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IMF WILL COLLECT \$12.6 BILLION THIS YEAR

-- LOAN REPAYMENTS ADD TO \$87 BILLION IN RESOURCES --

WASHINGTON, D.C. -- The International Monetary Fund (IMF) will collect nearly \$13 billion in loan repayments in the current fiscal year, further boosting its access to resources, **Joint Economic Committee (JEC) Chairman Jim Saxton (R-N.J.)** said today.

As Saxton has previously pointed out, the IMF already has \$43 billion in quota contributions, another \$32 billion in gold, and can borrow an additional \$23 billion from the General Arrangements to Borrow. That totals \$98 billion before the most recent Russian loan and about \$87 billion after that loan is subtracted from the total. The IMF also has the capacity for private borrowing that is conservatively estimated at \$60 billion.

"These IMF projections on debt repayment offer further proof that the impoverishment of the IMF has been more than a bit exaggerated," Saxton said. "A financial institution that holds or has access to \$87 billion in resources and \$12.6 billion of scheduled repayments doesn't exactly look destitute. In the interest of transparency, it would be useful to know whether these inflows of repayments are included in recent estimates of IMF liquidity."

The amount of debt repayments would be even higher if the maturity of IMF loans were shorter term and thus comparable to IMF liabilities. The deep interest rate subsidies that the IMF offers to shaky borrowers also further reduce potential inflows and reduce liquidity.

For more information about the IMF and proposals for its reform, consult the IMF reform page at the JEC website at (www.house.gov/jec). A new General Accounting Office analysis of the IMF's finances also is available at the JEC website.

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