FOR AGENDA

EBS/84/244

CONFIDENTIAL

November 28, 1984

To: Members of the Executive Board

From: The Secretary

Subject: Guyana - Overdue Financial Obligations to the Fund - Second Review of Decision on Complaint Under Rule K-1

The attached document has been placed on the agenda of an Executive Board meeting scheduled at 3:00 p.m. on Friday, November 30, 1984. A draft decision appears on page 13.

If Executive Directors have technical or factual questions relating to this paper prior to the Board discussion, they should contact Mr. Leddy (ext. (5)8332) or Mr. Berthet (ext. (5)7633).

Att: (1)

CONFIDENTIAL

INTERNATIONAL MONETARY FUND

GUYANA

Overdue Financial Obligations to the Fund--Second Review of Decision on Complaint under Rule K-1

Prepared by the Legal, Treasurer's, and Western Hemisphere Departments

Approved by George P. Nicoletopoulos, W. O. Habermeier and Eduardo Wiesner

November 28, 1984

On November 30, the Executive Board will conduct a second review of its decision, taken on June 6, 1984, to limit Guyana's right to use the Fund's general resources until such time as Guyana is current in its obligations under the Articles of Agreement relating to repurchases and the payment of charges in the General Department. 1/ This paper describes recent developments with respect to Guyana's overdue obligations to the Fund and proposes a decision for adoption by the Executive Board.

The Executive Board was informed on September 5, 1984 (EBS/84/47, Sup. 5) of Guyana's overdue obligations to the Fund totaling SDR 18,649,513. Since that time, further obligations totaling SDR 2,962,489 have become due. However, Guyana has also paid charges in the General Department and the SDR Department totaling SDR 6,862,001. As a consequence of these payments and new obligations falling due, Guyana's overdue obligations to the Fund amounted to SDR 14,750,001 as of November 28, 1984, as shown in the table below.

Since the Executive Board's earlier review of its decision on August 31, 1984, there have been several communications and discussions between the Guyanese authorities and the Fund, including discussions with management and the staff during the Annual Meetings in September. A telex dated September 17 from the Managing Director to the Honorable Carl Greenidge, Governor of the Fund for Guyana, and his telexes dated November 22 and 26, 1984, are attached (Attachment II).

Executive Directors will recall that, prior to the Board's review in August, the Guyanese authorities indicated their intention to make further payments to the Fund with the objective that the amount of overdue obligations outstanding at the end of 1984 would be slightly below the level of SDR 16 million that prevailed in early June. They expected to be able to make payments to the Fund amounting to about SDR 2 million

1/ See Attachment I for Decision No. 7719-(84/88), 6/6/84, Decision No. 7792-(84/131), 8/31/84, and the Chairman's concluding remarks on Guyana's overdue obligations at EBM/84/131, 8/31/84.

Guyana - Overdue Obligations to the Fund

(November 28, 1984)

Type of obligation	Date of purchase	Due date	Days late	SDR amount
General Department				
CF repurchase	07/31/78	05/31/83	546	2,187,500
EF repurchase	06/28/79	06/27/83	519	1,078,125
CF repurchase	01/17/80	07/15/83	501	781,250
CF repurchase	07/31/78	07/29/83	487	1,093,750
CF repurchase	01/17/80	10/14/83	410	781,250
EF repurchase	06/28/79	12/27/83	336	1,078,125
CF repurchase	01/17/80	01/16/84	316	781,250
EF repurchase	08/06/80	02/03/84	298	710,938
CF repurchase	01/17/80	04/16/84	225	781,250
EF repurchase	11/13/80	05/11/84	200	1,062,500
EF repurchase	06/28/79	06/27/84	153	1,078,125
CF repurchase	01/17/80	07/16/84	134	781,250
EF repurchase	08/06/80	08/03/84	116	710,938
CF repurchase	01/17/80	10/16/84	42	781,250
EF repurchase	11/13/80	11/09/84	18	1,062,500
				14,750,001

in September, SDR 2 million in October, SDR 4.5 million in November and SDR 1 million in December. 1/

