

EBS/83/71

CONFIDENTIAL

April 1, 1983

To: Members of the Executive Board
From: The Acting Managing Director
Subject: Nicaragua - Overdue Financial Obligations

This is to inform members of the Executive Board that Nicaragua has not yet settled a repurchase equivalent to SDR 2,125,000 that was due on February 16, 1983. ^{1/} The next repurchase installment for the same amount, due on March 16, 1983 and relating to the same purchase, has also not yet been paid.

The Nicaraguan authorities have advised that the delay in the first repurchase was due to temporary liquidity problems, and that the delays now are in part attributable to political disturbances in the country. The staff has been informed that an early value date for the repurchases is expected to be advised promptly.

Under the circumstances, I do not propose that the Executive Board take any action at this time, but I shall keep members of the Board informed on the matter.

^{1/} This repurchase is the third installment relating to a compensatory financing purchase equivalent to SDR 17 million made on May 17, 1979.