

**EXECUTIVE  
BOARD  
MEETING**

EBS/20/22  
Supplement 3

March 31, 2020

To: Members of the Executive Board

From: The Secretary

Subject: **Guinea—Fourth Review Under the Extended Credit Facility Arrangement,  
and Financing Assurances Review—Revised Proposed Decision**

Board Action: Executive Directors' **consideration** (Formal)

Tentative Board Date: **Wednesday, April 1, 2020**

Additional Information: Revised to correct a typographical error in para. 3a., line 1, for "2(f)" read "2(g)".

Questions: Ms. Albertin, AFR (ext. 38413)



## Revised Proposed Decision

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

1. Guinea has consulted with the Fund in accordance with paragraph 4(C)(b) of the arrangement for Guinea under the Extended Credit Facility (ECF) (EBS/17/118, 11/28/2017) (the "ECF Arrangement") to review program implementation and to reach understandings regarding the conditions for further disbursements.
2. The letter dated March 16, 2020 from the Minister of Economy and Finance and the Governor of the Central Bank of Guinea ("BCRG") (the "March 2020 Letter") together with its Memorandum of Economic and Financial Policies (the "March 2020 MEFP") and the Technical Memorandum of Understanding (the "March 2020 TMU") shall be attached to the ECF Arrangement, and the letter November 27, 2017 from the Minister of Economy and Finance and from the Governor of the BCRG, together with all of its attachments, shall be read as supplemented and modified by the March 2020 Letter and its attachments.
3. Accordingly, the ECF Arrangement for Guinea shall be amended as follows:
  - a. A new paragraph 2(g) shall be included in the ECF Arrangement to read as follows:

"2(g) the seventh disbursement, in an amount equivalent to SDR 17.213 million, will be available on or after November 26, 2020, at the request of the Guinea and subject to paragraphs 4 and 5 below."
  - b. A new paragraph 4.E of the ECF Arrangement shall be inserted to read as follows:

"E. Guinea will not request the seventh disbursement under this arrangement specified in paragraph 2(g) above:

    - (a) if the Managing Director of the Trustee finds that the data as of June 30, 2020 indicate that:

- i. the floor on the basic fiscal balance;
- ii. the ceiling on the net domestic assets of BCRG;
- iii. the ceiling on net government budgetary borrowing from the BCRG;
- iv. the floor on the net international reserves of the BCRG,

as set out in Table 1 of the March 2020 MEFP and further specified in the March 2020 TMU was not observed; or

(b) until the Trustee has determined, with respect to the seventh disbursement, that the sixth program review, referred to in paragraph [52] of the March 2020 MEFP has been completed."

- c. Paragraph 5 shall be amended to replace the words "Table 1 of the July 2019 MEFP and further specified in the July 2019 TMU" with "Table 1 of the March 2020 MEFP and further specified in the March 2020 TMU".

4. The Fund decides that the fourth review specified in paragraph 4.C.(b) and the financing assurances review specified in paragraph 5(d) of the ECF Arrangement are completed, and that Guinea may request the fifth disbursement referred to in paragraph 2(e) of the ECF Arrangement, on the condition that the information provided by Guinea on the implementation of the measure specified as a prior action in Table 2 of the March 2020 MEFP is accurate.