

# **Statement by IMF Managing Director Christine Lagarde at the Conclusion of her Visit to Ireland**

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Ms. Christine Lagarde, Managing Director of the International Monetary Fund (IMF), made the following statement today in Dublin:

"It is a great pleasure to be in Ireland, my first visit as the Managing Director of the IMF. And it is a special pleasure to be here at the time when Ireland holds the rotating Presidency of the Council of the European Union, putting it at the forefront of facilitating policy dialogue among the Union's members and institutions.

"I had the privilege of meeting Prime Minister Enda Kenny, Deputy Prime Minister Eamon Gilmore, Minister of Finance Michael Noonan, Minister for Public Expenditure and Reform Brendan Howlin, Minister for Social Protection Joan Burton, Governor of the Central Bank Patrick Honohan and their colleagues.

"I congratulated the authorities for the high ownership and steadfast implementation of their program supported by the EU and IMF, which is helping restore the basis for economic recovery. Economic activity in Ireland is still weak, but we expect Ireland's growth to exceed that of most EU countries in 2013 and the recovery to gradually gain momentum.

"The authorities have made intensive efforts to repair Ireland's financial sector. Banks' capital and liquidity improved and deposits have been returning in the past year. But there is still much work to be done. The priority is now for banks to make substantial progress with working out durable solutions with borrowers in distress.

"Unemployment remains painfully high at 14.6 percent. The authorities and I discussed how to foster job creation, including by accelerating investment projects, such as those funded by the European Investment Bank, National Pension Reserve Fund and private investors. We discussed how to help job seekers facing long-term unemployment to stay in the work force.

"The recent steps to replace the promissory notes are welcome as they significantly reduce Ireland's need for market

funding in the next decade. Fund staff will continue to engage with the authorities and European partners on how to further improve the sustainability of Ireland's program to best ensure Ireland's durable return to reliance on market funding.

"I would like to thank the authorities and the Irish people for their gracious hospitality."

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