

REGIONAL CONSULTATIVE GROUPS

GERMANY

July 24, 2003

- To facilitate a dialogue with Argentina's creditors, the Ministry of Economy and Production of Argentina has officially formed the German Consultative Group, in which three Banks, Deutsche Bank, DZ Bank and DekaBank, participated. The purpose of this group is to facilitate the communication with the German bondholders.
- This is the 2nd time in the last 2 months that Mr. Guillermo Nielsen, Secretary of Finance and Chief Debt Negotiator, and Mr. Sebastian Palla, Undersecretary of Finance, are in Germany. On this occasion, they have attended the first formal meeting with The German Consultative Group
- The Argentine government is making an effort to establish a sustainable restructuring plan and has insisted on the importance of having an IMF agreement before announcing any proposal, especially considering that Argentina will have to discuss with this multilateral organization its medium term macroeconomic projections from where the Republic's payment capacity could be inferred.
- Timetable was presented in order to reach the goal of communicating bondholders the outline of the proposal by late September, during the IMF annual meetings to be held in Dubai.
- Mr. Nielsen has reconfirmed the Republic's policy of equal treatment to all creditors whether they are Institutional or Individual. Additionally, the Republic does not intend to pay fees to any creditor or group of creditors in a manner that would be inconsistent with the fundamental principle of inter creditor equity.

Ministry of Economy and Production