The WORLD BANK has approved a $50 million loan to Bolivia to help the country carry out a program of economic recovery and structural adjustment. The loan will provide $48.7 million for general balance of payments and budgetary support for the government's economic recovery program. Foreign exchange will be used for essential imports of raw materials, intermediate goods, spare parts, and capital goods. The remaining $1.3 million will be made available to finance technical studies in the areas of mining tax reform and agricultural export promotion, and prefeasibility studies in mining and agriculture sectors. (Refer to Bank News Release No. 80/115)

The INTERNATIONAL DEVELOPMENT ASSOCIATION (IDA), an affiliate of the WORLD BANK, has approved a $16 million credit for a gas and oil engineering project in Bolivia. The project aims to establish by 1982 whether there are sufficient reserves of natural gas in the provinces of Santa Cruz, Chuquisaca, and Tarija to enable Yacimientos Petrolíferos Fiscales Bolivianos (YPFB), the State Petroleum Corporation, to cover the future requirements of Bolivia's expanded domestic market and gas exports to Brazil, as well as the existing contracts for gas exports to Argentina. The IDA credit will also help the initial phase of a secondary recovery (water injection) program in the Monteagudo oil field (Chuquisaca), one of the most important in Bolivia. (Refer to IDA News Release No. 80/73)

Among those present at the signing of the loan and credit documents on June 18, 1980, were, seated from left to right: Mr. Heribert Golsong, Associate General Counsel, WORLD BANK/IDA; Mr. David Blanco, Alternate Executive Director of WORLD BANK/IDA for Bolivia; Mr. Alberto Sola, Executive Director of WORLD BANK/IDA for Bolivia; Mr. Adolfo Aramayo, Minister of Finance, Embassy of Bolivia; Mr. Enrique Lerdau, Director, Country Programs Department II, Latin America and the Caribbean Region, WORLD BANK/IDA; Mr. Manuel Cuevas, Minister of Energy and Hydrocarbons, Embassy of Bolivia; and Mr. Eduardo Alba, General Manager, Yacimientos Petrolíferos Fiscales Bolivianos (YPFB).

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