

# INTERNATIONAL MONETARY FUND

PRESS RELEASE NO. 88/32

FOR IMMEDIATE RELEASE  
September 23, 1988

The Minister of Finance of the Federal Republic of Germany, Dr. Gerhard Stoltenberg, and the Managing Director of the International Monetary Fund, Mr. Michel Camdessus, have exchanged letters on the Federal Republic of Germany's intention to contribute to the International Monetary Fund's Enhanced Structural Adjustment Facility (ESAF), established by the Executive Board of the Fund by Decision No. 8759-(87/176) ESAF on December 18, 1987.

The Kreditanstalt für Wiederaufbau (KfW) will extend to the ESAF Trust a loan in the amount of SDR 700 million; it will be repayable over five and one-half to ten years from the dates of disbursements, which may be made until June 30, 1992.

The Federal Republic of Germany will provide, subject to the approval of Parliament, a substantial amount of grants to the ESAF Trust to enable the Trust to provide loans at highly concessional interest rates to low-income developing countries.

Mr. Camdessus expressed his deep appreciation for Germany's contributions to ESAF, which represent a most important source of support for the growth-oriented structural adjustment programs of the Fund's poorest member countries.

\*Document issued in Berlin (West) and Washington, D.C.