

INTERNATIONAL MONETARY FUND

MASTER FILES
ROOM C-130

0411

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The International Monetary Fund has established, at the request of the Government of Bolivia, a Voluntary Contribution Account to be administered by the Fund to assist Bolivia in the buyback of a portion of its external indebtedness with nonofficial creditors. Contributions to the account will be applied solely to buying back Bolivian external public debt at a discount.

The buyback is expected to facilitate an improvement in Bolivia's external position through a reduction of its external indebtedness and to contribute towards a normalization of relations with foreign bank creditors by reducing arrears, thereby helping to restore the country's standing in the international credit markets.

The Fund's authority to accede to Bolivia's request stems from Article V, Section 2(b) of the Articles of Agreement, which allows the Fund to perform, at the request of a member country, financial and technical services including the administration of resources contributed by members. Operations involved in the performance by the Fund of such financial services are not on the account of the Fund.

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WATER FILLS
ROOM 2-1009