

Stand-By Arrangement - Waiver and Modification of Performance Criteria

1. Chile has consulted the Fund in accordance with paragraph 6 of the letter dated December 13, 1982 from the Minister of Finance and Economy and the President of the Central Bank of Chile attached to the stand-by arrangement for Chile (EBS/83/227, Sup. 2) and paragraph 4 of the stand-by arrangement.

2. The letter dated July 8, 1983 from the Minister of Finance and the President of the Central Bank of Chile shall be attached to the stand-by arrangement for Chile, and the letter from the Minister of Finance and Economy and the President of the Central Bank of Chile dated December 13, 1982 attached to the stand-by arrangement, shall be read as modified by the letter of July 8, 1983.

3. Accordingly, the limit on the contracting and guaranteeing of external debt by the public sector described in Table 3 of the memorandum annexed to the letter of December 13, 1982 shall be US\$5,500 million as referred to in the letter of July 8, 1983, and the limit on the net domestic assets of the Central Bank of Chile for the period July 1-September 20, 1983 described in Table 4 of the memorandum annexed to the letter of December 13, 1982 shall be Ch\$95.5 billion for the period July 1-August 15, 1983, and Ch\$57.0 billion for the period of August 16-September 20, 1983, as referred to in the letter of July 8, 1983.

4. The Fund finds that in light of the letter dated July 8, 1983 no additional understandings are necessary concerning the nonobservance of the performance criterion on the net international reserve target of the Central Bank for June 30, 1983 and that Chile may make purchases under the extended arrangement, notwithstanding the multiple currency practices and exchange restrictions introduced by Chile as described in EBS/83/134.

Decision No. 7477-(83/112), adopted
July 27, 1983