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INTERNATIONAL MONETARY FUND

Treasurer's Department

Debt Profile of Fund Members with Special
Reference to their Indebtedness to the Fund
(A Statistical Analysis)

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I. Introduction

There has been a substantial rise in the external debts of many Fund members reflecting current account imbalances that have emerged since the mid-seventies. In addition to borrowing from money and capital markets to finance these imbalances, many members have taken resort to the use of Fund resources. In its effort to meet the needs of member countries, the Fund has created new facilities to deal with particular situations and increased access to its resources by raising members' drawing limits in terms of quotas. The Fund has also sought to enhance its lending capacity by borrowing until its capital base could be raised to restore the role of quota as the primary source of Fund financing.

This paper attempts to analyze the debt profile of those member countries which are indebted to the Fund, with a view to assessing the extent to which they have taken recourse to the Fund's financial assistance relative to borrowing from other external sources and examining the size of these debts to the Fund and to other creditors in relation to a number of economic indicators.

The paper is organized as follows: Section II traces the evolution of members' indebtedness to the Fund since the early seventies. Section III compares the Fund's financial assistance with other external borrowings. Section IV relates these debts to members' export earnings of goods and services, current account deficits, international reserves, and Fund quotas. Section V makes some concluding remarks.

II. Evolution of Members' Indebtedness to the Fund, 1971-82

1. Number of members using Fund credit

There has been a sharp increase in the number of countries borrowing from the Fund from 28 in 1973 to 92 at the end of 1982 (see Table 1). Overall, 102 members had taken recourse to the Fund's financial assistance at one time or another in 1971-82. Except for a few industrial countries which became indebted to the Fund mostly following the first oil shock, the members that depended on Fund credit were almost exclusively the non-oil developing countries, particularly members at the lower end of the income scale (with GNP per capita in 1979 not exceeding \$370) and other net oil importers (mainly middle income exporters of primary products). 1/

1/ For a definition of country groupings, see Appendix I.

Table 1. Number of Members Indebted to the Fund,
Years Ended 1971-1982

Country group	Overall indebtedness to the Fund at end-year				
	1971	1973	1976	1979	1982
Total number of indebted members	<u>34</u>	<u>28</u>	<u>68</u>	<u>81</u>	<u>92</u>
Industrial countries	1	-	7	6	6
Major oil exporters	1	1	-	-	-
Non-oil developing countries	32	27	61	75	86
Net oil exporters	6	4	4	8	7
Major exporters of manufactures	2	2	7	6	6
Low-income countries	10	11	23	30	33
Other net oil importers	14	10	27	31	40

The sharp rise in the number of countries borrowing from the Fund in 1973-76 appears to reflect mainly the increased demand for the use of Fund resources under the then newly-created Oil Facility, but also the Compensatory Financing Facility following its enlargement in 1975. The relatively small increase in the number of members resorting to the use of Fund credit in 1979-82 conceals the fact that most of the 38 countries which had made purchases in the higher credit tranches beginning 1980 were already indebted to the Fund.

2. Access to Fund resources

Until 1973, credit tranche drawings and purchases under the Compensatory Financing and the Buffer Stock Facilities were the only forms of financial assistance available from the Fund. The unprecedented shifts in members' balance of payments positions resulting from the substantial increase in the price of oil led the Fund to create temporary Oil Facilities in 1974 and 1975 which were funded by borrowed resources. The Fund also introduced the Extended Fund Facility in 1974 to aid members experiencing severe payments problems calling for longer adjustment periods and larger financing than was possible under credit tranche policies. The persistence of widespread imbalances after the termination of the Oil Facility in early 1976 made it necessary for the Fund to establish a Supplementary Financing Facility in 1979, followed by an Enlarged Access Policy in 1981 to permit continued large scale access to Fund resources by members with serious payments imbalances. At the same time, members' drawing limits were raised under the Compensatory Financing Facility. Drawings under credit tranches were also increased by the Fund's policy of excluding purchases under special facilities in determining potential credit tranche drawings.

The increased access to Fund resources meant that a member may presently draw, over and above its reserve tranche position, up to 450 per cent of its quota under the Enlarged Access Policy within a cumulative total of 600 per cent (excluding special facilities). In addition, the overall limit on drawings under the Compensatory Financing Facility (including cereal imports) and the Buffer Stock Facility can rise up to 175 per cent of quota. By comparison, the maximum amount of Fund credit that a member could have obtained in 1970 was equivalent to 175 per cent of quota, including 75 per cent under the Compensatory Financing and Buffer Stock facilities.

3. Fund credit in 1971-82

Table 2 traces the evolution of members' outstanding indebtedness to the Fund under individual facilities and policies in the 1970s and

Table 2. Members' Overall Indebtedness to the Fund by Conditionality and Type of Facility

(In billions of SDRs)

Year	Overall indebtedness	Low conditionality credit 1/						High conditionality credit 2/				
		Total 3/	First CT	BSF	CFF	OF	TFL	Total	Upper CT	EFF	SFF	EAR
1971	1.11	0.14	...	0.01	0.13	--	--	0.97	0.97	--	--	--
1973	0.99	0.47	...	0.01	0.46	--	--	0.52	0.52	--	--	--
1976	12.57	10.53	1.11	--	2.72	6.70	--	2.04	1.94	0.10	--	--
1979	9.25	7.40	0.29	0.07	2.85	2.82	1.37	1.85	1.07	0.47	0.31	--
1982	22.30	9.37	0.69	0.14	5.40	0.15	2.99	12.93	3.27	2.76	5.27	1.63

1/ Abbreviations under this heading and their corresponding facilities are as follows: First CT stands for first credit tranche drawings not associated with a high conditionality program; BSF for Buffer Stock Facility; CFF for Compensatory Financing Facility; OF for Oil Facilities; and TFL for Trust Fund Loans.

2/ Abbreviations under this heading and their corresponding facilities are as follows: Upper CT stands for upper credit tranches which increase credit tranche drawings beyond first credit tranche drawings not associated with a high conditionality program; EFF for Extended Fund Facility; SFF for Supplementary Financing Facility; and EAR for Enlarged Access Policy.

3/ The ratio of low-conditionality credit to overall indebtedness to the Fund for the above dates was as follows: 12.6 per cent in 1971, 47.5 per cent in 1973, 83.8 per cent in 1976, 80 per cent in 1979, and 42 per cent in 1982.

up to 1982. ^{1/} These indebtednesses have been classified according to two categories of conditionality, namely, high conditionality credits and low conditionality credits. Purchases under facilities in the high conditionality category require substantial justification and are invariably made under stand-by or extended arrangements which are phased during the period of an arrangement. A member's right to draw is subject to the observance of agreed policies aimed at improving its external position. Eligibility for facilities subject to low conditionality is basically tied to the specific objective, with conditionality generally confined to members' cooperation with the Fund or making reasonable efforts to overcome their difficulties. Chart 1 shows overall indebtedness to the Fund and its two categories of conditionality for the period 1971-82.

