

1. BOLIVIA - 1988 ARTICLE IV CONSULTATION - EXCHANGE  
MEASURES SUBJECT TO ARTICLE VIII

1. The Fund takes this decision relating to Bolivia's exchange measures subject to Article VIII, Sections 2 and 3, in the light of the 1988 Article IV consultation with Bolivia conducted under Decision No. 5392-(77/63), adopted April 29, 1977, as amended (Surveillance over Exchange Rate Policies).

2. Bolivia maintains an exchange restriction evidenced by external payments arrears that is subject to approval under Article VIII, Section 2(a). In addition, the decision to grant import duty rebates for nontraditional exports on the basis of exchange surrender will give rise to a multiple currency practice once it is implemented. The Fund welcomes Bolivia's intention to eliminate its external arrears in 1988 and urges the early elimination of the import duty rebate scheme. In the meantime, the Fund grants approval of the exchange restriction until December 30, 1988 and the multiple currency practice until July 15, 1989 or the next Article IV consultation with Bolivia, whichever is earlier.

Decision No. 8929-(88/116), adopted  
July 27, 1988