

EBS/84/245
Supplement 1

CONFIDENTIAL

December 5, 1984

To: Members of the Executive Board

From: The Secretary

Subject: Viet Nam - Overdue Financial Obligations - Review of
Decision on Complaints Under Rules K-1 and S-1 and
Notice of Failure to Settle Trust Fund Obligations

Attached for the records of Executive Directors is the text of
the decision adopted by the Executive Board at EBM/84/173 (12/3/84).

Att: (1)

INTERNATIONAL MONETARY FUND

Viet Nam - Overdue Financial Obligations -
Review of Decision of Complaints Under Rules K-1 and S-1
and Notice of Failure to Settle Trust Fund Obligations

Executive Board Decision - December 3, 1984

1. The Fund has reviewed Decision No. 7791-(84/129), adopted August 29, 1984, regarding the nonobservance by Viet Nam of its financial obligations to the Fund, in the light of recent developments, including the increasing amount of these obligations and the recent contacts and communications between the Fund and Viet Nam, as set forth in EBS/84/245 (11/28/84).

2. The Fund regrets the continuing nonobservance by Viet Nam of its financial obligations to the Fund and again urges Viet Nam to settle the overdue obligations promptly.

3. The Fund, having considered the proposals of Viet Nam to postpone the date of discharge of repurchase and repayment obligations and to pay charges in the General Department in its own currency, does not accept the proposals.

4. In accordance with its policy with respect to discussions with members having overdue obligations to the Fund, the Fund is not in a position to agree to the request of Viet Nam to send a mission to help establish a program involving the Fund's financial assistance.

5. Unless by January 15, 1985 Viet Nam is current in its financial obligations to the Fund, with effect on that date, Viet Nam will be ineligible to use the general resources of the Fund pursuant to Article XXVI, Section 2 and its right to use SDRs it acquires after that date will be suspended pursuant to Article XXIII, Section 2(b).

6. Viet Nam shall be informed of this decision by rapid means of communication.