

EBS/87/17
Supplement 2

CONFIDENTIAL

February 25, 1987

To: Members of the Executive Board

From: The Secretary

Subject: Argentina - Use of Fund Resources - Compensatory Financing
Facility - Amendment of Decision No. 8532-(87/29), adopted
February 18, 1987

The attached proposed decision pertaining to Argentina's use of Fund resources under the compensatory financing facility has been scheduled for discussion tomorrow, Thursday, February 26, 1987.

Mr. Liuksila (ext. 7797) is available to answer technical or factual questions relating to this paper prior to the Board discussion.

Att: (1)

INTERNATIONAL MONETARY FUND

ARGENTINA

Use of Fund Resources - Compensatory Financing Facility
Amendment of E.B. Decision No. 8532-(87/29), adopted February 18, 1987

Prepared by the Legal Department, the Research Department,
and the Western Hemisphere Department

Approved by Francois Gianviti, Jacob Frenkel,
and Eduardo Wiesner

February 25, 1987

The following draft decision is proposed for adoption by the
Executive Board:

Paragraph 3 of Decision No. 8532-(87/29), adopted
February 18, 1987 shall be amended to read as follows:

3. This approval shall become effective on the date
when the stand-by arrangement set forth in EBS/87/5,
Supplement 3 approved in principle on February 18, 1987
(E.B. Decision No. 8530-(87/29)), becomes effective, or
in any event not later than July 15, 1987, provided that
Argentina continues to cooperate with the Fund.

Attachment

Attachment

E.B. Decision No. 8532-(87/29), adopted February 18, 1987, as amended in accordance with the proposed decision under I above, would read as follows:

1. The Fund expects to receive a request from the Government of Argentina for a purchase equivalent to SDR 388.7 million in accordance with the Decision on Compensatory Financing of Export Fluctuations (Executive Board Decision No. 6224-(79/135), adopted August 2, 1979, as amended).

2. The Fund approves the purchase subject to confirmation of a shortfall of at least an equivalent amount as of the effective date of this approval.

3. This approval shall become effective on the date when the stand-by arrangement set forth in EBS/85/5, Supplement 3 approved in principle on February 18, 1987 (E.B. Decision No. 8530-(87/29)) becomes effective, or in any event not later than July 15, 1987, provided that Argentina continues to cooperate with the Fund.

4. The Fund waives the limitation in Article V, Section 3(b)(iii).