

**EXECUTIVE  
BOARD  
MEETING**

EBS/20/78

Correction 1

May 4, 2020

To: Members of the Executive Board

From: The Secretary

Subject: **Mali—Requests for Disbursement Under the Rapid Credit Facility and Rephasing of Access Under the Extended Credit Facility Arrangement**

Board Action: The attached corrections to EBS/20/78 (4/24/20) have been provided by the staff:

**Factual Errors Not Affecting the Presentation of Staff's Analysis or Views**

**Pages 4 (para. 5), 17, 22**

**Typographical Errors**

**Pages 4 (footnote 3), 7, 8, 9, 10, 20, 21**

Questions:

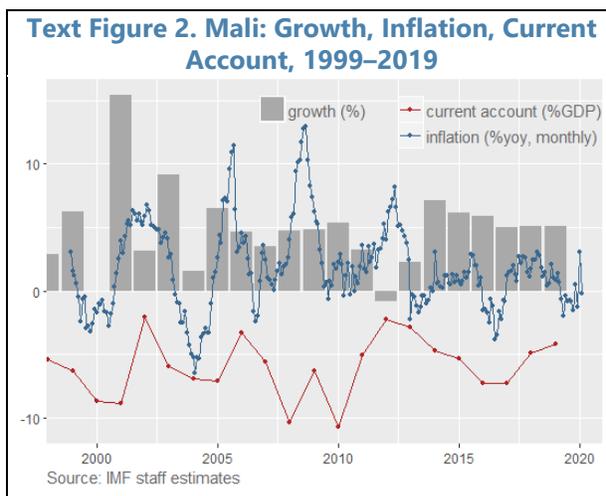
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## IMPACT OF THE PANDEMIC, OUTLOOK AND RISKS

### A. Pre-COVID Developments

**3. Prior to the COVID-19 shock, the economy was performing well despite persistent security challenges.** Preliminary data suggest that growth remained at 5 percent in 2019, around its potential rate, as most economic activity is concentrated in southern areas that are not affected by the security crisis (Text Figure 2). Despite robust growth, inflation was negative through most of 2019 and in early 2020, reflecting supply effects of high food production and lower transportation prices, as well as low imported euro-area inflation. The current account deficit narrowed to 4.2 percent of GDP in 2019 on account of high gold exports, and together with stronger inflows of public sector financing contributed to an improved external position.



**4. The fiscal position strengthened in 2019.** On preliminary data, the overall deficit narrowed by 3.1 percentage points to 1.7 percent of GDP in 2019, compared with the 3 percent of GDP ceiling under the program. The bulk of the turnaround was due to a programmed recovery in taxes from their 2018 slump, supported by several IMF technical assistance missions to strengthen tax and customs administration. Tax revenue performance was slightly better than programmed, but the overperformance relative to the deficit targets was largely driven by a restraint in spending (1.2 percent of GDP) as a result of delayed budgetary support. Preliminary data suggest that all central government arrears were cleared by end-2019. Although some domestic arrears accumulated again in early 2020 due to continued cash management challenges, they will be cleared as part of the government's package of measures to support the economy. Public debt reached 40½ percent of GDP at end-2019, with external debt at 26.4 percent of GDP.<sup>2</sup>

**5. The economic outlook was also positive.** Activity was projected to settle around its potential growth rate of 5 percent. The deflationary pressures of 2019 were expected to gradually ease, and inflation was projected to return to the regional WAEMU<sup>3</sup> ceiling target of 2 percent over the medium term. The current account deficit was expected to widen gradually from 4-5 percent of GDP with an anticipated decrease in gold exports. Fiscal policies targeted overall deficits of 3-3½ percent

<sup>2</sup>Public debt at end-2019 was about two percentage points of GDP above first review program projections due to an earlier omission from the stocks of some domestic financing flows. The program's performance criteria, formulated based on flows, are not affected.

<sup>3</sup> The members of the West African Economic and Monetary Union (WAEMU) are Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo.

## POLICY ISSUES AND DISCUSSIONS

The authorities' near-term priority is to contain the humanitarian and economic fallout from the pandemic, while maintaining macroeconomic stability. The related measures will inevitably have a significant impact on the economic outlook and will open a large but temporary fiscal and balance of payments financing gap, which is expected to be filled by support from the developmental partners and existing resources in the domestic market. The authorities remain committed to the objectives of the ECF arrangement and to an early return to the program targets once crisis-related priorities subside.

