



The Opec Fund for International Development

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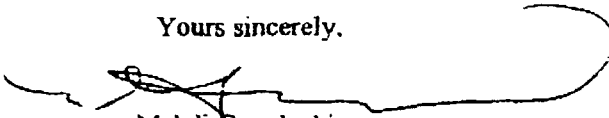
Date: July 6, 2000

To: Mr. Antonio Blanco
Ministry of Finance
Guatemala

Subject: Resolution concerning the Establishment of the Private Sector Facility

Please find herewith attached a copy of our resolution concerning the establishment of the Private Sector Facility in order to enable the Fund to participate in financing private sector activities.

Yours sincerely,


Mehdi Garadaghpour
Acting Director-General

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The OPEC Fund for International Development

THE MINISTERIAL COUNCIL
Decision No. 5 (XIX)
Nineteenth Annual Session

The Ministerial Council of the OPEC Fund for International Development:

Having recalled its Decision No. 4 (XVI) reaffirming that the operations of the Fund shall continue to be conducted in such a manner as to optimize cooperation between the OPEC Member States and other developing countries;

Having recalled also its Decision No. 4 (XVIII) in the context of which the Council authorized the Governing Board and the Fund Management to study the general issue of the promotion of the private sector together with its possible implications on the Fund's mode of operations;

Having reviewed the Note on the Promotion of the Private Sector as well as the available channels for effectively addressing the issues raised therein;

Having noted the demonstrable role which the Fund could play in the private sector of its beneficiary countries so as to supplement and reinforce its traditional operations in the said countries;

And having recalled, in particular, Articles 2.01 and 2.02 of the Agreement Establishing the Fund setting out the Fund's objectives and functions, Article 3 regarding the eligible beneficiaries of the Fund's financing as well as Article 12 relating to the interpretation of the said Agreement and, generally, other provisions thereof concerning the Fund's capacity to implement its mandate in the most efficacious manner,

Decides:

1. To give approval for the participation by the Fund in financing ~~private sector activities involving entities located in the territories~~ of eligible beneficiary countries, in conformity with such legal, financial, operational and other modalities as may hereafter be established by the Governing Board for that purpose, and in consistency with the Agreement Establishing the Fund.

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2. To approve the establishment of a "Private Sector Financing Account" as a window dedicated for funding private sector activities to which there is hereby allocated from the Fund's reserves the amount of US\$ 250 million, representing the cumulative value of investments for the first five years of operations envisaged in that connection, and the assets of which shall be invested, managed and operated in accordance with such guidelines as may hereafter be approved in that behalf by the Governing Board.

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Sumaryo Suryokusumo
Chairman of the Ministerial Council

Vienna, June 17, 1998