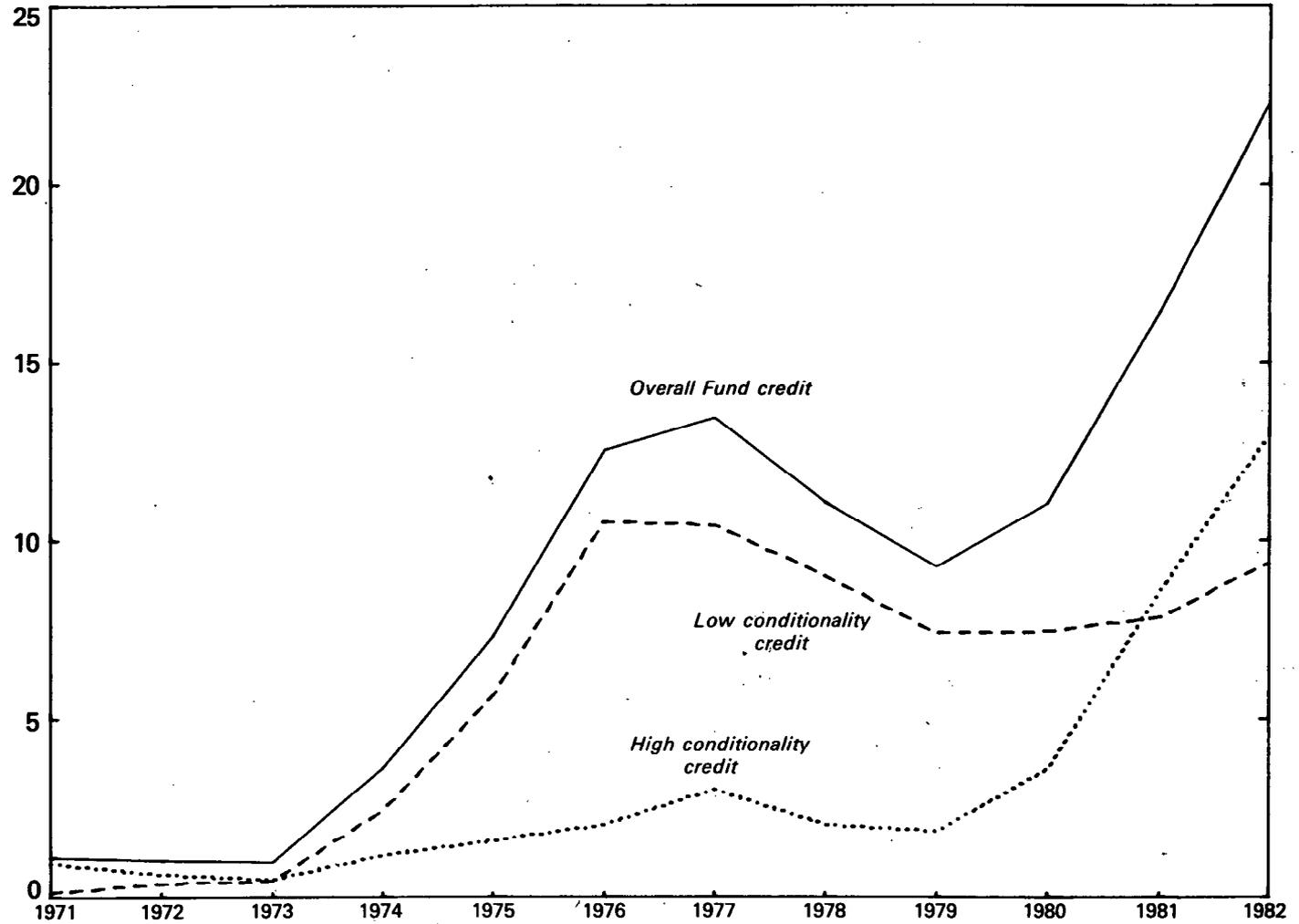
In analyzing members' indebtedness to the Fund in 1971-82, it appears useful to distinguish between four separate periods: 1971-73, 1974-77, 1978-79, and 1980-82 (see Table 3), mainly because these periods were characterized by balance of payments situations differing in type and magnitude and resulted in somewhat different types of Fund responses. Overall indebtedness to the Fund ^{2/} declined to SDR 0.99 billion at end-1973 from SDR 1.11 billion in 1971, attributed to the repayment by an industrial country of the debt it owed to the Fund. Financial assistance from the Fund rose substantially to SDR 12.57 billion in 1974-76 following the widespread deterioration in the external positions of member countries caused by the quadrupling of oil prices in late 1973. This large increase in Fund credit reflected mainly drawings made under the newly created Oil Facilities, but also the extensive use of the Compensatory Financing Facility after its enlargement late in 1975. A little less than half of the increase in these drawings was obtained by the industrial countries, with the remainder shared by the non-oil developing countries, particularly major exporters of manufactures (newly industrializing countries) and other net oil importers (see Table 3). Large repurchases were made in 1977-79 by a few industrial countries of earlier credit tranche and Oil Facility drawings which led to a marked reduction in members' overall outstanding liabilities to the Fund by SDR 3.32 billion to SDR 9.25 billion by the end of 1979. During this period, however, there were increases in the level of credit extended under the Compensatory Financing Facility and from the Trust Fund to both low-income countries and other net oil importers which virtually matched the significant repurchases of Oil Facility drawings by the non-oil developing countries. This latter group, particularly other net oil importers, also made some drawings subject to high conditionality which were of about the same magnitude as the repurchases made by some of the industrial countries of their credit tranche drawings.

Indebtedness to the Fund rose by SDR 13.05 billion to SDR 22.30 billion at end-1982 as large and widespread payments imbalances arose,

^{1/} For definition of data used and their sources, see Appendix I.

^{2/} Comprising outstanding drawings, other than those in the reserve tranche, and Trust Fund loans.

CHART 1
OVERALL INDEBTEDNESS TO THE FUND, END 1971-82
(In billions of SDRs)



Country groups	Periods ended				Changes during three-year periods			
	1973	1976	1979	1982	1971-73	1974-76	1977-79	1980-82
<u>Overall indebtedness to Fund</u>	<u>0.99</u>	<u>12.57</u>	<u>9.25</u>	<u>22.30</u>	<u>-0.12</u>	<u>+11.58</u>	<u>-3.32</u>	<u>+13.05</u>
High conditionality credit	0.52	2.04	1.85	12.93	-0.45	+1.52	-0.17	+11.08
Low conditionality credit	0.47	10.53	7.40	9.37	+0.32	+10.05	-3.13	+1.97
<u>Industrial countries</u>	<u>0.02</u>	<u>5.70</u>	<u>1.66</u>	<u>0.13</u>	<u>-0.41</u>	<u>+5.68</u>	<u>-4.04</u>	<u>-1.53</u>
High conditionality credit	0.02	1.00	--	--	-0.41	+0.98	-1.00	--
Low conditionality credit	--	4.70	1.66	0.13	--	+4.70	-3.04	-1.53
<u>Non-oil developing countries</u>	<u>0.97</u>	<u>6.87</u>	<u>7.59</u>	<u>22.17</u>	<u>+0.28</u>	<u>+5.90</u>	<u>+0.72</u>	<u>+14.58</u>
Net oil exporters	0.10	0.74	0.93	1.41	+0.01	+0.64	+0.19	+0.48
Major exporters of manu- factures	0.20	2.12	1.06	4.06	+0.10	+1.92	-1.06	+3.00
Low-income countries	0.32	1.58	1.95	7.65	+0.17	+1.26	+0.37	+5.70
Other net oil importers	0.35	2.43	3.65	9.05	--	+2.08	+1.22	+5.40
<u>High conditionality credit</u>	<u>0.51</u>	<u>1.04</u>	<u>1.85</u>	<u>12.93</u>	<u>-0.04</u>	<u>+0.53</u>	<u>+0.81</u>	<u>+11.08</u>
Net oil exporters	0.02	0.13	0.36	0.67	-0.03	+0.11	+0.23	+0.31
Major exporters of manu- factures	0.13	0.29	0.08	2.34	+0.03	+0.16	-0.21	+2.26
Low income countries	0.18	0.30	0.38	4.16	+0.06	+0.12	+0.08	+3.78
Other net oil importers	0.18	0.32	1.03	5.76	-0.10	+0.14	+0.71	+4.73
<u>Low conditionality credit</u>	<u>0.47</u>	<u>5.83</u>	<u>5.74</u>	<u>9.24</u>	<u>+0.33</u>	<u>+5.36</u>	<u>-0.09</u>	<u>+3.50</u>
Net oil exporters	0.09	0.61	0.57	0.74	+0.05	+0.52	-0.04	+0.17
Major exporters of manu- factures	0.06	1.83	0.98	1.72	+0.06	+1.77	-0.85	+0.74
Low-income countries	0.15	1.28	1.57	3.49	+0.12	+1.13	+0.29	+1.92
Other net oil importers	0.17	2.11	2.62	3.29	+0.10	+1.94	+0.51	+0.67

1/ Including Trust Fund loans beginning 1977.

2/ Components may not add up to totals because of rounding.

inter alia, from the second steep increase in oil prices in late 1979 whose financing was facilitated by the Fund's policy of enlarged access to its resources in the upper credit tranches. This large increase in Fund credit was due to new drawings by the non-oil developing countries whose indebtedness to the Fund rose by SDR 14.58 billion to SDR 22.17 billion, while the industrial countries continued to repurchase their earlier drawings. The bulk of that increase was accounted for by low-income and other net oil-importing countries and to a lesser extent by major exporters of manufactures. Over three-quarters of the increase was under arrangements in the upper tranches; the largest part of the remainder, comprising mainly Trust Fund loans and drawings under the Compensatory Financing Facility, was provided to low-income countries.