### A. Fiscal Policies

**9. The fiscal deficit will widen to accommodate measures to deal with the COVID-19 pandemic crisis.** Staff projects the 2020 fiscal deficit to widen from the 3.5 percent of GDP targeted at the first review of the program to 6.2 percent of GDP (Text Table 2).<sup>4</sup> In particular:

- Tax revenues are expected to decline to 13.3 percent of GDP in 2020, 2.2 percentage points below program projections. This reflects, among other things: (i) a decline in the share of trade-linked revenues due to disruptions in international trade and a lower oil import bill; (ii) pandemic-related difficulties in compliance by firms and households, and in tax collections by the government in the absence of fully developed internet-based services; (iii) the absence of one-off collection of tax arrears, which boosted revenues in 2019; and (iv) recent measures to combat the crisis (Box 1).
- Non-tax revenues are also expected to fall short of projections, especially on account of likely delays in the sale of a telecommunication license in the current economic environment (0.5 percent of GDP).
- The decline in revenue is expected to be partially offset by higher grants (additional 0.5 percent of GDP), with some crisis-related support already approved by international institutions.<sup>5</sup>

**Text Table 2. Mali: Financing Needs, 2020**  
(Percent of GDP)

	Prog.	Proj.	Diff.
<b>Revenue</b>	<b>16.8</b>	<b>14.1</b>	<b>-2.7</b>
Tax revenue	15.5	13.3	-2.2
Non-tax revenue	1.3	0.8	-0.5
<b>Grants</b>	<b>2.5</b>	<b>3.0</b>	<b>0.5</b>
<b>Budgetary expenditures</b>	<b>22.9</b>	<b>23.4</b>	<b>0.5</b>
Current	13.6	15.6	2.0
Capital	9.3	7.8	-1.5
<b>Overall balance (accrual)</b>	<b>-3.5</b>	<b>-6.2</b>	<b>2.7</b>
Cash adj.	-0.1	0.1	-0.2
<b>Financing</b>	<b>3.6</b>	<b>6.1</b>	<b>2.5</b>
External	1.2	1.3	0.1
Domestic	2.4	1.9	-0.5
<b>Financing gap</b>	<b>0.0</b>	<b>-2.9</b>	<b>-2.9</b>
<b>Financing sources (preliminary)</b>			
RCF (IMF)		1.1	
World Bank Group		0.3	
BOAD (West African Dev. Bank)		0.1	
G20 financing		0.4	
Residual financing gap		-1.0	
<i>Memorandum item:</i>			
Nominal GDP (CFAF billion)	10,895	10,427	
Sources: Malian authorities; and IMF staff estimates.			

<sup>4</sup> Staff encourages the authorities to reach understanding with the WAEMU authorities on a temporary deviation from the fiscal deficit convergence criterion.

<sup>5</sup> The IMF approved a grant for debt service relief under the Catastrophe Containment and Relief Trust in an amount of ~~FCFA 10.2~~ CFAF 6 billion (0.1 percent of GDP), and the World Bank provided ~~FCFA~~CFAF10.7 billion (0.1 percent of GDP) in grants to strengthen public health preparedness. Additional grant assistance is expected from the African Development Bank and France.

- Emergency budget spending to contain the outbreak and mitigate its economic and social impact is estimated at 2.2 percent of GDP for 2020, accompanied by accelerated payments to the private sector. Announced measures focus on strengthening medical care capacity and income support for the most affected households and firms (Box 1).
- To offset the revenue losses and the higher spending needs, non-essential spending will be reprioritized. A supplementary budget containing the crisis measures and a revised revenue outlook will be proposed at end-April, 2020.

**10. The larger fiscal deficit will open a financing gap estimated at 2.9 percent of GDP in 2020** (Text Table 2). To finance the gap, the authorities are seeking assistance under the Rapid Credit Facility (RCF), which would cover about forty percent of the gap. The remaining gap is expected to be covered in part by assistance from the World Bank (an additional 0.3 percent of GDP in budgetary support relative to earlier commitments) and the West African Development Bank's (BOAD) recently approved support for WAEMU countries, consisting of a concessional loan of ~~FCFA~~15 billion to Mali (about 0.1 percent of GDP) and debt service relief for part of 2020. The authorities also intend to request the debt service suspension from official bilateral creditors and are actively engaged with other international donors in obtaining grants and concessional financing to close the remaining gap of around 1 percent of GDP.

