



NATIONAL TREASURY REPUBLIC OF SOUTH AFRICA

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INTERNATIONAL MONETARY FUND (IMF) RELEASE ITS 2005 ARTICLE IV STAFF REPORT ON SOUTH AFRICA

The International Monetary Fund has released its 2005 Article IV Staff Report on South Africa.

- The Report discusses macroeconomic policies, structural and social issues. In each of these areas South Africa is given positive assessments, including success in stabilising the economy through skilful macroeconomic management and considerable progress in structural reforms.
- The Report notes the major policy challenges facing South Africa, which include achieving higher, sustained economic growth, a substantial reduction in unemployment, poverty and a continued fight against the prevalence of HIV/AIDS.
- The Government's approach to dealing with these challenges through policies aimed at raising economic growth, combined with targeted initiatives to reduce unemployment and improve social conditions is supported by the IMF. The Report, however, suggests that this strategy could be bolstered by substantial labour market reforms, further trade liberalisation and a substantial improvement in the efficiency of state-owned enterprises.
- The release and findings of the report reflect Government's continued commitment to sound fiscal and monetary policy, and commitment to greater transparency.

A copy of the full report is available on the International Monetary Fund's website <http://www.imf.org> and on the National Treasury's website <http://www.treasury.gov.za>

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