III. Indebtedness to the Fund Compared with
Other External Borrowing

Members' indebtedness to the Fund can be measured in terms of a number of relevant economic variables. Table 4 below shows, in percentage terms, the relationships of members' liabilities to the Fund with their public debts, export earnings of goods and services, Fund quotas, current account deficits, and reserves in 1980, the most recent

Table 4. Members' Indebtedness to the Fund at End-1980
in Per Cent of Relevant Economic Variables

(Number of members)

	Industrial countries					Non-oil developing countries					
	Medium- and long-term public debt	Export earnings	Fund quota	Current account deficit	Total reserves	Medium- and long-term public debt	Medium-term public debt	Export earnings	Fund quota	Current account deficit	Total reserves
less than 5 per cent	6	6	1	6	4	47	15	37	1	55	8
5-25	--	--	3	--	1	25	17	29	2	12	18
25-50	--	--	2	--	1	2	17	6	15	4	12
more than 50	--	--	--	--	--	--	17	2	56	3	36
	6	6	6	6	6	74	66 1/2	74	74	74	74

Number of countries indebted to the Fund at end-1980 for which data on this debt is available.

date for which data on these variables are available. 1/ In interpreting the relationships of Fund credit with borrowings from other sources, it should be borne in mind that the Fund's role in financing members' needs is confined to medium-term credit for balance of payments purposes.

It can be observed from the table that indebtedness to the Fund of the few industrial countries using the Fund's resources was small measured against certain key economic variables. 2/ For a large number of non-oil developing countries indebted to the Fund, recourse to Fund credit constituted less than 10 per cent of their medium- and long-term public debt, export earnings, and current account deficits. Fund credit was, however, more significant in relation to medium-term public debt owed to private creditors, Fund quota, and total reserves for a larger number of members in this group of countries, signifying perhaps that many of them, with limited access to capital markets, took recourse to Fund borrowing when their reserves dried up and had already borrowed substantially from other sources.

A better understanding of the relationships between Fund indebtedness and other relevant data can be obtained by examining their behavior over time and observing the differences among country groups and sub-groups. A comparative analysis of Fund credit and other public debt, mainly of a medium-term nature, is set out below. 3/ The analysis covers the 77 non-oil developing countries for which public debt data were available during the period 1971-80 and which accounted for the bulk of the credit extended by the Fund. 4/

1. Indebtedness to Fund in relation to members' overall debts

Indebtednesses to the Fund of the 77 non-oil developing countries were relatively small in relation to their overall debts; they accounted

1/ Data for 1981 have recently become available on the public debts of the non-oil developing countries indebted to the Fund but not all of the industrial countries indebted to the Fund; data for 1981 on variables related to the balance of payments are still not available for a relatively large number of members with liabilities to the Fund. The analysis that follows takes account of more recent data, whenever possible.

2/ See Appendix I for the definition of the data used.

3/ Maturities of this debt for most members were within 10 years which are also the basis of the debt series used in the performance criterion included in the Fund's upper credit tranche arrangements (see Appendix I).

4/ The industrial countries indebted to the Fund were excluded as a whole because all of them could not be covered; they accounted for 9.4 per cent of outstanding liabilities to the Fund at the end of 1980. The share of the non-oil developing countries not included was consistently small. It was 3.3 per cent at end-1980 and did not exceed 6.1 per cent of overall indebtedness to the Fund at any time during 1971-80.

for about 9 per cent of their total medium-term public debts in 1971-80, and below 4 per cent of their combined medium- and long-term public debts, i.e., debts from both official and private sources with maturities exceeding one year. ^{1/} The 1981 data which have recently become available show that while the Fund's financial assistance to the non-oil developing countries increased markedly in 1981 relative to their other debts, it remained modest in 1971-81, with average shares little changed from those in 1971-80 (see Table 5). The smallness of the size of indebtedness to the Fund relative to that of other public debts reflects several factors: Fund credit is solely directed to the financing of temporary balance of payment deficits while other borrowings are used also for development purposes; Fund credit aims at promoting international payments adjustments entailing a certain degree of discipline in the domestic policies of members which if not forthcoming would affect the extent of the use of the Fund's resources; and Fund credit is a catalyst in mobilizing additional financing from other sources.

Table 5. Indebtedness to the Fund in Per Cent of Total Public Debts of the Non-Oil Developing Countries, End 1971-81

(In per cent)

	Average 1971-80 ^{1/}		End-1980		End-1981	
	Fund credit to medium- and long-term debt	Fund credit to medium-term debt	Fund credit to medium- and long-term debt	Fund credit to medium-term debt	Fund credit to medium- and long-term debt	Fund credit to medium-term debt
All countries covered	3.7 (3.9)	8.9 (9.1)	4.9	10.3	5.8	11.5
Oil exporters	1.5 (1.3)	2.5 (2.5)	1.5	2.4	1.3	2.0
Major exporters of manufactures	3.6 (3.7)	6.6 (6.6)	3.4	5.9	4.2	6.9
Low-income countries	4.5 (4.9)	30.6 (32.3)	7.8	45.4	9.5	49.0
Other net oil importers	5.3 (5.6)	12.9 (13.3)	7.4	15.0	8.9	18.0

^{1/} Figures in parentheses are averages for 1971-81.

Among the non-oil developing countries, the use of Fund resources by the oil exporters and exporters of manufactures was small in relation to their total borrowings from financial institutions and capital markets; the other two groups, particularly low-income countries, took relatively larger recourse to Fund financing (Table 5). This is attributed to the fact that the former subgroups had better access to private

^{1/} Data on short-term debt and on private non-guaranteed debt were not included since the former are not comprehensively available and the latter are available for a small number of countries.

sources of borrowing which accounted for about 55 per cent of their public debt in 1971-80 in contrast to countries with low incomes whose access to market financing was rather limited for obvious reasons.

A frequency distribution of individual country ratios averaged over 1971-80 (Table 6) shows that indebtedness to the Fund was well below 5 per cent of medium- and long-term public debt for 29 of the 77 countries and in the range of 10-25 per cent for only 19 of them. Many of these latter members were among the countries which sought financing from the Fund in 1971-80 in excess of 10 per cent of their current account deficits. On the other hand, the members whose Fund credit amounted to less than 5 per cent of total public debts did not seem to rely significantly on Fund credit for financing current account deficits, although some of them had deficits exceeding 30 per cent of their export earnings. Fund credit represented less than 10 per cent of medium-term public debt for 16 countries, and over 25 per cent for as many as 30 countries. About one-third of these members with large indebtedness financed their current account deficits to the extent of 10 per cent or more from the Fund. It may be of interest to note that the relationships of Fund credit with overall public debts of a group of members with large service payments and payments arrears ^{1/} did not in general differ significantly from those of the non-oil developing countries as a whole. Only two of the countries in this group were among the 10 members with the highest ratios of Fund credit to overall indebtedness.

Table 6. Non-Oil Developing Countries Classified According to the Shares of their Indebtedness to the Fund to their Public Debt, End 1971-80

(Number of countries)

Average ratio of Fund credit in per cent of:	Medium- and long-term public debt	Medium-term public debt
Less than 5 per cent	29	5
5-10 per cent	29	11
10-25 per cent	19	31
25-100 per cent	<u>77</u>	<u>30</u> <u>77</u>

^{1/} These are 25 members whose service payments on medium- and long-term debt (including indebtedness to the Fund) when combined with payment arrears and related to export earnings yielded ratios exceeding the average in 1971-80 for the 77 non-oil developing countries (13.7 per cent). The 25 members accounted for about half of the debt owed the Fund at the end of 1980 by the non-oil developing countries covered.

