

NEWS BRIEF

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Camdessus Welcomes IMF Executive Board's Adoption of a Decision on New Arrangements to Borrow

The Managing Director of the International Monetary Fund, Michel Camdessus, welcomed today's adoption by the IMF Executive Board of a decision on New Arrangements to Borrow (NAB).

Commenting at the end of the Board meeting, Mr. Camdessus said:

"I welcome the New Arrangements to Borrow as a milestone in the membership's efforts to strengthen the IMF. The NAB will enable the institution to fulfil more effectively its role in the international monetary system.

"This agreement is an important and timely reflection of ongoing changes in the world economy. It is a powerful illustration of the sense of responsibility with which both a significant number of countries and institutions now in a position to make their resources available to the IMF, and the current and associated members of the General Arrangements to Borrow, are ready to contribute, through the IMF, to the stability of the international monetary system.

"But as members of the Board reiterated, the NAB cannot be a substitute for the strengthening of quotas--that is to say, the capital basis of the IMF. So, I hope that rapid progress will be made in coming to a conclusion on a significant increase in quotas under the Eleventh General Review, thereby further completing the effort of adapting the IMF's resources to the present world situation and risks."

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