



IMF EMERGENCY LOANS TO EGYPT: TIME TO WATCH HOW THE MONEY IS USED

The Egyptian National Action Group is **troubled by the politically supportive tone held in the statement by IMF Managing Director Kristalina Georgieva** issued on April 26th, following the regime's request for emergency funds.

- Although many independent observers criticized the **catastrophic management of the COVID-19 crisis by the Egyptian regime**, both in terms of actions and transparency, the IMF statement praises Sisi and the junta who *"have responded quickly and decisively with measures to limit its spread and provide support to affected people and businesses"*.
- The IMF Managing Director adds further that *"The Central Bank of Egypt has also implemented timely measures to support the domestic economy"* a few days after the chairman of *Daily News Egypt* was arrested after an article had raised **allegations of currency manipulation** by the Central Bank of Egypt.

The Egyptian National Action Group regrets that the **IMF shows such a clear lack of independent information about the reality of the economic, social and sanitary situation of Egypt**. We call for the IMF to **listen to other voices than the regime's**, to watch much more closely how their funds have been used so far and to realise that their money has **mostly funded corruption and the military economy but certainly not the real economy and the private sector**.

Also, despite the billions injected by the IMF, the EU or the Gulf countries, **Egyptians are poorer by almost 20% and 6 Egyptians out of 10 are considered as either poor or vulnerable** by the World Bank itself. Due to the IMF reforms, the most destitute can no longer rely on State subsidies for their basic needs.

- How will the IMF make sure that these emergency loans will truly serve the Egyptian population?
- How will the IMF make sure that none of this money will go into Sisi or some generals' bank accounts?

As a reminder, the 2016-2019 IMF program in Egypt aimed at *"restoring macroeconomic stability and return Egypt to strong and sustainable growth."* including *"bringing down the budget deficit and government debt"*. However, in 2013, Egypt's external debt was USD 43 Billion. It has now reached more than USD 110 Billion.