An examination of the composition of overall outstanding indebtedness to the Fund indicates that members with access to market financing appeared to have taken less recourse to Fund credit under stand-by or extended arrangements. The portion of Fund credit in the upper credit tranches for the 14 non-oil developing countries which relied heavily on private sources of finance was significantly smaller (24.8 per cent) than that of the 13 members with limited access to market borrowing (37.7 per cent). 1/

2. Debt maturities

Drawings on the Fund have maturities in the range of 3 1/4 to 10 years; they are to be repurchased within periods ranging from 3 1/4-5 years for drawings under credit tranche policies financed from ordinary resources, the Compensatory Financing Facility, and the Buffer Stock Facility to 4 1/2-10 years for drawings under the Extended Fund Facility; Trust Fund loans are to be repaid in 5 1/2-10 years. Members are, however, expected to make advance repurchases if their balance of payments and reserve positions so permit. Most drawings from the Fund facilities are in the maturity range of 4.0-7.8 years; weighted by the annual drawing (loan), the maturity of the Fund's financial assistance averaged 5 years in 1971-80. 2/

By comparison, the maturity of medium-term public debt weighted by new commitments averaged 9.2 years in the the same period. For 11 of the 77 countries covered, however, maturities were on average in excess of 10 years and extended up to 17 years, implying that this type of debt was in part development-oriented. As could be expected, maturities of medium- and long-term public debt differed substantially from those of Fund credit, reflecting the differences in the purposes for which the credits were obtained. The weighted average maturity of medium- and long-term public debt for the non-oil developing countries indebted to the Fund was 17.7 years in 1971-80.

3. Cost of financing

Unlike the cost of external financing from private sources, which depends on the lender's evaluation of the degree of risk it is exposed to, rates of charges on the Fund's financial assistance are uniform for all members. These latter rates have been set in recent years in the light of the Fund's prospective net income position rather than in direct relationship with the rate of remuneration payable on members' creditor positions arising from the use of their currencies in Fund

1/ The 14 countries are those with debt owed to private creditors constituting over 50 per cent of their total public debt in 1971-80, while the corresponding share for the 13 countries did not exceed 10 per cent.

2/ See Appendix I for the method of calculation.

transactions and operations. Rates of charges, however, differ according to the type of facility or policy under which drawings are made, with those applying to holdings financed from borrowed resources being based on the actual cost of borrowing. In December 1980, the rates of charges were in the range of 4.38-6.88 per cent, depending on the time period during which holdings were outstanding, on drawings financed from ordinary resources 1/ and 12.00 per cent on exceptional use of Fund resources. 2/ Loans from the Trust Fund, financed from the profits realized from selling part of the Fund's gold holdings, to the low-income non-oil developing countries were charged a special rate of 1/2 per cent.

The Fund's cost of financing weighted by the amounts of members' annual drawings (loans) and net of subsidy payments 3/ averaged 5.0 per cent in 1971-80 for the non-oil developing countries. 4/ Effective rates of charges were lowest for low-income countries (3.8 per cent) since many of them benefited from the subsidy payments on the Oil Facility drawings, but also because they received large Trust Fund loans. The average rate was the highest for the newly industrializing countries (6.1 per cent).

The cost of Fund credit was substantially and consistently lower than the London Interbank Offer Rate (LIBOR) on which lending rates in the financial markets are normally based; LIBOR averaged 8.9 per cent in 1971-80. Since lending spreads are added to LIBOR to determine nominal lending rates, the difference between these rates and the cost of Fund financing is actually greater. The cost of borrowing from the Fund was also lower than that of medium- and long-term debts (which averaged 6.8 per cent in 1971-80) for the non-oil developing countries, despite the fact that a large part of these latter debts (46 per cent) was obtained from official sources on concessionary terms. 5/ The differences in the cost of financing between the Fund and other lenders, which reflect the cooperative and intergovernmental character of the Fund, can also be characterized as a grant element which makes conditional Fund credit attractive in terms of cost.

1/ Rates of charges progressed the longer the purchases remained outstanding. Beginning May 1981, a single rate became applicable.

2/ Purchases in excess of 200 per cent of quota made under stand-bys or over 140 per cent of quota under extended arrangements.

3/ Subsidies were paid by the Fund to eligible members on the 1975 Oil Facility at the rate of 5 per cent, and on the Supplementary Financing Facility at the rate of 1 1/2-3 per cent, according to their per capita income, in order to reduce the cost of using these facilities which were financed from borrowed funds.

4/ See Appendix I for method of calculation.

5/ With a grant element of at least 25 per cent.

4. Service payments

Debt service payments normally reflect the size of the debt, its maturity, and cost. Service payments on members indebtedness to the Fund, comprising repurchases of drawings, charges on the use of resources, and the service charge of 1/2 per cent on drawings other than those in the reserve tranche, averaged 0.9 per cent of export earnings in 1971-80 for the non-oil developing countries and were in the range of 0.6-1.8 per cent for their different subgroups. By contrast, debt service payments on account of members' medium- and long-term debts were several times higher (see Table 7). ^{1/} These ratios, however, conceal the fact that indebtedness to the Fund constitutes a small proportion of members' total debts; the ratios of service payments on Fund credit to those on total medium- and long-term debt constituted a larger proportion (6.9 per cent) than the share of outstanding Fund credit in this debt (3.7 per cent). This feature may reflect in part the greater staggering of the amortization of other debts and the concessionary elements of a substantial part of the public debt owed to official creditors. In relation to service payments on medium-term debt, those on Fund credit were also higher than the ratio of Fund credit to this debt, but by much smaller margins.

Table 7. Debt Service Payments of the Non-Oil Developing Countries Indebted to the Fund In Relation to Export Earnings, 1971-80

(In per cent)

	Average payments in 1971-80 on			Payments in 1980 on		
	Medium- and long-term debt ^{1/}	Medium-terms debt ^{2/}	Indebtedness to Fund	Medium- and long-term debt ^{1/}	Medium-terms debt ^{2/}	Indebtedness to Fund
<u>11 countries covered</u>	<u>13.0</u>	<u>7.5</u>	<u>0.9</u>	<u>14.2</u>	<u>9.2</u>	<u>1.0</u>
Net oil exporters	20.1	14.7	0.6	20.6	16.0	0.7
Major exporters of manufactures	10.3	6.7	0.6	10.8	6.8	0.6
Low-income countries	12.8	2.8	1.8	11.0	2.3	1.8
Other net oil importers	10.9	5.3	1.1	13.6	8.7	1.4

^{1/} Including Fund credit.

^{2/} Not including Fund credit.

^{1/} See Appendix I for data sources.

IV. Debt Owed the Fund and Other Creditors in Relation to Relevant Economic Data

Fund credits to members are related to their current account deficits. These deficits averaged almost 20 per cent of aggregate export earnings in 1971-80 for those non-oil developing countries that were indebted to the Fund. Those amongst them with low incomes had the highest deficits relative to their export earnings (25.6 per cent), while major exporters of manufactures, with economic structures more diversified than the rest of the non-oil developing countries, had the lowest deficits relative to their exports (14.7 per cent). On a country by country basis, current account deficits averaged less than 10 per cent of export earnings for 14 of the 77 non-oil developing countries covered, and over 30 per cent for 31 of them. In this context, it may be noted that some countries facing substantial balance of payment difficulties are known to have cut down their imports to the maximum possible extent, which tend to understate the magnitude of their potential deficits. 1/ This section relates indebtedness to the Fund to export earnings, current account deficits, reserve accumulation, and Fund quotas in comparison with those of other public debt.

1. Debt to export earnings

Export earnings of goods and services and GDP can be used to scale the size of countries' economies and, consequently, to measure debt burdens. Export earnings were used in this study because official data on GDP were not available for all years in 1971-80. 2/

Members' indebtedness to the Fund constituted a small portion (3.8 per cent in 1971-80) of the export earnings of the non-oil developing countries. As would be expected, Fund credit was significantly smaller for exporters of oil and of manufactures with access to other sources of financing, and larger for low-income countries (see Table 8). In fact, 12 of the 20 countries with individual ratios in excess of 10 per cent in 1971-80 were members with low incomes. There was also a number of middle-income exporters of primary products with ratios at that level. A common feature for many of the countries with relatively large indebtedness to the Fund in relation to the size of their exports is that such debts were also large relative to other public debt and, of course, to their current account deficits.

It is noteworthy that medium-term debts from private sources were much larger (averaging about 37 per cent) in relation to the size of the export earnings of the non-oil developing countries. Among the country groups, net oil exporters which were marginal users of Fund credit incurred the largest portion of debt from private sources relative to the size of their economies, while low-income countries

1/ See "External Indebtedness of Developing Countries," SM/80/273 and Correction 1 (12/24/80), p. 34.