Executive Directors recognized that Guyana had made a commendable effort to make some payments to the Fund. They indicated, however, that the prospect that payments would only maintain the overdue obligations at a level of about SDR 16 million was not acceptable, nor should the authorities consider it an adequate objective. This view and other aspects of the Board's discussion were communicated to the authorities following the review. The matter was pursued in a meeting between the Deputy Managing Director and the Guyanese authorities during the Annual Meetings, and the authorities were urged to make significant further efforts to reduce the arrears and indicate a specific early date for their elimination. The Guyanese representatives indicated that Guyana expected to be able to make the payments they had planned through the end of the year and that they might be able to make somewhat larger payments. Much would depend on developments in the sugar and bauxite

1/ See "Guyana--Review of Decision to Limit Use of the Fund's General Resources," EBS/84/47, Sup. 4, 8/27/84.

industries. The authorities would try to liquidate arrears to the Fund toward the middle of 1985, but the prospects could not be quantified at that point; they would attempt, however, to provide specific information in connection with the forthcoming review by the Executive Board. In the event, Guyana's payments since the Executive Board's discussion in August total SDR 7.6 million (taking account of a payment received on August 31) which compares to planned payments of SDR 8.5 million through the end of November.

In his communications dated November 22 and 26, 1984 to the Fund, Governor Greenidge notes that Guyana's payments to date have been slightly below those foreseen earlier and explains that the shortfall was the result of unseasonal rains that caused delays in sugar shipments, which in turn made exports receipts substantially less than budgeted. The Governor proposes further payments for the period to end-December 1985 which would involve somewhat larger payments in the remainder of 1984 than foreseen earlier but which, taking account of scheduled payments to the Fund, would still leave arrears to the Fund on the order of SDR 9 million outstanding at the end of 1985. The Governor expresses the hope that the remaining arrears could be settled in early 1986.

In advancing this plan, Governor Greenidge stresses that Guyana is making every effort to meet the target which the authorities set in August. He indicates that the recent rains and hurricanes in Guyana have resulted in the reduction of the sugar harvest to substantially less than target, and that a substantial portion of Guyana's total hard currency receipts would be devoted to the payment of obligations to the Fund in 1985. 1/ The Governor recognizes that such payments would be far from ideal, but states that the authorities are unable to come up with a more realistic program. He states that the authorities will continue to implement adjustment measures along the lines indicated to the staff in May and September 1984, and that further measures will be included in the forthcoming 1985 budget to be presented before the end of 1984. The Governor also notes that Guyana has requested the assistance of the Fund in the fiscal and statistical fields and hopes to conclude an arrangement for assistance in these areas in early 1985.

The continuing efforts of Guyana to make payment to the Fund are to be commended. However, the authorities do not foresee elimination of the overdue obligations at an early date, and the staff does not recommend that the Fund accept the proposal of Guyana. It is suggested that Guyana be urged to accelerate its payments to the Fund substantially. The management would intend to offer to the Guyanese authorities Fund assistance in the formulation of measures that could help to strengthen the foreign exchange position and facilitate payment of the obligations

---

1/ Economic developments in Guyana were most recently described in the Staff Report for the 1984 Article IV Consultation, SM/84/158, 7/5/84, "Guyana - Recent Economic Developments," SM/84/169, 7/20/84, and "Guyana--Exchange Arrangements" (EBD/84/271, 10/16/84).

to the Fund. It is proposed that the Board again review the matter in light of the authorities' response not later than February 15, 1985.

A proposed decision for adoption by the Executive Board is at Attachment III.

Attachments

Guyana - Complaint Under Rule K-1

Executive Board Decision No. 7719-(84/88) - June 6, 1984

1. The Managing Director has reported under Rule K-1 of the Fund's Rules and Regulations to the Executive Board the facts on the basis of which it appeared to him at the dates of these reports that Guyana was not fulfilling its obligations under the Articles of Agreement and submitted a complaint on April 4, 1984 (EBS/84/47, Supplement 2) in accordance with that rule. The complaint was that as of March 30, 1984 Guyana was not fulfilling its obligations relating to repurchases and the payment of charges in the General Department in the total amount of SDR 13,991,394 including both overdue repurchases and charges. These facts and the complaint of the Managing Director have been communicated to the authorities of Guyana.

2. On May 18, 1984 Guyana made a payment equivalent to SDR 506,196 to discharge part of the outstanding semiannual charges of SDR 1,505,295 due July 13, 1983, reducing this obligation to SDR 999,099. Since the submission by the Managing Director of the complaint on April 4, 1984, Guyana has become overdue in discharging additional obligations totaling SDR 2,557,213 in respect of two repurchases due April 16, 1984 and May 11, 1984 and quarterly charges due May 7, 1984. Taking into account the payments made by Guyana and the obligations that have become overdue since March 30, 1984, Guyana's overdue payments to the Fund have increased to a total amount of SDR 16,042,411 in the General Department.