**11. Under the baseline fiscal outlook, Mali's public debt remains sustainable.** The RCF disbursement will not have a material impact on Mali's debt sustainability and capacity to repay the Fund. Based on an update of the DSA that includes the macroeconomic impact of the COVID-19, Mali's external and overall risk of public debt distress remain moderate. Overall debt dynamics remain sustainable, with some space to absorb shocks. All public and publicly guaranteed external debt and total public debt ratios remain below their corresponding thresholds under the baseline scenario (see the DSA Update Annex).

**12. The fiscal outlook for 2020-21, however, remains highly uncertain.** The current projections assume that the pandemic outbreak will be resolved during the second half of 2020. A longer and deeper impact of the pandemic, requiring more extensive fiscal measures to address the crisis, will result in a further deterioration of the fiscal outlook, with a delayed or partial recovery of the tax base. Furthermore, potential realization of the contingent liabilities related to state-owned enterprises (especially electricity and water) represent a downside risk for the fiscal outlook. To minimize risks, establishing a clear temporal horizon for the crisis measures and preparing contingency plans in case the crisis is deeper than expected would help.<sup>6</sup> Risks surrounding the financing of the remaining gap are also high – if additional financing (through grants or concessional loans) is not identified, the investment plans will not be executed as projected in the baseline.

**13. The authorities are committed to returning to the ECF program fiscal objectives when the pandemic's effects have abated.** They are confident that the extra resources from international

<sup>6</sup> Historically, Malian authorities have considered postponement of capital spending as contingency measures.

donors will preserve the economic fabric of the country and allow for a quick recovery, a significant reduction of the fiscal deficit in 2021 and a steady increase of the tax-to-GDP ratio. Instrumental to achieving these goals is the authorities' commitment to the program's governance and fiscal transparency objectives. In this vein, the authorities recognize the importance of safeguarding donors' financial assistance towards this crisis to ensure it is used for its intended purpose and, toward that end, have committed to undertaking and publishing an independent and robust third-party audit of this spending in about a year's time; report quarterly on the spending of the emergency funds; and publish regularly on its website documentation on large public procurement projects, together with ex-post validation of delivery along with the name of awarded companies and the name of their beneficial owner(s).

### Box 1. Measures Announced by the Malian Government to Combat COVID-19

The government responded to the pandemic with preventive containment measures in early March, followed by a package of supportive measures to vulnerable households and ailing firms announced on April 10.

- **As preventive containment measures**, the government imposed the suspension of commercial flights (except cargo flights), the closure of land borders, a night curfew, the suspension of all public gatherings, the prohibition of social, sports, cultural and political gatherings of more than 50 people, the closure of schools, night clubs and bars. Working hours have also been reorganized to end earlier to protect civil servants. Retail markets remain open (at reduced schedule) to prevent disruptions in the supply of population with basic goods, while 20 million masks are expected to be distributed shortly. The government has also set up a crisis response unit and is stepping up sensitization campaigns.
- **To support the healthcare response**, the government is strengthening testing capacities, expanding quarantine and hospitalization facilities, and improving medical care capacities through a planned support to the health sector (including bonuses to health workers).
- **Social measures in support of poorest households.** These measures include the setup of a special fund to provide targeted income support to the poorest households, a mass distribution of grains and food for livestock to poorest households, the supply of electricity and water free of charge to the poorest consumers for the months of April and May 2020 (which will increase subsidies to state-owned suppliers), a 3-month exemption from VAT on electricity and water tariffs, and a 3-month exemption from customs duties on the import of basic food (rice and milk).
- **Support to firms hit by the economic slowdown from the preventive containment measures.** These measures include an SMEs-support guarantee fund of 0.2 percent of GDP; support to the public electricity and water utilities; clearing budget arrears accumulated during this year; and granting tax deferral and relief to ease liquidity constraints on the hardest-hit companies, especially in the hospitality sector (hotels, restaurants, transportation). In addition, the government urged commercial banks to restructure ailing firms' debt, building on the framework set up by the regional central bank (BCEAO) to support firms with repayment difficulties.

