

MASTER FILES

ROOM C-120

04

INTERNATIONAL MONETARY FUND

Minutes of Executive Board Meeting 84/191

3:00 p.m., December 28, 1984

J. de Larosière, Chairman
R. D. Erb, Deputy Managing Director

Executive Directors

Alternate Executive Directors

B. de Maulde
M. Finaish
H. Fujino

J. E. Ismael

E. I. M. Mtei
F. L. Nebbia

P. Pérez
J. J. Polak
A. R. G. Prowse

N. Wicks
S. Zecchini
Zhang Z.

J. K. Orleans-Lindsay, Temporary
M. K. Bush
L. E. J. M. Coene, Temporary
X. Blandin
T. Alhaimus
M. Sugita
B. Goos
Jaafar A.
G. W. K. Pickering, Temporary
H. A. Arias, Temporary
A. S. Jayawardena
A. Abdallah

J. E. Suraisry

A. V. Romuáldez
R. Msadek, Temporary
E. Olsen, Temporary

N. Coumbis
Wang E.

L. Van Houtven, Secretary
K. S. Friedman, Assistant

1. Argentina - Stand-By Arrangement; Exchange System;
and Purchase Transaction - Compensatory Financing
Facility Page 3

Also Present

P. Scherer, IBRD. Asian Department: C. Browne. Exchange and Trade Relations Department: C. D. Finch, Director; M. Guitián, Deputy Director. External Relations Department: H. O. Hartmann. Fiscal Affairs Department: C. A. Aguirre, J. C. Tavares. Legal Department: J. G. Evans, Jr., Deputy General Counsel; S. A. Silard. Research Department: W. C. Hood, Economic Counsellor and Director; A. D. Crockett, Deputy Director; K.-Y. Chu, N. M. Kaibni, E. A. Milne. Treasurer's Department: A. M. Al-Samarrie. Western Hemisphere Department: S. T. Beza, Associate Director; J. M. F. Braz, D. N. Lachman, B. C. Stuart. Personal Assistant to the Managing Director: S. P. Collins. Advisors to Executive Directors: G. R. Castellanos, D. Hammann, T. Sirivedhin, E. M. Taha, M. A. Weitz. Assistants to Executive Directors: E. M. Ainley, M. B. Chatah, Chen J., J. de la Herrán, J. J. Dreizzen, Z. b. Ismail, H. Kobayashi, J. A. K. Munthali, M. Rasyid, C. A. Salinas, Shao Z., L. Tornetta, R. G. Toulmin, A. J. Tregilgas, A. H. van Ee, Wang C. Y.

1. ARGENTINA - STAND-BY ARRANGEMENT; EXCHANGE SYSTEM; AND PURCHASE TRANSACTION - COMPENSATORY FINANCING FACILITY

The Executive Directors continued from the previous meeting (EBM/84/190, 12/28/84) their consideration of the restricted staff papers on Argentina's request for a stand-by arrangement equivalent to SDR 1,419 million (EBS/84/251, 12/3/84; and Sup. 1, 12/26/84), together with a staff paper on Argentina's request for a purchase equivalent to SDR 275 million under the compensatory financing facility (EBS/84/252, 12/4/84; and Sup. 1, 12/27/84).

The Executive Board then adopted the following decisions:

Stand-By Arrangement

1. The Government of Argentina has requested a stand-by arrangement for the period December 28, 1984 to March 27, 1986 for an amount equivalent to SDR 1,419 million.

2. The Fund approves the stand-by arrangement set forth in EBS/84/251, Supplement 2 and waives the limitation in Article V, Section 3(b)(iii).

Decision No. 7878-(84/191), adopted
December 28, 1984

Exchange System

The Fund welcomes the intention of the Government of Argentina, in the context of the adoption of comprehensive policies for balance of payments adjustment which are supported by a stand-by arrangement with the Fund, to simplify the exchange system and to eliminate restrictions on payments and transfers for current international transactions. In the meantime, the Fund grants approval for the retention of the practice described in the second paragraph of the letter dated December 26, 1984 from the Minister of Economy and the President of the Central Bank of the Republic of Argentina, attached to the stand-by arrangement for Argentina, and the practices described in items 1(a)-(c) and items 2(a)-(f) of Appendix IV of EBS/84/251 until March 31, 1985.

Decision No. 7879-(84/191), adopted
December 28, 1984

Purchase Transaction - Compensatory Financing Facility

1. The Fund has received a request by the Government of Argentina for a purchase of SDR 275 million under the Decision on Compensatory Financing of Export Fluctuations (Executive Board Decision No. 6224-(79/135), adopted August 2, 1979, as amended).

2. The Fund notes the representation of Argentina and approves the purchase in accordance with the request.

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

Decision No. 7880-(84/191), adopted
December 28, 1984

APPROVED: October 23, 1985

LEO VAN HOUTVEN
Secretary