

**LAPSE OF  
TIME**

EBS/20/26

March 25, 2020

To: Members of the Executive Board

From: The Secretary

Subject: **Niger—Request for an Extension of the Three-Year Arrangement Under the Extended Credit Facility**

Board Action:	Executive Directors' <b>consideration</b> on a lapse of time basis
Deadline to Request a Board meeting, after which Proposed Decision Deemed Approved:	<b>Wednesday, April 1, 2020</b>
Proposed Decision:	Page 2
Publication:	Yes*
Questions:	Mr. Klingen, AFR (ext. 35959)

\*The authorities have indicated that they consent to the Fund's publication of this paper.





# NIGER

March 24, 2020

## REQUEST FOR AN EXTENSION OF THE THREE-YEAR ARRANGEMENT UNDER THE EXTENDED CREDIT FACILITY

Approved By  
**David Owen and**  
**Ashvin Ahuja**

Prepared by the African Department (in consultation with other Departments)

**1. In the attached letter, the Nigerien authorities request a short extension of the arrangement for Niger under the Extended Credit Facility (ECF), due to expire on April 22, 2020, through July 31, 2020.** The ECF arrangement was approved on January 23, 2017 for the equivalent of SDR 98.7 million (75 percent of quota) and then augmented to SDR 118.44 million (90 percent of quota) on December 10, 2018.

**2. The proposed extension will provide enough time to complete the sixth and final review under the ECF arrangement and allow the related disbursement.** The staff report for the sixth review is expected to be submitted to the Executive Board in July.

**3. Developments since the fifth review completed on January 8, 2020 indicate that the authorities continue their efforts to implement the program.** However, program performance, already under pressure amid mounting challenges from cross-border terrorism and Nigeria's prolonged closure of its border to trade, is now confronted with the economic fallout from the COVID-19 pandemic. The high degree of uncertainty about the economic outlook and logistical challenges make it all but impossible to recalibrate the program and complete the review on the normal schedule.

**4. Staff supports the authorities' request for an extension of the ECF arrangement to July 31, 2020.** To this effect, a decision is proposed for adoption by the Executive Board on lapse-of-time basis.

## Proposed Decision

### **Niger—Extension of the Three-Year Arrangement Under the Extended Credit Facility**

The following draft decision, which may be adopted by a majority of the votes cast, is proposed for adoption by the Executive Board:

1. Niger has requested an extension to July 31, 2020 of the arrangement under the Extended Credit Facility (the “ECF Arrangement”) (EBS/16/138, 12/28/2016).
2. The letter dated March 24, 2020 from the Minister of Finance (the “March 2020 Letter”) shall be attached to the ECF Arrangement, and the letter dated December 21, 2016 from the Minister of Finance, together with its attachments, as supplemented and modified, shall be read as further supplemented and modified by the March 2020 Letter.
3. Accordingly, paragraph 1(a) of the ECF Arrangement for Niger shall be amended by replacing the reference to “April 22, 2020” with “July 31, 2020”.

## Letter of Intent

Niamey, Niger, March 24, 2020

Madame Kristalina Georgieva  
Managing Director  
International Monetary Fund  
Washington DC, 20431

Dear Madame Georgieva,

On January 23, 2017, the IMF's Executive Board approved a three-year arrangement for Niger under the Extended Credit Facility (ECF). The fifth review under the ECF arrangement was completed on January 8, 2020.

In view of the expiration of the ECF arrangement on April 22, 2020, we hereby request that the arrangement be extended until July 31, 2020. This extension is needed to provide enough time for the completion of the sixth and final review under the arrangement and to allow the related disbursement. This request reflects logistical challenges to conduct a timely review and difficulties to recalibrate program parameters when the economic fallout from the COVID-19 pandemic is still unfolding.

The government remains committed to conducting stable macroeconomic policies and the observance of program conditionality during the remaining period.

Sincerely yours,

/s/

Hon. Mamadou Diop  
Minister of Finance  
Niamey, Niger