Mali: Policy Measures to Combat Crisis (preliminary estimation)		
	FCFA- CFAF bn	%-Percent of GDP
<b>Revenue</b>	<b>15</b>	<b>0.1</b>
VAT relief on electricity for 3 months	9	
Tariff relief on imports of rice and milk	7	
<b>Expenditure</b>	<b>230</b>	<b>2.2</b>
<i>Medical support</i>	56	0.5
Medical supplies and other costs	40	
World Bank project	16	
<i>Support to the economy</i>	52	0.5
EDM (electricity) support	17	
SOMAGEP (water) support	15	
Support to private firms	20	
<i>Household income support</i>	122	1.2
Special fund for vulnerable households	100	
Food distribution	15	
Utility bill support (social tranche)	7	

Sources: Malian authorities.

## B. Providing Liquidity and Safeguarding Financial Stability

**14. While the financial system appears broadly stable, pockets of vulnerability could emerge if the disruption caused by the COVID-19 is significant.** The banking sector appears to be adequately capitalized with an overall capital adequacy of 13½ percent in 2019. Banks are profitable, but non-performing loans remain relatively high at 10½ percent at the end-2019, of which about half are provisioned. Given the concentration of bank lending in manufacturing, real estate, hospitality, and wholesale and retail trade sectors—sectors that are experiencing supply chain and business disruptions—earnings and asset quality could be notably affected, especially in banks with elevated credit concentration risk.

**15. The regional central bank (BCEAO) adopted a number of measures to preserve financial stability and provide additional liquidity.** On March 21, 2020, the BCEAO announced (i) increasing the total liquidity made available to banks by weekly and monthly auctions; (ii) extending the collateral framework to access central bank refinancing; (iii) setting-up a framework with the banking system to support firms with COVID-19 repayment difficulties; (iv) allocating ~~FCAF~~ 25 billion to the trust fund of the West African Development Bank (BOAD) to increase the amount of concessional loans to eligible countries to finance urgent investment and equipment expenses; (v) communicating on the special program for refinancing bank credits granted to SMEs; (vi) initiating negotiations with firms issuing electronic money to encourage its usage; and (vii) ensuring adequate provision of banknotes for satisfactory ATM operation. On March 23 the BCEAO raised the liquidity made available to banks at its weekly and monthly auctions allowing average refinancing rates to remain relatively close to the floor of the 2.5 to 4 percent monetary policy corridor. Finally, on March 27 the BCEAO announced a full allotment strategy at a fixed 2.5 percent interest rate thereby allowing banks to satisfy their liquidity fully at a lower cost. Discussions on monetary, macro-prudential and financial sector issues are conducted with the authorities at the regional (WAEMU) level.

## ACCESS AND CAPACITY TO REPAY

### A. Access Level and Modalities

**16. The authorities are requesting a disbursement in an amount equivalent to 78.6 percent of quota (SDR 146,667,600) under RCF following the COVID-19 pandemic shock, along with the rephasing of the ECF arrangement (Annex I).** Based on the urgent balance of payments and fiscal needs caused by the sudden COVID-19 pandemic shock, Mali qualifies for a disbursement under the exogenous shock window. Emergency policy responses should focus on immediate measures to mitigate the severe short-term socio-economic impact caused by the pandemic. While Mali successfully completed the first review of its Fund-supported ECF arrangement, the second review cannot be concluded immediately as travel and other COVID-19 related restrictions, as well as the uncertainty around the outlook, make discussions infeasible at this point. To address the immediate crisis needs, it is proposed that the ECF outstanding purchase under the second review of SDR 20 million (10.7 percent of quota) be made available on August 31, 2020, and the outstanding

