

DOCUMENT OF INTERNATIONAL MONETARY FUND
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**IMMEDIATE
ATTENTION**

MASTER FILES

EBS/83/259
Supplement 2

CONFIDENTIAL

December 22, 1983

To: Members of the Executive Board
From: The Acting Secretary
Subject: Operational Budget for December 1983 - February 1984

Attached is a proposed amendment to the operational budget for the quarterly period December 1983 - February 1984 for decision by the Executive Board under Rule 0-10(c) of the Fund's Rules and Regulations.

It is not proposed to bring the attached memorandum to the agenda of the Executive Board for discussion unless an Executive Director so requests by close of business Friday, December 23, 1983. In the absence of such a request, 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)

International Monetary Fund

Proposed Amendment to the Operational Budget
for December 1983 - February 1983

Prepared by the Treasurer's Department

Approved by W.O. Habermeier

December 22, 1983

On December 16, 1983, the Executive Board approved the operational budget for the period December 1983 - February 1984. The budget provided for SDR 3,990.8 million and SDR 1,000 million, respectively, for use in transfers and receipts. The estimates for receipts of currencies include an amount of SDR 550 million for members that may wish to make payment of the asset portion of the quota increase under the Eighth General Review in currencies acceptable to the Fund. This amount was based on indications received at the time from members as to how they would make the quota payments. As was indicated in EBS/83/259, if the amounts provided for paying the reserve asset portions of the increased quotas prove insufficient, a supplementary budget would be prepared.

We have now received an indication that the United States intends to pay part of the reserve asset portion of their quota increase as follows: SDR 331,925,000 in deutsche mark and SDR 331,925,000 in Japanese yen. The German and Japanese authorities have given their concurrence for their currency to be used for that purpose. Taking into account that transaction, it is now necessary that the amount of deutsche mark and Japanese yen in Table 1 of EBS/83/259 be increased to accommodate the proposed payments by the United States.

It is, therefore, proposed that the existing budget be amended by providing for an additional use of deutsche mark and Japanese yen in an amount of SDR 331,925,000, respectively, in receipts. The new proposed amounts for these currencies are SDR 459,725,000 for the deutsche mark and SDR 396,725,000 for the Japanese yen. Present estimates would suggest that, with these additions, payments of quota increases in the currencies of other members can be accommodated.

Recommended Decision

The following draft decision is prepared for adoption by the Executive Board:

The Executive Board approves the amendment to the Operational Budget for the period December 1983 - February 1984 as set out in EBS/83/259, Supplement 2.