**IMF Executive Board Approves a US$115.1million Disbursement to Chad to Address the Covid-19 Pandemic**

FOR IMMEDIATE RELEASE

* The IMF executive board approved the disbursement of US$115.1 million to Chad to be drawn under the Rapid Credit Facility.
* The outbreak of COVID-19 and the drop in international oil prices are having a severe economic and social impact on Chad.
* The government has taken strong measures to halt the community spread of the virus and is preparing an economic plan to mitigate the impact of the pandemic.

**Washington, DC – April14, 2020.**  The Executive Board of the International Monetary Fund (IMF) today approved a disbursement under the Rapid Credit Facility (RCF) equivalent to SDR 84.12 million (about US$115.1 million, or 60 percent of quota) to help Chad meet the urgent balance of payment needs stemming from the deterioration of global conditions and the outbreak of the COVID-19 pandemic.

The outbreak of COVID-19 and the drop in international oil prices are having a severe economic and social impact on Chad and could jeopardize the gains achieved in recent years under the current Extended Credit Facility (ECF) arrangement.

The authorities have taken strong actions to contain the spread of the pandemic and are currently putting together a comprehensive economic plan to upgrade the health system and contain the economic impact of the pandemic. However, due to a significant deterioration of the macroeconomic outlook and weakening of fiscal situation, urgent external and fiscal financing needs have emerged. The IMF’s support will make a substantial contribution to filling immediate external needs and preserving fiscal space for essential COVID-19-related health expenditure. It is also expected to help catalyze additional donor support.

Following the Executive Board discussion of Chad’s request, Mr. Mitsuhiro Furusawa, Deputy Managing Director and Acting Chair, made the following statement:

“Chad is facing shocks arising from COVID-19, the collapse in international oil prices, and a deteriorating security situation, which are causing significant economic and social hardships.Economic activity has slowed down and large financing needs have emerged.

“In response to the COVID-19 outbreak, the authorities have taken strong measures to halt the community spread of the virus. They are also scaling up health-related spending and are considering a set of economic measures to support households and businesses.

“Given the sudden nature of the shocks and their widespread impact, the authorities will be temporarily relaxing the fiscal deficit to allow for the scaling up of health care spending and to accommodate the impact of the sharp drop in oil prices.In order to safeguard debt sustainability, they remain committed to the medium-term fiscal path and will implement the needed adjustment measures as soon as the current crisis abate.

“In the meantime, given the large financing gap that emerged as a result of the shocks, much-needed financial assistance from development partners will be critical in support of the government’s efforts to mitigate their negative impact.”

*More information*

IMF Lending Tracker (emergency financing request approved by the IMF Executive Board)

<https://www.imf.org/en/Topics/imf-and-covid19/COVID-Lending-Tracker>

IMF Executive Board calendar

<https://www.imf.org/external/NP/SEC/bc/eng/index.aspx>