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**IMF Executive Board Completes Reviews of Niger’s ECF Arrangement,
Approves US\$53.7 Million Disbursement, Increases Access and Extends the Program**

The Executive Board of the International Monetary Fund (IMF) today completed the sixth and seventh reviews of Niger’s economic performance under the program supported by an Extended Credit Facility (ECF)¹ arrangement. The completion of these reviews enables an immediate disbursement of SDR39.005 million, (about US\$53.7 million), bringing total disbursements under the ECF arrangement to SDR 95.405 million (US\$131.35million).

The Board also approved a request to extend the program until December 31, 2016 as well as an increase in access of 62.5 percent of quota under the program. The ECF arrangement for Niger was approved on March 16, 2012 (see [Press Release No. 12/90](#)).

In completing the review, the Executive Board granted the authorities’ request for waivers for the nonobservance of the performance criteria on net domestic financing and net reduction in domestic arrears at end-December 2014 as well as the criterion for end-June 2015 on net domestic financing.

Following the Executive Board’s discussion, Mr. David Lipton, First Deputy Managing Director and Acting Chair, issued the following statement:

“The Nigerien economy continues to deliver strong macroeconomic outcomes based on the continued implementation of a sound policy framework. Growth has fluctuated reflecting volatility in the agricultural sector, the impact of low commodity prices on the mining sector, and the deteriorating security situation in the region. Having reached 6.9 percent in 2014,

¹ The ECF has replaced the Poverty Reduction and Growth Facility as the Fund’s main tool for medium-term financial support to low-income countries. Financing under the ECF currently carries a zero interest rate, with a grace period of 5.5 years, and a final maturity of 10 years. The Fund reviews the level of interest rates for all concessional facilities every two years.

growth is projected to ease to 4.4 percent in 2015. Inflation has remained low, partly reflecting the government food and price stabilization programs and the good harvest.

“Unanticipated expenditure pressures, reflecting the elevated security risks, and the low mobilization of domestic revenue and budget support resulted in the basic fiscal deficit financed through domestic financing exceeding program targets and a large accumulation of domestic payment arrears at end-2014. Improved revenue collections and better control over expenditure during the first half of 2015 have enabled a significant reduction in domestic payment arrears. The extension of the ECF-supported program up to December 31, 2016 and the access augmentation to meet larger balance of payments needs will provide a policy framework and additional fiscal space to further strengthen Niger’s development.

“The medium-term economic outlook remains positive, but outcomes will depend on the materialization of major projects in the natural resource sectors and the authorities’ ability to leverage related revenues to reduce the infrastructure gap and promote inclusive growth. Critical in this regard will be preserving fiscal and debt sustainability in an environment of low oil and uranium prices. This will require further strengthening the fiscal framework, enhancing public financial management, and establishing strong institutions to manage the natural resource sector and related revenues in an effective and transparent manner. Advancing the development of the financial sector can play a key role in supporting inclusive growth.”