3. Having considered the reports of the Managing Director, the complaint and the views of Guyana, the Fund finds that Guyana has failed to fulfill its obligations under the Articles of Agreement as stated in 1 and 2 above.

4. The Fund regrets the nonobservance by Guyana of its obligations and urges Guyana to resume their observance forthwith. The Fund decides, pursuant to Rule K-2 of the Fund's Rules and Regulations, that Guyana shall not make use of the general resources of the Fund until such time as Guyana is current on its obligations under the Articles of Agreement relating to repurchases and the payment of charges in the General Department.

5. The Fund also calls upon Guyana to adopt urgently additional economic and financial adjustment measures. The Fund staff will stand ready to provide technical assistance for this purpose.

6. The Fund shall review the present decision in connection with the forthcoming Article IV consultation, but not later than three months from the date of the present decision.

ATTACHMENT I

Executive Board Decision No. 7792-(84/131)
Adopted August 31, 1984

1. The Fund has reviewed Decision No. 7719-(84/88), June 6, 1984, in light of the discussions between the Fund and Guyana, the recent payments made and the payments proposed to be made, as described in EBS/84/47, Supplement 4, August 29, 1984.

2. The Fund calls upon Guyana to adopt urgently additional economic and financial adjustment measures and to become current on its financial obligations to the Fund.

3. The Fund shall further review Decision No. 7719-(84/88) not later than November 30, 1984.

ATTACHMENT I

September 10, 1984 - 84/150

The Chairman's Concluding Remarks on
Guyana's Overdue Obligations at
Executive Board Meeting 84/131, August 31, 1984

Directors recognized that there had been a commendable effort by the Guyanese authorities to make some payments to the Fund, which they acknowledged as a positive development. However, great concern was expressed regarding the pace of those payments and about the fact that, even if the projected payments indicated by the Guyanese authorities were made, the level of arrears to the Fund at the end of 1984 would remain only slightly under the amount outstanding when the Executive Board considered Guyana's case in June. The prospect that payments would only maintain overdue obligations at a level of about SDR 16 million was not acceptable, Directors emphasized, nor should the authorities consider it an adequate objective.

Although the view was expressed that, given Guyana's balance of payments situation, payments of SDR 9 million by the end of 1984 represented a serious effort, the opinion of the Board was that payments in that amount would clearly be insufficient to restore normal relations between the member and the Fund. More would have to be done. In that regard, Directors stressed the need for the Guyanese authorities to address their fundamental problems without delay. While that did not mean that all detailed policy action would have to be taken before the Fund was paid, a comprehensive program of adjustment was clearly indicated if Guyana was to become and remain current on its financial obligations to the Fund and if, therefore, active cooperation between Guyana and the Fund was to be resumed. Such a program, which could not at the outset be the basis for financial assistance from the Fund, could be drawn up along the lines suggested by the staff in its report for the 1984 Article IV consultation (SM/84/158, 7/5/84) and would contribute to the provision of other external finance. The Fund would stand ready to provide technical advice in the design of specific aspects of such a program.

A number of Directors raised questions concerning the adequacy of the existing procedures to assure timely payment to the Fund, not only in Guyana's case but more generally. Some suggested that the Fund should explore the possibility of imposing penalties that might induce countries to make payments to the Fund a higher priority than payments for other purposes. Other possible steps were also suggested. In the particular case of Guyana, the concern of the Board was manifested in the fact that some Directors believed that greater pressure should be brought to bear by shortening the period suggested by the staff for further review of the matter. However, it was agreed to accept the staff's recommendation to review the position again not later than November 30, 1984.

ATTACHMENT II

NOV 22

TO: MR. HABERMEIER
TREASURER AND COUNSELLOR
IMF

FROM: CARL B. GREENIDGE
MINISTER OF FINANCE

FURTHER TO OUR CORRESPONDENCE ON THE QUESTION OF GUYANA'S INDEBTEDNESS TO THE IMF PLEASE FIND SET OUT BELOW FOR YOUR INFORMATION AND PRESENTATION AT THE FORTHCOMING BOARD MEETING THE PROPOSED SCHEDULE OF REPAYMENTS FOR THE PERIOD DECEMBER 1985.

