

EBS/83/260
Supplement 1

CONFIDENTIAL

December 15, 1983

To: Members of the Executive Board

From: The Secretary

Subject: Zaire - Purchase Transaction - Compensatory Financing Facility

Attached is the request from Zaire for a purchase equivalent to SDR 114,500,000 referred to in EBS/83/260 which contains the staff's analysis and recommendation. This subject is scheduled for consideration on Friday, December 16, 1983.

Att: (1)

INTERFUND 12/14/83
WASHINGTON

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1. AS FISCAL AGENCY FOR THE GOVERNMENT OF ZAIRE, WE DESIRE TO PURCHASE FROM THE INTERNATIONAL MONETARY FUND SDR 22,000,000 AND THE EQUIVALENT OF SDR 92,500,000 IN U.S. DOLLARS TOTALING THE EQUIVALENT OF SDR 114,500,000 IN ACCORDANCE WITH TERMS OF ARTICLE V, SECTIONS 3 AND 4 AND EXECUTIVE BOARD DECISION NO. 6224-(79/135), ADOPTED AUGUST 2, 1979. IN THIS CONNECTION WE STATE THAT WE WILL COOPERATE WITH THE INTERNATIONAL MONETARY FUND IN AN EFFORT TO FIND APPROPRIATE SOLUTIONS FOR THE BALANCE OF PAYMENTS DIFFICULTIES.

2. WE DO HEREBY REPRESENT THAT THIS PURCHASE IS NEEDED IN ACCORDANCE WITH THE PROVISIONS OF FUND AGREEMENT.

3. PLEASE CREDIT ZAIRE'S SDR ACCOUNT WITH SDR 22,000,000 ON VALUE DATE OF PURCHASE.

4. PLEASE ARRANGE PAYMENT OF U.S. DOLLARS TO OUR ACCOUNT WITH FEDERAL RESERVE BANK OF NEW YORK, NEW YORK ON VALUE DATE OF PURCHASE.

5. THE EQUIVALENT OF DESIRED PURCHASE NAMELY ZAIRES 3,232,636,928.29 WILL BE CREDITED TO FUND'S NO. 1 ACCOUNT WITH OURSELVES, ON THE VALUE DATE OF PURCHASE.

6. WE STATE THAT REPURCHASE IN RESPECT OF THIS PURCHASE SHALL BE MADE IN ACCORDANCE WITH ARTICLE V, SECTION 7 AND THE FUND'S POLICIES AND PRACTICES AT THE TIME OF REPURCHASE.

7. REGARDING SERVICE CHARGE, PLEASE DEBIT ZAIRE'S SDR ACCOUNT WITH SDR 572,500 ON VALUE DATE OF PURCHASE.

REGARDS,

BANK OF ZAIRE, KINSHASA

Received in Cable Room December 14, 1983.