



**2024 AFRICAN CONSULTATIVE GROUP (ACG) MEETING WITH
THE MANAGING DIRECTOR OF THE INTERNATIONAL
MONETARY FUND, KRISTALINA GEORGIEVA**

***BOLSTERING AFRICA'S FINANCING THROUGH THE
OVERLAPPING CRISES AND BEYOND***

**STATEMENT BY
DR. ERNEST ADDISON
GOVERNOR, BANK OF GHANA**

IMF HEADQUARTERS BUILDING, WASHINGTON, D.C, USA

TUESDAY, 16TH APRIL 2023



Thank you, Chair.

I appreciate the opportunity today to speak on behalf of my fellow Governors about ***“Bolstering Africa’s Financing through the Overlapping Crises and Beyond.”***

Let me first express my heartfelt gratitude to the Managing Director, Madam Kristalina Georgieva, for your excellent leadership, and your strong support for Africa. Madam MD, Africa continues to face complex challenges against the backdrop of successive shocks, manifesting in a subdued post-pandemic recovery, elevated debt distress, and a persistent funding squeeze, that have amplified income divergences and undermined the achievement of sustainable and inclusive growth.

My colleague Governors, our domestic adjustment policy efforts without adequate financing can only yield limited results, in the context of the complex domestic and external environment. As such, stronger support from the development partners, including the IMF, remains paramount. Considering the low catalytic effect of Fund financing, many of our countries view the countercyclical role of Fund financing as indispensable.

To this end, Madam Managing Director, we highlight the following points for your consideration:

- **First, we view continued pragmatism and agility of IMF’s policies to changing global conditions as paramount to better serve its vulnerable members.** To this end, we underline the necessity for the upcoming comprehensive review of LICs facilities to maintain the PRGT’s concessionality and promote higher access to reverse erosion amplified by the global inflationary episode. We also underscore the criticality of replenishing the CCRT resources envelope to offer grant support to our most vulnerable members in this shock-prone world. Considering the expiry of the Food Shock Window amidst a food crisis triggered by the El Nino phenomenon, Fund emergency financing alongside augmentations in program countries would be important to close climate induced financing gaps. In this regard, we call for intensified fundraising efforts under the second phase of the resource mobilization initiatives.
- **Second, we call for meaningful collaboration between the IMF and the World Bank to better align their support to LICs.** In this regard, we stress the need for coordination of the IMF’s LIC Facilities Review with the World Bank’s IDA21 replenishment efforts to support LICs in a holistic manner.
- **Third, we stress the need to keep all financing options on the table, including the use of the Fund’s internal resources.** In view of the recent



multiple shocks and a crisis like no other, now is the opportune time for a modest gold sale, particularly when gold prices are still favorable.

- **Finally, we restate our request for further enhancements to the G20 Common Framework** while leveraging the Global Sovereign Debt Roundtable (GSDR) to promote rapid, transparent, and equitable resolution of debt as well as facilitate debt cancellation for the most vulnerable members. The review of the Fund's internal debt policies is welcome, but we stress the need to ensure that the changes are impactful and achieve their intended purpose.

Thank you, Chair and Madam Managing Director.

PUBLIC