2/ See Appendix I.

were at the opposite end of the scale. On average, total public debt including Fund credit was often the size of export earnings of the group of non-oil developing countries indebted to the Fund; in the case of low-income countries in this group, total debts were almost twice the size of their exports of goods and services in 1971-80, though they tapered off relative to these exports in the later part of the period.

Table 8. Debt of Non-Oil Developing Countries Indebted to Fund in Per Cent of their Export Earnings, 1971-80

	Average ratios in 1971-80 of			Ratios for 1980 of		
	Medium- and long- term public debt <u>1/</u>	Medium- term public debt <u>2/</u>	Fund credit	Medium- and long- term public debt <u>1/</u>	Medium- term public debt <u>2/</u>	Fund credit
<u>All countries covered</u>	<u>100.6</u>	<u>36.9</u>	<u>3.8</u>	<u>99.1</u>	<u>42.5</u>	<u>4.9</u>
Net oil exporters	114.7	63.7	1.8	105.0	62.5	1.5
Major exporters of manufactures	66.8	34.2	2.5	68.1	36.5	2.3
Low-income countries	191.1	17.9	8.3	158.0	14.8	12.3
Other net oil importers	86.2	29.9	4.7	102.9	43.3	7.7

1/ Including Fund credit.

2/ Not including Fund credit.

2. Financing of balance of payments deficits

The current account deficits of the non-oil developing countries were financed to a large extent by medium- and long-term borrowing from sources other than the Fund which amounted on average to two-thirds of these members' deficits in the period 1971-80. Financial assistance from the Fund contributed on average 5.5 per cent only of total financing during this period (see Table 9). Fund credit accounted for a similarly small proportion of the balance of payments financing for all country groups except for low-income countries which financed on average about 9 per cent of their deficits from the Fund, with that share increasing sharply in the last year of this period.

While medium- and long-term debts were equivalent to slightly more than two-thirds of these countries' aggregate current deficits, non-Fund medium-term debts accounted for almost one-third of these deficits. As can be expected, net oil exporters had more access and low-income countries the least access to private sources of financing than other non-oil developing countries.

Table 9. Proportion of Current Account Deficits
Financed Through Borrowing by Non-Oil Developing
Countries Indebted to Fund, 1971-80

(In per cent)

	Average ratios in 1971-80			Ratios for 1980		
	Medium- and long- term public debt <u>1/</u>	Non-Fund medium- term credit	Fund credit	Medium and long- term public debt <u>1/</u>	Non-Fund medium- term credit	Fund credit
All countries covered	67.2	31.8	5.5	62.2	28.2	6.3
Net oil exporters	80.8	53.1	3.2	78.1	46.3	0.7
Major exporters of manufactures	67.4	34.4	7.3	56.8	34.6	4.8
Low-income countries	69.5	9.8	8.7	64.7	6.9	14.7
Other net oil importers	59.0	27.3	5.9	54.9	22.6	6.2

1/ Including Fund credit.

A country classification by the size of debt in relation to current account deficits, covering those members which had taken frequent recourse to Fund borrowings and were indebted to the Fund at least half of the years in which they experienced deficits, shows that there were 27 such members in 1971-80. The list is relatively small because there was a number of years in which declines rather than increases in Fund credit were associated with current account deficits. This in turn reflects in part the revolving character of the Fund's credit which requires members to repurchase their drawings within specified repayment periods or earlier if their balance of payments and reserve position so warrant. Medium- and long-term public debt covered over 50 per cent of the financing for most countries, while medium-term public debt accounted for half of such financing for 14 of the 27 members with frequent use of Fund resources. By contrast, financing from Fund borrowing amounted to 25 per cent or more of the deficits for only four members, and between 10 and 25 per cent of current account deficits for 14 other members some of which had large deficits relative to their export earnings.

3. Debt to reserve accumulation

External borrowings can also help sustain a certain desired level of reserves that members deem reasonable and which they may stand ready to replenish, at a cost, as needed. While there were variations among the non-oil developing countries indebted to the Fund in the timing

and magnitude of their reserve accumulation (increase) or use, it was observed that there had been extensive reserve use in 1974-75, to help finance the very large increases in the cost of oil imports, followed by significant reserve accumulations in 1976-77 by most of these countries, with the pace of reserve accumulations falling very sharply in 1980, reflecting the deterioration in their external positions resulting from the second substantial rise in the price of oil.

When external borrowing is related only with reserve accumulation (increase in reserves net of use) by the non-oil developing countries indebted to the Fund, the increase in the use of Fund credit appears again to have contributed only a small portion (15.5 per cent) in 1971-80 compared with the rise in medium- and long-term public debt during this period which was more than double the amount of accumulation, and in medium-term public debt which was about equal to reserve accumulation.

4. Debt to Fund quotas

Members' drawings on the Fund are related to the size of their quotas in the Fund. It is of interest, therefore, to see the magnitude of indebtedness to the Fund by the non-oil developing countries and their subgroups related to their quotas; for comparison, the ratios of these members' medium-term debts to their Fund quotas are also given in Table 10.

Table 10. Debts of Non-Oil Developing Countries as Percentage of their Fund Quotas, 1971-81

	Average 1971-80		End-1980		End-1981	
	Fund credit to quota	Medium-term public debt to quota ^{1/}	Fund credit to quota	Medium-term public debt to quota ^{1/}	Fund credit to quota	Medium-term public debt to quota ^{1/}
All countries covered	60	551	81	705	120	923
Net oil exporters	36	1,190	36	1,471	41	1,999
Major exporters of manufactures	68	849	63	1,003	99	1,329
Low-income countries	54	107	82	99	118	123
Other net oil importers	77	460	118	668	182	828

^{1/} Not including Fund credit.

It is apparent from the table that indebtedness to the Fund was not generally large relative to Fund quotas for the non-oil developing countries despite the significant increase in Fund credit that has taken place in recent years; they averaged 60 per cent for these countries combined in 1971-80 implying that conditional credit was relatively small for the group as a whole. In this context, it should be remembered that the substantial increase in members' access to Fund resources started only in 1979 under the Supplementary Financing Facility, and was enhanced in 1981 under the Enlarged Access Policy; in earlier years, maximum drawings from the Fund in the upper credit tranches were in the range of 100-165 per cent of quota. Fund commitments under stand-by and extended arrangements are also not reflected in the ratios in Table 10 since drawdowns under these arrangements are phased over the period of the arrangements which may extend up to three years and are subject to the observance of satisfactory performances. ^{1/} There were individual cases, however, in which Fund credit constituted over 200 per cent of quotas. Six members, for instance, had liabilities to the Fund at the end of 1980 which were in the range of 209-275 per cent of their quotas, with these ratios rising to 309-414 per cent in 1981. There were also 12 other members whose outstanding drawings in 1981 represented 205-334 per cent of their quotas. Two-thirds of these 18 countries were in the subgroup of other net oil importers, and four were low-income countries.

While indebtedness to the Fund has been small in general relative to quotas in 1971-80, it was the lowest for low-income countries if account is not taken of the net oil exporters which were marginal users of Fund credit. The end-1980 data, however, show that the ratio for countries with low incomes was the second highest after that of the group of other net oil importers; the pattern also held at the end of 1981.

V. Concluding Remarks

This study covered certain aspects of members' indebtedness to the Fund since the early seventies and up to 1980, especially of the group of non-oil developing countries, in relation to their overall public debt and other relevant indicators. ^{2/} The analysis of the paper suggests the following broad conclusions:

1. Severe payment imbalances experienced by members since 1974 led them to incur substantial external debts from money and capital markets. There were also sharp increases in the number of countries

^{1/} There were stand-by and extended arrangements for 38 members at end-1981 totaling SDR 17.89 billion of which only SDR 4.79 billion was used.

^{2/} The analysis was extended to 1981, where data were available.

borrowing from the Fund and in the level of their outstanding indebtedness to the Fund since then. Aggregate financial assistance from the Fund was, however, generally very small relative to total public debts. Among the countries indebted to the Fund, the proportion of Fund credit in overall indebtedness was significantly high for low-income countries and some middle income exporters of primary products which had limited access to market financing. During the period studied, the degree of access to market borrowing appeared to have had an inverse relationship with drawings from the Fund, especially in the upper credit tranches.

