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Press Release

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The International Monetary Fund Releases the Fifth Tranche of US dollars 252 million under the Extended Fund Facility

The Executive Board of the International Monetary Fund (IMF) concluded the 2018 Article IV consultation with Sri Lanka and completed the fourth review of the three-year Extended Fund Facility (EFF), approving the disbursement of the fifth tranche amounting to SDR 177.774 million (approximately US dollars 252 million). The EFF aims at supporting the Balance of Payments and the broad economic reform agenda of the government.

The IMF acknowledged the progress made by the authorities to stabilise the economy and support growth through an improved policy mix of fiscal consolidation, prudent monetary policy and structural reforms. The IMF commended the authorities for achieving major milestones in terms of structural reforms, including the launch of the new Inland Revenue Act, automatic fuel pricing formula and the Central Bank of Sri Lanka's Roadmap for flexible inflation targeting, while stressing the importance of sustaining the reform momentum going forward.

With the disbursement of the fifth tranche, total disbursements under the EFF arrangement are equivalent to SDR 715.23 million (approximately US dollars 1,014 million). Continuation of the EFF would help the country to strengthen external resilience and improve macroeconomic stability, thereby supporting the achievement of medium term economic growth, while enhancing market confidence.