

INTERNATIONAL MONETARY FUND

MASTER FILES

ROOM C-120

11

PRESS RELEASE NO. 84/32

FOR IMMEDIATE RELEASE
September 13, 1984

The International Monetary Fund has approved a purchase in the first credit tranche equivalent to SDR 1.875 million by the Government of Guinea-Bissau, in support of the Government's economic and financial program. Guinea-Bissau's quota in the Fund is SDR 7.5 million; and its outstanding financial obligations to the Fund arising from past operations and transactions currently total the equivalent of SDR 1.850 million.

During the last decade, the economy of Guinea-Bissau has suffered from increasing internal and external imbalances, resulting from economic dislocations prior to its independence in 1973. This situation has been exacerbated by recurrent droughts and adverse developments in the terms of trade as well as policy weaknesses. The economic program supported by the first credit tranche purchase aims at reviving agricultural production and restoring the viability of enterprises; increasing employment opportunities; stimulating savings and investment; and reducing the pressure on the balance of payments.