or will be separately released.

Letter of Intent sent to the IMF by the authorities of Ghana*
Memorandum of Economic and Financial Policies by the authorities of Ghana*
Technical Memorandum of Understanding*
Supplemental Letter of Intent to the IMF by the authorities of Ghana*
*Also included in Staff Report

The IMF's transparency policy allows for the deletion of market-sensitive information and premature disclosure of the authorities' policy intentions in published staff reports and other documents.

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IMF Completes First Review of Ghana's ECF and Approves US\$116.6 Million Disbursement

The Executive Board of the International Monetary Fund (IMF) today completed the first review of Ghana's economic performance under the program supported by an Extended Credit Facility (ECF) arrangement.¹ Completion of the review enables the disbursement of SDR 83.025 million (about US\$116.6 million), bringing total disbursements under the arrangement to SDR 166.05 million (about US\$233.1 million).

In completing the review, the Executive Board also granted waivers for the nonobservance of performance criteria regarding gross credit to government, and non-accumulation of external arrears, based on their minor and temporary nature and the corrective measures put in place by the authorities. The Executive Board also approved the authorities' request for modifications of performance criteria.

Ghana's three-year arrangement for SDR 664.20 million (about US\$918 million or 180 percent of quota) was approved on April 3, 2015 (see [Press Release No.15/159](#)). It aims to restore debt sustainability and macroeconomic stability in the country to foster a return to high growth and job creation, while protecting social spending.

Following the Executive Board's discussion on Ghana, Mr. Zhu, Acting Chair and Deputy Managing Director, said:

"Implementation of the ECF-supported program by the Ghanaian authorities has been broadly satisfactory, despite an unfavorable economic environment. In particular, the government's fiscal consolidation efforts are on track and it is encouraging that the government decided to liberalize the prices of fuel products, which bodes well for expenditure control, eliminating the need for fuel subsidies and the incurrence of arrears.

¹ The ECF is a lending arrangement that provides sustained program engagement over the medium to long term in case of protracted balance of payments problems.