2. Maturities of Fund credit were much shorter than those of medium-term public debts owed by members to private sources, but the effective cost of Fund financing was substantially lower, and particularly for the low-income countries.

3. The Fund's financial assistance contributed only modestly to the financing of current account deficits and reserve accumulations, with most countries relying primarily on other sources of finance, e.g., capital and money markets. It was, on average, also small relative to export earnings and Fund quotas. There was a number of non-oil developing countries, however, with large indebtedness to the Fund in relation to quota in 1980-81 which were mostly middle income exporters of primary products.

4. Overall, while the share of Fund credit in the total indebtedness had been significant for some members, it was small for most others despite the substantial increase in access to the Fund's resources in recent years. This may reflect the fact that Fund credit is used exclusively for balance of payments financing, and that it also serves as a catalyst for mobilizing outside financing.

Sources of Data Used

1. Members' indebtedness to the Fund

Members' indebtedness comprise: (a) outstanding balances owed the Fund on account of the drawings, other than reserve tranche purchases, obtained from the General Resources Account under several policies and facilities of different degrees of conditionality intended to cope with the varying types of balance of payments needs; ^{1/} and (b) special low cost loans extended to eligible members from the Trust Fund in July 1976-March 1981 in support of programs of balance of payments adjustment. These loans were financed from the profits realized from selling part of the Fund's gold holdings at prices exceeding their cost of acquisition of the equivalent of SDR 35 per fine ounce.

Data on total indebtedness to the Fund and its classification into credit subject to high and low conditionality were obtained from the Data Fund except for data on first credit tranche drawings of low conditionality which were based on information provided by the Treasurer's Department.

2. Other external debt of members

Indebtedness to the Fund was related to two series representing members' overall external debt and their general purpose debt for balance of payments financing. The first series related to the disbursed public and publicly guaranteed debt outstanding of an original maturity of over one year owed to non-residents, as compiled under the World Bank's Debtor Reporting System (DRS). This measure does not include either private non-guaranteed debt, which was available for a much smaller number of countries only, or short-term debt on which comprehensive data were not available. The second series referred to the disbursed public and publicly guaranteed debt outstanding owed to private creditors, i.e., financial institutions, suppliers, and bond holders. This series was used as a proxy for public debt for general purpose balance of payments financing on which separate data were not available, particularly that distinctions between project and general purpose loans could not easily be made because of the fungibility of financial resources and the inevitable degree of arbitrariness that such distinctions involve. ^{2/} For this reason, debt maturity was used as the basis of the series selected, which was within 10 years in 1971-80 for the majority of members indebted to the Fund. It is of

^{1/} Other currency holdings subject to repurchase, e.g., charges paid in a member's currency before the Second Amendment of the Articles in 1978, were not included in the measure of indebtedness to the Fund. These holdings, however, were minor and transitory and were liquidated by the end of 1981.

^{2/} See "External Debt Management Policies," SM/79/125, and Corrections 1 and 2, (5/11/79), pages 8-12.

interest to note that maturity is the basis for the performance criterion relating to official and officially-guaranteed foreign borrowing included in upper credit tranche arrangements. 1/

The data for both series were obtained from the Data Fund and were expressed in SDRs, but total public debt was adjusted to exclude Trust Fund loans which form part of members' indebtedness to the Fund. For a number of countries, reported in Appendix II, Table 13, data on total public debt at end-1980 were not available from the DRS and were based on other information and the IFS. These derived data may be less comprehensive and for a few countries were less current.

3. Economic variables to which debt data were related

Four economic variables were used: export earnings of goods, services and private transfers; current account balances of the balance of payments; total international reserve assets, and Fund quotas. Data on these aggregates were derived from the Data Fund and when not available, particularly for export earnings and the current account balances, were supplemented by staff estimates used for quota calculations under the Eighth General Review. Export earnings and the current account balances covered private transfers as well as goods and services since such transfers for some countries were significant and hence a major source for generating reserves. These latter are defined to comprise gold (valued at SDR 35 per ounce), foreign exchange, and Fund related reserve assets, i.e., SDRs and the reserve position in the Fund, at year-ends. Export earnings rather than GDP were used to scale public debt to the size of countries' economies and to measure debt burdens. While arguments could be advanced for the preference of one measure or the other, 2/ exports were used on practical grounds as official data on GDP were available in partial form only in 1971-80 for a large number of countries.

4. Terms of debt

Weighted average maturities and effective rates of charges were calculated on new Fund drawings by member countries in 1971-80 based on the prescribed repurchase periods and schedules of charges 3/ of Fund facilities and policies, and the assumption that total drawings during a given year are repurchased in equal quarterly or semi-annual payments

1/ See "External Debt Management Policies," SM/79/125, and Corrections 1 and 2, (5/11/79), pages 8-12.

2/ See "External Indebtedness of Developing Countries - Annex," SM/80/273, Supplement 1 (12/29/80), pages 10-11.

3/ Charges prior to July 1974 on drawings under credit tranche policies, Compensatory Financing Facility, and Buffer Stock Facility were averaged to correspond as far as possible to the schedule of charges for subsequent periods.

within the appropriate repayment periods. 1/ Charges were calculated net of subsidy payments paid to eligible members on the 1975 Oil Facility at the rate of 5 per cent, and on the Supplementary Financing Facility at the rate of 1.5-3.0 per cent depending on a member's per capita income. These charges were compared with the London Interbank Offer Rate (LIBOR) on U.S. dollar deposits of six-month maturity on which lending rates on euro-currency credits are normally based. The rate used is the annual average of daily quotations except for 1971-73 for which only end of year quotations were available. The rate for 1978-80 was provided by the Treasurer's Department and for 1973-77 was derived from the data bank of Data Resources Incorporated (DRI); earlier data were obtained from World Financial Markets of Morgan Guaranty Trust Company. Average maturities on new public debt commitments were obtained directly from the World Bank for individual member countries.

5. Debt service payments

Data on service payments on indebtedness to the Fund and other public debt were derived from the Data Fund except for charges on Fund holdings of members' currencies which were obtained from the Treasurer's Department, and the service charge of one-half of one per cent which was calculated on their drawings other than those relating to the reserve tranche.

6. Country classification by groups

Members were grouped into industrial countries, major oil exporters, and non-oil developing countries according to the classification followed in the IFS. The latter group was further classified into net oil exporters, major exporters of manufactures (newly industrializing countries), low-income countries, and other net oil importers (mainly middle income exporters of primary products) consistent with the classification given in the World Economic Outlook (WEO) and in recent Fund annual reports. The definition of low-income countries, however, is based here on per capita GNP in 1979 equivalent to \$370 or less 2/ which differs slightly from that used in the WEO classification.

1/ Repurchase periods are 3 1/4-5 years for drawings under credit tranche policies, Compensatory Financing Facility, and Buffer Stock Facility, 4 1/2-10 years for the Extended Fund Facility, 3 1/4-7 years for the Oil Facilities, 3 1/2-7 years for the Supplementary Financing Facility, and 5 1/2-10 years for Trust Fund loans.

2/ See IBRD's World Debt Tables, December 1981, page xii.

(In millions of SDRs)

