



Sri Lanka's 4-year IMF Extended Fund Facility (EFF) was approved in March 2023, and continues successfully. The programme's core objectives are to restore macroeconomic stability, debt sustainability, rebuild external buffers, safeguard financial sector resilience, strengthen governance, and enhance growth-oriented reforms.

The IMF committed SDR 2.286 bn (approximately USD 3 bn) under the EFF. Through the successful completion of four reviews to date, Sri Lanka has received SDR 1.27 bn (approximately USD 1.74 bn, in five tranches). Achievements thus far include significant fiscal consolidation, improved inflation outcomes, stronger reserve position, and

structural reforms in governance and cost-reflective pricing. Sri Lanka expects to receive the sixth and the seventh tranches under the programme together with the conclusion of the fifth<sup>1</sup> and sixth reviews during the upcoming months, and the overall programme is expected to conclude in 2027. Further, the IMF Executive Board approved emergency financing under the Rapid Financing Instrument (RFI), allowing Sri Lanka immediate access to SDR 150.5 mn (approximately USD 206 mn). The RFI helped the country address urgent needs arising from the severe impacts of *Cyclone Dityah* while maintaining macroeconomic stability.

Significant Progress has been made on the IMF-EFF Programme



<sup>1</sup> The fifth review of the programme, which was due to be completed by December 2025, was deferred owing to the *Cyclone Dityah*, to allow for an assessment of its economic impact and the appropriate policy response.