

EBS/83/186
Supplement 1

CONFIDENTIAL

September 16, 1983

To: Members of the Executive

From: The Secretary

Subject: Ivory Coast - Purchase Transaction - Buffer Stock
Financing Facility-- Compulsory Contributions to the
Buffer Stock of the International Natural Rubber Agreement

Attached is the request from Ivory Coast for a purchase equivalent to approximately SDR 1,000,000 referred to in EBS/83/186 which contains the staff's analysis and recommendation. This subject is scheduled for consideration on Monday, September 19, 1983.

Att: (1)

SEPTEMBER 13, 1983

NO. 5066

FROM: BCEAO ABIDJAN

TO: IMF TREASURER'S DEPARTMENT

1. (A) AS FISCAL AGENCY FOR THE GOVERNMENT OF IVORY COAST, WE DESIRE TO PURCHASE FROM THE INTERNATIONAL MONETARY FUND APPROXIMATELY SDR 1,000,000 (THE EQUIVALENT OF MALAYSIAN RINGGIT 2,413,226.55) 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. 7246-(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 MALAYSIAN RINGGIT IN TERMS OF U.S. DOLLARS AND THE U.S. DOLLAR RATE AGAINST THE SDR IN EFFECT THREE WORKING DAYS BEFORE THE VALUE DATE OF THE PURCHASE FROM THE FUND.

2. PLEASE CREDIT IVORY COAST'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 DUE BY IVORY COAST TO THE BUFFER STOCK OF THE INTERNATIONAL NATURAL RUBBER ORGANIZATION.

4. THE EQUIVALENT OF DESIRED PURCHASE, NAMELY, IVORY COAST CFA FRANCS 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 IVORY COAST WILL REPURCHASE IN ACCORDANCE WITH PARAGRAPH 1 (A) OF EXECUTIVE BOARD DECISION NO. 5703-(78/39) ADOPTED MARCH 22, 1978 AS AMENDED BY DECISION NO. 6862-(81/81), MAY 13, 1981, IT BEING UNDERSTOOD THAT IVORY COAST WILL MAKE REPURCHASE AT AN EARLIER DATE UNDER PARAGRAPH 3(B) OF DECISION NO. 7246-(82/147) (I) WHEN AND TO THE EXTENT THAT THE INTERNATIONAL RUBBER COUNCIL MAKES REFUNDS TO IVORY COAST AND (II) IF THE INTERNATIONAL NATURAL RUBBER AGREEMENT TERMINATES WITHOUT BEING REPLACED BY A NEW INTERNATIONAL NATURAL RUBBER AGREEMENT PROVIDING FOR A BUFFER STOCK, WHEN TRANSFERS IN LIQUIDATION ARE MADE TO IVORY COAST.

6. REGARDING SERVICE CHARGE PLEASE DEBIT IVORY COAST'S SDR ACCOUNT ON VALUE DATE OF PURCHASE WITH ONE-HALF OF ONE PERCENT OF THE SDR EQUIVALENT OF THE PURCHASE.

DUNCAN K. DANIEL
ASSISTANT TO THE NATIONAL DIRECTOR
FOR THE NATIONAL DIRECTOR OF THE
BCEAO FOR IVORY COAST

Received in Cable Room September 13, 1983