End of period	High Conditionality Credit					Low conditionality credit					
	Total	High credit tranche drawings (ordinary resources)	Extended Fund Facility (ordinary resources)	Supplementary Financing Facility	Enlarged Access Policy	Total	Buffer Stock Facility	Compensatory Financing Facility 1/	Oil Facilities of 1974 and 1975	First CT drawings	Trust Fund Loans
I - Industrial Countries 2/											
1971	423.6	420.7	420.7		2.9	2.9				n.a.	
1972	108.7	101.6	101.6		7.1	7.1				n.a.	
1973	19.2	13.6	13.6		5.6	5.6				n.a.	
1974	1,478.3	702.1	702.1		776.2	--		776.2	--		
1975	3,298.3	1,002.0	1,002.0		2,296.3	--	50.5	2,240.0	5.8		
1976	5,695.0	1,002.1	1,002.1		4,692.9	--	495.5	3,491.6	705.8		
1977	6,458.6	1,782.1	1,782.1		4,676.5	--	495.5	3,475.2	705.8		
1978	4,086.5	783.9	783.9		3,302.6	--	508.6	2,792.8	1.2		
1979	1,658.4	0.3	0.3		1,658.1	23.8	470.3	1,164.0	--		
1980	1,044.0	--	--		1,044.0	--	199.5	844.5	--		
1981	545.8	--	--		545.8	--	49.4	496.4	--		
1982	128.4	--	--		128.4	32.5	21.5	74.4	--		
II - Non-oil developing countries											
1971	689.6	546.2	546.2		143.4	11.8	131.6			n.a.	
1972	948.6	552.1	552.1		396.5	16.1	380.4			n.a.	
1973	973.4	505.1	505.1		468.3	8.8	459.5			n.a.	
1974	2,139.0	483.3	483.3		1,655.7	5.1	534.6	939.7	176.3		
1975	4,016.0	601.6	593.9	7.7	3,414.4	4.7	671.9	2,518.7	219.1		
1976	6,870.0	1,036.8	939.1	97.7	5,833.2	--	2,217.6	3,210.6	405.0		
1977	6,993.6	1,234.7	967.0	267.7	5,758.9	--	2,260.2	2,948.7	397.0		152.9
1978	6,990.5	1,261.1	921.8	339.3	5,729.4	36.1	2,412.5	2,209.2	230.6		841.0
1979	7,593.5	1,853.5	1,075.7	470.9	306.9	5,740.0	50.0	2,379.4	1,655.0	287.9	1,367.6
1980	9,997.1	3,597.6	1,315.3	757.1	1,525.2	6,399.5	--	2,591.8	1,068.4	115.6	2,623.7
1981	15,813.1	8,517.8	2,446.6	1,720.2	3,564.9	786.1	7,295.3	3,222.1	438.5	643.3	2,991.4
1982	22,172.6	12,931.4	3,271.6	2,758.5	5,269.6	1,631.7	9,241.2	5,376.2	72.1	690.1	2,991.4

1/ Include drawings outstanding under Cereal Import Decision beginning 1981.

2/ Credit tranche drawings in 1971-73 include a small amount owed by a major oil exporter.

Table 12. Indebtedness to the Fund of Non-oil Developing Countries by Conditionality and Country Group, 1971-82

(In millions of SDRs) 1/

	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
Total indebtedness	689.6	948.6	973.4	2,139.0	4,016.0	6,870.0	6,993.6	6,990.5	7,593.5	9,997.1	15,813.1	22,172.6
Net oil exporters	87.2	89.8	99.1	100.2	69.6	743.5	884.3	919.9	927.8	803.5	912.8	1,409.9
Major exporters of manufactures	99.1	257.4	195.7	381.7	1,020.6	2,119.3	2,026.6	1,355.3	1,061.3	1,455.7	2,295.1	4,062.2
Low-income countries	153.8	299.0	326.4	1,036.1	1,545.9	1,581.0	1,629.4	1,711.2	1,951.4	3,165.8	5,318.6	7,651.2
Other net oil importers	349.4	302.4	352.2	621.0	1,380.1	2,426.2	2,453.2	3,004.2	3,653.0	4,572.3	7,286.9	9,050.4
High conditionality credit	546.2	552.1	505.1	483.3	601.6	1,036.8	1,234.7	1,261.1	1,853.5	3,597.7	8,517.8	12,931.4
Net oil exporters	47.7	21.5	17.2	41.0	17.9	134.1	342.1	240.1	361.0	411.5	396.4	669.9
Major exporters of manufactures	99.1	193.4	131.7	--	32.5	288.0	321.0	154.2	77.0	494.8	1,626.0	2,339.0
Low-income countries	120.3	174.7	178.6	315.5	358.6	297.9	218.5	260.5	382.5	678.4	2,185.2	4,159.9
Other net oil importers	279.1	162.5	177.6	126.8	192.6	316.8	353.0	606.3	1,033.0	2,013.0	4,310.1	5,763.2
Low conditionality credit	143.4	396.5	468.3	1,655.7	3,414.4	5,833.2	5,758.9	5,729.4	5,740.0	6,399.5	7,295.3	9,241.2
Net oil exporters	39.5	68.3	81.9	59.2	51.7	609.4	542.2	679.8	566.8	392.0	516.4	740.0
Major exporters of manufactures	--	64.0	64.0	381.7	988.1	1,831.3	1,705.6	1,201.1	984.3	960.9	669.1	1,723.8
Low-income countries	33.5	124.3	147.8	720.6	1,187.3	1,283.1	1,410.9	1,450.7	1,568.9	2,487.4	3,133.1	3,491.3
Other net oil importers	70.3	139.9	174.6	494.2	1,187.5	2,109.4	2,100.2	2,397.9	2,620.0	2,559.3	2,976.7	3,287.2

1/ Components may not add up to totals because of rounding.

Table 13. Members' Indebtedness to the Fund in Relation to Some Key Indicators, 1980

(In per cent)

Members indebted to the Fund at end-1980 <u>1/</u> ranked according to ratio of Fund credit to medium- and long-term debt	Indebtedness to the Fund in per cent of					
	Medium- and long-term public debt <u>2/</u>	Medium-term public debt	Current account deficit <u>3/</u>	Export earnings	Total reserves	Fund quota
<u>Industrial countries</u>						
New Zealand	*		--	2.8	47.8	38.0
Australia	3.5		--	0.3	3.8	5.2
Iceland	3.4		--	1.7	11.4	36.1
Spain	2.8		--	0.7	2.1	24.6
Finland	1.7		--	0.5	4.4	16.9
United Kingdom	*		--	0.4	3.3	12.8
<u>Non-oil developing countries</u>						
Equatorial Guinea	*		77.8	110.5	100.0	84.0
Mauritius	26.4	43.4	31.5	17.2	72.7	194.8
Sri Lanka	23.5	75.5	1.2	25.8	151.5	165.1
Burundi	23.7	80.0	5.0	35.0	37.8	80.0
Nepal	20.6	100.0	13.8	14.4	21.2	112.5
Grenada	*		--	7.2	22.7	48.9
Zambia	20.3	53.3	1.9	33.2	507.6	165.5
Jamaica	19.0	38.2	--	20.4	295.9	218.5
Gambia, The	17.4	100.0	3.1	24.9	283.1	90.6
Sierra Leone	15.9	34.4	1.3	21.4	194.2	99.1
Liberia	15.0	37.6	--	10.7	2,145.5	124.6
Haiti	14.8	83.4	15.7	12.2	264.7	100.6
Philippines	14.4	22.0	12.0	13.1	35.7	260.2
Yugoslavia	14.3	45.5	14.2	4.3	51.8	143.3
Guyana	14.2	29.4	27.7	21.1	676.7	177.4
Central African Republic	14.0	35.7	5.3	13.7	41.9	76.8
Senegal	14.0	30.4	9.0	15.2	1,498.6	174.4
Dominica	*		--	9.4	17.0	58.6
Kenya	13.1	30.8	6.7	12.6	51.3	191.4
Sudan	12.5	35.2	18.1	40.3	879.6	254.5
Uganda	12.2	31.4	54.9	26.7	522.7	92.0
Tanzania	11.6	68.7	3.7	23.2	840.3	161.8
Malawi	11.5	26.8	15.7	22.2	115.7	215.5
Bangladesh	11.3	74.4	6.0	31.3	140.3	145.9
St. Lucia	*		4.7	1.9	10.4	25.9
Ethiopia	10.3	73.0	3.0	13.7	84.2	115.4
Lao People's Dem. Rep.	*		3.8	66.3	192.7	88.3

Table 13 (continued). Members' Indebtedness to the Fund in Relation to Some Key Indicators, 1980

(In per cent)