YOU WILL NOTE THAT THE PAYMENTS TO DATE ARE SLIGHTLY BELOW THOSE THAT WE HAD PROPOSED TO YOU EARLIER IN THE YEAR. THAT SHORTFALL IS THE RESULT OF UNSEASONAL RAINS ASSOCIATED WITH UNUSUAL WEATHER THROUGHOUT THE REGION. SHIPMENTS OF SUGAR ARE SOMEWHAT BEHIND SCHEDULE AND THE TOTAL RECEIPTS ARE SUBSTANTIALLY LESS THAN BUDGETED. ALTHOUGH THE PROPOSED REPAYMENTS IN 1985 WILL NOT ENTIRELY LIQUIDATE OUR ARREARS THE PAYMENTS TO THE IMF ALONE AMOUNT TO SOME 32 PERCENT OF OUR TOTAL HARD CURRENCY RECEIPTS. AS YOU WILL SEE FROM THE TABLE, THE FINAL PAYMENTS FOR LIQUIDATION OF THE ARREARS WILL BE MADE IN 1986. WE KNOW THE PROBLEMS THAT THIS SCHEDULE POSES ON YOUR SIDE BUT WITHOUT AN IMPROVEMENT IN THE 1985 FIGURES IT IS DIFFICULT TO SEE HOW LARGER AMOUNTS COULD BE ASSIGNED TO OUR DEBT REPAYMENTS IN GENERAL OR THE IMF IN PARTICULAR WITHOUT CREATING GREATER DIFFICULTIES THAN WE CURRENTLY FACE.

I TRUST THAT THIS INFORMATION WILL BE OF ASSISTANCE TO THE BOARD. PLEASE FEEL FREE TO LET ME KNOW IF YOU REQUIRE ANY FURTHER DATA OR EXPLANATIONS.

ATTACHMENT II

TABLE
RECEIPTS AND PAYMENTS
(U.S. $'000)

	1984 NOV./DEC.	1985 JAN./JUNE	1985 JULY/DEC.	TOTAL NOV.'84/DEC.'85
RECEIPTS				
SUGAR	17.20	23.60	40.00	80.80
BAUXITE	--	--	--	--
RICE	--	1.80	1.80	3.60
OTHER	1.80	5.80	5.60	12.40
TOTAL	19.00	30.00	47.40	96.80
PAYMENTS				
IMPORTS (GOODS)	3.30	7.50	10.50	21.30
SUGAR INPUTS	(0.25)	(0.70)	(1.00)	(2.45)
RICE INPUTS	(0.65)	(0.90)	(1.30)	(2.85)
CONSUMER GOODS	(0.50)	(0.60)	(0.70)	(1.80)
OTHER INTER-MEDIATE GOODS	(1.90)	(5.30)	(6.00)	(14.20)
IMPORTS (SERVICES)	15.70	22.90	36.60	75.20
DEBT SERVICING	15.40	20.30	30.60	66.30
WORLD BANK	(1.20)	(3.60)	(3.80)	(8.60)
NET IMF	(6.30)	(10.00)	(15.00)	(31.30)
O.P.E.C.	(1.60)	(1.50)	(2.20)	(5.30)
I.D.B.	(0.20)	(0.30)	(1.00)	(1.50)
OTHER	(0.20)	(--)	(--)	(0.20)
COMMERCIAL BANKS	(2.60)	(3.20)	(4.00)	(9.80)
NATIONALI-SATION	(3.30)	(1.70)	(4.60)	(9.60)
OTHER SERVICES	0.30	3.60	6.00	8.90
TOTAL PAYMENTS	[19.00]	30.40	47.10	96.50

SUMMARY OF GUYANA'S POSITION WITH THE IMF

	MILLION SDRS
GUYANA'S INDEBTEDNESS AS AT 31ST DECEMBER 1984	13.2
ADD REPURCHASES AND CHARGES GENERAL ACCOUNT, SDR ACCOUNT AND TRUST FUND FOR 1985	18.5
	31.7
LESS PROPOSED PAYMENTS AS PER BUDGET FOR 1985	22.5
ESTIMATED GUYANA'S INDEBTEDNESS AS AT 31ST DECEMBER '85	9.2
ADD REPURCHASES AND CHARGES ETC. FOR 1986	21.7
PROPOSED PAYMENTS IN 1986	30.9

