

INTERNATIONAL MONETARY FUND

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IMF Increases Annual Lending Limit

The International Monetary Fund (IMF) has increased, for a period of three years, the annual access limit under outright drawings in the credit tranches, and stand-by and extended Fund facility (EFF) credits from 68 percent to 100 percent of a country's quota in the IMF. ^{1/} The cumulative limit will remain at 300 percent of quota, net of repayments falling due to the IMF during the credit period. The new limit will be subject to annual review by the IMF's Executive Board in light of all relevant factors, including the magnitude of members' balance of payments problems and the IMF's own liquidity position.

Today's decision follows the recommendation of the Executive Board Committee at its October 2, 1994 meeting in Madrid, Spain that the Executive Board consider a proposal for a temporary increase in the annual access limit under outright drawings and stand-by and EFF credits from 68 percent to 100 percent of a country's quota with a view to its early adoption.

The increase in the annual lending limit for countries with potentially large financial needs in a timely manner and on an appropriate scale in a timely manner will ensure that the IMF can play a catalytic role in other financial contributions for member countries, and access to IMF financing on a case-by-case basis, commensurate with the need for stand-by or EFF credits for amounts in excess of the annual limit.

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Following the decision by the Executive Board, Managing Director of the IMF, stated: "I warmly welcome this substantial increase in the annual access limit under outright drawings and the remarkable spirit of cooperation that has made possible this speedy action by the Executive Board. The increase in the access limit will be very helpful and will allow the IMF to strongly support members' adjustment and reform programs, and the associated financing needs, in the next three years."

^{1/} A member's quota in the IMF determines, in particular, its subscription, its voting weight, its access to IMF financing, and its share in allocations of SDRs.

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the 1990s, the number of people in the world who are under 15 years of age is expected to increase from 1.1 billion to 1.5 billion. The number of people aged 65 and over is expected to increase from 200 million to 400 million. The number of people aged 15 and over is expected to increase from 3.5 billion to 4.5 billion. The number of people aged 15 and over is expected to increase from 3.5 billion to 4.5 billion. The number of people aged 15 and over is expected to increase from 3.5 billion to 4.5 billion.