**Table 3a. Mali: Balance of Payments, 2017–25**  
(Billions of CFAF)

	2017	2018	2019		2020		2021		2022	2023	2024	2025
			1st Review <sup>1</sup>	Proj.	1st Review <sup>1</sup>	Proj.	1st Review <sup>1</sup>	Proj.				
<b>Current account balance</b>												
Excluding official transfers	-1079	-879	-958	-916	-930	-744	-994	-881	-1125	-1287	-1433	-1588
Including official transfers	-650	-465	-490	-426	-484	-376	-544	-416	-648	-827	-920	-1055
Trade balance	-415	-213	-256	-207	-204	136	-268	100	-1	-25	-17	-17
Exports, f.o.b.	1686	1991	2073	2159	2258	2252	2316	2480	2591	2738	2901	3065
Cotton fiber	223	271	231	223	251	151	271	218	255	280	307	334
Gold	1176	1388	1492	1651	1637	1868	1649	1993	2016	2079	2144	2209
Other	287	332	349	284	371	234	395	268	320	380	450	522
Imports, f.o.b.	-2101	-2204	-2329	-2366	-2463	-2116	-2584	-2379	-2592	-2763	-2918	-3082
Petroleum products	-552	-659	-626	-650	-618	-405	-613	-459	-518	-561	-601	-644
Foodstuffs	-349	-323	-350	-314	-375	-334	-395	-351	-379	-404	-430	-458
Other	-1201	-1223	-1353	-1402	-1469	-1378	-1575	-1570	-1696	-1798	-1886	-1979
Services (net)	-808	-840	-864	-871	-889	-878	-901	-948	-1041	-1119	-1198	-1282
Credit	319	334	339	339	359	295	379	319	333	350	369	387
Debit	-1127	-1174	-1204	-1210	-1249	-1173	-1280	-1267	-1374	-1469	-1567	-1669
<i>Of which: freight and insurance</i>	-387	-407	-430	-437	-469	-403	-492	-453	-494	-526	-556	-587
Income (net)	-291	-283	-309	-309	-314	-327	-319	-344	-372	-398	-426	-433
<i>Of which: interest due on public debt</i>	-28	-29	-34	-34	-38	-38	-28	-46	-48	-49	-50	-54
Transfers (net)	864	871	940	961	925	693	943	775	765	715	721	676
Private transfers (net)	435	457	472	472	478	325	493	311	289	255	207	143
Official transfers (net) <sup>2</sup>	429	414	468	490	446	367	450	465	476	460	513	533
<i>Of which: budgetary grants</i>	49	43	94	112	111	150	116	139	141	136	152	158
<b>Capital and financial account</b>	698	544	512	637	490	-12	520	437	371	474	532	557
Capital account (net)	150	133	221	150	204	219	173	138	159	171	185	180
<i>Of which: debt forgiveness</i>	18	19	18	18	0	9	0	9	0	0	0	0
<i>Of which: project grants</i>	96	75	158	87	156	163	120	80	105	114	124	114
Financial account	548	411	292	487	286	-231	347	299	212	303	347	377
Private (net)	395	266	-15	48	116	-157	140	27	56	128	156	126
Direct investment (net)	318	259	181	181	268	90	304	191	207	221	237	254
Portfolio investment private (net)	1	-1	-1	-1	0	0	0	0	0	0	0	0
Other private capital flows	76	8	-195	-132	-152	-247	-164	-164	-151	-93	-81	-128
Official (net)	153	144	307	439	170	-74	207	272	156	174	191	251
Portfolio investment public (net)	16	119	41	153	44	94	48	99	107	115	123	132
Disbursements	206	97	364	377	248	252	259	272	212	224	236	253
Budgetary	50	23	275	271	54	58	50	122	50	50	50	54
Project related	157	74	89	105	194	194	209	150	162	174	186	199
Central government fiscal gap						-298		0				
Amortization due on public debt	-70	-72	-99	-91	-122	-122	-99	-99	-163	-164	-168	-133
Errors and omissions	-90	26	115	53	0	0	0	0	0	0	0	0
<b>Overall balance</b>	-41	105	-138	264	-6	-388	-24	21	-277	-353	-388	-498
Financing	41	-105	138	-264	38	66	-8	-21	277	353	388	498
Foreign assets (net)	23	-115	-172	-181	-47	57	-17	-30	277	331	358	470
<i>Of which: IMF based on existing drawing (net)</i>	16	65	5	5	20	53	20	20	20	-22	-29	-28
HIPC initiative			18	18	9	9	9	9				
<b>Financing gap</b>	0	0	0	0	0	322	33	0	0	0	0	0
Proposed RCF-supported arrangement						117						
Prospective financing from CCRT <sup>3</sup>					6	-40.2		13	1			
Additional donors' financing					199	195						
<b>External trade</b>												
					(Annual percentage change)							
Export volume index	11.1	-0.6	2.3	-5.5	3.9	-8.6	2.4	15.8	8.3	8.4	8.9	7.8
Import volume index	-14.2	-12.1	5.9	9.3	5.7	-2.3	5.0	10.3	6.4	4.4	3.4	3.4
Export unit value	-9.4	19.1	1.9	14.7	4.9	14.1	0.1	-4.9	-3.5	-2.5	-2.7	-2.0
Import unit value	21.3	19.3	-0.3	-1.7	0.1	-8.4	-0.1	1.9	2.4	2.1	2.1	2.2
Terms of trade	-25.3	-0.2	2.2	16.7	4.8	24.6	0.2	-6.7	-5.7	-4.5	-4.7	-4.1

Sources: Malian authorities; and IMF staff estimates and projections.

