

The International Monetary Fund on Monday April 13 announced immediate debt relief to 25 member countries across the world citing the impact of COVID-19 on economies and livelihoods.

“Today, I am pleased to say that our Executive Board approved immediate debt service relief to 25 of the IMF’s member countries under the IMF’s revamped Catastrophe Containment and Relief Trust (CCRT) as part of the Fund’s response to help address the impact of the COVID-19 pandemic,” said a statement from IMF.

Kristalina Georgieva, IMF Managing Director said in the statement the package applied to the poorest and most vulnerable members to cover their debt obligations. The list of the 25 countries is dominated by 19 African nations.

They include; Benin, Burkina Faso, Central African Republic, Chad, Comoros, Congo, D.R., The Gambia, Guinea, Guinea-Bissau, Liberia, Madagascar, Malawi, Mali, Mozambique, Niger, Rwanda, São Tomé and Príncipe, Sierra Leone, and Togo. The non-African members are Afghanistan, Haiti, Nepal, Solomon Islands, Tajikistan and Yemen.

Rwanda is expected to receive about \$11 million in debt service relief on its IMF obligations for an initial period of six month and IMF will continue its fundraising efforts and provide further debt service relief for a period up to 24 months depending on resource availability, Samba Mbaye, the IMF Rwanda Resident Representative told The New Times newspaper.

According to Georgieva, this initiative provides grants to IMF poorest and most vulnerable members to cover their IMF debt obligations for an initial phase over the next six months and will help them channel more of their scarce financial resources towards vital emergency medical and other relief efforts.

The CCRT can currently provide about US\$500 million in grant-based debt service relief, including the recent US\$185 million pledge by the U.K. and US\$100 million provided by Japan as immediately available resources. Others, including China and the Netherlands, are also stepping forward with important contributions.

I urge other donors to help us replenish the Trust’s resources and boost further our ability to provide additional debt service relief for a full two years to our poorest member countries,” Georgieva called-on donors.

