

PRESS RELEASE

2015 Annual Meetings of the International Monetary Fund and the World Bank Group

The Governor of the Bank of Botswana, Linah Mohohlo, has just returned from Lima (Peru) where she participated, with her delegation comprising relevant Bank senior staff, in the Annual Meetings of the International Monetary Fund (IMF) and World Bank, in her capacity as Botswana's representative on the non-executive Board of the IMF. The Governor attended the combined plenary meeting of the IMF and World Bank Group and also took part in meetings of the International Monetary and Financial Committee and Africa Group 1 Constituency of the IMF (comprising 23 Sub Saharan African Countries).

The Governors deliberated on prospects for global economic growth, and related policy challenges, roles and operations of the IMF and World Bank with respect to funding and other facilities. Governance issues were addressed including the need for equitable representation of emerging and low income countries on key structures of the IMF and World Bank. It was observed that global economic recovery continues, but growth remains modest and uneven, while medium term growth prospects have weakened due to uncertainty and heightened financial markets volatility. Recovery was expected to pick up in advanced economies, supported by lower commodity prices, accommodative policies and improved financial stability. Growth prospects differ across

emerging markets and developing economies, but the overall outlook was affected by uncertain commodity prices and global financial conditions.

Global economic growth is projected to be 3.1 percent in 2015 and 3.6 percent in 2016; the respective growth rates for Sub-Saharan Africa are 3.8 percent and 4.3 percent. In the context of an uncertain global environment, the Governors outlined the responsive measures to lift short-term and potential growth and to preserve fiscal sustainability, as well as to reduce unemployment, manage financial stability risks, support trade and effectively communicate policy stances to mitigate excessive market volatility and negative spillovers. On a related matter, the Governor was a discussant at a seminar on Revisiting Monetary Policy Frameworks and spoke on Monetary Policy Frameworks in Low Income and Developing Countries.

The Governor also participated in, among others, the concurrent meetings of the Macroeconomic and Financial Management Institute (MEFMI) of Eastern and Southern Africa, which covered Executive Committee (of which she is Chair) and Board deliberations. She also officiated the MEFMI seminar on Leveraging Natural Resources for Economic Transformation, where she made a presentation on Sovereign Wealth Fund Management: The Case of Botswana. The Governor had consultative bilateral meetings with relevant IMF Departments, fund managers and other financial institutions on matters of mutual interest.