<sup>1</sup> IMF Country Report No. 20/8, Mali: First Review Under the Extended Credit Facility Arrangement.

<sup>2</sup> Includes financing by the international community for imports of security services in relation to the foreign military intervention in the country.

<sup>3</sup> The grant for the debt service falling due in the 18 months from October 14, 2020 is subject to the availability of resources under the CCRT.

**Table 5. Mali: Financial Soundness Indicators for the Banking Sector, 2007–19**  
(Percent)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		2017		2018 <sup>2</sup>		2019 <sup>2</sup>		
										Jun.	Dec.	Jun.	Dec.	Jun.	Dec.	Jun.	Dec.	
<b>Capital</b>																		
Capital to risk-weighted assets	10.8	9.8	7.7	13.7	11.7	11.4	12.9	14.5	14.8	14.7	13.6	14.7	12.5	12.5	13.5	...	...	...
Tier 1 capital to risk-weighted assets	9.9	9.0	7.2	12.7	10.8	10.0	12.2	13.1	13.4	13.2	12.3	13.4	11.6	11.6	12.6	...	...	...
Capital (net worth) in percent of assets	5.6	6.2	4.6	7.5	8.3	7.7	7.9	7.1	7.4	7.3	7.2	7.1	8.3	8.5	9.2	...	...	...
<b>Sectoral distribution of credit to the economy</b>																		
Agriculture and fishing	7.7	12.8	7.9	1.6	11.7	10.9	6.5	5.5	4.3	3.8	2.2	3.6	3.4	4.1	3.0	3.2	3.2	3.2
Mining sector	1.0	0.2	0.2	0.1	0.1	3.8	4.7	3.4	2.6	2.2	2.4	2.1	2.1	3.3	2.5	2.4	2.4	2.4
Manufacturing	7.6	7.4	5.9	7.3	8.0	9.6	11.1	12.7	12.1	13.2	13.9	13.6	15.0	14.5	14.8	15.4	15.4	15.4
Electricity, gas, and water	5.0	3.9	4.3	11.1	10.0	6.4	9.6	11.9	9.6	7.5	7.8	6.8	6.1	5.2	6.8	5.2	6.8	5.2
Building and construction	2.0	1.6	1.6	4.3	4.4	5.0	3.8	4.9	7.0	6.8	7.4	6.9	6.9	6.6	7.4	7.0	7.4	7.0
Wholesale and retail trade, hotels and restaurants	43.6	38.7	37.4	44.4	43.3	44.6	45.2	40.9	45.5	43.2	42.1	41.6	41.9	42.6	39.7	39.8	39.7	39.8
Transportation, warehouses, communications	15.0	14.1	11.3	8.8	7.1	5.6	9.3	10.1	8.8	9.6	10.3	11.9	11.9	11.8	12.4	11.5	12.4	11.5
Insurance, real estate, and services for enterprises	6.4	14.1	18.8	14.9	9.8	8.2	5.7	6.9	6.3	7.8	8.3	7.7	7.2	6.4	8.6	9.2	8.6	9.2
Other activities	8.9	0.0	-1.9	0.0	0.0	0.0	0.0	0.1	3.9	6.0	5.7	5.7	5.5	5.6	5.0	4.6	5.0	4.6
<b>Asset quality</b>																		
Non-performing loans to total loans	25.1	23.1	25.4	22.1	18.0	21.0	19.3	15.9	16.1	16.4	17.3	18.2	16.4	13.5	11.6	10.5	11.6	10.5
Non-performing loans to total loans (net of provisioning)	10.7	9.5	11.6	8.5	6.5	8.7	8.3	5.6	6.3	7.7	8.2	8.9	7.5	7.2	6.4	5.1	7.2	6.4
Provisions to gross non-performing loans	65.5	66.9	59.5	64.0	69.3	65.0	62.0	68.6	65.0	70.1	57.0	56.0	58.8	50.5	49.3	54.0	58.8	50.5
Non-performing loans net of provisions to Tier I capital	109.4	91.5	113.1	55.3	46.9	60.7	72.7	43.1	44.2	60.9	65.9	64.9	49.4	51.3	41.8	...	...	...
<b>Earnings and profitability</b>																		
Return on assets (ROA)	-0.8	0.8	0.6	1.4	1.7	1.3	1.2	1.1	1.1	1.1	...	1.0	...	1.4	...	...	...	...
Return on equity (ROE)	-14.0	10.4	6.8	8.6	14.9	12.5	14.1	16.0	14.9	14.8	...	14.6	...	15.2	...	...	...	...
<b>Liquidity</b>																		
Liquid assets to total assets	40.7	37.9	33.8	32.7	36.7	34.8	34.4	51.8	51.7	50.9	51.5	45.6	62.0	63.8	64.7	63.8	64.7	63.8
Liquid assets to short-term deposits	81.5	84.0	61.2	92.9	89.4	90.0	98.0	95.6	87.9	86.9	69.0	82.6	95.6	98.4	101.9	99.7	95.6	98.4
Ratio of deposits to liabilities	81.4	73.6	73.0	75.4	70.7	86.8	71.7	63.0	63.0	58.1	60.9	59.4	61.1	60.2	62.8	62.6	61.1	60.2
Ratio of loans to deposits	83.7	77.5	72.2	82.6	88.0	88.5	89.7	87.8	83.1	95.5	95.4	99.6	99.4	95.8	97.1	96.5	99.4	95.8
<b>Memorandum items<sup>1</sup></b>																		
Deposit rate	4.8	1.9	1.9	1.9	1.8	1.9	1.8	1.8	1.8	2.2	...	2.7	...	2.5	...	...	...	...
Lending rate	10.0	9.8	9.7	9.4	9.3	8.9	9.5	8.2	7.8	7.5	...	8.0	...	7.7	...	...	...	...

