

EBS/83/65
Correction 1

CONFIDENTIAL

April 15, 1983

To: Members of the Executive Board

From: The Secretary

Subject: Central African Republic - Staff Report for the 1982 Article IV
Consultation and Request for Stand-By Arrangement

The following correction has been made in EBS/83/65 (3/29/83):

Page 36, item 3, lines 2 and 3: for "SDR 10,641,763 million and"
read "SDR 10,461,763 and"

A corrected page is attached.

Att: (1)

Table II. Central African Republic Public Investment, 1980-85

(In millions of CFA francs)

	1980-81 Average	1982 Estimate	1983	1984 Planned	1985	1983-85	
						Total	In per cent
Directly productive sectors	7,751	11,458	14,064	19,185	14,099	47,348	51.4
Agriculture 1/	2,353	3,799	5,373	7,843	6,641	19,857	21.6
Livestock and fishing	794	921	1,469	1,222	1,461	4,152	4.5
Forestry	561	1,045	772	885	1,025	2,682	2.9
Extractive industries (mines, etc.)	1,173	3,225	3,775	4,140	1,105	9,020	9.8
Manufacturing	2,616	971	1,072	810	750	2,632	2.9
Energy and water	135	1,330	1,047	3,310	3,100	7,457	8.1
Transport	...	50	--	--	--	--	--
Tourism	119	117	556	975	17	1,548	1.7
Infrastructure	5,453	4,619	13,235	15,002	8,648	36,885	40.1
Roads	4,420	2,775	10,687	11,782	5,668	28,137	30.6
River transport	545	942	970	430	300	1,700	1.8
Air transport	100	90	800	1,060	--	1,860	2.0
Communications 2/	388	812	778	1,730	2,680	5,188	5.6
Social and related services	998	1,996	2,632	1,974	3,201	7,807	8.5
Housing and urban development	90	20	80	--	--	80	0.1
Education	265	1,234	1,065	1,650	1,451	4,166	4.5
Manpower training	--	--	--	--	--	--	--
Public health	393	742	1,287	324	1,750	3,361	3.6
Administration	250	--	200	--	--	200	0.2
Total	14,202	18,073	29,931 3/	36,161	25,948	92,040	100.0
Financing	14,202	18,073	29,931	36,161	25,948	92,040	100.0
Internal	3,977	3,722	2,834	2,494	2,424	7,752	8.4
External	10,225	14,351	27,097	33,667	23,524	84,288	91.6

Source: Data provided by the C.A.R. authorities.

1/ Includes agro-industries.

2/ Postal service, telecommunication, and radio.

3/ Includes private investments of CFAF 5.9 billion.

Central African Republic - Stand-By Arrangement

Attached hereto is a letter, with annexed memorandum, dated March 17, 1983 from the Minister of Economy and Finance requesting a stand-by arrangement and setting forth the objectives and policies which the Government of the Central African Republic intends to pursue. To support these objectives and policies the International Monetary Fund grants this stand-by arrangement in accordance with the following provisions:

1. For a period of one year, from April , 1983 to April , 1984, the Central African Republic will have the right, after making full use of any reserve tranche that it may have at the time of making a request for a purchase under this arrangement, to make purchases from the Fund in an amount equivalent to SDR 18 million, subject to paragraphs 2, 3, 4, and 5 below, without further review by the Fund.

2. Purchases under this arrangement shall not, without the consent of the Fund, exceed the equivalent of SDR 4.5 million until August 30, 1983, SDR 9.0 million until November 15, 1983, and SDR 13.5 million until February 15, 1984, but none of these limits shall apply to a purchase under the stand-by arrangement that would not increase the Fund's holdings of the Central African Republic's currency beyond the first credit tranche plus 12.5 per cent of quota.

3. Purchases under this arrangement shall be made from borrowed resources until purchases reach the equivalent of SDR 10,641,763 and thereafter from ordinary and borrowed resources in the ratio of 1 : 1.2, provided that any modification by the Fund of the proportions of ordinary and borrowed resources shall apply to amounts that may be purchased after the date of modification.

4. The Central African Republic will not make purchases under this arrangement that would increase the Fund's holdings of its currency beyond the first credit tranche plus 12.5 per cent of quota:

- a. during any period in which the data at the end of the preceding period indicate that
 - (i) the limit on domestic credit described in paragraph 10 of the annexed memorandum, or
 - (ii) the limit on net bank credit to the Government described in paragraph 9 of the annexed memorandum, or
 - (iii) the limit on the amount of new nonconcessional external loans in the maturity range of 1-12 years contracted or guaranteed by the Government described in paragraph 13 of the annexed memorandum, or