Received in Fund: November 22, 1984

26 NOVEMBER, 1984

TO: J. DE LAROSIERE
MANAGING DIRECTOR
INTERNATIONAL MONETARY FUND

FROM: CARL B. GREENIDGE
MINISTER OF FINANCE

THANK YOU FOR YOUR TELEX OF SEPTEMBER 17TH 1984 REFERRING TO GUYANA'S OVERDUE OBLIGATION TO THE FUND AND THE DECISIONS OF THE IMF EXECUTIVE BOARD. I RECENTLY DISPATCHED TO THE TREASURER DETAILS OF PAYMENTS TO DATE AND PROPOSALS FOR TREATING WITH THE OUTSTANDING SUMS. IN THIS CONTEXT YOU MIGHT NOTE THAT WE CONTINUE TO MAKE EVERY EFFORT TO MEET THE SCHEDULE TO WHICH WE COMMITTED OURSELVES IN AUGUST.

YOU ARE NO DOUBT AWARE OF THE INCLEMENT WEATHER AFFLICTING THE REGION AND WHILE GUYANA HAS NOT BEEN THE WORST AFFECTED COUNTRY SO FAR THE RAINS ASSOCIATED WITH THE HURRICANES HAVE RESULTED IN THE WETTEST OCTOBER IN GUYANA FOR 104 YEARS. WORST HIT HAS BEEN THE SUGAR INDUSTRY WHERE THE HARVEST ACHIEVED LESS THAN 60 PERCENT OF TARGET, AND SHIPMENTS ARE WELL BEHIND SCHEDULE. NONETHELESS, WE ARE STILL STRIVING TO ADHERE TO OUR SCHEDULE OF PAYMENTS. WE ARE PROPOSING TO DEVOTE OVER 30 PERCENT OF OUR TOTAL HARD CURRENCY RECEIPTS TO THE REPAYMENT OF IMF DEBTS IN 1985. THIS WILL HOWEVER STILL LEAVE US WITH ARREARS TO BE CARRIED OVER INTO 1986. HOPEFULLY WE SHALL BE ABLE TO LIQUIDATE THESE EARLY IN THAT YEAR.

I RECOGNISE THAT SUCH A PROGRAMME IS FAR FROM IDEAL ON ANY COUNT BUT IT HAS SO FAR NOT PROVEN POSSIBLE TO FRAME A MORE REALISTIC PROGRAMME. WE CONTINUE TO IMPLEMENT ADJUSTMENT MEASURES ALONG THE LINES INDICATED IN MAY AND SEPTEMBER. YOU WOULD HAVE NOTED THE RECENT CHANGES MADE IN THE EXCHANGE RATE REGIME. FURTHER MEASURES WILL BE INCLUDED IN THE 1985 BUDGET WHICH WILL BE PRESENTED BEFORE THE END OF 1984.

DURING THE COURSE OF THIS YEAR'S AGM, DISCUSSIONS WERE HELD WITH THE DEPUTY MD AND OTHER BANK STAFF. ARISING OUT OF THESE MEETINGS WE SET IN MOTION REQUESTS FOR ASSISTANCE IN THE FORMULATION OF FISCAL POLICY AND THE COMPILATION OF A CPI. THE INITIAL REACTION TO THESE REQUESTS HAS BEEN FAVOURABLE AND WE HOPE TO BE IN A POSITION TO CONCLUDE ARRANGEMENTS FOR ASSISTANCE EARLY IN 1984. PLEASE BE ASSURED OF OUR CONTINUED EFFORTS TO SPEEDILY RESTORE GUYANA TO THE STATUS OF A NORMAL RELATIONSHIP WITH THE FUND.

REGARDS
CARL B. GREENIDGE
MINISTER OF FINANCE
CENTRALBANK GEORGETOWN GUYANA

Received in Fund: November 26, 1984

ATTACHMENT II

THE HONORABLE CARL GREENIDGE
GOVERNOR OF THE INTERNATIONAL
MONETARY FUND FOR GUYANA
MINISTRY OF ECONOMIC PLANNING AND FINANCE
GEORGETOWN (GUYANA)

DEAR MR. GOVERNOR:

I REFER TO THE EXECUTIVE BOARD'S DECISION ON AUGUST 31, 1984 REGARDING GUYANA'S OVERDUE OBLIGATIONS TO THE FUND, THE TEXT OF WHICH WAS COMMUNICATED TO YOU BY THE SECRETARY OF THE FUND.