Source: BCEAO

<sup>1</sup> Average<sup>2</sup> New prudential framework (Basel II/III)

Table 6. Mali: Indicators of Capacity to Repay the Fund, 2020–33<sup>1</sup>

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Fund obligations based on existing credit</b>														
Principal (SDR millions)	5.5	15.4	17.0	26.9	36.1	40.1	39.0	33.3	20.7	8.0	2.0	0.0	0.0	0.0
Charges and interest (SDR millions)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Fund obligations based on existing and prospective credit 2/</b>														
Principal (SDR millions)	4.5	11.0	12.6	24.7	36.1	40.1	47.0	51.3	40.7	28.0	22.0	12.0	2.0	0.0
Charges and interest (SDR millions)	1.0	4.4	4.4	2.2	0.0	14.7	29.3	29.3	29.3	29.3	14.7	0.0	0.0	0.0
<b>Total obligations based on existing and prospective credit</b>														
In millions of SDRs	5.5	15.4	17.0	26.9	36.1	54.8	76.4	80.7	70.0	57.3	36.7	12.0	2.0	0.0
In billions of CFA francs	4.5	12.4	13.7	33.3	44.7	67.0	94.4	99.7	86.5	70.8	45.3	14.8	2.5	0.0
In percent of government revenue	0.2	0.6	0.6	1.4	1.7	2.4	3.2	3.1	2.5	1.9	1.1	0.3	0.1	0.0
In percent of exports of goods and services	0.2	0.4	0.5	1.1	1.4	1.9	2.6	2.7	2.3	1.8	1.1	0.3	0.1	0.0
In percent of debt service	1.8	5.1	4.1	9.3	11.8	18.6	24.5	24.1	19.6	15.0	8.9	2.7	0.4	0.0
In percent of GDP	0.0	0.1	0.1	0.3	0.3	0.5	0.6	0.6	0.5	0.4	0.2	0.1	0.0	0.0
In percent of quota	2.9	8.3	9.1	14.4	19.4	29.4	40.9	43.2	37.5	30.7	19.6	6.4	1.1	0.0
<b>Outstanding Fund credit 1/</b>														
In millions of SDRs	449.8	452.7	425.9	389.7	335.0	258.6	178.0	108.0	50.6	14.0	2.0	0.0	0.0	0.0
In billions of CFA francs	365.6	365.9	343.8	314.6	270.6	211.4	144.0	87.4	41.0	11.3	1.6	0.0	0.0	0.0
In percent of government revenue	19.6	17.1	15.5	13.2	10.5	7.6	4.8	2.7	1.2	0.3	0.0	0.0	0.0	0.0
In percent of exports of goods and services	14.4	13.1	11.8	10.2	8.3	6.1	4.0	2.4	1.1	0.3	0.0	0.0	0.0	0.0
In percent of debt service	150.7	150.9	103.6	86.2	71.2	58.7	37.4	21.2	9.3	2.4	0.3	0.0	0.0	0.0
In percent of GDP	3.5	3.3	2.9	2.5	2.0	1.4	0.9	0.5	0.2	0.1	0.0	0.0	0.0	0.0
In percent of quota 3/	241.0	242.6	228.2	208.9	179.5	138.6	95.4	57.9	27.1	7.5	1.1	0.0	0.0	0.0
<b>Disbursements and Repurchases</b>														
Disbursements (SDR millions)	44.6	3.0	-26.9	-36.1	-54.8	-76.4	-80.7	-70.0	-57.3	-36.7	-12.0	-2.0	0.0	0.0
Repurchases and Repurchases (SDR millions)	60.0	20.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	15.4	17.0	26.9	36.1	54.8	76.4	80.7	70.0	57.3	36.7	12.0	2.0	0.0	0.0
