

EBS/83/87

CONFIDENTIAL

April 29, 1983

To: Members of the Executive Board

From: The Secretary

Subject: Central African Republic - Compensatory Financing Facility -
Repurchase Under Paragraph 7 of Decision No. 6224-(79/135),
August 2, 1979

Attached for the information of the Executive Directors is a paper on a repurchase to be made by the Central African Republic under paragraph 7 of the decision on compensatory financing facility adopted at EBM/79/135 on August 2, 1979.

Att: (1)

CONFIDENTIAL

INTERNATIONAL MONETARY FUND

CENTRAL AFRICAN REPUBLIC

Compensatory Financing Facility--Repurchase Under Paragraph 7
of Decision No. 6224-(79/135), August 2, 1979

Prepared by the Research Department

(In consultation with the Exchange and Trade Relations,
Treasurer's, Legal, and African Departments)

Approved by Wm. C. Hood

April 28, 1983

In January 1981, the Central African Republic (C.A.R.) made a purchase of SDR 9 million under Decision No. 6224-(79/135), August 2, 1979, in respect of an export shortfall of the same amount estimated for calendar year 1980 (EBS/80/281, 12/31/80). That purchase was made under the early drawing procedure by which exports for the last six months (July-December 1980) of the shortfall year were estimated.

Actual export data for the commodities listed in EBS/80/281 are now available for the whole of 1980, and in addition, the authorities have provided revised data for these commodities for 1978 and 1979, the two pre-shortfall years. ^{1/} The revisions, which are detailed in the table, indicate exports for 1978 to be SDR 7.4 million higher than reported in EBS/80/281, exports for 1979 to be SDR 2.6 million lower, and actual exports in 1980, the shortfall year, to be SDR 1.4 million higher. Using the revised export data for 1978 and 1979 and the actual instead of partly estimated data for calendar 1980 has the effect of reducing the export shortfall for 1980 from the SDR 9 million estimated in EBS/80/281 to SDR 8.8 million. Since the purchase amounted to SDR 9 million, the C.A.R. was overcompensated to the extent of SDR 0.2 million.

^{1/} The delay in providing the actual data for the shortfall year and the revisions made to the data for the earlier years are attributable to difficulties encountered in completing a thorough review of the country's trade statistics. As a result of the review, the data for 1978-80, which were submitted at the time of the CF request, have been revised and, in addition, a set of data based on a new definition of exports has been compiled.

Table. Central African Republic: Final Calculation of Shortfall
and Amount of Overcompensation

(In millions of SDRs)

	Calendar Years				
	1978	1979	1980	1981	1982
				(Projections)	
Exports					
As reported in EBS/80/281	98.4	94.6	86.2 <u>1/</u>	91.4	106.9
Actual (revised data)	105.8	92.0	87.6		
Shortfall					
Estimated in EBS/80/281			9.0		
Based on actual data			8.8		
Purchase			9.0		
Overcompensation			0.2 <u>2/</u>		

1/ Based on estimates for six months (July-December 1980).

2/ Amount by which the purchase (SDR 9.0 million) exceeds the actual shortfall (SDR 8.8 million).

In accordance with paragraph 7 of the Decision on Compensatory Financing of Export Fluctuations (Executive Board Decision No. 6224-(69/135), adopted August 2, 1979), the C.A.R. is being requested to make a prompt repurchase of the amount of overcompensation. Completion of the repurchase will be reported in a subsequent twice-monthly report to Executive Directors on transactions and operations.