

DOCUMENT OF INTERNATIONAL MONETARY FUND
AND NOT FOR PUBLIC USE

**FOR
AGENDA**

EBS/83/129
Supplement 1

CONFIDENTIAL

June 27, 1983

To: Members of the Executive Board

From: The Secretary

Subject: Thailand - Purchase Transaction - Buffer Stock Financing
Facility - Compulsory Contributions to the Buffer Stock
of the Sixth International Tin Agreement

Attached is the request from Thailand for a purchase equivalent to approximately SDR 22 million (pounds sterling 15,145,976.70) referred to in EBS/83/129 which contains the staff's analysis and recommendation. This subject is scheduled for consideration on Monday, June 27, 1983.

Att: (1)

ATTACHMENT

TREASURER'S
INTERFUND
WASHINGTON, DC.

NO. 24

1. (A) AS FISCAL AGENCY FOR THE GOVERNMENT OF THAILAND WE DESIRE TO PURCHASE FROM THE INTERNATIONAL MONETARY FUND APPROXIMATELY SDR 22,000,000 (THE EQUIVALENT OF POUNDS STERLING 15,145,976.70) IN ACCORDANCE WITH THE TERMS OF ARTICLE V, SECTIONS 3 AND 4 OF FUND AGREEMENT, PARAGRAPH 1 OF DECISION NO. 2772-(69/47), ADOPTED JUNE 25, 1969 AS AMENDED BY DECISION NO. 4913-(75/207) ADOPTED DECEMBER 24, 1975, AND DECISION NO. 7247-(82/147) ADOPTED NOVEMBER 12, 1982. IN THIS CONNECTION WE STATE THAT WE WILL COOPERATE WITH THE INTERNATIONAL MONETARY FUND IN AN EFFORT TO FIND, WHERE REQUIRED, APPROPRIATE SOLUTIONS FOR THE BALANCE OF PAYMENTS DIFFICULTIES.

(B) THE PURCHASE IS TO BE VALUED IN TERMS OF THE SDR, AND THE SDR EQUIVALENT OF THIS PURCHASE IS TO BE CALCULATED ON THE BASIS OF THE REPRESENTATIVE RATE FOR THE POUND STERLING IN TERMS OF US.DOLLARS AND THE US.DOLLAR RATE AGAINST THE SDR ON THE VALUE DATE OF PAYMENT OF OUR CONTRIBUTION TO BUFFER STOCK OF THE SIXTH INTERNATIONAL TIN AGREEMENT.

2. PLEASE CREDIT THAILAND'S SDR ACCOUNT WITH THE SDRS ON THE VALUE DATE OF PURCHASE.

3. WE DO HEREBY REPRESENT THAT THIS PURCHASE IS NEEDED IN ACCORDANCE WITH THE PROVISIONS OF THE FUND AGREEMENT, AND RELATES TO THE DIRECT COMPULSORY CONTRIBUTION MADE BY THAILAND TO THE BUFFER STOCK OF THE SIXTH INTERNATIONAL TIN AGREEMENT.

4. THE EQUIVALENT OF DESIRED PURCHASE, NAMELY, THAI BAHT TO BE SPECIFIED AT THE TIME OF PURCHASE WILL BE CREDITED TO FUND'S NO. 1 ACCOUNT WITH OURSELVES ON THE VALUE DATE OF PURCHASE.

5. WE STATE THAT REPURCHASE IN RESPECT OF THIS PURCHASE WILL BE MADE IN ACCORDANCE WITH ARTICLE V, SECTION 7 AND THE FUND'S POLICIES AND PRACTICES AT THE TIME OF REPURCHASE. WE FURTHER STATE THAT THAILAND WILL REPURCHASE IN ACCORDANCE WITH PARAGRAPH 1 (A) OF EXECUTIVE BOARD DECISION NO.5703-(78/39), MARCH 22, 1978 AS AMENDED BY DECISION NO. 6862-(81/81), MAY 13, 1981, IT BEING UNDERSTOOD THAT THAILAND WILL MAKE REPURCHASE AT AN EARLIER DATE UNDER PARAGRAPH 3 (B) OF DECISION NO.7247-(82/147) (I) WHEN AND TO THE EXTENT THAT THE INTERNATIONAL TIN COUNCIL MAKES REFUNDS AND (II) IF THE SIXTH INTERNATIONAL TIN AGREEMENT TERMINATES WITHOUT BEING REPLACED BY AN INTERNATIONAL TIN AGREEMENT PROVIDING FOR A BUFFER STOCK, WHEN TRANSFERS IN LIQUIDATION ARE MADE TO THAILAND.

6. REGARDING SERVICE CHARGE PLEASE DEBIT THAILAND'S SDR ACCOUNT ON VALUE DATE OF PURCHASE WITH ONE-HALF OF ONE PER CENT OF THE SDR EQUIVALENT OF THE PURCHASE.

7. PLEASE ARRANGE TO CREDIT OUR GENERAL ACCOUNT WITH FEDERAL RESERVE BANK OF NEW YORK, NEW YORK WITH US.DOLLARS EQUIVALENT TO SDR 22,000,000 ON VALUE DATE OF PURCHASE.

8. WE STATE THAT ANY USE OF SDRS AT THIS TIME UNDER ARTICLE XIX, SECTION 2 (A) IS IN ACCORDANCE WITH SECTION 3 (A) OF THIS ARTICLE.

9. HOWEVER, WE AUTHORIZE YOU TO ARRANGE ON OUR BEHALF FOR ALL OR PART OF THIS AMOUNT TO BE SOLD TO PARTICIPANTS OR PRESCRIBED HOLDERS THAT AGREE TO ACQUIRE THEM UNDER ARTICLE XIX, SECTION 2 (B).

NUKUL PRACHUABMOH
GOVERNOR OF THE FUND FOR THAILAND
BANKCHAT

Received in Cable Room June 24, 1983