<b>Memorandum items:</b>														
Nominal GDP	10,427.2	11,029.6	11,928.6	12,775.5	13,682.6	14,654.0	15,694.5	16,808.8	18,002.2	19,280.4	20,649.3	22,115.4	23,685.6	25,367.2
Exports of goods and services	2,547.4	2,799.2	2,924.5	3,088.4	3,269.6	3,452.6	3,564.2	3,689.0	3,823.7	3,969.3	4,126.9	4,297.7	4,483.1	4,684.6
Government revenue	1,868.6	2,137.7	2,211.5	2,385.5	2,567.0	2,763.3	2,983.1	3,224.6	3,485.0	3,767.0	4,088.2	4,437.4	4,817.0	5,229.8
Debt service	242.6	242.5	331.9	356.7	379.9	359.9	385.4	412.8	442.1	473.5	507.1	543.1	581.7	623.0
Quota (SDR millions)	186.6	186.6	186.6	186.6	186.6	186.6	186.6	186.6	186.6	186.6	186.6	186.6	186.6	186.6

Sources: IMF staff estimates and projections.

1 Total debt service includes IMF repurchases and repayments.

2 Includes future disbursements proposed in Table 6.

3 Using the new quota under the 14th General Review of Quotas (SDR 186.6 million).

**Table 7. Mali: External Financing Requirements, 2019–23***(Billions of CFAF)*

	2019	2020	2021	2022	2023
	Projections				
<b>Financing need</b>	<b>913</b>	<b>976</b>	<b>904</b>	<b>1178</b>	<b>1266</b>
Current account balance (excl. official transfers)	916	744	881	1125	1287
Private capital and financial flows	-93	110	-76	-110	-186
Amortization of public loans (excl. IMF)	91	122	99	163	164
<b>Financing</b>	<b>960</b>	<b>654</b>	<b>904</b>	<b>1178</b>	<b>1266</b>
Official loans	377	-46	272	212	224
Project loans	105	194	150	162	174
Budgetary loans	271	58	122	50	50
Official transfers	594	540	554	582	574
Project grants	87	163	80	105	114
Budget grants	112	150	139	141	136
Other <sup>1</sup>	395	226	335	335	324
Portfolio investment public, net	153	94	99	107	115
NFA central bank (excl. IMF)	-181	57	-30	259	375
HIPC Initiative assistance	18	9	9	0	0
IMF transactions	5	20	20	19	-22
<b>Residual Gap</b>		<b>322</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Proposed RCF-supported arrangement</i>		<i>117</i>			
<i>Prospective financing from CCRT <sup>3-2</sup></i>		<i>6 -10.2</i>	<i>13</i>	<i>1</i>	
<i>Additional donors' financing</i>		<i>199 195</i>			

Sources: Malian authorities; IMF staff estimates and projections

<sup>1</sup> Financing by the international community for imports of security services in relation to the foreign military intervention in the country and debt forgiveness.

<sup>2</sup> The grant for the debt service falling due in the 18 months from October 14, 2020 is subject to the availability of resources under the CCRT.