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IMF Executive Board Completes Eighth and Last Review Under the ECF Arrangement for Guinea and Approves US\$ 25.2 Million Disbursement

The Executive Board of the International Monetary Fund (IMF) completed on October 28, 2016 the eighth and last review of Guinea's economic program supported by an arrangement under the Extended Credit Facility (ECF). The Board's decision enables the immediate disbursement of SDR18.36 million (about US\$ 25.2 million), bringing total disbursements under the arrangement to an amount equivalent to SDR173.7 million (about US\$ 241.9 million). The decision was taken without a formal meeting.¹

The three-year ECF arrangement for Guinea was approved on February 24, 2012, for an amount equivalent to SDR128.52 million (120 percent of the country's quota in the IMF, see [Press Release No. 12/57](#)). An augmentation of access under this arrangement by SDR45.135 million (about US\$62.2 million or 42.1 percent of quota) was subsequently approved on February 11, 2015 (see [Press Release No. 15/49](#)).

After two difficult years marked by the Ebola epidemic, Guinea's economy is recovering. Economic growth is expected to reach 5.2 percent in 2016 and the outlook for 2017 is good, mainly driven by brighter prospects in the mining sector. Reflecting the depreciation of the exchange rate, inflation increased, but remains within single digits.

Guinea's medium-term economic prospects are good. Growth is projected to average 5 percent during 2017–20, on the back of higher investments in the mining sector, increases in food production, and better electricity services. The recovery in the agricultural sector will allow the growth rebound to be shared by larger segments of the population, but the sector remains vulnerable to weather-related supply shocks. Advancing the structural reform agenda with a view to creating a more enabling environment for higher value-added sectors, such as manufacturing and services, will foster the creation of good quality and good-paying jobs and support the structural transformation of the economy. These policies will be developed in the authorities' medium-term economic strategy under preparation.

¹ The Executive Board takes decisions under its lapse-of-time procedures when it is agreed by the Board that a proposal can be considered without convening formal discussions.