

Rwanda: Fourth Review Under the Three-Year Arrangement Under the Poverty Reduction and Growth Facility and Request for Waiver of Nonobservance of Performance Criterion and Modification of Performance Criteria—Staff Report; Staff Statement; Press Release on the Executive Board Discussion; and Statement by the Executive Director for Rwanda

In the context of the fourth review under the three-year arrangement under the Poverty Reduction and Growth Facility and a request for a waiver of nonobservance of a performance criterion and modification of performance criteria, the following documents have been released and are included in this package:

- The staff report for the Fourth Review Under the Three-Year Arrangement Under the Poverty Reduction and Growth Facility and Request for Waiver of Nonobservance of Performance Criterion and Modification of Performance Criteria, prepared by a staff team of the IMF, following discussions that ended on March 18, 2008, with the officials of Rwanda on economic developments and policies. Based on information available at the time of these discussions, the staff report was completed on May 30, 2008. The views expressed in the staff report are those of the staff team and do not necessarily reflect the views of the Executive Board of the IMF.
- A staff statement of June 16, 2008 updating information on recent developments.
- A Press Release summarizing the views of the Executive Board as expressed during its June 16, 2008 discussion of the staff report that completed the review.
- A statement by the Executive Director for Rwanda.

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

Letter of Intent sent to the IMF by the authorities of Rwanda*
Memorandum of Economic and Financial Policies by the authorities of Rwanda*
Technical Memorandum of Understanding*

*Also included in Staff Report

The policy of publication of staff reports and other documents allows for the deletion of market-sensitive information.

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RWANDA

Fourth Review Under the Three-Year Arrangement Under the Poverty Reduction and Growth Facility, Request for Waiver of Nonobservance of Performance Criterion, and Modification of Performance Criteria

Prepared by the African Department
(In collaboration with other departments)

Approved by Hugh Bredenkamp and Mark Plant

May 30, 2008

Program Review

- Staff recommends completion of the fourth review under the PRGF arrangement based on Rwanda's performance and understandings reached on the macroeconomic and structural program for 2008.
- All but one of the end-2007 quantitative performance criteria were met. Staff supports the authorities' request for a waiver of the nonobservance of the performance criterion on net credit to government, because the deviation was temporary.
- Staff supports the authorities' request for modification of the program to accommodate newly available donors' funds, new spending needs, and exogenous shocks. Staff also supports the authorities' request for a modification of the program to allow less concessional borrowing for a large infrastructure project.

Participants

- The mission team (March 5-18, 2008) headed by Ms. Murgasova comprised Mr. Mitchell, Mr. Gorbanyov and Ms. Kaendera (all AFR) and was assisted by Mr. Engström, the resident representative.
- The mission met with Minister of Finance and Economic Planning Musoni, Governor Kanimba of the National Bank of Rwanda, other government officials, and representatives of the private sector, civil society, and the international community.

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