Members indebted to the Fund at end-1980 <u>1/</u> ranked according to ratio of Fund credit to medium- and long-term debt	Indebtedness to the Fund in per cent of					
	Medium- and long-term public debt <u>2/</u>	Medium-term public debt	Current account deficit <u>3/</u>	Export earnings	Total reserves	Fund quota
Western Samoa	9.8	42.9	--	14.2	113.3	90.6
Ghana	9.2	31.5	--	7.7	46.6	47.8
Cyprus	9.0	14.0	--	3.5	10.0	60.0
Thailand	9.0	19.1	--	4.1	20.8	100.4
Lesotho	8.9	24.6	0.5	2.4	12.5	44.4
Yemen, P.D.R.	8.8	100.0	--	11.0	20.5	61.3
Rwanda	8.6	100.0	4.1	6.8	7.3	30.4
Zaire	8.4	18.9	14.0	17.4	170.7	128.4
Chad	8.3	40.3	--	15.9	247.7	45.0
Turkey	8.1	20.0	16.2	16.9	73.1	275.1
Madagascar	8.0	18.0	10.5	18.7	475.5	133.8
Pakistan	7.4	53.9	10.5	12.4	115.9	122.4
Burma	7.1	30.6	--	23.1	41.2	79.7
Peru	6.9	13.4	--	9.9	23.2	151.0
Mauritania	6.7	26.1	6.9	19.0	35.5	150.2
Benin	6.2	20.9	4.7	4.5	186.8	52.8
Morocco	6.2	11.2	10.7	10.7	106.4	159.3
Mali	6.1	65.4	4.4	13.8	250.4	74.0
Papua New Guinea	6.0	9.6	1.4	2.8	7.3	54.0
India	5.7	80.3	37.8	7.6	13.8	46.1
Bolivia	5.5	11.2	53.7	12.1	90.0	144.4
El Salvador	5.3	73.1	27.4	2.7	30.9	37.5
Upper Volta	5.0	51.4	1.4	11.3	23.4	52.8
Korea	4.0	6.5	10.4	3.0	23.2	208.7
Niger	4.0	11.7	2.7	2.6	12.8	52.8
Dominican Republic	3.7	9.1	--	3.3	23.3	45.8
Swaziland	3.5	19.1	2.3	1.4	3.5	24.8
Togo	3.5	7.3	8.0	8.2	41.3	87.9
Barbados	3.4	16.1	--	0.5	3.7	8.7
Romania	*		0.6	2.8	67.2	70.0
Cameroon	3.3	8.4	--	3.4	30.9	67.7
Guinea	3.3	13.0	--	4.8	35.0	61.0
Honduras	3.3	15.0	7.1	3.5	21.8	50.5
Costa Rica	3.2	5.8	0.2	4.7	37.7	72.0
Egypt	3.1	15.4	--	4.5	33.9	89.8
Guinea-Bissau	*		--	6.9	11.5	18.6
Nicaragua	3.0	7.7	--	9.5	106.4	75.8
Somalia	2.6	93.2	6.5	7.0	114.0	40.1

Table 13 (concluded). Members' Indebtedness to the Fund in Relation to Some Key Indicators, 1980

(In per cent)

Members indebted to the Fund at end-1980 <u>1/</u> ranked according to ratio of Fund credit to medium- and long-term debt	Indebtedness to the Fund in per cent of					
	Medium- and long-term public debt <u>2/</u>	Medium-term public debt	Current account deficit <u>3/</u>	Export earnings	Total reserves	Fund quota
Congo	2.5	7.0	--	2.2	25.6	67.1
Chile	2.4	3.6	--	2.0	3.8	29.5
Viet Nam	*		--	17.9	58.0	42.5
Portugal	2.3	3.5	--	1.2	6.7	36.3
Greece	2.2	2.8	--	1.1	7.7	28.2
Israel	1.6	5.0	--	1.8	5.9	50.8
Ivory Coast	1.5	2.0	2.4	1.8	297.6	44.4
Gabon	1.1	1.6	--	0.5	13.4	25.2
Panama	1.0	1.3	--	0.6	19.0	26.6

1/ Excluding Kampuchea for which most data are not available.

2/ Asterisks indicate cases for which debt data were not available from the DRS and were based on other information and the IFS. These derived data may be less comprehensive and for a few members are less current.

3/ Ratios given as--denote cases where Fund credit dropped or was unchanged in 1980, or the current account was in surplus.

Table 14. Other Public Debt Outstanding 1/ of 77 Non-Oil Developing Countries
Classified by Analytical Debtor Country Group, Source, and Type of Debt, 1971-81

(In millions of SDRs) 2/

	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981 3/
Debt of 77 countries	44,602	50,884	54,292	65,749	82,717	100,884	119,001	135,656	157,539	185,466	231,494
Official creditors	30,874	34,836	36,404	42,366	52,020	61,373	70,161	77,523	87,070	101,717	121,760
Concessional	24,228	27,249	28,278	32,376	39,238	45,649	51,648	55,281	59,457	68,143	76,096
Non-concessional	6,646	7,587	8,126	9,990	12,782	15,724	18,513	22,242	27,613	33,574	45,664
Private creditors	13,728	16,048	17,888	23,383	30,698	39,512	48,839	58,128	70,468	83,749	109,734
Financial markets	7,659	9,581	11,751	16,227	22,485	30,759	39,330	47,450	60,023	73,032	98,042
Suppliers and others	6,069	6,467	6,137	7,156	8,213	8,753	9,509	10,678	10,445	10,717	11,692
Debt of net oil exporters from:	8,247	9,451	10,808	14,567	21,527	28,169	35,993	41,037	46,207	53,676	68,913
Official creditors	4,530	4,936	5,265	6,287	9,307	11,269	14,557	16,430	18,017	21,243	24,828
Concessional	2,747	2,965	3,239	3,864	6,071	7,359	9,546	10,735	11,627	13,402	14,735
Non-concessional	1,783	1,971	2,026	2,423	3,236	3,910	5,011	5,695	6,390	7,841	10,093
Private creditors	3,715	4,513	5,542	8,279	12,220	16,901	21,438	24,607	28,189	32,434	44,085
Financial markets	2,448	3,046	4,198	6,535	10,148	14,742	19,318	22,563	25,837	29,912	41,111
Suppliers and others	1,267	1,467	1,344	1,744	2,072	2,159	2,120	2,044	2,352	2,522	2,974
Debt of major exporters of manufactures from:	9,650	11,476	12,524	14,666	17,669	21,656	24,549	29,176	34,336	41,970	53,038
Official creditors	4,377	5,348	5,926	6,879	8,388	10,496	11,915	13,874	16,008	18,716	22,214
Concessional	3,045	3,744	4,071	4,630	5,403	6,543	7,247	8,063	8,696	9,374	9,686
Non-concessional	1,332	1,604	1,855	2,249	2,985	3,953	4,668	5,811	7,312	9,342	12,528
Private creditors	5,273	6,130	6,600	7,786	9,283	11,161	12,634	15,302	18,328	23,257	30,824
Financial markets	3,182	3,980	4,358	5,490	6,657	8,408	9,485	11,201	14,699	19,471	26,937
Suppliers and others	2,091	2,150	2,242	2,296	2,626	2,753	3,149	4,101	3,629	3,786	3,887
Debt of low-income countries from:	14,852	16,415	16,782	19,420	22,722	26,177	28,594	30,037	32,025	36,243	41,864
Official creditors	13,494	14,915	15,165	17,419	20,488	23,672	25,736	26,809	28,715	32,555	37,280
Concessional	12,167	13,493	13,643	15,830	18,783	21,748	23,648	24,526	25,557	28,998	32,239
Non-concessional	1,327	1,422	1,522	1,589	1,705	1,924	2,088	2,283	3,158	3,557	5,041
Private creditors	1,357	1,503	1,619	1,999	2,234	2,501	2,855	3,228	3,307	3,688	4,584
Financial markets	422	487	619	848	1,038	1,219	1,454	1,639	1,675	2,173	3,248
Suppliers and others	935	1,016	1,000	1,151	1,196	1,282	1,401	1,589	1,632	1,515	1,336
Debt of other net oil importers from:	11,855	13,536	14,172	17,098	20,802	24,884	29,869	35,403	44,974	53,576	67,679
Official creditors	8,473	9,637	10,048	11,781	13,837	15,936	17,955	20,412	24,334	29,203	37,438
Concessional	6,269	7,047	7,325	8,052	8,980	9,998	11,208	11,959	13,581	16,367	19,436
Non-concessional	2,204	2,590	2,723	3,729	4,857	5,938	6,747	8,453	10,753	12,836	18,002
Private creditors	3,383	3,902	4,126	5,319	6,970	8,949	11,912	14,991	20,644	24,371	30,241
Financial markets	1,607	2,068	2,575	3,354	4,642	6,390	9,073	12,047	17,812	21,477	26,746
Suppliers and others	1,776	1,834	1,551	1,965	2,327	2,559	2,839	2,944	2,832	2,894	3,495

1/ Public debt not including indebtedness to the Fund.

2/ Components may not add up to totals because of rounding.

3/ Preliminary data

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