AS YOU KNOW, THE EXECUTIVE BOARD DECIDED TO REVIEW ITS DECISION TO LIMIT GUYANA'S USE OF THE FUND'S GENERAL RESOURCES NOT LATER THAN NOVEMBER 30, 1984. MY RECOMMENDATION FOR FURTHER REVIEW AND THE BOARD'S ACCEPTANCE WERE BASED ON THE POSITIVE DEVELOPMENTS NOTED IN THE LATEST STAFF REPORT, INCLUDING THE RECENT PAYMENTS BY GUYANA AND THOSE PROPOSED TO BE MADE IN COMING MONTHS.

NEVERTHELESS, I BELIEVE YOU SHOULD BE AWARE THAT, WHILST THE BOARD RECOGNIZED THAT THERE HAD BEEN A COMMENDABLE EFFORT BY GUYANA TO MAKE SOME PAYMENTS TO THE FUND, IT EXPRESSED GREAT CONCERN THAT, IN SPITE OF THE PAYMENTS NOW PLANNED BY GUYANA THROUGH THE END OF 1984, GUYANA'S OVERDUE PAYMENTS TO THE FUND BY END-1984 WOULD AMOUNT TO ABOUT SDR 16 MILLION, OR ROUGHLY THE AMOUNT OUTSTANDING LAST JUNE. IT WAS CONSIDERED BY THE BOARD THAT THIS COULD NOT CONSTITUTE AN ADEQUATE OBJECTIVE FOR GUYANA NOR BE ACCEPTABLE TO THE FUND. THE BOARD ALSO STRESSED THE NEED FOR GUYANA TO ADOPT A COMPREHENSIVE PROGRAM OF ADJUSTMENT TO TACKLE THE FUNDAMENTAL PROBLEMS WITHOUT DELAY, WHILE NOTING THAT FURTHER PAYMENTS TO BRING GUYANA INTO A CURRENT POSITION VIS A VIS THE FUND COULD NOT AWAIT IMPLEMENTATION OF ALL ELEMENTS OF SUCH A PROGRAM. UNLESS ARREARS TO THE FUND WERE ELIMINATED FIRST, SUCH A PROGRAM COULD NOT BE THE BASIS FOR FINANCIAL ASSISTANCE FROM THE FUND. A PROGRAM DRAWN UP ALONG THE LINES SUGGESTED BY THE STAFF IN ITS REPORT FOR THE 1984 ARTICLE IV CONSULTATION SHOULD ALLOW GUYANA TO MOBILIZE EXTERNAL FINANCE FROM OTHER SOURCES. THE FUND STAFF WOULD STAND READY TO PROVIDE TECHNICAL ADVICE IN THE DESIGN OF SPECIFIC ASPECTS OF SUCH A PROGRAM.

I SHOULD LIKE TO REASSURE YOU OF THE FUND'S DESIRE THAT NORMAL FINANCIAL RELATIONS BETWEEN THE FUND AND GUYANA BE RESUMED AT THE EARLIEST POSSIBLE DATE. I AM LOOKING FORWARD TO THE RESULTS OF DISCUSSIONS BETWEEN GUYANA AND THE FUND STAFF AROUND THE TIME OF THE ANNUAL MEETINGS. I SINCERELY HOPE TO BE IN A POSITION TO REPORT THEREAFTER TO THE BOARD FURTHER POSITIVE DEVELOPMENTS.

WITH BEST REGARDS,
J. DE LAROSIERE
MANAGING DIRECTOR
INTERFUND

Sent: September 17, 1984

Proposed Decision

The following draft decision is proposed for adoption by the Executive Board:

1. The Fund has reviewed Decision No. 7719-(84/88), June 6, 1984, in light of recent developments, including the payments made and proposed to be made, as described in EBS/84/244, (11/28/84).

2. The Fund calls on Guyana to adopt urgently a strong and comprehensive program of economic adjustment. Guyana is urged to take steps to achieve a substantial acceleration of payments to the Fund, with the objective of prompt and full settlement of its overdue obligations to the Fund, and to advise the Fund of its plans as a matter of urgency.

3. The Fund shall review further Decision No. 7719-(84/88) not later than February 15, 1985, taking into account further developments and the authorities' reply.

4. Guyana shall be informed of this decision by rapid means of communication.