

# **BANK OF BOTSWANA**

## **Media Statement**

### **Annual Meetings of the International Monetary Fund and World Bank Group**

The Governor of the Bank of Botswana, Ms. Linah Mohohlo, accompanied by senior staff of the Bank, has just returned from Tokyo (Japan) where she participated in the 2012 Annual Meetings of the International Monetary Fund (IMF) and World Bank Group, in her capacity as Botswana's representative on the non-executive Board of the IMF. In addition to the combined plenary meeting of the Governors of the IMF and World Bank Group, the Governor took part in meetings of the Africa Group 1 Constituency of the IMF (comprising 22 African countries) and the All Africa Governors Caucus.

The Governors addressed global growth prospects and related policy initiatives, including enhancement of voice and representation of emerging and low income economies on the governance and related other structures of the IMF and the World Bank Group. The Governors noted that a rebound in the global economy in the near term looked less and less likely. While economic growth is more anaemic in developed countries, emerging market economies growth rates are relatively higher and policy response is supportive, given, among others, low interest rates. Global growth forecasts for 2012 and 2013 were increasingly unfavourable at 3.3 percent and 3.6 percent, respectively, compared to earlier years' GDP growth rates. Output expansion in emerging market economies is projected to fall

from 6.2 percent in 2011 to 5.3 in 2012 and rebound to 5.6 percent in 2013. The respective growth rates for Sub-Saharan Africa are 5.1 percent, 5 percent and 5.7 percent.

The meetings also highlighted the impact on African economies of the global economic slowdown, in particular, the Eurozone debt crisis. The Governors addressed response initiatives and measures to alleviate infrastructure gaps.

Furthermore, Governor Mohohlo participated in, among others, the concurrent Commonwealth Central Bank Governors meeting and 2012 Emerging Market Forum, which focused on financial stability issues and on developing a systematic framework for the management and optimisation of returns from natural resources. The Governor also consulted with a number of banks and financial institutions on matters of mutual interest.