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REPUBLIC OF GHANA

## MINISTRY OF FINANCE

27<sup>th</sup> August, 2021

**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

### **GHANA HAS RECEIVED US\$1BILLION ALLOCATION FROM THE HISTORIC US\$650 BILLION IMF SDR ALLOCATION TO BOOST GLOBAL RECOVERY**

**Accra, Friday 27<sup>th</sup> August, 2021** – Ghana has received the equivalent of US\$1 billion from the International Monetary Fund (IMF), being its share of the new Special Drawing Rights (SDRs) allocation to boost the post-COVID economic recovery of member countries.

2. On 2<sup>nd</sup> August, 2021, the IMF Board of Governors approved a general allocation of SDR456.5 billion, equivalent to US\$650 billion out of which about US\$33.7 billion is for African countries, to boost global liquidity and economic recovery following the devastating impact of the Covid-19 pandemic on lives and livelihoods.
3. The new SDR allocation which became effective on 23<sup>rd</sup> August, 2021 will augment the additional financing needs of countries, especially low-income countries, caused by the impact of the pandemic on public finances.
4. The AfDB estimates that African governments require additional financing of about US\$484.6 billion within the next three years to close the financing gap and to emerge from the COVID-19 crisis stronger and more resilient.
5. According to the IMF, the SDR allocation will benefit all members, address the long-term global need for reserves, build confidence, and foster the resilience and stability of the global economy. This historic SDR allocation will particularly help countries that are most vulnerable to immediately address the impact of the pandemic towards economic recovery.
6. This SDR allocation is in response to a global call to action, following the devastating effects of the pandemic, including an Africa-wide effort championed by Minister Ken Ofori-Atta and his colleague African Finance Ministers, the AU, UNECA, and supported by key international partners (including The IMF, The WB, The G20, The EU).
7. The Special Drawing Right (SDR) is an interest-bearing international reserve asset created by the IMF in 1969 to supplement member countries' official reserves. The general allocations of SDRs are distributed across the IMF membership in proportion to their IMF quota.



8. "The Government of Ghana expresses its gratitude to the IMF for this historic advocacy and SDR allocation. It provides additional policy space to support Ghana's efforts to counter the impact of the COVID-19 pandemic on lives and livelihoods. It will support the GHS100 billion Ghana Cares (Obaatanpa) post-pandemic recovery program.", Ken Ofori-Atta, Minister for Finance, said in response to news of the SDR allocation becoming effective.
9. The Ministry of Finance will ensure that all statutory requirements are complied with in the use of the SDR. **END**



**ISSUED BY THE PUBLIC RELATIONS UNIT  
MINISTRY OF FINANCE**

**THE NEWS EDITOR**