

DOCUMENT OF INTERNATIONAL MONETARY FUND
AND NOT FOR PUBLIC USE

**IMMEDIATE
ATTENTION**

EBS/83/26
Supplement 1

CONFIDENTIAL

February 24, 1983

To: Members of the Executive Board

From: The Secretary

Subject: Yemen Arab Republic - Purchase Transaction -
First and Second Credit Tranches (Emergency Assistance)

At EBM/83/35 (2/23/83), the Executive Board approved in principle the request of the Yemen Arab Republic for a purchase equivalent to SDR 9,750,000 in the First and Second Credit Tranches, subject to receipt of a duly authenticated request.

This request, copy of which is attached, has now been received. The request contains the amendment from 25 per cent to 50 per cent of quota to be substituted in the letter included in Attachment I to EBS/83/26. The following draft decision is proposed for adoption by the Executive Board:

1. The Government of the Yemen Arab Republic has requested a purchase equivalent to SDR 9.750 million.
2. The Fund notes the intentions of the Government of the Yemen Arab Republic as stated under paragraphs 5 and 6 of Attachment I dated January 18, 1983, and approves the purchase in accordance with the request.

In the absence of objection by the close of business tomorrow, Friday, February 25, 1983, the draft decision will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Att: (1)

ATTACHMENT

2280 MARKZI YE
24/2/1983

FM: CENTRAL BANK OF YEMEN SANAA
TO: INTERNATIONAL MONETARY FUND WASHINGTON DC
ATTENTION: TREASURER'S DEPARTMENT

NO. 1

MANY THANKS FOR YOUR TELEX OF FEB. 23 ADVISING OF THE APPROVAL IN PRINCIPLE OF THE FUND EXECUTIVE BOARD TO THE REQUEST OF YEMEN ARAB REPUBLIC FOR A PURCHASE IN AN AMOUNT INCREASED FROM SDR 4,875,000 TO SDR 9,750,000.

2. IN LETTER OF JANUARY 18, 1983 ADDRESSED TO THE MANAGING DIRECTOR OF THE FUND AND SIGNED BY DR. MOHAMED YAHYA AL-ADHI, GOVERNOR FOR THE FUND, PLEASE READ IN SECOND PARAGRAPH 50 PER CENT INSTEAD OF 25 PER CENT OF QUOTA.

3. AS FISCAL AGENCY FOR THE GOVERNMENT OF YEMEN ARAB REPUBLIC, WE DESIRE TO PURCHASE FROM THE INTERNATIONAL MONETARY FUND THE EQUIVALENTS OF SDR 2,400,000 IN QATAR RIYALS SDR 2,475,000 IN SINGAPORE DOLLARS AND SDR 4,875,000 IN U.S. DOLLARS TALLING THE EQUIVALENT OF SDR 9,750,000 IN ACCORDANCE WITH TERMS OF ARTICLE V SECTION 3.

4. WE DO HEREBY REPRESENT THAT THIS PURCHASE IS NEEDED IN ACCORDANCE WITH THE PROVISIONS OF FUND AGREEMENT.

5. PLEASE PLACE CURRENCIES AT OUR DISPOSAL AT QATAR NATIONAL BANK S.A.Q., DOHA AND THE MONETARY AUTHORITY OF SINGAPORE, SINGAPORE RESPECTIVELY, AND REQUEST THESE INSTITUTIONS TO ARRANGE EXCHANGE OF CURRENCIES INTO U.S. DOLLARS AND PAYMENT OF PROCEEDS TO BANK OF TOKYO NEW YORK FOR CREDIT OF THEIR LONDON BRANCH ACCOUNT WITH THEM FOR OUR ACCOUNT WITH THEIR LONDON BRANCH, ON VALUE DATE OF PURCHASE.

6. PLEASE ARRANGE PAYMENT OF U.S. DOLLARS TO BANK OF TOKYO NEW YORK FOR CREDIT OF THEIR LONDON BRANCH ACCOUNT WITH THEM ACCOUNT OURSELVES ON VALUE DATE OF PURCHASE.

7. THE EQUIVALENT OF DESIRED PLEASE NAMELY YEMEN ARAB REPUBLIC RIYALS 50,252,810.29 WILL BE CREDITED TO FUNDS NO. 1 ACCOUNT WITH OURSELVES ON THE VALUE DATE OF PURCHASE.

8. WE STATE THAT REPURCHASE IN RESPECT OF THIS PURCHASE SHALL BE MADE IN ACCORDANCE WITH ARTICLE V SECTION 7, AND THE FUND'S POLICIES AND PRACTICES AT THE TIME OF REPURCHASE.

9. REGARDING SERVICE CHARGE, PLEASE DEBIT YEMEN ARAB REPUBLIC'S SDR ACCOUNT WITH SDR 48,750 ON VALUE DATE OF PURCHASE.

MARKAZI

Received in Cable Room February 24, 1983