

## **BANK OF BOTSWANA**

### **PRESS RELEASE**

#### **GOVERNOR PARTICIPATED IN 2016 SPRING MEETINGS OF INTERNATIONAL MONETARY FUND AND WORLD BANK**

The Governor of the Bank of Botswana, Mr Moses D Pelaelo, accompanied by a delegation of Bank senior staff, participated in the Spring meetings of the International Monetary Fund (IMF) and World Bank (WB) in Washington DC (USA) from April 20 - 23, 2017. The Governor took part in the meetings of the International Monetary and Financial Committee and the IMF's Africa Group 1 Constituency, which comprises 23 Sub-Saharan Countries.

The meetings deliberated on, among others, recent economic and financial developments, prospects for global economic growth, challenges and the related policy responses. It was observed that the global economy was gaining momentum, although characterised by risk and policy uncertainty.

Global growth is projected to increase from 3.1 percent in 2016 to 3.5 percent in 2017 and 3.6 percent in 2018. The respective growth rates for Sub-Saharan Africa are 1.3 percent for 2016 and 2.6 percent for 2017. Broad-based stronger economic activity, expectations of more robust global demand, reduced deflationary pressures, and positive sentiments in financial markets are all expected to support global economic growth. The anticipated robust global demand should boost global trade, which would, in turn, drive growth in export-led economies. Furthermore, against the background of rapid technological progress, a cooperative multilateral framework for trade and financial integration has served countries well, producing economic benefits.

However, future growth prospects continue to be dependent on implementation of key structural reforms to support recovery on a sustainable basis and improvements in productivity, and other measures that enhance resilience. Nevertheless, downside risks to stronger recovery remain in the medium term, including the impact of

adverse weather, conflicts in some regions, economic policy uncertainty, rising protectionist sentiment in some high-income countries, possible negative impact of the withdrawal of the UK from the European Union and persistence of macroeconomic imbalances.

With regard to policy priorities, it was noted that it was important for countries to work within the multilateral framework and harness the benefits of technological progress and economic integration to strive for strong and more balanced growth and to provide inclusive economic opportunities.

The Governor also attended several briefings and seminars; among others, African Economic Outlook, African Caucus meeting with the IMF Managing Director, Resource Mobilisation and Debt Markets in Small Medium Income Countries, How to Return Sub-Saharan Africa to Vigorous Growth, and Driving Digital Financial Inclusion in Africa.

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May 2, 2017